

COMPLETION OF STAGE 2 ON-LAKE CONSTRUCTION

Salt Lake Potash Limited (SO4 or the Company) is pleased to announce the completion of construction of the Stage 2 evaporation ponds and trench network at its Lake Way SOP Project in Wiluna, Western Australia. This is a significant construction milestone and represents a further significant de-risking of the project. Construction progress continues to track in-line with the project schedule.

HIGHLIGHTS

- The Company has now completed construction of 400ha of evaporation ponds and 35km of brine abstraction trenches.
- Stage 2 includes 275ha of brine evaporation ponds which will provide feed salts to the process plant in 2021.
- Focus has now shifted to construction of the process plant as well as other non-process infrastructure, where ground clearing and early stage civil activity has commenced.
- The Project remains on-track to commence plant commissioning in December 2020, with first SOP sales in the March'21 quarter.

TONY SWIERICZUK, Chief Executive Officer

“The rapid delivery of the Lake Way SOP Project continues. Completion of the Stage 2 ponds, ahead of schedule and on budget, means the Company now has the infrastructure in place to supply harvest salts to the process plant in 2021. As these key milestones are completed the project continues to be significantly de-risked with expected first SOP production now just 10 months away”

ENQUIRIES

Tony Swiericzuk | Richard Knights

Telephone: +61 (8) 6559 5800

This announcement has been authorised for release by the Board of Directors.

STAGE 2 COMPLETED & COMMISSIONED

The Stage 2 pond network, comprising of 275ha of evaporation pond area and 35km of brine extraction trenches has been completed and is being commissioned. The commissioning process has seen in excess of 600ML of brine pumped into the Stage 2 ponds.



Figure 1: Stage 2 pond filling with brine



Figure 2: First brine filling Stage 2 ponds



Figure 3: Stage 2 ponds precipitating salts



Figure 4: Stage 2 evaporation pond network



Figure 5: Stage 2 ponds filling with lake brine



Figure 6: Stage 2 ponds precipitating first salts

The completed Stage 1 & 2 ponds now span 400ha.



Figure 7: Stage 1, Stage 2 and planned ponds

In addition to the ponds, 35km of trenches have now been completed.



Figure 8: Trench network, sump intersection



Figure 9: Trench construction

The draining of high-grade ($25\text{kg}/\text{m}^3$ SOP) brine from the Williamson Pit is also nearing completion.



Figure 10: Williamson Pit de-watering nearing completion

Following completion of Stage 2, the construction team has shifted focus to the process plant and village where clearing and early civil work has commenced.



Figure 11: Early stage civils at processing plant site



Figure 12: Early stage civils at processing plant and village site

PROJECT REMAINS ON SCHEDULE AND BUDGET

January and February 2020 has seen various inclement weather events at Lake Way, which are typical for this time of the year. These events have not materially impacted our construction activities or project timeline, and our ponds are operating in accordance with design.

SO4 is using a staged approach to pond construction that aligns with the process plant ramp-up schedule and steady-state production requirements, enabling some initial capital expenditure to be deferred for a period of up to 12 months. Stage 3 on-lake work expected to commence in Q4'20.

As part of financing ongoing operations the Company has drawn down US\$45m from the Taurus Stage 1 facility, ahead of expected finalisation of Project funding in the coming months.



Figure 13: Project workstream timeline

Vesting of Performance Rights

Following completion of the Stage 2 evaporation ponds and brine extraction trenches, the Board has resolved that the relevant trench and pond milestone has been satisfied and approximately 4.2m performance rights have vested.

APPENDIX A – COMPETENT PERSON STATEMENT AND DISCLAIMER

Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources for Lake Way is extracted from the announcement entitled 'Outstanding Bankable Feasibility Results for Lake Way' dated 11 October 2019. This announcement is available to view on www.so4.com.au. The information in the original ASX Announcement that related to Exploration Results and Mineral Resources was based on, and fairly represents, information compiled by Mr Ben Jeuken, who is a member of the Australasian Institute of Mining and Metallurgy and a member of the International Association of Hydrogeologists. Mr Jeuken is employed by Groundwater Science Pty Ltd, an independent consulting company. Mr Jeuken has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Salt Lake Potash Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. Salt Lake Potash Limited confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on Salt Lake Potash Limited's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Salt Lake Potash Limited, which could cause actual results to differ materially from such statements. Salt Lake Potash Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.