

ASX ANNOUNCEMENT

ASX: APC



22 April 2021

Production Bore-field Drilling Contract Awarded

- **Australian Potash Limited has awarded the Contract for bore-field drilling at the Lake Wells Sulphate of Potash Project to Pentium Hydro Pty Ltd, a wholly owned subsidiary of Vysarn Limited (ASX: VSY)**

Australian Potash Limited is pleased to announce that the bore-field drilling contract for the development of the Lake Wells Sulphate of Potash Project (LSOP) near Laverton WA, has been awarded to Pentium Hydro Pty Ltd.

The recently completed FEED programⁱ into the development of the LSOP identified an optimised bore-field design comprising 79 brine bores. In addition to the brine bore-field, the FEED program identified the development of two raw (or fresh) water bore fields comprising approximately 13 bores.

Australian Potash Managing Director and CEO, Matt Shackleton, said: “Following the release of the FEED Summary results we are focused on maintaining the momentum towards development.

“Securing drill rigs in the current climate is an important step towards us achieving our mid-2023 targeted production start date.”

Material terms of the Contract include:

Scope	<ul style="list-style-type: none">• Drilling, installation and development of brine and process water bores
Term	<ul style="list-style-type: none">• Contract is for an estimated 13 months from Notice to Proceed
Total cost	<ul style="list-style-type: none">• Based on the number of bores to be drilled, installed and developed on a fixed rate per shift (Schedule of Rates) using 2 drill-rigs• Estimated cost to APC is c.\$1m per month over the Term
Termination clauses	<ul style="list-style-type: none">• Failure to issue a Notice to Proceed by 2 June 2021• A force-majeure event occurs and continues for over 1 month• Suspension of work for convenience for 30 days or longer• Termination for convenience

This release was authorised by the Board of the Company.

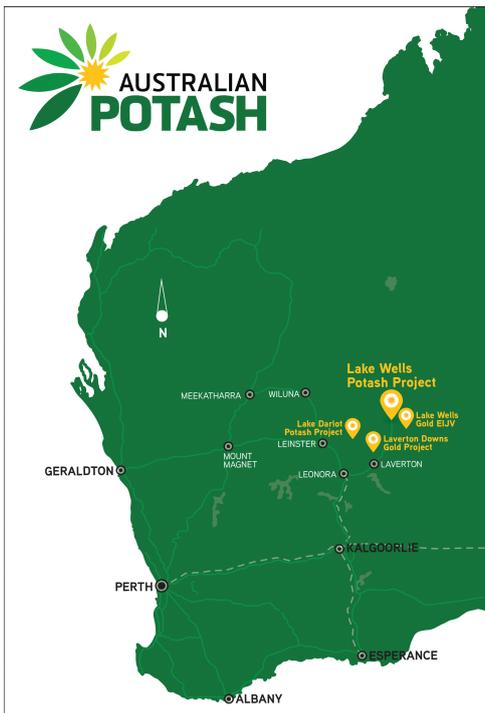
For further information:

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About Australian Potash Limited

APC holds a 100% interest in the **Lake Wells Sulphate of Potash (LSOP)**, located approximately 500kms 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 mid-2023.ⁱ

K-BRITE™

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.ⁱⁱ

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

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

Forward Looking Statements

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 forward-looking 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.

ⁱ Refer to ASX Announcement 20 April 2021 'FEED positions K-Brite at the Premium End of SOP Market'. 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 20 April 2021 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 20 April 2021 announcement continue to apply and have not materially changed.

ⁱⁱ Refer to ASX Announcement 9 April 2021 'Massive Nickel Sulphide Targets Identified at Laverton Downs'. 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 9 April 2021 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 9 April 2021 announcement continue to apply and have not materially changed.

ⁱⁱⁱ Refer to ASX Announcement 8 April 2021 'SBM Acquires 70% Interest in Lake Wells Gold Project'. 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 8 April 2021 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 8 April 2021 announcement continue to apply and have not materially changed.