

29 October 2021

Quarterly Activities Report – September 2021

- **EPA Approval for the Lake Wells SOP Project Cultural Heritage Management Plan**
 - **Completes the environmental permitting requirements for the LSOP development**
 - **Commitments focus on the preservation of Aboriginal heritage and cultural values and a consultative framework with Aboriginal and other stakeholders**
- **Preferred proponent status awarded to PWR Hybrid for hybrid renewable microgrid at LSOP**
 - **Microgrid will integrate an innovative gas-fuelled power station with solar PV, wind and battery energy storage technology**
 - **The hybrid facility will become one of the leading remote mine site power installations in the country**
- **LSOP Greenhouse Gas Emissions assessment report finalised including comprehensive ESG audit**
- **Additional organic certifications received for Lake Wells' K-Brite™ premium SOP**
 - **OMRI certification for use in certified organic production or food processing in compliance with the US Department of Agriculture National Organic Program**
 - **ACO Certification for compliance with Australian Certified Organic Standard 2021 (Version 1)**
 - **US and Australians certification joins the ECOCERT classification already received for use in organic farming in Europe**
- **Highly experienced SOP GM Operations engaged to provide technical expertise on operations development**
- **Laverton Training Centre development commenced**
- **Diamond drilling results received from Lake Wells Gold Project (JV with St Barbara Limited):**
 - **Significant results from H2 FY21 program include: 1.9m @ 14.35g/t Au from 73.5m including 1m @ 26.9g/t Au**
 - **Diamond drill program of up to 16 holes commenced during reporting period**

Australian Potash Limited (**ASX: APC** or the **Company**) is pleased to provide its Quarterly Activities Report for the period ending 30 September 2021.

Managing Director and CEO, Matt Shackleton, commented: "It is again pleasing to highlight the progress we have made over another quarter at Lake Wells. Our team comprises very experienced people across a range of disciplines, from technical and processing to engineering and construction, and their skills allow us to continue to mitigate risk both in the early works program and broader construction planning.

"We are currently developing bore number 16 in the 79 bore borefield, with test-pumping results being compiled for reconciliation with the hydrogeological model. Our goal is to have developed approximately 30% of the borefield by volume through Q1 2022, significantly derisking what is already Australia's largest Measured JORC-compliant SOP Resource[#].

“We continued to execute on our ESG strategy, with preferred contractor status awarded for the construction of the high renewable-fraction power station we will build at the LSOP. Not only does this provide us with a lower cost of energy to that modelled in our DFS, but we will build arguably one of the country’s lowest carbon footprint minerals projects.

“Our potash products have now been accredited by several organic certification agencies in the most lucrative global target markets, building on our strategy of ensuring the SOP products we produce can sell into the highest price points in all markets.

“We are also extremely pleased to have commenced the development of the Laverton Training Centre, an APC initiative that will bring together the cooperative support of regional miners, Central Regional TAFE and local and regional Aboriginal and non-aboriginal people in a unique training environment.

“And lastly, our joint venture partner at the Lake Wells Gold Project, St Barbara Limited, reported a very high-grade intercept at the south Yamarna target area they are currently drilling. That company’s 2022 drilling program is well underway and we anticipate reporting results through Q4 2021/Q1 2022.”

Operational Update

Lake Wells Sulphate of Potash Project (LSOP)

Project Development

The focus of site activities during the September 2021 quarter was progressing the development of the western and southern borefields. At the end of the reporting period, a total of nine (9) new bores had been drilled, of the total 76 *new* bores scheduled to be developed throughout Project construction. An additional three (3) bores have been completed during October 2021 to date. A further three (3) existing bores make up the balance of the 79 brine bores which was identified as the optimised borefield design in the LSOP Front End Engineering Design Study¹.

A program of step rate testing commenced in mid-October 2021 to obtain information on the condition and efficiency of selective production bores drilled to date. Constant rate testing is then planned to assist in determining bore yields.



Figure 1: Drilling WB034



Figure 2: Step rate testing

¹ Refer ASX Announcement 20 April 2021

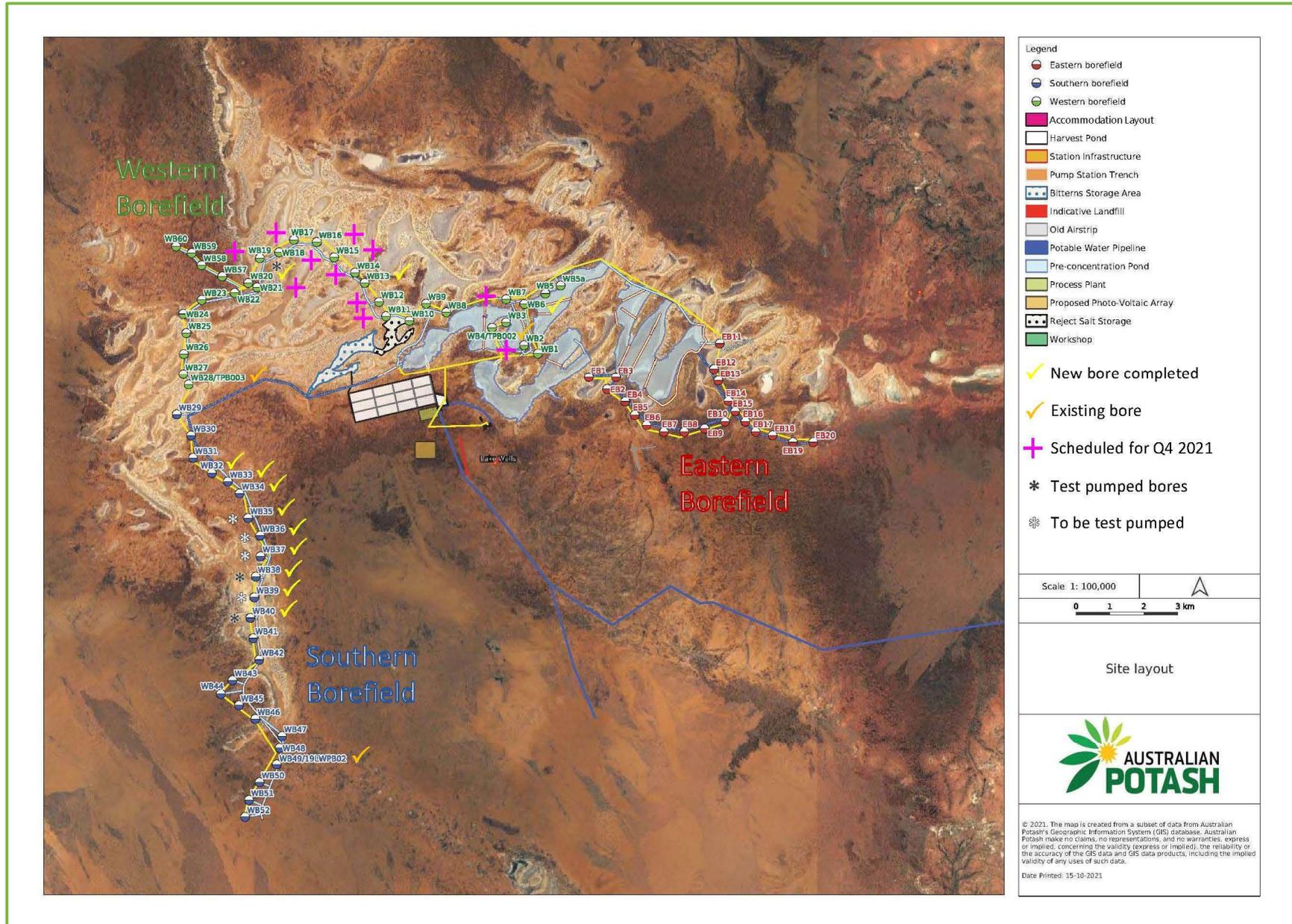


Figure 3: Borefield layout with existing, new and to-be drilled and step rate tested bores

APC have engaged Corey Milne as a specialist consultant, specifically in the field of SOP production from brine. Corey has over 30 years' experience in the operation of brine solar concentration ponds and SOP processing and production. Corey will provide input into both the LSOP's development pathway and risk minimising strategies for operations. Corey's expert knowledge will add considerable depth to the APC team and continue the de-risking strategy around implementation and operation of the Lake Wells Project.

During the quarter activities to consolidate the works undertaken at the Lake Wells Village were undertaken. The first stage of village construction is now complete and comprises 20 permanent ensuited rooms, 28 mobile rooms, kitchen and dining facilities, tavern and potable and wastewater treatment plants.



Figure 4: Aerial view of Lake Wells Village



Figure 5: ESS catering personnel in the Lake Wells Village kitchen



Figure 6: Electrical installation works at the Lake Wells Village



Figure 7: APC field personnel



Figure 8: Ongoing facilities improvements

In early September 2021, the Company advised that PWR Hybrid had been awarded Preferred Proponent status to build, own and operate the circa 35MW Lake Wells high renewable energy fraction microgrid. The microgrid will be developed in a staged approach, with the thermal component to be completed within circa 15 months of the Company making a final investment decision. This timeline ensures power supply preparedness for steady state operations. The Power Purchase Agreement will be finalised through the Early Contractor Involvement process the companies will now progress.

The microgrid will integrate an innovative gas-fuelled power station with solar PV, wind and battery energy storage technology which is expected to achieve a Renewable Energy Fraction above 65%. This will lead to the hybrid facility becoming one of the leading remote mine site power installations in the country with engine selection to be based upon the capability to utilise gas and hydrogen, including zero emissions green hydrogen from renewable sources.

The Company also commissioned a Carbon Footprint Study to determine greenhouse gas (GHG) emissions from APC's LSOP compared to other sources of SOP. The study was performed by Novopro, a Canadian project development, engineering, and management company, operating in a number of mineral and metallurgical fields, specialising in potash mining and processing plants. Novopro has conducted carbon footprint estimations for multiple potash projects (muriate of potash and SOP) in different areas of the world.

LSOP's direct and indirect GHG emissions were compared against other brine SOP producers and Mannheim reaction produced SOP. A further third party ESG audit is currently being conducted to verify APC's ESG strategies, and to provide assistance with ensuring full compliance with pending the EU Sustainable Disclosure Regulation.

GHG Emissions (kg CO ₂ -e/tonne SOP)			
Scope	LSOP	Other brine SOP production	Mannheim SOP production
1: Direct emissions Including diesel for mobile fleet and natural gas combusted at site	20	123	135
2: Indirect emissions Including emissions from energy produced by third-party providers	64	134	35

GHG Emissions (kg CO ₂ -e/tonne SOP)			
3: Reagent emissions Including GHG emissions accounted for by third-party manufacture of major reagents	103	113	421
Total	187	370	591

Planned development activities for December 2021 quarter include:

- Continuation of bore drilling program; and
- Earthworks relating to access and drill pad preparation.

Organic Certification

Lake Wells' premium product K-Brite™ potassium sulphate SOP has been allowed by the United States' premier organic certification body, Organic Materials Review Institute, for use in the production and processing of organic foods, in compliance with the US Department of Agriculture National Organic Program. It has also been certified as compliant with the requirements set out in the Australian Certified Organic Standard 2021 (Version 1) by ACO Certification Ltd, Australia's largest certifier for organic and biodynamic produce.

The US and Australian organic certifications join the previously secured ECOCERT classification certifying K-Brite™ as suitable for use in organic farming in Europe.

Approvals

The Company's Cultural Heritage Management Plan (**CHMP**) provides a framework for understanding the cultural context within which the LSOP will be developed. It provides for processes that directly mitigate risks of impacts on, and minimises harm to, sites and objects of cultural value to the Traditional Owners of the country.

The CHMP is required under the Ministerial Statement issued in February 2021 and was approved by the Environmental Protection Authority during July 2021.

The commitments given by APC in the CHMP are binding, with the accompanying compliance plan outlining reporting requirements as evidence of that compliance. In addition, the CHMP outlines a process and timetable for the on-going consultative process with Aboriginal and other stakeholders over the several stages of the LSOP development and operations.

Subsequent to quarter end, three Mining Leases (M38/1287, M38/1288, M38/1289) were granted. The grant of these tenements secures mining lease tenure across the current defined LSOP development area.

Community Engagement

A heritage survey was conducted in the last week of September 2021 with heritage consultants and Traditional Custodians. Building on the previous ethnographic surveys, this survey was conducted to assist with preparing site avoidance and management strategies, if and where applicable, at the LSOP. No sites of cultural significance were identified across the proposed development areas surveyed.

APC has engaged with the Forest Products Commission (**FPC**) for almost two years on a program to salvage a large quantity of sandalwood where the harvest ponds will be constructed at Lake Wells. During the quarter, sandalwood salvaging works were completed by the team from Yonga Djena, a local indigenous company. APC assisted with the works by providing ablution facilities and raw water supply. A piece of sandalwood from Lake Wells will be procured from FPC to be mounted and displayed at the APC head office in Subiaco.

Figure 9: Lake Wells Sandalwood



Laverton Training Centre

Subsequent to period end, the Company announced the Laverton Training Centre (**LTC**) initiative. The Centre supports APC's Indigenous Engagement Strategy and broad regional development goals and is being established as a not-for-profit fully accredited training program aimed at improving the economic capacity of the local community.

Training targets for the LTC over its initial three years of operation aim for between 32-48 trainees in Certificate II Rural Operations, conducted by the Central Regional TAFE in Kalgoorlie, and funding for Aboriginal Ranger training schemes in discussion. The initial intake of trainees is programmed for Q1 2022.

Funding

Discussions with the lenders (Northern Australian Infrastructure Fund, Export Finance Australia, commercial banks) are continuing in relation to progressing documentation and due diligence. The finalisation of the debt facility has been delayed due to additional technical due diligence requirements in light of the development challenges of the Company's Australian peers. This technical due diligence is now complete, with commercial bank lenders progressing to seek credit approval for the final tranche of the debt facility.

Lake Wells Gold Project (LWGP)

The Lake Wells Gold Project is a joint venture with St Barbara Limited (**SBM**) for the exploration, development and mining of non-potash minerals. On 8 April 2021 it was announced that SBM had met the necessary expenditure commitment to earn a 70% interest in the LWGP. APC is free carried at 30% until the completion of a bankable feasibility study in the development of any non-potash resource.

Preliminary exploration work conducted by APC, and continued by SBM, has sought to understand the geology and mineralisation potential of the Yamarna area which hosts the fertile Yamarna Shear Zone. Results from a first phase of reverse circulation (18 holes, 2,328m) and diamond drilling (three holes for 1,034m) were announced during the quarter.

Significant results² included:

- **2020LWDD0002** 1.9m @ 14.35 g/t Au from 73.5m including 1m @ 26.9 g/t Au from 73.5m
- **2020LWDD0001** 1.1m @ 1.14 g/t Au from 78.9m
1.8m @ 0.53 g/t Au from 82m
1.6m @ 3.46 g/t Au from 109.2m including 0.8m @ 6.51 g/t Au from 109.2m
2.5m @ 0.85 g/t Au from 116.5m including 1m @ 1.62 g/t Au from 117m
1.0m @ 0.52 g/t Au from 128m
7.0m @ 0.52 g/t Au from 140m including 2m @ 1.07 g/t Au from 144m

A program of 16 diamond drill holes for 4,200m commenced in September 2021. Along with the diamond drilling there will be the associated assay and geochemical analysis, structural logging, and lithological analysis all to be completed to understand the scale and significance of the mineralisation discovered in the 2020/21 exploration programs.

Laverton Downs Project (LDP)

The Laverton Downs Project is 100% owned by APC and located approximately 20km north of Laverton. Regional geology highlights the potential for gold and nickel sulphide mineralisation. Project evaluation undertaken by APC incorporating regional datasets, detailed magnetic data and high precision geochemical assay results derived from historical bottom of hole drill samples confirmed that a Kambalda-style nickel deposit host rock type is present within the LDP.

In early June 2021, a diamond drill rig was mobilised to the LDP. Two holes were drilled to depths of 213.3 metres and 300.5 metres. Through the quarter the preliminary assay results from the diamond drill program were received. Results confirm the geology logging where the Versatile Time Domain Electromagnetic (VTEM™) geophysical response is best explained by a stringer sulphide mineralised graphitic shale.

In keeping with the gold mineralisation model for the project, several intervals returned elevated gold and arsenic results, with a peak interval of 8m @ 147ppb Au and 782ppm As from 274m in hole 21LDDD002. Along with the ongoing collection and assay of legacy drill spoils, these results build on strong gold focussed targets for future drilling campaigns.

LDP Diamond Drill Program – Collar Location Table³

Hole ID	Hole Type	Grid ID	East	North	RL	Dip	Azimuth	Survey Method	Maximum Depth
21LDDD001	DD	MGA94_51	445575	6853360	490	-60	270	GPS	213.3
21LDDD002	DD	MGA94_51	445951	6850663	488	-60	270	GPS	300.5

SOP Market Update

Fertiliser Markets

Global fertiliser markets have been rallying this year due to a number of demand and supply driven factors. These factors include rising demand due to rising crop prices, fertiliser application rates, and poor yields coupled with cost inflationary pressures, particularly seaborne freight and energy costs. The result has seen surging fertiliser prices in 2021 with continued price upside in macronutrient prices heading into 2022.

² Refer ASX announcement 3 August 2021

³ Refer Appendix 1 for further information

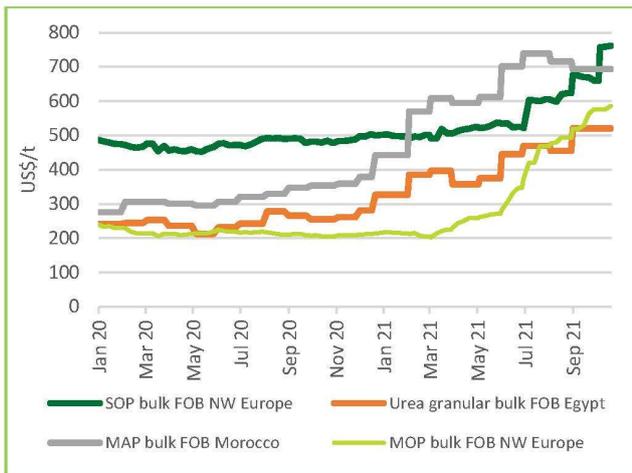


Figure 10: Global Fertiliser Prices⁴

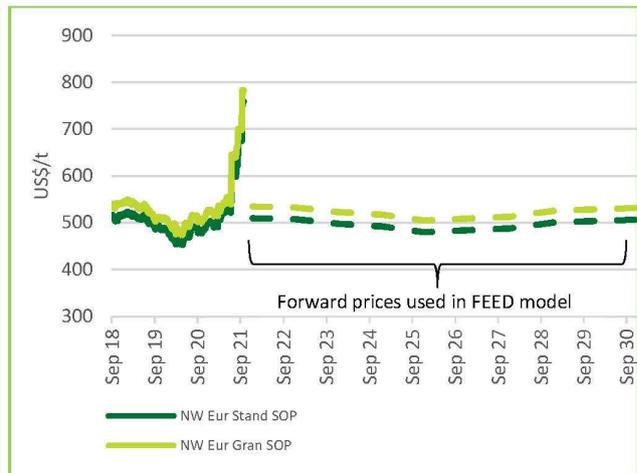


Figure 11: SOP Prices⁴

Potash Markets

Global potash markets have been following the rallying thematic supporting the general fertiliser markets. In addition to these influences there has been some structural supply issues that have and will limit supply of both muriate of potash (**MOP**) and SOP in the short to medium term. Firstly, recently announced USA sanctions against Belarus will disrupt MOP supply impacting one third of the USA's import volume of MOP. Secondly, China has recently issued a customs inspection statement covering the export of all major fertiliser including MOP and SOP. This suggests that export bans may be imposed shortly in China on MOP and SOP.

All global SOP prices have significantly increased in 2021 with Northwest Europe granular SOP trading at US\$785/t, East Asia granular SOP trading at US\$650/t, and Australia granular SOP trading at US\$880/t⁵. In 2021 SOP prices have increased on average 65% compared to an increase of approximately 170% for MOP prices. As SOP prices typically lag MOP prices the current pricing dynamics suggest further SOP price rises heading into the short to medium term.

APC is carrying an average, real life of mine SOP sales price of US\$550/tonne in its bank financial model⁶.

Corporate Update

On 9 July 2021 the Company held a general meeting of shareholders to consider various resolutions in relation to capital raisings conducted in November 2020 and May 2021. A total of 9,207,144 shares representing the second tranche of shares associated with the May 2021 placement to sophisticated and professional investors was issued on 16 July 2021 following the meeting.

Other equity movements during the period comprised the exercise of listed options (ASX: APCOB) which expired on 8 August 2021 and the lapse of unlisted performance rights due to cessation of employment.

As at the date of this report, the Company's capital comprises:

- 649,920,308 fully paid ordinary shares (ASX: APC)
- 6,363,024 unlisted performance rights
- 1,277,496 unlisted options exercisable at \$0.225 and expiring 27 December 2021
- 1,787,865 unlisted options exercisable at \$0.25 and expiring 15 April 2022
- 1,500,000 unlisted options exercisable at \$0.175 and expiring 29 July 2023

⁴ Source: Argus Consulting

⁵ Source: Argus Consulting

⁶ Refer ASX announcement 20 April 2021

During the period the Company presented at the Diggers & Dealers Mining Forum in Kalgoorlie and the Financial Report for the year ended 30 June 2021 was released on 24 September 2021. The 2021 Annual Report and 2021 Corporate Governance Statement were released on 26 October 2021.

Financial Commentary

The Quarterly Cashflow Report (Appendix 5B) for the period ending 30 September 2021 provides an overview of the Company's financial activities.

During the quarter, payments to related parties and their associates totalled \$185,000, comprising directors' salaries, fees and superannuation. In addition, a summary of the expenditure incurred during the quarter on the activities described in this report is as follows: exploration and evaluation (capitalised) \$6,794,000; exploration and evaluation (expensed) \$265,000; plant and equipment \$12,000; staff costs \$413,000; and administration and corporate costs \$303,000.

Mining Tenement Holdings

In line with obligations under ASX Listing Rule 5.3.3, APC provides the following information relating to its mining tenement holdings as at 30 September 2021.

Area	Tenement	Interest at 1 July 2021	Action	Interest at 30 September 2021
Lake Wells	E38/1903	30% ⁴	SBM earned 70% interest; transfer pending	30% ⁷
	E38/2113	30% ⁴	SBM earned 70% interest; transfer pending	30% ⁴
	E38/2114	100%	-	100%
	E38/2505	30% ⁴	SBM earned 70% interest; transfer pending	30% ⁴
	E38/2901	30% ⁴	70% interest transferred to SBM	30%
	E38/2988	30% ⁴	SBM earned 70% interest; transfer pending	30% ⁴
	E38/3018	30% ⁴	70% interest transferred to SBM	30%
	E38/3021	30% ⁴	70% interest transferred to SBM	30%
	E38/3028	30% ⁴	70% interest transferred to SBM	30%
	E38/3039	100%	-	100%
	E38/3224	30% ⁴	70% interest transferred to SBM	30%
	E38/3225	30% ⁴	70% interest transferred to SBM	30%
	E38/3226	30% ⁴	70% interest transferred to SBM	30%
	E38/3270	30% ⁴	70% interest transferred to SBM	30%
	E38/3423	100%	-	100%
	ELA38/3637 ⁸	100%	Application pending	100%
	LA38/350 ⁵	100%	Application pending	100%
	LA38/351 ⁵	100%	Application pending	100%
	LA38/352 ⁵	100%	Application pending	100%
	LA38/356 ⁵	-	Application 03/09/2021	100%
	LA38/357	-	Application 03/09/2021	100%
	M38/1274	100%	-	100%
	M38/1275	30% ⁴	SBM earned 70% interest; transfer pending	30% ⁴
	M38/1276	100%	-	100%
	MLA38/1287	100%	Application pending	100%
	MLA38/1288	100%	Application pending	100%
	MLA38/1289	100%	Application pending	100%

⁷ Effective interest; transfer pending

⁸ Tenements held by Lake Wells Potash Pty Ltd, a wholly owned subsidiary of APC

Area	Tenement	Interest at 1 July 2021	Action	Interest at 30 September 2021
Laverton Downs	E38/2724 ⁹	100%	-	100%
	E38/3014 ⁶	100%	-	100%
	E38/3132	100%	-	100%
	E38/3402 ⁶	100%	-	100%
	E38/3403 ⁶	100%	-	100%
	E38/3404 ⁶	100%	-	100%
Darlot East	ELA37/1388	100%	Application pending	100%
	E37/1389	100%		100%
	E37/1390	100%		100%

No tenements are subject to any farm-in or farm-out agreements except those disclosed above.

This release was authorised by the Board of Directors.

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Competent Person Statements

The information in this report that relates to Exploration Results is based on information compiled by Christopher Shaw who is a member of the Australian Institute of Geoscientists (AIG). Mr Shaw is an employee of Australian Potash Ltd. Mr Shaw has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken to qualify 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 Shaw consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

#Mineral Resource Estimate

The information in this report that relates to the Mineral Resource is based on information announced to the ASX on 8 August 2019. APC confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the Estimate in the relevant market announcement continue to apply.

Hydrogeological Unit	Volume of aquifer (MCM)	Specific Yield (mean)	Drainable Brine Volume (MCM)	K Concent ⁿ (mg/L, weighted mean value)	SOP Grade (mg/L, weighted mean value)	SOP Resource (MT)
Loam	5,180	10%	518	4,009	8,941	4.6
Upper aquitard	10,772	7%	754	3,020	6,735	5.1
Crete	479	5%	24	2,386	5,320	0.1
Upper sand	801	17%	136	3,435	7,660	1.0
Lower aquitard	9,502	8%	760	3,367	7,509	5.7
Mixed aquifer	440	17%	75	3,645	8,129	0.6
Basal sand	503	23%	116	3,415	7,616	0.9
Total (MCM/MT)	27,678		2,383	3,343	7,455	18.1

Measured JORC Mineral Resource Estimate for Lake Wells Sulphate of Potash Project based on modelled aquifer volume, specific yield and weighted mean K concentrations (derived from modelling)

⁹ Tenements held by Laverton Downs Pty Ltd, a wholly owned subsidiary of APC

Appendix 1

Laverton Downs Exploration Project – JORC Code 2012 Edition

Section 1: Sampling Techniques and Data

(Criteria in this section apply to the succeeding section)

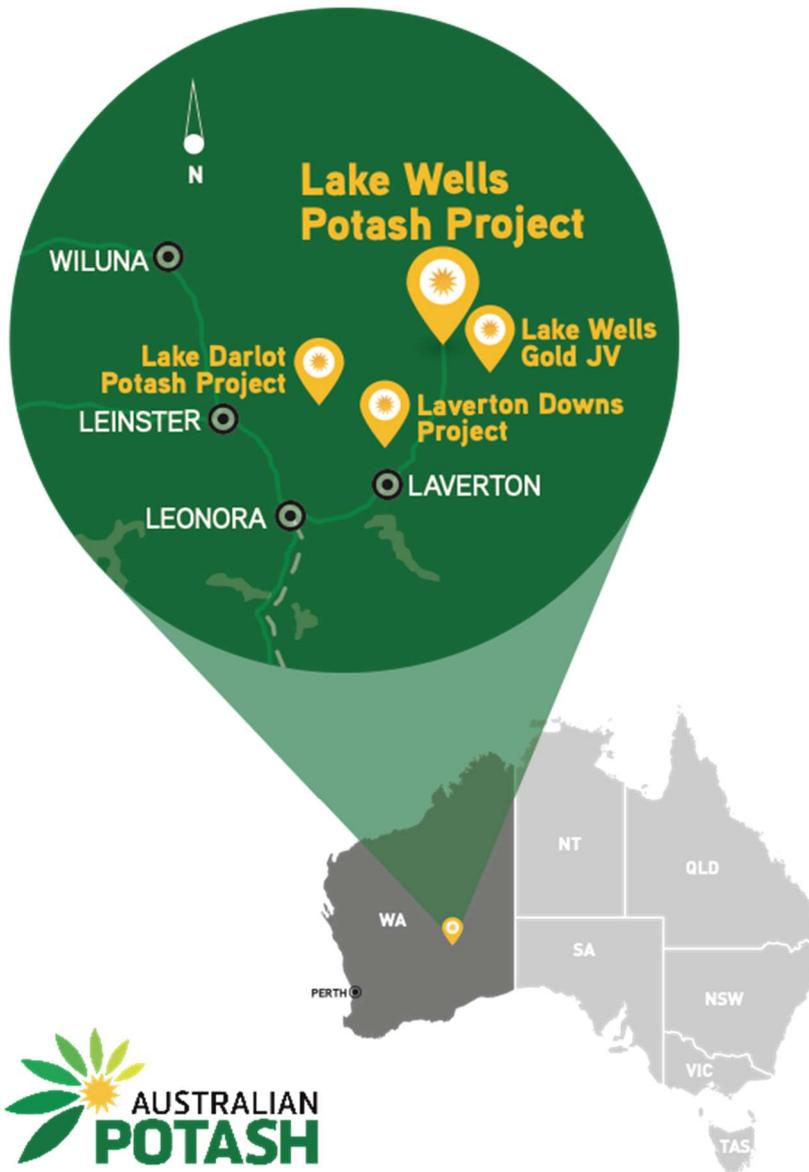
Criteria	Commentary
Sampling techniques: Diamond Drilling	<ul style="list-style-type: none"> • Diamond core drilling aims to collect a complete sample of the rock mass that is drilled. • Sampling is completed by cutting the recovered core in half lengthways, then selecting the intervals to be sampled and assayed. • The right-hand side of the cut core is collected, crushed, and retained. • Samples are collected mostly in one metre lengths unless a significant geological feature warrants a change from this standard unit.
Drilling techniques	<ul style="list-style-type: none"> • Diamond drilling using HQ and NQ2 sized core (standard tubes). • All core is orientated using a Reflex ACT orientation tool.
Drill sample recovery:	<ul style="list-style-type: none"> • Diamond core recovery is measured as a percentage of the recovered core compared to the drilled length. • Each drilled length is measured, and a block is placed in the core tray noting the drilled length and the length of recovered core. • Post drilling the core is metre marked and orientated then checked against driller's blocks to ensure that any core loss is accounted for. • Sample recovery is rarely less than 100%.
Logging	<ul style="list-style-type: none"> • All holes are logged primarily for lithology, alteration and vein type/intensity which are key to modelling mineralisation distributions. • Validation of geological data is controlled via the use of library codes and reliability and consistency of data is monitored through regular peer review. • All logging is qualitative.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • Primary samples were collected at 1m intervals and composited in 4m samples using 200g of crushed material from each metre sample. • 4m composite samples weighing ~800g were pulverised.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • All composite samples were assayed by Intertek Genalysis. • Each composite sample was analysed (MS to ultra-trace levels) via assay codes 4A/MS48 + 4A/MS48R + FA25/MS02 methods for elements Ag, Au, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Ge, Hf, Ho, Ln, K, La, Li, Lu, Mg, Mn, Mo, Na, Nb, Nd, Ni, P, Pb, Pr, Rb, Re, S, Sb, Sc, Se, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn & Zr. • Certified reference material was inserted into the sample stream at a minimum ratio of 1:50. • Field duplicates and blanks were inserted at a ratio of 1:50. • The assay laboratory inserted certified standards, replicates and lab repeats for internal accuracy checks.
Verification of sampling and assaying	<ul style="list-style-type: none"> • Primary geological and sampling data were recorded into made for purpose excel spreadsheets. • QAQC protocols that include the reference material and duplicates as noted above, and the laboratory protocols ensure that the sampling and assay data meet industry standards for accuracy. • Assay data is referenced to the lithology logging where each rock type has a range of mineral abundances. • No adjustments to assay data were made.
Location of data points	<ul style="list-style-type: none"> • Prior to drilling, holes were marked out using a handheld GPS with ± 3 m accuracy for easting, northings and ± 10m elevation. • All locations were captured in MGA94 zone 51 grid. • Drill collars have been secured and can be revisited for accurate surveying if required.
Data spacing and distribution	<ul style="list-style-type: none"> • Diamond drill holes were located to test geophysical targets and not planned on a regular drill pattern.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • The two drill holes had a dip and azimuth of -60/270 • Diamond holes are designed perpendicular to regional geological features that coincided with the geophysical modelling.
Sample security	<ul style="list-style-type: none"> • Only trained and experienced contractors and company personnel were allowed to collect the samples; all samples were held within a secure company location before dispatch to Intertek Genalysis in Kalgoorlie for core cutting and sample preparation.
Audits or reviews	<ul style="list-style-type: none"> • Regular reviews of logging and sampling are completed through APC mentoring and auditing. No significant issues were identified.

Section 2: Reporting of Exploration Results

(Criteria in the preceding section apply to this section)

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The Laverton Downs Project comprises six tenements, which are held by Australian Potash Limited. These include: E38/3014, E38/2724, E38/3132, E38/3402, E38/3403, E38/3404.
Exploration done by other parties	<ul style="list-style-type: none"> There have been numerous historical holders of the project area which covers approximately ~100 square kilometres. Exploration has been conducted by numerous companies including but not limited to: Hillman Gold Mines, Goldphyre Resources Ltd, Goldfields Exploration Pty Ltd, Granny Smith Operations, Regis Resources and others.
Geology	<ul style="list-style-type: none"> APC is targeting Archean orogenic gold and nickel sulphide mineralisation. The tenement package covers Archaean greenstones within the highly prospective Yilgarn Craton. Based on the work of Cassidy (2006) the LDP is located at the junction between the Kurnalpi and Burtville terranes, though detailed interpretation suggests that the Kurnalpi terrane is dominant. Rock types include mafic/ultramafic, basalt and granite igneous rocks, and a variety of sedimentary rocks including shale, sandstone and conglomerates.
Drill hole Information	<ul style="list-style-type: none"> Drill hole information for holes returning significant results have been reported in the intercept table. Included in the intercept table are collar positions obtained by GPS pickup, hole dip and azimuth acquired from handheld compass and clinometer. Composited mineralised intercepts lengths and depth as well as hole depth.
Data aggregation methods	<ul style="list-style-type: none"> Broad down hole intercepts are reported as length weighted averages. No high-grade cut is applied. No metal equivalent values are used for reporting exploration results. Broad down hole intercepts are reported as length weighted averages using a cut-off of 100ppb Au. Such intercepts may include material below cut-off but no more than 1 sequential metre of such material and except where the average drops below the cut-off.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> Down hole length is reported for all holes; true width is not known as the orientation of mineralisation is not fully understood.
Other substantive exploration data	<ul style="list-style-type: none"> Nil.
Diagrams	<ul style="list-style-type: none"> Nil.
Balanced reporting	<ul style="list-style-type: none"> Details of holes material to Exploration Results have been reported in the intercept table. No other drill holes have targeted the geophysical anomalies of this program so there is no legacy data relevant program.
Further Work	<ul style="list-style-type: none"> Further exploration is planned and is as discussed in the body of the report.

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.ⁱ

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

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 or any other referenced 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 9 April 2021

ⁱⁱ Refer to ASX Announcement 8 April 2021