

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2023

23 OCTOBER 2023

ASX CODE: RWD

DIRECTORSColin McCavana
ChairmanMichael Ruane
ExecutiveRod Della Vedova
Non-Executive**MANAGEMENT**Lorry Hughes
CEOBianca Taveira
Company Secretary**HEAD OFFICE**Reward Minerals Ltd
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E: admin@rewardminerals.comW: www.rewardminerals.com**Highlights**

- *Positive Engineering Scoping Study (“ESS”) results¹ indicate a technically sound and commercially attractive Potassium Sulphate (“SOP” or “K₂SO₄”) operation could be established utilising rejected brines (“Bitterns”) from typical seawater solar salt operations as exist in North West Western Australia*
- *Reward Minerals has evaluated a high level business case for the recovery of 100,000 tpa of high-purity SOP from seawater derived brines via Reward’s new processing technology (“Reward Process”)²*
- *The Reward Process has been independently assessed as potentially providing a robust and highly effective tail-end process that achieves high SOP recovery at low cost compared to existing technologies.*
- *Carnarvon Potash Project exploration licence application continued toward grant.*
- *Ongoing engagement with global strategic investors from the solar salt, fertilizer, seawater desalination and finance companies.*

Reward CEO Lorry Hughes commented on the achievement of a key milestone:

“We completed a world-first evaluation of high-purity SOP production from seawater solar salt reject brines using the Reward Process and the results have confirmed the potential of the technology to deliver very low-cost SOP at \$301/t FOB (lowest quartile of the global cost curve).

The study was completed with process engineering support from independent engineering group Bechtel under the guidance of Reward’s in-house team of chemical and engineering experts in the very specialised field of SOP brine developments.

The Reward Process does not utilise the prohibitively costly and complicated flotation method for separating Potassium salts from Magnesium salts which has been a technical and financial failure within the WA SOP industry.

The technology can also be adapted to recover high-purity SOP from other high-sulphate brines such as those contained within the Company’s KP project. A separate ESS is planned to examine the viability of an operation at KP using the Reward Process.

Whilst the ESS is specific to the Carnarvon Potash Project site, it provides a useful guide for operations that can be “bolted on” to existing solar salt operations in North West WA. Further, the framework can be applied to generate estimates for use of the Reward Process at other sites that have favourable evaporation and logistics locations globally.”

¹ Refer ASX announcement including Cautionary Statement dated 28 September 2023, ¹ Refer ASX announcement dated 24 July 2023.

PERTH, Western Australia (23 October, 2023) - Reward Minerals Limited (ASX: RWD) (“Reward” or the “Company”) is pleased to provide its Activities Report for the September Quarter 2023.

ENGINEERING SCOPING STUDY - SUMMARY

During the period the Company completed a positive Engineering Scoping Study¹ to recover SOP from Bitterns derived from seawater solar salt operations in North West Western Australia using the Reward Process.

Key points:

- Reward has identified the opportunity to establish high-purity SOP recovery operations at multiple sites between Carnarvon and Port Hedland in Western Australia. These sites include its own Carnarvon Potash Project (“CPP”) on which the ESS assumptions are based (Figure 1). Reward believes that the ESS outcomes are useful for high-level evaluations for similar SOP operations at the sites in close proximity to unrelated third-party solar salt operations and development projects that undertake or plan to undertake Bitterns disposal.
- The Positive ESS indicates the potential technical merit and economic viability of SOP recovery from seawater solar salt operations using the Reward Process;
- The ESS considered accessing Bitterns from operating² and developmental seawater solar salt projects in North West Western Australia between Carnarvon and Port Hedland. Multiple Bitterns streams from +3Mtpa capacity operations are currently either discarded or stockpiled;
- Potential project economics include: nominal production of 100,000 tpa SOP (>52% K₂O); capital cost estimated at an order of magnitude of \$198.2 million excluding contingency of approximately \$69.4 million; operating cost estimated at an order of magnitude of \$273/t SOP excluding contingency of approximately \$27.3/t FOB;
- The project assesses the use of Bitterns from an inexhaustible seawater resource that could potentially operate indefinitely with a solar salt operation with an appropriate sustaining capital model;
- Subject to suitable site access Reward will proceed with a Pre-Feasibility Study (“PFS”) using the Reward Process. It proposes to consider partnerships for funding and development;
- Full operational and financial metrics have not been included due to regulatory constraints and the commercially sensitive nature of the information;
- The ESS does not include costs associated with producing salt and Bitterns, i.e. assumes zero cost for Bitterns received.

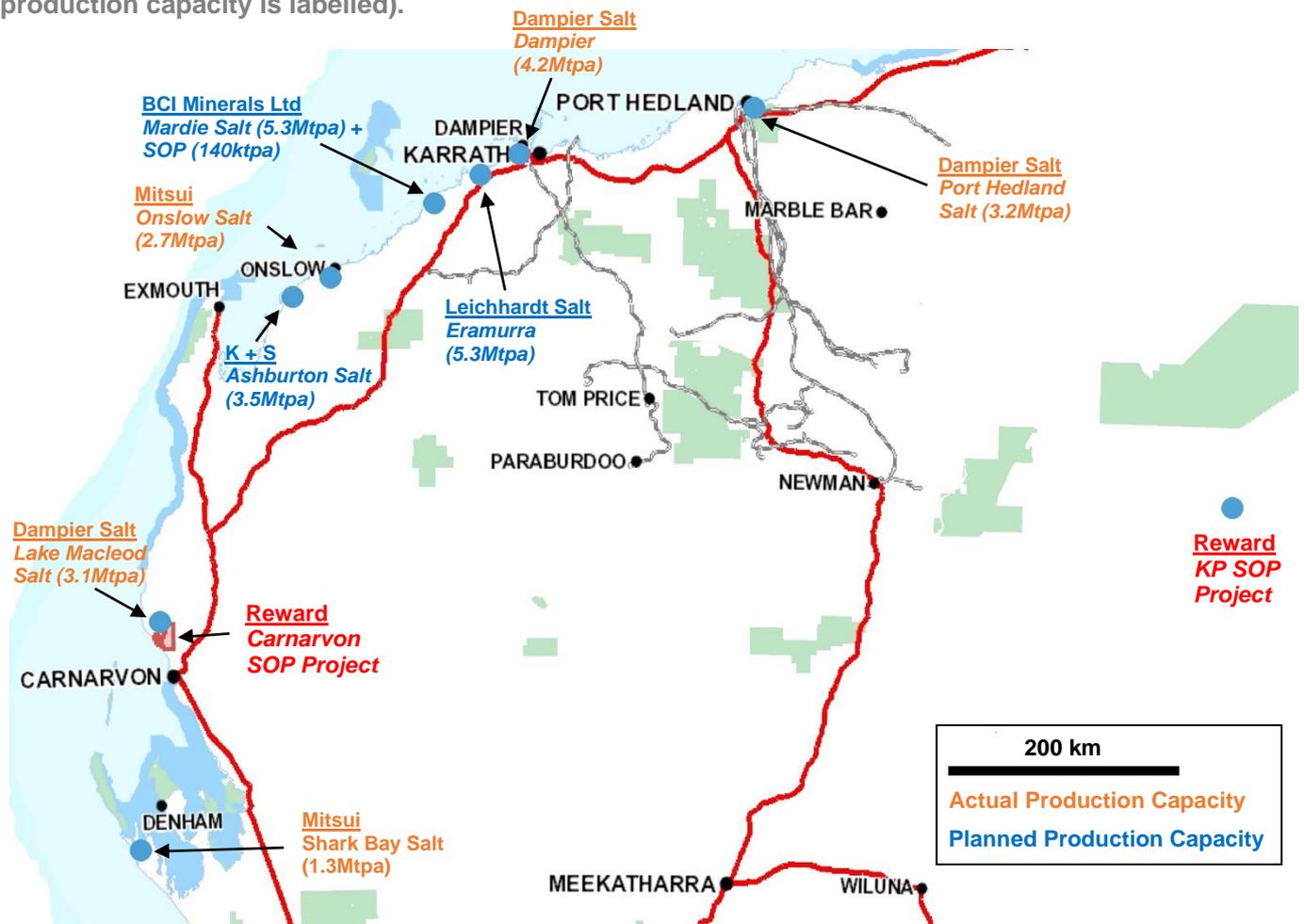
Reward’s unique processing technology has the potential to recover SOP from Bitterns extracting value from brines that are generally disposed of in the ocean or stockpiled.

The study area in North West Western Australia is favourably located in the world’s major salt producing region hence presents the key prerequisites for production of salt from solar evaporation, being;

- a hot dry and/or windy climate with a predictable dry season;
- existing salt operations or development projects that dispose of Potassium enriched Bitterns;
- areas of flat land that is suitable for construction of a fixed plant and evaporation ponds.

¹ Refer ASX announcement including Cautionary Statement dated 28 September 2023, ² Several established seawater salt producers in North West WA operate under WA Government State Agreements whereby, third parties can legally access the Bitterns under certain conditions such as utilisation of an existing resource or tailings. There is also potential to acquire Bitterns from developmental projects under commercial terms.

Figure 1 – Rewards’ Carnarvon Potash Project and KP Potash Project, Western Australian Salt operations and development projects (Producers shown in orange text, approved or planned production capacity is labelled).



Reward has completed a positive ESS for an operation utilising the Reward Process at the CPP located ~30km north of Carnarvon in Western Australia and immediately adjacent to the Lake Macleod seawater solar salt operation owned by Dampier Salt Limited. The ESS assumptions based on the site are similar to other potential sites adjacent to other salt operations and Reward believes that the ESS outcomes are useful for high-level evaluations of similar SOP operations at the other sites.

The ESS envisages development of a 100,000 tpa operation producing high-purity standard grade SOP (>52% K₂O) via solar evaporation of Bitterns, Syngenite precipitation, Syngenite hot water leach, SOP crystallisation, drying and packaging. Utilities required to support the above include water (process and bore), site electricity and fuel supplies (gas/diesel).

Full details of the ESS including Cautionary Statements, all the assumptions used to compile the ESS, Competent Persons Statements and JORC Code criteria are contained within the original ASX Release dated 28 September 2023 titled “Positive Engineering Scoping Study Results”.

Research and Development

On 11 August 2023 the Company lodged an International application under the Patent Co-operation Treaty (“PCT”) claiming priority from Australian Patent Application(s) 2022902277¹.

The application has been pursued to protect the Company’s intellectual property related to the Reward Process directly from concentrated seawater and other high-sulphate brines.

¹ Refer ASX announcement dated 11 July 2023.

Carnarvon Potash Project

On 23 November 2022, Holocene Pty Ltd (a wholly owned subsidiary of Reward) lodged a first-in-time application for a single new exploration licence (E09/2763) and has been working through standard objections to grant. If granted, the tenement will be known as the Carnarvon Potash project.

The ~219km² tenement has the potential to contain concentrated seawater derived brines at shallow depths below surface. This will be the focus of initial exploration activity when granted.

Kumpupintil Lake ("KP Lake") Potash Project

Jamukurnu-Yapalikurnu Aboriginal Corporation ("JYAC") (the Martu land council) and Martu Traditional Owners ("Martu") have been undertaking on-country work in preparation for the Reward-JYAC Cultural Heritage Management Plan ("CHMP") required by the project Indigenous Land Use Agreement ("ILUA").

This work included Martu considering the cultural landscape characteristics in the project area and adjoining country during two excursions completed in the September Quarter 2022. A third excursion planned for the December Quarter 2022 was postponed due to unforeseen circumstances and is now planned to occur in June Quarter 2024.

The Company looks forward to completing the CHMP in preparation for the development of the KP Lake Project. The ILUA already in place between Reward and JYAC includes opportunities for Martu employment and business development when operations commence.

Corporate

Over the last 18 months the Company's rapid development of the Reward Process via the advancement of the PCT Patent Application and the now completed ESS has resulted in a requirement to review its corporate strategy. The Company remains bullish on the long term outlook for SOP demand and reaffirms its aspirations to become a globally relevant low-cost high quality producer.

Given the Reward Process is technology directly applicable to the recovery of SOP from seawater and other high-sulphate brines, the Company sees economic benefits in pursuing new opportunities as part of existing solar salt operations. Most solar salt operations worldwide utilise seawater as their primary brine supply and are located in coastal areas which are usually ideal for reduced costs to transport salt and other products to export markets.

During the quarter, Reward continued to have dialogue and share data under confidentiality agreements with several companies involved in the solar salt, fertilizer and seawater desalination industries to discuss the application of Reward's technology for SOP production via joint ventures.

Further, Reward has been undertaking confidential non-binding discussions with a number of potential project and financial partners in Australia and the Gulf Cooperation Council countries. The discussions are consistent with the Company's strategy of looking for opportunities to add value and leverage off its new technology. Reward will keep the market informed in the event of a material development from any ongoing discussions.

Exploration expenditure by Reward during the September Quarter was approximately \$217,000 as disclosed in item 1.2(a) of the Cashflow Report relating to low-level activity at the Kumpupintil Lake Potash Project and tenement holding costs.

Available cash at the end of the period was approximately \$1.9 million.

In accordance with ASX Listing Rule 5.3.5, during the quarter a total of \$17,000 was paid to related parties or their associates of the Company relating to non-executive Director fees.

At the end of September, 15,853,260 Reward Unlisted Options (ASX Code: RWDAU) expired¹.

¹ Refer ASX announcement dated 2 October 2023.

Issued Share Capital as at 30 September 2023

ASX Code	Security Description	Number of Securities
RWD	Fully Paid Ordinary Shares	227,853,138
RWDO	Listed Options \$0.20 expiring 31 March 2025	18,275,275
RWDAV	Unlisted Options \$0.198 expiring 14 September 2025	5,000,000
RWDAX	Unlisted Options \$0.20 expiring 14 September 2025	5,250,000

Next Steps

Over the next two quarters Reward will focus of the following key activities;

- Presentation and networking at the Sydney IMARC 2023 conference + expo from October 31st – November 2nd;
- Grant of the Carnarvon Potash Project tenure and design of initial work programs;
- Engagement with solar salt, fertilizer and seawater desalination companies worldwide to discuss the application of Reward's technology to potential and proposed SOP developments for possible joint venture participation and investment;
- Advancement of the Cultural Heritage Management Plan for the KP Project.

Authorised by the Board of Reward.

For further information please contact:

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About Reward

Reward is an ASX-listed advanced-stage potassium sulphate (“SOP”) exploration and development company. Reward’s flagship asset is its 100%-owned Kumpupintil Lake Potash Project, located east of Newman in north-western Western Australia. The Project hosts Australia’s largest high-grade brine SOP deposit in a region with the highest evaporation rate.

Reward completed a detailed, conservative Pre-Feasibility Study which was updated with improved logistics in July 2018. An Indigenous Land Use Agreement (“ILUA”) is in place with JYAC, the prescribed body corporate for Martu, the traditional owners of the land upon which Kumpupintil Lake is situated.

Key environmental approvals are in place and development can commence subject to finance, updated feasibility studies and secondary regulatory approvals. The Company is currently progressing a Cultural Heritage Management Plan required by the ILUA to manage considerations related to cultural landscape characteristics in the project area.

Reward is also the 100% owner and developer of new processing technology for recovery of high-purity SOP from seawater and other high sulphate brines (“Reward Process”).

The Company submitted an Australian Provisional Patent Application (Application Number - 2022902277) for the Reward Process on 11 August 2022 and intends to submit additional technical information prior to 11 August 2023 to complete the international application.

Forward-Looking Statements

This document may contain certain “forward-looking statements”. When used in this document, the words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should”, and similar expressions are forward-looking statements. Although Reward believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

For a more detailed discussion of such risks and uncertainties, see Reward’s other ASX Releases, Presentations and Annual Reports. Readers should not place undue reliance on forward-looking statements. Reward does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this ASX Release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Exploration Results – Competent Persons Statement

The information in this document that relates to Exploration Results, geology and data compilation is based on information compiled by Mr Lorry Hughes, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hughes is the CEO of the Company, is a full-time employee and holds shares and options in the Company.

Mr Hughes 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 Hughes consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Metallurgical Results – Competent Persons Statement

The information in this report that relates to Brine metallurgical testwork and Analyses is based on information compiled by Mr Warren Hinchliffe who is a Member of The Australian Institute of Mining and Metallurgy. Mr Hinchliffe is a consultant to Reward Minerals Ltd. Mr Hinchliffe has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Hinchliffe consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Tenement Holdings as at 30 September 2023

Tenement	Status	RWD Ownership at Quarter End	% Interest Acquired During the Quarter	% Interest Disposed During the Quarter
Kumpupintil Lake, Western Australia				
E45/2801	Granted	100%	-	-
E45/2802	Granted	-	-	100%
E45/2803	Granted	100%	-	-
E45/3285	Granted	100%	-	-
E45/3286	Granted	100%	-	-
E45/4090	Granted	100%	-	-
E45/4121	Granted	-	-	100%
E69/2156	Granted	100%	-	-
E69/2157	Granted	-	-	100%
E69/2158	Granted	100%	-	-
E69/2159	Granted	-	-	100%
E69/3276	Granted	-	-	100%
L45/302	Granted	100%	-	-
M45/1227	Granted	100%	-	-
E45/5314	Granted	-	-	100%
Dora, Western Australia				
E45/4321	Pending	100%	-	-
E45/4488	Pending	100%	-	-
Carnarvon, Western Australia				
E09/2763	Pending	100%	-	-

Appendix 5B

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

Name of entity

REWARD MINERALS LTD

ABN

50 009 173 602

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(217)	(809)
(b) development	-	-
(c) production	-	-
(d) staff costs	(24)	(734)
(e) administration and corporate costs	(310)	(603)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	18
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – net GST (paid) / refunded	1	(22)
1.9 Net cash from / (used in) operating activities	(543)	(2,150)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

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 (9 months) \$A'000
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	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,604
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	-	(250)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	2,354
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,448	1,701
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(543)	(2,150)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,354

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 (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,905	1,905

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	1,905	2,448
5.2	Call deposits	-	-
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)	1,905	2,448

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	17
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

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.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	2,800	2,800
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	2,800	2,800
7.5 Unused financing facilities available at quarter end		0
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>In September 2019, Dr M Ruane, Reward's Executive Director, agreed to loan the Company \$1 million. During the September 2020 quarter, Dr M Ruane agreed to further loan the Company \$300,000. In December 2021, an additional \$1 million was loaned to the Company by Dr M Ruane. During the December 2022 quarter, Dr M Ruane loaned a further \$500,000. The loan is unsecured, on reasonable arm's length terms and attracts interest at 7.5% per annum payable quarterly in arrears. The total facility of \$2.8 million is fully drawn down.</p>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(543)
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)	(543)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,905
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,905
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.5
<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>	
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: N/A
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: N/A

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

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: N/A

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.

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: 23 October 2023

Authorised 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.