

9 December 2014

**African Potash Limited ('African Potash' or 'the Company')
Delineates Significant Potash Potential at the Lac Dinga Project**

African Potash, the AIM listed company focused on sub-Saharan potash assets, is pleased to announce assay results from its recently completed exploration drilling programme.

The assay results confirm the presence of multiple potash seams at its Lac Dinga Potash Project in the Republic of Congo ('Lac Dinga' or the 'Project'). The analytical results for the two completed exploration drill holes on conceptual targets identified from seismic data confirm the presence of laterally extensive potash mineralisation.

Highlights:

- LDDH_001 and LDDH_002 intersected very similar salt and potash mineralisation over significant thickness with individual sample grades of up to 25% KCl (~15.8% K₂O)
- Significant results include:
 - 3.66m @ 20.01% KCl (12.66% K₂O) from 466.04m in LDDH_001
 - 17.90m @ 12.06% KCl (7.63% K₂O) from 481.60m in LDDH_001
 - Incl. 8.62m @ 16.15% KCl (10.22% K₂O) from 490.88m
 - 3.65m @ 18.34% KCl (11.60% K₂O) from 402.10m in LDDH_002
 - 21.63m @ 11.06% KCl (7.00% K₂O) from 415.20m in LDDH_002
 - Incl. 9.85m @ 15.82% KCl (10.00% K₂O) from 425.85m
- The results confirm laterally extensive potash mineralisation which is characteristic of the Congolese coastal basin and further underpin the Project's potential to host significant potash deposits
- About 250km² of the licence area is interpreted to be underlain by salt-bearing strata which occurs at depths of about 300m to 420m below surface
- Mineralogical studies confirm that the potash seams are partially converted to sylvite mineralisation

African Potash CEO, Edward Marlow, said, "The final assay results from multiple potash seams at Lac Dinga based on a two-hole exploration drill programme is a further endorsement of our exploration approach and proof of exploration concept.

We have not only demonstrated that potash mineralisation occurs in an area where no exploration had been conducted before but also that there is potential to discover high-grade sylvinite mineralisation in laterally-extensive and continuous potash horizons. Results of up to 25% KCl confirm the high-grade nature of the potash mineralisation. Additionally the flat

geometry of the strata demonstrates significant potential for solution mining. These results will allow the Company to plan the next stage of exploration drilling with the aim to define a substantial commercial potash resource in the Lac Dinga permit.”

Further Information:

The analytical results conclude a successfully conducted first reconnaissance exploration programme at the Lac Dinga Potash Project with the completion of a two hole drilling programme for a total of 994m.

The Company received assay results for both drill holes that African Potash sited based on the interpretation of approximately 415 line kilometres of 2D oil industry seismic data (Figure 1). The objective for the drilling programme was to test the interpreted locations for the presence of the prospective salt sequence and for the development of high-grade sylvite (KCl) within the carnallite [$\text{KMgCl}_3 \cdot 6(\text{H}_2\text{O})$] bearing layers.

LDDH_001 and LDDH_002 were drilled in the southern and central part of the Project where a potash-bearing salt sequence was interpreted to be located at shallow depth and below a uniformly developed anhydrite layer at the top of the salt. The seismic data indicates a flat-to moderately-undulating and undisturbed salt horizon in the target areas. Both drill holes intersected uniform potash mineralisation at the targeted depths.

LDDH_001 and LLDDH_002 were drilled over 10km apart near the margin of the basin (Figure 2). The potash mineralisation occurs in three laterally continuous, and up to 20m thick, potash horizons of remarkable similarity despite the distance between the drill holes (Figures 3 and 4). The seismic data indicates that the thickness of the potash horizon increases towards the west (basin interior).

The Upper and Lower Potash Horizon attain a thickness between 17 and 20m. The Middle Potash Horizon is narrower but has high grades. The potash horizons comprise predominantly carnallite mineralisation, however mineralogical studies have demonstrated that the carnallite-bearing potash beds have undergone partial conversion to the higher grade potash mineral sylvite. This is a significant outcome as it validates the exploration concept and justifies future exploration for high-grade sylvinite mineralisation.

African Potash will commence planning its next exploration campaign based on the results of the recently completed reconnaissance exploration with the aim to delineate Mineral Resources suitable for exploitation. Detailed plans of this programme will be made available after full evaluation of the current information.

The map displays the Lac Dinga area in the Republic of Congo, highlighting the LAC DINGA PERMIT (African Potash) in red. Key features include the Sintoukola Potash Deposit, various drillholes (CK88_13 to CK89_114), and the LDDH 001 and LDDH 002 areas. The map also shows the extent of evaporites, basement hosted faults, and the Congo Basin Sediments. A legend in the bottom left corner defines symbols for completed drillhole locations, historic potash mines, potash projects, historic drillholes, oil wells, oil fields, seismic lines, basement hosted faults, extent of evaporites, evaporate basins, thickness of salt contours, railways, major sealed roads, minor sealed roads, gravel roads, tracks, and the Lac Dinga (African Potash) permit. A scale bar indicates 0 to 20 km, and the map is projected in WGS84 Zone 32S. The African Potash logo is in the top right corner.

Figure 3: Analytical and mineralogy results for LDDH_001.

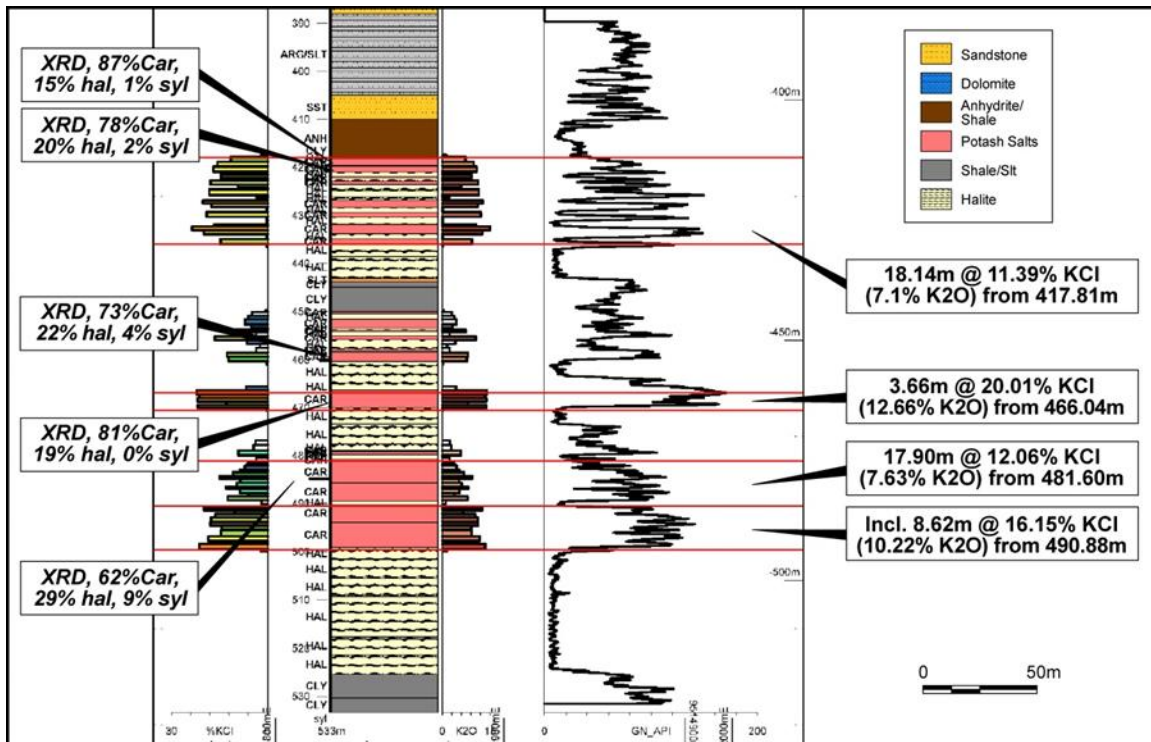


Figure 4: Analytical and mineralogy results for LDDH_002.

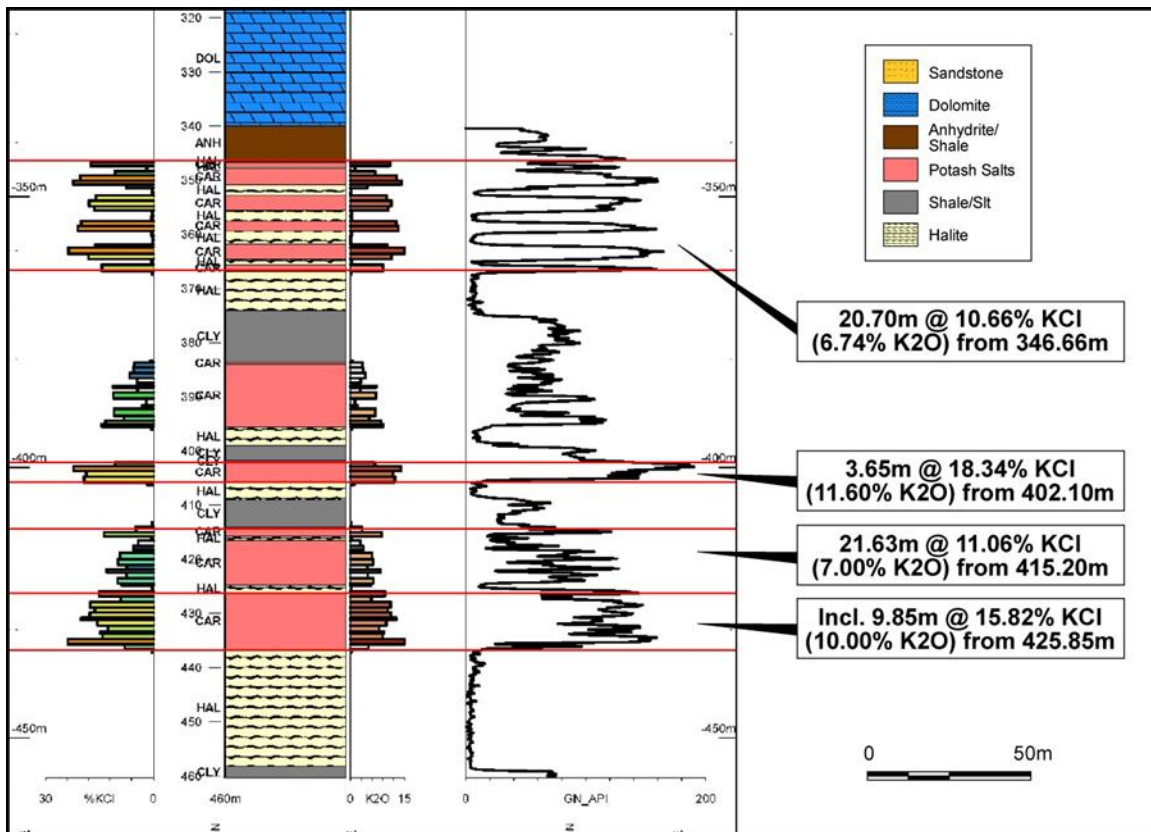


Table 1: Collar positions of the drill holes (based on GPS survey).

Hole ID	East (UTM)	North (UTM)	RL	Dip	Azimuth (magnetic)	EOH	Comments
LDDH_001	831815	9514792	6	-90	0	533.7	PQ sized diamond hole
LDDH_002	822154	9525605	3	-90	0	460.3	HQ sized diamond hole

Table 2: Significant potash intersections showing full sets of results from LDDH_001 and LDDH_002.

Hole ID	From (m)	To (m)	Interval (m)	KCl%	K ₂ O%	Comments
LDDH_001	417.81	435.95	18.14	11.39	7.10	Down hole length
LDDH_001	466.04	469.70	3.66	20.01	12.66	Down hole length
LDDH_001	481.60	499.50	17.90	12.06	7.63	Down hole length
<i>Incl.</i>	<i>490.88</i>	<i>499.50</i>	<i>8.62</i>	<i>16.15</i>	<i>10.22</i>	<i>Down hole length</i>
LDDH_002	346.66	367.36	20.70	10.66	6.74	Down hole length
LDDH_002	402.10	405.75	3.65	18.34	11.60	Down hole length
LDDH_002	415.20	436.83	21.63	11.06	7.00	Down hole length
<i>Incl.</i>	<i>425.85</i>	<i>435.70</i>	<i>9.85</i>	<i>15.82</i>	<i>10.00</i>	<i>Down hole length</i>

*The conversion factor for KCl to K₂O is 0.6317 (chemically pure KCl contains 63.17% K₂O)

Sampling and Analytical Information:

A total of 150 primary half-core samples (76 samples from LDDH_01 and 74 samples from LDDH_02) were collected and dispatched to Intertek Genalysis analytical laboratory in Perth, Western Australia. In addition there were a total of 4 field duplicates, 2 field blanks and 4 standards for QA/QC purposes.

After sample preparation (crushing to -2mm) a 100g sub-sample of the crushed material is dissolved for analysis. The soluble solution was analysed by ICP-OES (Inductively Coupled Plasma Optical Emission Spectrometry) for potassium, magnesium, calcium, sodium and sulphate. Chloride was determined by titration with silver nitrate and loss on drying and the insoluble component is determined gravimetrically. The laboratory's QA/QC measures included the testing of standards, blanks and replicates.

Competent Person Statement:

The information in this report that relates to Exploration Results is based on information compiled by Dr Simon Dorling who is a Non-Executive Director of African Potash and a full-

time employee of CSA Global Pty Ltd, African Potash's geological consultants. Dr Simon Dorling is a Member of the Australian Institute of Geoscientists (MAIG) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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'. Dr Simon Dorling consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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About African Potash

African Potash was established to invest in/acquire potash assets or projects in sub-Saharan Africa. The Directors believe the fundamentals of the global potash market, a key source of potassium fertiliser, represent a compelling opportunity to create shareholder value.

The Company is currently focused on the Lac Dinga Project in the Republic of Congo and has a highly experienced Board with a proven track record in identifying, operating and developing resource projects in Africa.