

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2023

28 APRIL 2023

ASX CODE: RWD

DIRECTORSColin McCavana
ChairmanMichael Ruane
ExecutiveRod Della Vedova
Non-Executive**MANAGEMENT**Lorry Hughes
CEOBianca Taveira
Company Secretary**HEAD OFFICE**Reward Minerals Ltd
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Nedlands WA 6909ACN 009 173 602
ABN 50 009 173 602T: 08 9386 4699
E: admin@rewardminerals.com
W: www.rewardminerals.com**Highlights**

- Laboratory work programs to optimise reaction times of specific technical stages of Reward's new SOP processing technology produced high-purity SOP (99.4% pure) with a concentration of 53.7% K₂O, 56.8% SO₄, 0.1% Ca and <0.1% Cl
- Engineering Scoping Study underway for the production of SOP from seawater derived and other high-sulphate brines including the KP Lake Project
- First pass RC drilling at the McKay Range JV returns encouraging copper mineralisation
- Entitlement Issue and Shortfall Placement raised \$2.6 million before costs.

PERTH, Western Australia (April 28, 2023) - Reward Minerals Limited (ASX: RWD) ("Reward" or the "Company") is pleased to provide its Activities Report for the March Quarter 2023.

Research and Development

During the period, work continued on the development of the Company's new process ("Reward Process") for recovery of Potassium Sulfate ("K₂SO₄" or "SOP") directly from brines of wide-ranging chemical compositions, including those discarded at typical solar seawater salt operations.

The key benefits of the Reward Process compared to commonly used SOP brine recovery processes are;

- it does not require mechanical harvesting of mixed potash salts;
- it does not require the conventional Schoenite or Kainite flotation steps;
- it may significantly reduce capital and operating costs per unit of SOP.

The most recent in-house laboratory work program supported by an independent engineering firm and an external laboratory for check qualitative analyses, returned highly encouraging results¹. High-purity SOP (99.4% pure) with a concentration of 53.7% K₂O, 56.8% SO₄, 0.1% Ca and <0.1% Cl was produced using the Reward Process and has provided the Company with very strong encouragement to continue development.

The Company's combined results over the last year verified a first order SysCAD Flowsheet and Mass Balance Model that was compiled in the December Quarter 2022². The Model will be used as the basis to inform and produce an independent Engineering Scoping Study ("ESS") which is underway.

¹ Refer ASX announcement dated 6 April 2023.

² Refer ASX announcement dated 31 January 2023 (Specific results, details and participants in the laboratory work programs for the ESS have been omitted in order to protect Reward's Intellectual Property).

g/l = grams/litre, K = Potassium, Na = Sodium, Ca = Calcium, Cl = Chloride, SO₄ = Sulphate, TDS = Total Dissolved Salts, SG = Specific Gravity.

The ESS will be completed by an independent global engineering firm using their own and Reward's development data with expected completion by mid-year. A summary of the ESS deliverables include;

- Review of evaporation and filtration testwork conducted by Reward;
- Identification of any fatal flaws for the Reward Process to produce saleable SOP;
- Preliminary mass and energy balance;
- Utilities and reagent consumption requirements;
- Capital and Operating cost estimates (-30% - +40%) for a 100,000 tpa SOP production facility based on seawater bitterns feed source.

On 11 August 2022, the Company filed an Australian Provisional Patent Application ("Patent Application") protecting Intellectual Property related to the Reward Process¹. The results from the latest laboratory testwork are essential data to support the Patent Application and it is planned to submit it prior to 11 August 2023 in order to comply with the International Patent Application timetable.

Further, as the Reward Process has flexibility for recovery of SOP from a variety of other high-sulfate SOP rich brines, Reward has commenced discussions with several solar salt, fertilizer and seawater desalination companies globally to discuss the application of Reward's technology for SOP production via joint venture participation.

Kumpupintil Lake ("KP Lake") Potash Project

Jamukurnu-Yapalikurnu Aboriginal Corporation ("JYAC") (the Martu land council) and Martu Traditional Owners ("Martu") have been undertaking on-country work in preparation for the Reward-JYAC Cultural Heritage Management Plan ("CHMP") required by the project Indigenous Land Use Agreement ("ILUA").

This work included Martu considering the cultural landscape characteristics in the project area and adjoining country during two excursions completed in the September Quarter 2022. A third excursion planned for the December Quarter 2022 was postponed due to unforeseen circumstances and is now planned to occur in the June Quarter 2023.

The Company looks forward to progressing the CHMP in preparation for the development of the KP Lake Project. The ILUA between Reward and JYAC includes opportunities for Martu employment and business development when operations commence.

McKay Range Farm-In and Joint Venture

The project is a Farm-in and Joint Venture ("FJV") between Holocene Pty Ltd ("Holocene"), a wholly owned subsidiary of Reward and FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue Metals Group Ltd ("Fortescue") which commenced on 12 November 2019². The project is managed by Fortescue and it is located within tenements that form the northern part of Reward's KP Lake Potash Project (Figure 1).

Subsequent to quarter-end chemical assay results from the maiden reverse circulation ("RC") drilling program completed in the December Quarter 2022 were received.

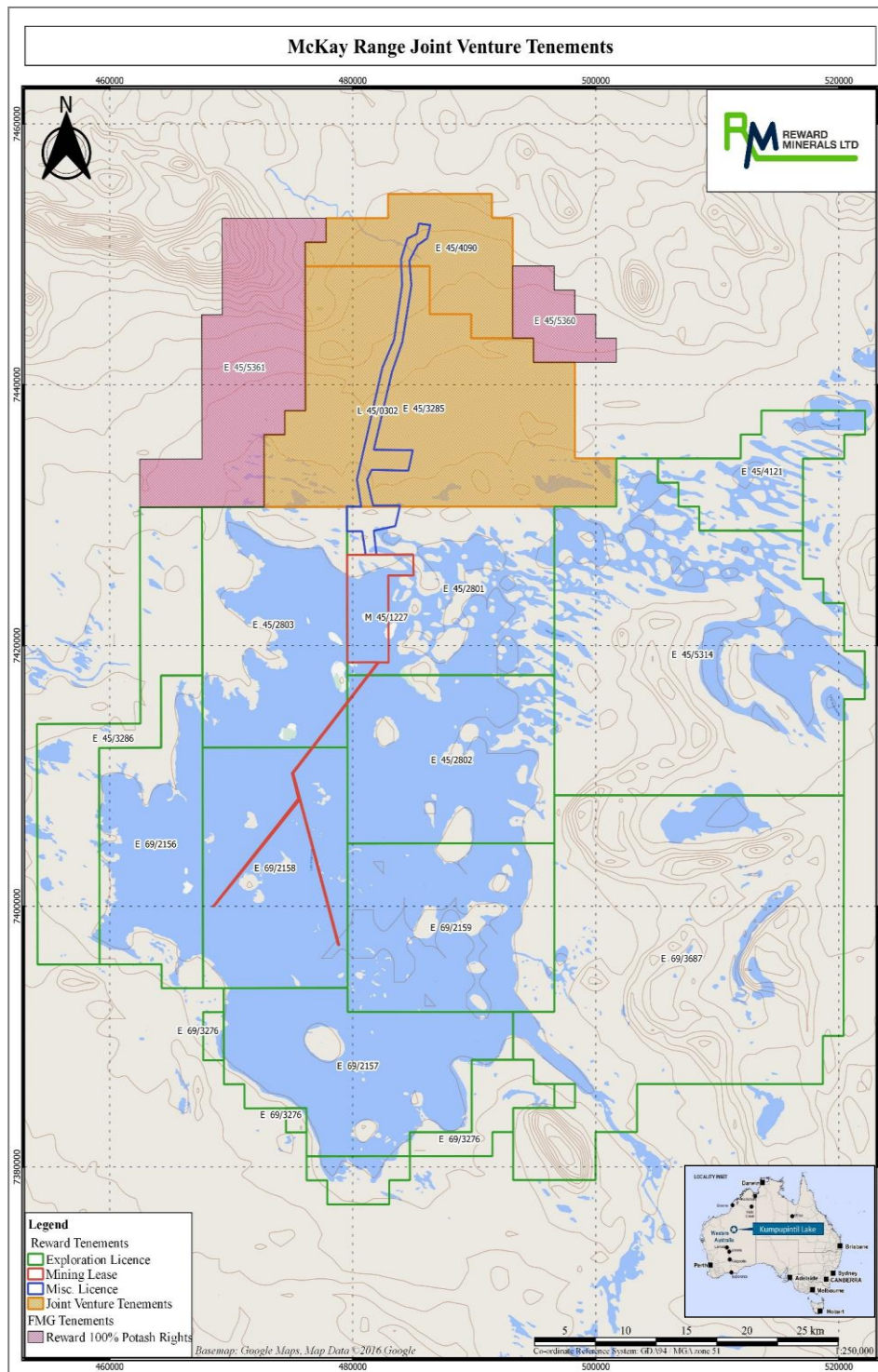
Anomalous to significant copper mineralisation was returned from four of the seven holes, best downhole intercepts included;

- **5m @ 0.15% Cu** from 212m (Hole MO0004) including;
 - **1m @ 0.52% Cu** from 216m
- **2m @ 0.13% Cu** from 202m (Hole MO0005)

¹ Refer ASX announcement dated 23 August 2022.

² Refer ASX announcement dated 19 November 2019.
(tpa = tonnes per annum)

Figure 1 - Map of the MacKay Range Farm-In Joint Venture and Potash Rights Tenements.

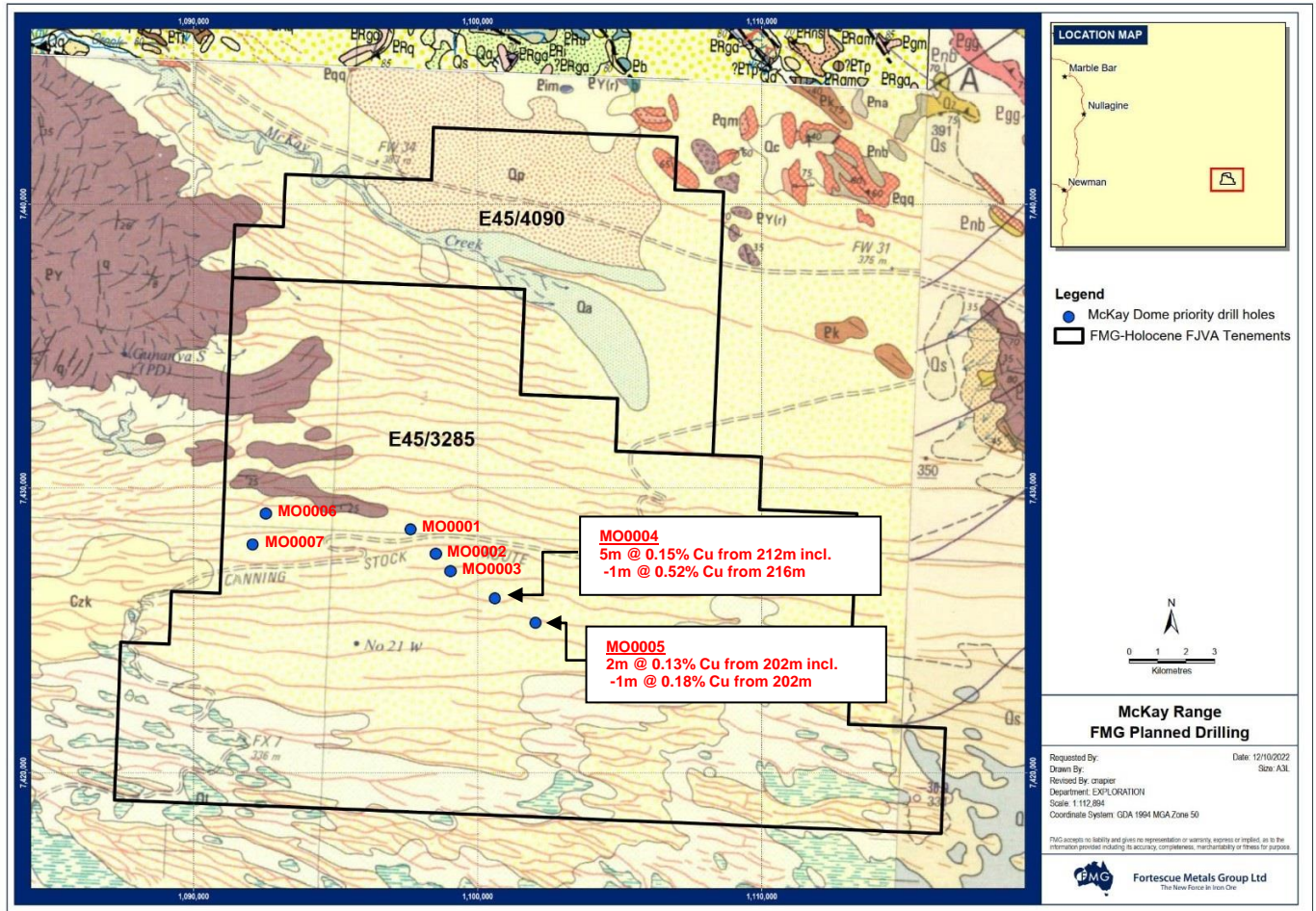


A total of seven RC holes for 1,338m were drilled to a maximum depth of 244m in the December Quarter 2022¹ to test the stratigraphy to the south of the McKay Dome to determine if a regionally reduced unit exists with the potential to host a sedimentary copper mineral system (Figure 2). The targeted unit was identified by Fortescue using geological, geochemical and geophysical datasets acquired since the joint venture began.

¹ Refer ASX announcements dated 18 October 2022 and 24 April 2023.

The drilling was broad spaced having been completed on two oblique lines located approximately six kilometres apart. Holes along the drill lines were spaced between one and two kilometres apart.

Figure 2 – Map of RC drilling locations on Exploration Licence 45/3285



A total of 764 (one metre interval) samples were dispatched to a Perth laboratory for chemical analyses of a suite of elements to compliment field generated portable XRF analyses of the one metre RC chips. All results have been received and copper mineralisation intercepts above 0.05% Cu (500ppm Cu) lower cut-off are provided in Table 1¹.

Exploration going forward will involve completion of drill site rehabilitation, analysis of thin sections and petrographic reports, data review and follow-up drill target generation.

¹ Refer ASX announcements dated 18 October 2022 and 24 April 2023.

Table 1 – RC drill collar and significant down hole copper assays for the 2022 drilling program¹.

Hole Id	East	North	RL	Dip	Azi.	Depth	From	To	Interval	Cu (ppm)	Cu (%)
MO0001	482701	7440507	340	-60	322	88	NSA > 500ppm				
MO0002	483623	7439706	340	-60	315	232	48	50	2	844	0.08
							72	73	1	995	0.10
							139	140	1	596	0.06
							145	146	1	610	0.06
							176	177	1	880	0.09
MO0003	484156	7439117	340	-60	323	210	202	203	1	946	0.09
MO0004	485753	7438212	364	-60	322	226	134	135	1	692	0.07
							186	187	1	909	0.09
							212	217	5	1,538	0.15
					including		216	217	1	5,240	0.52
MO0005	487212	7437424	394	-60	320	244	86	87	1	572	0.06
							160	161	1	647	0.06
							202	204	2	1,276	0.13
					including		202	203	1	1,770	0.18
MO0006	477193	7439766	346	-60	29	124	NSA > 500ppm				
MO0007	476664	7438523	368	-90	0	214	NSA > 500ppm				

Corporate

During the quarter, Reward continued to initiate engagement with global strategic investors involved in the chemical, fertilizer and seawater desalination industries to discuss potential joint ventures using Reward's technology.

Expenditure by Reward during the March Quarter was approximately \$382,000 as disclosed in item 1.2(a) of the Cashflow Report because of low-level activity at the Kumpupintil Lake Project and tenement holding costs.

In February and March 2023, the Company completed a fully underwritten Entitlement Offer ("Offer") to raise ~\$2.6 million before costs². The Offer comprised the issue of 32,550,448 New Shares on the basis of 1 New Share for every 6 shares held at an issue price of 8 cents per New Share. The New Shares have an attached free option which were issued on the basis of 1 New Option for every 2 New Shares issued.

¹ Refer ASX announcements dated 18 October 2022 and 24 April 2023.

² Refer ASX announcements dated 13 February, 22 March and 27 March 2023.

The New Options are listed on the ASX (ASX Code: RWDO) and have an exercise price of 20 cents with an expiry date of 31 March 2025. The Offer was made by a Prospectus and it was fully underwritten by Lazarus Corporate Finance Pty Ltd.

Available cash at the end of the period was approximately \$2.56 million.

In accordance with ASX Listing Rule 5.3.5, during the quarter a total of \$725,000 was paid to related parties or their associates of the Company. \$17,400 related to non-executive Director fees, the balance of \$707,000 was paid to Dr Ruane and his related entities to which \$656,000 relates to prior years consulting fees as reported in the 2022 financial statement.

Issued Share Capital as at 31 March 2023

ASX Code	Security Description	Number of Securities
RWD	Fully Paid Ordinary Shares	227,853,138
RWDO	Listed Options \$0.20 expiring 31 March 2025	18,275,275
RWDAU	Unlisted Options \$0.20 expiring 30 September 2023	15,853,260
RWDAV	Unlisted Options \$0.20 expiring 14 September 2025	5,000,000

Next Steps

Over the next two quarters the Company will focus of the following key activities;

- Advancement of the Reward Process, international patent finalisation and licensing activities for third parties
- Advancing the ESS for the KP Lake Project and seawater derived brines based on the Reward Process
- Engagement with solar salt, fertilizer and seawater desalination companies worldwide to discuss the application of Reward's technology to potential proposed SOP developments for possible joint venture participation
- Fortescue's completion of drill site rehabilitation, analysis of thin sections and petrographic report, data review and follow-up drill target generation.

Authorised by the Board of Reward.

For further information please contact:

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About Reward

Reward is an ASX-listed advanced-stage sulphate of potash exploration and development company. Reward's flagship is its 100%-owned Kumpupintil Lake Potash Project, located east of Newman in north-western Western Australia. The Project hosts Australia's largest high-grade brine SOP deposit in a region with the highest evaporation rate. Key environmental approvals are in place and development can commence on completion of final feasibility studies, secondary regulatory approvals and achievement of funding.

Reward completed a detailed, conservative Pre-Feasibility Study which was updated with improved logistics in July 2018. An Indigenous Land Use Agreement is in place with JYAC, the prescribed body corporate for Martu, the traditional owners of the land upon which Kumpupintil Lake is situated.

Forward-Looking Statements

This document may contain certain "forward-looking statements". When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. Although Reward believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

For a more detailed discussion of such risks and uncertainties, see Reward's other ASX Releases, Presentations and Annual Reports. Readers should not place undue reliance on forward-looking statements. Reward does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this ASX Release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Exploration Results – Competent Persons Statement

The information in this document that relates to Exploration Results, geology and data compilation is based on information compiled by Mr Lorry Hughes, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Hughes is the CEO of the Company, is a full-time employee and holds shares and options in the Company.

Mr Hughes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Hughes consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Metallurgical Results – Competent Persons Statement

The information in this report that relates to Brine metallurgical testwork and Analyses is based on information compiled by Mr Warren Hinchliffe who is a Member of The Australian Institute of Mining and Metallurgy. Mr Hinchliffe is a consultant to Reward Minerals Ltd. Mr Hinchliffe 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 Hinchliffe consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

About the FJV

The FJV tenements include Holocene's E45/3285 and E45/4090 located in the northern part of Reward's Kumpupintil Lake Potash Project and Reward retains 100% of the potash rights including on FMG tenements E45/5360 and E45/5361.

FMG is the operator of the FJV and has the right to earn an 80% interest in E45/3285 and E45/4090 by spending \$2 million over four years on exploration. If the \$2 million expenditure threshold is met, a Joint Venture will be established after which both parties will either contribute to expenditure in accordance with their respective FJV interests or dilute. If a party's JV interest falls below 5%, that party's JV interest will be converted to a 1% net smelter return royalty to be paid over the first five years of commercial production.

Tenement Holdings as at 31 March 2023

Tenement	Status	RWD Ownership at Quarter End	% Interest Acquired During the Quarter	% Interest Disposed During the Quarter
Kumpupintil Lake, Western Australia				
E45/2801	Granted	100%	-	-
E45/2802	Granted	100%	-	-
E45/2803	Granted	100%	-	-
E45/3285 ¹	Granted	100%	-	-
E45/3286	Granted	100%	-	-
E45/4090 ¹	Granted	100%	-	-
E45/4121	Granted	100%	-	-
E69/2156	Granted	100%	-	-
E69/2157	Granted	100%	-	-
E69/2158	Granted	100%	-	-
E69/2159	Granted	100%	-	-
E69/3276	Granted	100%	-	-
L45/302	Granted	100%	-	-
M45/1227	Granted	100%	-	-
E45/5314	Granted	100%	-	-
E69/3687	Granted	100%	-	-
Dora, Western Australia				
E45/4321	Pending	100%	-	-
E45/4488	Pending	100%	-	-
Macleod, Western Australia				
E09/2763	Pending	100%	-	-

Notes:

1. Farm-in and Joint Venture Agreement with Fortescue Metals Group Ltd ("FMG") to earn an 80% joint venture interest ("JV interest") in the Tenements by spending \$2 million over four years, with a minimum expenditure obligation of \$400,000. Once the \$2 million expenditure threshold has been met, a Joint Venture will be established after which both parties will either contribute to expenditure in accordance with their respective JV interests or dilute. If a party's JV interest falls below 5%, that party's JV interest will be converted to a 1% net smelter return royalty to be paid over the first five years of commercial production.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

REWARD MINERALS LTD

ABN

50 009 173 602

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(382)	(382)
(b) development	-	-
(c) production	-	-
(d) staff costs	(692)	(692)
(e) administration and corporate costs	(99)	(99)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – net GST (paid) / refunded	(89)	(89)
1.9 Net cash from / (used in) operating activities	(1,258)	(1,258)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,366	2,366
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(249)	(249)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,117	2,117

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,701	1,701
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,258)	(1,258)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,117	2,117

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,560	2,560

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,560	1,701
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,560	1,701

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	725 [^]
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

[^] includes \$656,808 paid to Dr M Ruane and associated entities in relation to prior years consulting fees shown as accruals in the 2022 Financial Statements.

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	2,800	2,800
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	2,800	2,800
7.5 Unused financing facilities available at quarter end		0
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>In September 2019, Dr M Ruane, Reward's Executive Director, agreed to loan the Company \$1 million. During the September 2020 quarter, Dr M Ruane agreed to further loan the Company \$300,000. In December 2021, an additional \$1 million was loaned to the Company by Dr M Ruane. During the December 2022 quarter, Dr M Ruane loaned a further \$500,000. The loan is unsecured, on reasonable arm's length terms and attracts interest at 7.5% per annum payable quarterly in arrears. The total facility of \$2.8 million is fully drawn down.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,258)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,258)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,560
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,560
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.0
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023

Authorised by the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.