



**Salt Lake Potash Limited**  
**ACN 117 085 748**

## **Prospectus**

**This Prospectus is being issued for an offer of 1,000 Shares at an issue price of \$0.40 per Share.**

**This Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act, to remove trading restrictions on Shares issued prior to the Closing Date.**

**This is an important document and requires your immediate attention. It should be read in its entirety. If you are in doubt about what to do, you should consult your professional adviser without delay.**

**The Shares offered in connection with this Prospectus are of a speculative nature.**

## Table of contents

<b>Important Information</b>	<b>3</b>
<b>Corporate Directory</b>	<b>4</b>
<b>Indicative Timetable</b>	<b>5</b>
<b>1. Details of the Offer</b>	<b>6</b>
<b>2. Risk factors</b>	<b>11</b>
<b>3. Effect of the Offer</b>	<b>22</b>
<b>4. Additional information</b>	<b>24</b>
<b>5. Authorisation</b>	<b>34</b>
<b>6. Glossary of Terms</b>	<b>35</b>

# Important Information

## Prospectus

This Prospectus is dated 11 February 2021 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus). The Company will apply for Official Quotation by ASX of the Shares offered by this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Ground Floor, 239 Adelaide Terrace, Perth WA 6000, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 4.3). The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares under the Offer can only be submitted on an original Application Form which accompanies this Prospectus.

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 2 of this Prospectus.

These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Definitions of certain terms used in this Prospectus are contained in Section 6. All references to currency are to Australian dollars and all references to time are to WST unless otherwise indicated. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

# Corporate Directory

## Directors

Ian Middlemas  
Tony Swiericzuk  
Matthew Bungey  
Bryn Jones  
Philip Montgomery  
Peter Thomas

Chairman  
Managing Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director

## Company Secretary

Clint McGhie

## Registered and Principal Office

Ground Floor, 239 Adelaide Terrace  
Perth WA 6000  
Phone: (08) 6559 5800  
Fax: (08) 6559 5820  
Email: [info@so4.com.au](mailto:info@so4.com.au)  
Website: <https://www.so4.com.au>

## Share Registry\*

Link Market Services Limited  
QV1 Building  
Level 12, 250 St Georges Terrace  
Perth WA 6000

## Lawyers

HWL Ebsworth Lawyers  
Level 20, 240 St Georges Terrace  
Perth WA 6000

## Auditor\*

Ernst & Young  
11 Mounts Bay Road  
Perth WA 6000

\* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

## Indicative Timetable

Event	Date
Lodgement of Prospectus with ASIC and ASX	11 February 2021
Lodgement of Appendix 3B with ASX	11 February 2021
Opening Date of Offer	11 February 2021
Closing Date of Offer	12 February 2021

These dates are indicative only and subject to change. Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.

## **1. Details of the Offer**

### **1.1 Summary of the Offer**

The Company is offering, pursuant to this Prospectus 1,000 Shares at an issue price of \$0.40 each to raise \$400 (before costs) (**Offer**).

The Offer will only be extended to specific parties unrelated to the Company on invitation of the Directors. An Application Form will only be provided by the Company to these parties, together with a copy of this Prospectus.

Shares issued under the Offer will be issued as fully paid ordinary shares and will rank equally in all respects with the existing Shares on issue. Refer to Section 4.1 for a summary of the rights and liabilities attaching to the Shares under the Offer.

### **1.2 Purpose of the Offer**

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5) within 5 days of the date of issue of the securities. Section 708A(11) of the Corporations Act provides another exemption from the general requirement under section 707(3) where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
  - (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
  - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued;
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

The primary purpose of this Prospectus is to comply with section 708A(11) of the Corporations Act to remove any trading restrictions that attach to Shares issued by the Company prior to the Closing Date, so that subscribers of those Shares may, if they choose to, sell those Shares (as applicable) within twelve months from the date of their issue without the issue of a prospectus. These include any other Shares the Company may issue between the date of this Prospectus and the Closing Date (including but not limited to any Shares issued upon the exercise of Options or conversion of Performance Rights).

Apart from the issue of Shares outlined in Section 1.1, no other securities will be issued under the Offer. The Company does however intend to issue up to 5,025,000 Shares (**Capital Raising Shares**) under a placement to certain Directors of the Company and 500,000 Shares to an employee in recognition of 500,000 Performance Rights which vested prior to their expiry date (**Employee Shares**). The Company received Shareholder approval for the issue of the Capital Raising Shares at the general meeting of the Company held on 22 January 2021. This Prospectus will 'cleanse' any future on-sale of the Capital Raising Shares and the Employee Shares.

The Shares issued under the Offer will be issued under the Company's existing placement capacity under Listing Rule 7.1. The Company will raise up to \$400 under the Offer (before costs). The total estimated expenses of the Offer are approximately \$15,128 and will be paid by the Company from its cash reserves.

### 1.3 **Closing Date**

The Closing Date for the Offer is 12 February 2021. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to vary the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

### 1.4 **Minimum subscription**

There is no minimum subscription for the Offer.

### 1.5 **Application Forms**

The Offer is being extended to investors who are invited by the Company to subscribe for Shares and is not open to the general public. The Company may determine in its discretion whether to accept any or all of the Applications.

Applications must be made using the Application Form provided with a copy of this Prospectus. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

Completed Application Forms, together with application monies, must be received by the Company prior to the Closing Date. Application Forms should be delivered to the Company in accordance with the instructions on the Application Form. If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of the Shares under the Offer.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form is final.

### 1.6 **Issue and dispatch**

Subject to the Corporations Act and the Listing Rules, the Company intends to issue the Shares under the Offer as soon as practicable after the Closing Date. Shareholder statements will be dispatched as soon as possible after the issue of the Shares under the Offer.

### **1.7 Application Monies held on trust**

All Application Monies received for the Shares under the Offer will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

### **1.8 ASX quotation**

Application will be made to ASX no later than 7 days after the date of this Prospectus for official quotation of the Shares under the Offer. If permission is not granted by ASX for the Official Quotation of the Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

### **1.9 CHESS**

The Company participates in the Clearing House Electronic Sub-Register System, known as CHESS, operated by ASX Settlement Pty Limited (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares. If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will set out the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by Link Market Services Limited and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

### **1.10 Residents outside Australia**

This Prospectus and any accompanying Application Form do not, and are not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### **1.11 Risk factors**

An investment in Shares of the Company should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are detailed in Section 2.



### 1.12 **Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Shares under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders or potential investors. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

### 1.13 **Major activities and financial information**

A summary of the major activities and financial information relating to the Company can be found in the Company's Interim Financial Report for the half year ended 31 December 2019 lodged with ASX on 13 March 2020 (**Half Yearly Report**) and annual financial report for the year ended 30 June 2020 lodged with ASX on 28 September 2020 (**Annual Report**). The Company has made continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Half Yearly Report and Annual Report.

Copies of the Half Yearly Report and Annual Report are available free of charge from the Company. The Directors strongly recommend that Applicants review these documents and all other announcements prior to deciding whether or not to participate in the Offer.

### 1.14 **Existing activities of the Company**

The Company is developing a series of primary Sulphate of Potash (**SOP**) operations across the West Australian goldfields. The Company plans to produce premium SOP from extracting hypersaline brine from salt lakes, transporting the brine in a series of solar evaporation ponds to produce potassium-rich harvest salts which can then be converted in SOP for the domestic and international markets.

Initial development efforts are focused on the Lake Way project (**Lake Way Project**) which is now substantially progressed, with the first sales expected in the second quarter of 2021. The Lake Way Project is located in the Goldfields region of Western Australia, 15km south of Wiluna.

On 5 August 2020, the Company announced it had executed a \$203,000,000 (US\$138,000,000) debt financing package and launched a fully underwritten equity placement and accelerated non-renounceable offer for \$98,500,000 to complete the construction of the Lake Way Project on schedule.

On 11 December 2020, the Company announced that it had received binding commitments for a share placement to raise \$52,000,000, enabling the first drawdown of US\$105,000,000 under the debt financing package. The Company also completed a share purchase plan raising a further \$8,000,000.

As at 31 December 2020, the process plant at the Lake Way Project was 88% complete (on an earned value basis). The overall Project however was 81% complete.

Approximately 27kt of potassium rich kainite and schoenite salts have been harvested for commissioning plant feed from the train 1 cells. Process plant commissioning is expected to commence in February 2021 with the introduction of first feed salts to the plant in March 2021.

#### **1.15 Privacy**

Applicants will be providing personal information to the Company (directly or by the Company's share registry) on the Application Forms. The Company collects, holds and will use that information to assess the Application, service Shareholders' needs, facilitate distribution payments and corporate communications to Shareholders and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

Shareholders can access, correct and update the personal information the Company holds about them by contacting the Company or its share registry at the relevant contact numbers set out in this Prospectus. A fee may be charged for access. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

Applicants should note that if they do not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

#### **1.16 Enquiries concerning Prospectus**

Enquiries relating to this Prospectus should be directed to the Company Secretary by email to [info@so4.com.au](mailto:info@so4.com.au).

## 2. Risk factors

The Shares offered under this Prospectus should be considered speculative because of the nature of the business activities of the Company and no assurances can be made that the Company's particular interests or projects will be successful. Potential investors should consider whether the Shares offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below.

This list is not exhaustive and potential investors should read this Prospectus in its entirety and if in any doubt consult their professional adviser before deciding whether to participate in the Offer.

### 2.1 Risks specific to an investment in the Company

Applicants should be aware of the risks specific to an investment in the Company, which may include, but are not limited to those risks described below.

#### (a) Development of the Lake Way Project

The Company's ability to successfully develop and commercialise the Lake Way Project may be affected by factors including project delays and additional costs overruns. If the Company experiences project delays or additional cost overruns this could result in the Company not realising its operational or development plans or result in such plans costing more than expected or taking longer to realise than expected.

The Company has endeavoured to take appropriate action to mitigate the risks of further project delays and additional cost overruns (including by entering into "lump-sum" contracts with some of its third party contractors and varying certain of its existing contractual arrangements) but the occurrence of an event that results in project delays and/or additional cost overruns may have a material adverse effect on the Company's performance and the value of its assets.

The Company has prepared estimates of capital expenditure and costs and, where possible and appropriate, has entered into "lump-sum" contracts with some of its third party contractors to mitigate and reduce the risk of increases in the capital expenditure for the development of the Lake Way Project. However, as is the case with all "lump-sum" contracts, if the scope of what is required to be delivered under those contracts changes because of, for example, the impact of COVID-19, inclement weather, force majeure events, changes in law, directions or actions from the Company, unforeseen design changes, or delivery failures, the relevant "lump-sum" price will increase.

#### (b) Risks as to Forecasts

The Company has prepared operating cash costs, future production targets and revenue profiles for its future operations at the Lake Way Project.

These forecasts, although considered to have reasonable grounds, may be adversely affected by a range of factors including: changes or variation 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 production, which could adversely affect our results of operations or decrease the value of our assets.

The Company 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. However, any unforeseen increases in capital or operating costs of the Lake Way Project could have an adverse impact on the Company's future cash flows, profitability, results of operations and financial condition. No assurance can be given that the Company's estimates will be achieved or that the Company will have access to sufficient capital to develop the Lake Way Project due to an increase in capital and operating costs estimates.

(c) **Foreign Exchange Risk**

The syndicated facility agreement (**SFA**) (with Taurus Mining Finance Fund No. 2 L.P (**Taurus**)) is 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 from the SFA and its equity raisings may be adversely affected if the Australian dollar rises against the US dollar. No assurance can be given that the Company's estimates will be achieved or that the Company will have access to sufficient capital to develop the Lake Way Project due to an unanticipated movement in the Australian dollar.

(d) **Contractual Risk**

The Company is reliant on contractual access rights to conduct certain activities on a small number of tenements relating to the Lake Way Project.

As with any contract generally, there is a risk that the business could be disrupted in situations where there is a disagreement or dispute in relation to a term of the contract. Should such a disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally. It is not possible for the Company to predict or protect itself against all such risks.

(e) **Coronavirus (COVID-19) Risk**

The global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has been having, and will likely continue to have, a significant impact on global capital markets, commodity prices and foreign exchange.

To date, the COVID-19 pandemic has not had any material impact on the Company's operations, however, any infections occurring on site at the Lake Way Project could result in the Company's operations being suspended and construction otherwise disrupted for an unknown period of time, which may have an adverse impact on the Company's operations as well as adverse implications on the Company's future cash flows, profitability and financial condition. Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Company's operations, financial position and prospects.

Governmental or industry measures taken in response to COVID-19 may materially adversely impact the Company's operations and are likely to be beyond the control of the Company. To date, the measures imposed by Government or industry, including the restrictions in place as at the date of this Prospectus, have not had a material adverse impact on the Company's operations. However, future measures imposed by Government or industry may affect the Company's ability to freely move people and equipment to and from exploration projects, which may cause delays or cost increases.

Generally, most contractors engaged to design and construct the Lake Way Project will have an entitlement to claim additional costs if COVID-19 increases the cost of performing their works and services or delays the provision of those works and services.

The Company has implemented a COVID-19 mitigation plan in order to minimise the risk of infection for individuals and will continue to review and update its COVID-19 mitigation plan and update its plan based on the latest guidance from health professionals and the Government as the situation develops.

**(f) Dependence on Key Contractors and Third Party Agreements**

The Company has outsourced substantial parts of the development and construction of the Lake Way Project to third party contractors. Such contractors may not be available to perform services for the Company, when required, or may only be willing to do so on terms that are not acceptable to the Company. Further, performance may be constrained or hampered by capacity constraints, mobilisation issues, plant, equipment and staff shortages, labour disputes, managerial failure and default or insolvency.

Contractors may not comply with provisions in respect of quality, safety, environmental compliance and timeliness, which may be difficult to control. In the event that a contractor underperforms or is terminated, the Company may not be able to find a suitable replacement on satisfactory terms within time or at all. These circumstances could have a material adverse effect on the Company's operations and the development and construction of the Lake Way Project.

The operations of the Company generally require the involvement of a number of third parties, including suppliers, contractors and clients. Financial failure, default or contractual non-compliance on the part of such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect the Company against all such risks.

**(g) Future Capital Requirements**

The Company may require further financing to continue to operate in the future if, for example, it fails to meet its construction timeline or there is otherwise a material departure from the Company's production or cost guidance for the Lake Way Project.

The Company may also require further financing in the future to progress its other projects.

Any additional equity financing will likely be dilutive to Shareholders, may be undertaken at lower prices than the current market price or may involve restrictive

covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained if it becomes required, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

**(h) Offtake Risk**

The Company has binding offtake agreements for 92% of the production from the Lake Way Project.

The Company's operations and revenues are dependent on the counterparties to existing and future offtake agreements performing their obligations. Notwithstanding the offtake arrangements contain price floor and 'take or pay' obligations, if counterparties do not take their obligated quantities of product or seek to renegotiate the price or quantity of product, the Company's revenue could be adversely affected.

**(i) Operational Risks**

The Company's operational and development activities will be subject to numerous operational risks, many of which are beyond the Company's control. The Company's operations may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions, mechanical difficulties, shortages in or increases in the costs of labour, consumables, spare parts, plant and equipment, external services failure (including energy and water supply), industrial disputes and action, difficulties in commissioning, ramp up and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, and compliance with governmental requirements. Hazards incidental to the mining, exploration and development of mineral properties such as unusual or unexpected geological formations, difficulties and/or delays associated with groundwater and dewatering of existing pits may be encountered by the Company. Industrial and environmental accidents could lead to substantial claims against the Company for injury or loss of life, and damage or destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

Production guidance and targets are subject to assumptions and contingencies which are subject to change as operations performance and market conditions change or other unexpected events arise.

**(j) Commodity Price Volatility**

The revenue the Company will derive through the sale of sulphate of potash product exposes the Company to commodity price and exchange rate risk (see above).

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. Such factors include the supply and demand for commodities such as potash, forward selling activities, technological advancements and other macroeconomic factors. If the Company achieves development success which leads to viable production, its financial performance will be highly dependent on the prevailing commodity prices and exchange rates.

(k) **Resource and Reserve Estimates and Classification**

The Mineral Resource and Ore Reserve estimates for the Company's projects are estimates only and are expressions of judgement based on knowledge, experience and industry practice. In addition, by their very nature, Mineral Resource and Ore Reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. No assurances can be given that any particular level of recovery of potash will in fact be realised.

(l) **Secured Debt Risk**

Under the SFA, Taurus and Clean Energy Finance Corporation (**CEFC**) have agreed to make available to the Company funding of up to US\$138 million. Refer to the Company's announcement dated 5 August 2020 for further details in respect of the SFA. The Company announced on 22 December 2020 that it had satisfied all conditions precedent under the SFA to achieve financial close, and had received debt funds from the first drawdown of US\$105 million.

The Company's obligations under the SFA are secured. Accordingly, there is a risk that if the Company is unable to satisfy its obligations under the SFA, Taurus or CEFC may seek to enforce their security over the Company and its assets, and the Company may become an externally-administered body corporate.

The Company expects to have the ability to repay the facility amount the subject of the SFA as and when required.

(m) **Title Risk**

The Company's granted tenements permit the Company to undertake exploration. Each tenement carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in a tenement if the conditions are not met or if there are insufficient funds available to meet expenditure commitments.

The Company's wholly owned subsidiary, Piper Preston Pty Ltd (**Piper Preston**), is the beneficial owner of, and entitled to become the registered holder of, a further 24 mining tenements or applications for mining tenements acquired in accordance with a binding sale agreement with Wiluna Mining Corporation Limited and its affiliates Kimba Resources Pty Ltd and Matilda Operations Pty Ltd. It is noted that Piper Preston is reliant on beneficial ownership of the tenements on which the majority of the physical assets constructed by Piper Preston to date are located, pending lodgement of tenement transfers. Subject to transfer of beneficial ownership of the tenements (where applicable), Piper Preston will become the registered holder of the tenements following registration of tenement transfers.

(n) **Variability in Brine**

The brine deposit may be variable due to the geological layering of the lake sediments and inflows of other groundwater which will affect the brine chemistry across the deposit. Added to this there is also the potential for dilution after rainfall which may influence changes in the chemistry of brine recovery. The variability may cause different evaporation rates, alternative salt evaporates being formed in the evaporation ponds or require additional trenches due to lower grades.

(o) **Process plant design, operation, recovery and product specifications**

Project development is inherently risky due to a number of variables that needs to be managed. This could lead to equipment not performing as required or expected, resulting in difficulty maintaining product specification, not achieving nameplate design capacity, not achieving expected potassium recoveries, increased maintenance and overall operating costs.

(p) **Energy Supply**

The Company's projects will require a considerable amount of energy to run the process plant and site infrastructure.

There is a risk that such supply of energy may be disrupted for a number of reasons, including inclement weather, which will impact the Company's ability to continue running the process plant and all other energy reliant equipment on site, which will impact production.

(q) **Inclement Weather and Natural Disaster**

The Company's operational activities are subject to a variety of risks and hazards that are beyond its control including hazardous weather conditions such as excessive rain, flooding and fires.

Severe storms and high rainfall leading to flooding and associated damage may result in disruption to the evaporation process in the ponds, scouring damage to trenches, roadways and pond walls. Flood waters within the pond areas will increase the total evaporation time and impact the production schedule.

Additionally, as the brine production is from surface trenches, these trenches may become flooded during severe weather. This may impact the quality and consistency of the brine and the ability to continue surface extraction by trenches within the lake areas, until the flood waters subside.

Any of the above occurrences will impact profitability.

(r) **Regulatory Risk**

The development of the Company's projects are 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 projects.



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 of the Company's 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 Company's mineral properties.

(s) **Environmental Risk**

The Company's projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Company's projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities. For environmental impact assessment purposes, the Lake Way Project includes the proposal for construction and operation of additional on-lake infrastructure (including trenches, bores, ponds and associated infrastructure) over an additional area of up to 2,750 hectares and extension of the operating life of the processing plant, together with minor modifications to the processing plant to support an increase in production capacity of up to 260,000 tonnes per annum of sulphate of potash (nameplate capacity of 245,000 tonnes per annum).

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

(t) **Key Personnel Risk**

The responsibility of overseeing the day-to-day operations and the Company's strategic management depends substantially on its senior management and key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(u) **Native Title and Aboriginal Heritage**

There are areas of the Company's projects, including the Lake Way Project, 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* (WA), the Company must obtain consents in accordance with the Act.

The entirety of the Lake Way Project is registered as an 'Aboriginal site' under the *Aboriginal Heritage Act*. The consent of the Minister for Aboriginal Affairs under section 18 of that Act is required prior to the conduct of all activities on the surface of the lake, which consent is unlikely to be forthcoming without the concurrence of TMPAC, the registered native title body corporate.

The Native Title Agreement provides that TMPAC must not unreasonably withhold its agreement to an application by Piper Preston for consent, provided Piper Preston is compliant with the Native Title Agreement and consults with TMPAC prior to making an application. The consent of the Minister for Aboriginal Affairs has been obtained in relation to all activities conducted to date on the surface of Lake Way.

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.

(v) **No Market Sector Diversification**

As the Company will be entirely exposed to the mining, and in particular the SOP production sector, its business performance may be affected should this sector perform poorly.

(w) **Insurance Risk**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be available or of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

(x) **Occupational Health and Safety Risks**

Mining activities have inherent risks and hazards. The Company is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors. The Company provides appropriate instructions, equipment, preventative measures, first aid information, medical facilities and training to all stakeholders through its occupational health and safety management systems. A serious site safety incident may expose the Company to significant penalties and the Company may be liable for compensation to the injured personnel. These liabilities may not be covered by the Company's insurance policies or, if they are covered, may exceed the Company's policy limits or be subject to significant deductibles. Also, any claim under the Company's insurance policies could increase the Company's future costs of insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on the Company's liquidity and financial results.

It is not possible to anticipate the effect on the Company's business from any changes to workplace occupational health and safety legislation or directions or necessitated by concern for the health of the workforce. Such changes may have an adverse impact on the financial performance and/or financial position of the Company.

(y) **New Projects and Acquisitions**

The Company may make an acquisition in the future. There can be no guarantee that any new project acquisition will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in use of the Company's cash resources and issuances of equity securities, that might involve a dilution to Shareholders.

The Directors will use their expertise and experience in the sector to assess the value of potential projects that have characteristics that are likely to provide returns for Shareholders.

## 2.2 General Risks

A summary of the major general risks are described below.

### (a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration and mining companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

### (b) Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, pandemics, explosions or other catastrophes, epidemics or quarantine restrictions. See above for discussion on the impact of COVID-19 on the Company.

### (c) Liquidity Risk

The market for the Company's Shares may be illiquid. As a consequence, investors may be unable to readily exit or realise their investment.

### (d) Economic Risk

Changes in both Australian and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

### (e) Government and Legal Risk

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its current or proposed interests in tenements. However, changes in political and community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's exploration and/or development plans or

its rights and obligations in respect of the tenements in which it holds interests. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(f) **Litigation Risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. To the best of the current Directors' knowledge, the Company is not currently engaged in any material litigation.

(g) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under this Prospectus.

(h) **Climate Change Risk**

Climate change is a risk the Company has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

## 2.3 **Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by prospective investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus. Therefore, the

Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that an investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for the Shares.

### 3. Effect of the Offer

#### 3.1 Capital structure on completion of the Offer

	Shares <sup>1</sup>	Options <sup>2</sup>	Performance Rights <sup>3</sup>
Balance at the date of this Prospectus	731,002,863	49,925,000	18,068,443
Capital Raising Shares	5,025,000	Nil	Nil
Employee Shares	500,000	Nil	Nil
To be issued under the Offer	1,000	Nil	Nil
<b>Balance after the Offer</b>	<b>736,528,863</b>	<b>49,925,000</b>	<b>18,068,443</b>

**Notes:**

1. 736,528,863 Shares, comprising:
  - (a) 731,002,863 quoted Shares;
  - (b) 5,025,000 Capital Raising Shares to be issued at \$0.40 each. The Company received Shareholder approval for the issue of the Capital Raising Shares to certain Directors at a general meeting of the Company, which was held on 22 January 2021;
  - (c) 500,000 Employee Shares to be issued for no consideration to an employee in lieu of 500,000 Performance Rights for which the performance milestone had been satisfied prior to their expiry date on 31 December 2020 but the underlying Shares have not yet been issued. The Employee Shares will be issued under the Company's Listing Rule 7.1 capacity; and
  - (d) 1,000 Shares to be issued under the Offer.
2. 49,925,000 unquoted Options, comprising:
  - (a) 1,000,000 exercisable at \$0.60 each and expiring on 29 April 2021;
  - (b) 250,000 exercisable at \$0.40 each and expiring on 30 June 2021;
  - (c) 500,000 exercisable at \$0.50 each and expiring on 30 June 2021;
  - (d) 750,000 exercisable at \$0.60 each and expiring on 30 June 2021;
  - (e) 400,000 exercisable at \$0.70 each and expiring on 30 June 2021;
  - (f) 9,375,000 exercisable at \$0.85 each and expiring on 30 June 2023;
  - (g) 2,400,000 exercisable at \$0.60 each and expiring on 1 November 2023;
  - (h) 5,250,000 exercisable at \$1.00 each and expiring on 1 November 2023;
  - (i) 5,000,000 exercisable at \$1.20 each and expiring on 1 November 2023;
  - (j) 1,000,000 exercisable at \$0.702 each and expiring on 30 June 2023;
  - (k) 9,000,000 exercisable at \$0.702 each and expiring on 4 August 2024; and
  - (l) 15,000,000 exercisable at \$0.564 each and expiring on 28 September 2024.

3. 18,068,443 Performance Rights which are subject to various performance conditions to be satisfied prior to the relevant expiry dates between 30 June 2021 and 1 November 2023.

### 3.2 **Financial effect of the Offer**

After paying the expenses of the Offer of approximately \$15,128 there will be no proceeds from the Offer. The expenses of the Offer (exceeding any amounts raised under the Offer, which is a maximum of \$400) will be met from the Company's existing cash reserves. The Offer is expected to have a nominal effect on the Company's financial position of reducing the cash balance by \$14,728, being receipt of funds of \$400, less expenses of the Offers of \$15,128.

As the issue of the 1,000 Shares under this Prospectus will not have a material impact on the Company's financial position, a pro-forma statement of financial position of the Company showing the financial effect of the Offer has not been included in this Prospectus.

Please refer to Section 4.14 for further details on the estimated expenses of the Offer.

### 3.3 **Effect of the Offer on control of the Company**

The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offer, (see Section 4.8).

## **4. Additional information**

### **4.1 Rights and liabilities attaching to Shares**

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

#### **(a) General Meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

#### **(b) Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder will, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares will have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### **(c) Dividend Rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which will be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend will carry interest as against the Company.

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and



conditions as the Directors think fit, under which participants may elect in respect of all or part of their Shares to receive a dividend or to forego a dividend from the Company and receive some other form of distribution or entitlement (including securities) from the Company or another body corporate or a trust.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(e) **Shareholder Liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) **Variation of Rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## 4.2 **Company is a disclosing entity**

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the stock market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of

information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with the ASIC yearly and half-yearly financial statements, accompanied by a Directors' statement and report and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 4.3 below).

#### 4.3 **Copies of documents**

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of the ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer, a copy of:

- (a) the Half Yearly Report for the period ending 31 December 2019 as lodged with ASX on 13 March 2020;
- (b) the Annual Report for the period ending 30 June 2020 as lodged with ASX on 28 September 2020; and
- (c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company since the Company lodged its Annual Report and before the date of issue of this Prospectus which are as follows:

<b>Date</b>	<b>Subject of Announcement</b>
03/02/2021	Appendix 2A
29/01/2021	December 2020 Quarterly Report
28/01/2021	SO4 Successfully Completes Share Purchase Plan
22/01/2021	Results of Meeting
22/01/2021	Company Presentation - Lake Way Virtual Site Tour
18/01/2021	Lake Way Project nearing completion
24/12/2020	Change of Director's Interest Notice x 3
22/12/2020	Funds From First Drawdown Received
21/12/2020	Notice of General Meeting/Proxy Form
18/12/2020	Resignation of CFO
18/12/2020	Share Purchase Plan Opens
18/12/2020	Section 708A Notice
18/12/2020	Appendix 3G
18/12/2020	Appendix 3G

Date	Subject of Announcement
18/12/2020	Appendix 2A
17/12/2020	Appendix 2A
17/12/2020	Update - Proposed issue of Securities - SO4
11/12/2020	Reinstatement to Official Quotation
11/12/2020	Proposed issue of Securities - SO4
11/12/2020	Investor Presentation
11/12/2020	Institutional Placement to achieve Financial Close
10/12/2020	Request for Extension of Voluntary Suspension
3/12/2020	Suspension from Official Quotation
27/11/2020	Trading Halt
27/11/2020	Pause in Trading
20/11/2020	Results of Annual General Meeting
20/11/2020	Company Presentation - Lake Way Project Update
21/10/2020	Notice of Annual General Meeting/Proxy Form
19/10/2020	Initial Director's Interest Notice x 2
19/10/2020	SO4 Adds Operational and Potash Experience to Board
19/10/2020	Notice under Section 708A
19/10/2020	Final Director's Interest Notice
16/10/2020	Appendix 2A
16/10/2020	Proposed issue of Securities - SO4
16/10/2020	September 2020 Quarterly Reports
14/10/2020	Company Presentation - Diggers and Dealers 2020
29/09/2020	Change of Director's Interest Notice
29/09/2020	Appendix 2A
29/09/2020	Becoming a substantial holder
29/09/2020	Appendix 2A

Date	Subject of Announcement
29/09/2020	Appendix 3G
28/09/2020	Appendix 4G and Corporate Governance Statement

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 4.15 and the consents provided by the Directors to the issue of this Prospectus.

#### 4.4 Information excluded from continuous disclosure notices

Other than as set out below, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules and which is required to be set out in this Prospectus.

#### 4.5 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

#### 4.6 Market price of Shares

The highest and lowest closing market sale prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.540 per Share on 16 November 2020.

Lowest: \$0.375 per Share on 18 December 2020.

The latest available closing market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.465 per Share on 10 February 2021.

#### 4.7 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

#### 4.8 Substantial Shareholders

Based on available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

	Shares	Voting power
Lombard Odier Asset Management (Europe) Limited	60,016,313	8.21%
FIL Limited	54,601,226	7.47%

#### 4.9 Directors' interests

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

#### 4.10 Directors' interests in Securities

The Directors have the following relevant interests in the Securities as at the date of this Prospectus:

Director	Shares	Voting power	Unquoted Options	Performance Rights
Ian Middlemas <sup>1</sup>	17,000,000	2.33%	Nil	Nil
Tony Swiericzuk <sup>2</sup>	4,704,470	0.64%	5,000,000	5,879,377
Matthew Bungey <sup>3</sup>	1,864,075	0.26%	450,000	750,000
Bryn Jones <sup>4</sup>	65,625	0.01%	Nil	50,000
Philip Montgomery <sup>5</sup>	Nil	Nil	500,000	Nil
Peter Thomas <sup>6</sup>	120,000	0.02%	500,000	Nil

**Notes:**

- Shares are held by Arredo Pty Ltd, an entity associated with Ian Middlemas.
- Securities are held in Tony James Swiericzuk & Beverley Jean Eaton Swiericzuk <Bevton Family A/C>, an entity associated with Tony Swiericzuk.

3. Securities are held as follows:
  - (a) 106,958 Shares are held directly by Matthew Bungey; and
  - (b) 1,757,117 Shares, 450,000 unquoted Options and 750,000 Performance Rights are held by Trigg Capital Pty Ltd, an entity associated with Matthew Bungey.
4. Securities are held as follows:
  - (a) 65,625 Shares are held by Tawel Super Fund; and
  - (b) 50,000 Performance Rights are held directly by Bryn Jones.
5. Shares are held directly by Philip Montgomery.
6. Securities are held directly by Peter Thomas.

In addition to the above, it is proposed that the up to the following Shares will be issued to the Directors (or their nominees) after the date of this Prospectus, and before the Closing Date:

Director	Capital Raising Shares
Ian Middlemas	3,000,000
Tony Swiericzuk	500,000
Matthew Bungey	150,000
Bryn Jones	-
Philip Montgomery	1,250,000
Peter Thomas	125,000

#### 4.11 Remuneration of Directors

The Constitution provides that the non-executive Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors as the Directors shall determine, and in default of agreement then in equal shares. The maximum aggregate amount of fees payable to Directors is currently set at \$450,000 per annum, as approved by Shareholders at the annual general meeting held on 20 November 2020. The remuneration of the executive Directors must, subject to the provisions of any contract between each of them and the Company, be fixed by the Directors.

A Director may also be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The Directors have received the following remuneration:

Director	Cash Salary & Fees \$	Superannuation \$	Non-monetary benefits \$	Total \$
Ian Middlemas <sup>1</sup>	36,851	3,501	-	40,352
Tony Swiericzuk <sup>2</sup>	316,944	20,597	1,485,867	1,823,408
Matthew Bungey <sup>3</sup>	68,319	1,538	(49,012)	20,845
Bryn Jones <sup>4</sup>	22,644	2,151	10,582	35,377
Mark Pearce <sup>5</sup>	14,041	1,334	9,059	24,434
Philip Montgomery <sup>6</sup>	12,164	1,156	37,471	50,791
Peter Thomas <sup>7</sup>	12,164	1,156	37,471	50,791

1. Mr Middlemas was entitled to receive a chairman's fee of \$36,000 per annum plus superannuation from 1 January 2020. This fee was reduced by 40% in the June 2020 Quarter due to the disruption to financial markets caused by Covid-19. With effect from 20 November 2020, the chairman's fee was increased to \$75,000 per annum plus superannuation.
2. Mr Swiericzuk was entitled to receive a salary of \$350,000 per annum plus superannuation from 1 January 2020. This salary was reduced by 40% in the June 2020 Quarter due to the disruption to financial markets caused by Covid-19. Non-monetary benefits relate to share based payments issued as part of Mr Swiericzuk's performance based remuneration.
3. Mr Bungey was entitled to receive a non-executive director's fee of \$20,000 per annum plus superannuation from his appointment effective 14 May 2020. This fee was reduced by 40% in the June 2020 Quarter due to the disruption to financial markets caused by Covid-19. With effect from 20 November 2020, the non-executive director's fee was increased to \$60,000 per annum plus superannuation. Mr Bungey was also entitled to receive \$52,125 in consulting fees since his appointment as a Director. Non-monetary benefits relate to share based payments issued to attract and retain Mr Bungey's services.
4. Mr Jones was entitled to receive a non-executive director's fee of \$20,000 per annum plus superannuation from 1 January 2020. This fee was reduced by 40% in the June 2020 Quarter due to the disruption to financial markets caused by Covid-19. With effect from 20 November 2020, the non-executive director's fee was increased to \$60,000 per annum plus superannuation. Non-monetary benefits relate to share based payments issued to attract and retain Mr Jones' services.
5. Mr Pearce was entitled to receive a non-executive director's fee of \$20,000 per annum plus superannuation from 1 January 2020. This fee was reduced by 40% in the June 2020 Quarter due to the disruption to financial markets caused by Covid-19. Mr Pearce resigned as a Director with effect from 19 October 2020. Non-monetary benefits relate to share based payments issued to attract and retain Mr Pearce's services.
6. Mr Montgomery was entitled to receive a non-executive director's fee of \$60,000 per annum plus superannuation from the date of his appointment on 19 October 2020. Non-monetary benefits relate to share based payments issued to attract and retain Mr Montgomery's services.
7. Mr Thomas was entitled to receive a non-executive director's fee of \$60,000 per annum plus

superannuation from the date of his appointment on 19 October 2020. Non-monetary benefits relate to share based payments issued to attract and retain Mr Thomas' services.

#### 4.12 Related party transactions

There are no related party transactions involved in the Offer that are not otherwise described in the Prospectus.

#### 4.13 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Offer or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Offer.

#### 4.14 Expenses of Offer

Estimated expenses of the Offer	A\$
ASIC lodgement fee	3,206
ASX quotation fee	1,922
Prospectus preparation expenses	10,000
<b>TOTAL</b>	<b>\$15,128</b>

#### 4.15 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) has not authorised or caused the issue of this Prospectus or the making of the Offer;
- (b) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (c) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its



name and a statement included in this Prospectus with the consent of that party as specified in this Section.

HWL Ebsworth Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus. HWL Ebsworth Lawyers has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 5. **Authorisation**

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:

A handwritten signature in black ink, appearing to be 'Tony Swiericzuk', with a long horizontal stroke extending to the right.

Tony Swiericzuk  
Managing Director  
Dated: 11 February 2021

## 6. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

<b>\$</b>	means Australian dollars.
<b>Annual Report</b>	means the annual financial report of the Company for the period ending 30 June 2020 as lodged with ASX on 28 September 2020.
<b>Applicant</b>	means a person who submits an Application Form.
<b>Application</b>	means a valid application for Shares made on an Application Form.
<b>Application Form</b>	means the Application Form provided by the Company with a copy of this Prospectus.
<b>Application Monies</b>	means the amount of money in dollars and cents payable for Shares pursuant to the Offer.
<b>ASIC</b>	means Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
<b>Board</b>	means the Directors meeting as a board.
<b>Capital Raising Shares</b>	means the issue of up to 5,025,000 Shares to certain Directors of the Company. The Company received Shareholder approval for the issue of the Capital Raising Shares at a general meeting of the Company, which was held on 22 January 2021.
<b>CEFC</b>	means Clean Energy Finance Corporation.
<b>CHES</b>	means ASX Clearing House Electronic Sub-registry System.
<b>Closing Date</b>	means the closing date for the Offer, being 12 February 2021, as may be varied.
<b>Company</b>	means Salt Lake Potash Limited ACN 117 085 748.
<b>Constitution</b>	means the constitution of the Company as at the date of this Prospectus.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth), as amended from time to time.
<b>Directors</b>	mean the directors of the Company as at the date of this Prospectus.

<b>Employee Shares</b>	means the 500,000 Shares to be issued to an employee in recognition of 500,000 Performance Rights which vested prior to their expiry date.
<b>Half Yearly Report</b>	means the half yearly report of the Company for the period ending 31 December 2019 as lodged with ASX on 13 March 2020.
<b>Issuer Sponsored</b>	means Securities issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.
<b>Lake Way Project</b>	has the meaning in Section 1.14.
<b>Listing Rules</b>	means the official listing rules of ASX as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
<b>Offer</b>	has the meaning given in Section 1.1.
<b>Official List</b>	means the official list of ASX.
<b>Official Quotation</b>	means quotation of Securities on the Official List.
<b>Options</b>	means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
<b>Performance Right</b>	means a right to be issued a Share, subject to the satisfaction or waiver of specified vesting conditions.
<b>Piper Preston</b>	means Piper Preston Pty Ltd.
<b>Prospectus</b>	means this prospectus dated 11 February 2021.
<b>Section</b>	means a section of this Prospectus.
<b>Securities</b>	means any securities, including Shares, Options or Performance Rights issued or granted by the Company.
<b>SFA</b>	has the meaning in Section 2.1(c).
<b>Share Purchase Plan</b>	means the share purchase plan of the Company which opened on 18 December 2020 and closed on 22 January 2021.
<b>Shares</b>	means ordinary fully paid shares in the capital of the Company.
<b>Shareholder</b>	means a holder of Shares.
<b>Taurus</b>	means Taurus Mining Finance Fund No. 2 L.P.
<b>WST</b>	means Western Standard Time.