

PROCESS PLANT CONTRACTS AWARDED

Salt Lake Potash Limited (SO4 or the Company) is pleased to announce that it has awarded EPC and EPCM contracts to GR Engineering Services Ltd (GRES) for construction of the Process Plant and Non-Process Infrastructure (NPI) at its Lake Way Project. These contracts combined represent more than 40% of the total project capital requirement.

HIGHLIGHTS

- The Engineering, Procurement and Construction (EPC) contract involves the provision of plant, labour, materials and construction services for the process plant and NPI valued at A\$85m.
- The Engineering, Procurement and Construction Management (EPCM) contract involves the provision of services for the engineering, procurement and construction management for areas of the process plant and NPI, valued at A\$22m.
- Terms and risk allocation within the contracts have been approved by the Company's debt partner.
- Following substantial progress in detailed engineering and vendor procurement, the Project capital budget has increased marginally from A\$254m to A\$264m, including an unallocated A\$18m contingency.
- Bulk earthworks for the site is now complete, while major vendor procurement is 77% complete and offsite fabrication activities are substantially progressed.
- Construction of the permanent 100-person village was completed in April, with an additional 160 rooms also now complete in preparation for construction ramp up.
- The EPCM and EPC contracts are conditional on financial close and GRES continue to advance project delivery under the existing early services arrangement.

TONY SWIERICZUK, Chief Executive Officer

"We are very pleased to have executed these contracts with GRES who have been a critical contracting partner by our side throughout the design development of the Lake Way processing plant and off-lake infrastructure since early 2019. The finalisation of these major Project contracts and the substantial engineering and procurement activity to date has further de-risked the Lake Way Project execution and confidence around the capital budget."

ENQUIRIES

Tony Swiericzuk | Richard Knights Telephone: +61 (8) 6559 5800

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

PROCESS PLANT DESIGN & CAPITAL BUDGET

The process plant has been designed by both GRES and Wood plc. It is a simple reverse flotation, conversion and re-crystallisation process utilising well-established technology

As part of the detailed engineering undertaken since completion of the Bankable Feasibility Study (BFS) in October 2019, which now sits at over 85% complete, as well as the negotiated contract risk allocation undertaken with GRES, the Company has agreed a revised capital budget of A\$264m, a A\$10m increase to the published BFS capital budget. The revised A\$264m budget includes an A\$18m contingency allowance.

Bulk earthworks for the process plant site are now complete, while major vendor procurement is 77% complete and offsite fabrication activities are substantially progressed. The Project remains on schedule for first sales in Q1, 2021.

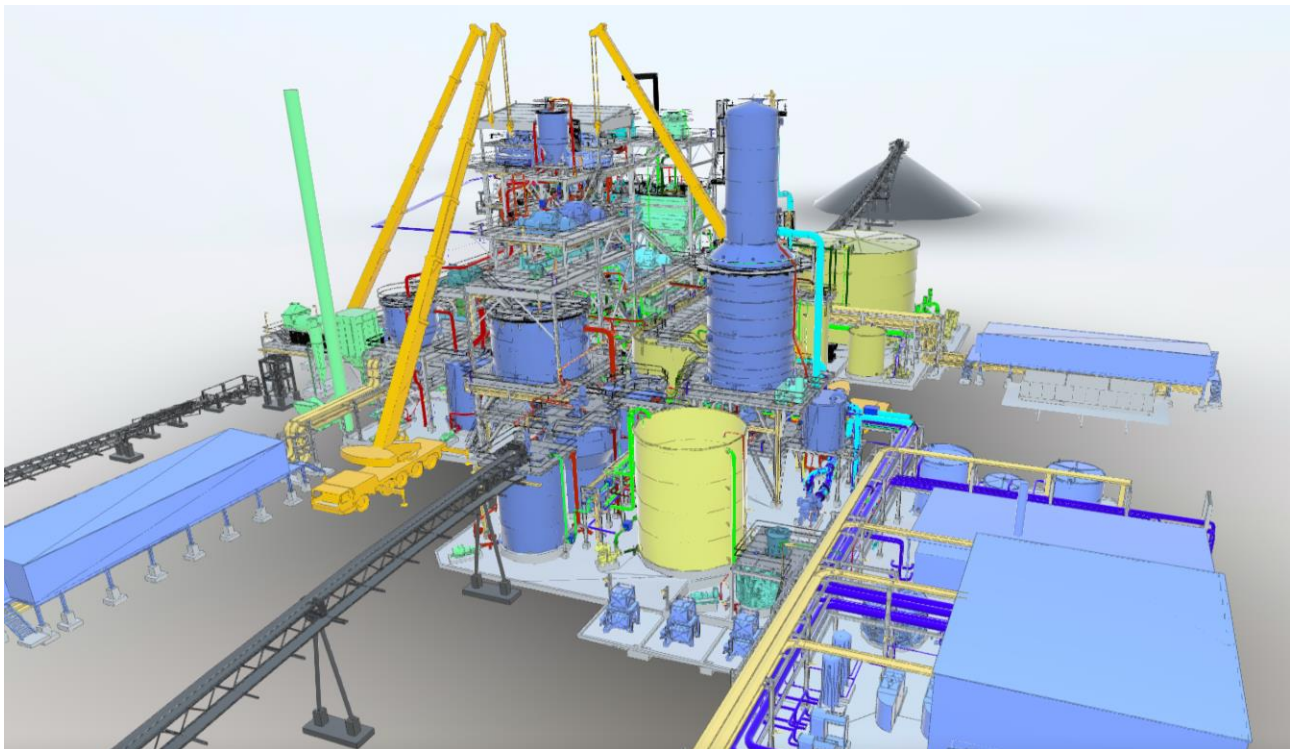


Figure 1: Wood Process Plant Design



Figure 2: SO4 CEO Tony Swiericzuk and GRES Managing Director Geoff Jones signing agreements

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.