

6 MARCH 2019

CONSTRUCTION BEGINS ON AUSTRALIA'S FIRST COMMERCIAL SCALE SOP EVAPORATION PONDS

Highlights:

- Following receipt of the final approval from the Department of Water and Environmental Regulation (DWER), construction and operation of the First Phase of Lake Way Evaporation Ponds (Lake Way Ponds) at Wiluna, Western Australia has begun
- Site support infrastructure for construction of the Lake Way Ponds is in place
- The Lake Way Ponds will be the first Commercial Scale on-lake Sulphate of Potash (SOP) evaporation ponds in Australia. The first phase will enable de-watering of the Lake Way Williamson Pit that contains the highest grade brine resource in Australia
- The initial ponds will have the capacity to hold the Measured Resource of 1.2GL of Williamson Pit brine at an average SOP grade 25kg/m³ which contains an equivalent of 32,000 tonnes premium SOP
- The utilisation of the Williamson Pit brine will accelerate Salt Lake Potash's pathway to first production of SOP at Lake Way

Salt Lake Potash Limited (**Salt Lake Potash** or the **Company**) is pleased to announce that all permits have been received from the Department of Water and Environmental Regulation (**DWER**) for the Lake Way Ponds at Lake Way and construction has now commenced.



FIGURE 1 SITE ACCESS CONSTRUCTION FOR LAKE WAY PONDS

Salt Lake Potash's Chief Executive Officer, Mr Tony Swiericzuk said:

"It is a very exciting time for Salt Lake Potash as we begin construction on Australia's first commercial scale on-lake evaporation pond system.

This is a key milestone for not only Salt Lake Potash but also for the creation of the new SOP industry within Australia.

We will continue to progress works at Lake Way on both the construction of the first phase of evaporation ponds and also on the exploration of the "whole of lake" development options which we believe will underpin a globally significant SOP operation."

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Background

Salt Lake Potash's immediate focus is on the rapid development of the Lake Way Project, intended to be the first salt-lake brine Sulphate of Potash (**SOP**) production operation in Australia. Lake Way's location and logistical advantages make it the ideal location for the Company's first SOP operation.

Lake Way is located in the Northern Goldfields Region of Western Australia, less than 15km south of Wiluna. The surface area of the Lake is over 270km². The northern end of the Lake is largely covered by a number of Mining Leases, held by Blackham Resources Limited (Blackham), the owner of the Wiluna Gold Mine. The Company's Memorandum of Understanding with Blackham (see ASX Announcement dated 12 March 2018) allows for an expedited path to development at Lake Way.

Lake Way Evaporation Ponds - Overview

The Company has now received final approval from DWER for the Part V works approval for construction and operation of the initial evaporation ponds for Lake Way and de-watering of the Williamson Pit.

Site support infrastructure at Lake Way has been installed enabling an immediate start on the construction works.

Salt Lake Potash is constructing Australia's first commercial scale on-lake evaporation ponds for a Sulphate of Potash (SOP) project at Lake Way. The initial ponds will consist of:

- Two evaporation ponds:
 - (i) Kainite Harvest Pond 500m x 500m (25 Ha); and
 - (ii) Halite Pond 2,000m x 500m (100 Ha);
- A 2km long and 4m deep trench will also be constructed running parallel to the ponds which will provide additional brine feed into the pond network;
- A 1.4km causeway from the Williamson Pit to the Kainite Harvest Pond; and
- Associated piping and pumping infrastructure.

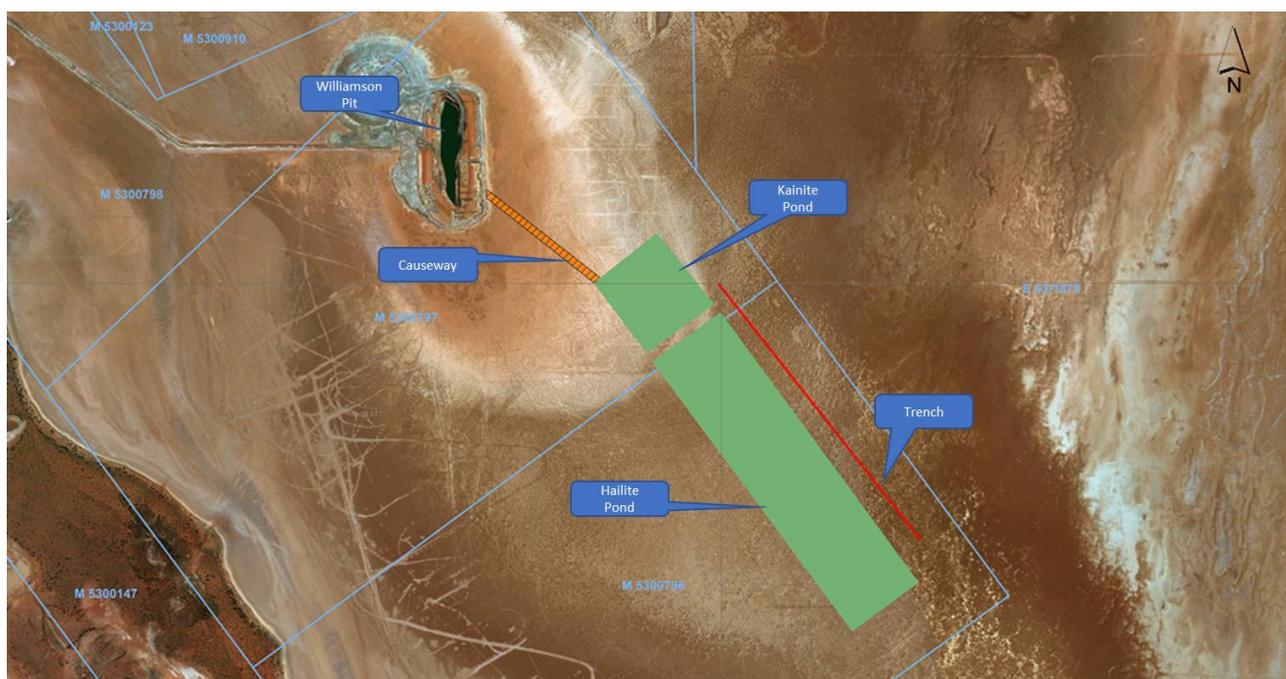


FIGURE 2 LAYOUT OF THE INITIAL LAKE WAY PONDS

Design

The design of the evaporation ponds has been led by Knight Piesold, a leading global engineering and consulting firm with extensive experience in evaporation pond design.

Both evaporation ponds will include 2m high perimeter berms with internal baffles to extend the flow path of the brine movement within the pond to optimise the evaporation process.

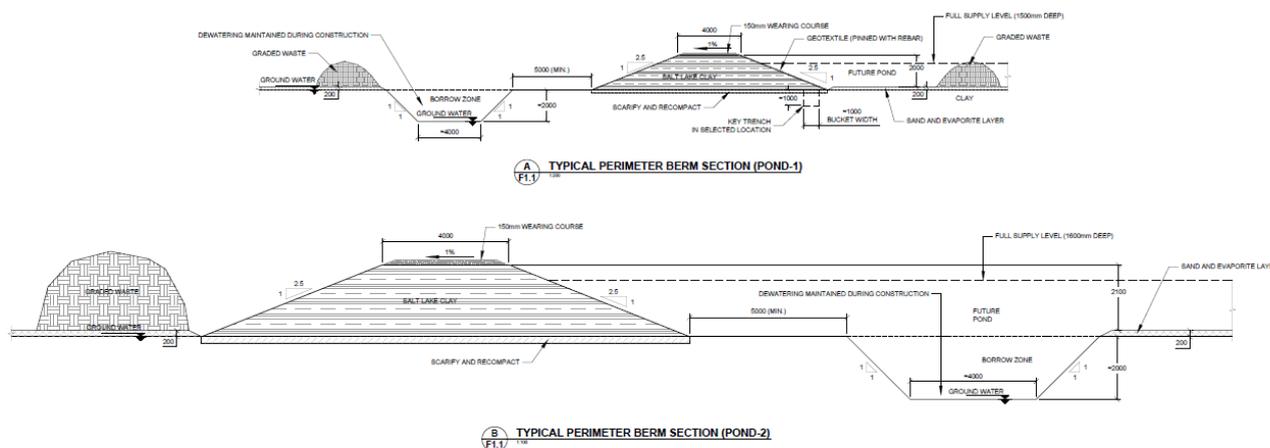


FIGURE 3 ENGINEERING DESIGN OF EVAPORATION PONDS AND BUND WALLS

Construction

Salt Lake Potash is undertaking a wet hire and self-perform model for the construction of the Lake Way Ponds. This construction model allows fast track mobilisation and execution of the works, whilst providing the Company with critical hands on experience allowing testing and validating of all design criteria to de-risk the future on-lake construction.

The construction works for the pond berms involves the stripping of the sandy evaporite layer of material on the lake's surface. A key trench will then be constructed at the upstream toe of the embankment. An excavator will borrow lakebed clays from adjacent to the embankment and spread the material within the embankment footprint to form the pond berm.

The fill will be progressively spread, air dried, rotated and mixed to bring the moisture content to an optimum level. Dewatering of the borrow pits will be conducted throughout the construction process to manage saturation levels of the fill.

The works are being completed with a number of specialized pieces of civil earthmoving equipment suited to the unique conditions, including amphibious excavators and low ground pressure equipment.

The Company has also established support infrastructure on Lake Way, comprising a site office, crib room, and full mechanical workshop with canopy capable of undertaking repairs to our fleet of equipment onsite without the need for demobilization to external repair facilities.



FIGURE 4 SUPPORT INFRASTRUCTURE

The initial Lake Way ponds will have a volume of 1.8GL which will be capable of capturing the total Williamson Pit Measured Brine Resource (1.2GL @ 25kg/m³ SOP equivalent).

On-going Work Program

The construction of the initial Lake Way ponds is planned to be completed by the end of Q2 2019. The de-watering of the 1.2GL of Williamson Pit brine is expected to commence towards the end of Q2 2019.

Competent Person Statement

The information in this Announcement that relates to Mineral Resources is extracted from the report entitled 'Scoping Study for Low Capex, High Margin Demonstration Plant at Lake Way' dated 31 July 2018. This announcement is available to view on www.saltlakepotash.com.au. The information in the original ASX Announcement that related to Mineral Resources was based on, and fairly represents, information compiled by Mr Ben Jeuken, who is a member of the Australian 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 and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.