

REWARD MINERALS LIMITED



*Developer of the
largest high-grade brine
SOP Deposit in Australia*

**Sydney Mining Club
CEO Presentation
4 July 2019**



ASX | RWD
www.rewardminerals.com



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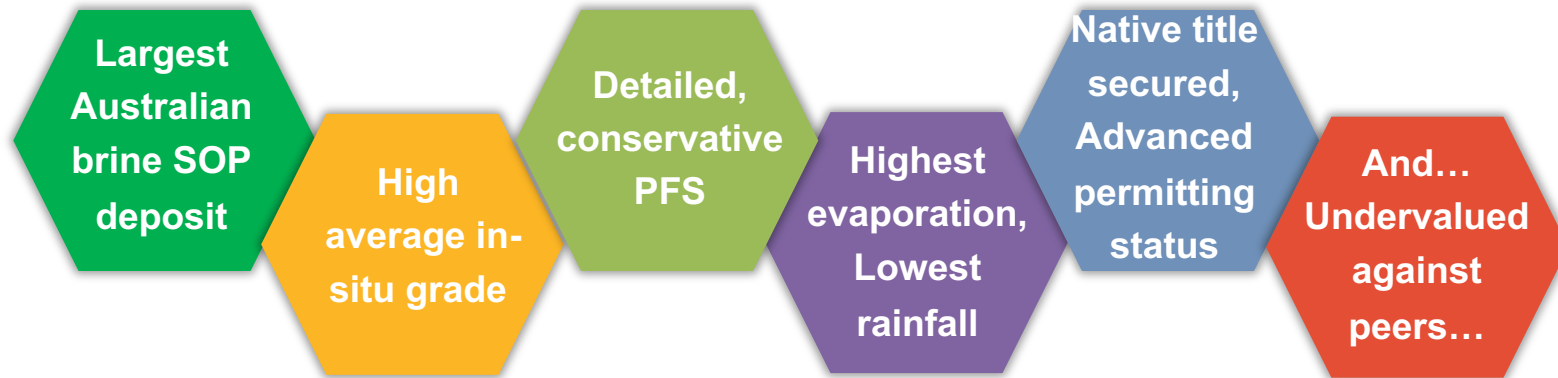
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INVESTMENT RATIONALE



Reward Minerals is the developer of the Lake Disappointment Brine Sulphate of Potash Project



An attractive project underpinned by a key global long-term investment theme: Feed the world!

REWARD CORPORATE SNAPSHOT



Capital Structure 12 June 2019* ASX:RWD

| | |
|---------------------------------|----------|
| Ordinary Shares on Issue | 162.6m |
| Rights and Options on Issue | 17.6m |
| Share Price | \$0.095 |
| Undiluted Market Capitalisation | \$15.5m |
| Cash & Equivalents | A\$2.1m |
| Undiluted Enterprise Value | A\$13.4m |

*: As per Quarterly Report released 30 April 2019

Major Shareholders

| Name | Shares (m) | % |
|---------------------|------------|------|
| Michael Ruane | 54.1 | 33.3 |
| Intermin Resources | 7.2 | 4.4 |
| Top 20 Shareholders | 98.2 | 60.4 |

Colin McCavana – Non-Executive Chairman

- 30+ years experience in mining and earthmoving industries
- Ops and development management of Australian and international projects
- Founder and Managing Director of Haddington Resources Ltd
- Also Chairman of Northern Minerals Ltd

Michael Ruane – Executive Director

- 40+ years experience in chemical and metallurgical fields
- Previously senior technical advisor and manager at Lake McLeod Potash, WA
- Manager of mining operations in WA and the Northern Territory
- PhD (Chemistry), MRACI

Rod Della Vedova – Non-Executive Director

- 30+ years in the Solar Salt industry with Dampier Salt Ltd (Rio Tinto)
- 11 years as Chief Chemist and 24 years as Process Superintendent
- BSc. Chemistry, Post Graduate Diploma Chemical Engineering

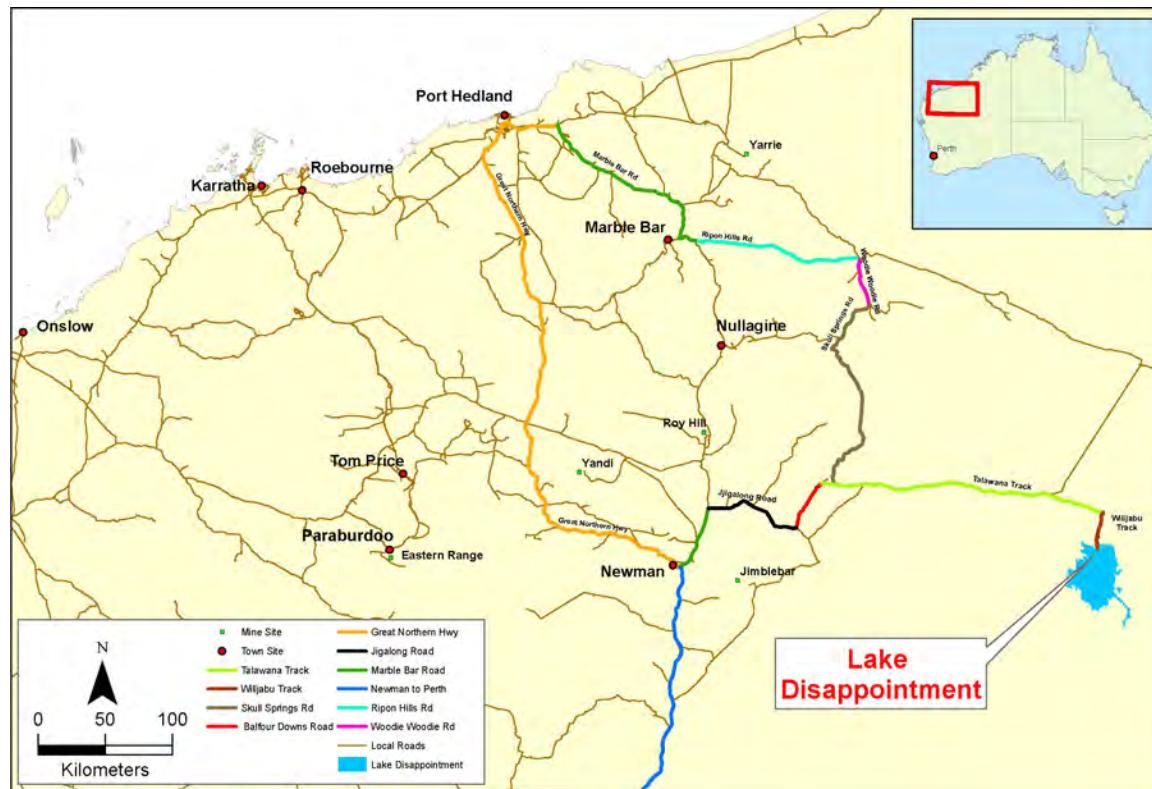
Greg Cochran – Chief Executive Officer

- Highly experienced, international C-suite mining executive
- Previously MD of Deep Yellow Ltd, CEO of Terramin, EVP Uranium One
- M Sc. Mining Eng. & Mineral Economics, MBA (Cranfield), FAusIMM, GAICD

LD BRINE SOP PROJECT – LOCATION



- ▶ 866km to Port Hedland, class-leading bulk export terminal
- ▶ 511km sealed road – Great Northern Highway
- ▶ 355km of existing, frequently used dirt roads



WHAT'S IN A NAME?



Lake Disappointment



Explorers Frank Hann & Talbot

WHAT IS SOP? SULPHATE OF POTASH



The Premium source of potassium fertiliser – K_2SO_4

- ▶ A low-chloride source of potassium and sulphur
- ▶ Potassium is an essential plant macronutrient
- ▶ Sulphur is also an important nutrient
- ▶ Applied to speciality and/or chloride sensitive crops
- ▶ SOP supplies less than 10% of the potash market
- ▶ “MOP” (Muriate of Potash, KCl) is the world’s major source of K
- ▶ MOP can contribute to increases in soil salinity
- ▶ SOP trades at a premium, currently ~US\$300/t > MOP



MOP is a volume business, SOP is a value business

WHAT IS SOP? SULPHATE OF POTASH



An essential plant macronutrient...

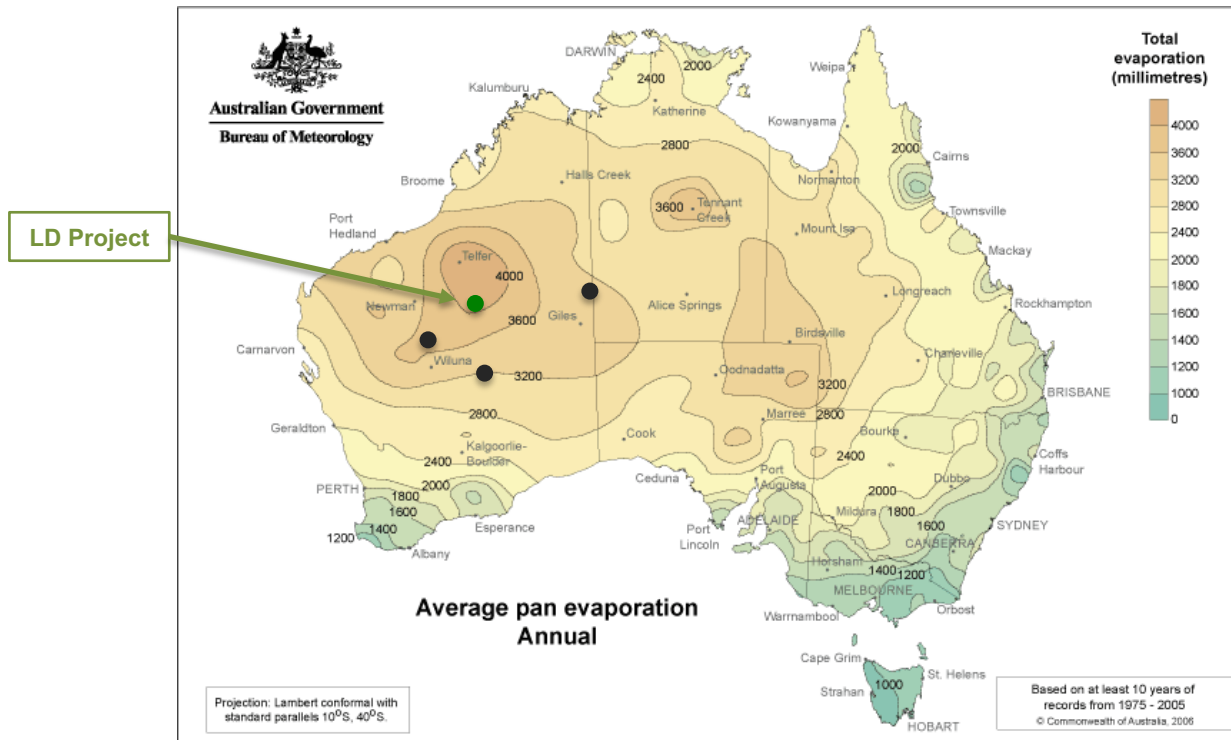


...especially for high value crops

HIGHEST EVAPORATION RATE



No better location for a brine evaporation operation in Australia



LD PROJECT METRICS – COSTS & PRODUCTION



Capital cost

- A\$345 M, includes indirects and owners costs (+/-20%)
- A\$451 M, includes contingency & pre-production costs

Production

- At least 400,000 tpa
- ~9 Mt SOP produced over ~25 years
- Less than 10% of the resource

Operating cost

- Cash cost – A\$335/tonne (FOB Port Hedland)
- AISC – A\$376/tonne (FOB Port Hedland)



Assumptions

- Price: US\$500/tonne, FX: AUD/USD: 0.75
- Discount Rate: 8% Real
- Royalty: State: 3.75%, Martu: 1.25%

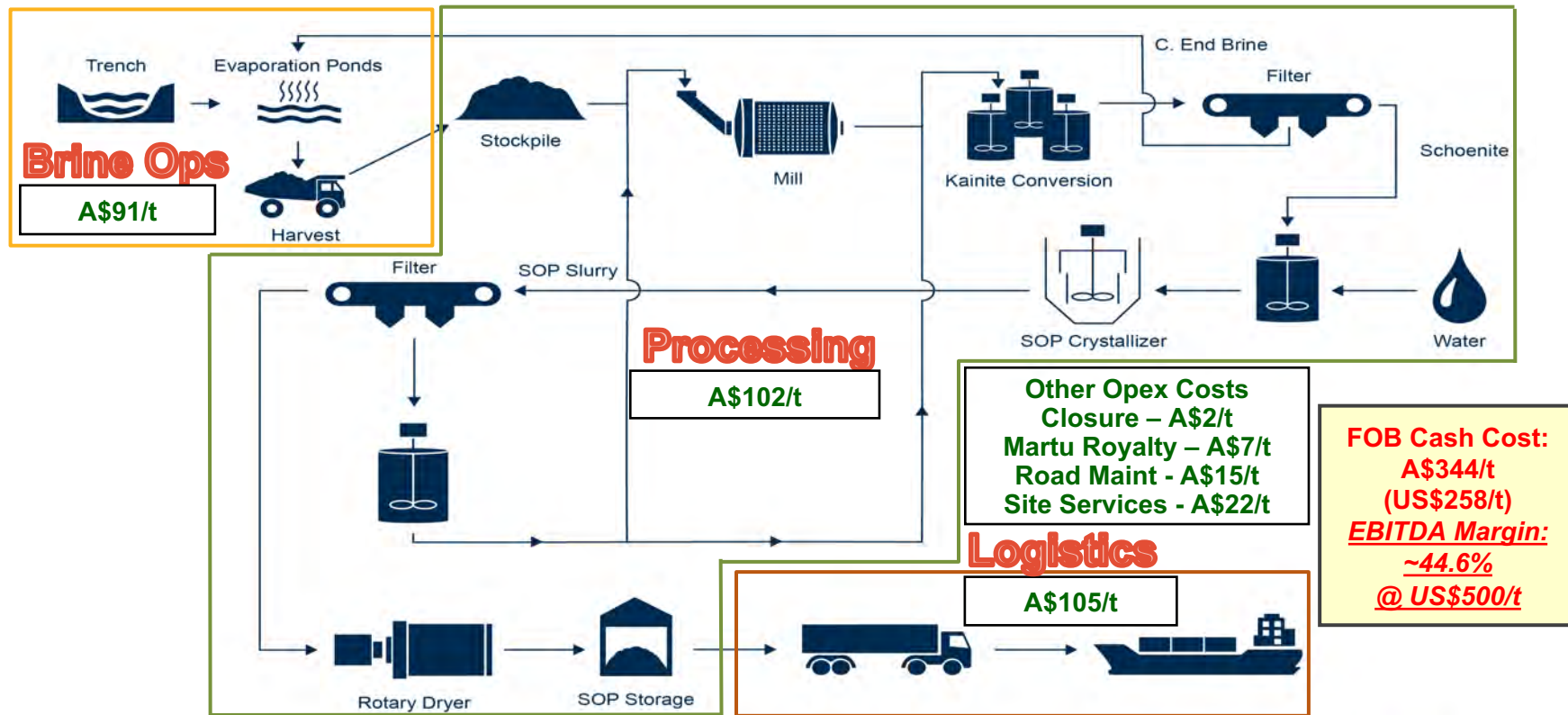
Margins

- Average EBITDA – 45% (~\$118 M/year)
- Average Cash – 48% (~\$122 M/year)

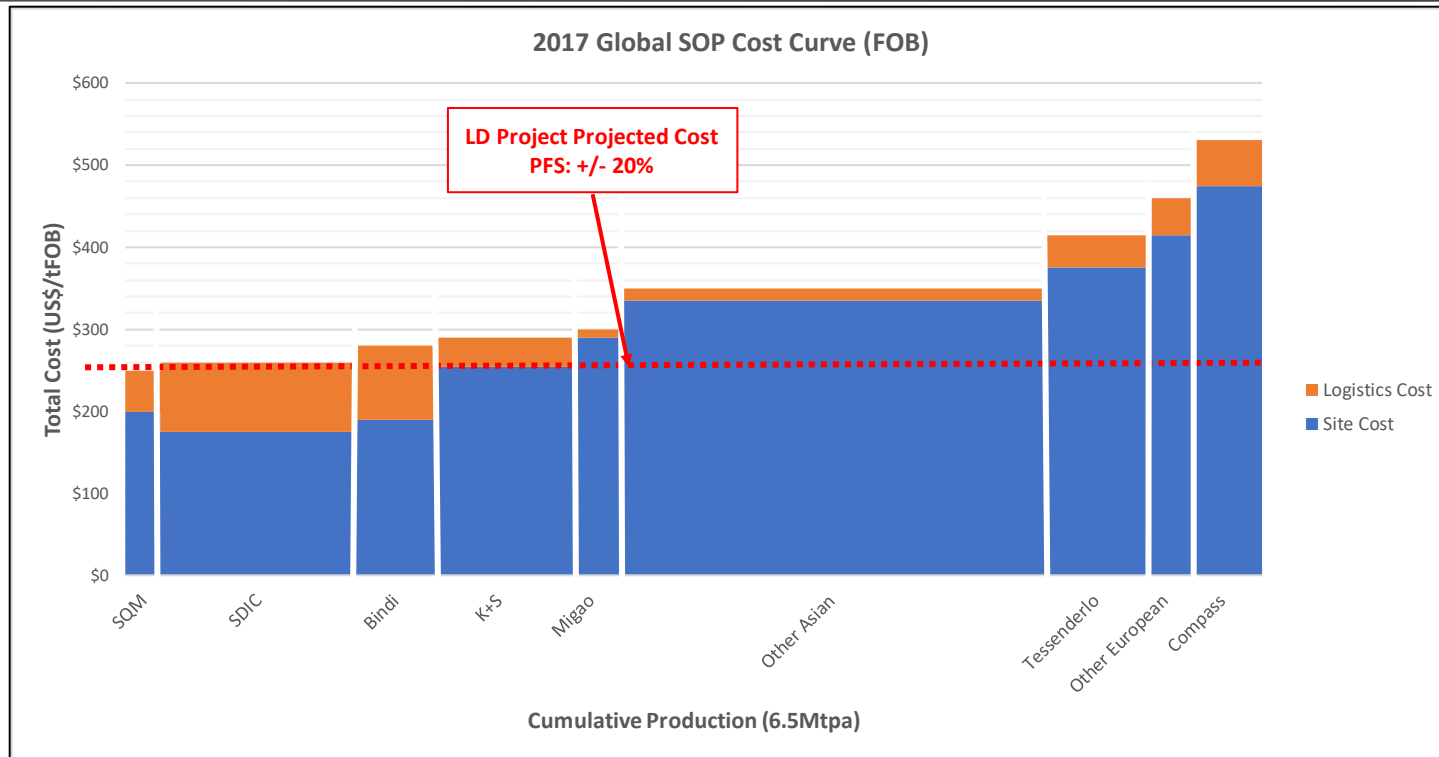
Returns

- Pre-tax: NPV8% – \$518 M, IRR – 19%
- Post-tax: NPV8% – \$293 M, IRR – 15%
- State & Martu Royalties: ~\$286 M

LD PROJECT – OPERATIONAL OVERVIEW



SOP INDUSTRY COST CURVE



***Likely to be at the bottom of the cost curve,
based on a stringent PFS assessment***

UPDATED WA EPA PERMITTING SCHEDULE



| | Feb-19 | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Public exhibition of ERD | | | | | | | | | | | | | | |
| DWER provided final comments to Reward | | | | | | | | | | | | | | |
| Reward submits response to submissions | | | | | | | | | | | | | | |
| DWER reviews responses to submissions and publishes the responses | | | | | | | | | | | | | | |
| DWER/EPA Board site visit | | | | | | | | | | | | | | |
| DWER final review of ERD and prepares briefing notes for EPA Board Meeting | | | | | | | | | | | | | | |
| Reward presentation to EPA Board | | | | | | | | | | | | | | |
| DWER consults with Decision Making Authorities and Reward about draft conditions | | | | | | | | | | | | | | |
| DWER prepares & publishes report to Minister | | | | | | | | | | | | | | |
| Public appeals can be lodged | | | | | | | | | | | | | | |
| Resolution of appeals | | | | | | | | | | | | | | |
| Minister issues Statement | | | | | | | | | | | | | | |

A thorough, extraordinarily long process.....

CURRENT/UPCOMING ACTIVITIES*



- ▶ Environmental Permitting:
 - Final stages at state level
- ▶ Resource Conversion:
 - Infill drilling program completed
 - Grade upside
- ▶ Flowsheet Improvements:
 - Ongoing R&D
 - Targeting cost reductions & operational efficiencies
- ▶ Pond Trials:
 - Crystallisation: Crude potash harvested for next phase



CONCLUSION



The LD Brine SOP Project:



Anything but disappointing