ASX ANNOUNCEMENT
21 May 2020

PALEOCHANNEL BORE EXHIBITS STRONG FLOW RATES AND HIGH GRADES

Salt Lake Potash Limited (SO4 or the Company) is pleased to announce positive results from the pumping of its paleochannel brine extraction bore at Lake Way.

HIGHLIGHTS

- Pumping of the initial brine extraction bore drilled into the Lake Way paleochannel delivered flow rates of 18 litres per second with a consistent Potassium grade of 7,100mg per litre (15.9kg/m^3 SOP), sustained over a 17 day period.
- The results are significantly above average flow rates used in the Bankable Feasibility Study (BFS) of 8 litres per second (per bore) and average interpolated brine grades within the paleochannel of 6,100mg per litre (13.7kg/m^3 SOP).
- Drawdown of brine observed in monitoring bores located next to the pumping bore aligned with hydrogeological assumptions used in the BFS.
- The response to pumping observed in a monitoring bore 1.6 km away indicates continuity of the aquifer, whilst brine samples also indicate a consistent grade within this zone of the paleochannel.
- Two additional brine extraction bores have been completed along the paleochannel with pumping expected to commence in the near term. In each case the primary basal sand aquifer was encountered in line with our geological model prediction.

TONY SWIERICZUK, Chief Executive Officer

"Strong results from pumping our first brine abstraction bore validates work undertaken as part of the BFS and highlights the value of the paleochannel resource which will be a significant contributor of brine supply to our ponds over the life of the project."

ENQUIRIES

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This announcement has been authorised for release by the Managing Director, Mr Tony Swiericzuk.

PALEOCHANNEL DRILLING

In April SO4 commenced drilling its first brine extraction bore into the paleochannel basal sands at Lake Way.

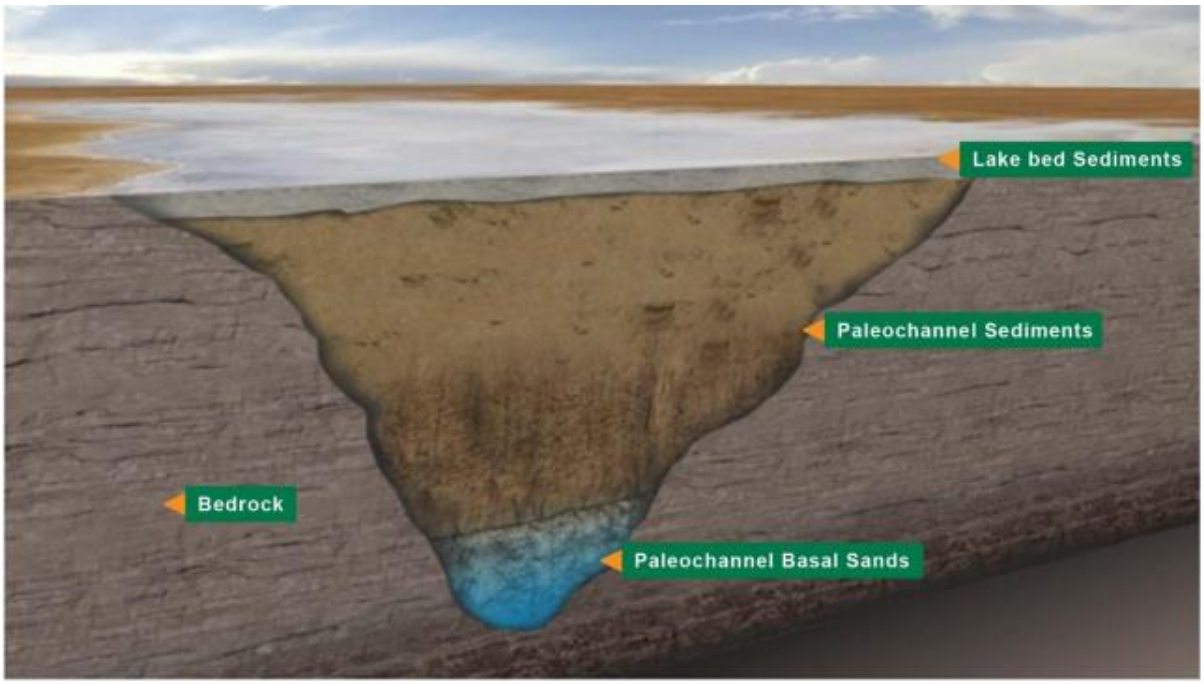

Figure 1: Lake Way cross section

The bore was located at Pad 17 (Figure 3) with two monitoring bores also drilled adjacent. Test pumping was sustained over a 17 day period.

Figure 2: Airlift development at Pad 17

During the test pumping brine samples were taken every 24 hours. Potassium and Sulphate grades were consistent throughout, averaging 7,100mg per litre and 29,700mg per litre respectively (15.9kg/m^3 SOP). The 17 day duration of the test and constant pumping rate of 18 litres per second was sufficient to stress the aquifer and to model the longterm aquifer response to pumping.

Brine levels were measured in all three bores at Pad 17 and also in a monitoring bore at Pad 21 approximately 1.6km to the North.

Drawdown observed in the monitoring bores located at Pad 17 demonstrated that brine flow is sourced from lateral flow within the basal sand aquifer as well as from downward vertical leakage from the overlying paleovalley clays. This is consistent with modelling assumptions set out in the BFS.

Furthermore, drawdown was observed in the monitoring bore at Pad 21, indicating a strong continuity of flow and grade within this zone of the paleochannel. A brine sample taken from the monitoring bore at Pad 21 reported a grade of 7,230mg per litre Potassium (16.2kg/m^3) and 29,500 mg per litre Sulphate, consistent with that seen at Pad 17.

In the months ahead SO4 will drill and test pump further brine extraction bores along the Eastern side of Lake Way. During May bores have been completed at Pads 8 and 21, with test pumping expected to be completed in the near term. In each case the primary basal sand aquifer was encountered in line with our geological model prediction.

Bore Name	Drilled Depth (m)	Casing Diameter (mm)	Intersected and Screened Interval (mbgl)	Modelled Sand interval	Easting	Northing	Elevation (mahd)
Pad 17: Pumping	113	255	94.4 – 112.4	92.5 – 111	239817	7040119	491
Pad 17: Deep Monitoring	115	153	95 - 113	92.5 – 111	239804	7040107	491
Pad 17: Shallow Monitoring	72	50	66.2 – 72.2	92.5 – 111	239812	7040119	491
Pad 21: Deep Monitoring	114	255	93 - 111	90.5 – 109	238761	7041336	493
Pad 8: Deep Monitoring	114	153	99 - 111	88 - 104	251766	7028264	492

Note: Drilled depth equates to end of hole and all holes are vertical.

Table 1: Paleochannel drilling summary

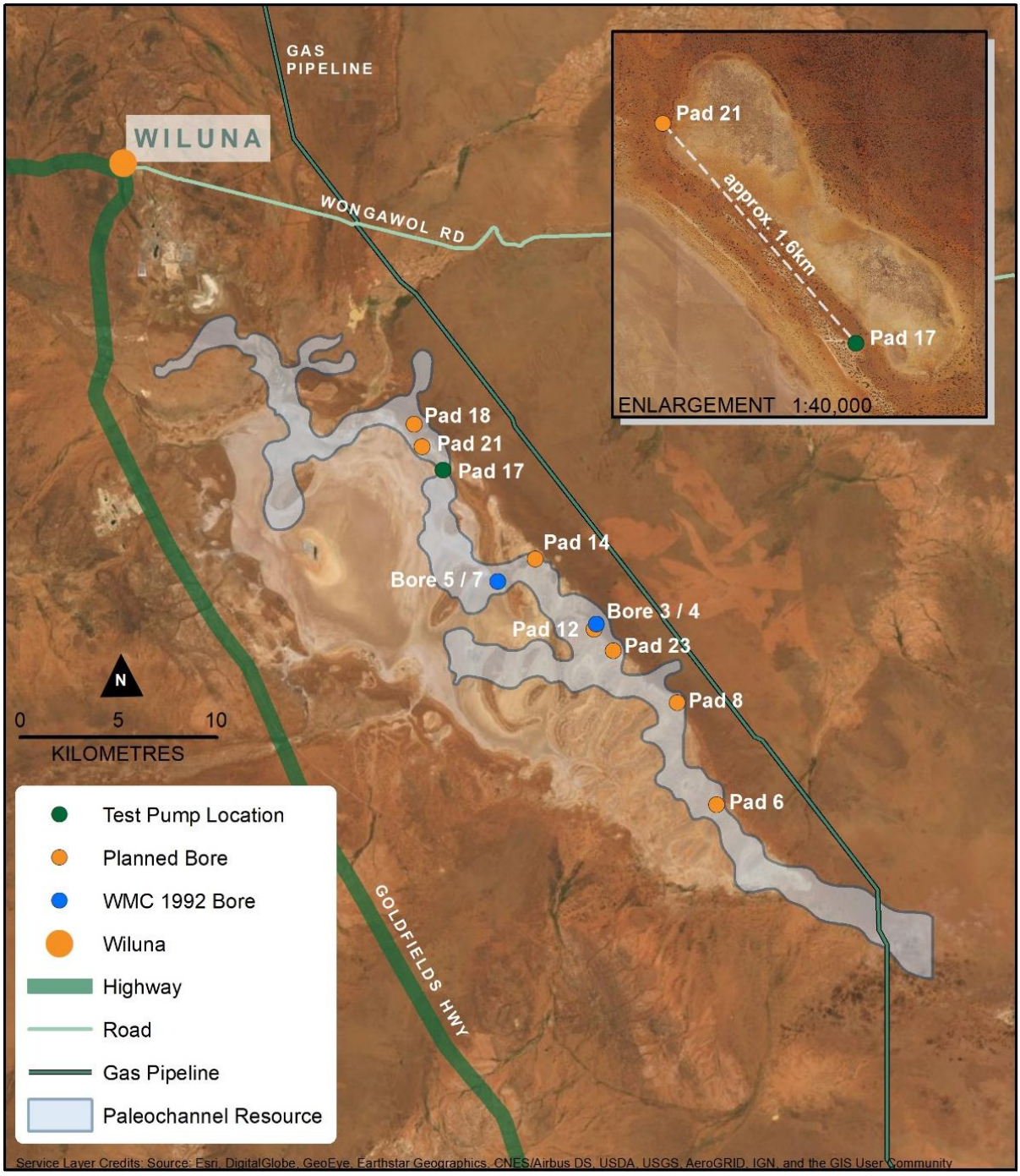

Figure 3: Paleochannel drilling programme planned bore locations

APPENDIX A – COMPETENT PERSON STATEMENT AND DISCLAIMER

Competent Persons Statement

The information in this announcement that relates to Exploration Results for Lake Way is 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'. Mr Jeuken consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on Salt Lake Potash'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, which could cause actual results to differ materially from such statements. Salt Lake Potash 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.

APPENDIX B - JORC CODE, 2012 EDITION – TABLE 1

Section 1 – Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample presentively and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done, this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Drill cuttings were sampled every 2m. The mud rotary method used means that the samples are only considered representative of the geology which is sufficient for the purposes of planning the construction of the brine pumping bore in this instance. A brine sample and duplicate were taken from every bore after development. Brine samples and duplicates were taken from the pumping bore at 1 hour after pumping commenced, 24 hours after pumping commenced and every 24 hours for the remainder of the test duration. Samples were taken manually from a sampling valve on the side of the pump headworks. Prior to taking the sample the bottle was rinsed with brine from the pumping bore. Samples were analysed for K, Mg, Ca, Na, Cl, SO_4, HCO_3, NO_3, pH, TDS and specific gravity. Test pumping entailed pumping from 90m below ground level (4m above the top of the screens) using a submersible electric pump. Water levels in the pumping bore and monitoring bores were measured manually and by pressure transducers with barometric pressure and brine density correction.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	Mud rotary drilling was used in all cases. The pumping bore at Pad 17 and the monitoring bore at Pad 21 were drilled to 113m - 114m depth at 15" diameter and completed with 10" PVC casing and wire wrap screens. 18m of screen were placed in the Pad 17 bore from 94.5mbgl to 112.5mbgl and in the Pad 21 bore from 93 – 111mbgl. The annulus was gravel packed with 1.6 – 3.2mm washed gravel from total depth to 10m above the screens a cement plug was installed from 74mbgl to 84mbgl and the bore backfilled with gravel to surface where a 6m sanitary cement seal was emplaced. The deep monitoring bores at Pads 17 and 8 were drilled to 114m – 115m depth at a diameter of 9 7/8" and cased with 6" slotted and blank PVC, the bore was gravel packed to the surface using 1.6 – 3.2mm washed gravel. A 6 m sanitary cement seal was emplaced at the surface. The clay monitoring bore was drilled to 73.5mbgl to a diameter of 6". It was completed with 6m of 50mm PVC screen at the base (66.2mbgl to 72.2mbgl) - and blank 50mm PVC to surface. The bore was gravel packed with 1.6 – 3.2mm washed gravel and a neat cement seal with 5% bentonite was installed via tremmie between 52 and 62m.

Criteria	JORC Code explanation	Commentary
		All bores were developed using airlift techniques including surging until the discharge was clear of drill muds and sand.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Drill cutting were collected at the top of the hole using a sieve every 2m. Chip trays were also completed for future reference. The sample provides an indication of the lithology only. There is not a relationship between the geology and brine grade. Flow and grade cannot be sampled during drilling when the mud rotary method is used.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged.	The geological logging is sufficient for the purposes of identifying variations in sand/ clay and silt fraction within the paleochannel lithology. For a brine abstraction project, the key parameters are the hydraulic conductivity and storativity of the host rock, which will be determined during test pumping of the trenches. The logging is qualitative. The entire bore depth was logged in every case.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	Not applicable, mud rotary drilling. Not applicable, cutting sampled at the borehead only. The brine samples were taken after airlift development when each bore was clear of drilling mud and residual sand. Brine samples and duplicates were taken during the test pumping at approximately 11am each day of the test pump in order to identify any variation in brine grade during the test pump duration. All the samples taken were incorporated into a rigorous QA / QC program in which Standards and Duplicates were taken. The samples were taken in sterile plastic bottles of 125ml or 250ml capacity. The samples were labelled with the alphanumeric code Y20001, Y80002 ...etc.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	The brine samples were sent to Bureau Veritas Laboratories in Perth, WA with the duplicates being held by SO4. Every 10th duplicate was sent to Intertek, an alternate laboratory for comparison purposes. No analysis was undertaken with geophysical tools. QA/ QC procedures are considered acceptable for this type exploration and sampling.

Criteria	JORC Code explanation	Commentary
	• Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	Not applicable for brine sampling. Not applicable, however monitoring bores have been drilled to measure changes in water levels during test pumping. All sampling and assaying is well documented and contained on SO4's internal database. No adjustments have been made to assay data.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	All coordinates were collected by handheld GPS. The grid system is the Australian National Grid Zone MGA 51 (GDA 94). There is no specific topographic control as the depth of the hole is determined by the intersection of the target horizon and the end of the hole by the basement contact.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	The results provided represent a single point. However, when this data point is incorporated with previous resource declarations it confirms previous assumptions and results. The data spacing and degree of grade continuity is not sufficient to upgrade the current resource estimate, however it does confirm the current estimate. Sample compositing not applicable.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The target aquifers are contained within paleovalleys incised into the granitic or greenstone basement. There are no structural controls that impact brine flow within the basal sand aquifer. Geological influence on the brine is limited to the aquifer parameters of the host rock, namely the hydraulic conductivity, total porosity and storativity.
Sample security	• The measures taken to ensure sample security.	SO4 field geologists were responsible for bagging and tagging brine samples prior to shipping to the BV lab in Perth and the SO4 offices. The security measures for the material and type of sampling at hand was appropriate.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	No audits or reviews of sampling techniques and data have been undertaken.

Section 2 – Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Bore Pads 17, 21 and 8 are on E53/1878. All tenure is granted to Piper Preston Pty Ltd, a wholly owned subsidiary of Salt Lake Potash Limited.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	There has been significant mineral exploration on and around Lake Way. The primary source for the information is the publicly available Western Australian Mineral Exploration (WAMEX) report data base. The majority of previous work has been concerned with investigating the bedrock and calcrete for gold and uranium, and it is of limited value in defining the stratigraphy of the lakebed sediments. The data has been shown to be useful in the determination of the top of the paleochannel basal sand and for the calibration of the passive seismic data. Some bores drilled by WMC in 1992 for the Mt Keith mine water supply have proved useful in determining paleochannel grade and aquifer parameters.
Geology	• Deposit type, geological setting and style of mineralisation.	The deposit is a paleochannel brine deposit lying beneath the eastern shore of Lake Way. The lake and paleochannel setting is typical of a Western Australian palaeovalley environment. Ancient hydrological systems have incised palaeovalleys into Archaean basement rocks, which were then infilled by Tertiary-aged sediments typically comprising a coarse-grained fluvial basal sand overlaid by palaeovalley clay with some coarser grained interbeds. The clay is overlaid by recent Cainozoic material including lacustrine sediment, calcrete, evaporite and aeolian deposits.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • downhole length and interception depth	Bore coordinates and elevations were located using a hand held GPS which is sufficient for this type of exploration activity. All bores are vertical. Total drilled depths, basal sand interceptions and screened intervals are included in a table in the text for the abstraction bores and deep monitoring bores. The screened interval is also stated for the clay monitoring bores.

Criteria	JORC Code explanation	Commentary
	• hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	No cut off grade is stated. No data aggregation has been undertaken.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The chemical analysis from the test pumping has shown the that the brine resource is consistent and continuous within this section of paleochannel. The unit is flat lying and the intersected thickness of the basal sands is equivalent to the vertical depth and the thickness of mineralisation.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	All location maps and sections are contained within the body of the report.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	A summary of the brine grade results is included in the report.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock	All material exploration data has been reported.

Criteria	JORC Code explanation	Commentary
	characteristics; potential deleterious or contaminating substances.	
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Ongoing drilling and test pumping of further bores within the programme. All approved future locations are shown on maps included in the report.