SALT LAKE POTASH LTD

ABN 98 117 085 748

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MESSAGE FROM THE CEO

DEAR SHAREHOLDERS

I am very pleased to provide my first update on the Company's progress during a period where we have transitioned from explorer to developer of the Lake Way Project, and face an exciting future ahead.

Prior to joining Salt Lake Potash as CEO & Managing Director in November 2018, I was very aware of the emerging sulphate of potash (SOP) sector in Western Australia and had studied several of the proponents and their respective projects. A further deep dive into SO4's work uncovered the high quality technical studies, business model and industry relationships that were established over the years that preceded me. I took little convincing that it was the best company to lead the development of the new Potash industry in Australia. SO4's scalable multi-lake holdings in proximity to the Goldfields infrastructure was paramount in offering significant potential to achieve a fast pathway to production, costs savings and economies of scale.

We have achieved a huge number of significant milestones during the year and have rapidly advanced the development of our first Project:

Technical Studies for Commercial Operation
In June 2019, we completed our scoping study for a commercial scale 200ktpa SOP development at Lake Way. The study showed the Project generates exceptional economic returns with a low capital intensity, bottom quartile operating costs and sustainable operating life. The bankable feasibility study on a commercial operation will be completed and released in early October.

Construction of first Commercial Scale Evaporation pond
Construction of the Train 1 Williamson Ponds at Lake Way, measuring 2.5km by 0.5km (125Ha) was completed in June 2019. This is the first commercial scale on-lake SOP evaporation pond system and has provided the team with invaluable data on construction and operations methodology, and costs. With the dewatering of the high-grade brine from the Williamson Pit progressing well, the Company has commenced the evaporation process for production of first harvest salts.

Acquisition of Blackham Tenements
A sensational deal that involves the acquisition of Blackham owned Lake Way tenements, process water sufficient to satisfy SO4s project needs, and the extinguishment of the Blackham Royalty on brine extracted from their tenements. This transaction provides significant benefits to the Lake Way Project and further supports the rapid progress towards first production in late 2020. The acquisition will provide material value through capital and operating savings to SO4 and also significantly de-risks the Project by providing ownership of project tenements and access to key infrastructure including water.

Project Financing
A significant milestone for the company is our recently announced mandate with Taurus to provide up to USD$150 million in project financing for the Lake Way Project. Initial funds for early construction works and completion of the BFS are available for drawdown ahead of the main facility. We are delighted to have entered a long-term partnership with Taurus, with their commitment at this stage of our development being a strong endorsement of the Project and delivery team.

SO4 Team

With the incredible positive attributes of the Lake Way Project, and expansion opportunity across the many lakes in the portfolio, SO4 has attracted a highly experienced construction and operations team. This is supporting the Company with its plan to rapidly develop Lake Way and future lakes in the SO4 portfolio. Having previously worked closely with many of the current SO4 team on project development and ramp up, and having achieved significant successes it is exciting to again share the opportunity to develop another outstanding project in WA.

The next 12months will be pivotal to SO4 with many key work fronts rapidly progressing, including construction of the process plant and associated support infrastructure, completion of Stage 2 and 3 on-lake civil works and finalising permitting for the Project in line with our Project schedule.

Having now been in my position for 11 months and with the achievement of so many significant milestones that have rapidly progressed the development at Lake Way, I remain convinced of SO4's potential to lead the development of the SOP sector in Australia and be a major global fertiliser company.

It is difficult for me to contain my enthusiasm about the development and construction journey that lies ahead over the coming 18 months. I would like to extend my appreciation to our shareholders for your support and I look forward to sharing success with you in the coming year.

Yours sincerely,

Tony Swiericzuk
CEO & Managing Director

"...HAVING ACHIEVED SIGNIFICANT SUCCESSES IT IS EXCITING TO AGAIN SHARE THE OPPORTUNITY TO DEVELOP ANOTHER OUTSTANDING PROJECT IN WA."

The Directors of Salt Lake Potash Limited present their report on the Consolidated Entity consisting of Salt Lake Potash Limited (**Company** or **Salt Lake Potash**) and the entities it controlled at the end of, or during, the year ended 30 June 2019 (**Consolidated Entity** or **Group**).

OPERATING AND FINANCIAL REVIEW

Operations

Salt Lake Potash is the owner of nine large salt lakes in the Northern Goldfields Region of Western Australia. This outstanding portfolio of assets has a number of important, favourable characteristics:

- Over 3,300km^2 of playa surface, with in-situ clays suitable for low cost on-lake pond construction;
- Very large paleochannel hosted brine aquifers, with chemistry amenable to evaporation of salts for SOP production, extractable from both low-cost trenches and deeper bores;
- Excellent evaporation conditions;
- Excellent access to transport, energy and other infrastructure in the Goldfields mining district;
- Clear opportunity to reduce transport costs by developing lakes closer to infrastructure and by capturing economies of scale; and
- Potential for multi-lake production offers optionality and significant scale potential, operational flexibility, cost advantages and risk mitigation from localised weather events.

Salt Lake Potash's immediate focus is on the rapid development of the Lake Way Project, Wiluna. Lake Way's location and logistical advantages make it the ideal location for the Company's first SOP operation.

The Company's long term plan is to develop an integrated SOP operation, producing from a number (or all) of the lakes. Salt Lake Potash will progressively explore each of the lakes with a view to estimating resources for each Lake, and determining the development potential. Exploration of the lakes will be prioritised based on likely transport costs, scale, permitting pathway and brine chemistry.

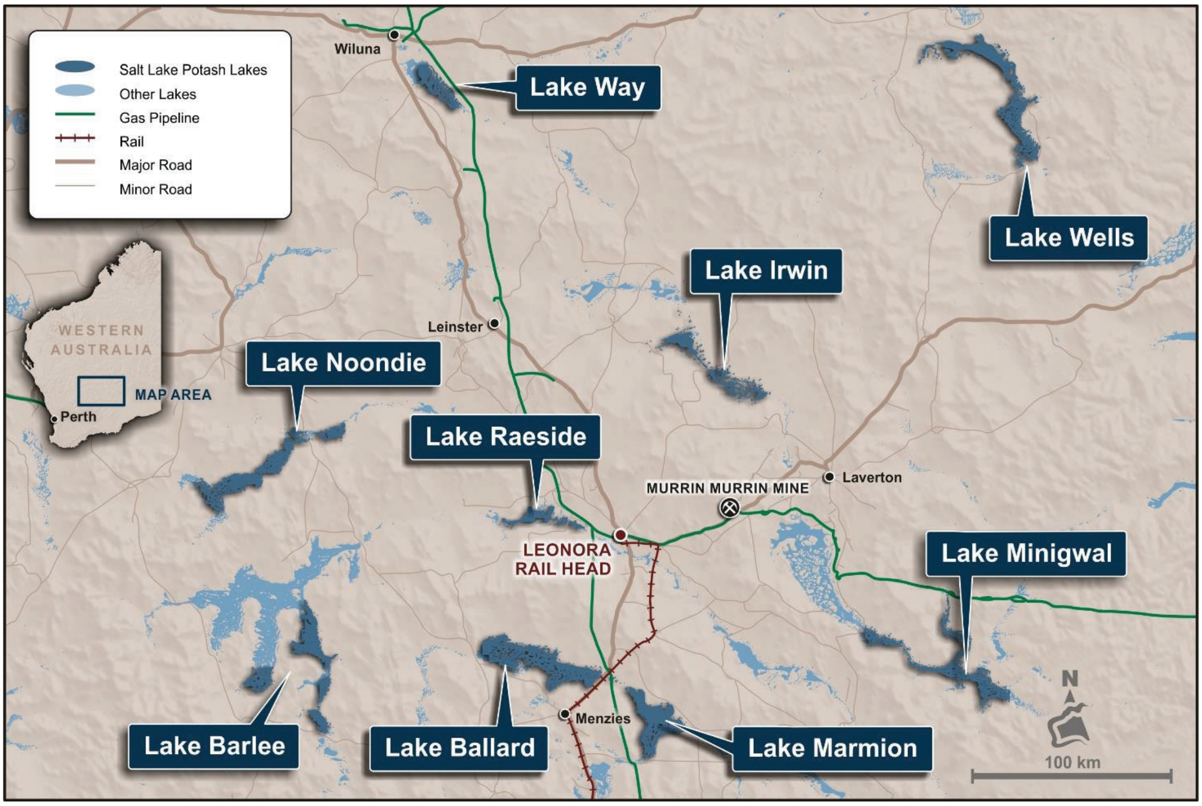

Figure 1: Location of Salt Lake Potash's Portfolio of Assets

OPERATING AND FINANCIAL REVIEW (Continued)

LAKE WAY PROJECT

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 270km^2.

Salt Lake Potash holds five Exploration Licences (two granted and three under application) and one application for a Mining Lease, covering most of Lake Way and select areas off-lake, including the paleochannel. The northern end of the Lake is largely covered by a number of Mining Leases, held by Blackham Resources Limited, the owner of the Wiluna Gold Mine. The Blackham tenements are now subject to a Sales Agreement where Salt Lake Potash will acquire a package of strategic tenements and other key assets for the Lake Way Project.

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

- Existing Mining Leases provide advanced permitting pathway for early development activity, including the first phase of the Lake Way evaporation ponds completed in June 2019.
- Completion of the first phase of the Lake Way evaporation ponds is enabling the Company to dewater the existing Williamson Pit. The pit contained an estimated 1.2 gigalitres (GL) of brine at the exceptional grade of 25kg/m^3 of SOP. This brine is the ideal starter feed for evaporation ponds, having already evaporated from the normal Lake Way brine grade, which averages over 15kg/m^3.
- The high grade brines at Lake Way will result in 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.
- The site has excellent freight solutions, being adjacent to the Goldfields Highway, which is permitted for heavy haulage, quad trailer road trains to the railhead at Leonora and then direct rail access to both Esperance and Fremantle Ports, or via other heavy haulage roads to Geraldton Port.
- The Goldfields Gas Pipeline is adjacent to Salt Lake Potash's tenements, running past the eastern side of the Lake.

Acquisition of Strategic Tenement Package

In July 2019, Salt Lake Potash entered into a Sale Agreement with Blackham to acquire a package of tenements and other key assets for the Lake Way Project.

Blackham and Salt Lake Potash have been cooperating on their respective projects in the Wiluna/Lake Way region for the past 18 months. The Company was able to identify specific Blackham assets which provide synergies for the Lake Way Project and material value to Salt Lake Potash.

Under the Sale Agreement which is expected to complete shortly, Salt Lake Potash will acquire the tenements owned by Blackham that sit on the Northern end of Lake Way and to the East of the Goldfields highway (Figure 2).

Blackham agreed to provide immediate access to process water, and consent to the grant of new tenure over its tenements to enable Salt Lake Potash to advance early works including camps and water infrastructure. Blackham has also granted Salt Lake Potash an option to acquire a key borefield which will support the Lake Way Project.

The Brine Royalty granted to Blackham as part of the Split Commodity Agreement will be extinguished effective 30 June 2020.

Under the Sale Agreement, Salt Lake Potash paid total consideration of A$10 million and Blackham retains the gold rights across the transferred tenements. The Company has also assumed rehabilitation obligation for all existing disturbance on Lake Way.

Salt Lake Potash and Blackham also identified a mutual opportunity for Salt Lake Potash to utilise part of the pre-strip material from Blackham's proposed Williamson Pit development for the construction of the Company's on-lake evaporation ponds. Under the arrangement, Salt Lake Potash will contribute up to a A$10m towards the performance of the pre-strip of the Williamson Pit, with pre-strip material directly applied towards the construction of the bund walls of the on-lake evaporation ponds. This contribution forms part of the Project's existing construction capex and will be funded as part of project financing.

The acquisition is an important step in providing the Company with certainty over the timing and capital expenditure required to bring the Lake Way Project into production.

OPERATING AND FINANCIAL REVIEW (Continued)

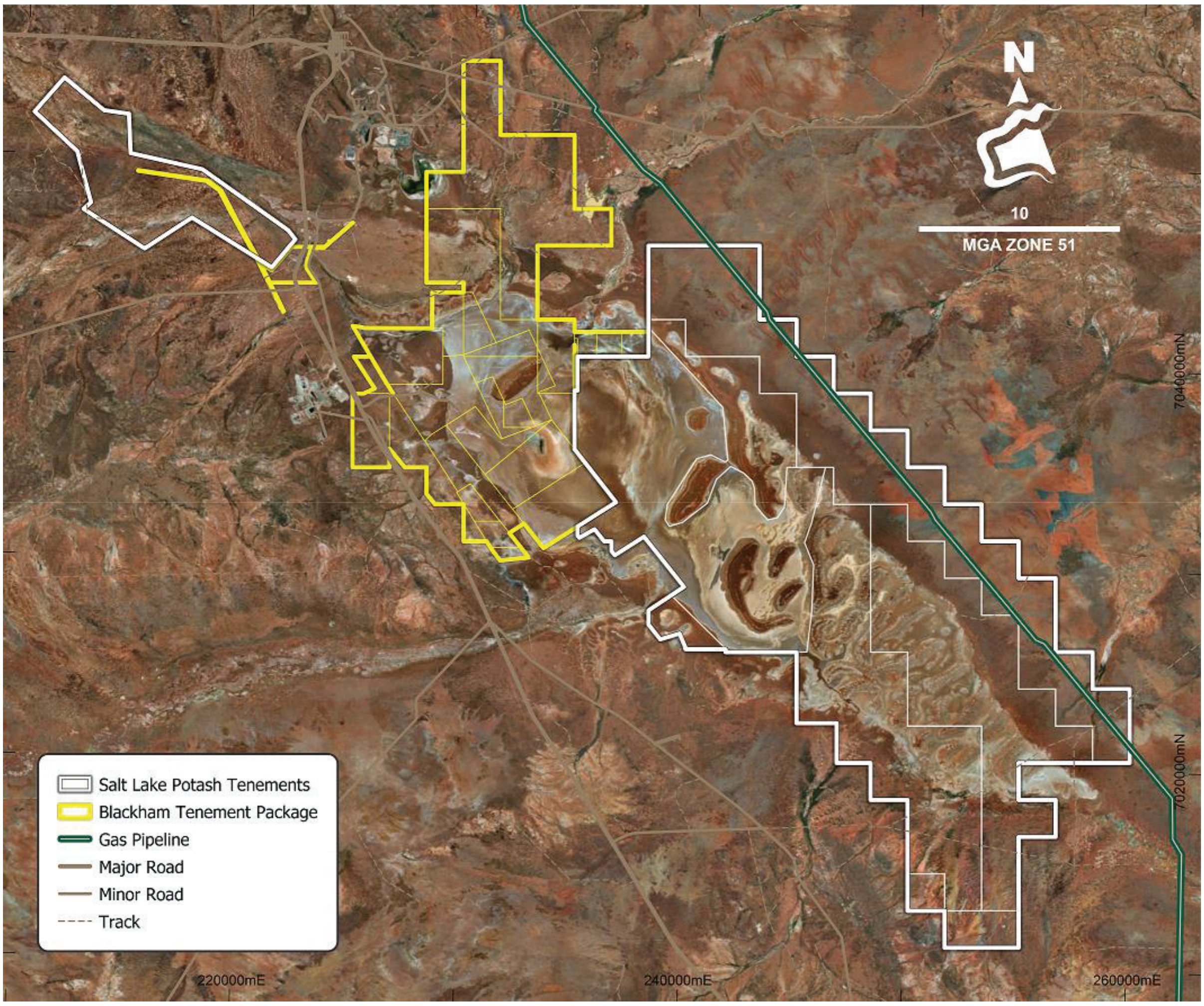

Figure 2: Lake Way Tenement Holdings

OPERATING AND FINANCIAL REVIEW (Continued)

Scoping Study for Commercial Scale Development

The Company completed a Scoping Study for the commercial scale development of its SOP project at Lake Way in June 2019. The Scoping Study demonstrated the potential for the Lake Way Project to support a low capital and operating cost operation on a commercial scale with the ability to support a long mine life:

Lake Way Project to produce an estimated **200,000 tonnes per year of premium grade SOP** (>52% K2O)

- High-grade SOP resource underpins **long Mine Life of 20 years**
- **Low development capital** requirements of approximately **A$237m (US$166m)** including a growth allowance of ~13% (A$32m) supported by the close proximity to infrastructure
- Exceptional economics with estimated project **post-tax NPV_8 of A$381m** (pre-tax NPV_8 of A$580m) and **post-tax IRR of 27%** (pre-tax IRR 33%)
- Steady state **EBITDA of A$90m** annually and average annual after tax cashflow of A$64m
- **Strong cashflow** and low capital cost result in early **payback period of 3.2 years**
- **Construction complete on the first phase of Evaporation Ponds** (the Williamson Ponds) which will support the dewatering of the Williamson Pit's super saturated brine with an SOP grade of 25kg/m^3
- **Plant commissioning expected Q4 2020** utilising salts from the Williamson Pit brine
- **BFS currently underway** with completion expected in early October 2019 to support project financing

Salt Lake Potash has already significantly de-risked the commercial scale project through the early construction works on the first phase of the Evaporation Ponds (the Williamson Ponds). The de-watering of the Williamson Pit and commencement of evaporation will provide additional insight into the critical evaporation processes which in turn will further de-risk the Project.

Scoping Study Results

The Scoping Study was based on the Mineral Resource Estimate for the Lake Way Project reported in March 2019, comprising 8.2Mt of SOP calculated using Drainable Porosity (73 million tonnes of SOP using Total Porosity).

The Scoping Study assumes a mine life of 20 years with plant commissioning in Q4 2020. The study mine plan, comprising a network of trenches and paleochannel bores, provides for a 200,000tpa production run rate. Table 1 provides a summary of production and cost figures for the Project.

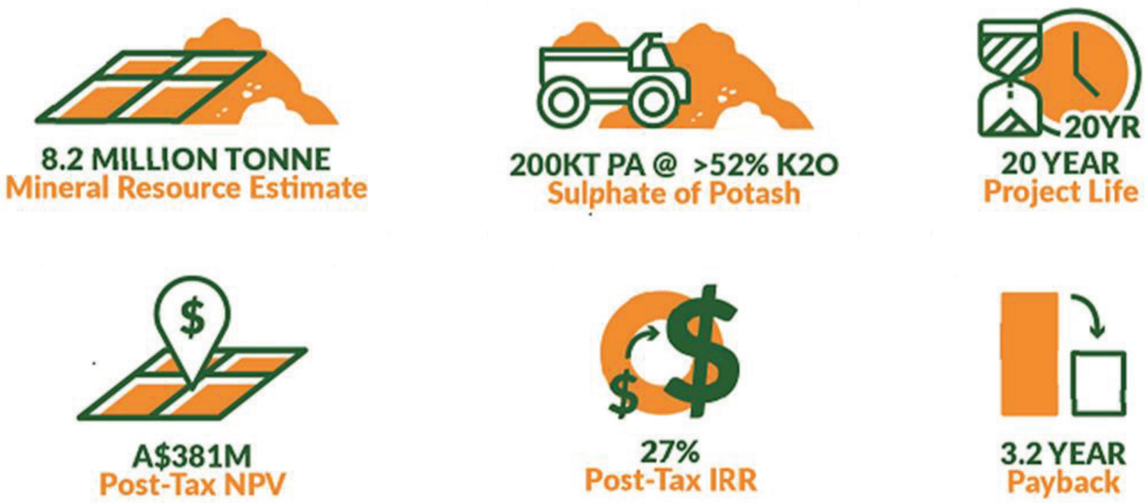

Table 1: Lake Way Project Overview

Lake Way Project	Unit	Estimated Value
OPERATING AND CAPITAL COSTS		
LOM Cash Operating Costs FOB ex-Geraldton port	A$/t	**$264**
Mine Gate Operating Costs	A$/t	$184
Transport and handling	A$/t	$80
Capital Costs	A$m	**$237**
Direct Costs	A$m	$177
Indirect Costs & Growth	A$m	$60
FINANCIAL PERFORMANCE – LIFE OF PROJECT		
Price (FOB)	US$/t	$550
Exchange Rate	US$/A$	0.70
Discount Rate	%	8
EBITDA	**A$m**	**$90**
Average Annual after-tax cash flow	**A$m**	**$64**
Post tax Internal Rate of Return (IRR)	**%**	**27**
Post tax Net Present Value (NPV) @ 8% discount rate	**A$m**	**$381**
Pre-tax Internal Rate of Return (IRR)	**%**	**33**
Pre-tax Net Present Value (NPV) @ 8% discount rate	**A$m**	**$580**

Short Payback period

The low development capital requirements and significant margins received for the Lake Way Project provides a short payback period of just 3.2 years from first production. This will result in full repayment of development capital by 2024.

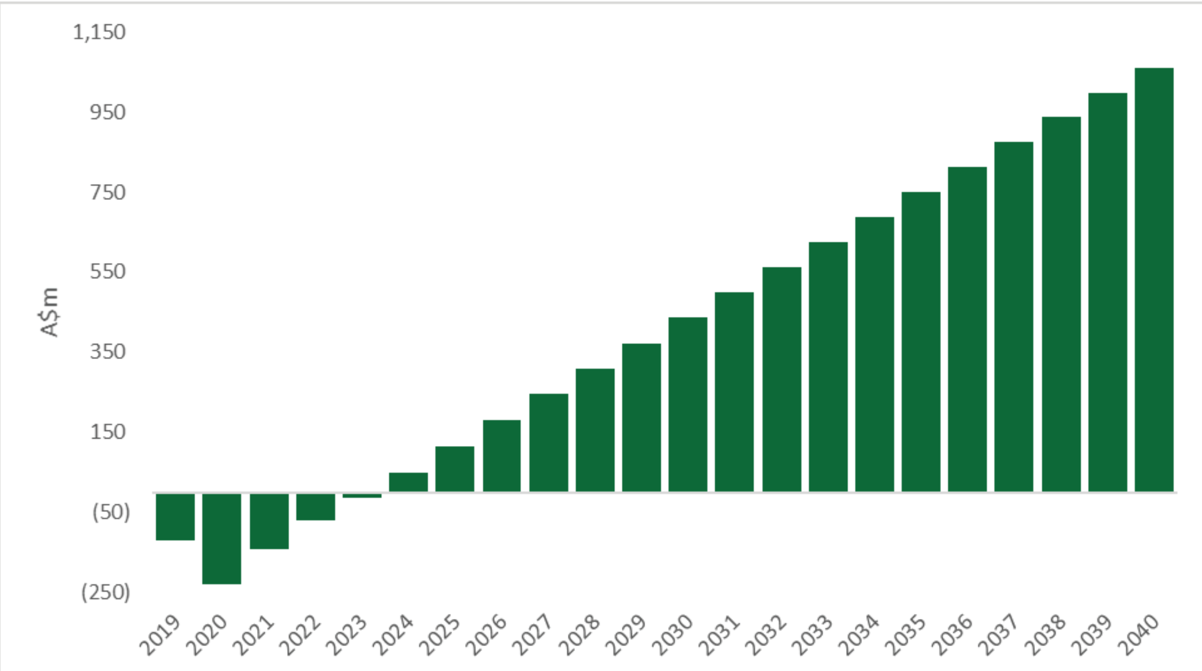

Figure 3: Cumulative Cash Flow

OPERATING AND FINANCIAL REVIEW (Continued)

KCl Addition Opportunity

The resource at Lake Way contains a significant excess of sulphate (SO4) which provides the opportunity for the Company to explore value adding measures including a potassium chloride (KCl) reaction phase to the processing stage. Preliminary work has shown significant benefits to the Lake Way Project through the inclusion of the KCl reaction phase in the process, including a potential increase in annual production of SOP and subsequent improvements in financial returns to shareholders. The Company is exploring this opportunity as part of the BFS for the Lake Way Project including process testwork at Saskatchewan Research Council, which has confirmed that high quality soluble SOP can be generated via the process flowsheet with the inclusion of KCl.

Robust Economics

The Study demonstrates that the Lake Way Project provides exceptional economics even under the most extreme downside pricing scenarios. The breakeven pricing scenario is a significant 40+% decrease in price at US$323/t.

Table 2: Pricing Scenarios

SOP Price	Breakeven US$323/t	US$400/t	US$450/t	US$500/t	Base US$550/t	US$600/t	US$650/t
NPV_8 (post tax)	-	A$130m	A$214m	A$298m	**A$381m**	A$465m	A$548m

Bankable Feasibility Study (BFS)

Having completed the successful Scoping Study, Salt Lake Potash subsequently commenced a BFS targeted for completion in early October 2019. The Company appointed GR Engineering Services Limited (GRES, ASX:GNG) as lead engineer for the BFS. GRES are working with a number of industry experts including Wood Saskatoon.

In parallel with work being undertaken on the BFS and utilising experience gained from the construction of the first phase Evaporation Ponds, the Company is moving into a Front End Engineering Design (FEED).

Mineral Resource Estimate

In March 2019, the Company completed an extensive exploration program covering the remaining areas of Lake Way and reported a 'whole of lake' Mineral Resource Estimate including the playa surface and the Paleochannel aquifers of Lake Way.

The Mineral Resource Estimate of 73Mt is hosted within approximately 15 billion cubic metres of sediment ranging in thickness from a few metres to over 100m, beneath 189km^2 of Playa Lake surface including the paleochannel basal sand unit of 20m thickness and 30km length.

The Mineral Resource Estimate for Lake Way is divided into resource classifications that are controlled by the host geological units:

- Lake Bed Sediment
- Paleovalley Sediment
- Paleochannel Basal Sands

The mineral resource estimate is summarised in Tables 3-5.

OPERATING AND FINANCIAL REVIEW (Continued)

Table 3: Measured Resource

	Total Volume	Brine Concentration			Mineral Tonnage Calculated from Total Porosity			Mineral Tonnage Calculated from Drainable Porosity		
		K	Mg	SO_4	Total Porosity	Brine Volume	SOP Tonnage	Drainable Porosity	Brine Volume	SOP Tonnage
	(Mm^3)	(kg/m^3)	(kg/m^3)	(Kg/m^3)		(Mm^3)	(Mt)		(Mm^3)	(Mt)
North Lakebed (0.4-8.0 m)	1,060	6.8	8.0	27.6	0.42	445	6.8	0.11	117	1.8
Williamson Pit	1.26	11.4	14.7	48.0					1.26	0.03
Total							**6.8**			**1.83**

Table 4: Indicated Resource

	Total Volume	Brine Concentration			Mineral Tonnage Calculated from Total Porosity			Mineral Tonnage Calculated from Drainable Porosity		
		K	Mg	SO_4	Total Porosity	Brine Volume	SOP Tonnage	Drainable Porosity	Brine Volume	SOP Tonnage
	(Mm^3)	(kg/m^3)	(kg/m^3)	(Kg/m^3)		(Mm^3)	(Mt)		(Mm^3)	(Mt)
Basal Sands (Paleochannel)	686	6.1	8.2	25.0	0.40	274	**3.7**	15	103	**1.4**

Table 5: Inferred Resource

	Total Volume	Brine Concentration			Mineral Tonnage Calculated from Total Porosity			Mineral Tonnage Calculated from Drainable Porosity		
		K	Mg	SO_4	Total Porosity	Brine Volume	SOP Tonnage	Drainable Porosity	Brine Volume	SOP Tonnage
	(Mm^3)	(kg/m^3)	(kg/m^3)	(Kg/m^3)		(Mm^3)	(Mt)		(Mm^3)	(Mt)
South Lakebed (0.4-8.0 m)	316	6.8	8.0	27.6	0.42	133	2.0	0.11	35	0.5
Lakebed (8m to Base)	9,900	6.8	8.0	27.6	0.40	3,960	60.0	0.03	297	4.5
Total							**62.0**			**5.0**

The northern section of Mineral Resource Estimate has been classified into a Measured category for the upper 8m of lakebed sediments. The resources contained within the lakebed sediments below 8m, and the southern section of the lake at all depths, are all classified in the Inferred category. The Paleochannel running along the eastern boundary of the lake has been classified in the Indicated category.

Following completion of the first phase of the Lake Way evaporation ponds, the Company has commenced dewatering the Williamson Pit brine, thus reducing this section of the resource. The Company expects to update the Mineral Resource Estimate and report an Ore Reserve as part of the BFS.

OPERATING AND FINANCIAL REVIEW (Continued)

Civil Construction – On-Lake Infrastructure

Salt Lake Potash commenced construction of the first phase of the commercial scale SOP brine evaporation ponds in March 2019 following receipt of the Part V works approval from the Department of Water and Environmental Regulation (DWER). The first phase of ponds consisted of:

- Two evaporation ponds;
  - Kainite Harvest Pond 500m x 500m (25Ha); and
  - Halite Pond 2,000m x 500m (100Ha);
- A 3.4km long and 6-8m deep trench 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.

Construction of the evaporation ponds was completed in June 2019, and the trench was completed in July 2019. The Company undertook a self-perform model for the delivery of the first phase of the Lake Way evaporation ponds. This delivery model allowed a fast track mobilisation and cost effective execution of the works, whilst providing the Company with critical hands on experience allowing testing and validating of various design criteria to de-risk the future on-lake construction.

The first phase of evaporation ponds were designed to receive the 1.2GL of high-grade SOP brine from the Williamson Pit mine, with de-watering of the pit now underway and is scheduled to complete in second half of 2019. Given the super-saturated nature of the Williamson Pit brines, precipitation of salts started immediately upon pumping into the evaporation pond. The Company will be able to harvest first salts from the Williamson Ponds which are expected to be utilised as initial feed stock for the process plant commissioning.

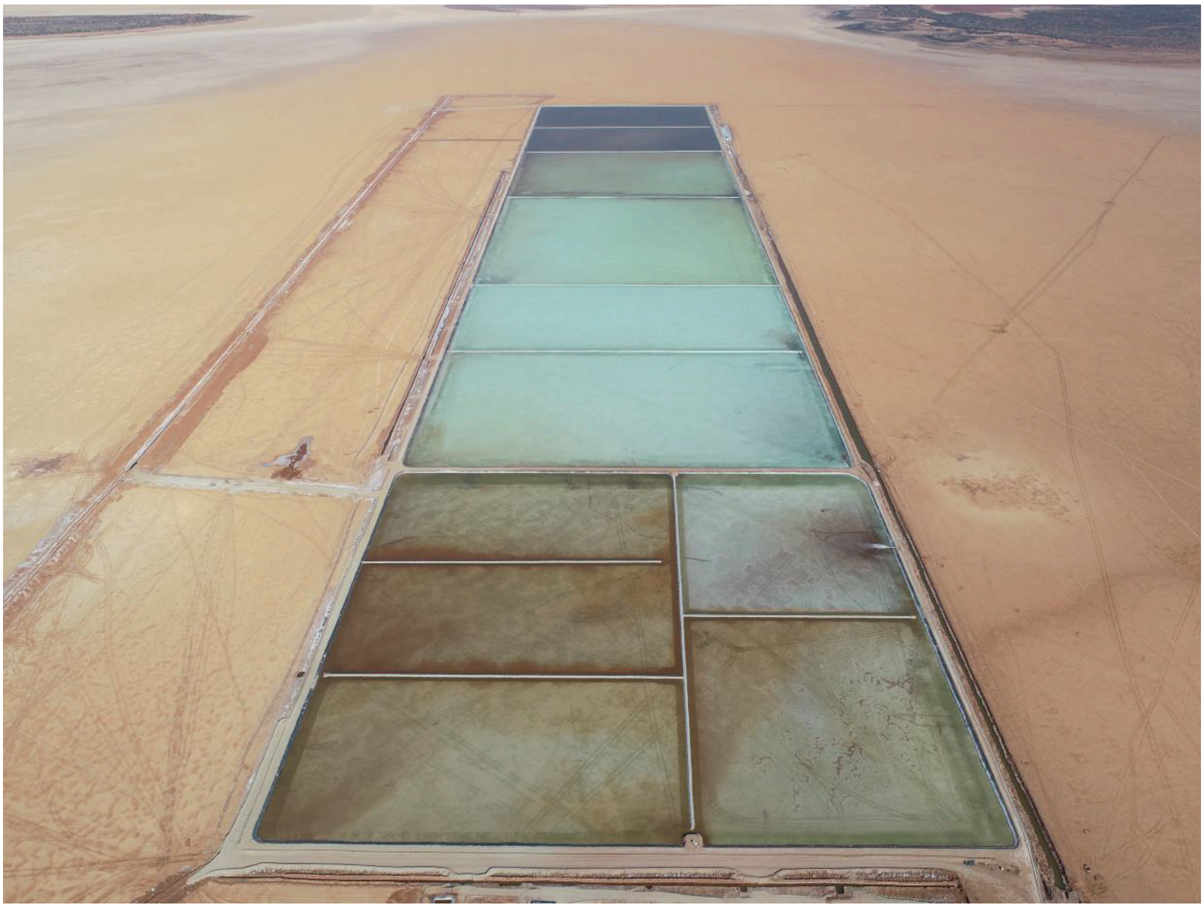

Figure 4: First Phase of Lake Way Evaporation Ponds

Figure 5: Dewatering of Williamson Pit

Figure 6: 3.4km Trench providing additional brine to Lake Way Evaporation Ponds

OPERATING AND FINANCIAL REVIEW (Continued)

Process Testwork

During the year, process testwork continued at Saskatchewan Research Council (SRC), the world leading potash laboratory, processing salts harvested from the Lake Way evaporation trials.

SRC has recently completed a Pilot Plant operation that is 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 separate Pilot Plant runs utilising 5 tonnes of salt harvested from Lake Way site evaporation trials were completed, producing premium grade, highly water soluble SOP. The Total Solubility and Dissolution Rate indicate that the product would be suitable for application in drip irrigation (otherwise known as fertigation) systems.

Table 6: Lake Way Pilot Plant 2 Composite Specifications

		Specification
Potassium	K_2O	>53%
Sulphate	SO_4	>55%
Chloride	Cl	<0.1%
Insolubles		<0.1%
Total Solubility	(g/100g H_2O)	11.8
Dissolution Rate	% in 1 minute	95%

The Pilot Plant runs successfully confirmed that high quality soluble SOP can be generated via the process flowsheet with the inclusion of KCl. Importantly the positive results of the inclusion of the KCl within the process flowsheet will provide significant benefits to the Lake Way Project by increasing the SOP output from an equivalent volume of Lake Way brine. This can be achieved without significant changes to the processing equipment and no material additional capital expenditure.

The outstanding results achieved from the Pilot Plant indicate that the product is comparable with other premium grade soluble products on the market and supports Salt Lake Potash's marketing strategy to supply into the premium SOP market. The premium achievable for soluble grade SOP can be up to 20%[1] above the standard pricing.

The process flowsheet that has been developed and confirmed as part of the Pilot Plant test work, has been incorporated in the Lake Way BFS which is scheduled for completion in early October 2019.

Native Title

In December 2018, the Company signed a Native Title Land Access and Brine Minerals Exploration Agreement (the **Agreement**) with Tarlka Matuwa Piarku (Aboriginal Corporation) RNTBC (**TMPAC**) covering the Lake Way Project area.

TMPAC entered into the Agreement with Salt Lake Potash on behalf of the Wiluna People who are the recognised Native Title Holders of the land covering the Lake Way Project area. TMPAC also provided consent for the total area required for the construction and operation of the initial Lake Way Ponds.

The Company is finalising negotiations with TMPAC to achieve a Native Title Mining Agreement to provide consent to the grant of its mining lease and for the ongoing mining operation. The Native Title Mining Agreement is expected to be finalised and signed in the coming months.

[1] CRU SOP Market Study May 2019

OPERATING AND FINANCIAL REVIEW (Continued)

Approvals Advancing

During the year, the Company continued its engagement with all relevant regulatory authorities. Several key approvals were granted, including:

- The Department of Mines, Industry Regulation and Safety (DMIRS) approval of the Company's Mining Proposal and Project Management Plan for the first phase of the Lake Way evaporation ponds;
- Final approval from the Department of Water and Environmental Regulation (DWER) for the Part V works approval in March 2019, for construction and operation of the initial evaporation ponds for Lake Way and de-watering of the Williamson Pit;
- Decision by the Environmental Protection Authority (EPA) that the following development works for the Project on the existing Mining Leases do not warrant formal assessment (Figure 7):
  - Up to 757 hectares of on lake pond disturbance to allow the following activities;
  - Up to 47 hectares of off lake disturbance to allow for a process plant for sulphate of potash production and miscellaneous infrastructure including power and water.

Following the EPA decision, Salt Lake Potash has submitted the remaining approvals required for the next phase of the Project, with a focus on the on-lake ponds and trenches to allow brine extraction and evaporation.

The Company has submitted a mining proposal and closure plan to the Department of Mines, Industry Regulation and Safety (DMIRS) and the Works Approval to the Department of Water and Environmental Regulation (DWER) for the next phase of the Project. The Company has also submitted Section 18 Notices to the Aboriginal Cultural Materials Committee (ACMC) for Ministerial consent to use the land.

Obtaining these approvals will enable the Company to commence construction of this next phase of the project, including significant areas of evaporation ponds and trenches. However, further approvals, including EPA approval will be required for the full commercial scope of the Project.

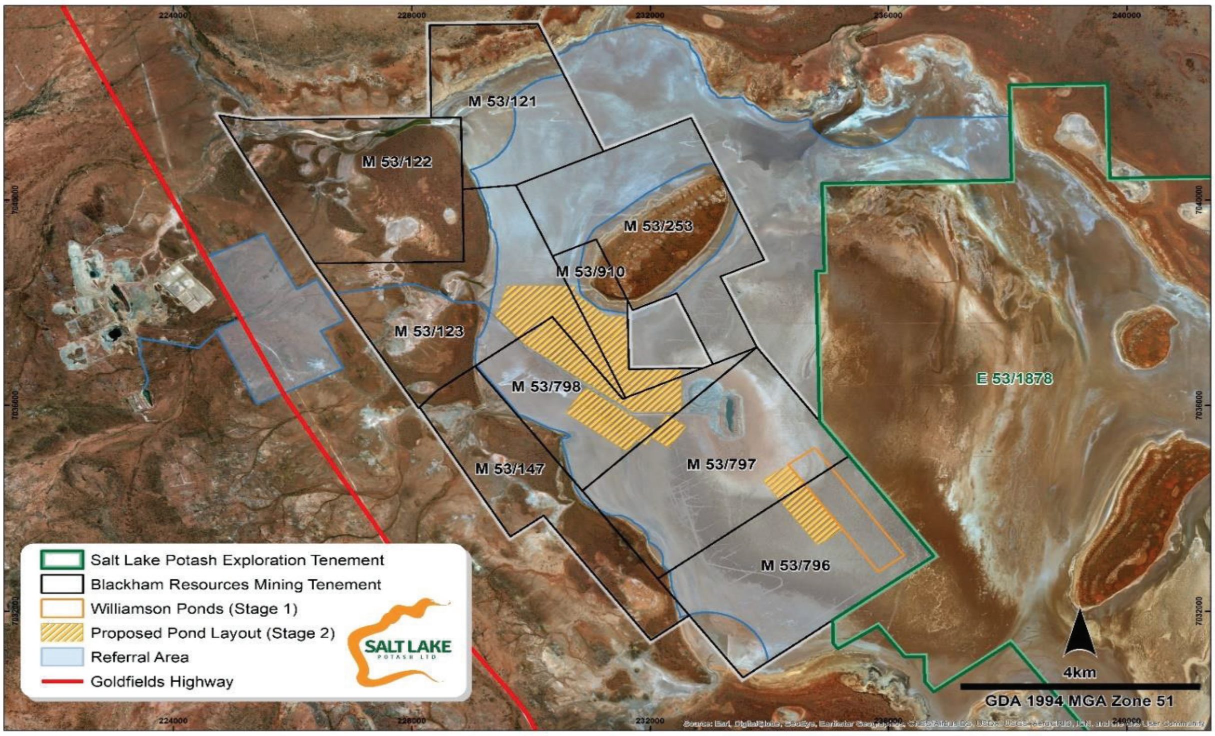

Figure 7: Referral Area and Proposed Pond Layout

OPERATING AND FINANCIAL REVIEW (Continued)

Corporate

Project Funding Advanced

The Company has mandated Taurus Funds Management (**Taurus**) to provide US$150m staged project debt 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. With recent equity raisings totalling A$27.65m, the staged project financing enables the Company to complete the Bankable Feasibility Study (**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**).

<u>Stage 1 Facility of US$30m (c.A$42m)</u>

The arrangement with Taurus is an important step in progressing the development and financing of the Lake Way Project. The Stage 1 Facility has been partly drawn by the Company.

<u>Project Development Facility (PDF) of US$150m (c.A$214m)</u>

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 completion of the BFS, satisfaction of conditions precedent to the Lender's satisfaction and final documentation. 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.

Capital Raising

In November 2018, the Company completed a placement to existing and new institutional and sophisticated investors in Australia and overseas for 31.0m new ordinary shares of the Company, to raise gross proceeds of A$13.0m.

In June 2019, the Company completed a placement to strategic investors of 37.5m shares to raise gross proceeds of A$20.25m. This placement was led by a consortium of cornerstone investors, including the founders of LionOre Mining International as well as the key investors in Mantra Resources at its inception, who will collectively subscribe for 26.4m shares to raise A$14.25m. LionOre was bought by Norilsk Nickel for US$6.3b in 2007, whilst Mantra Resources was sold to Rosatom in 2010 for A$1.02b.

The Company's largest shareholder, Lombard Odier, also subscribed for 11.1m shares to raise A$6.0m, further confirming its continued support for Salt Lake Potash and the Lake Way Project.

These Placements are funding the ongoing construction of the Lake Way Project, including the development of on-lake infrastructure, the payment of deposits on certain process plant long-lead items, completion of feasibility studies, and general working capital.

In July 2019, the Company agreed to place a further 10.58m shares to Fidelity International to raise A$7.4m before costs. The Placement completed in August 2019 and will fund the majority of the consideration to be paid for the acquisition of the strategic tenement package from Blackham.

OPERATING AND FINANCIAL REVIEW (Continued)

Key Appointments

Mr Tony Swiericzuk was appointed Managing Director and Chief Executive Officer (CEO), effective 5 November 2018.

Mr Swiericzuk is a Mining Engineer with outstanding credentials as a builder and operator of mining projects, having recently been General Manager of the Fortescue Christmas Creek Mine from 2012 to 2017. He oversaw the construction, commissioning and ramp-up of this project from 15Mtpa to 60Mtpa in his initial 2 year period, then proceeded to optimise the operation and help drive FMG to become the world's lowest cost iron ore producer.

Mr Swiericzuk has the ideal operating and commercial experience to rapidly deliver on the exceptional potential of the Lake Way Project and the Company's broader portfolio of assets.

The Company has also made a number of key project appointments during the year including Mr Peter Cardillo, Project Director – Processing and NPI, Mr Lloyd Edmunds, Project Director – Civil, and Mr Stephen Cathcart, Project Director – Technical. These appointments bring diversified technical, construction, operations, process infrastructure experience to the Company as it rapidly moves through the project development phase.

Subsequent to year end, the Company appointed Mr Shaun Day in the role of Chief Financial Officer. Mr Day will be responsible for the delivery of the financial, commercial and strategic outcomes for Salt Lake Potash. In addition, Mr Mark Wilde joined the Company as Director – Sales and Marketing, overseeing the Sales and Marketing functions.

Results of Operations

The net loss of the Consolidated Entity for the year ended 30 June 2019 was $26,896,121 (2018: net loss of $11,327,108). This loss is mainly attributable to:

(i) Exploration and evaluation expenses of $12,745,503 (2018: $8,545,647) which are attributable to the Group's accounting policy of expensing exploration and development expenditure incurred by the Group subsequent to the acquisition of the rights to explore and up to the successful completion of bankable feasibility studies for each separate area of interest. During the year, the Company undertook significant activity in rapidly advancing the Lake Way Project including, definition of whole of lake resource, site evaporation testwork and process testwork, scoping study on the commercial scale operation and commencement of a bankable feasibility study;

(ii) Pre-Development expenses of $8,513,313 (2018: Nil) relating the construction of the first phase of the commercial scale SOP brine evaporation ponds at Lake Way. These development costs have been expensed in accordance with the Group's accounting policy of expensing exploration and development expenditure incurred by the Group up to the successful completion of bankable feasibility studies;

(iii) Corporate and administrative expenses of $3,257,046 (2018: $1,081,738) attributable to the administration of the Company and its operations, as well as corporate expenses including the Company's dual listing on ASX and AIM and investor relations activities. The Group's administrative expenses have increased in 2019 to support the rapidly progressing development activities at Lake Way;

(iv) Non-cash share-based payment expenses of $2,302,081 (2018: $1,284,062) which are attributable to the Group's accounting policy of expensing the value (estimated using an option pricing model, and performance rights valued using the underlying share price) of Incentive Securities issued to key employees and consultants. The value is measured at grant date and recognised over the period during which the option/rights holders become unconditionally entitled to the options and/or rights; and

(v) Business development expenses of $865,860 (2018: $1,110,578) which are attributable to additional business development activities required to support the growth and development of the Lake Way Project.

OPERATING AND FINANCIAL REVIEW (Continued)

Financial Position

At 30 June 2019, the Group had cash reserves of $19,304,075 (2018: $5,709,446). The Consolidated Entity is in a strong financial position to conduct its current and planned development activities.

At 30 June 2019, the Group had net assets of $14,708,374 (2018: $7,019,989), an increase of 217% compared with the previous year. The increase is a result of raising over $33.25m throughout the 12 month period, with each raising being achieved at a higher share price than the previous.

Business Strategies and Prospects for Future Financial Years

The objective of the Group is to create long-term shareholder value through the discovery, exploration and development of its projects. To date, the Group has not commenced production of any minerals. To achieve its objective, the Group currently has the following business strategies and prospects:

(i) Complete a BFS for a commercial scale operation at Lake Way;

(ii) Commence construction of the next phase of on-lake infrastructure and Plant for the Lake Way Project;

(iii) Enter into offtake/product sales agreement for the sale of Lake Way SOP;

(iv) Finalise project development funding for the Lake Way Project;

(v) Develop an organic premium SOP product in conjunction with offtake partners and potential customers; and

(vi) Continue assessment and exploration across the Company's multi lake portfolio.

All of these activities have inherent risk and the Board is unable to provide certainty of the expected results of these activities, or that any or all of these likely activities will be achieved. The material business risks faced by the Group that could have an effect on the Group's future prospects, and how the Group manages these risks, include:

Development Risks – As a result of the substantial expenditures involved in mine development projects, mine developments are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build the mine;

Operational risks – The planned schedule for production of harvest salts for the commissioning and ramp up of the process plant are subject to operating risks that could impact the amount of harvest salts produced at its SOP operations, delay availability of harvest salts or increase the cost of production for varying lengths of time. Such difficulties include: changes or variations in hydrogeological conditions, weather conditions effecting evaporation and/or recharge, or other conditions; mining, processing and loading equipment failures and unexpected maintenance problems; limited availability or increased costs of mining, processing and loading equipment and parts and other materials from suppliers; mine safety accidents; adverse weather and natural disasters; and a shortage of skilled labour. If any of these or other conditions or events occur in the future, they may increase the cost of mining or delay or halt planned commissioning, ramp up and production, which could adversely affect our results of operations or decrease the value of our assets. The Group has in place a framework for the management of operational risks and an insurance program which provides coverage for a number of these operating risks.

The Company's activities will require further capital – The development of the Company's projects will require additional funding. The Company has recently mandated Taurus Funds Management to provide up to US$150m staged project financing for the Lake Way Project. The Stage 1 Facility of US$30m is available to drawdown. The Project Development Facility is subject to completion of the BFS and satisfaction of conditions precedent. Failure to satisfy the conditions precedent to draw down on the Project Development Facility, may result in delaying the development of the Company's properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company;

Native title and Aboriginal Heritage - There are areas of the Company's projects, including Lake Way, over which legitimate common law and/or statutory Native Title rights of Aboriginal Australians exist. Where Native Title rights do exist, the Company must obtain consent of the relevant landowner to progress the exploration, development and mining phases of its operations. Where there is an Aboriginal Site for the purposes of the Aboriginal Heritage Act 1972, the Company must obtain consents in accordance with the Act. The Company has established a framework for obtaining required consents for the continuity of works, but in the event that it is unable to obtain these consents, its activities may be adversely affected;

OPERATING AND FINANCIAL REVIEW (Continued)

Sulphate of Potash prices and foreign exchange – The price of potash and other commodities fluctuate and are affected by numerous factors beyond the control of the Company. Future production, if any, from the Company's mineral properties will be dependent upon the price of potash and other commodities being adequate to make these properties economic. The Company is engaging with potential customers with a view to entering binding offtake or distribution or tolling agreements. Project financing facilities with Taurus Funds Management are denominated in US dollars whilst many of the planned development and operational activities are denominated in Australian dollars. The Company's ability to fund these activities maybe adversely affected if the Australian dollar rises against the US dollar;

The Company's activities are subject to Government regulations and approvals – The development of the Lake Way Project is subject to obtaining further key approvals from relevant government authorities. The Company has an approvals schedule and a management team with significant experience in approvals required for mining projects in Western Australia. A delay or failure to obtain required permits may affect the Company's schedule or ability to develop the project.

Any material adverse changes in government policies or legislation in Western Australia and Australia that affect mining, processing, development and mineral exploration activities, income tax laws, royalty regulations, government subsidies and environmental issues may affect the viability and profitability of any planned development the Lake Way Project and other lakes in the Company's portfolio. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could adversely impact the Group's mineral properties; and

Global financial conditions may adversely affect the Company's growth and profitability – Many industries, including the mineral resource industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. Due to the current nature of the Company's activities, a slowdown in the financial markets or other economic conditions may adversely affect the Company's growth and ability to finance its activities. If these increased levels of volatility and market turmoil continue, the Company's activities could be adversely impacted and the trading price of the Company's shares could be adversely affected.

EARNINGS PER SHARE

	2019 Cents	2018 Cents
Basic and diluted loss per share	(13.74)	(6.47)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Consolidated Entity during the financial year were as follows:

(i) On 2 October 2018, the Company announced it had executed a Memorandum of Understanding (MOU) with Sinofert for a long term offtake agreement for distribution into China.

(ii) On 5 November 2018, Mr Tony Swiericzuk commenced as Managing Director and Chief Executive Officer (CEO) of Salt Lake Potash. Mr Swiericzuk replaced Mr Matthew Syme who moved to become a Non-Executive Director.

(iii) On 9 November 2018, Salt Lake Potash announced it had completed a placement for A$13.0m at A$0.42 per share from a suite of new institutional and sophisticated.

(iv) On 6 March 2019, the Company was advised that it had received the final approval from the Department of Water and Environmental Regulation (DWER) to construct the first phase of the Lake Way evaporation ponds, which will enable Williamson Pit brine to be extracted and stored for evaporation.

(v) On 6 June 2019, Salt Lake Potash announced it had completed a placement for A$20.25m at A$0.54 per share to fund the Lake Way Construction including the development of on-lake infrastructure.

(vi) On 13 June 2019, Salt Lake Potash announced the results of a Scoping Study for a 200,000tpa commercial scale Lake Way Project with a 20 year mine life.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS (Continued)

(vii) On 24 June 2019, the Company announced the commencement of commercial scale SOP Evaporation as the construction of the first phase of the Lake Way evaporation ponds was complete, enabling dewatering of the Williamson Pit.

SIGNIFICANT EVENTS AFTER BALANCE DATE

(i) On 23 July 2019, Salt Lake Potash announced the acquisition of a strategic package of tenements and other key assets for the Lake Way Project from Blackham Resources Limited. A placement to raise A$7.4m at A$0.70 per share to fund the majority of the acquisition consideration was also announced.

(ii) On 23 July 2019, Mr Matthew Syme resigned as Non-Executive Director.

(iii) On 5 August 2019, the Company announced that it had mandated Taurus Funds Management to provide up to US$150m staged project financing for the Lake Way Project, and the Stage 1 Facility has been partly drawn down.

Other than as noted above, as at the date of this report there are no matters or circumstances which have arisen since 30 June 2019 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2019, of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 30 June 2019, of the Consolidated Entity; or
- the state of affairs, in financial years subsequent to 30 June 2019, of the Consolidated Entity.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year consisted of the exploration and development of resource projects. No significant change in nature of these activities occurred during the year.

DIRECTORS

The names of the Group's Directors in office at any time during the financial year or since the end of the financial year are:

Current Directors

Mr Ian Middlemas	Chairman
Mr Tony Swiericzuk	Chief Executive Officer (CEO) & Managing Director (appointed 5 November 2018)
Mr Mark Pearce	Non-Executive Director
Mr Bryn Jones	Non-Executive Director

Former Directors

Mr Matthew Syme	Non-Executive Director[(1)] (Resigned 23 July 2019)

[(1)] Mr Matthew Syme transitioned from the position of CEO & Managing Director, into the role of Non-Executive Director on 5 November 2018.

Unless otherwise stated, Directors held their office from 1 July 2018 until the date of this report.

DIRECTORS AND OFFICERS

Mr Ian Middlemas *B.Com, CA*
Chairman

Mr Middlemas is a Chartered Accountant, a member of the Financial Services Institute of Australasia and holds a Bachelor of Commerce degree. He worked for a large international Chartered Accounting firm before joining the Normandy Mining Group where he was a senior group executive for approximately 10 years. He has had extensive corporate and management experience, and is currently a Director with a number of publicly listed companies in the resources sector.

Mr Middlemas was appointed a Director of the Company on 21 January 2010 and Chairman on 29 August 2014. During the three year period to the end of the financial year, Mr Middlemas has held directorships in Constellation Resources Limited (November 2017 – present), Apollo Minerals Limited (July 2016 – present), Paringa Resources Limited (October 2013 – present), Berkeley Energia Limited (April 2012 – present), Prairie Mining Limited (August 2011 – present), Equatorial Resources Limited (November 2009 – present), Piedmont Lithium Limited (September 2009 – present), Sovereign Metals Limited (July 2006 – present), Odyssey Energy Limited (September 2005 – present), Cradle Resources Limited (May 2016 – July 2019) and Syntonic Limited (April 2010 – June 2017).

Mr Tony Swiericzuk *BEng (Hons), MBA, GAICD*
CEO & Managing Director

Mr Swiericzuk is a Mining Engineer with outstanding credentials as a builder and operator of mining projects, having recently been General Manager of the Fortescue Christmas Creek Mine from 2012 to 2017. He oversaw the construction, commissioning and ramp-up of this project from 15Mtpa to 60Mtpa in his initial 2 year period, then proceeded to optimise the operation and help drive Fortescue Metals Group Limited (FMG) to become the world's lowest cost iron ore producer.

In his initial years at FMG Mr Swiericzuk was General Manager Port Operations in Port Hedland and managed the ramp up from 20Mtpa to 60Mtpa from 2009 to 2011.

Mr Swiericzuk was appointed a Director of the Company on 5 November 2018. Mr Swiericzuk has not held any other Directorships in the three year period up until the end of the financial year.

DIRECTORS AND OFFICERS (Continued)

Mr Mark Pearce *B.Bus, CA, FCIS, FFin*
Non-Executive Director

Mr Pearce is a Chartered Accountant and is currently a director of several listed companies that operate in the resources sector. He has had considerable experience in the formation and development of listed resource companies. Mr Pearce is also a Fellow of the Institute of Chartered Secretaries and Administrators and a Fellow of the Financial Services Institute of Australasia.

Mr Pearce was appointed a Director of the Company on 29 August 2014. During the three year period to the end of the financial year, Mr Pearce has held directorships in Apollo Minerals Limited (July 2016 – present), Constellation Resources Limited (July 2016 – present), Prairie Mining Limited (August 2011 – present), Equatorial Resources Limited (November 2009 – present), Sovereign Metals Limited (July 2006 – present), Odyssey Energy Limited (September 2005 – present), Piedmont Lithium Limited (September 2009 – August 2018) and Syntonic Limited (April 2010 – October 2016).

Mr Bryn Jones *BAppSc, MMinEng, FAusIMM*
Non-Executive Director

Mr Jones is a Chemical Engineer with over 20 years management experience in industrial processing in commercial and mining operations around the world, including potash and phosphate projects.

Mr Jones was appointed a Director of the Company on 12 June 2017. During the three year period to the end of the financial year, Mr Jones has held directorships in Uranium Equities Limited (September 2009 – present) and Phosenergy Limited (July 2013 – present).

Mr Clint McGhie *B.Com, CA, ACIS, FFin*
Company Secretary

Mr McGhie is an experienced Chartered Accountant and Company Secretary who commenced his career at a large international accounting firm and has since been involved with a number of ASX and AIM listed exploration and development companies operating in the resources sector, including Apollo Minerals Limited, Berkeley Energia Limited and Sovereign Metals Limited. Mr McGhie is also an Associate Member of the Governance Institute of Australia (Chartered Secretary), and a Fellow of the Financial Services Institute of Australasia.

Mr McGhie was appointed Company Secretary of the Company on 10 August 2018.

DIRECTORS' INTERESTS

As at the date of this report, the Directors' interests in the securities of the Company are as follows:

	Interest in securities at the date of this report		
	Ordinary Shares[1]	Incentive Options[2]	Performance Rights[3]
Mr Ian Middlemas	11,750,000	-	-
Mr Tony Swiericzuk	952,381	5,000,000	7,000,000
Mr Mark Pearce	4,000,000	-	150,000
Mr Bryn Jones	-	-	150,000

Notes:
1 **Ordinary Shares** means fully paid Ordinary Shares in the capital of the Company.
2 **Incentive Options** means an unlisted share option to subscribe for one Ordinary Share in the capital of the Company.
3 **Performance Rights** means Performance Rights issued by the Company that convert to one Ordinary Share in the capital of the Company upon satisfaction of various performance conditions.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve.

Instances of environmental non-compliance by an operation are identified either by external compliance audits or inspections by relevant government authorities.

There have been no significant known breaches by the Group during the financial year.

DIVIDENDS

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

SHARE OPTIONS, PERFORMANCE SHARES AND PERFORMANCE RIGHTS

At the date of this report the following options and performance shares have been issued over unissued Ordinary Shares of the Company:

- 750,000 Unlisted Options exercisable at $0.50 each on or before 29 April 2020;
- 1,000,000 Unlisted Options exercisable at $0.60 each on or before 29 April 2021;
- 250,000 Unlisted Options exercisable at $0.40 each on or before 30 June 2021;
- 500,000 Unlisted Options exercisable at $0.50 each on or before 30 June 2021;
- 750,000 Unlisted Options exercisable at $0.60 each on or before 30 June 2021;
- 400,000 Unlisted Options exercisable at $0.70 each on or before 30 June 2021;
- 9,375,000 Unlisted Options exercisable at $0.85 each on or before 30 June 2023;
- 1,700,000 Unlisted Options exercisable at $0.60 each on or before 1 November 2023;
- 2,750,000 Unlisted Options exercisable at $1.00 each on or before 1 November 2023;
- 3,000,000 Unlisted Options exercisable at $1.20 each on or before 1 November 2023;
- 9,000,000 Unlisted Options exercisable at $0.702 each on or before 4 August 2024;
- 7,500,000 'Class B' Performance Shares on or before 31 December 2019;
- 10,000,000 'Class C' Performance Shares on or before 12 June 2020; and
- 20,412,500 Performance Rights which are subject to various performance conditions to be satisfied prior to the relevant expiry dates between 31 December 2019 and 1 November 2023.

During the year ended 30 June 2019, 750,000 Ordinary Shares were issued at $0.40 as a result of the exercise of Unlisted Options. No Ordinary Shares have been issued as a result of the conversion of Performance Shares or Rights during the year ended 30 June 2019. Subsequent to year end and until the date of this report, no Ordinary Shares have been issued as a result of the exercise of Unlisted Options or conversion of Performance Shares or Rights. On 6 August 2019, the Company issued 266,258 Ordinary Shares (subject to shareholder approval) to key employees following the expiry of vested Performance Rights that were unable to be converted into Ordinary Shares whilst the employees were in possession of inside information.

REMUNERATION REPORT (AUDITED)

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of Key Management Personnel (**KMP**) of the Group.

Details of Key Management Personnel

Details of the KMP of the Group during or since the end of the financial year are set out below:

Directors

Mr Ian Middlemas	Chairman
Mr Tony Swiericzuk	Chief Executive Officer (CEO) & Managing Director (appointed 5 November 2018)
Mr Matthew Syme	Non-Executive Director (resigned 23 July 2019)
Mr Mark Pearce	Non-Executive Director
Mr Bryn Jones	Non-Executive Director

[(1)] Mr Tony Swiericzuk was appointed to the position of CEO & Managing Director on 5 November 2018. At this time, Mr Matthew Syme transitioned into the role of Non-Executive Director.

Other KMP

Mr Shaun Day	Chief Financial Officer (appointed 16 September 2019)
Mr Clint McGhie	Company Secretary (appointed 10 August 2018)
Mr Stephen Cathcart	Project Director – Technical (appointed 6 November 2018)
Mr David Maxton	Chief Operating Officer (resigned 21 December 2018)
Mr Sam Cordin	Company Secretary (resigned 10 August 2018)

Unless otherwise disclosed, the KMP held their position from 1 July 2018 until the date of this report.

Remuneration Policy

The Group's remuneration policy for its KMP has been developed by the Board taking into account the size of the Group, the size of the management team for the Group, the nature and stage of development of the Group's current operations, and market conditions and comparable salary levels for companies of a similar size and operating in similar sectors. In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

(a) the Group is currently focused on undertaking development activities for the Lake Way Project and explorations of its other projects;

(b) risks associated with developing resource companies whilst exploring and developing projects; and

(c) other than profit which may be generated from asset sales, the Company does not expect to be undertaking profitable operations until sometime after the commencement of commercial production on any of its projects.

Executive Remuneration

The Group's remuneration policy is to provide a fixed remuneration component and a performance based component (short term incentive and long term incentive). The Board believes that this remuneration policy is appropriate given the considerations discussed in the section above and is appropriate in aligning executives' objectives with shareholder and business objectives.

Fixed Remuneration

Fixed remuneration consists of base salaries, as well as employer contributions to superannuation funds and other non-cash benefits. Non-cash benefits may include provision of car parking and health care benefits.

Fixed remuneration is reviewed annually by the Board. The process consists of a review of company and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.

REMUNERATION REPORT (AUDITED) (Continued)

Executive Remuneration (Continued)

Performance Based Remuneration

The Group has adopted an incentive plan comprising the "Salt Lake Potash Performance Rights Plan" (the "**Plan**") to reward KMP and key employees for short and long-term performance. Shareholders approved the Plan at the Company Annual General Meeting of Shareholders on 30 November 2016.

The Plan provides for the issuance of performance rights ("**Performance Rights**") which, upon satisfaction of the relevant performance conditions attached to the Performance Rights, will result in the issue of an Ordinary Share for each Performance Right. Performance Rights are issued for no consideration and no amount is payable upon conversion thereof.

To achieve its corporate objectives the Company needs to attract and retain its key staff, whether employees or contractors. Grants made to eligible participants under the Plan will assist with the Company's employment strategy and will:

(a) enable the Company to recruit, incentivise and retain KMP and other eligible employees to assist with the completion of feasibility studies, funding, construction and commissioning, and operations for the Lake Way Project to achieve the Company's strategic objectives;

(b) link the reward of eligible employees with the achievement of strategic goals and the long term performance of the Company;

(c) align the financial interests of eligible participants of the proposed Plan with those of Shareholders; and

(d) provide incentives to eligible employees of the Plan to focus on superior performance that creates Shareholder value.

Performance Rights granted under the Plan to eligible participants will be linked to individual short-term service based vesting conditions or the achievement by the Company of certain long-term performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Performance Rights to vest. The Performance Rights also vest where there is a change of control of the Company. Upon Performance Rights vesting, Ordinary Shares are automatically issued for no consideration. If a performance condition of a Performance Right is not achieved by the expiry date then the Performance Right will lapse.

Performance Based Remuneration – Short Term Incentive

Executives may be entitled to receive Performance Rights with a short-term service based vesting condition as part of their total remuneration package, reducing the cash component otherwise payable to attract and retain key executives, and linking a component of their package to the performance of the Company. The performance condition is service based linked to the ongoing employment during the vesting period. Eligible Executives are granted short-term performance rights annually with the number of performance rights issued based on an agreed dollar amount which is divided by the VWAP of the Company's share price at the beginning of the financial year. The Performance Rights vest at 30 June each year. For the year ended 30 June 2019, 266,258 short-term performance rights were issued to KMP (2018: Nil). These short-term performance rights vested on 30 June 2019, however the Company was unable to convert the performance rights prior to expiry due to closed period restrictions. The Company has agreed, subject to Shareholder approval where necessary, to issue the KMP an equivalent number of shares as they would otherwise have been entitled should the performance rights converted.

Executives have previously been entitled to an annual cash incentive payment upon achieving various key performance indicators ("KPI's"), as set by the Board. Having regard to the current size, nature and opportunities of the Company, the Board determined that these KPI's would include measures such as successful commencement and/or completion of exploration activities (e.g. commencement/completion of programs within budgeted timeframes and costs), establishment of government relationships (e.g. establish and maintain sound working relationships with government and officialdom), development activities (e.g. completion of infrastructure studies and commercial agreements), operational activities (commissioning, reaching nameplate production), corporate activities (e.g. recruitment of key personnel and representation of the company at international conferences) and business development activities (e.g. corporate transactions and capital raisings). These measures were chosen as the Board believe they represented the key drivers in the short and medium term success of the Project's development. On an annual basis, subsequent to year end, the Board assessed performance against each individual executive's KPI criteria.

REMUNERATION REPORT (AUDITED) (Continued)

Executive Remuneration (Continued)

During the 2019 financial year, Mr Sam Cordin, the former Company Secretary, was issued 50,000 ordinary shares in lieu of a cash bonus of $25,000 for the year ended 30 June 2018, amounting to 100% of the annual discretionary bonus payable to him. The Shares were issued on 31 December 2018 as reward for past service. The fair value of the share price on the date of issue was $0.46.

No cash bonuses are payable as at 30 June 2019 and no current KMP are entitled to an annual cash incentive payment under their employment agreements.

Performance Based Remuneration – Long Term Incentive

During the current and prior financial year, Performance Rights were granted to certain KMP and other employees and contractors with certain performance conditions that reward key staff upon the achievements of strategic goals in relation to the Company's Projects including: (a) completion of a positive BFS; (b) commencement of construction activities; (c) completion of construction and commissioning activities; (d) achievement of steady state production levels; (e) advancing schedules; (f) reducing project capital expenditure; (g) obtaining regulatory mining approvals and licences; and (h) receiving project finance. No long-term performance rights vested during the year ended 30 June 2019.

In addition, the Board may issue incentive options where appropriate to some executives as a key component of the incentive portion of their remuneration, in order to attract and retain the services of the executives and to provide an incentive linked to the performance of the Company. The Board considers that each executive's experience in the resources industry will greatly assist the Company in progressing its projects to the next stage of development and the identification of new projects. As such, the Board believes that the number of incentive securities (either options or rights) granted to executives is commensurate to their value to the Company.

Incentive options granted to executives generally have exercise prices at or above the market share price at the time of agreement. As such, incentive options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Company increases sufficiently to warrant exercising the incentive options granted. Other than service-based vesting conditions, there are generally no additional performance criteria on the incentive options granted to executives, as given the speculative nature of the Company's activities and the small management team responsible for its running, it is considered the performance of the executives and the performance and value of the Company are closely related.

During the current financial year, incentive options and performance rights were granted to certain KMP to further align shareholders interests with those of senior management and also aid in keeping intellectual property and construction/production experience with the Company throughout this pivotal period in the lifecycle of Salt Lake.

The Company prohibits executives from entering into arrangements to limit their exposure to Incentive Options granted as part of their remuneration package.

Non-Executive Director Remuneration

The Board's policy is for fees to Non-Executive Directors to be no greater than market rates for comparable companies for time, commitment and responsibilities. Given the current size, nature and risks of the Company, Unlisted Options and Performance Rights may also be used to attract and retain Non-Executive Directors. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. Director's fees paid to Non-Executive Directors accrue on a daily basis. Fees for Non-Executive Directors are not linked to the performance of the economic entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and given the current size, nature and opportunities of the Company, Non-Executive Directors may receive Unlisted Options or Performance Rights in order to secure and retain their services.

Fees for the Chairman are presently $36,000 per annum (2018: $36,000) and fees for Non-Executive Directors' are presently set at $20,000 per annum (2018: $20,000). These fees cover main board activities only. Only Non-Executive Directors may receive additional remuneration for other services provided to the Company, including but not limited to, membership of committees. The Company prohibits Non-Executive Directors entering into arrangements to limit their exposure to Unlisted Options and Performance Rights granted as part of their remuneration package.

REMUNERATION REPORT (AUDITED) (Continued)

Relationship between Remuneration of KMP and Shareholder Wealth

During the Company’s current development phase of its business, the Board anticipates that the Company will retain earnings (if any) and other cash resources for the development of the Lake Way Project and exploration of its other resource projects. Accordingly, the Company does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore there was no relationship between the Board’s policy for determining, or in relation to, the nature and amount of remuneration of KMP and dividends paid and returns of capital by the Company during the current and previous four financial years.

The Board did not determine, and in relation to, the nature and amount of remuneration of the KMP by reference to changes in the price at which shares in the Company traded between the beginning and end of the current and the previous four financial years. Discretionary annual cash incentive payments are based upon achieving various non-financial key performance indicators as detailed under “Performance Based Remuneration – Short Term Incentive” and are not based on share price or earnings. However, as noted above, certain KMP may receive Performance Rights with short-term service based vesting conditions, where the number of Performance Rights issued is determined with reference to a dollar amount divided by the VWAP of the Company’s share price at the beginning of the financial year. The value of this short-term incentive will increase or decrease in line with the Company’s share price during the financial year. Further, Unlisted Options will generally will be of greater value to KMP in the future if the value of the Company’s shares increases sufficiently to warrant exercising the Unlisted Options.

Relationship between Remuneration of KMP and Earnings

As discussed above, the Company is currently undertaking development activities for the Lake Way Project and exploration of its other projects, and does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which is currently planned) until completion of construction, commissioning and ramp up of the Lake Way Project, and sales of sulphate of potash produced. Accordingly the Board does not consider earnings during the current and previous four financial years when determining, and in relation to, the nature and amount of remuneration of KMP.

REMUNERATION REPORT (AUDITED) (Continued)

Emoluments of Directors and Executives

Details of the nature and amount of each element of the emoluments of each Director and KMP of Salt Lake Potash Limited are as follows:

2019	Salary & fees $	Short-term Incentives: Cash Incentive Payments $	Short-term Incentives: Non Cash Benefits[8] $	Post-employment benefits $	Share-based payments $	Total $	Performance related %
Directors							
Mr Ian Middlemas	36,000	-	-	3,420	-	39,420	-
Mr Tony Swiericzuk [1]	231,090	-	-	16,667	1,125,276	1,373,033	82%
Mr Matthew Syme [2]	115,833	-	7,159	11,004	(195,752)	(61,756)	-
Mr Mark Pearce	20,000	-	-	1,900	1,599	23,499	7%
Mr Bryn Jones [3]	110,566	-	-	1,900	6,136	118,602	5%
Other KMP							
Mr Clint McGhie [4]	214,058	-	-	21,523	62,205	297,786	21%
Mr Stephen Cathcart [5]	180,513	-	-	16,586	277,108	474,207	58%
Mr David Maxton [6]	257,435	-	-	13,656	-	271,091	-
Mr Sam Cordin [7]	21,984	-	-	1,516	(37,473)	(13,973)	-
Total	1,187,479	-	7,159	88,172	1,239,099	2,521,909	

Notes:

[1] Mr Swiericzuk was appointed Managing Director and Chief Executive Officer effective 5 November 2018.
[2] Mr Syme transitioned from Managing Director and Chief Executive Officer to Non-Executive Director effective 5 November 2018. He resigned as a Non-Executive Director effective 23 July 2019.
[3] Mr Jones received Director fees of $20,000 and consulting fees of $90,566 for additional services provided to the Company.
[4] Mr McGhie was appointed Company Secretary effective 10 August 2018.
[5] Mr Cathcart was appointed Project Director – Technical effective 6 November 2018.
[6] Mr Maxton resigned as Chief Operating Officer effective 21 December 2018.
[7] Mr Cordin resigned as Company Secretary effective 10 August 2018.
[8] Non-cash benefits include life insurance premiums paid for Mr Syme.

2018	Salary & fees $	Short-term Incentives: Cash Incentive Payments $	Short-term Incentives: Non Cash Benefits[4] $	Post-employment benefits $	Share-based payments $	Total $	Performance related %
Directors							
Mr Ian Middlemas	36,000	-	-	-	-	36,000	-
Mr Matthew Syme	250,000	-	16,581	23,750	392,097	682,428	57%
Mr Mark Hohnen [1]	8,452	-	-	-	-	8,452	-
Mr Mark Pearce	20,000	-	-	1,900	29,749	51,649	58%
Mr Bryn Jones [2]	160,574	-	-	1,900	33,991	196,465	17%
Other KMP							
Mr David Maxton [3]	65,000	-	-	6,175	-	71,175	-
Mr Sam Cordin	150,000	20,000	-	16,150	139,557	325,707	49%
Total	690,026	20,000	16,581	49,875	595,394	1,371,876	

Notes:

[1] Mr Hohnen resigned 1 December 2017.
[2] Mr Jones received Director fees of $20,000 and consulting fees of $140,574 for additional services provided to the Company.
[3] Mr Maxton was appointed Chief Operating Officer effective 12 April 2018.
[4] Non-cash benefits include life insurance premiums paid for Mr Syme.

REMUNERATION REPORT (AUDITED) (Continued)

Options and Performance Rights Granted to KMP

Details of Incentive Options (**Options**) and Performance Rights (**Rights**) granted by the Company to each KMP of the Group during the financial year are as follows:

2019	Rights/ Options [1]	Grant Date	Vesting Date	Expiry Date	Exercise Price $	Grant Date Fair Value [1] $	No. Granted	No. Vested At 30 June 2019	Max amount to be recognised in future years
Directors									
Mr Tony Swiericzuk	Options	2-Nov-18	4-Nov-19	1-Nov-23	$0.60	$0.22	1,000,000	-	75,785
Mr Tony Swiericzuk	Options	2-Nov-18	4-Nov-20	1-Nov-23	$1.00	$0.16	2,000,000	-	213,880
Mr Tony Swiericzuk	Options	2-Nov-18	4-Nov-20	1-Nov-23	$1.20	$0.14	2,000,000	-	186,977
Mr Tony Swiericzuk	Rights	2-Nov-18	-	1-Nov-20	-	$0.47	1,500,000	-[2]	473,219
Mr Tony Swiericzuk	Rights	2-Nov-18	-	1-Nov-21	-	$0.47	1,500,000	-[3]	550,479
Mr Tony Swiericzuk	Rights	2-Nov-18	-	1-Nov-22	-	$0.47	2,000,000	-[4]	785,479
Mr Tony Swiericzuk	Rights	2-Nov-18	-	1-Nov-23	-	$0.47	2,000,000	-[5]	816,384
Mr Tony Swiericzuk	Rights	2-Nov-18	30-Jun-19	31-Jul-19	-	$0.47	266,258	266,258[6]	-
Other KMP									
Mr Clint McGhie	Rights	31-Dec-18	-	1-Nov-20	-	$0.46	200,000	-[2]	67,183
Mr Clint McGhie	Rights	31-Dec-18	-	1-Nov-21	-	$0.46	200,000	-[3]	75,927
Mr Clint McGhie	Rights	31-Dec-18	-	1-Nov-22	-	$0.46	200,000	-[4]	80,114
Mr Clint McGhie	Rights	31-Dec-18	-	1-Nov-23	-	$0.46	200,000	-[5]	82,571
Mr Stephen Cathcart	Options	31-Dec-18	6-Nov-19	1-Nov-23	$0.60	$0.21	50,000	-	25,717
Mr Stephen Cathcart	Options	31-Dec-18	6-Nov-20	1-Nov-23	$1.00	$0.15	50,000	-	32,512
Mr Stephen Cathcart	Options	31-Dec-18	6-Nov-20	1-Nov-23	$1.20	$0.13	50,000	-	37,784
Mr Stephen Cathcart	Rights	31-Dec-18	-	1-Nov-20	-	$0.46	300,000	-[2]	100,775
Mr Stephen Cathcart	Rights	31-Dec-18	-	1-Nov-21	-	$0.46	300,000	-[3]	113,890
Mr Stephen Cathcart	Rights	31-Dec-18	-	1-Nov-22	-	$0.46	300,000	-[4]	120,171
Mr Stephen Cathcart	Rights	31-Dec-18	-	1-Nov-23	-	$0.46	300,000	-[5]	123,856
Mr Stephen Cathcart	Rights	31-Dec-18	30-Jun-19	30-Jun-19	-	$0.46	133,129	133,129[6]	-
Mr Stephen Cathcart	Rights	31-Dec-18	-	31-Dec-21	-	$0.46	400,000	-[7]	153,613
Mr Stephen Cathcart	Rights	31-Dec-18	-	31-Dec-21	-	$0.46	400,000	-[8]	153,613

Notes:

[1] For details on the valuation of the Performance Rights or Options, including models and assumptions used, please refer to Note 18 to the financial statements.
[2] Each Performance Right converts into one Ordinary Share of Salt Lake Potash Limited upon satisfaction of the Trench/Pond Construction performance condition.
[3] Each Performance Right converts into one Ordinary Share of Salt Lake Potash Limited upon satisfaction of the Plant Construction performance condition.
[4] Each Performance Right converts into one Ordinary Share of Salt Lake Potash Limited upon satisfaction of the Plant Commissioning performance condition.
[5] Each Performance Right converts into one Ordinary Share of Salt Lake Potash Limited upon satisfaction of the Nameplate Capacity performance condition.
[6] Each Performance Right converts into one Ordinary Share of Salt Lake Potash Limited upon satisfaction of the Short Term Incentives performance condition.
[7] Each Performance Right converts into one Ordinary Share of Salt Lake Potash Limited upon satisfaction of the Advanced Schedule performance condition.
[8] Each Performance Right converts into one Ordinary Share of Salt Lake Potash Limited upon satisfaction of the Reduced Capex performance condition.

REMUNERATION REPORT (AUDITED) (Continued)

Options and Performance Rights Granted to KMP (Continued)

During the 2019 financial year, 399,387 Performance Rights held by KMP vested, and no Incentive Options held by KMP vested. Details of the values of Incentive Options and Performance Rights (**Securities**) granted, exercised or lapsed for each KMP of the Group during the 2019 financial year are as follows:

2019	Rights/ Options	Securities Granted Value at Grant Date [1] $	Securities Exercised Value at Exercise Date $	Securities Lapsed Value at Time of Lapse $	Value of Securities included in Remuneration for the Period $	Percentage of Remuneration for the Period that Consists of Securities %
Directors						
Mr Tony Swiericzuk	Options	815,000	-	-	786,917	57%
Mr Tony Swiericzuk	Rights	3,412,479	-	-	338,359	25%
Mr Matthew Syme	Options	-	142,500	-	-	-
Mr Matthew Syme	Rights	-	-	-[2]	(195,752)	-
Mr Mark Pearce	Rights	-	-	-[3]	1,599	7%
Mr Bryn Jones	Rights	-	-	-[4]	6,136	5%
Other KMP						
Mr Clint McGhie	Rights	368,000	-	-	62,205	21%
Mr Stephen Cathcart	Options	157,800	-	-	61,787	13%
Mr Stephen Cathcart	Rights	981,239	-	-	215,321	45%
Mr Sam Cordin	Rights	-	-	-[5]	(62,473)	-
Total		**5,734,518**	**142,500**	**-**	**1,214,099**	

Notes:

1 For details on the valuation of the Performance Rights, including models and assumptions used, please refer to Note 18 of the financial statements.

2 During the 2019 financial year, 1,000,000 Performance Rights granted to Mr Syme in the 2017 financial year lapsed.

3 During the 2019 financial year, 50,000 Performance Rights granted to Mr Pearce in the 2017 financial year lapsed.

4 During the 2019 financial year, 50,000 Performance Rights granted to Mr Jones in the 2017 financial year lapsed.

5 During the 2019 financial year, 300,000 Performance Rights granted to Mr Cordin in the 2017 financial year and 100,000 Performance Rights granted in the 2018 financial year lapsed.

REMUNERATION REPORT (AUDITED) (Continued)

Equity instruments held by KMP

Options and Performance Rights holdings of Key Management Personnel

2019	Held at 1 July 2018	Granted as Remuneration	Options Exercised/ Rights Converted	Net Other Change	Held at 30 June 2019	Vested and exercise-able at 30 June 2019
Directors						
Mr Ian Middlemas	-	-	-	-	-	-
Mr Tony Swiericzuk	-	12,266,258	-	-	12,266,258	266,258[3]
Mr Matthew Syme	4,500,000	-	(750,000)	(1,000,000)	2,750,000	1,750,000
Mr Mark Pearce	200,000	-	-	(50,000)	150,000	-
Mr Bryn Jones	200,000	-	-	(50,000)	150,000	-
Other KMP						
Mr Clint McGhie	-[2]	800,000	-	-	800,000	-
Mr Stephen Cathcart	-	3,133,129	-	-	3,133,129	133,129[4]
Mr David Maxton	-	-	-	-	-[1]	-
Mr Sam Cordin	800,000	-	-	(400,000)	400,000[1]	-
Total	**5,700,000**	**16,199,387**	**(750,000)**	**(1,500,000)**	**19,649,387**	**2,149,387**

Notes:
1 At date of resignation.
2 At date of appointment.
3 These Performance Rights have vested at 30 June 2019 but subsequently expired. The Company will seek shareholder approval to issue an equivalent number of shares to Mr Swiericzuk
4 These Performance Rights have vested at 30 June 2019 but subsequently expired. The Company has issued an equivalent number of shares to Mr Cathcart in August 2019.

Ordinary Shareholdings of Key Management Personnel

2019	Held at 1 July 2018	Granted as Remuneration	Options Exercised/ Rights Converted	Net Other Change	Held at 30 June 2019
Directors					
Mr Ian Middlemas	11,000,000	-	-	750,000[3]	11,750,000
Mr Tony Swiericzuk	-	-	-	952,381[3]	952,381
Mr Matthew Syme	4,500,000	-	750,000	-	5,250,000
Mr Mark Pearce	4,000,000	-	-	-	4,000,000
Mr Bryn Jones	-	-	-	-	-
Other KMP					
Mr Clint McGhie	300,000[2]	-	-	-	300,000
Mr Stephen Cathcart	-[2]	-	-	238,095[3]	238,095
Mr David Maxton	-	-	-	-	-[1]
Mr Sam Cordin	400,000	-[4]	-	-	400,000[1]
Total	**20,200,000**	**-**	**750,000**	**1,940,476**	**22,890,476**

Notes:
1 At date of resignation.
2 At date of appointment.
3 Participation in placement of Ordinary Shares.
4 Mr Cordin was granted 50,000 Ordinary Shares in lieu of $25,000 cash bonus after the date of his resignation.

REMUNERATION REPORT (AUDITED) (Continued)

Employment Contracts with Directors and KMP

Mr Tony Swiericzuk, Chief Executive Officer, is an employee of the Company. He has an Executive Services Agreement with a rolling annual term and can be terminated by the Company by giving three months' notice. No amount is payable in the event of termination for cause. Mr Swiericzuk receives a fixed remuneration component of $350,000 per annum plus statutory superannuation. Mr Swiericzuk also receives a short term incentive comprised of performance rights to the value of $200,000 per annum, as well as long term incentives identified in the remuneration report.

Mr Bryn Jones, Non-Executive Director, has a consulting agreement with the Company, which provides for a consultancy fee at the rate of $1,500 per day for management and technical services provided by Mr Jones. Termination of the agreement can be made at any time without penalty or payment by giving four weeks' notice. In addition, Mr Jones also receives a fixed remuneration component of $20,000 per annum plus superannuation as previously set by the Board for Non-Executive Directors.

Mr Matthew Syme, Non-Executive Director, had a consulting agreement with the Company, which provided for a consultancy fee at the rate of $1,500 per day for management services provided by Mr Syme. Termination of the agreement could be made at any time without penalty or payment by giving four weeks' notice. In addition, Mr Syme also received the fixed remuneration component of $20,000 per annum plus superannuation as previously set by the Board for Non-Executive Directors. Mr Syme resigned as a Non-Executive Director effective 23 July 2019.

Mr Shaun Day, Chief Financial Officer, is an employee of the Company. He has an Executive Services Agreement with a rolling annual term and can be terminated by the Company by giving three months' notice. No amount is payable in the event of termination for cause. Mr Day receives a fixed remuneration component of $300,000 per annum plus statutory superannuation. Mr Day is entitled to receive a short term incentive comprised of performance rights to the value of $100,000 per annum, as well as long term incentive of 3 million incentive options and 3 million performance rights.

Mr Clint McGhie, Company Secretary, is an employee of the Company. The employment contract has a rolling annual term and may be terminated by the Company by giving three months' notice. No amount is payable in the event of termination for cause. Mr McGhie receives a fixed remuneration component of $250,000 per annum plus statutory superannuation and performance incentives as identified in the remuneration report.

Mr Stephen Cathcart, Project Director – Technical, is an employee of the Company. The contract has a rolling annual term and may be terminated by the Company by giving three months' notice. No amount is payable in the event of termination for cause. Mr Cathcart receives a fixed remuneration component of $275,000 per annum plus statutory superannuation. Mr Cathcart also receives a short term incentive comprised of performance rights to the value of $100,000 per annum, as well as long term incentives identified in the remuneration report.

Key Management Personnel Loans

No loans were provided to or received from Key Management Personnel during the year ended 30 June 2019 (2018: Nil).

Other Transactions

Apollo Group Pty Ltd, a Company of which Mr Mark Pearce is a Director and beneficial shareholder, was paid $100,000 (2018: $150,000) for the provision of serviced office facilities, corporate and administration services until the contract was terminated effective on 28 February 2019. The amount was based on a monthly retainer adjusted for expended/consumed items at cost, due and payable in advance, with no fixed term, and was able to be terminated by either party with one month's notice. At 30 June 2019, Nil (2018: $25,000) was included as a current liability in the Statement of Financial Position.

End of Remuneration Report

DIRECTORS' MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director was as follows:

	Board Meetings	
	Number eligible to attend	Number attended
Mr Ian Middlemas	3	3
Mr Matthew Syme	3	3
Mr Mark Pearce	3	3
Mr Bryn Jones	3	3
Mr Tony Swiericzuk	2	2

There were no Board committees during the financial year. The Board as a whole currently performs the functions of an Audit Committee, Risk Committee, Nomination Committee, and Remuneration Committee, however this will be reviewed should the size and nature of the Company's activities change.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has indemnified the directors of the Company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

NON-AUDIT SERVICES

Non-audit services provided by our auditors, Ernst and Young and related entities, are set out below. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

	2019 $	2018 $
Tax and other advisory services	11,566	8,188
	11,566	8,188

PROCEEDINGS ON BEHALF OF THE COMPANY

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 71 of the Directors' Report.

Signed in accordance with a resolution of the Directors.

Tony Swiericzuk
Chief Executive Officer

27 September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	30 June 2019 $	30 June 2018 $
Interest income		**135,952**	238,208
Research and Development Tax Incentive rebate		**1,652,110**	456,709
Exploration and evaluation expenses		**(13,745,503)**	(8,545,647)
Pre-Development expenses		**(8,513,393)**	-
Corporate and administrative expenses		**(3,257,046)**	(1,081,738)
Business development expenses		**(865,860)**	(1,110,578)
Share based payment expense	3	**(2,302,381)**	(1,284,062)
Loss before tax		**(26,896,121)**	(11,327,108)
Income tax expense	4	**-**	-
Loss for the year		**(26,896,121)**	(11,327,108)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences reclassified to profit or loss on disposal of controlled entity		**-**	-
Other comprehensive loss for the year, net of tax		**-**	-
Total comprehensive loss for the year		**(26,896,121)**	(11,327,108)
Basic and diluted loss per share attributable to the ordinary equity holders of the company (cents per share)	14	**(13.74)**	(6.47)

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

		30 June 2019 $	30 June 2018 $
ASSETS			
Current Assets			
Cash and cash equivalents	5	**19,304,075**	5,709,446
Trade and other receivables	6	**923,036**	227,273
Total Current Assets		**20,227,111**	5,936,719
Non-Current Assets			
Property, plant and equipment	7	**763,566**	535,344
Exploration and evaluation expenditure	8	**2,276,736**	2,276,736
Total Non-Current Assets		**3,040,302**	2,812,080
TOTAL ASSETS		**23,267,413**	8,748,799
LIABILITIES			
Current Liabilities			
Trade and other payables	9	**7,709,590**	1,620,527
Finance lease		**19,030**	11,829
Provisions	10	**79,368**	57,462
Total Current Liabilities		**7,807,988**	1,689,818
Non-Current Liabilities			
Finance lease		**39,166**	38,992
Provisions	10	**711,885**	-
Total Non-Current Liabilities		**751,051**	38,992
TOTAL LIABILITIES		**8,559,039**	1,728,810
NET ASSETS		**14,708,374**	7,019,989
EQUITY			
Contributed equity	11	**155,917,578**	123,501,153
Reserves	12	**4,273,967**	2,105,886
Accumulated losses		**(145,483,171)**	(118,587,050)
TOTAL EQUITY		**14,708,374**	7,019,989

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Contributed Equity $	Share- Based Payment Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2018	**123,501,153**	**2,105,886**	**(118,587,050)**	**7,019,989**
Net loss for the year	**-**	**-**	**(26,896,121)**	**(26,896,121)**
Total comprehensive loss for the year	**-**	**-**	**(26,896,121)**	**(26,896,121)**
Shares issued from placements	**33,250,000**	**-**	**-**	**33,250,000**
Shares issued on exercise of options	**300,000**	**-**	**-**	**300,000**
Shares issued in lieu of fees	**467,633**	**-**	**-**	**467,633**
Share issue costs	**(1,601,208)**	**-**	**-**	**(1,601,208)**
Share based payment expense	**-**	**2,168,081**	**-**	**2,168,081**
Balance at 30 June 2019	**155,917,578**	**4,273,967**	**(145,483,171)**	**14,708,374**
Balance at 1 July 2017	**123,484,561**	**821,824**	**(107,259,942)**	**17,046,443**
Net loss for the year	**-**	**-**	**(11,327,108)**	**(11,327,108)**
Total comprehensive loss for the year	**-**	**-**	**(11,327,108)**	**(11,327,108)**
Shares issued in lieu of fees	**18,476**	**-**	**-**	**18,476**
Share issue costs	**(1,884)**	**-**	**-**	**(1,884)**
Share based payment expense	**-**	**1,284,062**	**-**	**1,284,062**
Balance at 30 June 2018	**123,501,153**	**2,105,886**	**(118,587,050)**	**7,019,989**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	30 June 2019 $	30 June 2018 $
Cash flows from operating activities			
Payments to suppliers and employees		**(20,130,140)**	(10,275,823)
Exploration investment scheme received		**-**	30,000
R&D tax incentive received		**1,652,110**	456,709
Interest received		**144,043**	242,852
Net cash outflow from operating activities	13(a)	**(18,333,987)**	(9,546,262)
Cash flows from investing activities			
Payments for property, plant and equipment		**(357,321)**	(256,890)
Net cash outflow from investing activities		**(357,321)**	(256,890)
Cash flows from financing activities			
Proceeds from issue of shares		**33,550,000**	-
Lease payments		**(13,629)**	(11,829)
Payment of transaction costs from issue of shares		**(1,250,434)**	(72,332)
Net cash inflow/(outflow) from financing activities		**32,285,937**	(84,161)
Net increase/(decrease) in cash and cash equivalents held		**13,594,629**	(9,887,313)
Cash and cash equivalents at the beginning of the year		**5,709,446**	15,596,759
Cash and cash equivalents at the end of the year	5	**19,304,075**	5,709,446

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in preparing the financial report of Salt Lake Potash Limited (**Salt Lake** or **Company**) and its consolidated entities (**Consolidated Entity** or **Group**) for the year ended 30 June 2019 are stated to assist in a general understanding of the financial report.

Salt Lake is a Company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (**ASX**), and the AIM Market (**AIM**) of the London Stock Exchange.

The financial report of the Group for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the Directors on 24 September 2019.

(a) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards ("**AASBs**") and other authoritative pronouncements of the Australian Accounting Standards Board ("**AASB**") and the *Corporations Act 2001*. The Group is a for-profit entity for the purposes of preparing the consolidated financial statements.

The financial report has been prepared on a historical cost basis. The financial report is presented in Australian dollars.

Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Going concern

The consolidated financial statements have been prepared on a going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2019, the Consolidated Entity incurred a net loss of $26,896,121 (2018: $11,327,108) and experienced net cash outflows from operating and investing activities of $18,691,308 (2018: $9,803,152). As at 30 June 2019, the Group had cash and cash equivalents of $19,304,075 (2018: $5,709,446) and net current assets of $12,419,123 (2018: $4,246,901).

The Company has recently completed a successful Scoping Study for the commercial scale development of its SOP project at Lake Way and is currently in the process of completing a Bankable Feasibility Study (BFS). The Scoping Study supports a low capital and operating cost operation on a commercial scale with the ability to support a long mine life. The Company has sufficient funds to meet currently committed expenditure but in order to progress development and construction of the Lake Way Project, it will require additional funds.

In August 2019, the Company mandated Taurus Funds Management (Taurus) to provide US$150m staged project financing for the Lake Way Project. The Stage 1 Facility documentation has been executed and conditions satisfied, which has enabled the Company to commence drawing down on the initial facility of US$30m. The Project Development Facility (PDF) for up to US$150m 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 completion of the BFS and satisfaction of conditions precedent. 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 finalised.

Based on the successful results of the Scoping Study, the Directors are confident that they will be able to agree documentation and satisfy the conditions precedent to access the PDF to fund the ongoing development of the Lake Way Project.

In addition, the Directors have been involved in a number of recent successful capital raisings for the Company and for other listed resource companies, and accordingly, they are satisfied that they will be able to raise additional capital when required to enable the Consolidated Entity to meet its obligations as and when they fall due, and accordingly, consider that it is appropriate to prepare the financial statements on the going concern basis.

Should the Consolidated Entity be unable to access the PDF or raise additional capital or debt as and when required, the Consolidated Entity would need to reduce operational expenditure to continue as a going concern. In the event that the Consolidated Entity is unable to achieve the matters referred to above, uncertainty would exist that may cast doubt on the ability of the Consolidated Entity to continue as a going concern.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of Preparation (Continued)

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Consolidated Entity be unable to continue as a going concern.

(b) New Accounting Standards

Since 1 July 2018, the Consolidated Entity has adopted all Accounting Standards and Interpretations effective from 1 July 2018. Other than the changes described below, the accounting policies adopted are consistent with those of the previous financial year. The Consolidated Entity has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Consolidated Entity applied AASB 9 Financial Instruments (AASB 9) for the first time from 1 July 2018. A discussion on the impact of the adoption of AASB 9 is included below.

Several other new and amended Accounting Standards and Interpretations applied for the first time from 1 July 2018. These did not have an impact on the consolidated financial statements of the Consolidated Entity and, hence, have not been disclosed.

AASB 9 Financial Instruments

AASB 9 replaces parts of AASB 139 Financial Instruments: Recognition and Measurement (AASB 139) bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The accounting policies have been updated to reflect the application of AASB 9 for the period from 1 July 2018 (refer to note 1(f)).

The Consolidated Entity has applied AASB 9 retrospectively, with the initial application date being 1 July 2018. The cumulative impact of applying AASB 9 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. The Consolidated Entity has elected not to adjust comparative information.

(i) Classification and Measurement

On adoption of AASB 9, the Company classified financial assets and liabilities as subsequently measured at either amortised cost or fair value through profit and loss. The classification is based on two criteria; the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the SPPI criterion). There were no changes in the measurement of the Company's financial instruments due to the change in classification of financial instruments.

At the date of initial application, existing financial assets and liabilities of the Group were assessed in terms of the requirements of AASB 9. The assessment was conducted on instruments that had not been derecognised as at 1 July 2018.

There was no impact on the statement of comprehensive income or the statement of changes in equity on adoption of AASB 9 in relation to classification and measurement of financial assets and liabilities. The following table summarises the impact on the classification and measurement of the Group's financial instruments at 1 July 2018:

Presented in statement of financial position	AASB 139	AASB 9	Original carrying amount under AASB 139 $	New carrying amount under AASB 9 $
Cash and cash equivalents	Financial asset at amortised cost	Amortised Cost	5,709,446	5,709,446
Trade and other receivables	Financial asset at amortised cost	Amortised Cost	227,273	227,273
Trade and other payables	Financial liability at amortised cost	Amortised Cost	1,620,527	1,620,527

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) New Accounting Standards (Continued)

(ii) Impairment

The adoption of AASB 9 has changed the Consolidated Entity's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (**ECL**) approach. AASB 9 requires the Consolidated Entity to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss.

The Company's receivables balance consists of GST refunds from the Australian Tax Office and interest receivables from recognised Australian banking institutions. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, all bank balances are assessed to have low credit risk as they are held with reputable financial institutions which have a credit rating of AA- (Standard & Poor's) and above.

The loss allowances for financial assets are based on the assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Given the Company's receivables are from the Australian Tax Office and recognised Australian banking institutions, the Company has assessed that the risk of default is minimal and as such, no additional impairment loss has been recognised against these receivables as at 30 June 2019.

(c) New and amended Accounting Standards and Interpretations not early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Company for the reporting period ended 30 June 2019. Those which may be relevant to the Company are set out below. Other than as discussed for AASB 16, these are not expected to have any significant impact on the Company's financial statements.

Standard/Interpretation	Applicable date of standard	Application date for Group
AASB Interpretation 23, and relevant amending standards	1 January 2019	1 July 2019
AASB 2019-1 Conceptual Framework for Financial Reporting	1 January 2020	1 January 2020
AASB 2018-7 Definition of Material	1 January 2020	1 July 2020

AASB 16 *Leases (AASB 16)*

AASB 16 *Leases* will replace existing accounting requirements for leases under AASB 117 *Leases (AASB 117)*. Under current requirements, leases are classified based on their nature as either finance leases which are recognised on the Statement of Financial Position, or operating leases, which are not recognised on the Statement of Financial Position.

Under AASB 16, with the exception of short-term and low value leases, the Company's accounting for operating leases as a lessee will result in the recognition of a right-of-use (ROU) asset and an associated lease liability on the Statement of Financial Position. The lease liability represents the present value of future lease payments. An interest expense will be recognised on the lease liabilities and a depreciation charge will be recognised for the ROU assets. There will also be additional disclosure requirements under the new standard.

The Company will initially apply AASB 16 on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.

When applying the modified retrospective approach to leases previously classified as operating leases under AASB 117, the Company can elect, on a lease-by-lease basis, whether to apply a number of practical expedients on transition. The Company will elect to use the exemptions proposed by the standard on lease contracts for which the lease term ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) New and amended Accounting Standards and Interpretations not early adopted (Continued)

The Company is in the progress of assessing the impact of the new leases standard and the effect on the Group's financial statements. In summary, the impact of AASB 16 is to create a right-of-use asset and a lease liability. As a result of a right-of-use asset and lease liability, depreciation expense and interest expense is expected to increase and operating lease expense will reduce. In addition, the classification between cashflow from operating activities and cash flow from financing activities will also change.

(d) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2019 and the results of all subsidiaries for the year then ended.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases. Intercompany transactions and balances, income and expenses and profits and losses between Group companies, are eliminated.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(f) Financial Assets

Pre 1 July 2018 policy

Classification

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than twelve months after the reporting date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

Loans and receivables are carried at amortised cost using the effective interest rate method.

Impairment

Collectability of trade and other receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment allowance is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial Assets (Continued)

Post 1 July 2018 policy

Financial assets are recognised when the entity becomes a party to the contractual provisions to the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (**FVPL**)
- equity instruments at fair value through other comprehensive income (**FVOCI**)
- debt instruments at fair value through other comprehensive income

All income and expenses relating to financial assets that are recognised in profit or loss are presented within other income or expenses respectively.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Consolidated Entity's financial assets at amortised cost include short term deposits and other receivables.

Impairment

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables due in less than 12 months, the Group will recognise a loss allowance based on the financial asset's lifetime ECL at each reporting date. The Group will establish a provision matrix for these receivables that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment as sales from product eventuate or significant receivables come to hand.

The Group considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Property, Plant and Equipment

(i) Recognition and measurement

All classes of property, plant and equipment are measured at historical cost.

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in the Statement of Profit or Loss and other Comprehensive Income as incurred.

(ii) Depreciation and Amortisation

Depreciation is provided on a straight line basis on all property, plant and equipment.

	2019	2018
Major depreciation and amortisation periods are:		
Plant and equipment:	22- 40%	22- 40%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

(h) Exploration, Evaluation and Pre-Development Expenditure

Expenditure on exploration, evaluation and pre-development is accounted for in accordance with the 'area of interest' method.

Exploration, evaluation and pre-development expenditure encompasses expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources and early development activities before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

For each area of interest, expenditure incurred in the acquisition of rights to explore is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition and are recorded as an asset if:

a. the rights to tenure of the area of interest are current; and

b. at least one of the following conditions is also met:

  - the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and

  - exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration, evaluation and pre-development expenditure incurred by the Group subsequent to acquisition of the rights to explore is expensed as incurred, up to and including costs associated with the preparation of a bankable feasibility study.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Exploration, Evaluation and Pre-Development Expenditure (Continued)

(i) Impairment

Capitalised costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(i) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade accounts payable are normally settled within 30 days. Payables are carried at amortised cost.

(j) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Rehabilitation

The Group is required to decommission and rehabilitate mines or related assets at the end of their producing lives to a condition acceptable to the relevant authorities. A rehabilitation provision is recognised when the Group has a present obligation, whether legal or constructive, as a result of a past event.

The expected cost of any approved decommissioning or rehabilitation programme, discounted to its net present value, is provided when the related environmental disturbance occurs. Until a decision to mine is made, the cost is brought up front and expensed whether the rehabilitation activity is expected to occur over the life of the operation or at the time of closure. Once a decision to mine is made, the rehabilitation cost will be capitalised and amortised over the life of the operation and the increase in net present value of the provision for the expected cost is included in financing expenses. Expected decommissioning and rehabilitation costs are based on the discounted value of the estimated future cost of the detailed plans prepared. Where there is a change in the expected decommissioning and restoration costs, the value of the provision and any related asset are adjusted and the effect is recognised in the profit or loss on a prospective basis over the remaining life of the operation.

The estimated costs of the rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by potential proceeds from the sale of assets or from plant/site clean up at closure.

The ultimate cost of rehabilitation is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new rehabilitation techniques or experience at other sites. The expected timing of expenditure can also change. Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

In recognising the amount of rehabilitation obligation at each reporting date, judgement is made on the extent of rehabilitation that the Group is responsible for at each reporting date.

(k) Interest Income

Interest income is recognised as it accrues in profit or loss, using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised using the full liability method for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose on goodwill or in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against tax liabilities and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation

Salt Lake Potash Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred tax assets resulting from unused tax losses and tax credits, which are immediately assumed by the Company. The current tax liability of each group entity is then subsequently assumed by the Company. The tax consolidated group has entered a tax sharing agreement whereby each company in the Group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

(m) Employee Entitlements

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within 12 months have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits expected to be settled later than 12 months after the year end have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(n) Earnings per Share

Basic earnings per share (**EPS**) is calculated by dividing the net profit attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of Ordinary Shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential Ordinary Shares and the effect on revenues and expenses of conversion to Ordinary Shares associated with dilutive potential Ordinary Shares, by the weighted average number of Ordinary Shares and dilutive Ordinary Shares adjusted for any bonus issue.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(p) Acquisition of Assets

A group of assets may be acquired in a transaction which is not a business combination. In such cases the cost is allocated to the individual identifiable assets (including intangible assets that meet the definition of and recognition criteria for intangible assets in AASB 138 *Intangible Assets*) acquired and liabilities assumed on the basis of their relative fair values at the date of purchase.

(q) Impairment of Non-Current Assets

The Group assesses at each reporting date whether there is an indication that a non-current asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(r) Issued and Unissued Capital

Ordinary Shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Foreign Currencies

(i) Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Foreign Currencies (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

Exchange differences arising on the translation of monetary items are recognised in the Statement Profit or Loss and other Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the other Comprehensive Income.

(iii) Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- items of equity are translated at the historical exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the Statement of Profit or Loss and other Comprehensive Income in the period in which the operation is disposed.

(t) Share-Based Payments

Equity-settled share-based payments are provided to officers, employees, consultants and other advisors. These share-based payments are measured at the fair value of the equity instrument at the grant date. Fair value of options is determined using the Binomial option pricing model. Further details on how the fair value of equity-settled share based payments has been determined can be found in Note 18.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each reporting date, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the share based payments reserve.

Equity-settled share-based payments may also be provided as consideration for the acquisition of assets or provision of services. Where Ordinary Shares are issued, the transaction is recorded at fair value based on the quoted price of the Ordinary Shares at the date of issue. The acquisition is then recorded as an asset or expensed in accordance with accounting standards.

(u) Use and Revision of Accounting Estimates, Judgements and Assumptions

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following notes:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Use and Revision of Accounting Estimates, Judgements and Assumptions (Continued)

(i) Exploration and Evaluation Expenditure (Note 8)

The future recoverability of exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related area of interest itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

To the extent that exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

(ii) Mine Rehabilitation (Note 10)

The Group assesses its mine rehabilitation provision in accordance with the accounting policy stated in Note 1(j). In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred, the timing of those future costs and the estimated level of inflation. The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates, and changes in discount rates. The expected timing of expenditure can also change. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for mine rehabilitation. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

(iii) Share-Based Payments (Note 18)

The assessed fair value at grant date of options granted as share-based payments during the period was determined using a binomial option pricing model that takes into account the exercise price, the price of the underlying share at grant date, the life of the option, the volatility of the underlying share, the risk-free rate and expected dividend payout and any applicable vesting conditions. Management was required to make assumptions and estimates in order to determine the inputs into the binomial option pricing model. The assessed fair value at grant date of performance rights granted as share-based payments during the period was determined as at the date of grant based on the underlying share price.

2. SEGMENT INFORMATION

The Consolidated Entity operates in one operating segment, being mineral exploration in Australia. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Consolidated Entity.

3. EXPENSES

	Note	2019 $	2018 $
(a) Depreciation included in statement of comprehensive income			
Depreciation of plant and equipment	7	193,630	75,031
(b) Employee benefits expense (including KMP)			
Salaries and wages		3,618,088	1,942,801
Superannuation expense		304,812	176,466
Share-based payment expense	18	2,168,081	1,284,062
Total employment expenses included in profit or loss		6,090,981	3,403,329

4. INCOME TAX

	2019 $	2018 $
(a) Recognised in the statement of comprehensive income		
Current income tax		
Current income tax benefit in respect of the current year	-	-
Deferred income tax		
Deferred income tax	-	-
Income tax expense reported in the statement of Profit or Loss and other Comprehensive income	-	-
(b) Reconciliation between tax expense and accounting loss before income tax		
Accounting loss before income tax	(26,896,121)	(11,327,108)
At the domestic income tax rate of 30.0% (2018: 27.5%)	(8,068,836)	(3,114,955)
Expenditure not allowable for income tax purposes	691,952	511,763
Income not assessable for income tax purposes	(491,903)	(125,595)
Capital allowances	(380,363)	-
Change in tax rate	(780,158)	-
Adjustment in respect of current income tax of previous years	770,554	(3,447)
Deferred tax assets not brought to account	8,258,754	2,732,234
Income tax expense/(benefit) reported in the statement of Profit or Loss and other Comprehensive income	-	-

4. INCOME TAX (Continued)

	2019 $	2018 $
(c) Deferred Tax Assets and Liabilities		
Deferred income tax at 30 June relates to the following:		
Deferred Tax Liabilities		
Accrued income	3,370	4,833
Exploration and evaluation assets	47,137	43,209
Deferred tax assets used to offset deferred tax liabilities	(50,507)	(48,042)
	-	-
Deferred Tax Assets		
Accrued expenditure	9,900	21,813
Provisions	213,566	-
Capital allowances	463,242	243,070
Tax losses available for offset against future taxable income	16,974,847	9,183,494
Deferred tax assets used to offset deferred tax liabilities	(50,507)	(48,042)
Deferred tax assets not brought to account	(17,611,048)	(9,400,335)
	-	-

The benefit of deferred tax assets not brought to account will only be brought to account if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legislation continue to be complied with; and
- no changes in tax legislation adversely affect the Group in realising the benefit.

Deferred tax assets have not been recognised in respect to tax losses because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

Tax Consolidation

The Company and its wholly-owned Australian resident entities have formed a tax consolidated group and are therefore taxed as a single entity. The head entity within the tax consolidated group is Salt Lake Potash Limited.

5. CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash on hand and at bank	19,177,455	1,596,390
Deposit on call	126,620	4,113,056
	19,304,075	5,709,446

The Group has assessed the credit risk on cash and cash equivalents using the life time expected credit losses method and concluded that the probability of default is insignificant.

6. TRADE AND OTHER RECEIVABLES

	2019 $	2018 $
Accrued interest	11,231	17,572
GST and other receivables	911,805	209,701
	923,036	227,273

Other receivables are non-interest bearing. There are no past due nor impaired receivables at 30 June 2019. GST receivables are due from the ATO. The Group has assessed the probability of default as low and the expected credit loss is insignificant.

7. PROPERTY, PLANT AND EQUIPMENT

	2019 $	2018 $
(a) Plant and Equipment		
Gross carrying amount - at cost	1,074,496	652,644
Accumulated depreciation	(310,930)	(117,300)
Carrying amount at end of year, net of accumulated depreciation	763,566	535,344
(b) Reconciliation		
Carrying amount at beginning of year, net of accumulated depreciation	535,344	303,511
Additions	421,852	306,864
Depreciation charge	(193,630)	(75,031)
Carrying amount at end of year, net of accumulated depreciation	763,566	535,344

Finance Leases

The carrying value of plant and equipment held under finance leases at 30 June 2019 was $58,196 (2018: $55,857). Additions during the year include $21,004 (2018: Nil) of plant and equipment under finance lease.

8. EXPLORATION AND EVALUATION EXPENDITURE

	2019 $	2018 $
(a) Areas of Interest		
SOP Project	2,276,736	2,276,736
Carrying amount at end of year, net of impairment[1]	2,276,736	2,276,736
(b) Reconciliation		
Carrying amount at start of year	2,276,736	2,276,736
Impairment losses	-	-
Carrying amount at end of year net of impairment [1]	2,276,736	2,276,736

Notes:
[1] The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

SOP Project

Salt Lake holds a number of large salt lake brine projects (Projects) in Western Australia and the Northern Territory, each having potential to produce highly sought after Sulphate of Potash (SOP) for domestic and international fertiliser markets.

9. TRADE AND OTHER PAYABLES

	2019 $	2018 $
Trade creditors	5,111,915	1,372,190
Accrued expenses	2,326,553	111,364
Employee obligations	271,122	136,973
	7,709,590	1,620,527

Terms and conditions of the above financial liabilities:

– Trade payables are non-interest bearing and are normally settled on 30-day terms.

10. PROVISIONS

	2019 $	2018 $
Current Provisions		
Annual Leave	79,368	57,462
Non-Current Provisions		
Mine Rehabilitation[1]	711,885	-

[1]Salt Lake has recognised the need to provide for the costs of rehabilitating the land at Lake Way associated with the first phase of the Lake Way evaporation ponds up to and including 30 June 2019. As the Company currently expenses items associated with AASB 6, the provision has been expensed until such point as the Company finalises its decision to mine once the Bankable Feasibility Study is completed, at which point costs associated with the project, including future rehabilitation costs, will be capitalised.

11. CONTRIBUTED EQUITY

	2019 $	2018 $
Share Capital		
245,137,865 (30 June 2018: 175,049,596) Ordinary Shares	**155,917,578**	123,501,153
	155,917,578	123,501,153

(a) Movements in Ordinary Shares During the Past Two Years Were as Follows:

		Number of Ordinary Shares	Issue Price $	$
01-Jul-18	**Opening Balance**	**175,049,596**		**123,501,153**
16-Nov-18	Placement	29,035,714	0.42	12,195,000
20-Nov-18	Placement	214,286	0.42	90,000
31-Dec-18	Share issue [1]	268,604	0.50	134,300
09-Jan-19	Placement	1,702,381	0.42	715,000
15-May-19	Exercise of options	750,000	0.40	300,000
14-Jun-19	Placement	25,476,000	0.54	13,757,040
18-Jun-19	Placement	12,024,000	0.54	6,492,960
18-Jun-19	Share issue[1]	617,284	0.54	333,333
Jul-18 to Jun-19	Share issue costs	-	-	(1,601,208)
30-Jun-19	**Closing balance**	**245,137,865**		**155,917,578**
01-Jul-17	**Opening Balance**	**175,007,596**		**123,484,561**
18-Aug-17	Share issue [1]	42,000	0.44	18,476
Jul-17 to Jun-18	Share issue costs	-	-	(1,884)
30-Jun-18	**Closing balance**	**175,049,596**		**123,501,153**

Notes:
[1] Shares issued to key consultants of the Company in lieu of fees.

11. CONTRIBUTED EQUITY (Continued)

(b) Rights Attaching to Ordinary Shares:

The rights attaching to fully paid Ordinary Shares (**Ordinary Shares**) arise from a combination of the Company's Constitution, statute and general law.

Ordinary Shares issued following the exercise of Unlisted Options in accordance with Note 12(c) or Performance Shares in accordance with Note 12(d) or Performance Rights in accordance with Note 12(e) will rank equally in all respects with the Company's existing Ordinary Shares.

Copies of the Company's Constitution are available for inspection during business hours at the Company's registered office. The clauses of the Constitution contain the internal rules of the Company and define matters such as the rights, duties and powers of its shareholders and directors, including provisions to the following effect (when read in conjunction with the Corporations Act 2001 or the listing rules of the ASX and AIM (**Listing Rules**)).

(i) Shares

The issue of shares in the capital of the Company and options over unissued shares by the Company is under the control of the Directors, subject to the Corporations Act 2001, ASX Listing Rules and any rights attached to any special class of shares.

(ii) Meetings of Members

Directors may call a meeting of members whenever they think fit. Members may call a meeting as provided by the Corporations Act 2001. The Constitution contains provisions prescribing the content requirements of notices of meetings of members and all members are entitled to a notice of meeting. A meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of members is two shareholders.

The Company holds annual general meetings in accordance with the Corporations Act 2001 and the Listing Rules.

(iii) Voting

Subject to any rights or restrictions at the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representative more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents.

On a poll each eligible member has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

(iv) Changes to the Constitution

The Company's Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

(v) Listing Rules

Provided the Company remains admitted to the Official List of the ASX, then despite anything in its Constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. The Company's Constitution will be deemed to comply with the Listing Rules as amended from time to time.

12. RESERVES

	Note	2019 $	2018 $
Share-based payments reserve	12(b)	4,273,967	2,105,886
		4,273,967	2,105,886

(a) Nature and Purpose of Reserves

(i) Share-based payments reserve

The share-based payments reserve is used to record the fair value of Unlisted Options, Performance Rights and Performance Shares issued by the Group.

(b) Movements in the share-based payments reserve during the past two years were as follows:

		Number of Performance Rights	Number of Performance Shares	Number of Unlisted Options	$
01-Jul-18	**Opening Balance**	**5,400,000**	**22,500,000**	**4,400,000**	**2,105,886**
02-Nov-18	Issue of Performance Rights	7,266,258	-	-	-
02-Nov-18	Issue of Incentive Options	-	-	5,000,000	-
31-Dec-18	Issue of Performance Rights	10,781,258	-	-	-
31-Dec-18	Cancellation/Expiry of Performance Rights	(2,352,500)	-	-	(984,383)
31-Dec-18	Issue of Incentive Options	-	-	2,450,000	-
31-Dec-18	Expiry of Performance Shares	-	(5,000,000)	-	-
15-May-19	Exercise of Incentive Options	-	-	(750,000)	-
30-Jun-19	Cancellation of Performance Rights	(150,000)	-	-	(32,273)
Jul-18 to Jun-19	Share based payments expense	-	-	-	3,184,737
30-Jun-19	**Closing balance**	**20,945,016**	**17,500,000**	**11,100,000**	**4,273,967**
01-Jul-17	**Opening Balance**	**4,100,000**	**22,500,000**	**2,500,000**	**821,824**
23-Sep-17	Performance Rights forfeited	(1,000,000)	-	-	-
28-Nov-17	Issue of unlisted options	-	-	1,100,000	-
22-Dec-17	Issue of unlisted options	-	-	800,000	-
22-Dec-17	Issue of Performance Rights	2,300,000	-	-	-
Jul-17 to Jun-18	Share based payments expense	-	-	-	1,284,062
30-Jun-18	**Closing balance**	**5,400,000**	**22,500,000**	**4,400,000**	**2,105,886**

12. RESERVES (Continued)

(c) Terms and Conditions of Unlisted Options

The Unlisted Options are granted based upon the following terms and conditions:

- Each Unlisted Option entitles the holder to the right to subscribe for one Ordinary Share upon the exercise of each Unlisted Option;
- The Unlisted Options outstanding at the end of the financial year have the following exercise prices and expiry dates:
  - 750,000 Unlisted Options exercisable at $0.50 each on or before 29 April 2020;
  - 1,000,000 Unlisted Options exercisable at $0.60 each on or before 29 April 2021;
  - 250,000 Unlisted Options exercisable at $0.40 each on or before 30 June 2021;
  - 500,000 Unlisted Options exercisable at $0.50 each on or before 30 June 2021;
  - 750,000 Unlisted Options exercisable at $0.60 each on or before 30 June 2021;
  - 400,000 Unlisted Options exercisable at $0.70 each on or before 30 June 2021;
  - 1,700,000 Unlisted Options exercisable at $0.60 each on or before 1 November 2023;
  - 2,750,000 Unlisted Options exercisable at $1.00 each on or before 1 November 2023; and
  - 3,000,000 Unlisted Options exercisable at $1.20 each on or before 1 November 2023.
- The Unlisted Options are exercisable at any time prior to the Expiry Date, subject to vesting conditions being satisfied (if applicable);
- Ordinary Shares issued on exercise of the Unlisted Options rank equally with the then Ordinary Shares of the Company;
- Application will be made by the Company to ASX and to the AIM market of the London Stock Exchange for official quotation of the Ordinary Shares issued upon the exercise of the Unlisted Options;
- If there is any reconstruction of the issued share capital of the Company, the rights of the Unlisted Option holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction; and
- No application for quotation of the Unlisted Options will be made by the Company.

(d) Terms and Conditions of Performance Shares

The Convertible Performance Shares (Performance Shares) were granted as part of the consideration to acquire Australia Salt Lake Potash Pty Ltd on the following terms and conditions:

- Each Performance Share will convert into one Ordinary Share upon the satisfaction, prior to the Expiry Date, of the respective Milestone:
  - 7,500,000 Performance Shares subject to Class B Milestone: The announcement by the Company to ASX of the results of a positive Bankable Feasibility Study on all or part of the Project Licences; and
  - 10,000,000 Performance Shares subject to Class C Milestone: The commencement of construction activities for a mining operation on all or part of the Project Licences (including the commencement of ground breaking for the construction of infrastructure and/or processing facilities) following a final investment decision by the Board as per the project development schedule and budget in accordance with the Bankable Feasibility Study, within five years from the date of issue.
- Expiry Date means:
  - in relation to the Class B Performance Shares, 31 December 2019 (amended following Shareholder approval on 11 June 2018); and
  - in relation to the Class C Performance Shares, 5 years from the date of issue (12 June 2020);
- If the Milestone for a Performance Share is not met by the Expiry Date, the total number of the relevant class of Performance Shares will convert into one Ordinary Share per holder;
- The Company shall allot and issue Ordinary Shares immediately upon conversion of the Performance Shares for no consideration;

12. RESERVES (Continued)

(d) Terms and Conditions of Performance Shares (Continued)

- Ordinary Shares issued on conversion of the Performance Shares rank equally with the then Ordinary Shares of the Company;
- In the event of any reconstruction, consolidation or division into (respectively) a lesser or greater number of securities of the Ordinary Shares, the Performance Shares shall be reconstructed, consolidated or divided in the same proportion as the Ordinary Shares are reconstructed, consolidated or divided and, in any event, in a manner which will not result in any additional benefits being conferred on the Performance Shareholders which are not conferred on the Ordinary Shareholders;
- The Performance Shareholders shall have no right to vote, subject to the Corporations Act;
- No application for quotation of the Performance Shares will be made by the Company; and
- The Performance Shares are not transferable.

(e) Terms and Conditions of Performance Rights

The Performance Rights are granted based upon the following terms and conditions:

- Each Performance Right automatically converts into one Ordinary Share upon vesting of the Performance Right;
- Each Performance Right is subject to performance conditions (as determined by the Board from time to time) which must be satisfied in order for the Performance Right to vest;
- The Performance Rights have the following expiry dates:
  - 502,500 Performance Rights subject to the BFS Milestone expiring on 31 December 2019 (amended following Shareholder approval on 11 June 2018);
  - 1,227,500 Performance Rights subject to the Construction Milestone expiring on 30 June 2020; and
  - 1,227,500 Performance Rights subject to the Production Milestone expiring on 30 June 2021.
  - 3,452,500 Performance Rights subject to the Trench Construction Milestone expiring on 1 November 2020.
  - 3,052,500 Performance Rights subject to the Plant Construction Milestone expiring on 1 November 2021.
  - 3,550,000 Performance Rights subject to the Plant Commissioning Milestone expiring on 1 November 2022.
  - 3,550,000 Performance Rights subject to the Nameplate Capacity Milestone expiring on 1 November 2023.
  - 1,300,000 Performance Rights subject to the Schedule Advancement Milestone expiring on 31 December 2021.
  - 1,300,000 Performance Rights subject to the Reduce Capex Milestone expiring on 31 December 2021.
  - 250,000 Performance Rights subject to the Lake Way Approval Milestone expiring on 31 December 2019.
  - 250,000 Performance Rights subject to the Lake Wells Milestone expiring on 31 December 2020.
  - 750,000 Performance Rights subject to the Financing Milestone expiring on 30 June 2020.
  - 532,516 Performance Rights subject to the Short Term Incentive Milestone expiring on 31 December 2019.
- Ordinary Shares issued on conversion of the Performance Rights rank equally with the then Ordinary Shares of the Company;
- Application will be made by the Company to ASX AIM market of the London Stock Exchange for official quotation of the Ordinary Shares issued upon conversion of the Performance Rights;
- If there is any reconstruction of the issued share capital of the Company, the rights of the Performance Right holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction; and
- No application for quotation of the Performance Rights will be made by the Company.

13. STATEMENT OF CASH FLOWS

(a) Reconciliation of the Loss after Tax to the Net Cash Flows from Operations

	2019 $	2018 $
Net loss for the year	(26,896,121)	(11,327,108)
Adjustment for non-cash income and expense items		
Depreciation of plant and equipment	193,630	75,031
Share based payment expense	2,168,081	1,284,062
Shares issued in lieu of fees	134,300	18,476
FX movement on equity settled transactions	(17,441)	-
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(695,764)	84,784
Increase in trade and other payables	6,025,910	280,212
Increase in provisions	753,418	38,281
Net cash outflow from operating activities	(18,333,987)	(9,546,262)

14. EARNINGS PER SHARE

	2019 $	2018 $
The following reflects the income and share data used in the calculations of basic and diluted earnings per share:		
Net loss attributable to the owners of the Company used in calculating basic and diluted earnings per share	(26,896,121)	(11,327,108)

	Number of Shares 2019	Number of Shares 2018
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	195,720,503	175,043,958

(a) Non-Dilutive Securities

As at balance date, 11,100,000 Unlisted Options (which represent 11,100,000 potential Ordinary Shares), 17,500,000 Performance Shares (which represent 17,500,000 potential Ordinary Shares) and 20,945,016 Performance Rights (which represent 20,945,016 potential Ordinary Shares) were considered non-dilutive as they would decrease the loss per share.

(b) Conversions, Calls, Subscriptions or Issues after 30 June 2019

The Company has issued 10,849,115 Ordinary Shares and 18,375,000 Unlisted Options since 30 June 2019.

There have been no other conversions to, calls of, or subscriptions for Ordinary Shares or issues of potential Ordinary Shares since the reporting date and before the completion of this financial report.

15. RELATED PARTIES

(a) Subsidiaries

Name	Country of Incorporation	% Equity Interest 2019 %	% Equity Interest 2018 %
Ultimate parent entity:			
Salt Lake Potash Limited	Australia		
Subsidiaries of Salt Lake Potash Limited			
Australia Salt Lake Potash Pty Ltd (ASLP)	Australia	100	100
Irve Holdings Pty Ltd	Australia	100	-
Two Lake Holdings Pty Ltd	Australia	100	-
SO4 Fertiliser Holdings Pty Ltd	Australia	100	-
Subsidiary of ASLP			
Piper Preston Pty Ltd	Australia	100	100

(b) Ultimate Parent

Salt Lake Potash Limited is the ultimate parent of the Group.

(c) Transactions with Related Parties

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Transactions with Key Management Personnel, including remuneration, are included at Note 16.

16. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

The KMP of the Group during or since the end of the financial year were as follows:

Directors

Mr Ian Middlemas	Chairman
Mr Tony Swiericzuk	Chief Executive Officer (CEO) & Managing Director (appointed 5 November 2018)
Mr Matthew Syme	Non-Executive Director (resigned 23 July 2019)
Mr Mark Pearce	Non-Executive Director
Mr Bryn Jones	Non-Executive Director

(1) Mr Tony Swiericzuk was appointed to the position of CEO & Managing Director on 5 November 2018. At this time, Mr Matthew Syme transitioned into the role of Non-Executive Director.

Other KMP

Mr Shaun Day	Chief Financial Officer (appointed 16 September 2019)
Mr Clint McGhie	Company Secretary (appointed 10 August 2018)
Mr Stephen Cathcart	Project Director – Technical (appointed 6 November 2018)
Mr David Maxton	Chief Operating Officer (resigned 21 December 2018)
Mr Sam Cordin	Company Secretary (resigned 10 August 2018)

Unless otherwise disclosed, the KMP held their position from 1 July 2018 until the date of this report.

	2019 $	2018 $
Short-term employee benefits	1,194,638	726,607
Post-employment benefits	88,172	49,875
Share-based payments	1,239,099	595,394
Total compensation	2,521,909	1,371,876

16. KEY MANAGEMENT PERSONNEL (Continued)

(b) Loans from Key Management Personnel

No loans were provided to or received from Key Management Personnel during the year ended 30 June 2019 (2018: Nil).

(c) Other Transactions

Apollo Group Pty Ltd, a Company of which Mr Mark Pearce is a Director and beneficial shareholder, was paid $100,000 (2018: $150,000) for the provision of serviced office facilities, corporate and administration services until the contract was terminated effective 28 February 2019. The amount was based on a monthly retainer adjusted for expended/consumed items at cost, due and payable in advance, with no fixed term, and was able to be terminated by either party with one month's notice. At 30 June 2019, Nil (2018: $25,000) was included as a current liability in the Statement of Financial Position.

17. PARENT ENTITY DISCLOSURES

	2019 $	2018 $
(a) Financial Position		
Assets		
Current assets	20,219,527	5,929,459
Non-current assets	2,334,973	2,106,089
Total assets	22,554,500	8,035,548
Liabilities		
Current liabilities	7,728,621	1,632,356
Non-current liabilities	830,419	96,454
Total liabilities	8,559,040	1,728,810
Equity		
Contributed equity	155,917,578	123,501,153
Accumulated losses	(146,196,085)	(119,300,301)
Share Based Payments Reserve	4,273,967	2,105,886
Total equity	13,995,460	6,306,738
(b) Financial Performance		
Loss for the year	(26,895,784)	(11,329,214)
Total comprehensive loss	(26,895,784)	(11,329,214)

(c) Other information

The Company has not entered into any guarantees in relation to its subsidiaries.

Refer to Note 21 for details of contingent assets and liabilities.

18. SHARE-BASED PAYMENTS

(a) Recognised Share-based Payment Expense

From time to time, the Group provides incentive Unlisted Options and Performance Rights to officers, employees, consultants and other key advisors as part of remuneration and incentive arrangements. The number of options or rights granted, and the terms of the options or rights granted are determined by the Board. Shareholder approval is sought where required.

In the current and prior year, the Company has also granted shares in lieu of payments to key consultants in accordance with the terms of engagement.

During the past two years, the following equity-settled share-based payments have been recognised:

	2019 $	2018 $
Expenses arising from equity-settled share-based payment transactions relating incentive options and performance rights	2,168,081	1,284,062
Expenses arising from equity-settled share-based payment transactions to suppliers and consultants	134,300	18,476
Total share-based payments recognised during the year	2,302,381	1,302,538

(b) Summary of Unlisted Options and Performance Rights Granted as Share-based Payments

The following Unlisted Options and Performance Rights were granted as share-based payments during the past two years:

Series	Issuing Entity	Security Type	Number	Grant Date	Expiry Date	Exercise Price $	Grant Date Fair Value $
2019							
Series 30	Salt Lake Potash Limited	Options	1,000,000	2-Nov-18	1-Nov-23	0.6	0.219
Series 31	Salt Lake Potash Limited	Options	2,000,000	2-Nov-18	1-Nov-23	1.0	0.159
Series 32	Salt Lake Potash Limited	Options	2,000,000	2-Nov-18	1-Nov-23	1.2	0.139
Series 33	Salt Lake Potash Limited	Options	700,000	31-Dec-18	1-Nov-23	0.6	0.206
Series 34	Salt Lake Potash Limited	Options	750,000	31-Dec-18	1-Nov-23	1.0	0.148
Series 35	Salt Lake Potash Limited	Options	1,000,000	31-Dec-18	1-Nov-23	1.2	0.129
Series 36	Salt Lake Potash Limited	Rights	266,258	2-Nov-18	31-Jul-19	-	0.460
Series 37	Salt Lake Potash Limited	Rights	1,500,000	2-Nov-18	1-Nov-20	-	0.470
Series 38	Salt Lake Potash Limited	Rights	1,500,000	2-Nov-18	1-Nov-21	-	0.470
Series 39	Salt Lake Potash Limited	Rights	2,000,000	2-Nov-18	1-Nov-22	-	0.470
Series 40	Salt Lake Potash Limited	Rights	2,000,000	2-Nov-18	1-Nov-23	-	0.470
Series 41	Salt Lake Potash Limited	Rights	266,258	2-Nov-18	31-Jul-19	-	0.460
Series 42	Salt Lake Potash Limited	Rights	1,982,500	31-Dec-18	1-Nov-20	-	0.460
Series 43	Salt Lake Potash Limited	Rights	1,582,500	31-Dec-18	1-Nov-21	-	0.460
Series 44	Salt Lake Potash Limited	Rights	1,550,000	31-Dec-18	1-Nov-22	-	0.460
Series 45	Salt Lake Potash Limited	Rights	1,550,000	31-Dec-18	1-Nov-23	-	0.460
Series 46	Salt Lake Potash Limited	Rights	1,300,000	31-Dec-18	31-Dec-21	-	0.460
Series 47	Salt Lake Potash Limited	Rights	1,300,000	31-Dec-18	31-Dec-21	-	0.460
Series 48	Salt Lake Potash Limited	Rights	250,000	31-Dec-18	31-Dec-19	-	0.460
Series 49	Salt Lake Potash Limited	Rights	250,000	31-Dec-18	31-Dec-20	-	0.460
Series 50	Salt Lake Potash Limited	Rights	750,000	31-Dec-18	30-Jun-20	-	0.460

18. SHARE-BASED PAYMENTS (Continued)

(b) Summary of Unlisted Options and Performance Rights Granted as Share-based Payments (Cont.)

Series	Issuing Entity	Security Type	Number	Grant Date	Expiry Date	Exercise Price $	Grant Date Fair Value $
2018							
Series 20	Salt Lake Potash Limited	Options	250,000	22-Nov-17	30-Jun-21	0.4	0.284
Series 21	Salt Lake Potash Limited	Options	350,000	22-Nov-17	30-Jun-21	0.5	0.256
Series 22	Salt Lake Potash Limited	Options	500,000	22-Nov-17	30-Jun-21	0.6	0.233
Series 23	Salt Lake Potash Limited	Options	150,000	15-Dec-17	30-Jun-21	0.5	0.228
Series 24	Salt Lake Potash Limited	Options	250,000	15-Dec-17	30-Jun-21	0.6	0.207
Series 25	Salt Lake Potash Limited	Options	400,000	15-Dec-17	30-Jun-21	0.7	0.188
Series 26	Salt Lake Potash Limited	Rights	575,000	15-Dec-17	30-Jun-18	-	0.486
Series 27	Salt Lake Potash Limited	Rights	575,000	15-Dec-17	30-Jun-19	-	0.486
Series 28	Salt Lake Potash Limited	Rights	575,000	15-Dec-17	30-Jun-20	-	0.486
Series 29	Salt Lake Potash Limited	Rights	575,000	15-Dec-17	30-Jun-21	-	0.486

(c) Summary of Unlisted Options and Performance Rights Granted as Share-based Payments

The following table illustrates the number and weighted average exercise prices (WAEP) of Unlisted Options granted as share-based payments at the beginning and end of the financial year:

Unlisted Options	2019 Number	2019 WAEP	2018 Number	2018 WAEP
Outstanding at beginning of year	4,400,000	$0.54	2,500,000	$0.51
Granted by the Company during the year	7,450,000	$0.99	1,900,000	$0.57
Forfeited/cancelled/lapsed/exercised	(750,000)	$0.48	-	-
Outstanding at end of year	11,100,000	$0.84	4,400,000	$0.54
Exercisable at end of year	3,650,000	$0.56	3,500,000	$0.51

The following table illustrates the number and weighted average exercise prices (WAEP) of Performance Rights granted as share-based payments at the beginning and end of the financial year:

Performance Rights	2019 Number	2019 WAEP	2018 Number	2018 WAEP
Outstanding at beginning of year	5,400,000	-	4,100,000	-
Granted by the Company during the year	18,047,516	-	2,300,000	-
Forfeited/cancelled/lapsed/expired	(2,502,500)	-	(1,000,000)	-
Outstanding at end of year	20,945,016	-	5,400,000	-

(d) Weighted Average Remaining Contractual Life

At 30 June 2019, the weighted average remaining contractual life of Unlisted Options on issue that had been granted as share-based payments was 3.48 years (2018: 2.39 years) and of Performance Rights on issue that had been granted as share-based payments was 2.42 years (2018: 1.75 years).

18. SHARE-BASED PAYMENTS (Continued)

(e) Range of Exercise Prices

At 30 June 2019, the range of exercise prices of Unlisted Options on issue that had been granted as share-based payments was $0.60 to $1.20 (2018: $0.40 to $0.70). Performance Rights have no exercise price.

(f) Weighted Average Fair Value

The weighted average fair value of Unlisted Options granted as share-based payments by the Group during the year ended 30 June 2019 was $0.161 (2018: $0.231) and of Performance Rights granted as share-based payments was $0.463 (2018: $0.486).

(g) Option and Performance Right Pricing Models

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Binomial option valuation model taking into account the terms and conditions upon which the Unlisted Options were granted. The fair value of Performance Rights granted is estimated as at the date of grant based on the underlying share price (being the five day volume weighted average share price prior to issuance).

The table below lists the inputs to the valuation model used for share options and Performance Rights granted by the Group in the current and prior year:

2019

Inputs	Series 30	Series 31	Series 32
Options			
Exercise price	$0.60	$1.00	$1.20
Grant date share price	$0.470	$0.470	$0.470
Dividend yield [1]	-	-	-
Volatility [2]	70%	70%	70%
Risk-free interest rate	2.32%	2.32%	2.32%
Grant date	2-Nov-18	2-Nov-18	2-Nov-18
Expiry date	1-Nov-23	1-Nov-23	1-Nov-23
Expected life of option [3]	5.00 years	5.00 years	5.00 years
Fair value at grant date	$0.219	$0.159	$0.139

Inputs	Series 33	Series 34	Series 35
Options			
Exercise price	$0.60	$1.00	$1.20
Grant date share price	$0.460	$0.460	$0.460
Dividend yield [1]	-	-	-
Volatility [2]	70%	70%	70%
Risk-free interest rate	2.10%	2.10%	2.10%
Grant date	31-Dec-18	31-Dec-18	31-Dec-18
Expiry date	1-Nov-23	1-Nov-23	1-Nov-23
Expected life of option [3]	4.84 years	4.84 years	4.84 years
Fair value at grant date	$0.206	$0.148	$0.129

Notes:

[1] The dividend yield reflects the assumption that the current dividend payout will remain unchanged.

[2] The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

[3] The expected life of the options is based on the expiry date of the options as there is limited track record of the early exercise of options.

18. SHARE-BASED PAYMENTS (Continued)

(g) Option and Performance Right Pricing Models (Continued)

Inputs	Series 36	Series 37	Series 38	Series 39	Series 40
Milestones	Short Term Incentive	Trench/Pond Construction	Plant Construction	Plant Commissioning	Nameplate Capacity
Performance Rights					
Exercise price	-	-	-	-	-
Grant date share price	$0.470	$0.470	$0.470	$0.470	$0.470
Grant date	2-Nov-18	2-Nov-18	2-Nov-18	2-Nov-18	2-Nov-18
Expiry date	31-Jul-19	1-Nov-20	1-Nov-21	1-Nov-22	1-Nov-23
Expected life [1]	0.74 years	2.00 years	3.00 years	4.00 years	5.00 years
Fair value at grant date [2]	$0.470	$0.470	$0.470	$0.470	$0.470

Inputs	Series 41	Series 42	Series 43	Series 44	Series 45
Milestones	Short Term Incentive	Trench/Pond Construction	Plant Construction	Plant Commissioning	Nameplate Capacity
Performance Rights					
Exercise price	-	-	-	-	-
Grant date share price	$0.460	$0.460	$0.460	$0.460	$0.460
Grant date	31-Dec-18	31-Dec-18	31-Dec-18	31-Dec-18	31-Dec-18
Expiry date	31-Jul-19	1-Nov-20	1-Nov-21	1-Nov-22	1-Nov-23
Expected life [1]	0.58 years	1.84 years	2.84 years	3.84 years	4.84 years
Fair value at grant date [2]	$0.460	$0.460	$0.460	$0.460	$0.460

Inputs	Series 46	Series 47	Series 48	Series 49	Series 50
Milestones	Advanced Schedule	Reduced Capex	Lake Way Application	Lake Wells Application	Financing Milestone
Performance Rights					
Exercise price	-	-	-	-	-
Grant date share price	$0.460	$0.460	$0.460	$0.460	$0.460
Grant date	31-Dec-18	31-Dec-18	31-Dec-18	31-Dec-18	31-Dec-18
Expiry date	31-Dec-21	31-Dec-21	31-Dec-19	31-Dec-20	30-Jun-20
Expected life [1]	3.00 years	3.00 years	1.00 years	2.00 years	1.50 years
Fair value at grant date [2]	$0.460	$0.460	$0.460	$0.460	$0.460

Notes:

1 The expected life of the Performance Rights is based on the expiry date of the performance rights as there is limited track record of the early conversion of performance rights.

2 The fair value of Performance Rights granted is estimated as at the date of grant based on the underlying share price (being the closing share price at the date of issuance).

19. AUDITORS' REMUNERATION

The auditor of Salt Lake Potash Limited is Ernst and Young.

	2019 $	2018 $
Amounts received or due and receivable by Ernst and Young for:		
- an audit or review of the financial report of the entity and any other entity in the consolidated group	29,854	25,000
- tax and other advisory services	11,566	8,188
	41,420	33,188

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Overview

The Group's principal financial instruments comprise receivables, payables, finance leases, cash and short-term deposits. The main risks arising from the Group's financial instruments are credit risk, liquidity risk and interest rate risk. The Group's financial assets and liabilities are held at amortised cost.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Other than as disclosed, there have been no significant changes since the previous financial year to the exposure or management of these risks.

The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. Key risks are monitored and reviewed as circumstances change (e.g. acquisition of a new project) and policies are revised as required. The overall objective of the Group's financial risk management policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

Given the nature and size of the business and uncertainty as to the timing and amount of cash inflows and outflows, the Group does not enter into derivative transactions to mitigate the financial risks. In addition, the Group's policy is that no trading in financial instruments shall be undertaken for the purposes of making speculative gains. As the Group's operations change, the Directors will review this policy periodically going forward.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing the Group's financial risks as summarised below.

(b) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents and trade and other receivables.

There are no significant concentrations of credit risk within the Group. The carrying amount of the Group's financial assets represents the maximum credit risk exposure, as represented below:

	2019 $	2018 $
Financial assets		
Cash and cash equivalents	19,304,075	5,709,446
Trade and other receivables	923,036	227,273
	20,227,111	5,936,719

With respect to credit risk arising from cash and cash equivalents, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Where possible, the Group invests its cash and cash equivalents with banks that are rated the equivalent of investment grade and above. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit Risk (Continued)

The Group does not have any significant customers and accordingly does not have significant exposure to bad or doubtful debts.

Trade and other receivables comprise interest accrued and GST refunds due. Where possible the Consolidated Entity trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. At 30 June 2019, none (2018 none) of the Group's receivables are past due.

(c) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due. At 30 June 2019 and 2018, the Group had sufficient liquid assets to meet its financial obligations.

The contractual maturities of financial liabilities, including estimated interest payments, are provided below. There are no netting arrangements in respect of financial liabilities.

	≤6 Months $	6-12 Months $	1-5 Years $	≥5 Years $	Total $
2019 **Group**					
Financial Liabilities					
Finance lease	9,515	9,515	39,166	-	58,196
Trade and other payables	7,709,590	-	-	-	7,709,590
	7,719,105	9,515	39,166	-	7,767,786
2018 **Group**					
Financial Liabilities					
Finance lease	5,914	5,915	38,992	-	50,821
Trade and other payables	1,620,527	-	-	-	1,620,527
	1,626,441	5,915	38,992	-	1,671,348

(d) Interest Rate Risk

The Group did not have any long-term borrowing or long term deposits as at 30 June 2019 (2018: Nil), which would expose it to significant cash flow interest rate risk.

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk.

(e) Capital Management

The Group defines its Capital as total equity of the Group, being $14,708,374 as at 30 June 2019 (2018: $7,019,989). The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while financing the development of its projects through primarily equity based financing. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Given the stage of development of the Group, the Board's objective is to minimise debt and to raise funds as required through the issue of new shares.

The Group is not subject to externally imposed capital requirements.

There were no changes in the Group's approach to capital management during the year. During the next 12 months, the Group will continue to explore project financing opportunities, primarily consisting of additional issues of equity.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(f) Fair Value

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in active markets.
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

At 30 June 2019 and 30 June 2018, the carrying value of the Group's financial assets and liabilities approximate their fair value.

21. CONTINGENT ASSETS AND LIABILITIES

(i) Contingent Assets

The Group has undertaken research and development (R&D) activities during the years ended 30 June 2018 and 30 June 2019. It is expected that these activities will be eligible for an R&D tax incentive paid by the Australian Taxation Office. Whilst the Company is yet to quantify the claim in respect of these years, it anticipates lodging claims prior to 31 December 2019 and recognising the tax incentive as revenue upon receipt.

As at the date of this report, no other contingent assets had been identified in relation to the 30 June 2019 financial year.

(ii) Contingent Liability

As at the date of this report, no contingent liabilities had been identified in relation to the 30 June 2019 financial year.

22. COMMITMENTS

Management have identified the following material commitments for the consolidated group as at 30 June 2019 and 30 June 2018:

	2019 $	2018 $
Finance Lease commitments		
Within one year	19,030	11,829
Later than one year but not later than five years	39,166	38,992
	58,196	50,821

	2019 $	2018 $
Operating Lease commitments		
Within one year	169,346	200,018
Later than one year but not later than five years	66,680	113,416
	236,026	313,434

22. COMMITMENTS (Continued)

	2019 $	2018 $
Exploration commitments		
Within one year	5,193,242	1,896,500
Later than one year but not later than five years	4,713,776	-
	9,907,018	1,896,500

23. EVENTS SUBSEQUENT TO BALANCE DATE

(i) On 23 July 2019, Salt Lake Potash announced the acquisition of a strategic package of tenements and other key assets for the Lake Way Project from Blackham Resources Limited. A placement to raise A$7.4 million at $0.70 per share to fund the majority of the acquisition consideration was also announced.

(ii) On 23 July 2019, Mr Matthew Syme resigned as Non-Executive Director.

(iii) On 5 August 2019, the Company announced that it had mandated Taurus Funds Management to provide up to US$150m staged project financing for the Lake Way Project, and the stage 1 Facility has been partly drawn down.

Other than as above, as at the date of this report there are no matters or circumstances which have arisen since 30 June 2019 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2019, of the Consolidated Entity;
- the results of those operations, in financial years subsequent to 30 June 2019, of the Consolidated Entity; or
- the state of affairs, in financial years subsequent to 30 June 2019, of the Consolidated Entity.

In accordance with a resolution of the Directors of Salt Lake Potash Limited:

1. In the opinion of the Directors:

   (a) the attached financial statements, notes and the additional disclosures included in the Directors' report designated as audited, are in accordance with the Corporations Act 2001, including:

      (i) section 296 (compliance with accounting standards and Corporations Regulations 2001); and
      (ii) section 297 (gives a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the consolidated group); and

   (b) subject to matters stated in note 1(a), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1(a) to the financial statements.

3. The Directors have been given a declaration required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2019.

On behalf of the Board

Tony Swiericzuk
Chief Executive Officer

27 September 2019

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Auditor's Independence Declaration to the Directors of Salt Lake Potash Limited

As lead auditor for the audit of the financial report of Salt Lake Potash Limited for the financial year ended 30 June 2019, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Salt Lake Potash Limited and the entities it controlled during the financial year.

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Ernst & Young

T S Hammond
Partner
27 September 2019

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Independent auditor's report to the members of Salt Lake Potash Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Salt Lake Potash Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2019 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1(a) in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

1. Exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
As disclosed in Note 8, the Group held exploration and evaluation expenditure assets of $2,276,736 as at 30 June 2019. The carrying value of exploration and evaluation expenditure assets is assessed for impairment by the Group when facts and circumstances indicate that the exploration and evaluation assets may exceed their recoverable amount. The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgements including whether the Group has tenure, intends to perform ongoing exploration and evaluation activity and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. During the year, the Group determined that there had been no indicators of impairment. Given the size of the balance and the judgmental nature of impairment indicator assessments associated with exploration and evaluation assets, we consider this a key audit matter.	In performing our procedures, we: ▸ Considered the Group's right to explore in the relevant exploration area, which included obtaining and assessing supporting documentation such as license agreements and correspondence with relevant government agencies ▸ Considered the Group's intention to carry out further exploration and evaluation activity in the relevant exploration area, which included an assessment of the Group's cash flow forecast model and discussions with senior management as to the intentions and strategy of the Group ▸ Assessed recent exploration and evaluation activity in the relevant licence area to determine if there are any negative indicators that would suggest a potential impairment of the asset, and ▸ Assessed the adequacy of the disclosure included in the financial report.

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2. Share-based payments

Why significant	How our audit addressed the key audit matter
As disclosed in Note 18, in the current year, the Group granted share-based payment awards in the form of performance rights and options. The awards vest subject to the achievement of vesting conditions. In determining the share-based payments expense, the Group uses assumptions in respect of the achievement of future non-market performance conditions. Due to the complexity and judgmental estimates used in determining the valuation of the share-based payments and vesting period, we considered the Group's calculation of the share-based payments expense to be a key audit matter.	For awards granted or vesting during the year, in performing our procedures, we: ▶ Assessed the methodology used by the Group to determine the fair value of the award ▶ Assessed, with the assistance of valuation specialists, the assumptions used in the Group's fair value determination including the share price of the underlying equity, volatility, grant date, dividend yield, expected life and performance conditions ▶ Assessed the vesting period assumptions and probability of achievement ▶ Tested that the expense was recognised over the vesting period, and ▶ Assessed the adequacy of the disclosure included in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2019 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Salt Lake Potash Limited for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst + Young

Ernst & Young

T S Hammond
Partner
Perth
27 September 2019

TH:CT:SLP:016

CORPORATE GOVERNANCE

The Company believes corporate governance is a critical pillar on which business objectives and, in turn, shareholder value must be built. The Board of Salt Lake has adopted a suite of charters and key corporate governance documents which articulate the policies and procedures followed by the Company.

These documents are available in the Corporate Governance section of the Company's website, www.so4.com.au/corporate-governance/.These documents are reviewed at least annually to address any changes in governance practices and the law.

The Company's 2019 Corporate Governance Statement, which is current as at 30 June 2019 and has been approved by the Company's Board, explains how Salt Lake complies with the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 3rd Edition' in relation to the year ended 30 June 2019. The Corporate Governance Statement is available in the Corporate Governance section of the Company's website, www.so4.com.au/corporate-governance/ and will be lodged with ASX (and other exchanges the Company has a listing on) together with an Appendix 4G at the same time that this Annual Report is lodged.

In addition to the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 3rd Edition' the Board has taken into account a number of important factors in determining its corporate governance policies and procedures; including the:

- relatively simple operations of the Company, which currently only undertakes mineral exploration and development activities;
- cost verses benefit of additional corporate governance requirements or processes;
- size of the Board;
- Board's experience in the resources sector;
- organisational reporting structure and number of reporting functions, operational divisions and employees;
- relatively simple financial affairs with limited complexity and quantum;
- relatively moderate market capitalisation and economic value of the entity; and
- direct shareholder feedback.

Salt Lake Potash's Mineral Resource Statement as at 30 June 2019 is reported by Lake, all of which are located in Western Australia. To date, no Ore Reserves have been reported for these deposits.

Annual Review of Mineral Resources

In July 2018, the Company reported its maiden resource covering the Blackham tenements at Lake Way. A significant extension of the Mineral Resource Estimate at Lake Way was subsequently announced in March 2019 following completion of an exploration program across the 'whole of the lake''. The Mineral Resource Estimate for Lake Way is divided into resource classifications that are controlled by the host geological units:

- Lake Bed Sediment
- Paleovalley Sediment
- Paleochannel Basal Sands

In April 2019, the Joint Ore Reserves Committee (JORC) adopted the AMEC Brine Guidelines requiring that the principal porosity measurement for brine Minerals Resource Estimate is the specific yield (Sy) or drainable porosity. Brines by their nature are not a static resource as they are subject to groundwater movement, dilution and concentration over time. Accordingly, the Company believes that reporting both total and drainable porosity allows the reflection of this dynamic resource environment, including the consideration of the recharge and physical diffusion impacts on the mine plan and production output. The Lake Way Mineral Resource Estimate is reported in accordance with the AMEC Brine Guidelines.

The Company has previously reported a resource estimate for the Lake Wells Project using total porosity measurement. The Lake Wells resource is no longer able to be reported following the adoption of the AMEC Brine Guidelines by JORC as further work is required to enable the Company to report the resource estimate using drainable porosity. Accordingly, the previous resource estimate for Lake Wells is not reported in this Annual Review of Mineral Resources as at 30 June 2018 or 30 June 2019.

30 June 2019

	Total Volume	Brine Concentration			Mineral Tonnage Calculated from Total Porosity			Mineral Tonnage Calculated from Drainable Porosity		
		K	**Mg**	**SO_4**	**Total Porosi -ty**	**Brine Volume**	**SOP Tonnage**	**Drainable Porosity**	**Brine Volume**	**SOP Tonnage**
	(Mm^3)	**(kg/m^3)**	**(kg/m^3)**	**(Kg/m^3)**		**(Mm^3)**	**(Mt)**		**(Mm^3)**	**(Mt)**
Lake Way										
Measured										
North Lakebed (0.4-8.0 m)	1,060	6.8	8.0	27.6	0.42	445	6.8	0.11	117	1.8
Williamson Pit	1.26	11.4	14.7	48.0					1.26	0.03
Sub-Total							**6.8**			**1.83**
Indicated										
Basal Sands (Paleochannel)	686	6.1	8.2	25.0	0.40	274	**3.7**	15	103	**1.4**
Inferred										
South Lakebed (0.4-8.0 m)	316	6.8	8.0	27.6	0.42	133	2.0	0.11	35	0.5
Lakebed (8m to Base)	9,900	6.8	8.0	27.6	0.40	3,960	60.0	0.03	297	4.5
			Sub-Total				**62.0**			**5.0**
						Total	**72.5**			**8.23**

Governance

The Company engages external consultants and Competent Persons (as determined pursuant to the JORC Code 2012) to prepare and estimate the Mineral Resources. Management and the Board review these estimates and underlying assumptions for reasonableness and accuracy. The results of the Mineral Resource estimates are then reported in accordance with the requirements of the JORC Code 2012 and other applicable rules (including ASX Listing Rules).

Where material changes occur during the year to the project, including the project's size, title, exploration results or other technical information, previous resource estimates and market disclosures are reviewed for completeness.

The Company reviews its Mineral Resources as at 30 June each year. A revised Mineral Resource estimate will be prepared as part of the annual review process where a material change has occurred in the assumptions or data used in previously reported Mineral Resources. However, there are circumstances where this may not be possible (e.g. an ongoing drilling programme), in which case a revised Mineral Resource estimate will be prepared and reported as soon as practicable.

Competent Person Statement – Mineral Resource Statement

The information in this Mineral Resource Statement that relates to Mineral Resources is based on, and fairly represents, information compiled by Mr Ben Jeuken, a Competent Person, who is a member Australian Institute of Mining and Metallurgy. Mr Jeuken is employed by Groundwater Science Pty Ltd, an independent consulting company. Mr Jeuken has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Jeuken has approved the Mineral Resource Statement as a whole and consents to its inclusion in the form and context in which it appears.

1. TWENTY LARGEST HOLDERS OF LISTED SECURITIES

The names of the twenty largest holders of listed securities as at 31 August 2019 are listed below:

Name	Number of Ordinary Shares	Percentage of Ordinary Shares
COMPUTERSHARE CLEARING PTY LTD	54,256,532	21.26
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	35,245,178	13.81
CITICORP NOMINEES PTY LIMITED	13,968,993	5.47
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	11,882,741	4.66
ARREDO PTY LTD	11,750,000	4.60
ARGONAUT SECURITIES (NOMINEES) PTY LTD	6,641,300	2.60
HOWITT MGMT PTY LTD	4,620,001	1.81
MR NEIL DAVID IRVINE	4,000,000	1.57
ELLISON (WA) PTY LTD	3,980,000	1.56
ARLINGTON INVESTMENT HOLDINGS LIMITED	3,960,000	1.55
MR MARK STUART SAVAGE	3,600,000	1.41
AWJ FAMILY PTY LTD	3,020,000	1.18
HOPETOUN CONSULTING PTY LTD	3,000,000	1.18
MR TERRY PATRICK COFFEY & HAWKES BAY NOMINEES LIMITED	2,290,889	0.90
AEGEAN CAPITAL PTY LTD	2,107,749	0.83
AROIDA INVESTMENTS PTY LTD	2,019,177	0.79
PILLING & CO STOCKBROKERS LTD	2,018,721	0.79
ROSEBERRY HOLDINGS PTY LTD	2,000,000	0.78
ARGONAUT SECURITIES (NOMINEES) PTY LTD	2,000,000	0.78
APOLLO GROUP PTY LTD	2,000,000	0.78
Total Top 20	**174,361,281**	**68.31**
Others	81,625,699	31.69
Total Ordinary Shares on Issue	**255,236,980**	**100.00**

2. DISTRIBUTION OF EQUITY SECURITIES

An analysis of numbers of holders of listed securities by size of holding as at 31 August 2019 is listed below:

	Ordinary Shares	
Distribution	Number of Shareholders	Number of Ordinary Shares
1 – 1,000	1,108	321,470
1,001 – 5,000	494	1,225,421
5,001 – 10,000	227	1,800,145
10,001 – 100,000	409	16,125,730
More than 100,000	165	235,764,214
Totals	**2,403**	**255,236,980**

There were 901 holders of less than a marketable parcel of Ordinary Shares.

3. VOTING RIGHTS

See Note 11(b) of the Notes to the Financial Statements.

4. SUBSTANTIAL SHAREHOLDERS

Substantial holders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are as follows:

Distribution	Number of Ordinary Shares
Lombard Odier Asset Management (Europe) Limited	35,047,501
FIL Limited	21,756,973

5. UNQUOTED SECURITIES

Performance Shares		
Holder	Performance Shares Subject to Bankable Feasibility Study Milestone (Class B) expiring 31-Dec-19	Performance Shares Subject to Construction Milestone (Class C) expiring 12-Jun-20
JBJF Management Pty Ltd	2,550,000	3,400,000
Mr Aharon Arakel & Mrs Ida Arakel	2,475,000	3,300,000
Howitt MGMT Pty Ltd	2,310,000	3,080,000
Others (less than 20%)	165,000	220,000
Total	**7,500,000**	**10,000,000**
Total holders	*4*	*4*

Unlisted Options						
Holder	Unlisted Options exercisable at $0.50 29-Apr-20	Unlisted Options exercisable at $0.60 29-Apr-21	Unlisted Options exercisable at $0.40 30-Jun-21	Unlisted Options exercisable at $0.50 30-Jun-21	Unlisted Options exercisable at $0.60 30-Jun-21	Unlisted Options exercisable at $0.70 30-Jun-21
Hopetoun Consulting Pty Ltd	750,000	1,000,000	-	-	-	-
JJB Advisory Limited	-	-	250,000	350,000	500,000	-
Mr Sapan Ghai	-	-	-	100,000	150,000	250,000
Mr Hannes Huster	-	-	-	-	100,000	150,000
Others (less than 20%)	-	-	-	50,000	-	-
Total	**750,000**	**1,000,000**	**250,000**	**500,000**	**750,000**	**400,000**
Total holders	*1*	*1*	*1*	*3*	*3*	*2*

Unlisted Options			
Holder	Unlisted Options exercisable at $0.60 01-Nov-23	Unlisted Options exercisable at $1.00 01-Nov-23	Unlisted Options exercisable at $1.20 01-Nov-23
Mr Tony Swiericzuk	1,000,000	2,000,000	2,000,000
Others (less than 20%)	700,000	750,000	1,000,000
Total	**1,700,000**	**2,750,000**	**3,000,000**
Total holders	*4*	*4*	*4*

As at 31 August 2019, there are 20,412,500 Performance Rights issued under an employee incentive scheme.

6. ON-MARKET BUY BACK

There is currently no on-market buyback program for any of Salt Lake Potash Limited's listed securities.

7. EXPLORATION INTERESTS

Summary of Exploration and Mining Tenements held as at 31 August 2019

Project	Status	License Number	Interest (%) 31-Aug-19
Western Australia			
Lake Way			
Central	Granted	E53/1878	100%
East	Application	E53/2057	100%
South	Granted	E53/1897	100%
South	Application	E53/2059	100%
South	Application	E53/2060	100%
West	Application	L53/208	100%
Central	Application	M53/1102	100%
Lake Wells			
Central	Granted	E38/2710	100%
South	Granted	E38/2821	100%
North	Granted	E38/2824	100%
Outer East	Granted	E38/3055	100%
Single Block	Granted	E38/3056	100%
Outer West	Granted	E38/3057	100%
North West	Granted	E38/3124	100%
West	Granted	L38/262	100%
East	Granted	L38/263	100%
South West	Granted	L38/264	100%
South	Granted	L38/287	100%
South Western	Granted	E38/3247	100%
South	Granted	M38/1278	100%
Central	Application	E38/3380	100%
Lake Ballard			
West	Granted	E29/912	100%
East	Granted	E29/913	100%
North	Granted	E29/948	100%
South	Granted	E29/958	100%
South East	Granted	E29/1011	100%
South East	Granted	E29/1020	100%
South East	Granted	E29/1021	100%
South East	Granted	E29/1022	100%
South	Application	E29/1067	100%
South	Application	E29/1068	100%
East	Application	E29/1069	100%
North	Application	E29/1070	100%
Lake Irwin			
West	Granted	E37/1233	100%
Central	Granted	E39/1892	100%
East	Granted	E38/3087	100%
North	Granted	E37/1261	100%
Central East	Granted	E38/3113	100%
South	Granted	E39/1955	100%
North West	Granted	E37/1260	100%
South West	Granted	E39/1956	100%
Lake Minigwal			
West	Granted	E39/1893	100%
East	Granted	E39/1894	100%
Central	Granted	E39/1962	100%
Central East	Granted	E39/1963	100%
South	Granted	E39/1964	100%
South West	Granted	E39/1965	100%
Lake Marmion			
North	Granted	E29/1000	100%
Central	Granted	E29/1001	100%
South	Granted	E29/1002	100%
West	Granted	E29/1005	100%
West	Application	E29/1069	100%
Lake Noondie			
North	Granted	E57/1062	100%
Central	Granted	E57/1063	100%
South	Granted	E57/1064	100%
West	Granted	E57/1065	100%
East	Granted	E36/932	100%
Lake Barlee			
North	Granted	E30/495	100%
Central	Granted	E30/496	100%
South	Granted	E77/2441	100%
Lake Raeside			
North	Granted	E37/1305	100%
Lake Austin			
North	Application	E21/205	100%
West	Application	E21/206	100%
East	Application	E58/529	100%
South	Application	E58/530	100%
South West	Application	E58/531	100%
Lake Moore			
Central	Granted	E59/2344	100%
Northern Territory			
Lake Lewis			
South	Granted	EL 29787	100%
North	Granted	EL 29903	100%

8. COMPETENT PERSONS STATEMENTS

The information in this report that relates to Mineral Resources is extracted from the announcement entitled 'Significant High-Grade SOP Resource Delineated at Lake Way' dated 18 March 2019. This announcement is available to view on www.so4.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 Australasian Institute of Mining and Metallurgy (AusIMM) 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 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.

The information in the Annual Report 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 the Annual Report that relates to the Process Plant, Non-Process Infrastructure and Capital and Operating Costs is extracted from the report entitled 'Exceptional Economics of Commercial Scale Development at Lake Way' dated 13 June 2019. This announcement is available to view on www.so4.com.au. The information in the original ASX Announcement that related to Process Plant, Non-Process Infrastructure and Capital and Operating Costs was based on, and fairly represents information compiled by Mr Peter Nofal, who is a fellow of AusIMM. Mr Nofal is employed by Wood, an independent consulting company. Mr Nofal 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.

9. PRODUCTION TARGET

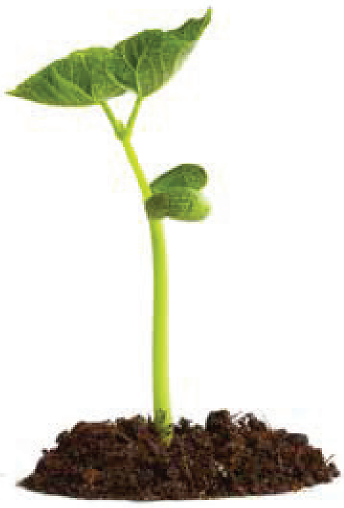
The Lake Way 200ktpa Production Target stated in this presentation is based on the Company's Scoping Study as released to the ASX on 13 June 2019. The information in relation to the Production Target that the Company is required to include in a public report in accordance with ASX Listing Rule 5.16 and 5.17 was included in the Company's ASX Announcement released on 13 June 2019. The Company confirms that the material assumptions underpinning the Production Target referenced in the 13 June 2019 release continue to apply and have not materially changed.

10. FORWARD LOOKING STATEMENTS

This report contains ‘forward-looking information’ that is based on the Company’s expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to pre-feasibility and bankable feasibility studies, the Company’s business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as ‘outlook’, ‘anticipate’, ‘project’, ‘target’, ‘potential’, ‘likely’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘would’, ‘could’, ‘should’, ‘scheduled’, ‘will’, ‘plan’, ‘forecast’, ‘evolve’ and similar expressions. Persons reading this news release are cautioned that such statements are only predictions, and that the Company’s actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in Schedule 2 of the Company’s Notice of General Meeting and Explanatory Memorandum dated 8 May 2015.

SALT LAKE
POTASH LTD

GROW WITH US.



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