



AND CONTROLLED ENTITY

INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2023

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# Contents

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Corporate Particulars	1
Directors' Report	2
Consolidated Statement of Comprehensive Income	7
Consolidated Statement of Financial Position	8
Consolidated Statement of Changes in Equity	9
Consolidated Statement of Cash Flows	10
Notes to the Consolidated Financial Statements	11
Directors' Declaration	16
Auditor's Independence Declaration	17
Independent Auditor's Review Report	18

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# Corporate Particulars

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## DIRECTORS

Non-Executive Chairman	Colin McCavana
Executive Director	Michael Ruane
Non-Executive Director	Rod Della Vedova

## SHARE REGISTRY

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Level 5, 191 St Georges Terrace  
PERTH WA 6000

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Email [hello@automatic.com.au](mailto:hello@automatic.com.au)

## COMPANY SECRETARY

Bianca Taveira

## AUDITORS

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## REGISTERED OFFICE

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## ASX Code

RWD / RWDO

# Directors' Report

Your directors present their report on the Consolidated Entity consisting of Reward Minerals Ltd and the entity that it controls ("Reward" or "the Group") at the end of, or during, the half-year ended 30 June 2023.

## DIRECTORS

The following persons held office as directors of Reward at the date of this report or were directors at any time during the half-year:

- Colin McCavana
- Michael Ruane
- Rod Della Vedova

## REVIEW AND RESULTS OF OPERATIONS

The Consolidated Entity is principally engaged in mineral exploration in Australia. The Consolidated Entity realised a loss after taxation of \$21,855,723 (2022: \$3,220,063 loss) for the half-year ended 30 June 2023.

### Potash Processing Technology ("Reward Process")

#### Overview

Subsequent to the end of the period the Company lodged an International application under the Patent Co-operation Treaty ("PCT") claiming priority from Australian Patent Application(s) 2022902277. The application has been pursued to protect the Company's intellectual property related to its new process ("Reward Process") for recovery of Potassium Sulphate (" $K_2SO_4$ " or "SOP") directly from concentrated seawater and other high-sulphate brines.

The key benefits of the Reward Process compared to existing technology are that no mechanical harvesting of mixed salts prior to processing is required, no flotation upgrade of mixed salts and it utilises conventional fixed plant components.

An Engineering Scoping Study ("ESS") utilising the Reward Process to recover high-purity SOP from seawater has been underway since May 2023 and is due for completion in the September Quarter 2023. It is being completed by an independent global engineering firm using their own and Reward's development data.

A summary of the ESS work streams completed to date include;

- Preliminary mass and energy balance;
- Observations and review of evaporation and filtration testwork conducted by Reward to verify robustness of key processing steps;
- Review of entire flowsheet to identify potential fatal flaws in the Reward Process for the production of SOP.

Final activities to complete the ESS include further review of;

- 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; and
- All findings and recommendations from the independent global engineering firm.

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

### The Carnarvon Potash Project

On 23 November 2022, Holocene Pty Ltd (a wholly owned subsidiary of Reward) lodged a first-in-time application for a single new exploration licence (E09/2763) and has been working through standard objections to grant. If granted, the tenement will be known as the Carnarvon Potash Project.

The ~219km<sup>2</sup> tenement is ideally located on the coast, ~33km north of the regional town of Carnarvon in Western Australia and immediately adjacent to the Lake Macleod solar salt operations owned by Dampier Salt Limited. The Project has the potential to contain concentrated seawater derived brines containing SOP at shallow depths below surface.

# Directors' Report

## REVIEW AND RESULTS OF OPERATIONS continued

### The Kumpupintil Lake Potash Project

#### *Overview*

The Kumpupintil Lake Potash Project ("KP") currently hosts the largest brine sulphate of potash ("SOP") resource in Australia with Potassium grade of approximately 6 g/l K (13.4 g/l SOP). The Project is located in the Little Sandy Desert region approximately 300 kms east of Newman, Western Australia. The project location and brine composition are ideal for production of SOP by solar evaporation techniques with low rainfall and extremely high evaporation rates in the project area.

The project comprises over 1,400 km<sup>2</sup> of granted Exploration Licences, one Mining Lease and one Miscellaneous Licence. An Indigenous Land Use Agreement ("ILUA") has been executed with the Martu Traditional Owners of the land. The KP Project has also received Environmental approvals from both State and Federal authorities (see below) and hence is available for development subject to approval conditions.

Reward completed a Pre-Feasibility Study ("PFS") on the KP Project in 2018 based on information available at the time (see ASX Releases dated 1 May 2018 and 13 July 2018). The PFS conducted by Perth-based engineering consultants CPC Project Design demonstrated that the project was technically sound and financially robust based on an SOP price of USD500 per tonne prevailing at the time.

Since that time, Reward has dedicated considerable effort and expense on R & D activities aimed at developing alternative lower cost methods for extraction of SOP from KP brine and from bitterns available from solar salt operations based on sea water. This work resulted in the development of the Reward Process as detailed above.

While additional pilot works are required to validate the technology, the Company believes that the Reward Process is suitably flexible to use at the KP Project and it has the potential to significantly reduce the capital and process costs determined in the PFS.

#### *Environmental Approvals*

In June 2020, Reward received notice from the Western Australian Minister for the Environment of Approval for Implementation of the KP Lake Potash Project subject to conditions set out in Statement Number 1131 issued under Section 45(1) of the *Environmental Protection Act 1986* (see ASX Release dated 4 June 2020).

In September 2020, the Federal Department of Agriculture, Water and the Environment advised the Company of its approval of the Kumpupintil Lake (Lake Disappointment) Potash Project under Part 9 of the *Environmental Protection and Biodiversity Conservation Act 1999* (the EPBC Act).

#### *Major Project Status*

In June 2021, the Company received advice from the Minister for Industry, Science and Technology, in conjunction with the Minister for Resources, Water and Northern Australia, that the KP Lake Potash Project had been awarded Commonwealth Government Major Project Status (see ASX Release dated 29 June 2021).

# Directors' Report

## REVIEW AND RESULTS OF OPERATIONS continued

### The Kumpupintil Lake Potash Project continued

#### *Period Activities*

Activities at KP have been restricted to the advancement of a Cultural Heritage Management Plan ("CHMP") which is a requirement of the ILUA involving Reward, the Martu Traditional Owners and representative body, Jamukurnu-Yapalikurnu Aboriginal Corporation relating to the development of the Project. The function of a CHMP is to set in place a formal mechanism for the management of cultural heritage within the KP Project area.

Two on country excursions by the Martu were undertaken in the September 2022 to consider cultural landscape characteristics in the project area whilst a third excursion was postponed due to unforeseen circumstances and is now planned to occur in the September Quarter 2023.

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

### McKay Range Farm-In Joint Venture ("JV")

Subsequent to the end of the quarter, FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue Metals Group Ltd ("Fortescue") provided Reward with formal notice of its intention to withdraw from the McKay Range Farm-in and Joint Venture Agreement ("FJVA").

The FJVA tenements included E45/3285 and E45/4090 owned by Holocene Pty Ltd, located in the northern part of Reward's Kumpupintil Lake Potash Project. These tenements have been retained by Reward on a 100% unencumbered basis.

Late in 2022, Fortescue completed a maiden reverse circulation ("RC") drilling program comprising seven holes for 1,338m (see ASX Release dated 11 July 2022). Four of the seven holes intersected anomalous to significant copper mineralisation including;

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

The holes were drilled to test the stratigraphy to the south of the McKay Dome to determine if a sedimentary-hosted copper mineral system might exist within a regionally reduced unit. The targeted unit was identified by Fortescue using geological, geochemical and geophysical data acquired since the joint venture began in 2019.

The drilling completed by Fortescue was very first pass and Reward remains encouraged by the anomalous copper mineralisation intersected at such a broad spacing. Only two oblique lines of drilling were completed, located approximately six kilometres apart with holes along the lines spaced between one and two kilometres apart. Once all data is collated and reviewed, Reward plans to determine and rank priority targets for potential follow-up drilling.

# Directors' Report

## REVIEW AND RESULTS OF OPERATIONS continued

### *Notes, Cautionary Statements and No New Information or Data*

1. Please refer to the assumptions, sensitivities, risk factors and cautionary statements disclosed respectively in Table 2 (pages 4-6), Table 3 (pages 7-8) and on pages 12 and 13 of Reward's ASX release dated 1 May 2018 entitled "PFS confirms LD Project as a globally significant SOP Project", as well the details included in the PFS Executive Summary appended thereto, which may adversely impact upon the information and forecasts in this report.

Apart from the enhancement described in (2) below all other material assumptions and technical parameters underpinning the PFS continue to apply and have not materially changed. The Company confirms that the form and context in which the results of the PFS were presented in the original ASX announcement have not been materially modified.

2. Refer to ASX announcement dated 13 July 2018 titled "LD SOP Project PFS Enhancements" which presented the full details of an improvement in product logistics costs for the LD Project. Apart from the improvement in trucking cost presented in that release all other material assumptions and technical parameters underpinning the PFS continue to apply and have not materially changed.
3. The Company has concluded that it has a reasonable basis for providing the forward-looking statements in this report. However, the Pre-Feasibility referred to in this report does not provide certainty that the conclusions of the said study will be realised. Furthermore, Reward cautions that there is no certainty that the forecast financial information derived from the production targets quoted in this report, in the Pre-Feasibility Study or in subsequent announcements, will be realised.
4. The estimated mineral resources underpinning the Pre-Feasibility Study production targets have been prepared by competent persons in accordance with the current JORC Code 2012 Edition, the Canadian Institute of Mining and Metallurgy and Petroleum Best Practice Guidelines for Resource and Reserve Estimation for Brines, the JORC-approved AMEC Brine Resource Estimation guidelines and the current ASX Listing Rules.
5. The State Environmental Approval for the Kumpupintil Lake (Lake Disappointment) Potash Project was disclosed to the market in an ASX release dated 4 June 2020, titled "WA State Environmental Minister Approves Project Implementation".
6. The Federal Environmental Approval for the Kumpupintil Lake Potash Project was disclosed to the market in ASX release dated 2 October 2020 titled "Commonwealth Approval for the Lake Disappointment Potash Project".

### *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.

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.

# Directors' Report

## REVIEW AND RESULTS OF OPERATIONS continued

### *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.

### *Matters Subsequent to the End of the Financial Period*

On 30 June 2023, Fortescue Metals Group Ltd notified Reward of their withdrawal from the McKay Range Farm-in and JV Agreement effective 30 July 2023.

On 28 August 2023, Reward surrendered six tenements due to the inability to access or carry out further developmental works on the KP project. Key resource tenements are retained whilst every effort is made to finalise a Cultural Heritage Management Plan with the Martu Native Title party. For these reasons Reward decided to write down approximately 50% of the value of the project.

There has not arisen since the end of the financial half year any other items, transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Consolidated Entity to affect substantially the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

## AUDITOR’S INDEPENDENCE DECLARATION

In accordance with section 307C of the Corporations Act 2001, the Directors have obtained a declaration of independence from Rothsay Auditing, the Consolidated Entity’s auditors, as presented on page 17 of this half-year’s financial report.

This report is made in accordance with a resolution of directors, and signed for on behalf of the Board by:



**M RUANE**  
**EXECUTIVE DIRECTOR**

13 September 2023, Perth



# Consolidated Statement of Comprehensive Income for the Half-Year Ended 30 June 2023

	Note	June 2023 \$	June 2022 \$
Revenue from continuing operations	2	11,595	35,704
		<b>11,595</b>	<b>35,704</b>
Depreciation		(28,148)	(35,851)
Audit fees		(20,045)	(20,000)
Consulting fees		(25,410)	(16,086)
Exploration expenses		(110,952)	(75,372)
Interest expense	5	(104,137)	(85,541)
Administration expenses		(233,992)	(151,293)
Employee costs		(93,860)	(42,622)
Building and occupancy costs		(50,313)	(49,980)
Share based payment	6(b)	(89,264)	(14,617)
Impairment of exploration and evaluation assets	4	(21,111,197)	(2,764,405)
		(21,867,318)	(3,255,767)
Loss before income tax		(21,855,723)	(3,220,063)
Income tax (expense)/benefit		-	-
Loss for the half-year		(21,855,723)	(3,220,063)
Other comprehensive income		-	-
Other comprehensive income for the half-year, net of tax		-	-
<b>Loss for the half-year and total comprehensive income attributable to Members of Reward Minerals Ltd</b>		<b>(21,855,723)</b>	<b>(3,220,063)</b>
Basic and diluted loss per share (cents)		(10.27)	(1.65)

*The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.*

# Consolidated Statement of Financial Position as at 30 June 2023

	Note	June 2023 \$	December 2022 \$
<b>Current Assets</b>			
Cash and cash equivalents		2,448,429	1,699,738
Trade and other receivables	3	73,100	83,660
<b>Total current assets</b>		<b>2,521,529</b>	<b>1,783,398</b>
<b>Non-Current Assets</b>			
Right of use assets		74,075	111,826
Other assets		50,000	50,000
Property, plant and equipment		257,266	285,414
Exploration and evaluation expenditure	4	21,642,745	42,239,793
<b>Total non-current assets</b>		<b>22,024,086</b>	<b>42,687,033</b>
<b>Total assets</b>		<b>24,545,615</b>	<b>44,470,431</b>
<b>Current Liabilities</b>			
Trade and other payables		256,860	834,736
Lease liabilities		82,116	79,283
Borrowings	5	3,257,562	3,153,425
<b>Total current liabilities</b>		<b>3,596,538</b>	<b>4,067,444</b>
<b>Non-Current Liabilities</b>			
Lease liabilities		-	42,390
<b>Total non-current liabilities</b>		<b>-</b>	<b>42,390</b>
<b>Total liabilities</b>		<b>3,596,538</b>	<b>4,109,834</b>
<b>Net assets</b>		<b>20,949,077</b>	<b>40,360,597</b>
<b>Equity</b>			
Contributed equity	6(a)	46,769,553	44,439,827
Reserves		11,572,138	11,457,661
Accumulated losses		(37,392,614)	(15,536,891)
<b>Total equity</b>		<b>20,949,077</b>	<b>40,360,597</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# Consolidated Statement of Changes in Equity for the Half-Year Ended 30 June 2023

	Contributed Equity \$	Share-Based Payment Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 January 2022</b>	44,428,077	11,236,488	(11,628,525)	44,036,040
<b>Comprehensive income for the half-year</b>				
Loss for the half-year	-	-	(3,220,063)	(3,220,063)
<b>Total comprehensive income for the half-year</b>	-	-	<b>(3,220,063)</b>	<b>(3,220,063)</b>
Transactions with owners in their capacity as owners:				
Share issue (performance rights vested)	13,000	(13,000)	-	-
Share issue costs	(1,250)	-	-	(1,250)
Issue of performance rights	-	14,617	-	14,617
<b>Balance at 30 June 2022</b>	<b>44,439,827</b>	<b>11,238,105</b>	<b>(14,848,588)</b>	<b>40,829,344</b>
<b>Balance at 1 January 2023</b>	44,439,827	11,457,661	(15,536,891)	40,360,597
<b>Comprehensive income for the half-year</b>				
Loss for the half-year	-	-	(21,855,723)	(21,855,723)
<b>Total comprehensive income for the half-year</b>	-	-	<b>(21,855,723)</b>	<b>(21,855,723)</b>
Transactions with owners in their capacity as owners:				
Share issue	2,604,035	-	-	2,604,035
Share issue costs	(274,309)	-	-	(274,309)
Share-based payment - options	-	89,264	-	89,264
Share-based payment – services rendered	-	25,213	-	25,213
<b>Balance at 30 June 2023</b>	<b>46,769,553</b>	<b>11,572,138</b>	<b>(37,392,614)</b>	<b>20,949,077</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# Consolidated Statement of Cash Flows for the Half-Year Ended 30 June 2023

	June 2023 \$	June 2022 \$
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	9,677	51,739
Payments to suppliers and employees	(1,068,323)	(186,595)
Interest received	11,569	196
<b>Net cash outflow from operating activities</b>	<b>(1,047,077)</b>	<b>(134,660)</b>
<b>Cash Flows from Investing Activities</b>		
Payments for mineral exploration	(559,170)	(545,959)
Payment for plant and equipment	-	(5,450)
<b>Net cash outflow from investing activities</b>	<b>(559,170)</b>	<b>(551,409)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from the issue of ordinary shares and options	2,604,035	-
Share issue costs	(249,097)	(1,250)
<b>Net cash inflow/(outflow)from financing activities</b>	<b>2,354,938</b>	<b>(1,250)</b>
Net increase/(decrease) in cash held	748,691	(687,319)
Cash and cash equivalents at the beginning of the half-year	1,699,738	3,160,211
<b>Cash and cash equivalents at the end of the half-year</b>	<b>2,448,429</b>	<b>2,472,892</b>

*The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.*

# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2023

## 1. Summary of Significant Accounting Policies

### a. Basis of Preparation of Half-Year Report

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 31 December 2022 and any public announcements made by Reward Minerals Ltd during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The half-year financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable by the measurement at fair value for certain classes of assets. The accounting policies and methods of computation have been followed in this half-year financial report as were applied in the most recent annual financial report.

### New and Revised Accounting Standards and Interpretations

The Consolidated Entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Consolidated Entity's accounting policies. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Consolidated Entity.

## 2. Revenue from continuing operations

Interest income  
Sundry income

Half-Year Ended June 2023 \$	Half-Year Ended June 2022 \$
11,595	205
-	35,499
<b>11,595</b>	<b>35,704</b>

## 3. Trade and other receivables

Prepayments  
GST assets  
Trade and other receivables

June 2023 \$	Dec 2022 \$
37,810	32,082
30,662	15,799
4,628	35,779
<b>73,100</b>	<b>83,660</b>

# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2023

	30 June 2023 \$	31 Dec 2022 \$
<b>4. Exploration and evaluation expenditure</b>		
Exploration and evaluation expenditure at 1 January	42,239,793	43,697,070
Exploration expenditure capitalised during the period	514,149	1,498,544
Exploration expenditure written off <sup>1</sup>	(21,111,197)	(2,834,284)
Research and development tax rebate received	-	(121,537)
	<b>21,642,745</b>	<b>42,239,793</b>

<sup>1</sup> During the period ended 30 June 2023, the Company resolved to impair 50% of the value of the Kumpupintil Lake Potash Project due to surrendering six tenements within the project in August 2023.

The future realisation of these non-current assets is dependent on the confirmation of access rights from the Martu Prescribed Body Corporate (PBC - JYAC) and obtaining funding necessary to commercialise the resources or realisation through sale.

	30 June 2023 \$	31 Dec 2022 \$
<b>5. Borrowings</b>		
The Company's Executive Director, Michael Ruane, entered into a \$2.8M loan agreement with the Company. The loan is unsecured and carries an interest rate of 7.5% p.a. with interest payable quarterly in arrears. Borrowings from Dr Ruane are repayable at call, however Dr Ruane has advised that he has no intention of calling up the loans unless requested to do so by the Company.		
\$104,137 in interest was accrued during the period ended 30 June 2023.		
Loan from Director	2,800,000	2,800,000
Accrued interest	457,562	353,425
	<b>3,257,562</b>	<b>3,153,425</b>

# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2023

## 6. Contributed Equity

	2023 Shares	2022 Shares	2023 \$	2022 \$
<b>(a) Ordinary Shares</b>				
<b>Issue of ordinary shares during the half-year</b>				
Balance at 1 January	195,302,690	195,202,690	44,439,827	44,428,077
Issue of shares – rights issue at \$0.08 each	32,550,448	-	2,604,035	-
Issue of shares – performance rights reached milestone	-	100,000	-	13,000
Share issue cost	-	-	(274,309)	(1,250)
	<b>227,853,138</b>	<b>195,302,690</b>	<b>46,769,553</b>	<b>44,439,827</b>
<b>(b) Options</b>				
Movement in options during the six months to 30 June as follows:				
Balance at beginning of half-year <sup>1</sup>	20,853,260	15,853,260		
Options expired during the period	-	-		
Options issued during the period <sup>2, 3</sup>	23,525,275	-		
Options exercised	-	-		
	<b>44,378,535</b>	<b>15,853,260</b>		

- Opening balance options of 20,853,260 are unlisted. Of these, 15,853,260 have an expiry date of 30 September 2023 and an exercise price of \$0.20 each and 5,000,000 unlisted options with an expiry date of 14 September 2025 and an exercise price of \$0.20 each were issued to Mr Lorry Hughes in September 2022 under the Employee Incentive Plan.
- 18,275,275 free attaching unlisted options with an expiry date of 31 March 2025 and an exercise price of \$0.20 each were issued to eligible shareholders who subscribed to the Company's non-renounceable pro-rata rights issue in March 2023. 2,000,000 of these options were issued to the underwriter, Lazarus Corporate Finance Pty Limited, as part of their underwriting fee for services provided. The value of these options are \$25,212 and has been expensed to capital raising costs.
- 5,250,000 unlisted options with an expiry date of 14 September 2025 and an exercise price of \$0.20 each were issued to Mr Colin McCavana and Mr Rodney Della Vedova and employees and contractors of the Company under the Employee Incentive Plan.

An amount of \$89,264 was expensed for the period to 30 June 2023.

Details of the options issued during the half-year are as follows:

# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2023

## 6. Contributed Equity (continued)

### (b) Options (continued)

Details	OPTIONS ISSUED TO		
	Referring to Prospectus dated 13 February 2023, Lazarus will receive 2M options on completion of offer	Mr Della Vedova & Mr McCavana	Employees
Vesting conditions	None	None	None
Methodology	Black-Scholes	Black-Scholes	Black-Scholes
Grant date	27 March 2023	31 May 2023	8 June 2023
Expiry date	31 March 2025	14 September 2025	14 September 2025
Share price at Grant date (\$)	0.070	0.055	0.055
Exercise price (\$)	0.20	0.20	0.20
Risk free rate (%)	2.84%	3.53%	4.02%
Volatility (%)	80.4%	104.4%	104.5%
Dividend yield (%)	-	-	-
Number	2,000,000	2,000,000	3,250,000
<b>Fair value per option (\$)</b>	<b>0.0126</b>	<b>0.0169</b>	<b>0.0170</b>
<b>Total fair value (\$)</b>	<b>25,212</b>	<b>33,975</b>	<b>55,289</b>

### (c) Performance Rights

#### June 2023

There were no performance rights on issue during the period.

#### December 2022

Nil performance rights remained on hand due to performance rights being vested and cancelled.



# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2023

## 7. Commitments for Expenditure

### Mining Agreements

Upon making a 'Decision to Mine' on the Kumpupintil Lake (previously known as Lake Disappointment) Potash Project, the Company will issue 3.0 million options to JYAC (previously known as WDLAC) as per the 2011 Mining and Indigenous Land Use Agreement

'Decision to Mine' is defined and means the date the Group has both completed feasibility studies on the Project and made a formal decision to proceed with procurement and infrastructure development for the mine. A further 7.5 million options will be issued upon commencement of mining as per the above agreement. All options issued to JYAC have an exercise price of \$0.50 and will expire four years from the date of issue.

Per the 2011 Mining and Indigenous Land Use Agreement in regard to the Kumpupintil Lake Potash Project, the Company is committed to reimburse the JYAC for Martu law and culture matters in the sum of \$300,000 per year for the first five years, and after that when mining is occurring. The Company is currently in exploration phase and this commitment is deferred until mine development commences.

Upon commencement of mining of the Kumpupintil Lake Potash Project, the Company is liable to pay JYAC \$500,000 as per the December 2011 Mining and Indigenous Land Use Agreement.

## 8. Dividends

No dividends have been paid or proposed to be paid during the period.

## 9. Segment Information

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Consolidated Entity operates predominantly in one business segment which is potash mining and exploration, and predominantly in one geographical area which is Western Australia.

The Company is domiciled in Australia. All revenue from external parties is generated from Australia only. All the assets are located in Australia.

## 10. Subsequent Events

On 30 June 2023, Fortescue Metals Group Ltd notified Reward of their withdrawal from the McKay Range Farm-in and JV Agreement effective 30 July 2023.

There have been no other events subsequent to reporting date.

# Directors' Declaration

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1. In the opinion of the Directors of Reward Minerals Ltd:
  - a. The financial statements and notes set out on pages 7 to 15, are in accordance with the *Corporations Act 2001*, including:
    - (i) giving a true and fair view of the financial position of the Consolidated Entity as at 30 June 2023 and of its performance for the half-year ended on that date; and
    - (ii) complying with Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements.
  - b. there are reasonable grounds to believe that Reward Minerals Ltd will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to s303(5) of the *Corporations Act 2001*, and signed for on behalf of the Board by:



**M RUANE**  
**EXECUTIVE DIRECTOR**

13 September 2023

# ROTHSAY

AUDIT & ASSURANCE PTY LTD

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*

As lead auditor of the review of Reward Minerals Ltd for the half-year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Rewards Minerals Ltd and the entity it controlled during the half-year.

Rothsay Audit & Assurance Pty Ltd



**Daniel Dalla**  
Director  
13 September 2023

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**CHARTERED ACCOUNTANTS**  
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# ROTHSAY

AUDIT & ASSURANCE PTY LTD

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF

### REWARD MINERALS LTD

#### Report on the Review of the Half-Year Financial Report

##### *Conclusion*

We have reviewed the half-year financial report of Reward Minerals Ltd ("the Company"), and its controlled entity ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

##### *Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-Year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

##### *Directors' Responsibility for the Financial Report*

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
REWARD MINERALS LTD (continued)

*Auditor's Responsibility for the Review of the Half-Year Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Rothsay Audit & Assurance Pty Ltd

Daniel Dalla  
Director  
13 September 2023

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