

22 November 2021

## Share Purchase Plan – Shareholders’ Invitation to Participate

Australian Potash Limited (**ASX: APC** or the **Company**) is pleased to provide a copy of the letter being sent to eligible APC shareholders regarding the Company’s Share Purchase Plan that was previously announced on 2 November 2021 (**SPP**). Accompanying the letter is the SPP Terms and Conditions and an example application form.

This release was authorised by the Board of the Directors.

**Matt Shackleton**

Managing Director & CEO

[m.shackleton@australianpotash.com.au](mailto:m.shackleton@australianpotash.com.au)

+61 (0) 438 319 841

**Michelle Blandford**

Company Secretary

[m.blandford@australianpotash.com.au](mailto:m.blandford@australianpotash.com.au)

+61 (0) 408 088 295

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.<sup>i</sup>

APC holds a 30% free-carried interest in the **Lake Wells Gold Project**, located 500kms northeast of Kalgoorlie, in Western Australia's Eastern Goldfields.<sup>ii</sup>

Please visit [www.australianpotash.com.au](http://www.australianpotash.com.au) for more information.

<sup>i</sup> Refer to ASX Announcement 9 April 2021  
<sup>ii</sup> Refer to ASX Announcement 8 April 2021

22 November 2021

Dear Shareholder,

## Invitation to Participate in Share Purchase Plan

On 2 November 2021, Australian Potash Limited (ACN: 149 390 394) (**APC** or the **Company**) announced that it had received binding commitments to undertake a placement of fully paid ordinary shares at a price of \$0.08 per share, to raise \$12 million (**Placement**). The Placement is being issued to institutional and sophisticated investors in two tranches; the first tranche utilising the Company's available placement capacity under ASX Listing Rule 7.1; and the second tranche subject to shareholder approval at the Company's annual general meeting scheduled for 15 December 2021 (**AGM**).

In order to provide all eligible shareholders with the ability to participate in this capital raising, the Company is pleased to provide details of its Share Purchase Plan (**SPP**) offer. Under the SPP, APC is giving each Eligible Shareholder (as defined below) the opportunity to purchase up to \$30,000 worth of fully paid ordinary shares (**New Shares**), irrespective of the size of their shareholding, without incurring brokerage or transaction costs. Per ASX requirements, the issue of the New Shares under the SPP is subject to shareholder approval at the AGM.

The offer under the SPP (**Offer**) is intended to raise up to \$2,000,000 (before expenses) on the terms and conditions (**Terms and Conditions**) enclosed with this letter. In the event of over-subscriptions, the Company will scale back applications to the limit, at the Board's discretion. The Offer is not underwritten. Eligible Shareholders are encouraged to read the Terms and Conditions before applying under the Offer.

### Shareholders Eligible to Participate in the SPP

Participation under the SPP is optional and is available exclusively to shareholders who are registered as holders of Shares at 5.00pm AWST on 1 November 2021 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

### Share Purchase Plan

The SPP entitles Eligible Shareholders to purchase up to \$30,000 worth of New Shares. The issue price of the New Shares will be \$0.08 (**Price**), being the same price as shares issued under the Placement.

The volume weighted average price of Shares traded on the ASX during the five (5) trading days immediately prior to the announcement date of the Offer was \$0.1262 (**VWAP Price**), and the Price under the Offer represents a discount of 36.6% to the VWAP Price.

The SPP is intended to raise up to \$2,000,000, and the Company will undertake a scale-back in the case of over-subscriptions.

The ASX has granted the Company a waiver from ASX Listing Rule 10.11 to the extent necessary to permit the directors of the Company who qualify as Eligible Shareholders to participate in the SPP without shareholder approval under ASX Listing Rule 10.11 on the following conditions:

- shareholders approve the SPP; and
- directors and their associates are offered shares under the SPP on the same terms as other shareholders.

An outline of the SPP is set out in this letter and the enclosed Terms and Conditions. An application form for the SPP (**Application Form**) is included in this package.

### Subscription and Application Procedure

Eligible Shareholders may participate by selecting only one of the following offers to purchase New Shares under the SPP:

	Total amount payable	Number of New Shares
Offer A	\$30,000	375,000
Offer B	\$20,000	250,000
Offer C	\$15,000	187,500
Offer D	\$10,000	125,000
Offer E	\$5,000	62,500
Offer F	\$2,000	25,000

If you apply for New Shares under the Offer you are applying for a certain value of New Shares at the Price, rather than a certain number of New Shares.

If you would like to participate in the Offer, you can either:

- make an electronic funds transfer (**EFT**) payment from your cheque or savings account by using the unique Reference Number shown on your Application Form which is required to identify your holding. If you make your payment using EFT you do not need to return your Application Form. Payments must be received by the share registry no later than 5.00pm (AWST) on 13 December 2021 (**Closing Date**); or
- make a BPAY<sup>®1</sup> payment from your cheque or savings account by using the Biller Code and Reference Number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY<sup>®</sup> you do not need to return your Application Form. Payments must be received by the share registry by the Closing Date.

Further details relating to payment options are provided in the Terms and Conditions.

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the Closing Date. If the exact amount of money is not paid by EFT or BPAY<sup>®</sup>, the Company reserves the right to either:

- return your payment and not allot any New Shares to you; or
- allot to you the number of New Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you as soon as possible, without interest.

<sup>1</sup> <sup>®</sup>Registered to BPAY Pty Ltd; ABN 69 079 137 518

Any monies returned by the Company will be by cheque in Australian currency.

The maximum investment any Eligible Shareholder may apply for will remain \$30,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

### Custodians and Nominees

Eligible Shareholders who hold Shares as custodian or nominee for one or more persons on the Record Date (**Participating Beneficiary**) may apply for up to a maximum amount of \$30,000 worth of Shares in respect of each Participating Beneficiary who is resident in Australia or New Zealand, subject to providing a Custodian Certificate to the Company, as described in the Terms and Conditions enclosed with this letter. Please refer to the Terms and Conditions for more details.

### Indicative Timetable

<b>Record Date</b>	1 November 2021 (5.00pm AWST)
Announcement Date	2 November 2021
Dispatch of Offer document and Application Forms to Eligible Shareholders	22 November 2021
<b>Opening Date</b> of Offer	22 November 2021
<b>Closing Date</b> for acceptance	13 December 2021 (5.00pm AWST)
Date of AGM	15 December 2021
Date of issue of New Shares (subject to Shareholder approval at the AGM)	17 December 2021

These dates are indicative only. Subject to the Listing Rules, the Company may vary the dates and times of the Offer without notice, although the SPP will not close early. However, shareholders are encouraged to submit their application as early as possible upon receipt of the SPP documentation.

### Acceptance of Risk Factors

On the last trading day immediately prior to the announcement date of the Offer, the closing price of the shares traded on ASX was \$0.115. The market price of shares in the Company may rise and fall between the date of the Offer or the date of acceptance of the Offer, and the date that any New Shares are issued to you.

By making an application under this Offer and applying for New Shares under the SPP, each Eligible Shareholder will be acknowledging that although the Price of \$0.08 is at a discount to trading immediately prior to announcement, shares are a speculative investment and the price of shares on ASX may change between the date of APC announcing its intention to make an Offer and the date of issue of New Shares under that Offer and that the value of the New Shares received under the SPP may rise or fall accordingly.

The directors recommend that you obtain your own financial advice in relation to the Offer and consider price movements of shares in the Company prior to making an application under this Offer.

### Current Activities and Use of Funds

Details of the Company's current activities are set out in the announcements made by APC to the ASX and are available from the ASX, or the Company's website at [www.australianpotash.com.au](http://www.australianpotash.com.au).

In conjunction with the Placement announced on 2 November 2021, the SPP is expected to provide the Company with additional funds of \$2 million before costs, taking the entire capital raising to \$14 million before costs. It is anticipated that the funds raised will be mainly used to progress borefield development activities and associated earthworks at the Lake Wells Sulphate of Potash Project, together with working capital.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact APC's Company Secretary, Michelle Blandford on (08) 9322 1003 or email [admin@australianpotash.com.au](mailto:admin@australianpotash.com.au).

On behalf of the Board of Directors, I would like to thank you for your continued support of the Company.

Yours faithfully



**Matt Shackleton**  
Managing Director & CEO



## **Share Purchase Plan Terms & Conditions**

*This document is not for release to US wire services or for distribution in the US*

**Australian Potash Limited**

ACN: 149 390 394

**1. SUMMARY OF OFFER**

- 1.1 This Offer entitles each Eligible Shareholder in Australian Potash Limited (**Company**) to subscribe through the Company's Share Purchase Plan (**SPP**) for a maximum of \$30,000 worth of fully paid ordinary shares in the Company (**New Shares**) (when combined with any shares issued under any share purchase plan in the 12 months preceding the date of the SPP – the Company has not issued a share purchase plan in the last 12 months) without incurring brokerage in accordance with the following Terms and Conditions (**Offer**).
- 1.2 The issue of the New Shares is subject to Shareholder approval at the annual general meeting of the Company currently scheduled to be held on 15 December 2021 (**AGM**).
- 1.3 The SPP is expected to raise up to \$2,000,000.
- 1.4 The issue price of the New Shares is \$0.08 (**Price**), being the same price as the fully paid ordinary shares (**Shares**) offered under a two tranche \$12million placement to institutional and sophisticated investors announced on 2 November 2021 (**Placement**). The issue of Shares under the first tranche of the Placement was undertaken utilising the Company's available placement capacity under ASX Listing Rule 7.1 (**T1 Shares**). The issue of Shares under the second tranche of the Placement will be subject to Shareholder approval at the AGM (**T2 Shares**).
- 1.5 All New Shares issued under the SPP will rank equally with existing fully paid ordinary shares from the date of issue, and carry the same voting rights, dividend rights and other entitlements as existing Shares.
- 1.6 The SPP is established pursuant to the *Corporations Act 2001* (Cth) as amended by Australian Securities and Investment Commission (**ASIC**) regulatory instrument *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* (**RI 2019/547**) and, to the extent applicable, the ASX Listing Rules or any waiver granted thereof. Compliance with RI 2019/547 exempts the Company from having to issue a disclosure document (eg. prospectus) for the offer of the New Shares. This SPP is intended to be a "Purchase Plan" for the purposes of RI 2019/547 and is to be read and construed and administered in a manner which causes the SPP to qualify and satisfy the requirements of a Purchase Plan under RI 2019/547.
- 1.7 The SPP is governed upon such terms and conditions as the Directors of the Company, in their absolute discretion, see fit (subject to compliance with RI 2019/547 and, to the extent applicable, the ASX Listing Rules or any waiver granted thereof).
- 1.8 This document does not provide financial advice and has been prepared without taking into account any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters. No cooling off regime applies in respect of the acquisition of the New Shares (whether the regime is provided for by law or otherwise).

## 2. ELIGIBILITY

- 2.1 Participation in the Offer is optional and is subject to these Terms and Conditions. Offers made under the SPP are non-renounceable (ie. Eligible Shareholders may not transfer their rights to any New Shares offered under the SPP). Eligible Shareholders who wish to take up New Shares issued under the SPP agree to be bound by the Company's Constitution in respect of New Shares issued under the SPP.
- 2.2 Registered holders of Shares that are registered with an Australian or New Zealand address at 5.00pm AWST on 1 November 2021 (**Record Date**) are eligible shareholders (**Eligible Shareholders**) and may participate in the SPP, unless:
- (a) you hold Shares on behalf of another person who resides outside Australia or New Zealand in which case you will not be eligible to participate in respect of the Shares of that person unless participation complies with all applicable foreign laws; or
  - (b) you are, or are acting for the account or benefit of, a US Person as defined in Regulation S under the *US Securities Act of 1933*, as amended (**US Person**).

Due to foreign securities laws, it is not practical for shareholders (or beneficial shareholders) resident in other countries to be offered the opportunity to participate in the Offer.

- 2.3 The maximum investment any Eligible Shareholder may apply for will remain \$30,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account). Applicants must ensure that the aggregate of the application price paid for the New Shares the subject of the Application and any other shares and interests in the class applied for under the SPP or any similar arrangement in the 12 months prior to the date of submission does not exceed \$30,000.
- 2.4 Joint holders of Shares will be taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification under section 9.5 by one joint holder will be effective in respect of the other joint holder(s).
- 2.5 The SPP will be offered on the same terms and conditions to each Eligible Shareholder. For the avoidance of doubt, all Eligible Shareholders will receive the same offer, irrespective of the number of Shares which they hold at the Record Date.
- 2.6 The ASX has granted the Company a waiver from ASX Listing Rule 10.11 to the extent necessary to permit the Directors of the Company who qualify as Eligible Shareholders to participate in the SPP without Shareholder approval under ASX Listing Rule 10.11 on the following conditions:
- Shareholders approve the SPP; and
  - Directors and their Associates are offered Shares under the SPP on the same terms as other Shareholders.

### 3. CUSTODIANS, TRUSTEES AND NOMINEES

3.1 An Eligible Shareholder that holds Shares as a custodian (as defined in RI 2019/547 (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the SPP), may apply for up to the maximum value of New Shares for each beneficiary for whom they act as custodian provided they annexe to their Application Form a certificate (**Custodian Certificate**) with the following information:

- (a) either or both of the following:
  - i. that the Custodian held Shares on behalf of one or more other persons who are resident in Australia or New Zealand (each a **Participating Beneficiary**); or
  - ii. that another custodian (the **Downstream Custodian**) held Shares on behalf of one or more Participating Beneficiaries and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,

on the Record Date and that each Participating Beneficiary has subsequently given an instruction to apply for New Shares under the SPP on their behalf to the following persons:

- iii. where section 3.1(a)(i) applies – the Custodian; and
  - iv. where section 3.1(a)(ii) applies – the Downstream Custodian;
- (b) the number of Participating Beneficiaries and their names and addresses;
  - (c) in respect to each Participating Beneficiary:
    - i. where section 3.1(a)(i) applies – the number of Shares that the Custodian holds on their behalf and the dollar amount of New Shares they instructed the Custodian to apply for on their behalf; and
    - ii. where section 3.1(a)(ii) applies – the number of Shares to which the beneficial interests relate and the dollar amount of New Shares they instructed the Downstream Custodian to apply for on their behalf;
  - (d) that there are no Participating Beneficiaries in respect of which the total application price for the following exceeds \$30,000:
    - i. the New Shares applied for under the Offer in accordance with the instructions referred to in section 3.1(c); and
    - ii. any other Shares issued to the Custodian in the 12 months before the Application as a result of an instruction given by them to the Custodian or the Downstream Custodian to apply for Shares on behalf under an arrangement similar to the SPP;
  - (e) that a copy of the written offer document was given to each Participating Beneficiary; and

- (f) where section 3.1(a)(ii) applies, the name and address of each custodian who holds beneficial interests in Shares held by the Custodian in relation to each Participating Beneficiary.
- 3.2 For the purposes of RI 2019/547 an entity is a ‘custodian’ if they are a registered holder that:
- (a) holds an Australian financial services licence covering the provision of a custodial or depository service;
  - (b) is exempt under:
    - i. paragraph 7.6.01(1)(k) of the *Corporations Regulations 2001* (Cth) (**Regulations**); or
    - ii. paragraph 7.6.01(1)(na) of the Regulations; or
    - iii. ASIC Class Order [CO 14/1000] or ASIC Class Order [CO 14/1001]; or
    - iv. Schedule 2 to the ASIC Corporations (Repeal and Transitional) Instrument 2016/396; or
    - v. an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in section 3.2(c)(iii) above; or
    - vi. paragraph 911A(2)(h) of the *Corporations Act 2001* (Cth);from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service; or
  - (c) holds an Australian financial services licence covering the operation of an IDPS or is responsible entity of an IDPS-like scheme (where IDPS and IDPS-like scheme have the meanings as defined in ASIC Class Orders [CO 13/763] and [CO 13/762] respectively);
  - (d) is a trustee of a self-managed superannuation fund or a superannuation master trust (as defined in RI 2019/547);
  - (e) is a registered holder of shares or interests in the class and is noted on the register of members of the Company as holding the shares or interests on account of another person.
- 3.3 If an entity holds Shares as a trustee or nominee for another person or persons but is not a Custodian as defined above, they cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (refer section 2.3) apply.
- 3.4 Custodians should request a Custodian Certificate when making an Application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if they would like further information on how to apply, they should contact Automic Registry Services (**Share Registry**) during the Offer period on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia). Completed Custodian Certificates should be emailed to the Share Registry at [custodialcertificates@automicgroup.com.au](mailto:custodialcertificates@automicgroup.com.au).

- 3.5 The Company reserves the right to reject any Application for New Shares to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements. The Company reserves the right to reject Applications in accordance with these Terms and Conditions.

#### 4. FOREIGN SHAREHOLDER RESTRICTIONS

- 4.1 This document and the accompanying Letter (**Documents**) may not be released or distributed in any country other than Australia or New Zealand. The Documents do not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country.
- 4.2 In particular, any securities described in the Documents have not been, and will not be, registered under the *US Securities Act of 1933* (as amended), or the securities laws of any state or other jurisdiction of the United States and may not be directly or indirectly offered, sold or resold to:
- (a) a US Person or a person acting for the account or benefit of a US Person; or
  - (b) a person within the United States or a person acting for the account or benefit of a person within the United States.

Because of the legal restrictions, and consistent with the representations contained in these Terms and Conditions and the Application Form, you must not:

- (c) send copies of the Documents or any other material relating to the SPP to any person in the United States or who is, or is acting for the account or benefit of, US Persons; or
  - (d) submit an Application Form or make payment for New Shares for any person in the United States or who is, or is acting for the account or benefit of, US Persons.
- 4.3 The Documents have not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand) (**FMC Act**). The Documents are not an investment statement or prospectus under New Zealand law and are not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

The New Shares offered under the SPP are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand and to whom the Offer is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016* (as amended) (New Zealand).

#### 5. ISSUE PRICE

- 5.1 The issue price of the New Shares is \$0.08, being the same price as the Shares offered under the Placement. The Price represents a 30.4% discount to the closing share price of \$0.115 on 28 October 2021, being the last day the Company's shares were traded prior to the announcement of the SPP, and a 36.6% discount to the volume weighted average price of the Company's shares on the ASX during the five (5) trading days immediately prior to the announcement date of the SPP which was \$0.1262.

- 5.2 No brokerage, commissions or other transaction costs are payable by Eligible Shareholders in respect of the Application for, and allotment under, the Offer.
- 5.3 The New Shares are a speculative investment, and the price of Shares may rise or fall between the date of this Offer and the date the New Shares are issued. This means that the price paid for a New Share under the SPP may be greater or less than the price of Shares at the time the Offer is accepted by Eligible Shareholders.

## **6. PARTICIPATION**

- 6.1 Eligible Shareholders may acquire a maximum of \$30,000 worth of New Shares under the SPP by agreeing to accept one of the following parcels:

	<b>Total amount payable</b>	<b>Number of New Shares</b>
Offer A	\$30,000	375,000
Offer B	\$20,000	250,000
Offer C	\$15,000	187,500
Offer D	\$10,000	125,000
Offer E	\$5,000	62,500
Offer F	\$2,000	25,000

- 6.2 The maximum investment for each Eligible Shareholder is \$30,000 and the minimum investment is \$2,000. You may not apply for more than \$30,000 of New Shares in aggregate under the Offer, even though you may receive more than one offer, or offers in more than one capacity, under the Offer.
- 6.3 If you apply for New Shares under the Offer you are applying for a certain value of New Shares at the Price (defined in section 1.4), rather than a certain number of New Shares.
- 6.4 Participation in the SPP is entirely at the option of each Eligible Shareholder. If you are in any doubt as to whether you should participate in the SPP or how such participation will affect you (including taxation implications), you should contact your professional adviser. The Company makes no recommendations as to the desirability or otherwise of your participation in the SPP.

## **7. NUMBER OF SHARES OFFERED**

- 7.1 The SPP is intended to raise up to \$2,000,000.
- 7.2 If the Company receives Applications for more than \$2,000,000 of New Shares under the SPP, it will under the Board's absolute discretion, undertake a scale-back. If there is a scale-back, applicants may not receive all the New Shares for which they have applied, however all applicants will be treated equally and scaled back on a pro rata basis in a manner which complies with RI 2019/547. If a scale-back produces a fractional number when applied to an Application, the number of New Shares to be allotted will be rounded down to the nearest whole number of New Shares and any excess monies promptly refunded without interest.

Any Application monies refunded by the Company will be paid by cheque in Australian currency.

- 7.3 The maximum number of New Shares to be issued under the SPP is 25,000,000, the issue of which is subject to Shareholder approval being received at the AGM.

### 8. TIMETABLE

- 8.1 The indicative timetable for the SPP is as follows:

Event	Date
Record Date	1 November 2021 (5.00pm AWST)
Announcement Date	2 November 2021
Dispatch of Offer and Application Forms to Eligible Shareholders	22 November 2021
Opening date of Offer ( <b>Opening Date</b> )	22 November 2021
Closing date for acceptances ( <b>Closing Date</b> )	13 December 2021 (5.00pm AWST)
Date of AGM	15 December 2021
Date of issue of New Shares ( <b>Issue Date</b> ) (subject to Shareholder approval)	17 December 2021

- 8.2 Subject to the ASX Listing Rules, the dates in the above table are indicative only and may change. The Company reserves the right to vary these dates, either generally or in particular cases, without notifying any recipient of this Offer or any applicants, however the SPP will not close early. Eligible Shareholders who wish to submit an Application are encouraged to do so as soon as practicable after the Documents are received and the SPP opens.
- 8.3 The Company will apply for the issued New Shares to be quoted on the ASX within the relevant period specified in the ASX Listing Rules.

### 9. HOW TO ACCEPT THE OFFER

- 9.1 Eligible Shareholders wishing to accept the Offer for New Shares under the SPP have two payment options – by electronic funds transfer (**EFT**) or BPAY<sup>®1</sup>, details of which are set out below. Due to delays currently being experienced with mail delivery, cheques will not be accepted and please do not forward cash. Receipts for payment will not be issued. Application Money will not bear interest under any circumstances. The Company will pay any brokerage or transaction costs.
- 9.2 **To pay by EFT** from your cheque or savings account you must use the unique Reference Number shown on your Application Form which is required to identify your holding. If you make your payment using EFT, you do not need to return the Application Form. Eligible Shareholders should be aware that their own financial institution may implement earlier cut-

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<sup>1</sup> <sup>®</sup>Registered to BPAY Pty Ltd; ABN 69 079 137 518

off times with regards to electronic payment or limits on amounts that can be transacted. It is the responsibility of each applicant to ensure that the Application Money is submitted via EFT with sufficient time for it to be received by the Company by the Closing Date and that the amount to be paid does not exceed any limit.

- 9.3 **To pay by BPAY®** from your cheque or savings account you must use the Biller Code and Reference Number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY®, you do not need to return the Application Form. Eligible Shareholders should be aware that their own financial institution may implement earlier cut-off times with regards to electronic payment or limits on amounts that can be transacted. It is the responsibility of each applicant to ensure that the Application Money is submitted through BPAY® with sufficient time for it to be processed by their own financial institution and received by the Company by the Closing Date and that the amount to be paid does not exceed any limit.
- 9.4 If you have multiple holdings you will have multiple personalised EFT OR BPAY® Reference Numbers. To ensure you receive your New Shares under the Offer in respect of that holding you must use the unique Reference Number (EFT) or specific Biller Code and Reference Number (BPAY®) shown on each personalised Application Form when paying for any New Shares that you may wish to apply for in respect of that holding. If you inadvertently use the same Reference Number for more than one of your Applications, you will be deemed to have applied only for that Application to which that Reference Number applies and any excess amount will be refunded.
- 9.5 By paying by EFT or BPAY®, you:
- (a) acknowledge that you have read and understood the Terms and Conditions of this Offer (including the risks – see section 13 below) and subscribe for New Shares in accordance with these Terms and Conditions and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
  - (b) acknowledge that your Application will be irrevocable and unconditional (and cannot be withdrawn);
  - (c) agree to pay the Price per New Share up to a maximum of the value selected on the Application Form (which cannot exceed \$30,000);
  - (d) acknowledge that the issue of the New Shares is subject to approval by Shareholders at the AGM;
  - (e) warrant you are an Eligible Shareholder;
  - (f) warrant that you are eligible under all applicable securities laws to receive an offer under the SPP and your acceptance of this Offer is not unlawful;
  - (g) warrant that all details and statement in your Application are true and complete and not misleading;
  - (h) represent that the total of the application price for the following does not exceed \$30,000:

- the New Shares the subject of the Application;
  - any other shares in the same class under the SPP or any similar arrangements in the 12 months prior to the date of application even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;
  - any other shares in that class that you have instructed a Custodian to acquire on your behalf under the SPP;
  - any other shares in that class issued to a Custodian under an arrangement similar to the SPP in the 12 months before the Application as a result of instructions given by you to the Custodian or another custodian and which resulted in you holding beneficial interests in the shares;
- (i) acknowledge and agree that if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand, and you have not sent the Documents or any materials relating to the SPP, to any person outside of Australia or New Zealand that would result in a breach of any applicable securities laws;
- (j) authorise the Company (and each of its officers and agents) to correct any error in, or omission from, the Application Form and complete the Application Form by inserting any missing details;
- (j) acknowledge that the Company may at any time irrevocably determine that your Application is valid, in accordance with these Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (k) acknowledge that the market price of Shares may rise or fall between the date of the Offer and the Issue Date and that the Price you pay for New Shares may be greater or less than the market price of the Shares at the time you accept the Offer;
- (l) acknowledge that neither the Company, nor the Share Registry has provided any investment advice or financial product advice, and that neither has any obligation to provide this advice;
- (m) acknowledge that the Company (and each of its officers and agents) is not liable for any consequences of the exercise or non-exercise of its discretions referred to in section 11 below; and
- (n) agree to be bound by the Company's Constitution (as amended from time to time).

## 10. ISSUE OF SHARES

10.1 Subject to Shareholder approval being received at the Company's AGM on 15 December 2021, the Company intends to issue the New Shares pursuant to the SPP on 17 December 2021. New Shares will rank equally in all respects with all other fully paid ordinary shares in the Company from the Issue Date.

- 10.2 The Company will, promptly after the issue of New Shares under the SPP, make application for those New Shares to be listed for quotation on the official list of ASX.
- 10.3 Shareholding statements or CHESS notification will be issued in respect of all New Shares issued under the SPP. If you trade any New Shares before you receive your Holding Statement, then you do so at your own risk.

**11. COMPANY'S DISCRETIONS REGARDING APPLICATIONS**

- 11.1 Provided it does so in a manner which complies with RI 2019/547, the Company has the right to accept or reject any Applications under the SPP, including where:
- (a) any Application Form submitted is incorrectly completed or incomplete or otherwise determined by the Company to be invalid;
  - (b) the exact payment for the New Shares applied for is not received;
  - (c) the Application Money is not submitted via EFT or through BPAY<sup>®</sup> within sufficient time for it to be received by the Company before the Closing Date;
  - (d) it appears that an Eligible Shareholder is applying for more than \$30,000 (in aggregate) of New Shares; or
  - (e) the Company reasonably believes that the applicant is not an Eligible Shareholder.
- 11.2 If the Company rejects, or partially rejects, an Application (including by way of scale-back), terminates the SPP or does not secure Shareholder approval for the issue of the New Shares, the Company will promptly return to the Eligible Shareholder the relevant subscription monies, without interest.
- 11.3 The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions subject to ensuring the Offer complies with RI 2019/547 and, to the extent applicable, the ASX Listing Rules or any waiver granted thereof. The powers of the Company under these Terms and Conditions may be exercised by the Directors or any delegate of the Directors.
- 11.4 If the Company is not satisfied with the Custodian Certificate, the Company cannot issue New Shares to the Custodian on behalf of the Participating Beneficiary.
- 11.5 The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant, Application or New Shares. The decision of the Company in this respect will be conclusive and binding on all Shareholders and other persons to whom that determination relates.
- 11.6 The Company may change, suspend or terminate the SPP and Offer at any time whether because of a change of law, ASX, ASIC requirements or policy or any other relevant circumstance. If the Company does this, it will post a notice on its website and make an announcement to the ASX. Failure to notify Shareholders of changes to or the suspension or termination of the SPP and Offer, will not invalidate the change, suspension or termination. If the SPP is terminated, all Application Money received by the Company will be refunded. No interest will be paid on any refunded Application Money.

11.7 The Company reserves the right to issue no New Shares or fewer New Shares than an Eligible Shareholder applies for under the SPP if the Company believes the issue of those New Shares would contravene ASIC requirements (including RI 2019/547) or policy, any law or any ASX Listing Rule. In any such case, excess Application Money will be returned to the relevant applicant(s). No interest will be paid on Application Money so returned.

## **12. SHORTFALL**

12.1 The SPP is not underwritten. Australian Potash Limited reserves its right at its discretion to place any shortfall under the SPP at a price not less than the Price in accordance with its share issue capacity under the ASX Listing Rules and any necessary approvals.

## **13. RISK FACTORS**

13.1 Before deciding whether to accept the Offer, you should refer to the current market price of the Company's Shares, which can be obtained from daily newspapers, your stockbroker or financial adviser or the ASX.

13.2 Owning Shares in the Company is considered a speculative form of investment and the future price of Shares can rise or fall.

13.3 Shareholders should be aware that there is a risk that the market price of the Shares may change between the date of this Offer or the date the Offer is accepted, and the date when the New Shares are issued.

13.4 Shareholders should note that the Offer is not made under a prospectus or other disclosure document and does not require the type of disclosure required under the *Corporations Act 2001* (Cth). Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the ASX. You should consult your professional adviser when deciding whether or not to accept the Offer and participate in the SPP. The contents of this document have not been reviewed by any regulatory authority in any jurisdiction.

13.5 Shareholders should note that the issue of the New Shares is subject to Shareholders approving the issue of the New Shares at the Company's AGM.

## **14. ADDITIONAL DISCLOSURE**

14.1 The Company's capital structure is as follows:

Fully paid ordinary shares on issue at the date of announcement of this Offer (which includes the issue of the T1 Shares)	747,408,347
T2 Shares issued under the Placement (subject to shareholder approval)	52,511,961
Anticipated number of New Shares to be issued under SPP (subject to Shareholder approval)*	25,000,000
<b>Estimated number of fully paid ordinary shares on issue post-capital raising</b>	<b>824,920,308</b>

*Notes:*

*\* This is also subject to several other factors including the amount raised under the SPP, any scale-back of over-subscriptions, and any rounding that may occur to the number of New Shares issued.*

The Company currently also has on issue 6,363,024 unlisted performance rights and 4,565,361 unlisted options at various exercise prices and expiry dates.

## **15. PRIVACY**

- 15.1 By completing the Application Form, you will be providing personal information to the Company. The *Privacy Act 1988* (Cth) legislates the use of a person's personal information and sets out principles governing the ways in which organisations should treat personal information. The Company collects information about each applicant provided on an Application Form for the purposes of evaluating and processing the Application and, if the Application is successful, to administer the applicant's security holding in the Company. If the Company is obliged to do so by law, investors' personal information will be passed on to other parties strictly in accordance with legal requirements. Once personal information is no longer needed for the Company's records, the Company will destroy or de-identify it.
- 15.2 By submitting an Application Form, each applicant agrees that the Company may use the information provided by an applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

## **16. GOVERNING LAW**

These Terms and Conditions are governed by the laws in force in Western Australia. By accepting the Offer, you submit to the non-exclusive jurisdiction of the courts of Western Australia.

## **17. QUESTIONS AND CONTACT DETAILS**

If you have any questions regarding the SPP or how to deal with this Offer, please contact your stockbroker or professional adviser or Michelle Blandford, Company Secretary on (08) 9322 1003 or via email on [m.blandford@australianpotash.com.au](mailto:m.blandford@australianpotash.com.au).

**18. GLOSSARY**

<b>\$ or A\$</b>	means Australian dollar.
<b>AGM</b>	the annual general meeting of the Company expected to be held on or around 15 December 2021.
<b>Application</b>	means an application for New Shares pursuant to the Offer.
<b>Application Form</b>	means the application form accompanying this document.
<b>Application Monies</b>	means monies paid by Eligible Shareholders in respect of New Shares the subject of an Application.
<b>ASIC</b>	means the Australian Securities and Investment Commission.
<b>Associate</b>	has the same meaning as in ASX Listing Rule 19.2.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.
<b>ASX Listing Rules</b>	means the official listing rules of the ASX (as amended from time to time).
<b>AWST</b>	means Australian Western Standard Time.
<b>CHESS</b>	means the Clearing House Electronic Sub-Register System operated by ASX Settlement Pty Ltd (ACN 008 504 532).
<b>Closing Date</b>	has the meaning given in section 8.1 of the Terms and Conditions.
<b>Company</b>	means Australian Potash Limited (ACN 149 390 394).
<b>Custodian</b>	has the meaning given in section 3.1 of the Terms and Conditions.
<b>Custodian Certificate</b>	has the meaning given in section 3.1 of the Terms and Conditions.
<b>Directors</b>	means the directors of the Company from time to time.
<b>Documents</b>	means the Letter and the Terms and Conditions.
<b>Downstream Custodian</b>	has the meaning given in section 3.1(a)(ii) of the Terms and Conditions.
<b>EFT</b>	means electronic funds transfer.
<b>Eligible Shareholder</b>	has the meaning given in section 2.2 of the Terms and Conditions.
<b>FMC Act</b>	means the <i>Financial Markets Conduct Act 2013</i> (New Zealand), as amended.
<b>Issue Date</b>	means the date on which the New Shares will be issued, which at the date of this document is expected to be 17 December 2021.

<b>Letter</b>	means the letter addressed to Shareholders from the Company, dated 22 November 2021, which forms part of this document.
<b>New Shares</b>	means the Shares to be issued to Eligible Shareholders who accept the Offer.
<b>Offer</b>	has the meaning given in section 1.1 of the Terms and Conditions.
<b>Opening Date</b>	has the meaning given in section 8.1 of the Terms and Conditions.
<b>Participating Beneficiary</b>	has the meaning given in section 3.1(a)(i) in the Terms and Conditions.
<b>Placement</b>	means the \$12million placement to institutional and sophisticated investors announced on 2 November 2021.
<b>Price</b>	means the issue price of the New Shares, being the same price as the Shares offered under the Placement.
<b>Record Date</b>	has the meaning given in section 8.1 of the Terms and Conditions.
<b>Regulations</b>	means the <i>Corporations Regulations 2001</i> (Cth), as amended.
<b>RI 2019/547</b>	means ASIC regulatory instrument <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
<b>Share</b>	means a fully paid ordinary share in the Company.
<b>Shareholder</b>	means a registered holder of a Share.
<b>Share Registry</b>	means the Company's share registry, Automic Registry Services.
<b>SPP</b>	means the share purchase plan which is the subject of this document.
<b>T1 Shares</b>	means the Shares issued under the first tranche of the Placement.
<b>T2 Shares</b>	means the Shares to be issued, subject to Shareholder approval, under the second tranche of the Placement.
<b>Terms and Conditions</b>	means the terms and conditions of the Offer as expressly prescribed in this document.
<b>US Person</b>	is as defined in Regulation S under the <i>US Securities Act of 1933</i> , as amended.

[EntityRegistrationDetailsLine1Envelope]

[EntityRegistrationDetailsLine2Envelope]

[EntityRegistrationDetailsLine3Envelope]

[EntityRegistrationDetailsLine4Envelope]

[EntityRegistrationDetailsLine5Envelope]

[EntityRegistrationDetailsLine6Envelope]

**SRN/HIN: [HolderNumberMasked]**
**ASX Code: APC**
**Record Date:  
5.00pm (AWST) 1 November 2021**

## SHARE PURCHASE PLAN APPLICATION FORM

**IMPORTANT: CLOSING DATE 5.00PM (AWST) ON MONDAY, 13 DECEMBER 2021 (UNLESS VARIED)**

### 1: APPLICATION

This Offer entitles each Eligible Shareholder in Australian Potash Limited (**Company**) to subscribe through the Company's Share Purchase Plan (**SPP**) for a maximum of \$30,000 worth of fully paid ordinary shares in the Company (**New Shares**). The Company announced the SPP to raise up to a total of **\$2,000,000**. The SPP is open to all shareholders recorded as holding full paid ordinary shares (**Shares**) on the Company's Register as at the Record Date with a registered address in Australia or New Zealand. The issue price of the New Shares is \$0.08 (**Price**), being the same price as the Shares offered under a two tranche \$12million placement to institutional and sophisticated investors announced on 2 November 2021 (**Placement**). Other than as defined in this Application Form, capitalised terms have the same meaning as defined in the SPP Offer Booklet. Eligible Shareholders may apply for any one of the following parcels described below:

	Application Amount	Number of Shares
Offer A	\$30,000	375,000
Offer B	\$20,000	250,000
Offer C	\$15,000	187,500
Offer D	\$10,000	125,000
Offer E	\$5,000	62,500
Offer F	\$2,000	25,000

Issue of the New Shares is subject to shareholder approval at the Company's annual general meeting scheduled for 15 December 2021.

### 2: PAYMENT: You can pay either by BPAY® or Electronic Funds Transfer "EFT"

#### Option A – BPAY®


**Billers Code:** 365262

**Ref No:** [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

**Note:** You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment to your shareholding electronically.

#### Option B – Electronic Funds Transfer (EFT)

The unique reference which has been assigned to your Application is: [HolderId]-TBC-APC

Funds are to be deposited directly to following bank account:

**Account name:** Automic Pty Ltd

**Account BSB:** 036051

**Account number:** 550517

**Swift Code:** WPACAU2S

**Important:** You must quote your unique reference as your payment reference/description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your Application and New Shares subsequently not issued.

**Note:** You do not need to return this form if you have made payment via EFT. Your unique reference will process your payment to your application electronically.

Payment under the Share Purchase Plan can only be made by BPAY® or EFT.

### 3: PROVIDE YOUR CONTACT DETAILS & ELECT TO BE AN E-SHAREHOLDER

Return to our Share Registry by email to [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

Telephone Number

(     )

Email Address

Contact Name (PLEASE PRINT) APC[HolderId]

# INSTRUCTIONS FOR COMPLETION OF THIS FORM

The SPP is offered exclusively to all Shareholders (including Custodians), being registered holders of Shares as at the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**).

If the Company rejects or scales-back an application or purported application, or shareholder approval is not received for the issue of the New Shares, the Company will return to the Shareholder the relevant Application Monies, without interest.

## HOW TO APPLY FOR NEW SHARES UNDER THE SPP

### 1 Application

As an Eligible Shareholder, you can apply for up to a maximum of \$30,000 worth of Shares. Eligible Shareholders can select one of the parcels prescribed overleaf.

In order to comply with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, the maximum value of Shares each Eligible Shareholder (irrespective of the size of their shareholding) may apply for under this Offer is \$30,000 (including through joint holding(s), multiple share accounts or any holding in which they have a beneficial interest/s). This limit will apply even if you receive more than one offer from the Company (for example, because you are a joint holder of Shares or because you hold more than one shareholding under separate share accounts).

If the Company receives an amount that does not equal one of the amounts specified overleaf the Company may accept the payment at their discretion and refund any excess Application Money (without interest) to the Eligible Shareholder. If the Company receives a subscription of over \$30,000 worth of Shares by an Eligible Shareholder through multiple applications or joint holdings, the Company may refund any excess Application Money (without interest) to the Eligible Shareholder.

No fractions of Shares will be issued. Any fraction of a Share will be rounded down to the nearest whole number of Shares (where applicable).

### 2 Payment

**Payment by BPAY®:** You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number quoted on the front of this form. Multiple acceptances must be paid separately.

**Payment by EFT:** You can make a payment via Electronic Funds Transfer "EFT". Multiple acceptances must be paid separately. Applicants should be aware of their financial institution's cut-off time and any associated fees with processing a funds transfer. Please ensure you use your unique reference located on the reverse page. This will ensure your payment is processed correctly to your application electronically.

If you make a payment by BPAY® or EFT and the Company receives an amount which is not equal to either \$30,000, \$20,000, \$15,000, \$10,000, \$5,000, or \$2,000 the Company may accept the payment at their discretion. Your payment must be for a minimum of \$2,000.

**Payment must be received by the Share Registry by 5:00pm (AWST) on Monday 13 December 2021.**

You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® or unique payment reference number will process your payment to your shareholding electronically and you will be deemed to have applied for such New Shares for which you have paid.

Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight) and it is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time. The Company and the Share Registry accept no responsibility for delayed or misdelivered Application Forms or payments.

### 3 Contact Details

As a valued shareholder in Australian Potash Limited, you can help minimise the costs of printing and mailing by electing to receive all shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way. Please enter your details and return to our Share Registry by email to [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au).

## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the terms and conditions of the SPP in the Offer Letter and Offer Document, and this section entitled "Important Information" before making payment by BPAY® or EFT.
4. The offer for Shares under the SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the meaning of "Custodian" as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, you must complete and submit an additional schedule that contains further certifications and details (**Certificate**) that must be provided before your application will be received. The Certificate can be obtained by contacting the Share Registry on the telephone number set out below. Applications received by Custodians that are not accompanied by the Certificate will be rejected.
6. A completed Custodian Certificate must be emailed to: [custodialcertificates@automicgroup.com.au](mailto:custodialcertificates@automicgroup.com.au), failure to do so will result in the Application being rejected. The Company and the Share Registry accept no responsibility for delayed or misdelivered Custodian Certificates.
7. For applicants that are not required to complete the Certificate, by making payment by BPAY® or EFT, you certify that the aggregate of the payment paid by you for:
  - the parcel of Shares indicated on this Application Form, EFT or BPAY® payment; and
  - any other New Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to making payment by EFT or BPAY® does not exceed A\$30,000.
8. The maximum subscription limitation of \$30,000 will apply even if an Eligible Shareholder has received more than one Application Form (whether in respect of a joint holding or because the applicant has more than one holding under separate security accounts).
9. The Company reserves the right to make amendments to this Application Form where appropriate.
10. Applicants are not assured of receiving the New Shares for which they have applied as the Company may scale back applications in its discretion.
11. By making payment of Application Monies, you certify that:
  - you wish to apply for Shares under the SPP as indicated on this Application Form;
  - you received a copy of the Offer Letter and you have read and understood the terms and conditions of the SPP;
  - you agree to be bound by the Constitution of the Company and the terms and conditions of the SPP;
  - you understand that the issue of the New Shares is subject to shareholder approval at the Company's annual general meeting;
  - you agree to accept any lesser number of New Shares than the number of New Shares applied for; and
  - you are not in the United States and are not acting for the account or benefit of a person in the United States and have not sent any offering materials relating to the SPP offer to any person in the United States.

**If you require further information about the SPP, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 9:00am and 5:00pm (AWST).**