



Australian Potash Limited

(ASX:APC)

Investor Presentation

February 2018





Cautionary Statement & Disclaimer

Scoping study – cautionary statement

The Study referred to in this announcement is a preliminary technical and economic investigation of the potential viability of the Lake Wells Potash Project. It is based on low accuracy technical and economic assessments, (+/- 35% accuracy) and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Study will be realised.

Approximately 86% of the existing Mineral Resource is in the Indicated category, with the remainder in the Inferred category. There is a low level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Indicated or Measured Mineral Resources. Furthermore, there is no certainty that further exploration work will result in the conversion of Indicated and Measured Mineral Resources to Ore Reserves, or that the production target itself will be realised.

The Scoping Study is based on the material assumptions outlined below. These include assumptions about the availability of funding. While Australian Potash Limited considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be accurate or that outcomes indicated by the Study will be achieved.

To achieve the outcomes indicated in this Study, initial funding in the order of A\$175m/US\$135m will likely be required. Investors should note that there is no certainty that Australian Potash Limited will be able to raise funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Australian Potash Limited's existing shares.

It is also possible that Australian Potash Limited could pursue other value realisation strategies such as sale, partial sale, or joint venture of the Project. If it does this could materially reduce Australian Potash Limited's proportionate ownership of the Project.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of this Scoping Study.

Forward looking statements disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.



Competent Persons Statement

The information in the announcement that relates to Exploration Targets and Mineral Resources is based on information that was compiled by Mr Duncan Gareth Storey. Mr Storey is a Director and Consulting Hydrogeologist with AQ2, a firm that provides consulting services to the Company. Neither Mr Storey nor AQ2 own either directly or indirectly any securities in the issued capital of the Company. Mr Storey has 30 years of international experience. He is a Chartered Geologist with, and Fellow of, the Geological Society of London (a Recognised Professional Organisation under the JORC Code 2012). Mr Storey has experience in the assessment and development of paleochannel aquifers, including the development of hypersaline brines in Western Australia. His experience and expertise are such that he qualifies as a Competent Person as defined in the 2012 edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves”. Mr Storey consents to the inclusion in this report of the matters based on this information in the form and context as it appears.

The Hydrogeological information in this report has been prepared by Carsten Kraut, who is a member of the Australasian Institute of Geoscientists (AIG), and International Association of Hydrogeologists (IAH). Carsten Kraut is contracted to the Company through Flux Groundwater Pty Ltd. Carsten Kraut has experience in the assessment and development of palaeochannel groundwater resources, including the development of water supplies in hypersaline palaeochannels in Western Australia. His experience and expertise is such that he qualifies as a Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Kraut consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Footnotes to Disclosures

1. Refer to ASX announcement 27 July 2017 ‘Yamarna Gold Assets Review and Exploration Plans’. That announcement contains the relevant statements, data and consents referred to in this announcement. Apart from that which is disclosed in this document, Australian Potash Limited, its directors, officers and agents: 1. Are not aware of any new information that materially affects the information contained in the 27 July 2017 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 27 July 2017 announcement continue to apply and have not materially changed.
2. Gold Road Resources Limited, ASX announcement 27 June 2017, ‘Yamarna Exploration Update: Significant Intersections Returned Across Tenement Package’.
3. www.goldfields.com.au
4. Refer to ASX announcement 23 March 2017 ‘Scoping Study Confirms Exceptional Economics of APC’s 100% Owned Lake Wells Potash Project In WA’. That announcement contains the relevant statements, data and consents referred to in this announcement. Apart from that which is disclosed in this document, Australian Potash Limited, its directors, officers and agents: 1. Are not aware of any new information that materially affects the information contained in the 23 March 2017 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 23 March 2017 announcement continue to apply and have not materially changed.



Australian Potash Limited (ASX: APC)

APC is focused on the production of the premium specialty fertilizer potassium sulphate ("SOP"). SOP is used in the production of high value, chloride-sensitive crops such as fruits, vegetables, and tree nuts.

APC controls, directly or through agreement, mineral leases across some 1,500 square miles at its Lake Wells SOP Project in the Eastern Goldfields region of Western Australia.

The Lake Wells SOP project is not subject to Native Title and is currently being assessed for approval by the EPA.

APC is currently engaged in engineering, test-work and analysis to support a feasibility study, including securing environmental permitting.

The Company's ultimate goal is SOP production using cost-effective solar evaporation.



Corporate Overview

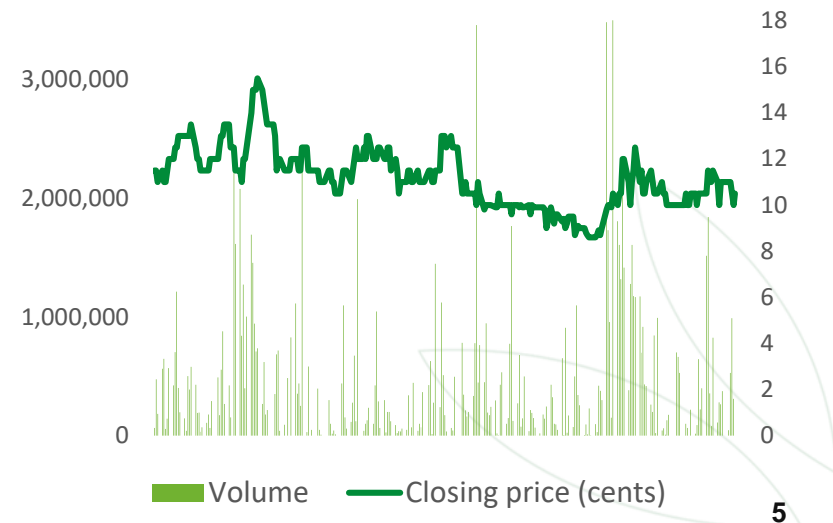
APC provides investors with a capital efficient exposure to the rapidly evolving SOP outlook

Capital structure

ASX ticker	APC
Share price (16 February 2018)	A\$0.105
Shares on issue (ASX: APC)	261m
Listed Options (ASX: APCOA)	38m
Unlisted Options	34m
Market capitalisation	A\$28m
Top 20	43%
Largest shareholder: Yandal Investments Pty Ltd	11%



APC share price performance (1 year)



Australian Potash Limited (ASX:APC)



Directors

Matt Shackleton

Executive Chairman



Matt joined APC as Executive Chairman in July 2014. He is a Chartered Accountant, and has more than 20 years experience in senior management and board roles. Previously the Managing Director of Western Australian gold developer Mount Magnet South NL (ASX: MUM), Matt was the founding director of West African gold and bauxite explorer Canyon Resources Limited (ASX: CAY). He has also held senior roles with Bannerman Resources Limited (ASX: BMN), a uranium developer, Skywest Airlines, iiNet Limited (ASX: IIN) and London investment bank DRCM Global Investors.

Matt is currently the Company's fourth largest shareholder and has participated in all of the capital raisings since joining APC.

B.Comm. (Economics & Accounting), MBA, FICAA

Rhett Brans

Non-executive Director



Mr Brans is an experienced director and civil engineer with over 45 years experience in project developments. He is currently a Non-executive director with Carnavale Resources Ltd (ASX: CAV) and AVZ Minerals Ltd (ASX: AVZ). Previously, Mr Brans was a Non-executive Director of Syrah Resources (ASX: SYR), a founding director of Perseus Mining Limited (ASX: PRU) and served on the boards of Tiger Resources Limited (ASX: TGS) and Monument Mining Limited.

Dip.Engineering (Civil), MIEAUST CPENG

Brett Lambert

Non-executive Director



Mr Lambert is a mining engineer and experienced company director in the Australian and international mineral resources industry. Over a career spanning 35 years, Mr Lambert has held senior management roles with Western Mining Corporation, Herald Resources, Western Metals, Padaeng Industry, Intrepid Mines (ASX: IAU), Thundelarra Exploration (ASX: THX) and Bullabulling Gold. He has successfully managed a number of green-fields resource projects through feasibility study and development and has been involved in numerous facets of financing resource project development. Mr Lambert is a Non-executive director of Mincor Resources NL.

B.App.Sc. (Mining Engineering), MAUSIMM



Lake Wells Sulphate of Potash Project

Western Australia, 100% owned





Industry Overview: Sulphate of Potash (SOP)



- Globally traded potash market valued at c. US\$60 billion per annum
- SOP currently accounts for c. US\$6bn of this and is forecast to double by 2025
- SOP is forecast to grow from current 10% of globally traded potash market to 20% by 2025 due to:
 - Decreasing arable land
 - Increasing Asian urbanisation and affluence leading to changing diets
 - Explosion in global population
- SOP, or Potassium Sulphate (K_2O_4), is a premium quality nutrient for the growth of high-value crops:
 - chloride-free and highly concentrated
 - contains c. 50% potassium and 18% Sulphur
 - enhances yield and quality, extends shelf life of produce and improves taste
 - limited availability of SOP globally due to scarcity of primary deposits



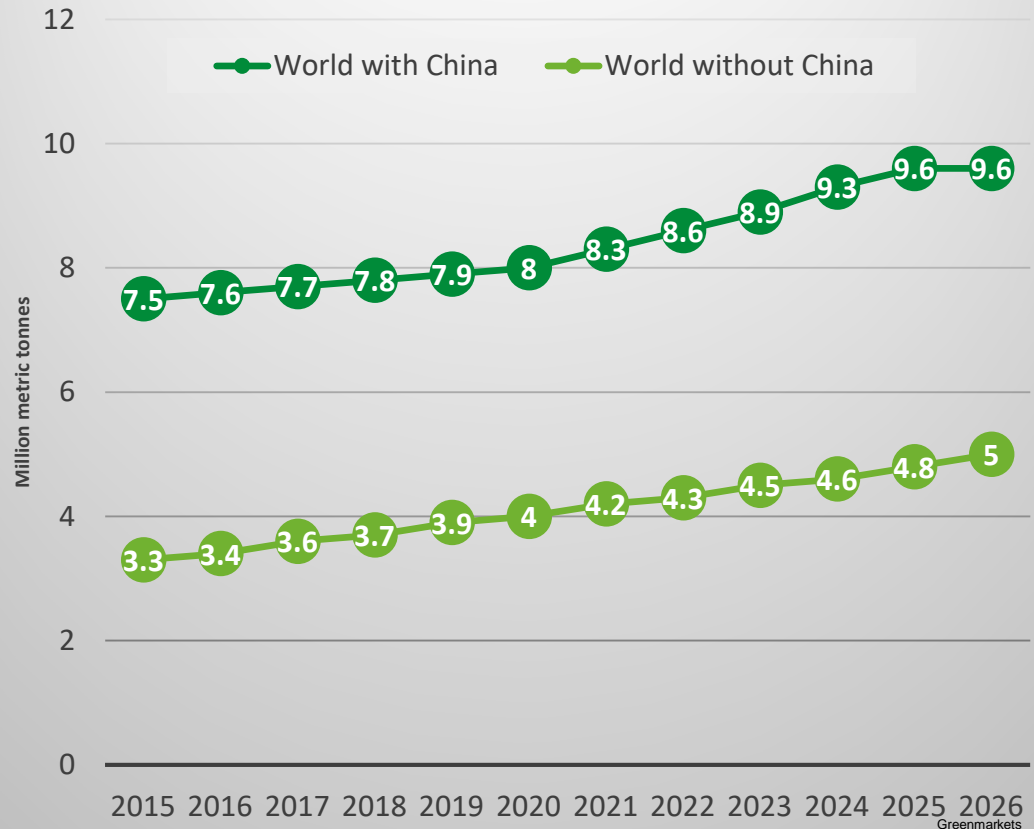
Industry Overview: China is Key

APC has two (2) Memorandums of Understanding signed with:

- Sino-Agri, the largest fertiliser and agricultural company in China, and
- Hubei-Agri, the largest fertiliser/agricultural company in the vital horticultural province of Hubei for
- 100,000tpa of SOP each



SOP Global Demand 2015 – 2026





Industry Overview: China Domestic Production – Rise and Fall

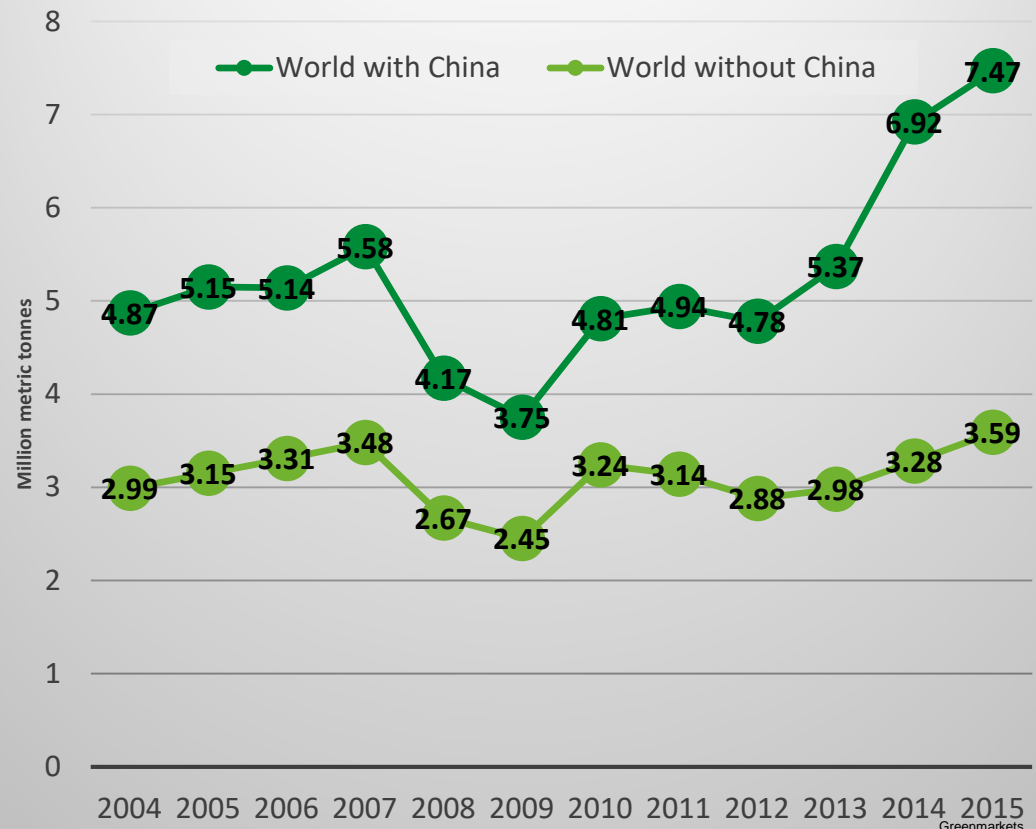
SOP demand within China forecast to remain strong

"Chinese SOP supply could reduce by 1mn t in 2018, given that Mannheim SOP production in China is expected to fall considerably owing to government environmental initiatives." (*Argus, London, 12 January 2018*)

APC is readying to meet this supply-demand imbalance



SOP Global Production 2004 - 2015





Milestones and Targets

	H1 2018	H2 2018	2019
Brine abstraction	<ul style="list-style-type: none"> Continued long-term pump testing 	<ul style="list-style-type: none"> Reserve estimate 	<ul style="list-style-type: none"> Proceed to development
Brine evaporation	<ul style="list-style-type: none"> Completion of first pilot-pond evaporation trial 	<ul style="list-style-type: none"> Commencement of second pilot pond evaporation trial 	<ul style="list-style-type: none"> Proceed to development
Processing of salt	<ul style="list-style-type: none"> Production of trial SOP from evaporation trial 	<ul style="list-style-type: none"> Test-work program on SOP product specs 	<ul style="list-style-type: none"> Proceed to development
Approvals	<ul style="list-style-type: none"> EPA approval Mine Closure Plan Project Management Plan 	<ul style="list-style-type: none"> Expand <i>existing</i> water abstraction licenses Expand <i>existing</i> License to Operate 	<ul style="list-style-type: none"> Proceed to development
Marketing	<ul style="list-style-type: none"> Provide test SOP samples to Chinese MOU partners 	<ul style="list-style-type: none"> Proceed to formalised off-take agreements 	<ul style="list-style-type: none"> Proceed to development
Corporate	<ul style="list-style-type: none"> Marketing roadshow to US, UK, Europe and Asia 	<ul style="list-style-type: none"> SOP/potash project development experience 	<ul style="list-style-type: none"> Proceed to development



Key DFS Work Streams



Source: Compass Minerals

Activity	Status	Scheduled to complete
2017 bore install program	Complete	-
Fresh water program	Complete	-
2017 geotech program	Complete	-
Send trial SOP to MOU partners	On going	H2 2018
2018 bore install program	Scheduled	H1/H2 2018
2018 geotech program	Scheduled	H1 2018
Reporting of Feasibility Study results	On going	H2 2018
Formalize off-take agreements MOU/other partners	On going	H2 2018
Environment Protection Authority assessment	On going	Referral lodged Dec 2017
Ministerial decision	On going	TBD
Early works	Not yet commenced	2019
FEED	Not yet commenced	2019
Project execution	Not yet commenced	2019



Appendices

- *Detailed Location*
- *Year on Year Progress*
- *Approvals Process and Status*
- *Logistics*
- *Evaporation Ponds*
- *MOP to SOP Conversion (non-Mannheim)*
- *JORC2012 Mineral Resource Estimate*
- *Peer Comparison*



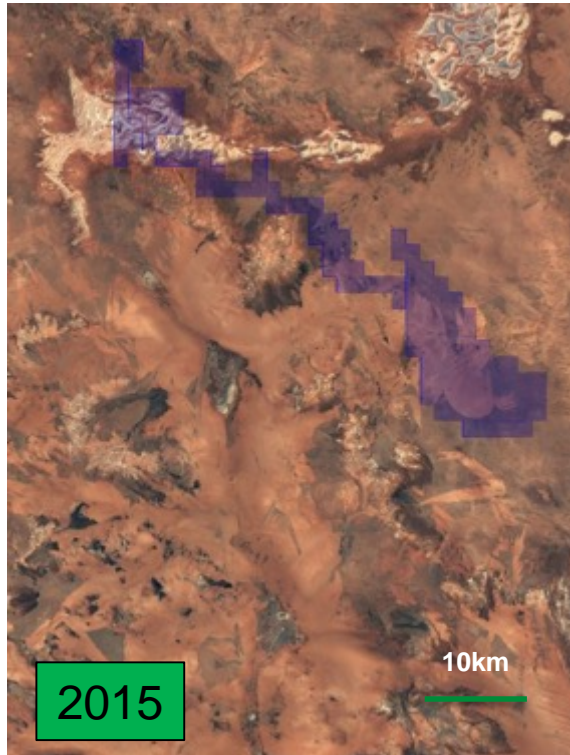
Lake Wells Sulphate of Potash Project

- **100% ownership** of +2,000km² Lake Wells SOP project
 - March 2017 Scoping Study confirms potential for high returning 2 stage, **300ktpa SOP** operation
 - No Native Title lodged, registered and determined
 - **Long life, lowest cost** quartile SOP operation
 - Largest JORC Compliant Indicated SOP resource in Australia
 - **Low upfront capital** hurdle through two stage development strategy to 300ktpa SOP
 - Superior logistical solution to access markets
 - **H2 2018: Definitive feasibility study on target for completion**
- ❑ APC has drilled over 8,000m across 90 production, monitoring and exploration bores
 - ❑ 13 fresh water production bores developed and pump tested
 - ❑ 5 brine production bores developed and pump-tested
 - ❑ 54 monitoring bores developed

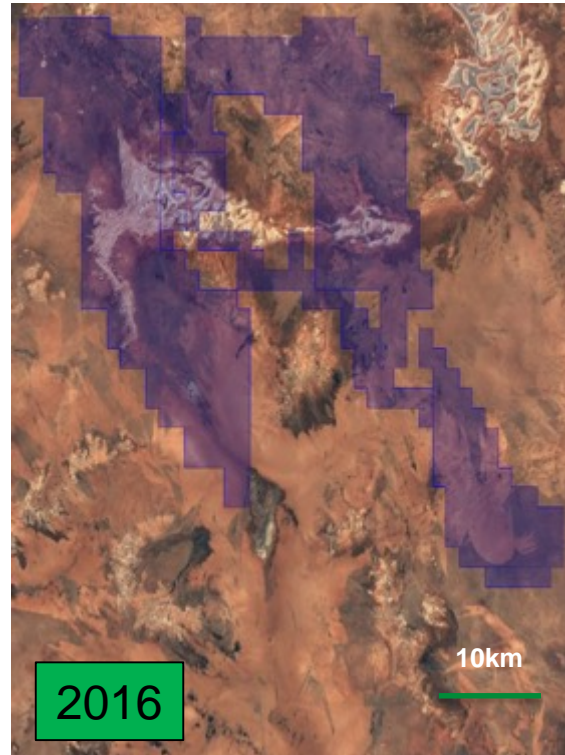




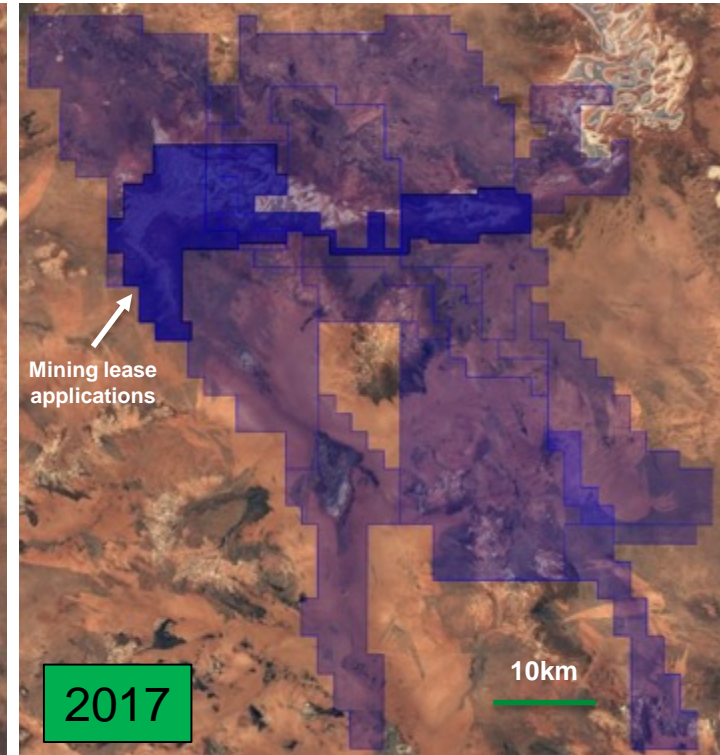
History of Progress



- High-grade Sulphate of Potash deposit identified through brine sampling
- Drilling confirms potential for deep, long and broad deposit
- Seismic survey completed highlighting scale of palaeochannel hosting the brine deposit
- Transaction to treble project area completed



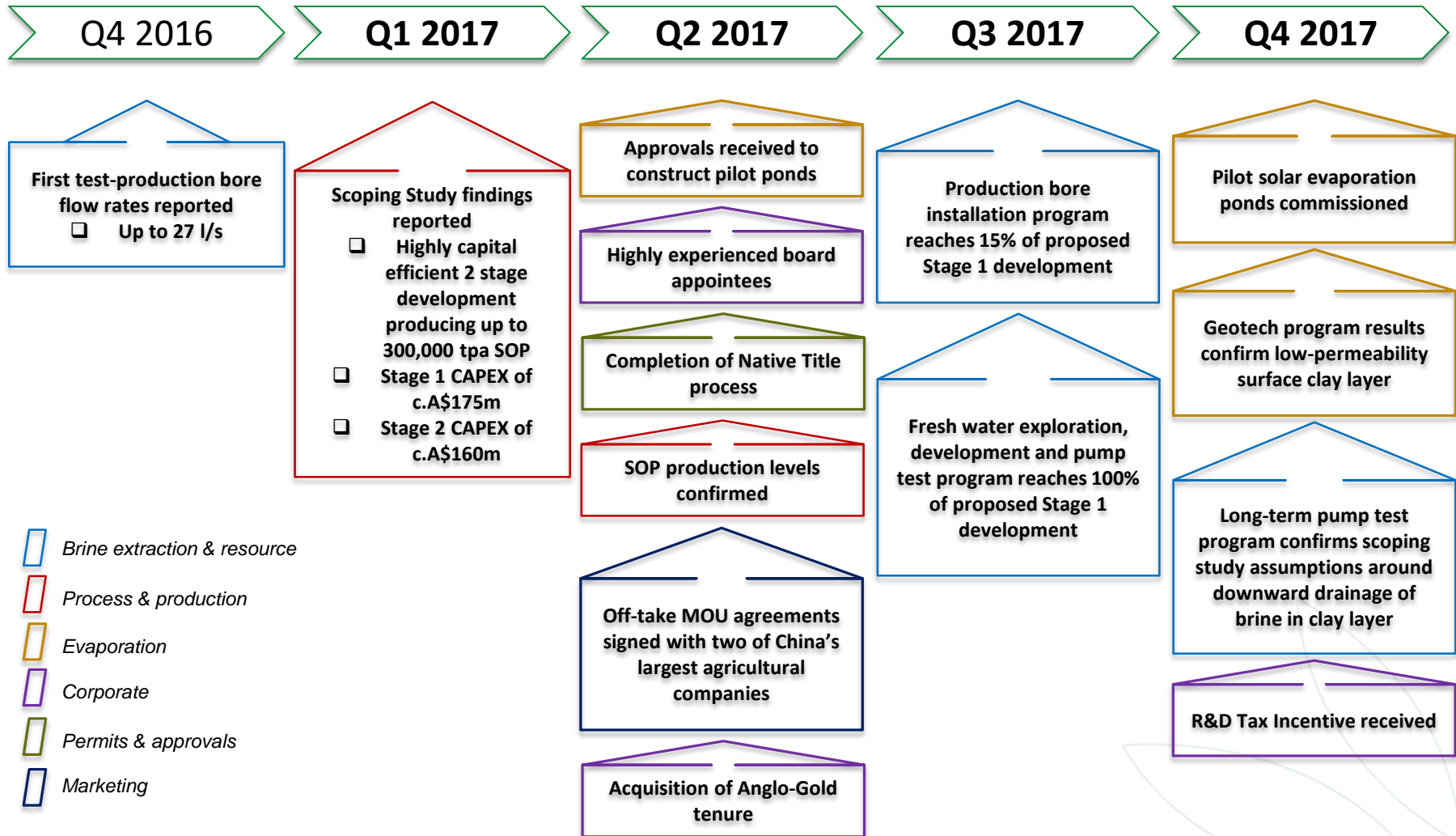
- Maiden JORC Compliant SOP Resource
- Initial test-production bores developed
- First production flow rates released showing rates up to 34l/s
- Applications made for Mining Leases over Stage 1 Development area



- Mining Leases recommended for grant with NIL Native Title claims
- Scoping Study into development generates very strong results
- Board restructured to facilitate development
- Off-take MOUs signed with Chinese partners
- Geotechnical programs confirm pond development model
- Aquifer recharge confirmed through long-term pump testing
- Definitive Feasibility Study commenced



The Last Year





Advanced Permitting Process

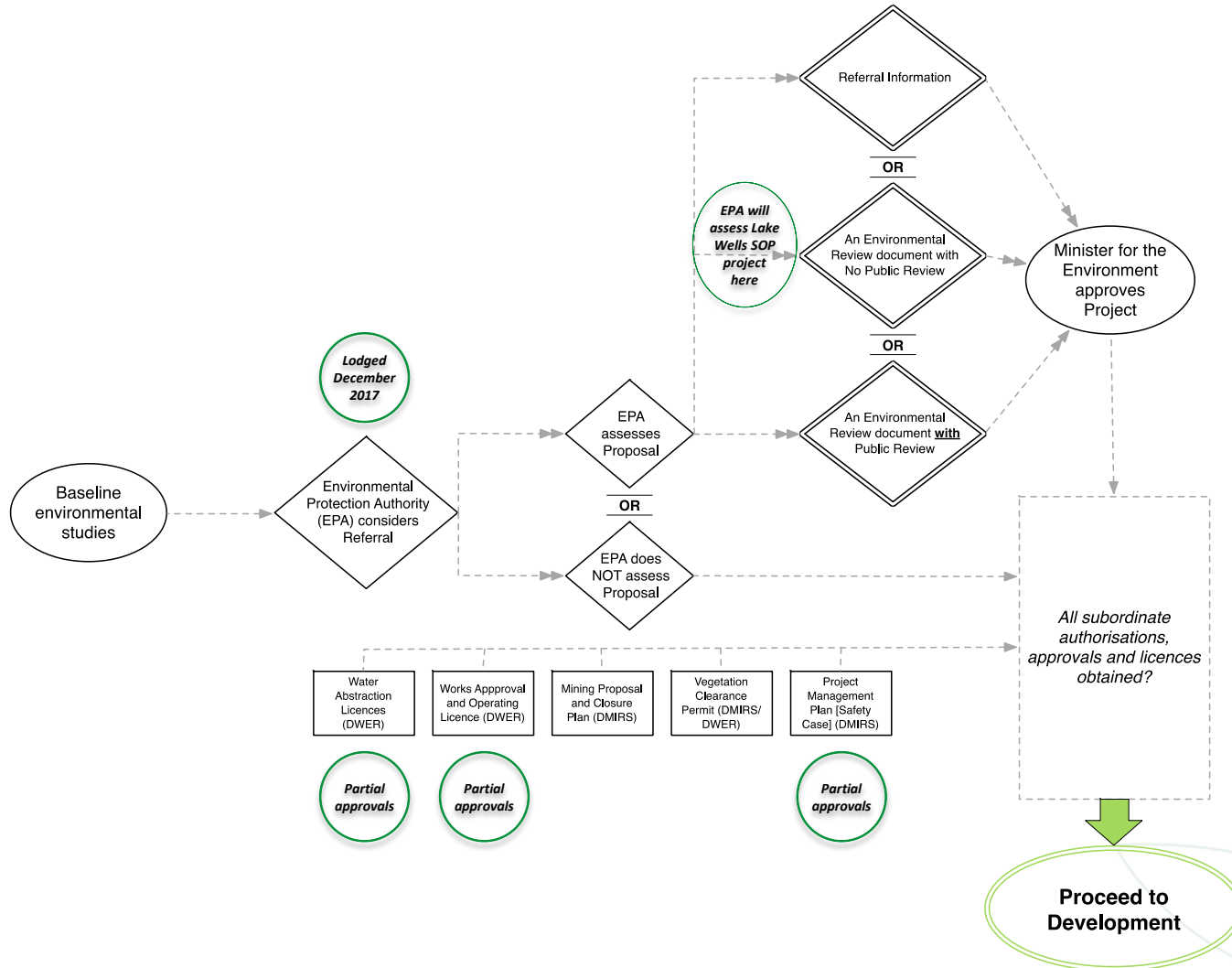
- Australian Potash submitted Mining Lease applications over its development area in December 2016
- The Department of Mines, Industry Regulation and Safety (DMIRS) has recommended the Mining Leases be granted
- The Mining Lease applications have completed the Native Title process under the NTAA and no Native Title claim was lodged, registered or determined

Company	Native Title claims over development area?	Indigenous Land Use Agreements (ILUA) signed?	Mining Leases recommended for grant by DMIRS?
Australian Potash	No	n/a	Yes
Reward Minerals	Yes	No	No
Kalium Lakes	Yes (2)	1 of 2	No
Agrimin	Yes	Yes	No
Salt Lake Potash	Yes	No	No





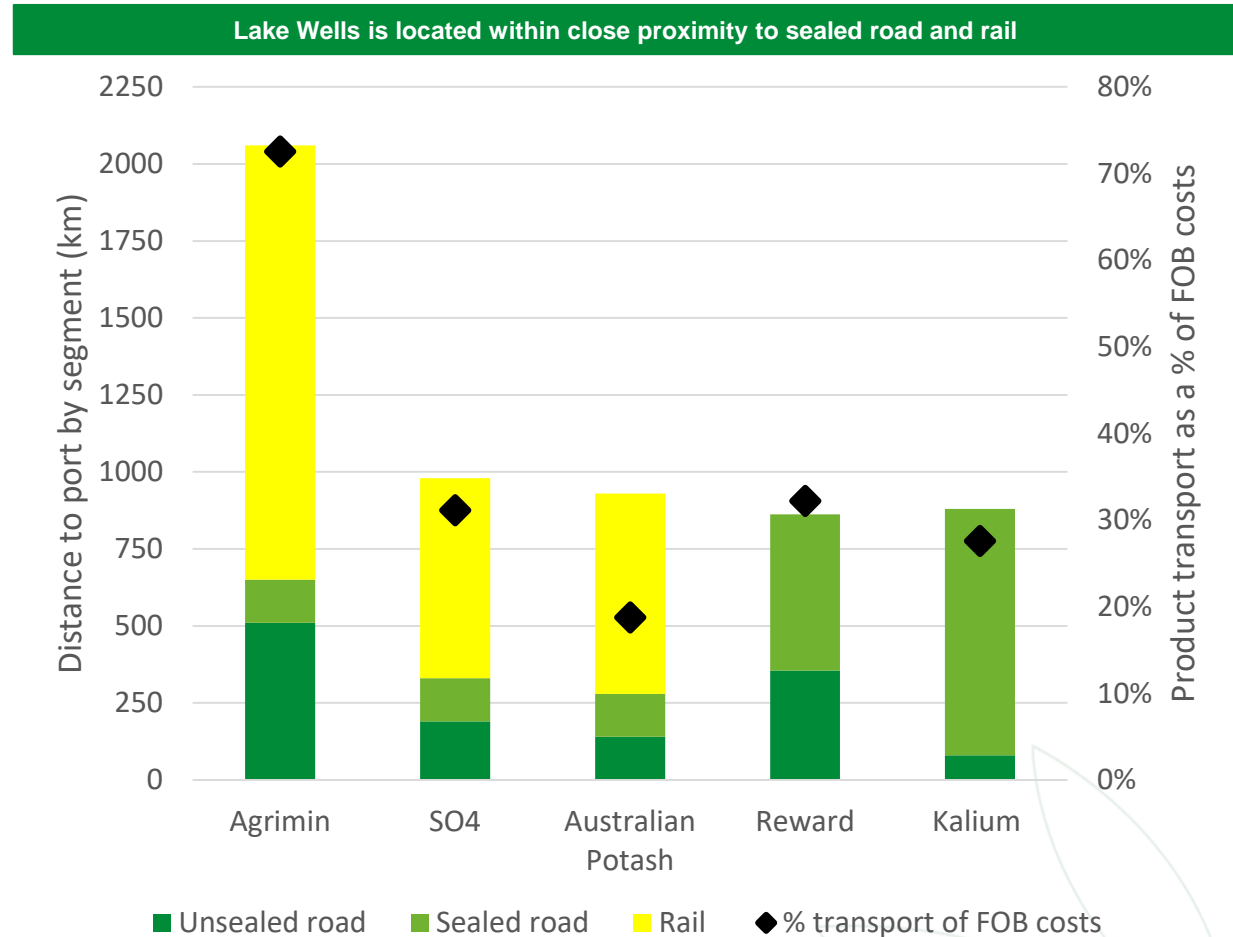
Western Australian Project Approvals Process





Logistics Advantage

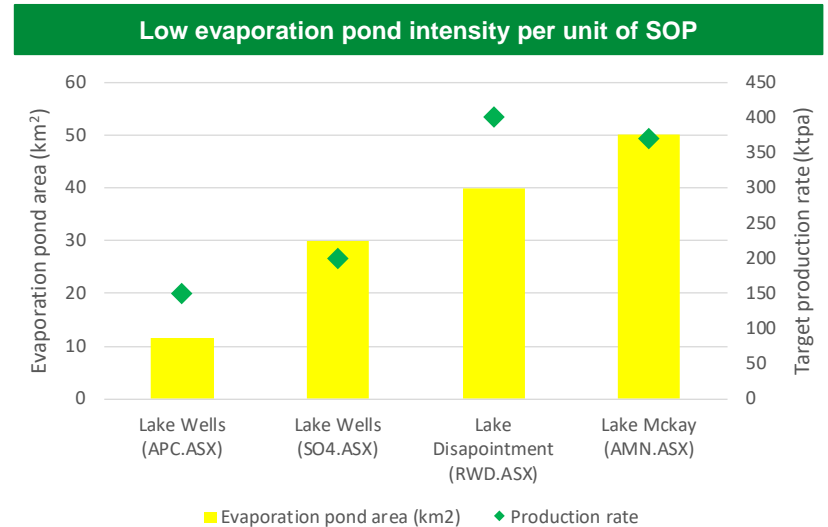
- Australia consumes c.72kt SOP annually, therefore Australian projects will be required to establish a seaborne export route for SOP
- APC's Lake Wells is exceptionally well located within close proximity to sealed road and established rail in-load/out-load infrastructure
- Rail access in the logistical solution is paramount – rail leads to lower freight cost & risk
- APC has identified opportunities to optimise logistics through the DFS program





On-Playa Unlined Evaporation Ponds

- Pre-concentration and crystalliser ponds can be lined or unlined subject to base composition
- APC will develop the pre-concentration and crystalliser ponds on the lake surface taking advantage of an impermeable surficial clay layer
 - High level of supporting technical data including cone penetrometer testing
 - Conservative scoping study seepage rate assumption of 0.1 mm/day
- Utilisation of unlined ponds whilst maintaining a high level of recovery provides a significant CAPEX saving over lined ponds
- MOP circuit incremental production does not require evaporation ponds and associated development capital
 - Lower evaporation pond area intensity v per total SOP production



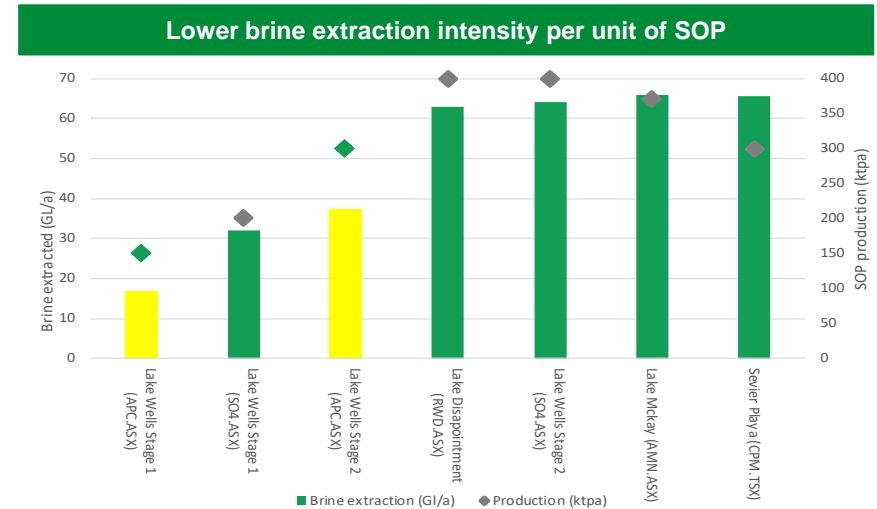
Source: Company exchange releases



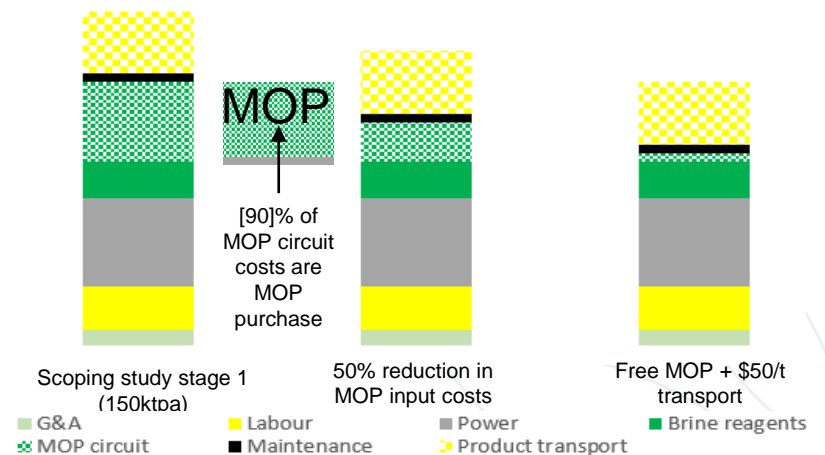


Highly Value Accretive MOP Conversion Circuit

- APC planned MOP conversion circuit utilises excess sulphate levels in brine to maximise value capture of resource and capital efficiency
- Proven process by Compass Minerals at its Great Lakes operation in Utah
- Scoping study economics assume benchmark MOP prices
- Modelling demonstrates the potential to utilise a degraded MOP product with the potential for material production cost reduction
 - MOP product degrades under hot humid storage conditions and becomes unfit for primary purpose
 - The Lake Wells MOP circuit requires the potassium content of MOP to be maintained to react with excess sulphate in the plant
- APC is investigating the potential to source degraded MOP product which will have a material effect on the Lake Wells cost base
- MOP circuit reduces annual brine extraction intensity per unit of SOP production
 - Benefits from shorter working capital cycle compared to pure brine based production



Utilisation of degraded MOP has the potential to reduce the cost base

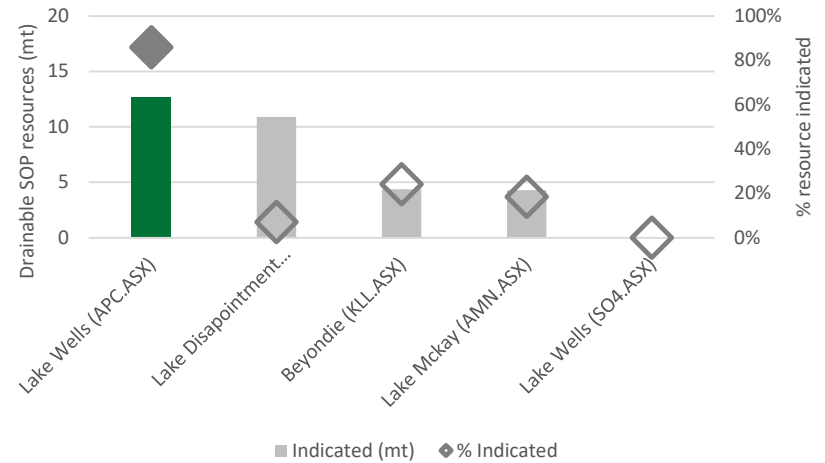




A Significant SOP Resource

- 12.7 million tonnes of Sulphate of Potash
 - Exploration upside
 - Stage 1 development is targetting 150,000 tonnes per annum production
 - Stage 2 development is targetting 300,000 tonnes per annum
 - Long-life project
- Brine extraction model based on low risk industry proven bore field development strategy
 - Commonly used globally for mining operations' water supply
 - Large scale borefield brine extraction operations include; SQM's Salar de Atacama, Orecobre's Olaroz

APC has the largest indicated resource amongst ASX development peers



Source: Company exchange releases, Salt Lake Potash (SO4) has not published a drainable resource estimate



* For full details see ASX release 23 March 2017, *Exceptionally Strong Scoping Study Findings*



JORC Compliant Resource Estimate

Hydrogeological Unit	Volume of Aquifer	Specific Yield	Drainable Brine Volume	K Concentration (mg/L)	SOP Grade (mg/L)	SOP Resource
	MCM	Mean	MCM	Weighted Mean Value	Weighted Mean Value	MT
Indicated Resources						
Western High Grade Zone						
Surficial Aquifer	5,496	10%	549	3,738	8,336	4.6
Upper Sand	37	25%	9	4,017	8,958	0.1
Clay Aquitard	4,758	6%	308	4,068	9,071	2.8
Basal Sand Aquifer	214	29%	63	4,520	10,080	0.6
Sub Total (MCM / MT)	10,505		919	3,904	8,706	8.1
Eastern Zone						
Surficial Aquifer	3,596	10%	359	3,416	7,617	2.7
Upper Sand	22	25%	5	3,345	7,459	0.04
Clay Aquitard	2,689	6%	174	3,362	7,497	1.3
Basal Sand Aquifer	237	29%	69	3,352	7,475	0.5
Sub Total (MCM / MT)	6,545		602	3,391	7,563	4.6
Total Indicated						
Surficial Aquifer	9,092	10%	907	3,610	8,051	7.3
Upper Sand	59	25%	15	3,769	8,404	0.1
Clay Aquitard	7,447	6%	482	3,813	8,503	4.1
Basal Sand Aquifer	452	29%	132	3,906	8,711	1.1
Indicated Resource (MCM / MT)	17,050		1,521	3,707	8,267	12.7
Inferred Resources						
Southern Zone						
Surficial Aquifer	1,296	16%	207	2,742	6,115	1.3
Clay Aquitard	1,901	6%	114	2,620	5,842	0.7
Basal Sand Aquifer	82	23%	19	2,871	6,401	0.1
Inferred Resources (MCM / MT)	3,279		340	2,674	5,963	2.1
<i>Indicated Resource based modelled aquifer volume, mean specific yield and weighted mean K concentrations (derived from modelling)</i>						
Summary						
Indicated Resources	17,050		1,521	3,707	8,267	12.7
Inferred Resources	3,279		340	2,674	5,963	2.1
Total Resources	20,329		1,861	3,541	7,896	14.7

Resources do not include exploration target at Lake Wells South (tenement areas south of Southern Zone)



Australian Peer Comparison

	Australian Potash (APC)	Reward Minerals (RWD)	Agrimin (AMN)	Salt Lake Potash (SO4)	Kalium Lakes (KLL)
Indicated JORC compliant SOP resource	12.7Mt	12.3Mt	4.4Mt	n/a	4.3Mt
Native Title status	NT free	2 claims 1 ILUA	1 claim 1 ILUA	1 claim NO ILUA	2 claims 1 ILUA
Road haul component in logistics	280km	862km	650km	330km	880km
Rail haul component in logistics	650km	NIL	1,410km	650km	NIL
Bores or trenches	BORES 100%	Some bores, mainly trenches	Trenches 100%	Some bores, mainly trenches	Some bores, mainly trenches
Target market	China, 2 x MOUs signed	TBD	TBD	TBD	Australia 1x China MOU
Lined or Unlined evaporation ponds	Unlined	TBD	TBD	Unlined	Lined



Yamarna Gold Project

Western Australia, 100% owned





Yamarna Gold Project

“... it is worth keeping in mind that this area is truly greenfields and covers an area equivalent to the complete area of other known major greenstone belts.”

The Board of APC are actively considering strategic options to realise the inherent value in the Yamarna Gold Project, in order to retain the Company’s core focus on the Lake Wells SOP project.



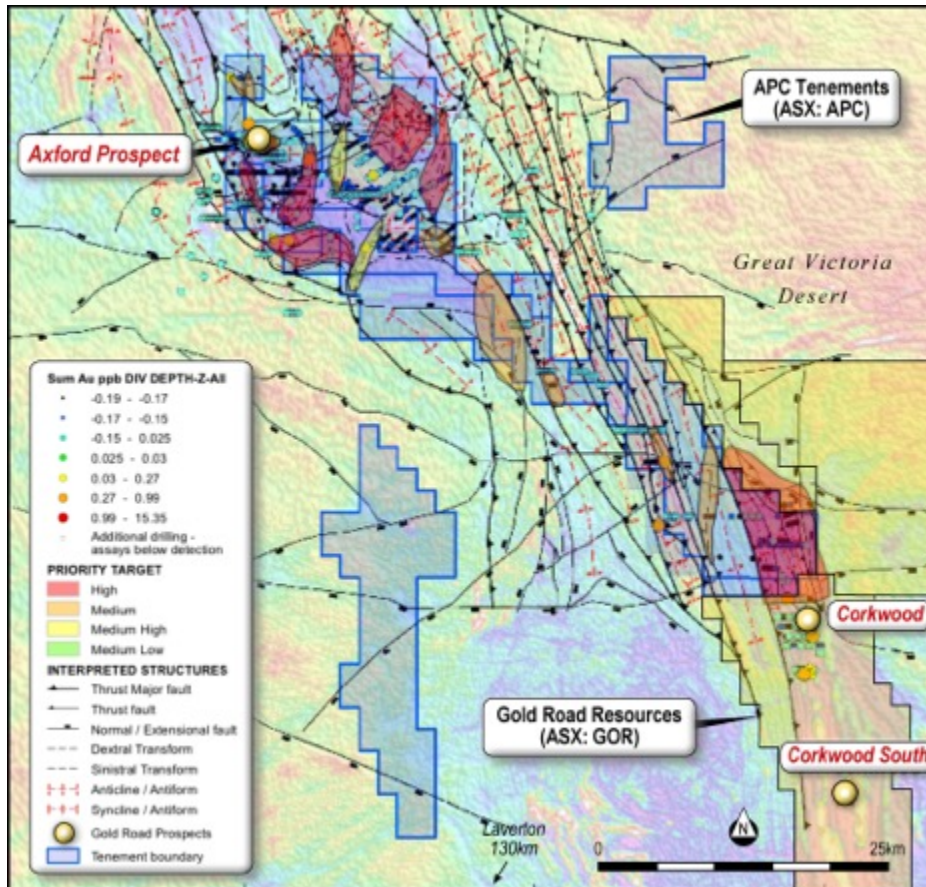
Yamarna Gold Project

- Location - proven gold mineralised system south of and contiguous with Yamarna Gold project tenure
- Structural review and targeting conducted with 18 targets identified
- Pathfinder geochemistry & alteration mapping review conducted with 16 targets identified
- Coincident structural and geochem/litho targets with 16 priority targets identified
- Very limited data set across majority of project area
 - Only 527 BOH geochem samples in review
 - Only 57 RC holes across entire package
 - Package area > 870 square miles





Yamarna Shear – Structural Dilatory Zone



APC tenement outline in relation to Gold Road Resources' North Yamarna Ibanez Prospect

Outstanding regional success

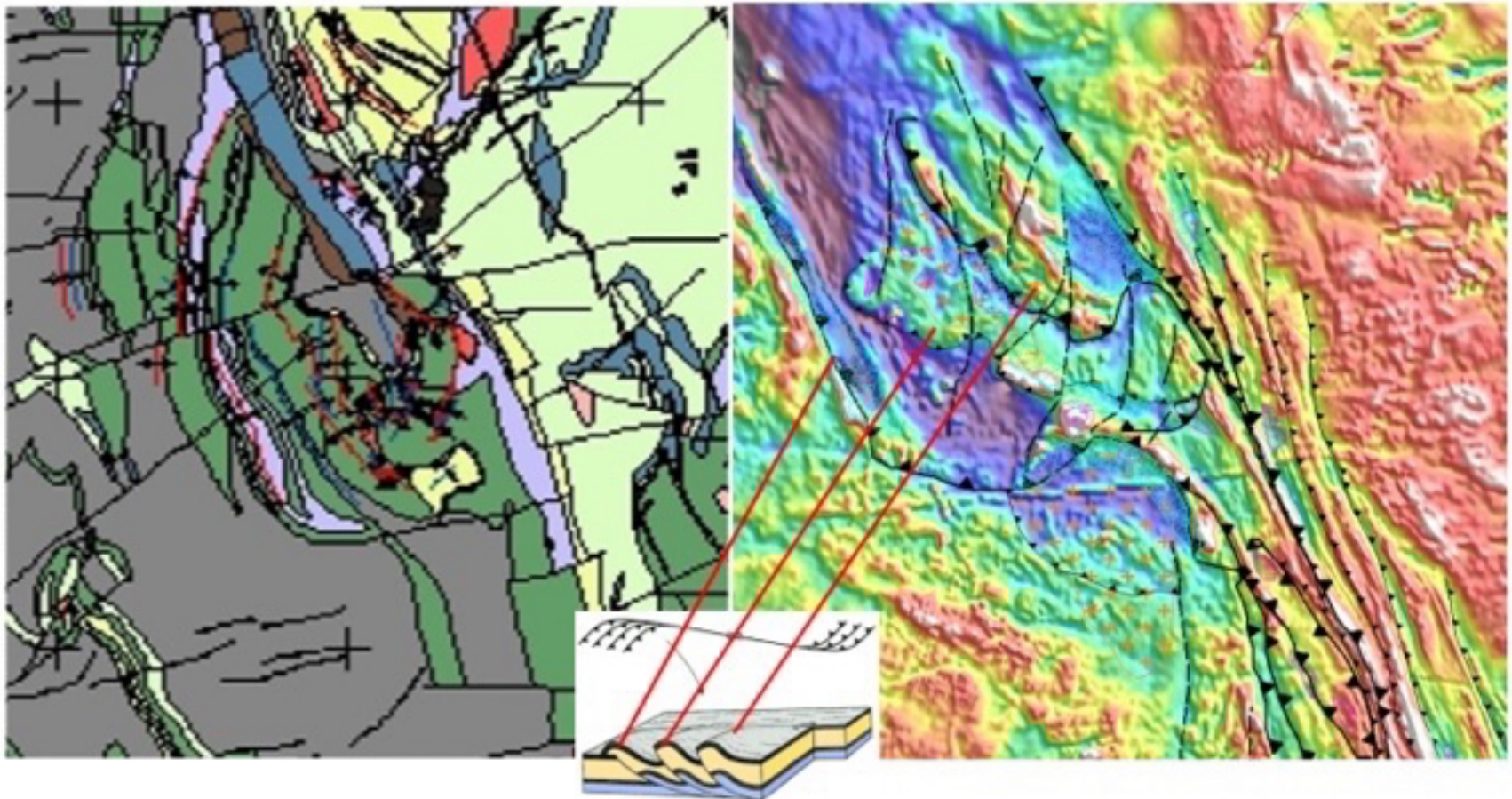
- June 2017 adjoining neighbour Gold Road Resources (ASX: GOR)^{2 3} released outstanding gold results 2kms south-east of APC's tenement holding at **Ibanez** prospect including
 - 10m @ 28.76g/t Au
 - 9m @ 4.56g/t Au
 - 8.20m @ 11.63g/t Au
- Previous APC drilling at **Axford**¹ prospect includes
 - 6m @ 3.46g/t Au
 - 48m @ 0.51g/t Au and
 - 10m @ 1.55g/t Au



Structural Analogues: Archean greenstone

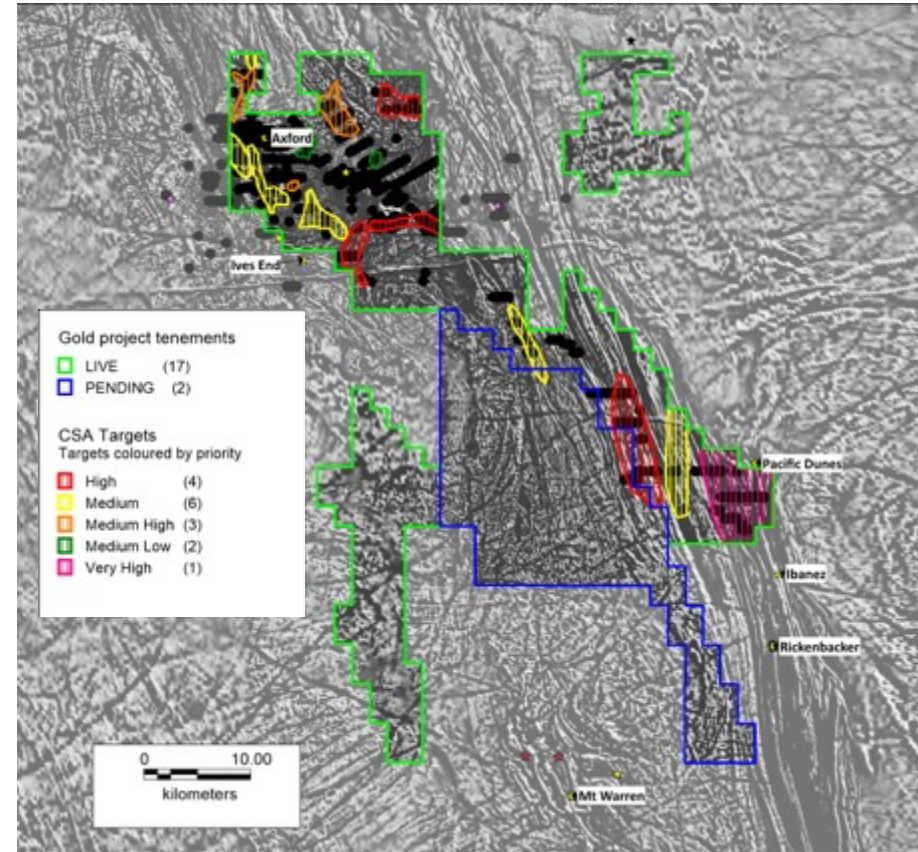
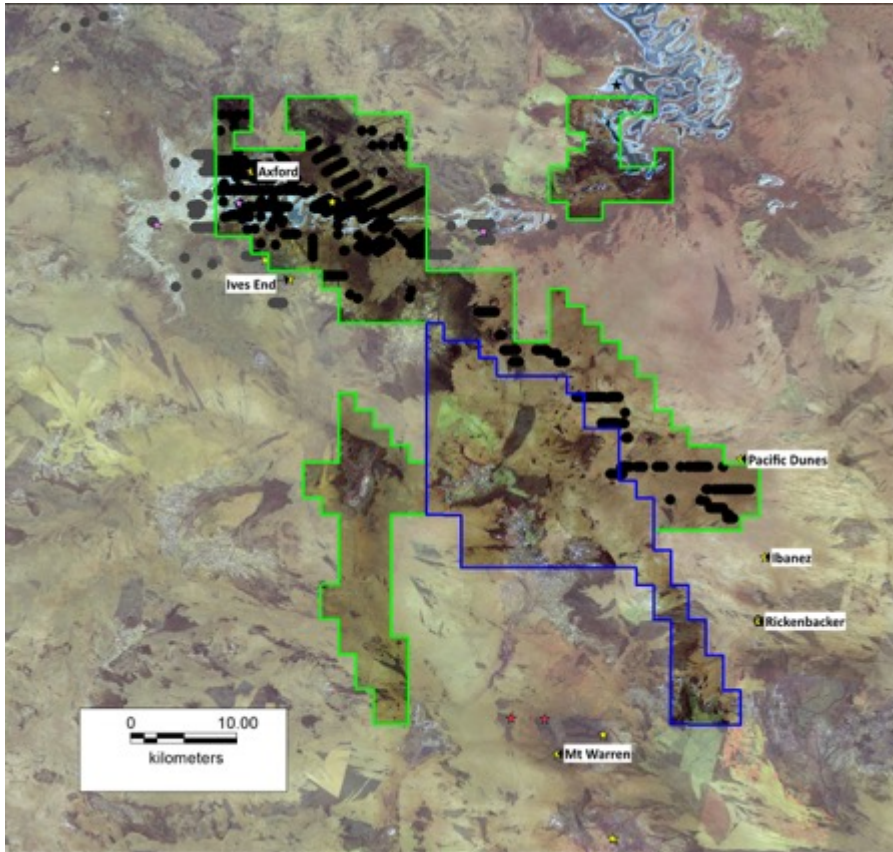
Timmins, Canada: >100MOz

Lake Wells





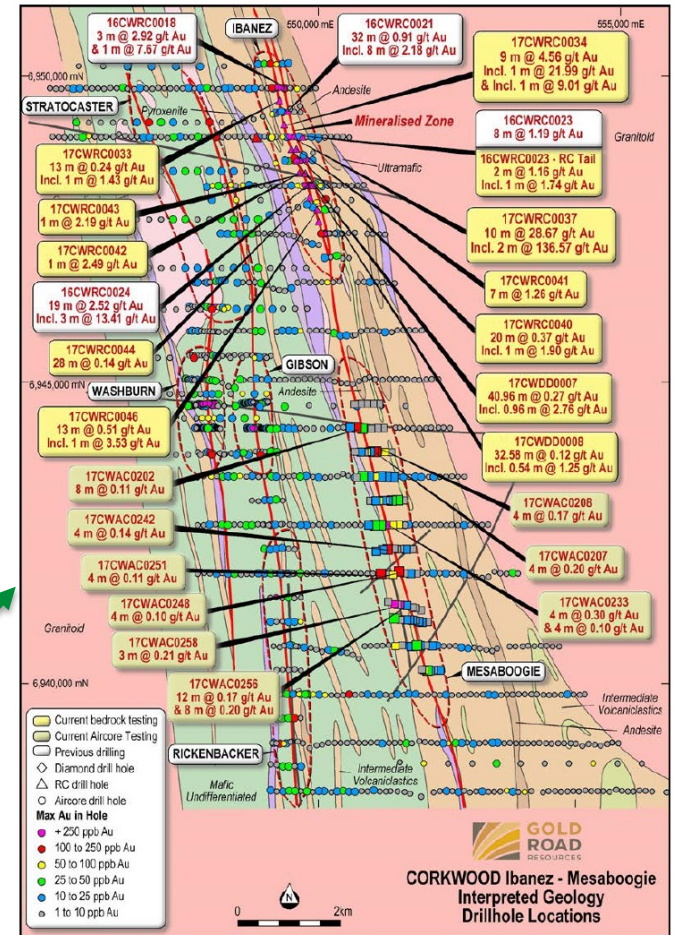
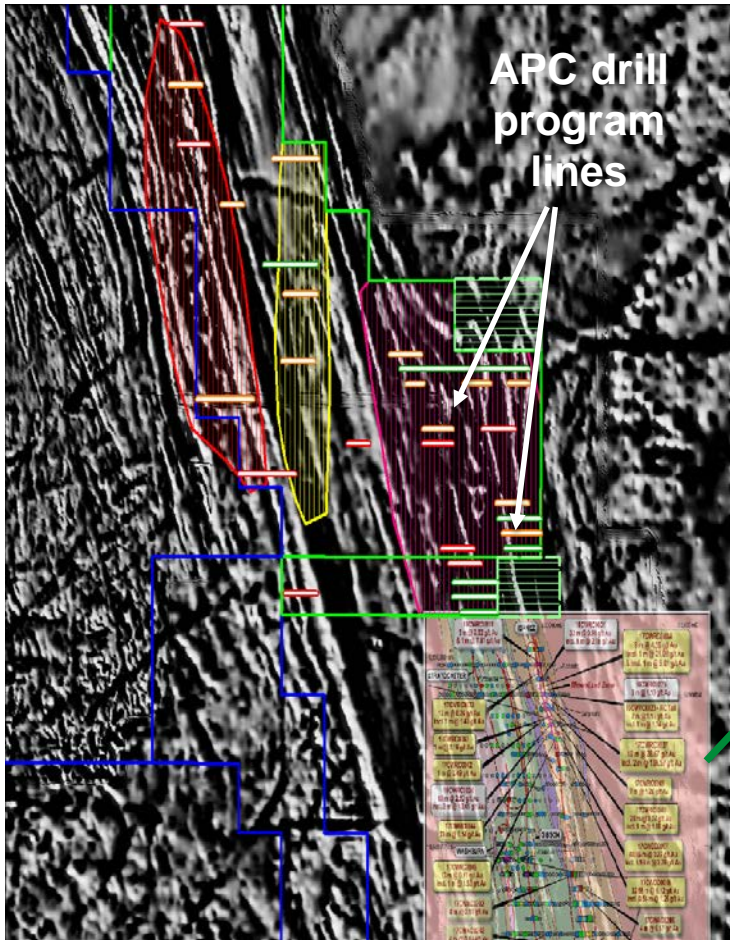
Geochemical targeting



Geochemical analysis by Dr Scott Halley indicates intrusion related mineralization, where analogues include; Kanowna Belle (+6Moz WA), Wallaby (+8Moz WA), Jupiter (+1.3Moz WA), Hemlo (+20Moz Canada)



23,000m Air-Core Drilling Program



APC will execute 23,000m AC drilling program to explore continuation of structural and geochemical anomalies shown to host +8m oz. gold to date



Registered Office Address

31 Ord Street, West Perth WA 6005
PO Box 1941, West Perth WA 6872

Reception: +61 8 9322 1003

Email: m.shackleton@australianpotash.com.au

Website: www.australianpotash.com.au

ABN 58 149 390 394

