

SEPTEMBER 2019 QUARTERLY REPORT

The Board of Salt Lake Potash Limited (the Company or SO4) is pleased to present its Quarterly Report for the period ending 30 September 2019. The Company is focussed on rapidly progressing the development of its Lake Way Project in Wiluna, Western Australia.

HIGHLIGHTS

Completion of Bankable Feasibility Study (BFS) for the commercial scale development of the 245,000t per annum Sulphate of Potash (SOP) project at Lake Way (Project) demonstrating outstanding economic returns:

- Exceptional economics with estimated project post-tax NPV₈ of **A\$479 million** (pre-tax NPV₈ of A\$696 million) and post-tax IRR of **28%** (pre-tax IRR 38%)
- Steady state Project EBITDA of **A\$111 million** annually and average annual after tax free cash flow of **A\$78 million** (A\$83 million during first 5 years)
- Strong cash flow and low capital costs result in early payback period of **3.5 years**
- First quartile operating costs for global SOP producers with a C1 cash cost estimate of **A\$302/t** (US\$205/t)
- Low development capital requirements of approximately **A\$254 million** (US\$173 million), including contingency of A\$21 million, which is supported by the close proximity to infrastructure

Significant Lake Way Ore Reserve Estimate

- High-grade Probable Ore Reserve Estimate of **5.4Mt SOP** (2.4Mt contained potassium at an initial grade of 6.8kg/m³) underpins a 20-year life of mine
- Increase in the paleochannel basal sands Mineral Resource Estimate of ~57% to **6.0Mt SOP** in Total Porosity at 6.1kg/m³ of potassium (2.2Mt in Drainable Porosity) supports additional production bores
- Excess sulphates at Lake Way enables production of an estimated **245,000t per annum** of premium grade SOP with the addition of 42,360t per annum KCl

Premium product confirmed

- Very high grade potassium (**>53% K₂O**) product confirmed, with a low chloride (<0.1% Cl) and insoluble particle content (<0.1%), and dissolution rate of >95% in one minute
- Premium grade specifications from independent pilot plant testwork supports premium pricing

Acquisition of strategic tenement package completed

- Completion of the acquisition of strategic package of Lake Way tenements and access to process water and power rights from Blackham Resources
- Transaction provides security of tenure and significant synergies for the Lake Way Project including substantial capital and operating cost savings

Lake Way Project Financing Secured

- Project financing of up to US\$150m to be provided by Taurus Funds Management for the Lake Way Project
- The debt is a staged facility to support the rapid development of the Lake Way Project. The funding is split as follows:
 - Stage 1 Facility – US\$30m (c.AUD44m)
 - Project Development Facility – US\$150m (c.AUD220m)
- Draw down of the Stage 1 Facility has commenced with funds used for On Lake Stage 1 and 2 Civils construction works, long lead item ordering and for the completion of the Bankable Feasibility Study

Fast Tracked to Production

- Existing Mining Leases on Lake Way tenements has provided an advanced permitting pathway for early development activity
- Completion of Stage 1 evaporation ponds has enabled dewatering of super saturated brine (**25kg/m³ SOP**) from the Williamson Pit
- Contracts executed for long lead items include:
 - Veolia Water Technologies to supply the SOP crystalliser package
 - Complete Hire & Sales for supply of permanent accommodation village
 - Mak Water for supply of RO and waste water treatment plant

Next steps following successful completion of the BFS

- Continued construction on Lake Way with the commencement of the next stage of evaporation ponds and brine extraction infrastructure
- Procurement of long lead items for the Process Plant and Non-Process Infrastructure in line with the advanced Project Schedule
- Execution of Native Title Agreement over Lake Way
- Execution of key offtake agreements with preferred marketing partners
- Detailed design and documentation well advanced

ENQUIRIES

Tony Swiericzuk (Perth) | Telephone: +61 (8) 6559 5800

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LAKE WAY PROJECT OVERVIEW

Lake Way is located in the Northern Goldfields Region of Western Australia, less than 15km south of Wiluna. The Lake Project tenements comprise approximately 280km².

SO4 currently holds nine Mining Leases and six Exploration Licences¹ which cover the whole of the Lake Way surface and key strategic areas off-lake, including the extensive paleochannel and proposed process plant and village area. The Company has secured several Miscellaneous Licenses within the surrounding Lake Way area to support key infrastructure including process water bore fields, gas pipelines and access roads.

The recently completed transaction with Blackham Resources Ltd (Blackham), the owner of the adjacent Matilda-Wiluna Gold Operation, has secured access to process water rights in the Southern Borefield, in addition to key tenement acquisitions.

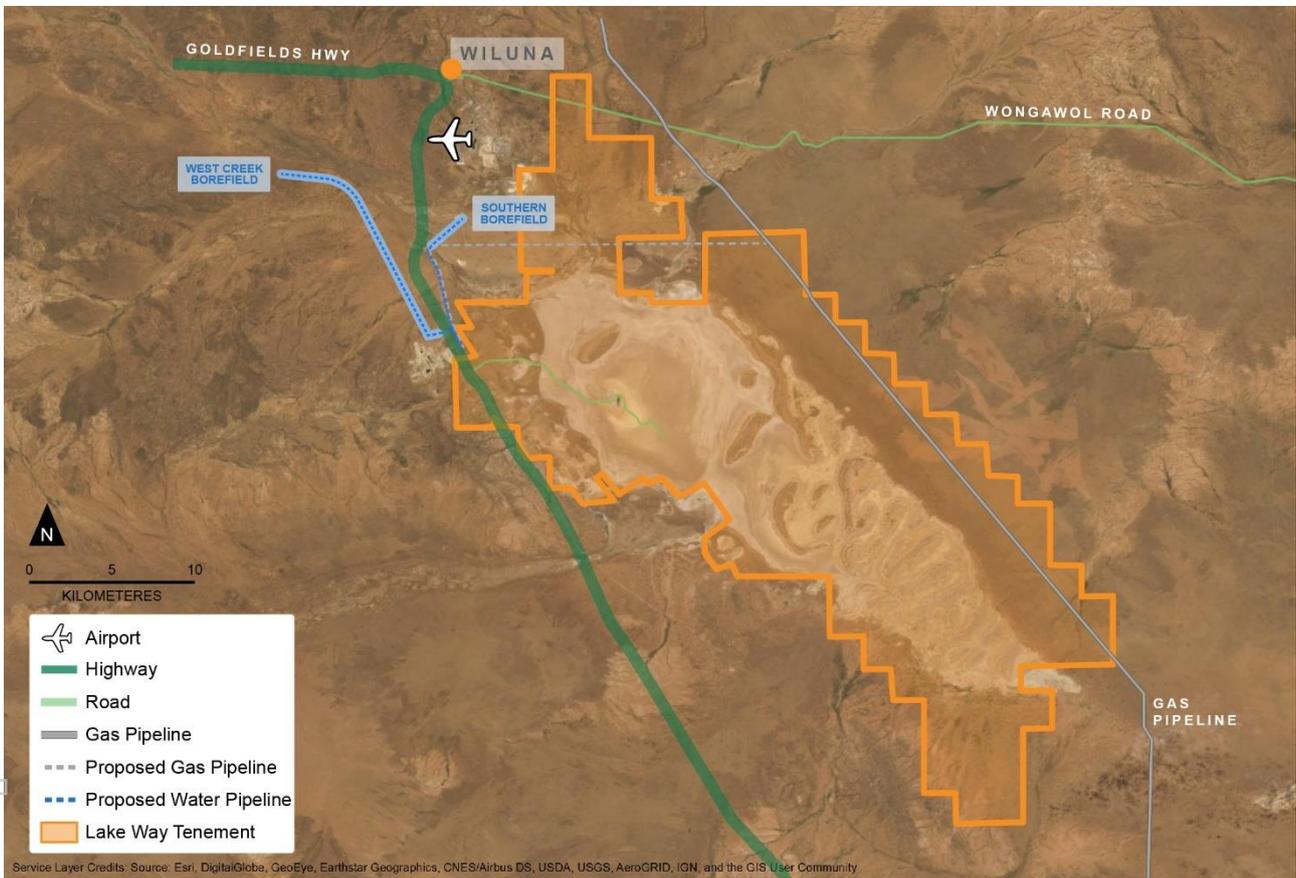


Figure 1: Key Project Infrastructure and Tenements

¹ In accordance with the Blackham Transaction, refer ASX Announcements dated 23 July 2019 and 8 October 2019.

Lake Way has a number of compelling advantages which make it an ideal site for SO4's initial SOP operation, including:

- Granted Mining Leases with approvals that enables immediate construction (Stage 1 evaporation ponds complete, Stage 2 evaporation ponds targeted to commence in Q4 2019)
- The site has excellent freight solutions being adjacent to the Goldfields Highway, which is permitted for heavy haulage that supports direct access of quad trailer road trains to Geraldton
- The Goldfields Gas Pipeline is adjacent to SO4 tenements, running past the eastern side of the Lake
- Existing site haul roads and service roads including the Williamson Pit Causeway that connects the proposed process plant area to the on-lake production ponds
- The Wiluna Airport which is located 5km north of Lake Way and provides foundational infrastructure to support operations
- Access to an exceptionally high grade brine of 25kg/m³ of SOP from the Williamson Pit, which has enabled the Company to fill the Stage 1 evaporation ponds and commence on lake production
- The high grade brines at Lake Way will deliver lower capital and operating costs due to lower extraction and evaporation requirements
- The presence of clays in the upper levels of the lake which are amenable to low cost, on-lake evaporation pond construction

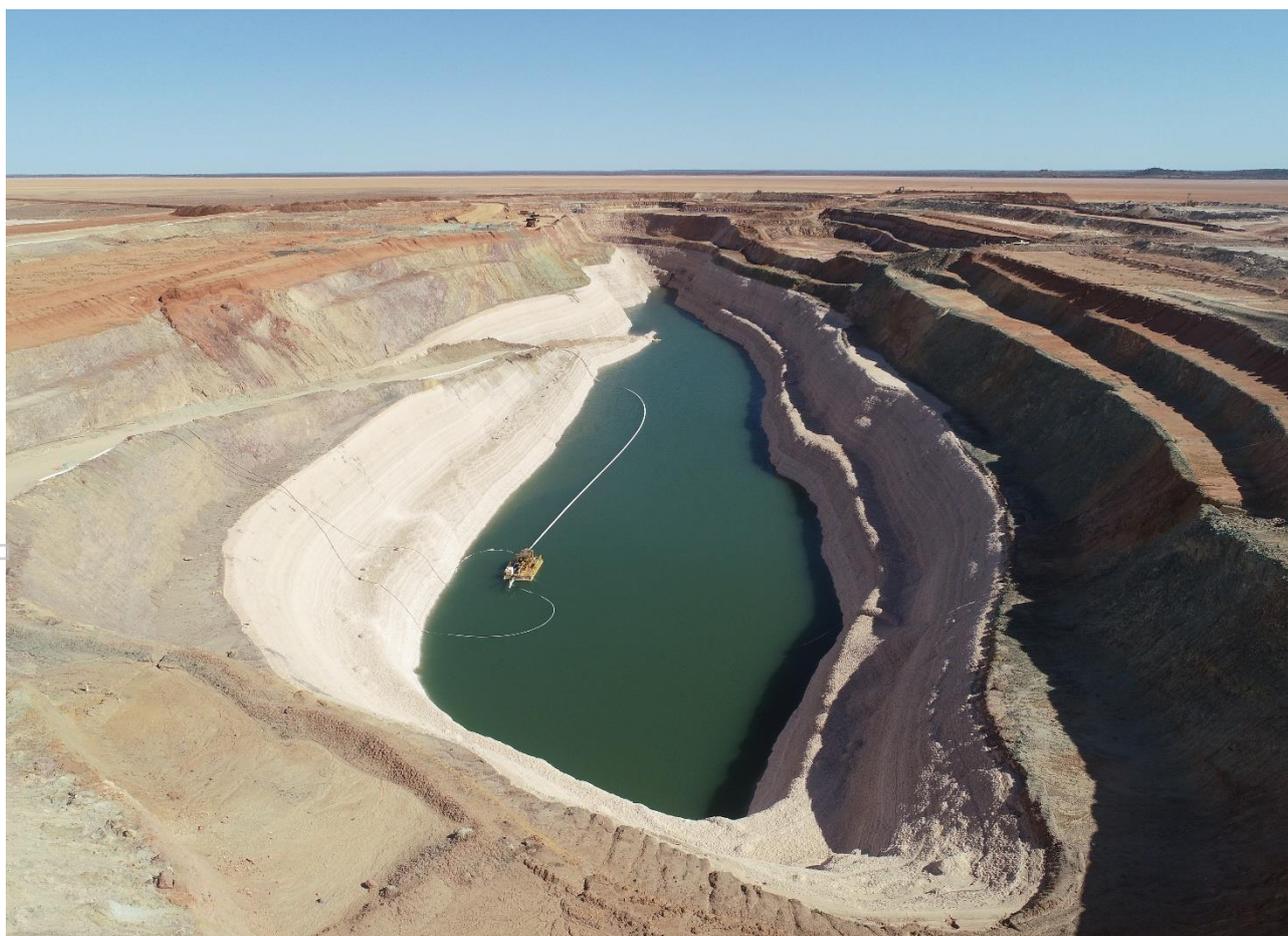


Figure 2: Williamson Pit de-watering operation

BANKABLE FEASIBILITY STUDY

In October 2019, the Company reported the results of its Bankable Feasibility Study (BFS) for the commercial scale development of its 245,000t per annum Sulphate of Potash (SOP) project at Lake Way (Project).

Strengthening the Scoping Study results

The BFS incorporated a number of changes to the previous Scoping Study, including a revised processing methodology to include the addition of potassium chloride (KCl) which has increased the annual production rate to 245,000t and delivered improved economic outcomes. While the addition of KCl to the process plant has increased the C1 cash cost from the previous estimate in the Scoping Study, SO4 will achieve better capital intensity and maintain its position as a low cost producer at US\$205/t while significantly improving project economics.

Changes in key financial metrics for the Project from the Scoping Study to the BFS are summarised in Table 1.

Table 1: Comparison of key financial metrics

Metric	Unit	Scoping Study	BFS	% change
Production	tpa	200,000	245,000	22.5%
Life of mine	years	20	20	—
First production	Qtr	Q4 2020	Q4 2020	—
C1 cash cost	A\$/t	264	302	14.4%
Capital cost	A\$m	237	254	7.2%
Capital intensity	A\$/t	1,185	1,038	(12.6%)
NPV ₈ (post-tax)	A\$m	381	479	25.7%
IRR (post-tax)	%	27%	28%	3.7%
NPV ₈ (pre-tax)	A\$m	580	696	20.0%
IRR (pre-tax)	%	33%	38%	15.2%
EBITDA ¹	A\$m	90	111	23.3%
Payback period	years	3.2	3.5	7.9%
Probable Ore Reserve	Mt K	-	2.4	—

Note 1: Refers to average annual Project cash flows during steady-state production.

SO4 has significantly advanced development of the Project since the Scoping Study, including completion of 125ha of evaporation ponds which are now filled with high grade brine (25kg/m³ SOP) from the Williamson Pit. This has provided the Company with additional insight into the critical evaporation processes and provided opportunities to further improve design and construction of the remaining evaporation pond network.

Fast tracked production to maximise value

The optimised capital expenditure plan has considered a staged approach to pond construction that aligns with the plant ramp-up schedule and steady-state production requirements, enabling some initial capital expenditure to be deferred for a period of up to 12 months. The first stage of solar evaporation ponds (125ha), that are now complete, are shown in Figure 3.



Figure 3: Completed solar evaporation ponds

Lowest quartile operating costs

The results of the BFS demonstrate the potential for very low operating costs. It is estimated that the Project will have one of the lowest operating costs of any SOP operation globally with a C1 cash cost of A\$302/t (US\$205/t).

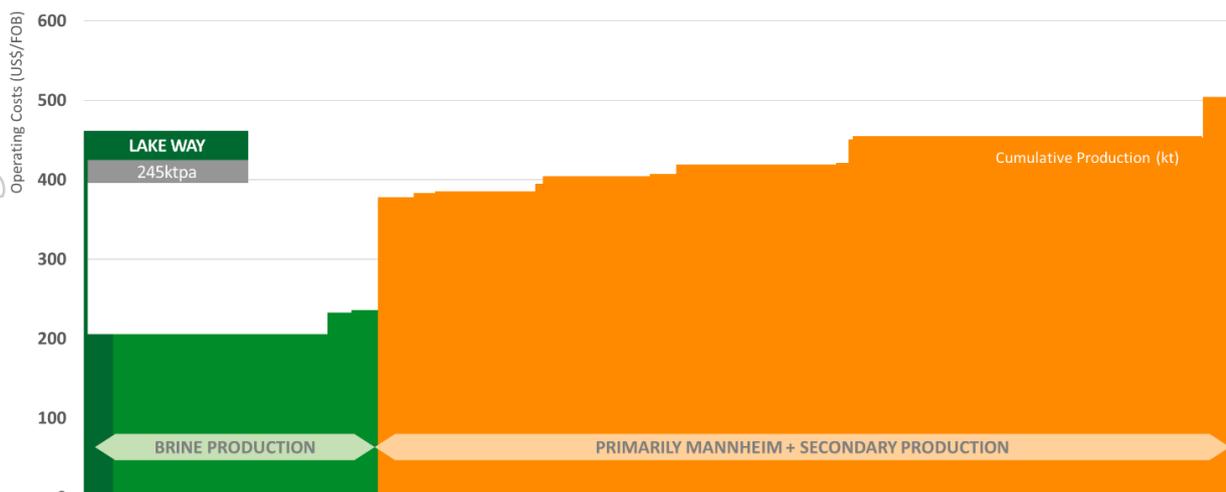


Figure 4: SOP Global Cost Curve²

Robust economics

The BFS further demonstrates the potential for the Project to support an exceptionally high margin over a 20-year life of mine through the production of high grade, premium SOP. This combined with the low capital intensity delivers very strong returns with a post-tax IRR of 28%.

Market analysis by CRU Consulting and Argus Media Group, supported by internal SOP sales and marketing expertise, indicates a significant opportunity for SO4 to capture additional pricing upside associated with the premium potassium grade and solubility properties of the specifications produced during pilot plant testwork.

Table 2: Comparison of key financial metrics¹

SOP price	Breakeven US\$307/t	US\$400/t	US\$450/t	US\$500/t	Base US\$550/t	US\$600/t	US\$650/t
NPV ₈ (post tax)	-	187	285	382	479	575	672

Note 1: Equivalent adjustment to the value of potassium assumed for KCl input cost.

The BFS demonstrates that, even in the most extreme downside pricing scenarios, the Project continues to deliver robust economic returns. The breakeven pricing scenario of US\$307/t is at a significant decrease to the current SOP price.

Project funding advanced

SO4 has previously announced that it reached an agreement with Taurus Funds Management (Taurus) for financing up to US\$150m for the Project. The Company has commenced drawdown of the initial US\$30m tranche of this facility. SO4 is working with Taurus to finalise documentation of the full facility and access the remaining portion of funding, with completion of the BFS being one of the key conditions precedent.

² Source: SO4 Estimates and Argus Media Group

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Key Project Metrics

Table 3: Key Project Metrics

Element	Unit	Value
Physical		
Life of mine	years	20
Annual SOP production	tpa	245,000
Production plan		
Ore reserve		
Brine volume	GL	474
Brine grade (LOM average)	kg/m ³ K	5.0
Contained potassium	Mt	2.4
Production method ¹		
Trenches	km	132
Bores	No.	18
Evaporation ponds		
Halite ponds	ha	686
Harvest ponds	ha	96
Recovery of potassium from brine	%	91%
Process plant		
Operating time	hours/yr	7,600
Harvest salt to plant	Mtpa	2.27
KCl addition	tpa	42,360
Recovery of potassium from harvest salt	%	84%
Operating and capital costs		
Operating costs		
Mine gate cash operating cost	A\$/t	240
Transport and handling cost	A\$/t	62
C1 cash cost	A\$/t	302
Capital costs		
Direct cost	A\$m	157
Indirect cost	A\$m	76
Contingency	A\$m	21
Total capital cost	A\$m	254
Financial performance		
Price (FOB)	US\$/t	550
Exchange rate	A\$/US\$	0.68
Discount rate	%	8%
NPV ₈ (post-tax)	A\$m	479
IRR (post-tax)	%	28%
NPV ⁸ (pre-tax)	A\$m	696
IRR (pre-tax)	%	38%
EBITDA ²	A\$m	111
Post tax annual cash flow ²	A\$m	78
Payback	years	3.5

Note 1: Refers to initial trench and bore development included in the capital cost estimate.

Note 2: Refers to average annual Project cash flows during steady-state production.

MINERAL RESOURCES AND ORE RESERVES

A Mineral Resource Estimate for the whole of Lake Way was first reported to the ASX 18 March 2019. The Lake Way mineral resource consists of a potassium rich brine contained in the superficial lake bed sediment (or lake playa) and underground paleochannel.

Since publication of the March 2019 Mineral Resource Estimate, additional test pumping and passive seismic geophysical surveys have enhanced understanding of the route and dimensions of the paleochannel. This led to a significant increase in the volume of the Indicated resource within the paleochannel, as well as an upgrade of a portion of the paleochannel resource to the Measured category.

HydroGeoEnviro completed a number of column leach tests to substantiate the leaching potential of potassium from the retained porosity of the lake bed sediments. This testing supports the modelling of changes in potassium grade over the life of mine, in particular the effects of rainfall recharge and lake filling events.

The Lake Way resource estimate was converted to a Probable Ore Reserve with the development of a complex numerical hydrogeological model. The model is based on results from the extensive field programme and considers modifying factors such as recharge and evapotranspiration to develop the life of mine production plan.

Reported Mineral Resources

The total Measured Mineral Resources Estimate from the northern lake bed and the paleochannel calculated using Drainable Porosity is estimated at 2.0Mt, an increase of 15% from the March 2019 estimate, and 7.6Mt using Total Porosity, an increase of 11% from the March 2019 estimate.

The total Indicated Mineral Resource Estimate within the remaining portion of the paleochannel calculated using Drainable Porosity is estimated at 2.0Mt, an increase of 43%, and 5.3Mt using Total Porosity, a 43% increase.

The remaining lake bed and paleochannel clay resource is classified as Inferred.

The Mineral Resource estimate for Lake Way (inclusive of the Ore Reserve reported in Table 5) is detailed in Table 4.

Table 4: Lake Way Mineral Resource

Resource component	Total volume		Brine grade			Mineral Tonnage from total porosity		Mineral Tonnage from drainable porosity		
	(Mm ³)	K (kg/m ³)	Mg (kg/m ³)	SO ₄ (kg/m ³)	Total porosity %	Brine volume (Mm ³)	SOP tonnage (Mt)	Drainable porosity %	Brine volume (Mm ³)	SOP tonnage (Mt)
Measured										
North lake bed sediment (0.4-8.0m)	1,060	6.8	8.0	27.6	0.43	452	6.9	0.11	117	1.8
Paleochannel basal sands	119	6.1	8.2	25.0	0.40	48	0.7	0.15	18	0.2
Indicated										
Paleochannel basal sands	981	6.1	8.2	25.0	0.40	384	5.3	0.15	147	2.0
Inferred										
South lake bed sediment (0.4-8.0m)	316	6.8	8.0	27.6	0.43	135	2.0	0.11	35	0.5

Resource component	Total volume		Brine grade			Mineral Tonnage from total porosity			Mineral Tonnage from drainable porosity	
	(Mm ³)	K (kg/m ³)	Mg (kg/m ³)	SO ₄ (kg/m ³)	Total porosity %	Brine volume (Mm ³)	SOP tonnage (Mt)	Drainable porosity %	Brine volume (Mm ³)	SOP tonnage (Mt)
Paleochannel sediment	15,200	6.8	8.0	27.6	0.40	6,080	92.2	0.03	456	6.9
Total							107.1			11.4

Brines by their nature are not a static resource as they are subject to groundwater movement, dilution and grade depletion over time. Reporting both Total Porosity and Drainable Porosity allows the reflection of this dynamic resource environment, including the consideration of the recharge, leaching and physical diffusion impacts on the mine plan and production output.

Reporting of Ore Reserves

The Ore Reserve estimate is based on the brine volume and grade that will be produced for a defined period and a specific abstraction scheme. The grade of produced brine will change over time as leakage, mixing and rainfall-recharge occurs within the aquifer.

The Ore Reserve is based on a production plan comprising a combination of surface trenches and bores. The brine pumping rate and brine grade incorporated in the production plan is based on the results of detailed numerical modelling of the lake bed sediments and paleochannel. The model outlines the brine production profile from a combination of surface trenches and bores, capable of delivering 118,700t per annum of contained potassium to the evaporation ponds

The initial brine extraction rate after a 12-month ramp-up period is 18.2GL per annum with 71% of brine to be sourced from trenches and the remaining 29% from bores. Over time the production plan will shift to compensate a decline in brine grade within the lake playa and maintain the steady-state production requirements of 118,700t per annum of contained potassium to the evaporation ponds, with increased brine sourced from bores. During the final years of the mine plan, an expanded network of bores will be used to source 47% of the total brine from the paleochannel.

The numerical model used to simulate the production plan employs the aquifer properties used in the Mineral Resource Estimate and incorporates other modifying factors (such as recharge and evapotranspiration) to predict brine production and brine grade over the life of mine. A steady state calibration and extensive sensitivity analysis was undertaken.

Two models were developed to simulate production of the resource:

- A regional groundwater flow model was developed to simulate the combined brine production from a trench network and a paleochannel borefield to meet the proposed production target of 118,700ktpa of contained potassium at Lake Way for 20 years.
- Cross-sectional flow and transport models were developed to estimate the decline of brine grade with time, and to test the dependence of the predictions on density and viscosity.

The models were used to define the base case production plan that will achieve annual brine abstraction of 118,700kt of contained potassium, delivered to the evaporation pond network.

To test the robustness of the model, an approach of testing assumptions to failure was employed and the predicted scenario stress-tested monthly for a total length of 20 years (representing the projected mine life). Annual production scenarios were simulated to understand the volume of brine.

No cut-off grade was applied given the large potential of the paleochannel, the manageable dilution rate and the excess of sulphate with respect to potassium (enabling the addition of KCl to the production process).

The Ore Reserve estimate for Lake Way is detailed in Table 5. The brine flow rate and grade estimates are based on modelling and extrapolation of testwork which provides an Ore Reserve classed as Probable.

Table 5: Lake Way Probable Reserve

Mine duration	Brine volume	Potassium tonnage	Potassium grade ¹
(years)	(GL)	(Mt)	(kg/m ³)
20	474	2.4	5.0

Note 1: Average grade to be sourced from trenches and bores over LOM.

2.4Mt of contained potassium includes 60% produced from the Measured resource category, and 40% produced from the Indicated resource category. No brine from the Inferred resource category is included in the Ore Reserve.

The results of the test pumping and the consistent nature of the brine grade within the paleochannel mean that the Measured and Indicated Mineral Resource Estimates have been converted to a Probable Ore Reserve.

The northern zone of the lake playa has been classified as a Measured Mineral Resource Estimate for the initial 8m at surface. This resource has been converted to a Probable Ore Reserve given the effects of variable recharge, dilution and liberation of the mineral salts contained within the retained porosity across the lake bed surface.

PREMIUM GRADE WATER SOLUBLE SOP PRODUCED

In September 2019, SO4 completed the Pilot Plant test work of the Lake Way salts at the Saskatchewan Research Council (**SRC**). The test work yielded a premium Sulphate of Potash (**SOP**) product that is highly water soluble with a >53% K₂O grade.

SRC, the world leading potash processing institute, completed Pilot Plant studies that are representative of the proposed Lake Way Project process flowsheet. The Pilot Plant operation included the addition of Potassium Chloride (KCl) to take advantage of the excess sulphate that naturally occurs within the Lake Way brine.

Two independent Pilot Plant runs utilised 5 tonnes of salt harvested from Lake Way site evaporation trials as feed and produced premium grade, highly water soluble SOP. The Total Solubility and Dissolution Rate indicates the product would be suitable for application in drip irrigation (otherwise known as fertigation) systems.

Table 6: Lake Way Pilot Plant 2 Specifications

		Specification ¹
Potassium	K ₂ O	>53%
Sulphate	SO ₄	>55%
Chloride	Cl	<0.1%
Insolubles		<0.1%
Total Solubility	(g/100g H ₂ O)	11.8
Dissolution Rate	% in 1 minute	>95%

Note 1: Results of composite sample from Pilot Plant 2.

The outstanding results achieved from the Pilot Plant indicate that the product is comparable with other premium grade water soluble products on the market and supports SO4's marketing strategy to supply into the premium SOP markets. The premium achievable for soluble grade SOP can be up to 20%³ above the standard SOP pricing.

The process flowsheet that has been developed and confirmed as part of the Pilot Plant test work is incorporated in the Lake Way BFS.

ACQUISITION OF STRATEGIC TENEMENT PACKAGE

In July 2019, SO4 and Blackham Resource Limited (**Blackham**) entered into a Sales Agreement whereby SO4 will acquire a package of tenements and other key assets for the Lake Way Project. The conditions precedent to the Sales Agreement were satisfied in early October 2019 and the transaction has completed. The acquisition is another important step in providing the Company with certainty over tenure, timing and capital expenditure required to bring the Lake Way Sulphate of Potash Project near Wiluna in Western Australia's northern goldfields into production.

SO4 and Blackham have been cooperating on their respective projects in the Wiluna/Lake Way region for the past 18 months. SO4 identified specific Blackham assets that would provide synergies for the Lake Way Project and material value to SO4.

In July 2019, the two parties entered the Agreement whereby SO4 would acquire outright:

- the tenements owned by Blackham that sit on the northern end of Lake Way and to the east of the Goldfields Highway;
- access and rights to process water from Blackham borefields with an option to outright acquire a key borefield which will underwrite the Lake Way Project.

Under the Agreement, Blackham agreed to provide immediate access to process water, and consent to the grant of new tenure over its tenements to enable SO4 to advance early works including camps and water infrastructure. The remaining conditions precedent have now been satisfied and the Agreement has completed.

³ CRU SOP Market Study May 2019

The layout of SO4 Mining Leases and Exploration Licences following completion of the transaction is shown in Figure 5.

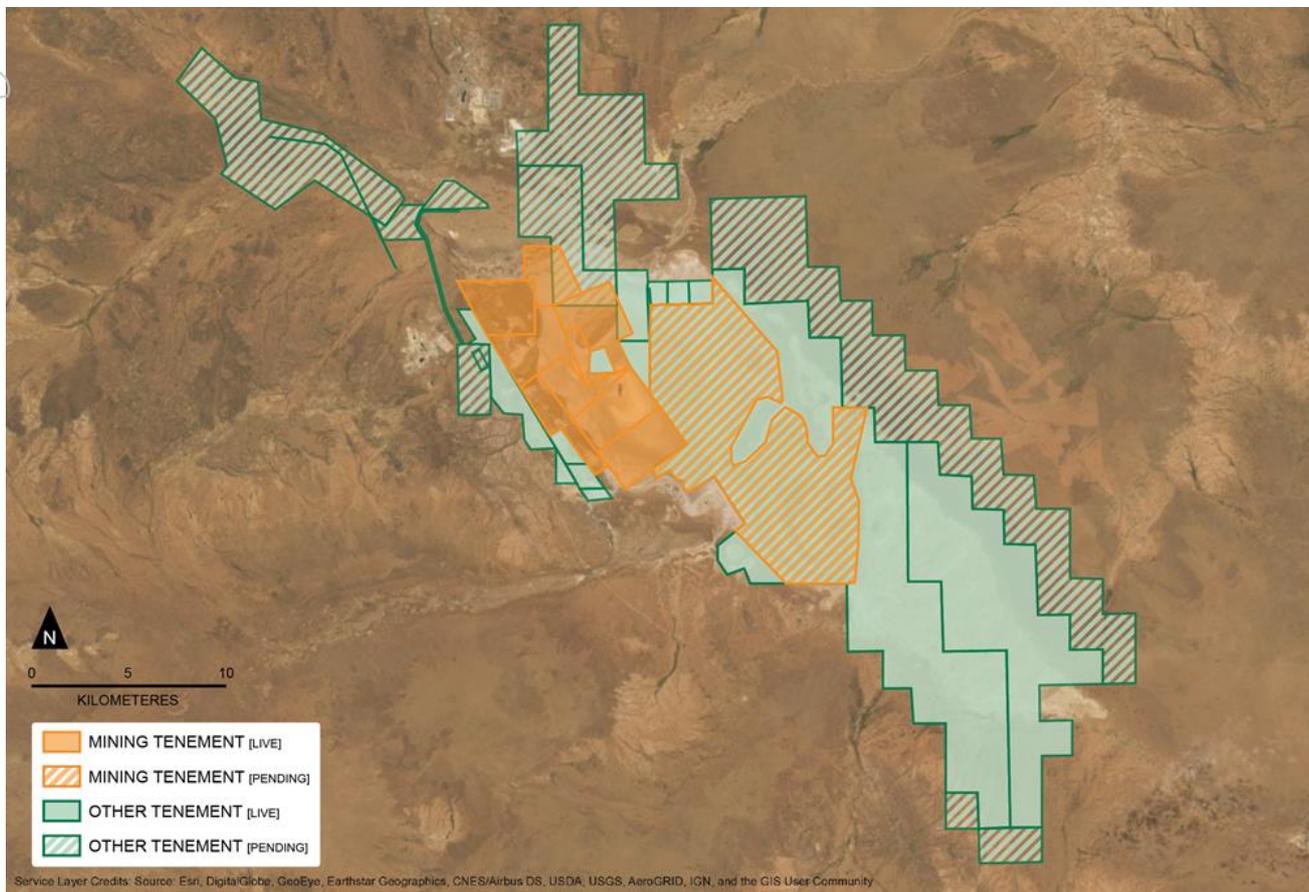


Figure 5: Project tenements

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APPROVALS

Lake Way is located in an area with a long history of minerals exploration and associated environmental assessment. SO4 has taken advantage of existing environmental knowledge to support the permitting of its early works programme and focus additional investigations required for permitting of full-scale operations.

Environmental work to date has not identified any social or environmental factors that could constitute fatal flaws or insurmountable obstacles to gaining necessary statutory approvals. The final outstanding approvals for the Project are currently being progressed.

The referral for Stage 2 Project development works submitted to the Environmental Protection Agency (EPA) in March 2019 was determined not to require formal assessment under Part IV of the Environmental Protection Act 1986⁴ supporting the commencement of these construction activities in Q4 2019.

The Company has since received approvals from the Department of Mines, Industry Regulation and Safety (DMIRS) for the Mining Proposal, and the Department of Water and Environmental Regulation (DWER) for the next stage of on lake ponds and trench construction at Lake Way. These approvals include a disturbance area to construct ponds and trenches totalling up to 757ha as shown in Figure 6.

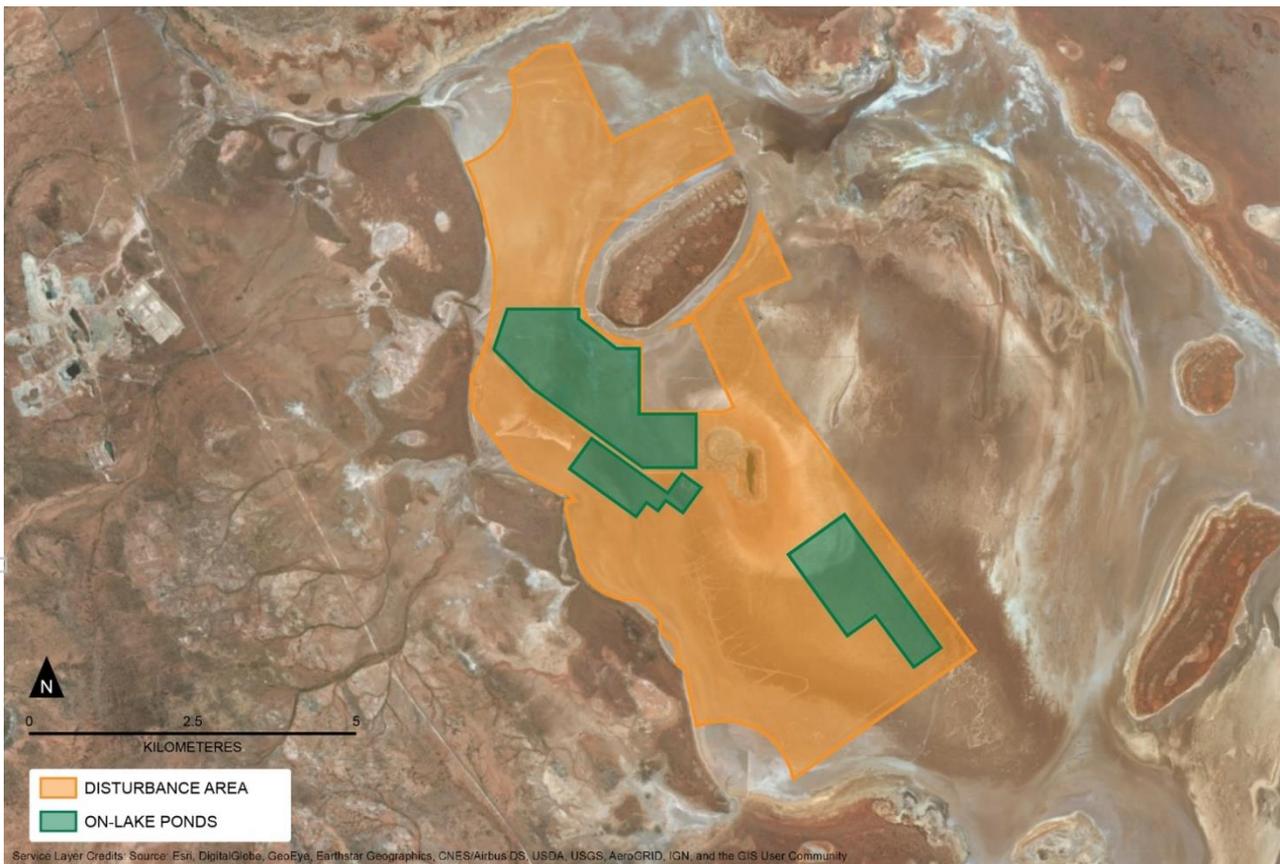


Figure 6: Approved disturbance area for Project development works

⁴ EPA non-assessment decision was received June 2019 and relates to the Lake Way SOP Demonstration Plant submission

The Company has also obtained Ministerial consent to use the land under section 18 of the Aboriginal Heritage Act 1972.

Further approvals are required for the full commercial scope of the Project with allowance for these approvals included in the Project schedule. The referral for the full scope was submitted to the EPA for assessment in September 2019.

NATIVE TITLE AND HERITAGE

SO4 has been working collaboratively with Tarlka Matuwa Piarku Aboriginal Corporation (TMPAC), the registered native title body corporate determined to hold native title rights and interests on trust for the native title holders over the area within which the Project is located. The Project is located on, and in the vicinity of Lake Way, which is an Aboriginal site and area of particular significance and sensitivity to the native title holders.

SO4 and TMPAC have entered into a native title exploration agreement and are finalising a comprehensive land access agreement that provides certainty for the Project, cultural heritage management protocols and lasting social and economic benefits to the native title holders.

PROJECT FUNDING

In August 2019, SO4 announced that it had mandated Taurus Funds Management (**Taurus** or the **Lenders**), to provide up to US\$150m project financing for the Lake Way Project.

The arrangement with Taurus is an important step in progressing the development and financing of the Lake Way Project. The staged project financing enabled the Company to complete the BFS, conclude the acquisition of strategic tenements from Blackham and continue early construction works to advance the Lake Way Project prior to the drawdown of the main Project Development Facility (**PDF**).

Stage 1 Facility of USD30m (c.AUD44m):

The Stage 1 Facility (**Facility**) provides initial access to funding for early construction works for the Lake Way Project and completion of the BFS. The Facility will also partly fund civil works including the second stage of construction of trenches and key evaporation ponds, which will provide the initial harvest salts to enable the feed for plant commissioning. Given the lead-time required to generate harvest salts, the Facility is a crucial part of accelerating Lake Way's development towards commercial SOP production.

Formal documentation for the Stage 1 Facility was completed in August 2019, and the Company has commenced drawing the Facility.

Project Development Facility (PDF) of up to USD150m (c.AUD220m)

The PDF will be used for refinancing the Stage 1 Facility and for project development and working capital associated with the development of the Lake Way Project. The PDF will become available upon satisfaction of conditions precedent to the Lender's satisfaction, including completion of the BFS. Conditions precedent are customary for a project financing of this nature and include execution

of financing agreements, satisfying the equity requirement based upon a cost to complete analysis and offtake agreements being agreed.

CORPORATE

Institutional Placement to Fund Acquisition

The Company completed a placement of 10.58 million shares to Fidelity International at A\$0.70 each to raise A\$7.4 million before costs in August 2019. The Placement under the Company's existing Listing Rule 7.1 placement capacity was used to fund the majority of the acquisition costs in the Blackham transaction.

Key Appointments

During the Quarter, the Company made a number of key appointments strengthening the already experienced executive team.

Mr Shaun Day commenced in the role of Chief Financial Officer and is responsible for the delivery of the financial, commercial and strategic outcomes for SO4. He is a Chartered Accountant and experienced CFO with over 20 years' experience in executive and financial positions across mining, investment banking and international accounting firms. Most recently, Mr Day was Chief Financial Officer of Northern Star Resources during a period of significant growth with the market cap of Northern Star increasing from \$700 million to \$8 billion. He holds a Bachelor of Commerce from UWA and is a member of the Australian Institute of Company Directors.

Mr Mark Wilde joined the Company as Director – Sales and Marketing, overseeing these functions. He is an experienced senior sales and marketing executive with more than 30 years' experience working in sales, marketing, business development and technical functions. Most recently, Mr Wilde was Global Sales Director, Sulphate of Potash (**SOP**) Business Unit, for Tessenderlo Group (one of the top three largest SOP producers outside of China). In this role Mr Wilde was responsible for sales and marketing 500ktpa of SOP predominately in the premium market space, in more than 90 countries. He has a Bachelor of Chemistry from Stockport College of Technology.

Ms Rowena Roberts joined as Director – People, Culture, Heritage and Community. She is responsible for overseeing the human resources, heritage and community relations functions for SO4. Ms Roberts brings a broad depth of knowledge and experience with over 25 years' in People Management, Indigenous Training and Education, Aboriginal Economic Development, Community Relations and Native Title negotiations. Most recently, Ms Roberts has worked at Fortescue Metals Group, the Water Corporation and Sinosteel leading areas covering People, Culture and Community Relations.

APPENDIX A – COMPETENT PERSON STATEMENT AND DISCLAIMER

Competent Persons Statement

The information in this announcement that relates to Production Targets and Ore Reserves for Lake Way is extracted from the announcement entitled 'Outstanding Bankable Feasibility Results for Lake Way' dated 11 October 2019. This announcement is available to view on www.so4.com.au. The information in the original ASX Announcement that related to Production Targets and Ore Reserves was based on, and fairly represents, information compiled 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, and Mr Robert Kinnell, who is a member of the Australasian Institute of Mining and Metallurgy and a Fellow of the Geological Society of London. Mr Jeuken is employed by Groundwater Science Pty Ltd, an independent consulting company. Mr Kinnell is a full time employee of Salt Lake Potash Limited. Mr Jeuken and Mr Kinnell have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are 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'. Salt Lake Potash Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. Salt Lake Potash Limited confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this announcement that relates to Exploration Results and Mineral Resources for Lake Way is extracted from the announcement entitled 'Outstanding Bankable Feasibility Results for Lake Way' dated 11 October 2019. This announcement is available to view on www.so4.com.au. The information in the original ASX Announcement that related to Exploration Results and Mineral Resources was based on, and fairly represents, information compiled 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'. Salt Lake Potash Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. Salt Lake Potash Limited confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this announcement that relates to Process Testwork Results is extracted from the announcement entitled 'Premium Grade Water Soluble Sulphate of Potash Produced from Lake Way Salts' dated 18 September 2019. This announcement is available to view on www.so4.com.au. The information in the original ASX Announcement that related to Process Testwork Results was based on, and fairly represents, information compiled by Mr Bryn Jones, BAppSc (Chem), MEng (Mining) who is a Fellow of the AusIMM. Mr Jones is a Director of Salt Lake Potash Limited. Mr Jones 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'. Salt Lake Potash Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. Salt Lake Potash Limited confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this announcement that relates to Processing and the Process Plant is extracted from the announcement entitled 'Outstanding Bankable Feasibility Results for Lake Way' dated 11 October 2019. This announcement is available to view on www.so4.com.au. The information in the original ASX Announcement that related to Processing and the Process Plant was based on, and fairly represents, information provided by Mr Kevin Martina, Professional Engineer, who is a Member of the Association of Professional Engineers and Geoscientists of Saskatchewan (APEGS), a 'Recognised Professional Organisation' (RPO) included in a list promulgated by the ASX from time to time. Mr Martina is employed by Wood Canada Limited, Saskatoon. Wood is engaged as a consultant by Salt Lake Potash Limited. Mr Martina 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'. Salt Lake Potash Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. Salt Lake Potash Limited confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Production Target

The Lake Way 245ktpa Production Target stated in this presentation is based on the Company's Bankable Feasibility Study as released to the ASX on 11 October 2019. The information in relation to the Production Target that the Company is required to include in a public report in accordance with ASX Listing Rule 5.16 and 5.17 was included in the Company's ASX Announcement released on 11 October 2019. The Company confirms that the material assumptions underpinning the Production Target referenced in the 11 October 2019 release continue to apply and have not materially changed.

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.

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APPENDIX 2 - SUMMARY OF EXPLORATION AND MINING TENEMENTS AS AT 30 SEPTEMBER 2019

Project	Status	Type of Change	License Number	Interest (%)	
				30-Jun-19	30-Sep-19
<i>Lake Way⁵</i>					
Central	Granted	-	E53/1878	100%	100%
East	Application	-	E53/2057	100%	100%
South	Granted	-	E53/1897	100%	100%
South	Application	-	E53/2059	100%	100%
South	Application	-	E53/2060	100%	100%
West	Application	-	L53/208	100%	100%
Central	Application	-	M53/1102	100%	100%
<i>Lake Wells</i>					
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%
<i>Lake Ballard</i>					
West	Granted	-	E29/912	100%	100%
East	Granted	-	E29/913	100%	100%
North	Granted	-	E29/948	100%	100%
South	Granted	-	E29/958	100%	100%
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	Granted	E29/1067	-	100%
South	Granted	Granted	E29/1068	-	100%
East	Application	-	E29/1069	100%	100%
North	Granted	Granted	E29/1070	-	100%
<i>Lake Irwin</i>					
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%
<i>Lake Minigwal</i>					
West	Granted	-	E39/1893	100%	100%
East	Granted	-	E39/1894	100%	100%
Central	Granted	-	E39/1962	100%	100%

⁵ Acquisition of Lake Way tenements from Blackham Resources completed in October 2019.

Central East	Granted	-	E39/1963	100%	100%
South	Granted	-	E39/1964	100%	100%
South West	Granted	-	E39/1965	100%	100%
<i>Lake Marmion</i>					
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%
<i>Lake Noondie</i>					
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%
<i>Lake Barlee</i>					
North	Granted	-	E30/495	100%	100%
Central	Granted	-	E30/496	100%	100%
South	Granted	-	E77/2441	100%	100%
<i>Lake Raeside</i>					
North	Granted	-	E37/1305	100%	100%
<i>Lake Austin</i>					
North	Application	-	E21/205	100%	100%
West	Application	-	E21/206	100%	100%
East	Granted	Granted	E58/529	-	100%
South	Granted	Granted	E58/530	-	100%
South West	Granted	Granted	E58/531	-	100%
<i>Lake Moore</i>					
Central	Granted	-	E59/2344	100%	100%
<i>Northern Territory</i>					
<i>Lake Lewis</i>					
South	Granted	-	EL 29787	100%	100%
North	Granted	-	EL 29903	100%	100%

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Salt Lake Potash Limited

ABN

98 117 085 748

Quarter ended ("current quarter")

30 September 2019

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	(9,040)	(9,040)
(b) development	(2,196)	(2,196)
(c) production	-	-
(d) staff costs	(2,218)	(2,218)
(e) administration and corporate costs	(637)	(637)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	47	47
1.5 Interest and other costs of finance paid	(3)	(3)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
- Business Development	(458)	(458)
- R&D Rebate Received	-	-
1.9 Net cash from / (used in) operating activities	(14,505)	(14,505)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(158)	(158)
(b) tenements (see item 10)	(3,000)	(3,000)
(c) investments	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) 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	(3,158)	(3,158)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	7,408	7,408
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(97)	(97)
3.5	Proceeds from borrowings	14,817	14,817
3.6	Repayment of borrowings	(38)	(38)
3.7	Transaction costs related to loans and borrowings	(1,740)	(1,740)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	20,350	20,350
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	19,304	19,304
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(14,505)	(14,505)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,158)	(3,158)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	20,350	20,350
4.5	Effect of movement in exchange rates on cash held	(2)	(2)
4.6	Cash and cash equivalents at end of period	21,989	21,989

Mining exploration entity and oil and gas exploration entity quarterly report

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	21,862	19,174
5.2 Call deposits	127	130
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)	21,989	19,304

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	(109)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments include salaries, director and consulting fees and superannuation.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Not applicable.

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	44,182	14,727
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The Company has 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 up to US\$150m project financing for the Lake Way Project.

The Stage 1 Facility for US\$30m (A\$44.2m) has been documented and the Company has commenced draw down during the quarter. The facility is secured and interest is payable at 9.75% pa.

The Project Development Facility (PDF) for up to US\$150m (A\$221m) will be used for refinancing the Stage 1 Facility and for project development and working capital associated with the development of the Lake Way Project. Draw down of the PDF is subject to a number of Conditions Precedent. The PDF will be secured and interest will be payable at 9.00% pa.

As the loan is denominated in USD, the facility amount and amount drawn down has been converted at an FX rate of \$0.679 USD/AUD, being the FX crossrate at 30 September 2019.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	7,000
9.2 Development	6,000
9.3 Production	-
9.4 Staff costs	3,000
9.5 Administration and corporate costs	750
9.6 Other (provide details if material)	
- Business Development	250
- Blackham transaction consideration	7,000
- Long lead deposits	4,000
9.7 Total estimated cash outflows	28,000

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		Refer to Appendix 1		
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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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.

Sign here:
(Director/Company secretary)

Date: 31 October 2019

Print name: Clint McGhie

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.