

17 May 2016

**ASX CODE**  
RWD

**SHARE PRICE**  
\$0.47

**SHARES ON ISSUE**  
122.9M

**OPTIONS**  
19.3M (\$0.25 - \$0.50)

**MARKET CAPITALISATION**  
\$57.8M (undiluted)

**CASH**  
\$5.0M  
March'16 Qly
**DIRECTORS & MANAGEMENT**Colin McCavana  
*Chairman*Rod Della Vedova  
*Non-Executive Director*Michael Ruane  
*Managing Director*Daniel Tenardi  
*Projects Director*Paul Savich  
*Corporate Development Officer  
& Company Secretary*Bianca Taveira  
*Company Secretary***KEY SOP PROJECTS**LD Potash Project  
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## Transport Studies Advance and Reward Executes an MOU at Port of Geraldton

- Memorandum of Understanding executed between Reward and Port of Geraldton to conduct joint investigations into port services to ship SOP.
- LD lends itself to optionality between Port of Geraldton and Port Hedland.
- Transport studies for bulk haulage from LD to port are underway following completion of detailed road design.

Reward Minerals Limited (“**Reward**” or “**the Company**”) is pleased to announce that it has executed a Memorandum of Understanding (“**MOU**”) with Mid West Ports Authority (“**MWPA**”) which manages the Port of Geraldton.

Under the MOU Reward and MWPA will conduct a joint investigation into port services relating to shipping Sulfate of Potash (“**SOP**”) produced at the LD Project (“**the Project**”). The MOU is non-binding regarding the use of MWPA’s facilities.

Reward and MWPA have engaged in discussions over the past 12 months to familiarise both parties with their respective operations. These discussions identified there is reasonable prospect for Port of Geraldton to provide sufficient operating capacity to Reward for approximately 400,000tpa of SOP warranting further formal investigation.

### Haulage Options Studies

Bulk haulage to port comprises two key elements; 1) Cartage from LD to Newman via the unsealed Talawana Track following upgrading, then, 2) Cartage from Newman via the existing high quality bituminised Great Northern Highway.

Figure 1: Haulage distances from LD to Port



Existing Project studies have assumed SOP will be hauled by road train to the Great Northern Highway via the upgraded Talawana Track and then continue north to Port Hedland for shipping. An estimated haulage cost of \$104 per tonne of SOP was assumed, equivalent to 30% of the FOB operating cost estimate (refer to ASX Announcement dated 2 April 2015)<sup>1</sup>.

Pre-Feasibility Studies are investigating a number of options relating to cartage and port optionality. Once product reaches the Great Northern Highway haulage may proceed either north (Port Hedland) or south (Port of Geraldton). Haulage distances to the available port options are provided in Figure 1 above.

Early indications have suggested the cost of haulage from Newman to Port Hedland or Geraldton are similar in quantum lending to excellent optionality. Several scenarios utilising public rail networks continue to be considered however study outcomes to date suggest a significant rehandling component, as a result the Company is primarily focusing on road haulage from site to port.

Yours faithfully,

**Michael Ruane**  
**Director**  
**on behalf of the Board**

For further information on the Company please visit our website: [www.rewardminerals.com](http://www.rewardminerals.com)

**Note 1:** *The entity confirms in this report that all the material assumptions underpinning the production target, or the forecast financial information derived from a production target, in the initial public report referred to in this ASX Announcement continue to apply and have not materially changed.*