



September 2020 Quarterly Report

Salt Lake Potash Limited (SO4 or the Company) is pleased to present its Quarterly Report for the period ending 30 September 2020. The Company is focussed on rapidly developing the Lake Way SOP Project in Wiluna, Western Australia.

Highlights

Lake Way Project continues on schedule

- At the process plant site concrete foundations poured by Flanco are 97% complete, installation of structural steel supplied by Metro Steel commenced and first carbon steel tanks have been installed by Proweld.
- Major vendor procurement packages over 93% committed with fixed costs.
- Long lead procurement items have commenced arriving on site including the Veolia crystallisers with associated components and tanks, and transformers from Wilson. Vendor packages currently in transit to site include lump breaker, flotation cells, attritioners, wet screens and centrifuges.
- Design and procurement of the gas fired power plant continued, and Gas Transport Agreement, Development Agreement and Licence Agreement executed with APA.
- All permanent buildings are now on site and installed including the permanent village, construction village, warehouse, workshop, administration, reagents, laboratory, ablutions, crib rooms and 4G communications has been installed across site.
- Development of On-Lake infrastructure continues to progress. Work commenced on the fourth pond train and 62km of trenches have now been completed.
- The Paleochannel drilling programme continues with the seventh bore completed. All bores have intercepted basal sands in line with the model prediction.

Lake Way Project funding package delivered

- Financing package included two components:
 - US\$138m (A\$203m) Syndicated Facility Agreement (SFA) with Taurus Mining Finance Fund No.2 L.P (Taurus) and the Clean Energy Finance Corporation (CEFC).
 - A fully underwritten A\$98.5m Placement and accelerated non-renounceable entitlement offer (ANREO) at A\$0.50/share completed in September 2020.
- In combination, these funds will enable the Company to complete the funding and deliver the Project on schedule, with first Sulphate of Potash (SOP) production expected in the March quarter 2021.
- The incorporation of the CEFC into the Taurus SFA provides a strong endorsement of the Company's contribution towards reducing carbon emissions from the global fertiliser and agriculture industries and follows the grant of 'Green Label' certification for debt issued to develop the Project.
- SO4 is working closely with its debt partners to achieve financial close and is substantially advanced in satisfying remaining conditions precedent, with initial drawdown and repayment of Bridge facility expected in November 2020.

Upcoming milestones/activity

- Financial Close and initial SFA drawdown, repayment of Bridge facility.
- Ongoing delivery of major plant components to site.
- Process plant and non-process infrastructure construction continues.
- Paleochannel borefield drilling and pump testing continues.

Enquiries

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This announcement has been authorised for release by the Board of Directors.

On-Lake Operations

Brine extraction: Trenches

Trench development continued during the quarter with total trench length extended to 62km by the end of September (from 48km at end June quarter).



Figure 1: Northern Trench Network

Paleochannel drilling

During the quarter, paleochannel exploration drilling continued at Lake Way, with brine abstraction bores drilled into the Paleochannel Basal Sand at pads 12, 14 and 23.

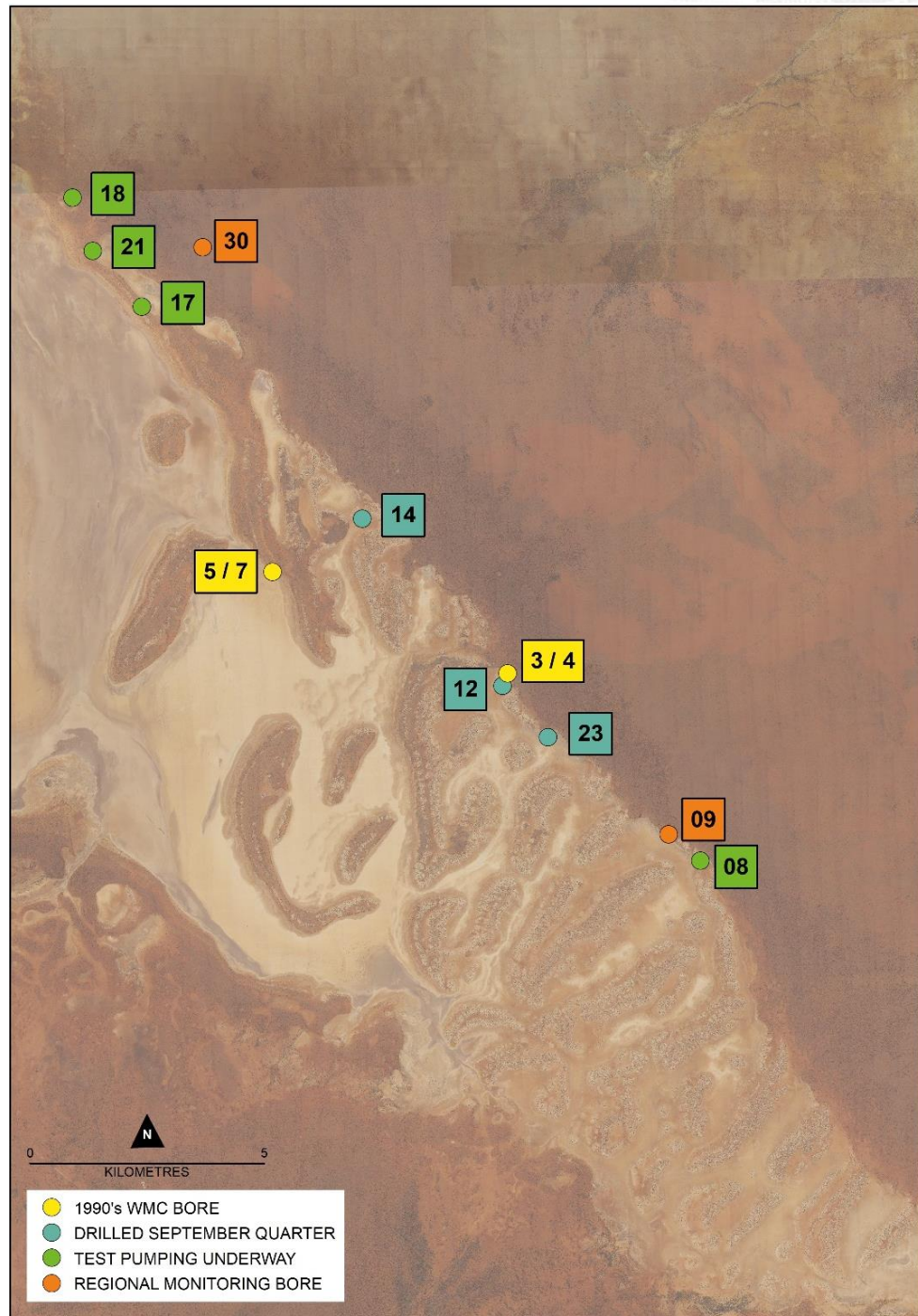


Figure 2: Paleochannel brine abstraction bores

Table 1 provides a summary of the completed abstraction bores (see Appendix C for further detail).

Test pumping results to date at pads 18 and 21 are presented in Table 2. Test pumping of the abstraction bores will continue in the current quarter.

Brine grades during test pumping at pad 18 averaged 6,915 mg/L potassium and at pad 21 averaged 7,234 mg/L potassium (BFS bore grade 6,100 mg/L). Brine grade in the weathered basement aquifer at pad 30 located outside the paleochannel (and outside the currently defined Mineral Resource) was 5,170 mg/L potassium.

Table 1: September Quarter Paleochannel drill programme summary

| Drill Pad | Bore Name | Depth (m) | Basal sand intersection (mbgl) | Basal Sand Thickness (m) | Airlift Yield (L/s) | Test pumping Rate (L/s) | Average Potassium Grade During Pumping (mg/L) |
|---|-----------|-----------|--------------------------------|--------------------------|---------------------|-------------------------|---|
| Test pump results to date: | | | | | | | |
| 8 ¹ | LYPBB004 | 114 | 99 - 111 | 12 | 22.6 | 10 | 5,370 |
| 17 ¹ | LYPPB001 | 113 | 95 - 113 | 18 | 35 | 18 | 7,240 |
| 18 | LYPBB006 | 112.5 | 88 - 110 | 22 | 10 | 10 | 6,890 |
| 21 | LYPBB002 | 114 | 92 - 111 | 19 | 16 | 12 | 7,260 |
| Drilled but test pumping not commenced: | | | | | | | |
| 12 | LYPBB009 | 113 | 81 - 109 | 28 | 41 | | 6,380 ² |
| 14 | LYPBB008 | 108 | 88 - 103 | 15 | 39 | | 6,770 ² |
| 23 | LYPBB010 | 111 | 92 - 109.5 | 17.5 | 33 | | 6,260 ² |

Note: 1) Test pumped and reported in the June 2020 Quarter. 2) Potassium Grade from Bores LYPBB008, 9 and 10 are from airlift samples.

During test pumping at pad 21, drawdown was observed in both the shallow and deep monitoring bores at pad 21 as well as in deep monitoring bores on pads 17 and 18, and the monitoring bore at pad 30, some 2.4km to the east of pad 21, drilled into the weathered basement. This is in line with ground water model predictions.

Table 2: Test Pumping Results

| | Pad 18 (LYPBB006) | Pad 21 (LYPBB002) |
|--|-------------------|-------------------|
| Hydraulic conductivity (K m/day) | 7 | 6.3 |
| Aquifer thickness (b m) | 18 | 20 |
| Transmissivity (T m ² /day) | 126 | 126 |
| Specific Storage (S) | 0.00005 | 0.0009 |

The pumping test and drilling results demonstrate:

- Lateral continuity of the Paleochannel Basal Sands Aquifer.
- Downward brine flow and depressurisation of the overlying Paleochannel Sediment Clays during pumping.
- Lateral brine flow and depressurisation of the Weathered Basement Aquifer that bounds the paleochannel basal sand during pumping.
- High brine grade in the weathered basement aquifer (5,170 mg/L K at Pad 30).

The contribution of high grade brine inflow from the weathered basement aquifer into the paleochannel basal sands aquifer presents an additional source of brine that was not incorporated in the Mineral Resource Estimate and not incorporated in the production plan underpinning the Ore Reserve.

The results from the paleochannel exploration drilling campaign continue to validate and indicate potential upside to SO4's BFS brine production model in terms of the location, continuity and depth of the paleochannel basal sands and brine grades.

Pond operation

The Stage 1 and 2 pond networks (Trains 1, 2 and 3) both continued to operate at steady state during the September quarter. Brine chemistry across the pond network continues to align with modelled outcomes.

Construction progressed on the fourth pond train and commissioning commenced during the quarter.



Figure 3: Commissioning of fourth pond train underway

Off-Lake Operations

Process Plant construction and procurement

Progress at the process plant and non-process infrastructure site accelerated during the September quarter.

Concrete installation to all wet areas of the process plant including the Dryer foundations was completed, with installed concrete 97% complete at quarter end. It is anticipated that the remaining primary concrete will be completed during October, enabling the contractor to complete concreting for product handling and storage infrastructure and the power station slab and footings.

The bulk of the underground trenched services are now over 50% complete including process plant and utilities area, workshop, laboratories and administration buildings.



Figure 4: Process Plant site

Structural steel commenced being erected at site with 19% completion at the end of the quarter. Of note, steel erection for the SOP Crystalliser and Schoenite Crystalliser support structures including fit out of all grid mesh and hand railing was completed.



Figure 5: Crystalliser structures



Figure 6: Process Plant site

Erection of the Conveyor truss sections commenced with preliminary fit out of stringers and take up towers now well advanced on certain conveyors.



Figure 7: NaCl waste conveyor structure and gravity take up tower



Figure 8: In Feed Transfer Crushing Station

In parallel, assembly and welding of the stainless steel Crystallisers and Leach tank continued, with the Leach tank well advanced in its final position. The assembly and welding of the Carbon steel tanks commenced during the period with 22% completion at the end of the quarter.



Figure 9: Tank fabrication

Procurement advanced during the quarter with the project now over 93% procured for major packages and all key vendor contracts executed.

Long lead time items are arriving and being assembled at site. The Veolia crystallisers arrived at the beginning of August, three weeks ahead of schedule.

Many other packages including Dryer, Screens, Centrifuges, Lump breaker, Flotation cells and Attritioners are currently enroute with the Lump breaker, Flotation cells and Attritioners due on site in October for installation in Q4 2020.

Smaller packages including conveyor equipment and weighing systems are also now on site.

Non-process Infrastructure

During the quarter, a Gas Transport Agreement, Development Agreement, and Licence Agreement was executed with APA. Design and approvals for the gas lead-in between the Goldfields Gas Pipeline and the Lake Way site progressed, and procurement of the line pipe and other long-lead items also commenced during the quarter.



Figure 10: Line pipe for gas supply pipeline

Design and procurement of the gas fired power plant continued during the quarter. Several Cummins HSK78 gas generating sets were despatched from the United States and will land in Western Australia in the current quarter.



Figure 11: A Cummins HSK78 gas generating set destined for Lake Way

Construction of the warehouse and workshop facility continued during the quarter, with minor service works still to be installed. The Administration complex, onsite laboratories, crib room, and ablutions were all installed during the quarter.



Figure 12: Lake Way warehouse, workshop, laboratory and ablutions

The site VHF radio system has been installed and commissioned, providing significantly improved communication for work crews across the Lake Way site.

Commissioning of the Waste Water Treatment Plant (WWTP) commenced during the quarter. The WWTP currently supports the SO4 Village and will also be connected to the site buildings.

Approvals

SO4 continued the advancement of the remaining permitting required to support full-scale operations with ongoing liaison in regard to the Environmental Review Document (ERD) submitted. The EPA has determined that the full project scope requires formal assessment with no public review. Board members of the EPA visited the site during the quarter and the Company received advice from EPA services. A revised ERD in response to these comments was submitted. The Company is not aware of any major impediment to obtaining EPA approval.

Some surveys, studies and management plans were updated as part of this revised submission including:

- Flood study modelling
- Salt Dissipation study
- Mine Closure Plan
- Tecticornia Monitoring and Management Plan

In addition to the EPA submission, the Company continues to seek other project approvals as required.

Project funding package

During the quarter, the Company executed a US\$138m (A\$203m¹) debt financing package and completed a fully underwritten equity placement (Placement) and accelerated non-renounceable entitlement offer (ANREO) for A\$98.5m at A\$0.50/share (Equity Raising).

Debt Facility

In August 2020, the Company executed the SFA which is a loan agreement between SO4 (and its subsidiaries), Taurus and CEFC. Key terms of the facility are detailed in Table 3.

Table 3: Syndicated facility agreement

| | |
|------------------------------|--|
| Facility Amount | US\$138m (Taurus US\$91m, CEFC US\$47m) |
| Tenor | 4 Years (30 September 2024) |
| Availability Period | Financial close until 30 June 2021 |
| Interest rate | 9.0% per annum payable quarterly on drawn funds |
| Upfront Fee | 2.75% |
| Undrawn Commitment fee | 2.5% per annum |
| Tranches | Bridge: US\$45m currently drawn SFA: US\$138m (including Bridge repayment) |
| Amortisation/Repayment | No scheduled repayments or debt amortisation until 31 March 2022 (approximately 12 months after first production) Additional cash sweep of 70% of surplus cash available for debt service accelerating SO4's deleveraging |
| Debt Service Reserve Account | A\$10m prior to project completion, thereafter greater of A\$10m and principal and interest payable in next 6 months |
| Bullet | US\$92m (67%) at 30 September 2024 (less early repayments) |
| Refinancing Restrictions | Nil 18 months after signing |

Conditions for Financial Close

Since execution of the SFA, the Company has been working closing with the Lenders to satisfy the conditions for initial drawdown which are standard market conditions including signoff on cost to complete, confirmation of the base case financial model and deposit of equity raise funds. Substantial progress has been made and the remaining conditions are expected to be satisfied enabling initial drawdown and repayment of the Bridge facility in November 2020.

Taurus has agreed to extend the date for repayment of the Bridge facility to 30 November 2020. SO4 will issue 1.25m ordinary shares in consideration for the extension to the Bridge facility.

¹ Assumes AUD USD 0.68

Repayment

The Facility must be repaid by the termination date of 30 September 2024.

Quarterly amortization commences 31 March 2022, approximately 12 months after planned first production, with minimum amortization totalling US\$42.9m before a cash sweep for excess cash.

The cash sweep is 70% of the cash available after debt service (interest and scheduled repayments). The cash sweep is forecast to substantially accelerate de-leveraging and is a mechanism that is designed to improve the refinancing risk associated with the substantial bullet repayment at maturity.

Early Repayment

The Facility can be repaid without penalty on or after 18 months from execution of the SFA. Should the Facility be repaid within 18 months from execution, there is a make good requirement on the interest that would otherwise be payable until that date.

Renewable Energy Commitment

As part of the financing with CEFC, SO4 has committed to powering part of the Lake Way Project with renewable energy through a 5MW solar farm and an 2MW battery. Third parties have expressed interest in delivering the solar facility at no upfront cost to SO4 under a build, own, operate (BOO) model. The solar facility will reduce the overall cost of power at the Project.

In addition, SO4 is also investigating the potential to improve project economics and increase renewable energy penetration with on-site wind power and other sustainable initiatives. These initiatives all form part of SO4's goal to set new sustainable benchmarks for Australian industry and demonstrate how resources projects can be decarbonised economically.

The introduction of CEFC into the Taurus syndicated facility is a strong endorsement of the green credentials of the Project and its contribution towards reducing carbon emissions from the global fertiliser and agricultural sectors.

Taurus Mandate

In 2019, SO4 mandated Taurus to provide project financing with a staged facility for development of the Lake Way Project. Following execution of the SFA, Taurus holds a 2% Net Revenue Royalty for the Project (including the Royalty for the Bridge facility) in accordance with terms of its mandate and was granted 15 million options at \$0.564 and expiring 28 September 2024.

About the Lenders

Taurus provides debt and equity funding to the mining sector globally. Taurus has significant experience in the financing of mining projects globally across the commodity spectrum including the precious metals, base metals, steel making raw materials and industrial metals space.

The CEFC is a Commonwealth statutory authority that was established to facilitate increased flows of finance into clean energy projects to address some of Australia's toughest emissions challenges - in agriculture, energy generation and storage, infrastructure, property, transport and waste. The CEFC is responsible for investing A\$10 billion in clean energy projects on behalf of the Australian Government and works to deliver a positive return for taxpayers across its portfolio.

Equity

As part of the project financing package, the Company successfully completed a fully underwritten A\$98.5m equity raise by way of a Placement and ANREO (together, Equity Raising).

The Equity Raising consisted of the issue of 197m new ordinary shares (New Shares) at a fixed offer price of A\$0.50 per share (Offer Price). Under the ANREO, eligible shareholders were invited to apply for 1 New Share for every 3.2 shares held as at the Record Date.

Euroz Securities Limited and Canaccord Genuity (Australia) Limited were appointed as joint lead managers and joint underwriters and bookrunners to the Equity Raising.

Convertible Notes

In July 2020, the Company raised A\$15m through the placement of unsecured convertible notes. The notes were structured as deferred equity with zero coupon and mandatory conversion into equity at the lower of A\$0.45 per share or a 5% discount to any future equity raising of at least A\$10m. The Convertible Notes were exercised following completion of the institutional component of the Equity Raising and converted into equity at A\$0.45 per share.

APPENDIX A – COMPETENT PERSON STATEMENT AND DISCLAIMER**Competent Persons Statement**

The information in this announcement that relates to Exploration Results for Lake Way is based on, and fairly represents, information reviewed by Mr Ben Jeuken, who is a member of the Australasian Institute of Mining and Metallurgy and a member of the International Association of Hydrogeologists. Mr Jeuken is employed by Groundwater Science Pty Ltd, an independent consulting company. Mr Jeuken has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking 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 Jeuken consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on Salt Lake Potash Limited's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Salt Lake Potash Limited, which could cause actual results to differ materially from such statements. Salt Lake Potash Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

APPENDIX B – DISCLOSURES IN ACCORDANCE WITH ASX LISTING RULE 5.3

Summary of Mining Tenements

| Project | Status | Type of Change | License Number | Interest (%) 30-Jun-20 | Interest (%) 30-Sep-20 |
|--------------------------|-------------|----------------|----------------|---------------------------|---------------------------|
| Western Australia | | | | | |
| Lake Way | | | | | |
| Central | Granted | - | E53/1878 | 100% | 100% |
| East | Granted | - | E53/2057 | 100% | 100% |
| South | Granted | - | E53/1897 | 100% | 100% |
| South | Granted | - | E53/2059 | 100% | 100% |
| South | Granted | - | E53/2060 | 100% | 100% |
| West | Application | - | L53/208 | 100% | 100% |
| Central | Application | - | M53/1102 | 100% | 100% |
| Central | Application | - | M53/1103 | 100% | 100% |
| Central | Application | - | M53/1104 | 100% | 100% |
| Central | Application | - | M53/1105 | 100% | 100% |
| Central | Application | - | M53/1106 | 100% | 100% |
| Central | Application | - | M53/1107 | 100% | 100% |
| East | Application | - | M53/1109 | 100% | 100% |
| Central | Granted | - | E53/1862 | 100% | 100% |
| West | Granted | - | E53/1863 | 100% | 100% |
| North | Application | - | E53/1905 | 100% | 100% |
| North | Application | - | E53/1952 | 100% | 100% |
| West | Application | - | E53/1966 | 100% | 100% |
| North | Application | - | E53/2049 | 100% | 100% |
| North | Granted | - | P53/1642 | 100% | 100% |
| West | Granted | - | P53/1643 | 100% | 100% |
| West | Granted | - | P53/1644 | 100% | 100% |
| West | Granted | - | P53/1645 | 100% | 100% |
| Central | Granted | - | P53/1666 | 100% | 100% |
| Central | Granted | - | P53/1667 | 100% | 100% |
| Central | Granted | - | P53/1668 | 100% | 100% |
| North | Granted | - | M53/121 | 100% | 100% |
| West | Granted | - | M53/122 | 100% | 100% |
| West | Granted | - | M53/123 | 100% | 100% |
| West | Granted | - | M53/147 | 100% | 100% |
| Central | Granted | - | M53/253 | 100% | 100% |
| Central | Granted | - | M53/796 | 100% | 100% |
| Central | Granted | - | M53/797 | 100% | 100% |
| Central | Granted | - | M53/798 | 100% | 100% |

| Project | Status | Type of Change | License Number | Interest (%) 30-Jun-20 | Interest (%) 30-Sep-20 |
|---------------------|-------------|----------------|----------------|---------------------------|---------------------------|
| Central | Granted | - | M53/910 | 100% | 100% |
| West | Granted | - | L53/51 | 100% | 100% |
| West | Granted | Granted | L53/207 | - | 100% |
| West | Granted | - | L53/211 | 100% | 100% |
| North | Granted | - | L53/212 | 100% | 100% |
| West | Granted | Granted | L53/214 | - | 100% |
| West | Granted | Granted | L53/215 | - | 100% |
| North | Granted | Granted | L53/216 | - | 100% |
| West | Application | - | L53/217 | 100% | 100% |
| West | Granted | - | L53/218 | 100% | 100% |
| West | Application | - | L53/210 | 100% | 100% |
| West | Application | - | L53/219 | 100% | 100% |
| South | Application | - | L53/225 | 100% | 100% |
| West | Application | - | L53/226 | 100% | 100% |
| West | Application | - | L53/228 | 100% | 100% |
| West | Application | Application | L53/229 | - | 100% |
| West | Granted | - | G53/24 | 100% | 100% |
| West | Granted | Granted | G53/25 | - | 100% |
| Lake Wells | | | | | |
| Central | Granted | - | E38/2710 | 100% | 100% |
| South | Granted | - | E38/2821 | 100% | 100% |
| North | Granted | - | E38/2824 | 100% | 100% |
| Outer East | Granted | - | E38/3055 | 100% | 100% |
| Single Block | Granted | - | E38/3056 | 100% | 100% |
| Outer West | Granted | - | E38/3057 | 100% | 100% |
| North West | Granted | - | E38/3124 | 100% | 100% |
| West | Granted | - | L38/262 | 100% | 100% |
| East | Granted | - | L38/263 | 100% | 100% |
| South West | Granted | - | L38/264 | 100% | 100% |
| South | Granted | - | L38/287 | 100% | 100% |
| South Western | Granted | - | E38/3247 | 100% | 100% |
| South | Granted | - | M38/1278 | 100% | 100% |
| Central | Application | - | E38/3380 | 100% | 100% |
| North | Application | - | E38/3469 | 100% | 100% |
| Central | Application | - | E38/3470 | 100% | 100% |
| Lake Ballard | | | | | |
| West | Granted | - | E29/912 | 100% | 100% |
| East | Granted | - | E29/913 | 100% | 100% |
| North | Granted | - | E29/948 | 100% | 100% |
| South | Granted | - | E29/958 | 100% | 100% |

| Project | Status | Type of Change | License Number | Interest (%) 30-Jun-20 | Interest (%) 30-Sep-20 |
|----------------------|-------------|----------------|----------------|---------------------------|---------------------------|
| South East | Granted | - | E29/1011 | 100% | 100% |
| South East | Granted | - | E29/1020 | 100% | 100% |
| South East | Granted | - | E29/1021 | 100% | 100% |
| South East | Granted | - | E29/1022 | 100% | 100% |
| South | Granted | - | E29/1067 | 100% | 100% |
| South | Granted | - | E29/1068 | 100% | 100% |
| East | Granted | - | E29/1069 | 100% | 100% |
| North | Granted | - | E29/1070 | 100% | 100% |
| Lake Irwin | | | | | |
| West | Granted | - | E37/1233 | 100% | 100% |
| Central | Granted | - | E39/1892 | 100% | 100% |
| East | Granted | - | E38/3087 | 100% | 100% |
| North | Granted | - | E37/1261 | 100% | 100% |
| Central East | Granted | - | E38/3113 | 100% | 100% |
| South | Granted | - | E39/1955 | 100% | 100% |
| North West | Granted | - | E37/1260 | 100% | 100% |
| South West | Granted | - | E39/1956 | 100% | 100% |
| Lake Minigwal | | | | | |
| West | Granted | - | E39/1893 | 100% | 100% |
| East | Granted | - | E39/1894 | 100% | 100% |
| Central | Granted | - | E39/1962 | 100% | 100% |
| Central East | Granted | - | E39/1963 | 100% | 100% |
| South | Granted | - | E39/1964 | 100% | 100% |
| South West | Granted | - | E39/1965 | 100% | 100% |
| Lake Marmion | | | | | |
| North | Granted | - | E29/1000 | 100% | 100% |
| Central | Granted | - | E29/1001 | 100% | 100% |
| South | Granted | - | E29/1002 | 100% | 100% |
| West | Granted | - | E29/1005 | 100% | 100% |
| West | Application | - | E29/1069 | 100% | 100% |
| Lake Noondie | | | | | |
| North | Granted | - | E57/1062 | 100% | 100% |
| Central | Granted | - | E57/1063 | 100% | 100% |
| South | Granted | - | E57/1064 | 100% | 100% |
| West | Granted | - | E57/1065 | 100% | 100% |
| East | Granted | - | E36/932 | 100% | 100% |
| Central | Granted | Granted | E36/984 | - | 100% |
| Central | Application | - | E36/985 | 100% | 100% |
| Lake Barlee | | | | | |
| North | Granted | - | E30/495 | 100% | 100% |

| Project | Status | Type of Change | License Number | Interest (%) 30-Jun-20 | Interest (%) 30-Sep-20 |
|---------------------|-------------|----------------|----------------|---------------------------|---------------------------|
| Central | Granted | - | E30/496 | 100% | 100% |
| South | Granted | - | E77/2441 | 100% | 100% |
| Lake Raeside | | | | | |
| North | Granted | - | E37/1305 | 100% | 100% |
| Lake Austin | | | | | |
| North | Application | - | E21/205 | 100% | 100% |
| West | Application | - | E21/206 | 100% | 100% |
| East | Granted | - | E58/529 | 100% | 100% |
| South | Granted | - | E58/530 | 100% | 100% |
| South West | Granted | - | E58/531 | 100% | 100% |
| Northern Territory | | | | | |
| Lake Lewis | | | | | |
| South | Granted | - | EL 29787 | 100% | 100% |
| North | Granted | - | EL 29903 | 100% | 100% |
| Project | Status | Type of Change | License Number | Interest (%) | |

Related Party Payments

During the quarter ended 30 September 2020, the Company made payments of \$153,000 to related parties and their associates. These payments relate to existing remuneration arrangements (executive salaries, non-executive director fees and superannuation).

APPENDIX C – PALEOCHANNEL DRILLING SUMMARY

During the quarter, paleochannel exploration drilling continued at Lake Way, including:

- Brine abstraction bores were drilled into the Paleochannel Basal Sand at pads 12, 14 and 23.
- Monitoring piezometers were installed into the Paleochannel Basal Sand at Pad 14.
- Monitoring piezometers were installed into shallower Paleovalley Sediment Clay at Pads 12 and 14.
- A regional monitoring piezometer was installed at pad 30, located 2.4km to the east of pad 21. This piezometer is completed in weathered basement outside the paleochannel.

| Drill Pad | Bore Name | Easting | Northing | Total Drilled Depth (m) ¹ | Geological Unit Screened | Basal sand intersection (mbgl) | Basal Sand Thickness (m) | Abstraction Bore Airlift Yield (L/s) | Potassium Concentration (mg/L) | Constant rate test pumping flow rate (L/s) | Observed Drawdown (m) |
|-----------|-----------|---------|----------|--------------------------------------|--------------------------|--------------------------------|--------------------------|--------------------------------------|--------------------------------|--|-----------------------|
| 8 | LYPBB004 | 251750 | 7028285 | 114 | Paleochannel Basal Sand | 99 - 111 | 12 | 22.6 | 5,630 | 10 | 15.79 |
| 8 | LYPZB004a | 251756 | 7028272 | 114 | Paleochannel Basal Sand | 99 - 111 | 12 | | 5,340 | | 10.93 |
| 8 | LYPZB004c | 251749 | 7028295 | 71 | Paleochannel Clay | | | | 4,600 | Bore failed | n/a |
| 8 | LYPZB004b | 251746 | 7028294 | 47 | Paleochannel Clay | | | | 4,100 | | 0.05 |
| 9 | LYPZP003a | 251082 | 7028856 | 97 | Paleochannel Basal Sand | 74 - 95 | 21 | | 5390 | Monitoring bore No test planned | |
| 17 | LYPBB001 | 239815 | 7040118 | 113 | Paleochannel Basal Sand | 95 - 113 | 18 | 35 | 7,240 | 17.7 | 26.44 |
| 17 | LYPZB001a | 239807 | 7040112 | 115 | Paleochannel Basal Sand | 95 - 113 | 18 | | 7,260 | | 21.45 |
| 17 | LYPZB001b | 239810 | 7040121 | 72 | Paleochannel Clay | | | | 6,890 | | 6.8 |
| 18 | LYPZB006a | 238340 | 7042468 | 112 | Paleochannel Basal Sand | 88 - 110 | 22 | 10 | 6,960 | 10 | 38.1 |
| 18 | LYPZB006b | 238341 | 7042441 | 112.5 | Paleochannel Basal Sand | 88 - 110 | 22 | | 6,890 | | 11.42 |
| 18 | LYPBB006 | 238768 | 7041324 | 64 | Paleochannel Clay | | | | 6,300 | | 0.00 ² |
| 21 | LYPBB002 | 238759 | 7041333 | 114 | Paleochannel Basal Sand | 92 - 111 | 19 | 16 | 7,230 | 12 | 59 |
| 21 | LYPZB002a | 238769 | 7041332 | 108 | Paleochannel Basal Sand | 92 - 111 | 19 | | 7,200 | | 20 |
| 21 | LYPZB002b | 238779 | 7041335 | 68 | Paleochannel Clay | | | | 6,320 | | 0.04 |
| 12 | LYPBB009 | 247517 | 7032027 | 113 | Paleochannel Basal Sand | 86 - 110 | 24 | 41 | 6,380 | Not yet tested | |
| 12 | LYPZB009a | 247518 | 7032031 | 76 | Paleochannel Clay | 70 - 76 | | | No result yet | | |
| 14 | LYPBB008 | 244523 | 7035593 | 108 | Paleochannel Basal Sand | 88 - 103 | 15 | 39 | 6,670 | Not yet tested | |
| 14 | LYPZB008a | 244524 | 7035602 | 108 | Paleochannel Basal Sand | 88 - 103 | 15 | | 6,650 | | |
| 23 | LYPBB010 | 248494 | 7030923 | 112 | Paleochannel Basal Sand | 96 - 109.5 | 13.5 | 33 | 6,260 | Not yet tested | |
| 30 | LYPZB030 | 241106 | 7041418 | 60.4 | Weathered basement | | | | 5,170 | Monitoring bore No test planned | |

Note: 1) Drilled depth equates to end of hole and all holes are vertical. LYPBB denotes pumping bore. LYPZB denotes piezometer.
2) Pumping test at Pad 18 was short duration and insufficient to induce drawdown in the clay bore.

APPENDIX D - JORC CODE, 2012 EDITION – TABLE 1

Section 1 – Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|---------------------|---|---|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done, this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. | <p>Drill cuttings were sampled every 2m. The mud rotary method used means that the samples are only considered representative of the geology which is sufficient for the purposes of planning the construction of the brine pumping bore in this instance.</p> <p>A brine sample and duplicate were taken from every bore after development. Brine samples and duplicates were taken from the pumping bore at 1 hour after pumping commenced, 24 hours after pumping commenced and every 24 hours for the remainder of the test duration.</p> <p>Samples were taken manually from a sampling valve on the side of the pump headworks. Prior to taking the sample the bottle was rinsed with brine from the pumping bore.</p> <p>Samples were analysed for K, Mg, Ca, Na, Cl, SO₄, HCO₃, NO₃, pH, TDS and specific gravity.</p> <p>Test pumping entailed pumping from between 80 and 90m below ground level depending on the bore (4m above the top of the screens) using a submersible electric pump.</p> <p>Water levels in the pumping bore and monitoring bores were measured manually and by pressure transducers with barometric pressure and brine density correction.</p> |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). | <p>Mud rotary drilling was used in all cases. The pumping bores at Pads 12, 14 and 23 were drilled to 113m, 108m and 112m respectively at 15" diameter and completed with 10" PVC casing and wire wrap screens. 18m of screen was placed in the Pad 12 bore from 86m to 110m, Pad 14 bore from 86mbgl to 104mbgl and Pad 23 bore from 93 – 111mbgl.</p> <p>In all pumping bores the annulus was gravel packed with 1.6 – 3.2mm washed gravel from total depth to 10m above the screens then a 10m cement plug was installed from and the bore backfilled with gravel to surface where a 6m sanitary cement seal was emplaced.</p> <p>The deep monitoring bore Pad 14 was drilled to 106m, at a diameter of 9 7/8" and cased with 6" slotted at the base and blank PVC, the bore was gravel packed to the surface using 1.6 – 3.2mm washed gravel. A 6m sanitary cement seal was emplaced at the surface.</p> |

| Criteria | JORC Code explanation | Commentary |
|-------------------------|---|--|
| | | <p>No deep monitoring bores were installed at Pads 12 and 23. At pad 12 the old WMC bore 3_4 was deemed to be sufficient for monitoring purposes whilst at Pad 23 based on the test pumping results to date the proximity of the deep abstraction bore at Pad 12 (1.6km) and the deep monitoring bore at Pad 9 (3.3km) were deemed to be sufficient.</p> <p>The clay monitoring bore at Pad 12 was drilled to a depth of 76m at a diameter of 6" and cased with 6m of slotted 50mm PVC at the base and blank 50mm PVC to the surface. The bores were gravel packed with 1.6 – 3.2mm washed gravel and a neat 10m cement seal with 5% bentonite was installed via tremmie 5m above the 6m slotted PVC section. A 6m sanitary cement seal was emplaced at the surface in all cases.</p> <p>The regional monitoring bore at pad 30 was drilled to 60.4mbgl at 6" diameter. The bore was completed with 6m of slotted 50mm PVC at the base and blank PVC to the surface. The bore was gravel packed with 1.6 – 3.2mm washed gravel to 6m from the surface from where a cement seal was emplaced to the surface.</p> <p>All bores were developed using airlift techniques including surging until the discharge was clear of drill muds and sand.</p> |
| Drill sample recovery | <ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | <p>Drill cuttings were collected at the top of the hole using a sieve every 2m. Chip trays were also completed for future reference.</p> <p>The sample provides an indication of the lithology only. There is not a relationship between the lithology and brine grade.</p> <p>Flow and grade cannot be sampled during drilling when the mud rotary method is used.</p> |
| Logging | <ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged. | <p>The geological logging is sufficient for the purposes of identifying variations in sand/ clay and silt fraction within the paleochannel lithology.</p> <p>For a brine abstraction project, the key parameters are the hydraulic conductivity and storativity of the host rock, which will be determined during test pumping of the bores.</p> <p>The logging is qualitative.</p> <p>The entire bore depth was logged in every case.</p> |
| Sub-sampling techniques | <ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. | <p>Not applicable, mud rotary drilling.</p> <p>Not applicable, cutting sampled at the borehead only.</p> |

| Criteria | JORC Code explanation | Commentary |
|--|---|--|
| and sample preparation | <ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. | <p>The brine samples were taken after airlift development when each bore was clear of drilling mud and residual sand.</p> <p>Brine samples and duplicates were taken during the test pumping at approximately 11am each day of the test pump in order to identify any variation in brine grade during the test pump duration.</p> <p>All the samples taken were incorporated into a rigorous QA / QC program in which Standards and Duplicates were taken. The samples were taken in sterile plastic bottles of 125ml or 250ml capacity. The samples were labelled with the alphanumeric code Y20001, Y80002 ...etc.</p> |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | <p>The brine samples were sent to Bureau Veritas Laboratories in Perth, WA with the duplicates being held by SO4. Every 10th duplicate was sent to Intertek, an alternate laboratory for comparison purposes.</p> <p>No analysis was undertaken with geophysical tools.</p> <p>QA/ QC procedures are considered acceptable for this type exploration and sampling.</p> <p>Samples and their duplicates have been compared for their relative difference from the mean and the individual charge balance.</p> |
| Verification of sampling and assaying | <ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. | <p>Not applicable for brine sampling.</p> <p>Not applicable, however monitoring bores have been drilled to measure changes in water levels during test pumping.</p> <p>All sampling and assaying is well documented and contained on SO4's internal database.</p> <p>No adjustments have been made to assay data.</p> |
| Location of data points | <ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. | <p>All bores locations and heights on pads 8, 9, 17, 18, 21 have been surveyed by a qualified surveyor, the coordinates are considered accurate to +/- 20mm. The surveyed heights were measured at the ground surface and at the top of casing and are considered accurate to +/- 50mm, these variations are considered sufficient for this application.</p> <p>All bores at pad locations 12, 14, 30 and 23 have been surveyed using a hand held GPS, when a surveyor is available these bores will be resurveyed as above.</p> |

| Criteria | JORC Code explanation | Commentary |
|---|--|--|
| | | The grid system is the Australian National Grid Zone MGA 51 (GDA 94). |
| Data spacing and distribution | <ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. | <p>The results provided represent a single point at each bore.</p> <p>Sample compositing not applicable.</p> |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | <p>The target aquifers are contained within paleovalleys incised into the granitic or greenstone basement. There are no structural controls that impact brine flow within the basal sand aquifer.</p> <p>Geological influence on the brine is limited to the aquifer parameters of the host rock, namely the hydraulic conductivity, total porosity and storativity.</p> |
| Sample security | <ul style="list-style-type: none"> The measures taken to ensure sample security. | SO4 field hydrogeologists were responsible for collecting, labelling and recording brine samples prior to shipping to the BV lab and the SO4 offices in Perth. The security measures for the material and type of sampling at hand was appropriate. |
| Audits or reviews | <ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. | No audits or reviews of sampling techniques and data have been undertaken. |

Section 2 – Reporting of exploration results

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | <p>Bore Pads 12, 14, 17, 21 are on E53/1878, Pads 23, 9 and 8 are on E53/1897 and bore Pads 18 and 30 are on E53/2057.</p> <p>All tenure is granted to Piper Preston Pty Ltd, a wholly owned subsidiary of Salt Lake Potash Limited.</p> |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <p>There has been significant mineral exploration on and around Lake Way. The primary source for the information is the publicly available Western Australian Mineral Exploration (WAMEX) report data base.</p> <p>Some bores drilled by WMC in 1992 for the Mt Keith mine water supply have proved useful in</p> |

| Criteria | JORC Code explanation | Commentary |
|--------------------------|--|---|
| | | determining paleochannel grade and aquifer parameters. |
| | | The data has been shown to be useful in the determination of the top of the paleochannel basal sand and for the calibration of the passive seismic data. |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <p>The deposit is a paleochannel brine deposit lying beneath the eastern shore of Lake Way.</p> <p>The lake and paleochannel setting is typical of a Western Australian palaeovalley environment. Ancient hydrological systems have incised paleovalleys into Archaean basement rocks, which were then infilled by Tertiary-aged sediments typically comprising a coarse-grained fluvial basal sand overlaid by palaeovalley clay with some coarser grained interbeds. The clay is overlaid by recent Cainozoic material including lacustrine sediment, calcrete, evaporite and aeolian deposits.</p> |
| Drill hole Information | <ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole downhole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | <p>Bore coordinates and elevations were located by surveyor which is sufficient for this type of exploration activity.</p> <p>All bores are vertical.</p> <p>Total drilled depths, basal sand interceptions and screened intervals are included in a table in Appendix C for the abstraction bores and deep monitoring bores. The screened interval is also stated for the clay and regional monitoring bores.</p> <p>No information related to the drilling and test pumping of the bores has been excluded.</p> |
| Data aggregation methods | <ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. | <p>No cut-off grade is stated.</p> <p>No data aggregation has been undertaken.</p> |

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). | <p>The chemical analysis from the test pumping has shown that the brine resource is consistent and continuous within the section of paleochannel between Pads 18 and 21 and between Pads 8 and historic bore 3_4. Whilst continuity throughout the paleochannel from Pad 8 in the south to Pad 18 in the north is anticipated the zone between historic bore 3_4 and bore pad 17 containing pad 14 has yet to test pumped, so confirmation of continuity remains to be proven.</p> <p>The unit is flat lying and the intersected thickness of the basal sands is equivalent to the vertical depth and the thickness of mineralisation.</p> |
| Diagrams | <ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | <p>All location maps are contained within the body of the report, in this instance no sections are provided although a typical cross section of the paleochannel has been previously reported. The intercept of the basal sands has been provided in the table contained within Appendix C.</p> |
| Balanced reporting | <ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | <p>A summary of the brine grade results is included in the report and in Appendix C.</p> |
| Other substantive exploration data | <ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | <p>All material exploration data has been reported.</p> |
| Further work | <ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | <p>The drilling programme is ongoing with further regional monitoring bores and shallow monitoring bores targeting the base of the lakebed sediments within the paleovalley. SO4 have constructed an on lake drilling rig for the purpose of drilling exploration bores into the basal sands where the paleochannel underlies the lakebed, this work is expected to commence in November 2020.</p> <p>The locations for the on lake bores are subject to Government approval.</p> <p>Once drilled all abstraction bores will be test pumped.</p> <p>All approved off lake locations are shown on maps included in the report.</p> |

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Salt Lake Potash Limited

ABN

98 117 085 748

Quarter ended ("current quarter")

30 September 2020

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (399) | (399) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (542) | (542) |
| | (e) administration and corporate costs | (805) | (805) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 48 | 48 |
| 1.5 | Interest and other costs of finance paid | (4) | (4) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | 3,589 | 3,589 |
| 1.8 | Other (provide details if material) | | |
| | - Business Development | (2,328) | (2,328) |
| | - Security Deposits | - | - |
| 1.9 | Net cash from / (used in) operating activities | (441) | (441) |
| 2. | Cash flows from investing activities | | |
| | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | (715) | (715) |
| | (c) property, plant and equipment | (756) | (756) |
| | (d) exploration & evaluation | - | - |
| | (e) investments | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| | (f) other non-current assets – Mine Properties in development | (39,814) | (39,814) |
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (41,285) | (41,285) |

| | | | |
|-----------|---|----------------|----------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 113,537 | 113,537 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (5,166) | (5,166) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings and leases | (357) | (357) |
| 3.7 | Transaction costs related to loans and borrowings | (5,880) | (5,880) |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | 102,134 | 102,134 |

| | | | |
|-----------|--|----------|----------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 7,030 | 7,030 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (441) | (441) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (41,285) | (41,285) |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 102,134 | 102,134 |
| 4.5 | Effect of movement in exchange rates on cash held | (101) | (101) |
| 4.6 | Cash and cash equivalents at end of period | 67,337 | 67,337 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|-----|---|----------------------------|-----------------------------|
| 5.1 | Bank balances | 49,287 | 6,980 |
| 5.2 | Call deposits | 18,050 | 50 |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 67,337 | 7,030 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|--|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | (153) |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. | Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|-----|--|---|--|
| | <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 | Loan facilities | 63,309 | 63,309 |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | Total financing facilities | 63,309 | 63,309 |
| 7.5 | Unused financing facilities available at quarter end | | - |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| | <p>The Company mandated Taurus Funds Management (as manager of the Taurus Mining Finance Fund L.P., Taurus Mining Finance Annex Fund L.P. and Taurus Mining Finance Fund No. 2 L.P.) to provide project financing for the Lake Way Project.</p> <p>The Stage 1 Facility executed in August 2019 was extended from US\$30 million to US\$45 million 6 December 2020 and has been fully drawn down. The facility is secured and interest is payable at 9.75% pa.</p> <p>In August 2020, the Company and its subsidiaries and Taurus Mining Finance Fund No. 2, L.P. and the Clean Energy Finance Corporation entered into the Syndicated Facility Agreement for a US\$138 million debt financing package (SFA).</p> <p>The SFA will be used to refinancing the Stage 1 Facility and for project development and working capital associated with the development of the Lake Way Project. The SFA will be secured and interest will be payable at 9.00% pa.</p> <p>Following execution of the SFA, the Company has been working closing with the lenders to satisfy the conditions for initial drawdown which included standard market conditions including signoff on cost to complete, confirmation of the base case financial model and deposit of equity raise funds. Substantial progress has been made and the remaining conditions are expected to be satisfied enabling initial drawdown and repayment of the Bridge facility in November 2020.</p> <p>Taurus has agreed to extend the date for repayment of the Bridge facility to 30 November 2020.</p> <p>As the loan is denominated in USD, the facility amount and amount drawn down has been converted at an FX rate of \$0.7108 USD/AUD, being the FX cross rate at 30 September 2020.</p> | | |

| 8. | Estimated cash available for future operating activities | \$A'000 |
|-----------|---|----------------|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) <i>(Note cash inflows from R&D & Governments Grants has been excluded)</i> | (4,030) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (4,030) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 67,337 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 67,337 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | 17 |
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| | Answer: Not applicable, however the Company expects to have similar levels of total net operating and investing cash flows for the current quarter. | |
| 8.8.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| | Answer: Not applicable, however it is noted that during the quarter the Company placed A\$15m in zero coupon Convertible Notes and raised a further A\$98.5m by accelerated non-renounceable entitlement offer (ANREO) to enable it to continue to deliver the Lake Way Project to schedule. In addition, the Company entered the SFA for a US\$138 million debt financing package (refer 7.6 above). | |
| 8.8.3 | Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| | Answer: Not applicable, however it is noted that Company expects to satisfy remaining conditions to enable initial drawdown of funds under the SFA in November 2020 (refer 7.6 above). | |
| | <i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i> | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 16 October 2020

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.