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MINERAL RESOURCES STATEMENT AS AT 30 JUNE 2017

This statement details the Mineral Resource Estimate of Australian Potash Limited (“APC”) as at 30 June 2017. The Mineral Resource estimates are grouped by deposit which form part of the Lake Wells Project in Western Australia. No Ore Reserves have been reported for these deposits.

Lake Wells Potash Project - Mineral Resource Estimate

In compliance with internationally recognised reporting standards, APC has reported its Resource estimate using **specific yield**¹, or **drainable porosity**. The Company believes this is an accurate estimate of the amount of brine that can be abstracted from the aquifers.

On 29 June 2016, APC announced a Maiden Sulphate of Potash (SOP) JORC compliant Mineral Resource Estimate², using specific yield (*drainable* porosity). The maiden resource estimate sat in the Inferred Mineral Resource category and contained 18.4 million tonnes of SOP at 8.05 kg/m³ including a high-grade zone: 10.5 Mt of SOP at 9.03 kg/m³.

With additional information and increased confidence in the mineral resource on 23 March 2017, APC announced an updated Sulphate of Potash (SOP) JORC compliant Mineral Resource Estimate³, with the majority being in the Indicated Category. Using specific yield (*drainable* porosity), the JORC 2012 compliant Mineral Resource Estimate now comprises 14.7m tonnes of SOP, including 12.7mt in the Indicated category. Refer to table 1 below.

The Mineral Resource, which has taken into account potential future economic abstraction, has been classified as Indicated, with the Southern Zone remaining Inferred (Table 1). The Indicated Resource is estimated at 12.7 Mt at 8,267 mg/L (8.267 kg/m³) SOP. The Southern Zone of the Lake Wells Potash Project (LWPP), has an Inferred estimate of 2.1 Mt at 5,963 mg/L (5.963 kg/m³) SOP.

The Indicated Mineral Resource is a static estimate. It represents the volume of potentially recoverable brine that is contained within the defined aquifer. It does not take into account modifying factors such as the design of borefields (or other pumping scheme), which will affect both the proportion of the Indicated Mineral Resource that is ultimately recovered and changes in grade associated with mixing between each aquifer unit. The Southern Zone remains a data constrained Inferred Resource, with planned future drilling aiming to bring it into the Indicated category.

¹ Specific yield reflects the amount of recoverable Sulphate of Potash, in compliance with NI43-101, the only CRIRSCO reporting code to include a brine standard.

² Refer to ASX announcement 29 June 2016 ‘Maiden SOP Resource Estimate’. That announcement contains the relevant statements, data and consents referred to in this announcement. Apart from that which is disclosed in this document, Goldphyre Resources Limited, its directors, officers and agents: 1. Are not aware of any new information that materially affects the information contained in the 29 June 2016 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 29 June 2016 announcement continue to apply and have not materially changed.

³ 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 all the material assumptions and technical parameters underpinning the production target and the forecast financial information derived from a production target in the 23 March 2017 announcement continue to apply and have not materially changed.

JORC 2012 Mineral Resource Estimate Summary

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)

Table 1: Indicated and Inferred Mineral Resource estimate measured using Specific Yield (drainable porosity)⁴

Annual Statement of Mineral Resources

The Annual Statement of Mineral Resources as at the 30 June 2017 presented in this Report has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition (the JORC Code 2012) and ASX listing Rules.

APC is not aware of any new information or data that materially affects the information included in this Annual Statement and confirms that the all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Mineral Resources Corporate Governance

Due to the nature, stage and size of APC's existing operations, the Board believes there would be no efficiencies gained by establishing a separate mineral reserves and resources committee responsible for reviewing and monitoring APC's processes for estimating mineral resource and ore reserves and

⁴ Rounding may affect sub-totals and totals in all tables.



for ensuring that the appropriate internal controls are applied to such estimates. However, APC ensures that any mineral reserve and ore resource estimations are prepared by competent geologists and are reviewed independently and verified including estimation methodology, sampling, analytical and test data. APC reports mineral reserves and resources estimates in accordance with the 2012 JORC Code.

Competent persons statement

The information in this announcement that relates to Exploration Targets and Mineral Resources is based on information that was compiled by Mr Jeffery Lennox Jolly. Mr Jolly is a principal hydrogeologist with AQ2, a firm that provides consulting services to the Company. Neither Mr Jolly nor AQ2 own either directly or indirectly any securities in the issued capital of the Company. Mr Jolly has over 30 years of international experience. He is a member of the Australian Institute of Geoscientists (AIG) and the International Association of Hydrogeologists (IAH). Mr Jolly 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 Jolly consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Hydrogeological information in this announcement has been prepared by Mr Carsten Kraut, who is a member of the Australasian Institute of Geoscientists (AIG), and International Association of Hydrogeologists (IAH). Mr Kraut is contracted to the Company through Flux Groundwater Pty Ltd. Mr 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.

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.

