

28 February 2023

Corporate Update

Australian Potash Limited (**ASX: APC** or the **Company**) is pleased to provide an update regarding several corporate matters.

As noted in the Company's Quarterly Activities Report for the period ending 31 December 2022¹, the Board of APC continue to canvass development funding opportunities to bring the Lake Wells Sulphate of Potash Project into development. A dataroom has been made available to various parties who have expressed interest in working with APC in this respect and the Company continues to pursue these opportunities.

In relation to its other projects, APC recently received an approach from a party interested in acquiring the Laverton Downs Project (**LDP**), located five kilometres north of Laverton and prospective for gold and nickel sulphide mineralisation. The LDP comprises six tenements (E38/2724, E38/3014, E38/3132, E38/3402, E38/3403 and E38/3404) (**Tenements**) in the name of Laverton Downs Project Pty Ltd, a wholly owned subsidiary of Australian Potash Limited.

The Company has now signed a binding Letter of Intent (**LOI**) for the sale and purchase of the LDP with Maverick Minerals Pty Ltd, a newly incorporated Australian entity which intends to conduct an IPO and list on the ASX (**Maverick**). The key terms of the LOI are:

- Upon execution of a formal sale and purchase agreement, APC will receive \$10,000 in cash;
- Upon completion of the acquisition, APC will receive \$200,000 in cash, subject to demonstration of compliance with all prescribed expenditure conditions in respect of the Tenements;
- Upon completion of the acquisition, APC will be reimbursed all costs incurred in relation to keeping the Tenements in good standing between entry into a formal agreement and completion of the acquisition less \$10,000 and subject to demonstration of compliance with all prescribed expenditure conditions in respect of the Tenements; and
- APC receiving a royalty equal to 1.5% of the net smelter return generated in respect of the minerals extracted from the Tenements.

The transaction is conditional upon a three month due diligence period from execution of the formal agreement and Maverick completing a capital raising of at least \$4million and receiving conditional approval for admission to the ASX Official List by 1 February 2024.

This release was authorised by the Board of Directors.

Matt Shackleton

Managing Director & CEO

m.shackleton@australianpotash.com.au

+61 (0) 438 319 841

Michelle Blandford

Company Secretary

m.blandford@australianpotash.com.au

+61 (0) 408 088 295

¹ Released 31 January 2023

About Australian Potash Limited



APC holds a 100% interest in the **Lake Wells Sulphate of Potash (LSOP)**, located approximately 500km northeast of Kalgoorlie, in Western Australia's Eastern Goldfields. The Company is finalising pre-development plans for commencement of construction. First production from the LSOP is scheduled for 24 to 27 months from a Final Investment Decision.

K-Brite™ is a registered trademark brand of Australian Potash Limited and the brand under which the suite of high quality, premium SOP products from the LSOP will be marketed.

APC holds a 100% interest in the **Laverton Downs Project**, located 5kms north of Laverton, in Western Australia's Eastern Goldfields.

APC holds a 100% interest in the **Lake Wells Gold Project**, located 500km northeast of Kalgoorlie, in Western Australia's Eastern Goldfields.

Please visit www.australianpotash.com.au for more information.