

22 January 2021

ASX ANNOUNCEMENT
ASX: APC

AUSTRALIAN POTASH LIMITED

EPA APPROVAL APPEAL RESOLVED

Australian Potash Limited (ASX: APC) (**APC** or the **Company**) is pleased to advise that it has been notified by the Office of the Appeals Convenor that the WA Minister for the Environment has issued an Appeal Determination in relation to an appeal lodged against the Environmental Protection Authority (EPA) Board's recommendation that the Lake Wells Sulphate of Potash project be approved for development.

The Minister was satisfied that the EPA's assessment of the proposal was appropriate and sufficient to establish the risk posed to its Social Surrounds and has dismissed the appeal. The Minister has recommended that one of the conditions recommended by the EPA in its recommendation be amended.

The Minister will now commence consultation with relevant decision-making authorities as to whether or not the proposal may be implemented, and the conditions which apply to any such implementation, under section 45(1) of the EP Act.

Managing Director and CEO, Matt Shackleton, commented:

"We are pleased to advise shareholders of the resolution of the EPA Report and Recommendations appeal. We have been thorough and rigorous in ensuring relevant studies and consultation has occurred throughout the approvals pathway.

"We look forward to the final Ministerial Statement once the Minister has completed the consultation process."

This release was authorised by the Managing Director & CEO of the Company.

For further information:

Matt Shackleton
Managing Director & CEO
m.shackleton@australianpotash.com.au
+61 (0) 438 319 841

Danielle van Kampen
Community Engagement Manager
d.vankampen@australianpotash.com.au
+61 (0) 409 104 613

About Australian Potash Limited



K-Brite is a registered trademark brand of Australian Potash Limited (ASX: APC), representing the premium Sulphate of Potash (SOP) to be produced from the Company's flagship Lake Wells Sulphate of Potash Project (LSOP).

APC holds a 100% interest in the LSOP, located approximately 500kms northeast of Kalgoorlie, in Western Australia's Eastern Goldfields.

Following the release of the Definitive Feasibility Study (DFS) in August 2019¹, APC is focused on the Front-end Engineering Design (FEED) Study, finalising offtake discussions and securing financing to develop the LSOP.

The DFS was underpinned by extensive and rigorous testwork, data, and modelling. The DFS confirmed that the LSOP will be a long life, low capital and high margin SOP producer.

Key outcomes from the DFS include:

- 30-year mine life producing 150,000tpa of premium grade SOP utilising approximately 21% of the total Measured Resource estimate
- Long mine life underpinned by 3.6Mt reserve and **18.1Mt** Measured Resource estimate
- Pre-tax NPV₈ of **A\$665m** and an IRR of 25%
- Development capex of A\$208M with sector leading capital intensity of A\$1,387/t
- First quartile industry opex of US\$262/t providing high cash operating margins

¹ Refer to ASX Announcement 28 August 2019 'Definitive Feasibility Study Outstanding Financial Outcomes'. 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 28 August 2019 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 28 August 2019 announcement continue to apply and have not materially changed.