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MARKET CAPITALISATION
$65.3M (undiluted)

CASH POSITION
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KEY PROJECTS

Lake Disappointment Project
Karly Project

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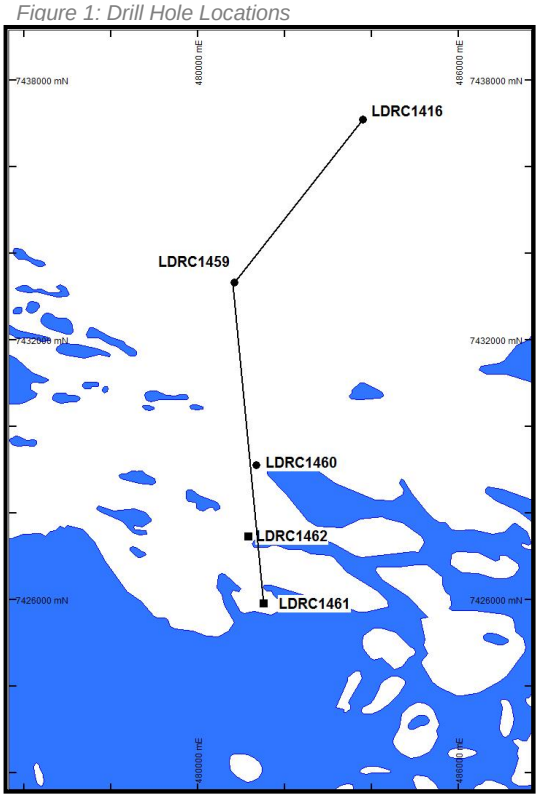
LAKE DISAPPOINTMENT POTASH PROJECT
ADDITIONAL DRILLING RESULTS

Highlights

- **Results received for two additional holes drilled recently at Lake Disappointment, further assays are pending.**
- **Both holes produced high flows (5 to 8 litres/second) of high density brine with SOP grades ranging from 7.0 to 8.3g/litre.**
- **The recent holes located in the zone between earlier hole LDRC1460 and the northern shore of Lake Disappointment indicate a considerable depth brine reservoir deepening toward the LD depocentre.**
- **Preliminary observations indicate a high flow brine horizon of 50+ metres in hole LDRC1461 and 75+ metres in hole LDRC1462.**
- **Results provide further encouragement for a substantial upgrade of the LD Potash resource potential.**
- **Drilling at the LD East Palaeovalley site is progressing well.**

Reward Minerals Limited ("Reward" or the "Company") is pleased to provide partial results from an additional two holes drilled in its Phase I (2014) drilling program at the Lake Disappointment (LD) Project. Additional results are pending. The additional two holes were located on the Wiljabu Track between previous encouraging hole LDRC1460 and the LD resource area (see Figure 1).

Figure 1: Drill Hole Locations



For results of the previously announced 13 holes, please refer to the Company's announcement Lake Disappointment Project – Drilling Results released to the ASX on 2 April 2014.

Results from the two holes, LDRC1461 and LDRC1462, were highly encouraging with excellent flows of highly concentrated brine. Potassium Sulfate (SOP) content of the brines sampled to date were in the range of 7.0 to 8.3 g/litre.

Table 1 – Location of drill holes and depth to basement

	Hole ID	East (51)	North (51)	Dip	Total Depth (m)	Basement Top (m)
Historical	**LDRC1411**	469200	7427950	-90	102	51
Historical	**LDRC1460**	481400	7429100	-90	102	66
New Hole	**LDRC1461**	481550	7425750	-90	129	120
New Hole	**LDRC1462**	481136	7427549	-90	156	81

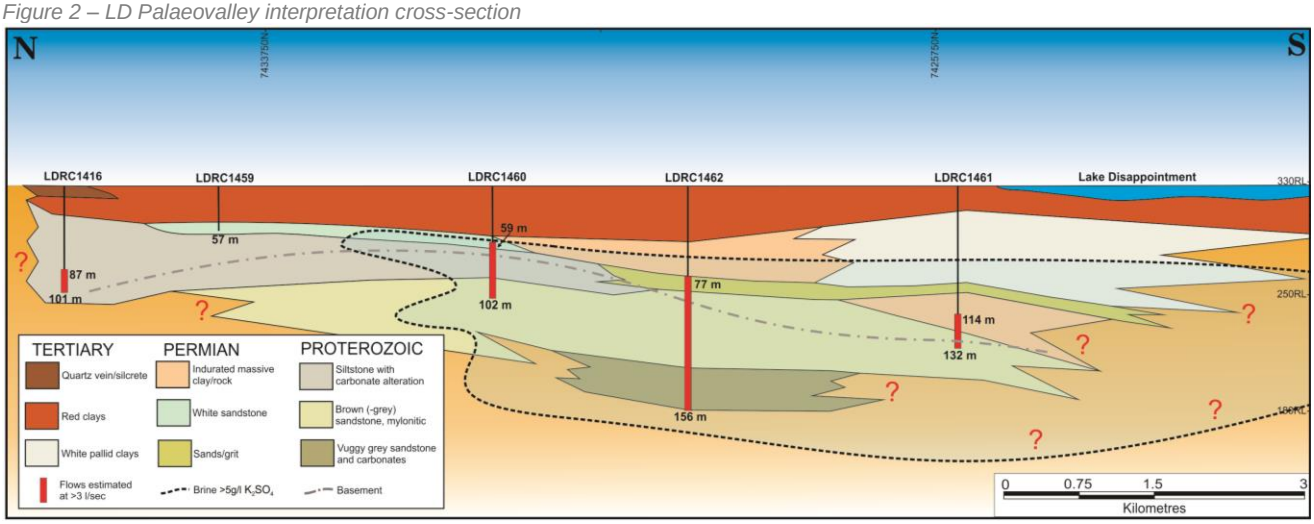
Analytical results available to date are provided in Appendix 1 which also includes previously presented results from holes LDRC1411 and LDRC1460 for comparison purposes. The results reported here support and enhance the conclusions outlined in the release of 2 April 2014 and should be read in conjunction with that information.

Observations & Conclusions

Important additional information obtained from the two additional holes is outlined below.

- The two new holes suggest a considerable deepening of the LD evaporation basin on approach (from the north) toward Lake Disappointment. See Figure 2 for a cross-section of drilling results.

Figure 2 – LD Palaeovalley interpretation cross-section



- Brine extraction rates from holes completed in the recent program increased dramatically down hole and were found to be heaviest in the zone immediately above and into the top of the basement. Brine extraction rates from the top sections of the holes drilled are relatively low due to the clayey nature of the shallow Palaeovalley sediments and the drilling technique utilised (RC – high pressure air). Sediments are brine saturated from surface to total depth. Refer to Table 2 below.

Table 2 – Location of drill holes and depth to basement

Hole ID	Basement Top (m)	Interval (m)	Est. Flow (l/sec) [ranges]
LDRC1460	66	0 - 48	0.5 – 2
		48 - 54	4
		54 - 102	4 – 5
LDRC1461	120	0 - 73	0.5 – 2
		73 - 84	3
		120 - 129	5
LDRC1462	81	0 - 77	0.5 - 4
		77 - 132	4 – 6
		132 - 156	6 – 8

- All results are estimates using the Notch Weir technique and as a result should be regarded as indicative only.
- To establish accurate brine flow rates from all horizons in the profile will require casing of the holes and conventional pumping trials with downhole pumps.

- From previous drilling/testwork on LD the brine content of the sediments averaged circa 30.5% weight/weight for sediments which have an in situ specific gravity of 1.97t/m^3. The recoverability of brine from the sediments is yet to be quantified.

- Heaviest brine flows were observed in the zone immediately above and within the top of the basement. The observation of high brine flows in the top 10-20m of basement strata is particularly encouraging and suggests that a brine aquifer of considerable size exists within the LD evaporation basin (~1,200km^2) currently hosting the LD SOP resource of 24.4 million tonnes at 12.37g/l to an average depth of approximately 4m (only).

- An important observation from recent drilling is that holes drilled close to Lake Disappointment not only show higher brine salinities (and K values) but much less down hole variation in K grade than observed in holes located further from the lake or outside the postulated Palaeovalley. This would suggest that the brines contained in the depth profile within the lake itself should be relatively consistent in grade and should at least match those obtained in recent holes LDRC1411 and LDRC1460-62.

- The upcoming drilling of Lake Disappointment proper will test to depths of at least 100m and will establish brine grade versus depth aimed at significantly expanding the LD Potash resource base.

Yours faithfully,

Michael Ruane
Director
on behalf of the Board

Appendix 1: Brine Analysis Data

	ASSAYS (mg/l)							
Hole No - Depth	Ca	K	K_2SO_4	Mg	Na	SO_4	Cl	Total Ions (mg/l)
LDRC 1411-23	1160	3100	6906	1672	52380	14880	74550	147742
LDRC 1411-29	1100	2660	5925	1384	55400	12900	156200	229644
LDRC 1411-35	1070	2580	5747	1272	53220	12420	152650	223212
LDRC 1411-41	840	1940	4322	1048	41540	11100	113600	170068
LDRC 1411-53	1070	2680	5970	1328	54840	12480	152650	225048
LDRC 1411-60	1150	2320	5168	1216	51500	10980	85200	152366
LDRC 1411-72	1020	3360	7485	1388	70980	12720	106500	195968
LDRC 1411-78	1010	3560	7930	1408	76860	13320	113600	209758
LDRC 1411-84	1000	3600	8019	1424	76980	12780	113600	209384
LDRC 1411-90	1000	3520	7841	1408	74960	12540	110050	203478
LDRC 1411-96	980	3680	8198	1444	77320	12720	120700	216844
LDRC 1411-102	980	3620	8064	1420	76120	12240	124900	219280
LDRC 1460-48	900	2590	5770	1664	67640	14490	99400	186684
LDRC 1460-54	870	3060	6817	2028	77280	15870	117150	216258
LDRC 1460-60	830	3130	6972	2018	78650	16230	120700	221558
LDRC 1460-66	865	3390	7552	2004	83590	15720	127800	233369
LDRC 1460-72	815	3490	7774	2124	83770	16320	127800	234319
LDRC 1460-78	830	3540	7886	2126	84470	15990	127800	234756
LDRC 1460-84	820	3600	8019	2132	87420	16110	124250	234332
LDRC 1460-90	820	3520	7841	2028	85260	15270	127800	234698
LDRC 1460-96	795	3620	8064	2164	87480	16200	124250	234509
LDRC 1460-102	770	3610	8042	2210	88810	16890	131350	243640
LDRC 1461 0 - 102m	Analysis pending							
LDRC 1461 108m	1152	3286	7322	1008	87500	11142	130650	234738
LDRC 1461 114m	1119	3267	7280	897	84130	10356	130650	230419
LDRC 1461 120m	1121	3296	7344	901	87830	10308	127300	230756
LDRC 1461 126m	1152	3156	7032	924	86820	9885	127300	229237
LDRC 1461 129m	1064	3199	7128	1219	84930	10560	137350	238322
LDRC 1462 0 - 126m	Analysis pending							
LDRC 1462 132m	997	3262	7269	1384	84700	11829	127300	229472
LDRC 1462 138m	758	3701	8247	2382	93970	17427	123950	242188
LDRC 1462 144m	786	3726	8303	2471	83120	17079	120600	227782
LDRC 1462 156m	950	3217	7168	1683	80050	14727	123950	224577

Notes:

a) The results above are restricted to horizons where brine grades were 7.0 g/litre SOP or above, further analyses pending

b) The SOP values are quoted in the context of the brines containing high levels of sulfate, well in excess of the level required to produce SOP from the brines recovered

c) The analytical averages are regarded as approximate only in view of the manner in which brine is recovered from the holes drilled in the program.

Competent Persons Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr David O'Farrell, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr O'Farrell is a consultant to Reward Minerals Ltd. Mr O'Farrell has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr O'Farrell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	The program involved the drilling of a further two holes of a 15 hole program. Results of the first 13 holes were reported on 2 April 2014. Drilling of holes was performed using a conventional reverse circulation high pressure air rig. Drilling involved blade and hammer bits depending on whether drilling in soft sediment (blade) or hard rock formation (hammer). Solid samples were collected for each metre drilled where possible and retained for later examination. The focus of the program was on recovery of brine from respective levels in the holes drilled to ascertain the potential for the formation to host significant brine resources containing Potash minerals. In this context, where water or brine were encountered and drained at sufficient rates into the drill string, samples were collected at each 6m rod change. Brine was airlifted from the hole and collected in a bucket from the cyclone.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Samples collected were allowed to settle and clear brine was decanted for analysis. A field specific gravity reading was taken. Brine analyses were conducted by ALS/Ammtec laboratory in Balcatta WA using standard ICP MS methods. Analytical results are regarded as indicative only because of brine seepage (into most holes) from all levels below the static water level (SWL) any brine sample collected represents a composite of brines from all levels in the hole. The degree of mixing of brines from each level is difficult to estimate with the type of drilling used. Examination of the data obtained indicates a general increase in Total Dissolved Solids (TDS – Salinity) with depth. Thus the bottom of hole brine analyses are regarded as a minimum for that particular depth or horizon.
	Aspects of the determination of mineralisation that are Material to the Public Report.	The brine flow rates shown in the data table are likewise regarded as indicative estimates only.

Criteria	JORC Code explanation	Commentary
		Airlifting of brine via a high pressure air rig of the type used is by nature inaccurate and inexact. Measurement of the brine flow via conventional weir/channel techniques is regarded as practical but indicative only.
	In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	Drill holes that produce significant flows of high salinity brine will be cased and developed as bores to provide more definitive brine flow and composition at a future date.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Reverse Circulation drilling with 100mm diameter holes with a depth capacity of 150m+.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Solid samples for each metre drilled – where possible. Brine samples collected at 6m intervals when sufficient flow is available. Brine sampling is indicative only.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Samples collected were of a reconnaissance nature only.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Brine sampling is indicative only. Brines will be compared to soluble K,Mg analysis of RC chips.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	All holes were logged by the onsite geologist including Static Water Level (SWL) and brine inflow data at selected levels. Because of the high moisture content logging was regarded as qualitative. The key logging parameters were SWL, identification of aquifers and picking the base of sediment/top of basement interface horizon.

Criteria	JORC Code explanation	Commentary
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Qualitative, see above.
	The total length and percentage of the relevant intersections logged.	See above.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No cores taken.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Solid samples collected via rig cyclone. Retained for future analysis.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Brines were collected at 6m intervals and analysed separately where available. Intermixing of brine at one level with those above makes accurate estimation of composite grade for each level brine problematical. Solid samples recovered have been retained for future analysis. Estimates of entrained brine content, soluble salts and composition may be undertaken at a future date.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	As above.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	As above.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Brine samples collected regarded as representative of a particular site.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	The brine samples collected were analysed at a reputable independent laboratory (Australian Laboratory Services Ltd). Internal standards are used to calibrate equipment and analytical procedures. The program is regarded as reconnaissance and of an indicative nature only. No field analyses were involved and no internal

Criteria	JORC Code explanation	Commentary
		standards or blanks were included in samples submitted for analysis at this stage.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No field analyses undertaken. Samples sent to ALS after Company labeling for security purposes.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Reconnaissance work only. No standards or blanks included for this stage.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	See above.
	The use of twinned holes.	Individual holes only.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Data storage as PDF/Excel files on Company PCs in Perth.
	Discuss any adjustment to assay data.	Some analytical results corrected for dilution factors.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collars of the respective holes were located by GPS (± 5M). Reduced levels (RLs) were noted but are not regarded as of sufficient accuracy to formally record at this time.
	Specification of the grid system used.	UTM grid – GDA 94 Z51
	Quality and adequacy of topographic control.	See above regarding RLs.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill hole collar locations were set at approximately 1km and 3.4km spacings south of the preceding hole in the series using the Company's access track. Collar co-ordinates shown in Table 1 hereto.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve	Drilling is of a reconnaissance nature only. No resource implications at this time.

Criteria	JORC Code explanation	Commentary
	estimation procedure(s) and classifications applied.	
	Whether sample compositing has been applied.	See above – back mixing of brines collected.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Vertical percussion holes only – no structural information possible.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation information obtained.
Sample security	*The measures taken to ensure sample security.*	Samples were submitted to the independent laboratory (ALS) labeled with Company identification only.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	In view of the reconnaissance nature of the sampling program no audit of the sampling technique or analytical techniques is warranted at this stage.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	Tenements drilled were ELs45/3285 and L45/302 registered 100% in the name of Holocene Pty Ltd (Reward Minerals Ltd). Drilling and sampling was conducted in conjunction with Martu monitors within the Martu Determination Area.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Tenements tested form part of the Martu ILUA area on the tenements for Lake Disappointment. There are no known impediments to operations.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	No known previous exploration performed by other parties on the exploration area.

Criteria	JORC Code explanation	Commentary
Geology	*Deposit type, geological setting and style of mineralisation.*	The areas drilled are believed to be buried Paleovalleys containing saline water.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Location of the sampling points are provided in Table 1 and shown in Figure 1. All holes were less than 150m in depth and were vertical.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	Reconnaissance drilling only. No attempt to relate to resources hence no cut-off grades or aggregation of results.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No aggregation of results.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Only direct assay/analytical results reported. SOP value quoted was calculated as K x 2.23 (K to K_2SO_4).
Relationship between mineralisation widths and intercept	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with*	Stratigraphic drill holes for identification of palaeovalley sediment profile. See text of announcement.

Criteria	JORC Code explanation	Commentary
lengths	*respect to the drill hole angle is known, its nature should be reported.*	
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Holes generally 100-150m maximum vertical.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	See Figure 1 & 2
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Reconnaissance work only. Brine analyses obtained are regarded as significantly high in a geochemical sense to warrant follow up exploration.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Reconnaissance only, more detailed work planned. Core holes and pump testing to follow. Data obtained is of a preliminary nature – geochemically anomalous samples obtained warranting follow up.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Follow up Air Core and Core drilling will be undertaken when relevant Permitting approvals are received.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Not applicable – commercially sensitive.