



Announcement Summary

Entity name

SALT LAKE POTASH LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday July 2, 2020

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
n/a	Convertible Notes with a face value of \$1.00 each	15,000,000

Proposed +issue date

Monday July 6, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

SALT LAKE POTASH LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

98117085748

1.3 ASX issuer code

SO4

1.4 The announcement is

New announcement

1.5 Date of this announcement

Thursday July 2, 2020

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

 Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Friday August 21, 2020	<input checked="" type="checkbox"/> Estimated	

Comments

Shareholder approval will be sought for the conversion of Convertible Notes to be issued to Equatorial Resources Limited to raise AUD10m.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

 New class

Will the proposed issue of this +security include an offer of attaching +securities?

 No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

 No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

 No**ASX +Security Code**

New class-code to be confirmed

+Security Description

Convertible Notes with a face value of \$1.00 each

**+Security Type**

Convertible Debt Securities

Maximum Number of +securities proposed to be issued

15,000,000

Purpose of the issue

To enable the Company to continue to deliver the Lake Way Project to schedule. The funds will be used primarily on Lake Way Project development, including Process Plant procurement, construction and ongoing operation of Stage 1 & 2 Evaporation Ponds.

Offer price details for retail security holders**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

What is the issue price per +security?

AUD 1.00000

Will all the +securities issued in this class rank equally in all respects from their issue date? No**Oversubscription & Scale back details****May a scale back be applied to this event?** No**If some of the issued +securities do not rank equally****Is the actual date from which the +securities will rank equally (non-ranking end date) known?** No**Provide the estimated non-ranking end period**

21 August 2020

Please state the extent to which the +securities do not rank equally:

- In relation to the next dividend, distribution or interest payment; or
- For any other reason

The conversion of 10m (out of 15m) Convertible Notes into ordinary shares is subject to Shareholder Approval at a meeting expected to be held in August 2020.

Convertible Debt +Securities details

These securities are:

Convertible

Type of security

Convertible Bond

+Security Currency

AUD - Australian Dollar

Face Value

AUD 1.0000

Interest Rate Type

Zero Coupon



Frequency of Coupon/Interest Payments Per Year

No Payments

s128F of the Income Tax Assessment Act status applicable to the security

Not applicable

Is the security Perpetual (ie. No maturity)?

No

Maturity Date

Wednesday June 30, 2021

Is the Security Subordinated?

No

Is the Security Secured?

No

Select other features applicable to the security

None of the above

Is a First Trigger Date on which conversion, redemption, call or put can occur (whichever is first) applicable?

No

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of +security

SO4 : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

First Trigger Date upon shareholder approval (if applicable)

Part 7C - Timetable

7C.1 Proposed +issue date

Monday July 6, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes



7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Agreement to issue up to 16,666,666 on conversion pursuant to listing rule 7.1.

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Argonaut (Financial Advisor)

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

5% on funds introduced and \$50,000 management fee.

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue