

## QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2024

29 APRIL 2024

ASX CODE: RWD

### DIRECTORS

Colin McCavana  
Chairman

Michael Ruane  
Executive

Rod Della Vedova  
Non-Executive

### MANAGEMENT

Lorry Hughes  
CEO

Bianca Taveira  
Company Secretary

### HEAD OFFICE

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### Highlights

- *Beyondie Potash Project potential acquisition terminated*
- *Carnarvon Potash Project exploration licence application proceeding toward grant*
- *Ongoing engagement with strategic investors from solar salt, fertilizer, chemical and finance industries regarding use of Reward's Potash processing technology*

**PERTH, Western Australia (29 April, 2024) - Reward Minerals Limited (ASX: RWD) (Reward or the Company)** provides its Activities Report for the March Quarter 2024.

### Potential Acquisition Beyondie Project - Terminated

On 5 December 2023, the Company announced it had entered into a binding share sale agreement (Share Sale Agreement) with Kalium Lakes Ltd (Receivers and Managers Appointed) (Administrators Appointed) (Kalium) (ASX:KLL) for the acquisition of 100% of the issued share capital of Kalium Lakes Infrastructure Pty Ltd (KLI) and Kalium Lakes Potash Pty Ltd (KLP), both of which also currently have Receivers and Managers Appointed and Administrators Appointed (Proposed Transaction)<sup>1</sup>.

The aggregate purchase price payable by the Company for the Proposed Transaction was \$20 million in cash, which was comprised of \$250,000 paid under the Exclusivity Deed<sup>2</sup>, \$14.75 million to be paid at completion of the Share Sale Agreement (Completion), and a deferred amount of \$5 million which is not payable until 30 June 2025.

To fund the Proposed Transaction and additional working capital, Reward received shareholder approval at a General Meeting held on 9 January 2024<sup>3</sup> and launched a renounceable entitlement offer to raise up to \$22.8 million<sup>4</sup>.

Due to unfavourable market conditions Reward was unable to secure sufficient funding to complete the acquisition and provide sufficient working capital. Consequently, it entered into a deed of termination with Kalium and the Receivers on 18 March 2024<sup>5</sup>.

### Potash Project Development

In late September 2023, Reward released highly positive results from an Engineering Scoping Study (ESS) at its 100% owned Carnarvon Potash project for the recovery of high-purity Potassium Sulphate (SOP Potash or Potash) from Bitterns derived from seawater based solar salt operations in northwest Western Australia using Reward's newly developed processing technology (Reward Process)<sup>6</sup>.

Notwithstanding the ESS was completed and is best suited utilising Bitterns, the processing techniques within the Reward Process are also applicable to other

<sup>1</sup> Refer ASX announcement dated 5 December 2023, <sup>2</sup> Refer ASX announcement dated 16 November 2023, <sup>3</sup> Refer ASX announcement dated 9 January 2024, <sup>4</sup> Refer ASX announcement dated 10 January 2024, <sup>5</sup> Refer ASX announcement dated 18 March 2024, <sup>6</sup> Refer ASX announcement 28 September 2023.

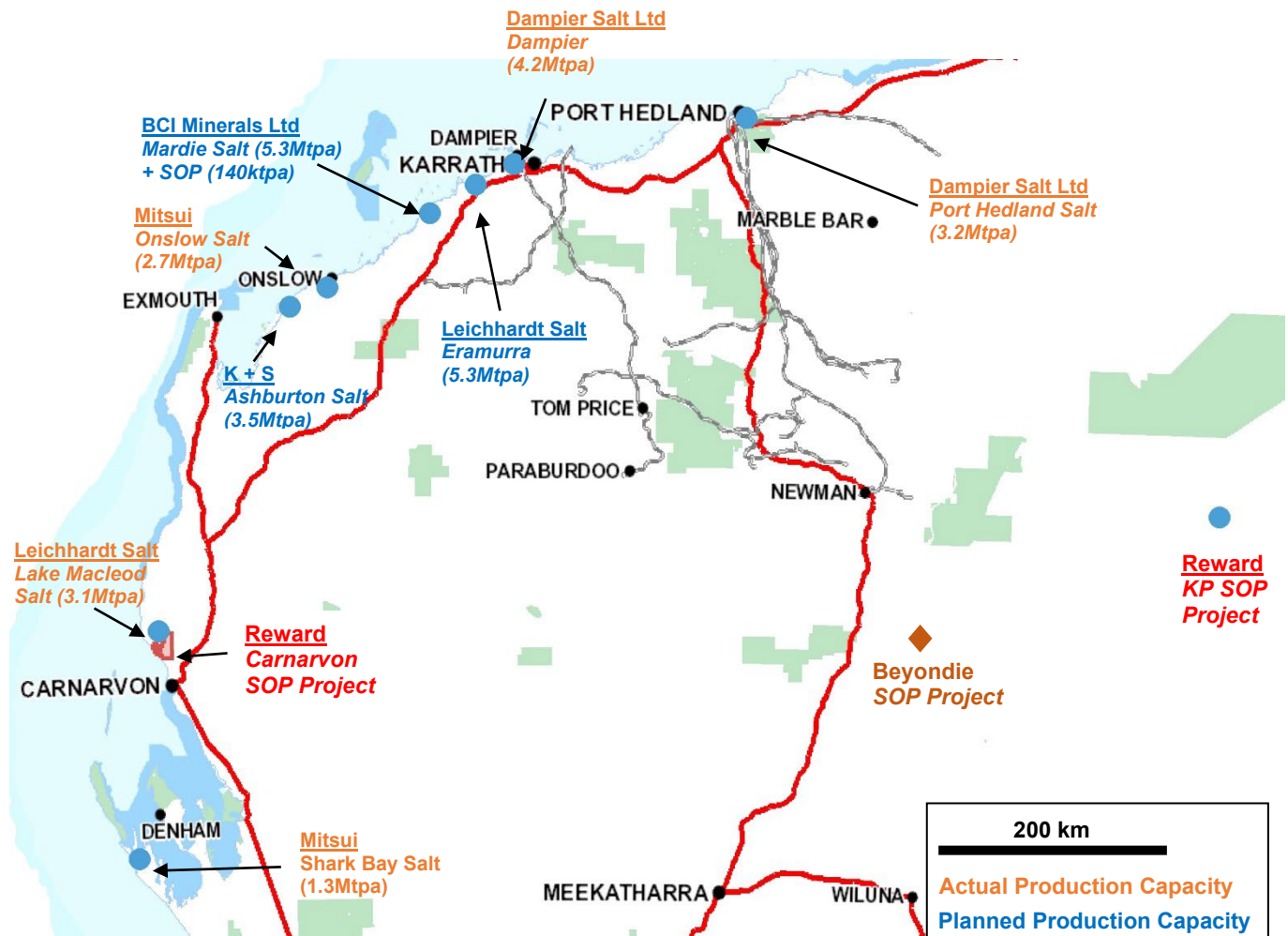
high-sulphate brines including the Company’s KP Lake Project and the abovementioned Beyondie Potash Project brines.

Reward’s unique processing technology has the potential to recover SOP from Bitterns extracting value from brines that are disposed of in the ocean or stockpiled. Recovering SOP from waste brines using the Reward Process could become the lowest cost and the most ESG friendly way to produce potash globally.

The ESS study area in northwest Western Australia (Figure 1) 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.

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



**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) 2022902277<sup>1</sup>.

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

<sup>1</sup> Refer ASX announcement dated 23 August 2022.

During the quarter, a number of queries were received from the Patent Office. The Company duly responded by providing additional information to support its application claims.

### **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 ~219km<sup>2</sup> tenement has the potential to contain concentrated seawater type brines at shallow depth. This will be the focus of initial exploration activity when the tenement is granted.

Reward notes that the adjacent Lake Macleod seawater solar salt operation has recently been sold to the private solar salt development company, Leichhardt Industrials Group for \$375 million ([Dampier Salt agrees to sale of Lake Macleod operation to Leichhardt](#)).

### **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 owners considering 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 the 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 should operations go ahead.

### **Corporate**

The Company remains bullish on the long-term outlook for SOP demand. It owns highly sought after processing technology and reaffirms its aspirations to become a globally relevant low-cost high quality SOP producer.

Given the Reward Process is technology applicable to the recovery of SOP directly 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 hence are located in coastal areas usually ideal for reduced costs for transport of 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 March Quarter was approximately \$222,000 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 \$0.55 million.

In accordance with ASX Listing Rule 5.3.5, during the quarter a total of \$12,000 was paid to related parties or their associates of the Company relating to non-executive Director fees.

#### Issued Share Capital as at 31 March 2024

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 on the following key activities;

- Continuation of advancement of its processing technology toward commercialisation;
- 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 and proposed SOP developments for possible joint venture participation and investment;
- Advancement of the Cultural Heritage Management Plan for the KP Lake Potash project; and
- Conducting due diligence activities on new projects within the minerals sector for potential acquisition.

*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 an employee of 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 31 March 2024

Tenement	Status	RWD Ownership at Quarter End	% Interest Acquired During the Quarter	% Interest Disposed During the Quarter
<b>Kumpupintil Lake, Western Australia</b>				
E45/2801	Granted	100%	-	-
E45/2803	Granted	100%	-	-
E45/3285	Granted	100%	-	-
E45/3286	Granted	100%	-	-
E45/4090	Granted	100%	-	-
E69/2156	Granted	100%	-	-
E69/2158	Granted	100%	-	-
L45/302	Granted	100%	-	-
M45/1227	Granted	100%	-	-
<b>Dora, Western Australia</b>				
E45/4321	Pending	100%	-	-
E45/4488	Pending	100%	-	-
<b>Carnarvon, Western Australia</b>				
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")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(222)	(222)
(b) development	-	-
(c) production	-	-
(d) staff costs	(46)	(46)
(e) administration and corporate costs	(145)	(145)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
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	15	15
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(396)</b>	<b>(396)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities – Beyondie Project (terminated)*	(520)	(520)
(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 (3 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(520)</b>	<b>(520)</b>

*\*During the quarter, these expenses were incurred for the Beyondie transaction. As per ASX announcement dated 18 March 2024, the Beyondie transaction was terminated.*

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	400	400
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>400</b>	<b>400</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,067	1,067
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(396)	(396)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(520)	(520)



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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	400	400
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>551</b>	<b>551</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	551	1,067
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>551</b>	<b>1,067</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	12
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. <b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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	3,200	3,200
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	3,200	3,200
7.5 <b>Unused financing facilities available at quarter end</b>		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. In the March 2024 quarter, Dr Ruane loaned \$400,000 to the Company. 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 \$3.2 million is fully drawn down.</p>	

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(396)
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)	(396)
8.4 Cash and cash equivalents at quarter end (item 4.6)	551
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	551
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.39
<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: Yes, see 8.8.2 below.
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: The Company intends to conduct an Entitlements Issue to raise additional capital to fund ongoing expenditure. Director, Michael Ruane has agreed to take up his entitlement under the issue to ensure the Company has sufficient working capital for future activities.

## 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: Yes, see 8.8.2 above.

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: 29 April 2024

## 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.