



AND CONTROLLED ENTITY

INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2022

159 Stirling Highway, Nedlands WA 6009

PO Box 1104, Nedlands WA 6909

T 08 9386 4699

E [admin@rewardminerals.com](mailto:admin@rewardminerals.com)

[www.rewardminerals.com](http://www.rewardminerals.com)

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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

Automatic Group  
Level 5, 191 St Georges Terrace  
PERTH WA 6000

Telephone 1300 288 664  
Email [hello@automic.com.au](mailto:hello@automic.com.au)

## COMPANY SECRETARY

Bianca Taveira

## AUDITORS

Rothsay Audit & Assurance Pty Ltd  
Level 1, Lincoln Building  
4 Ventnor Avenue  
WEST PERTH WA 6005

Telephone 08 9486 7094  
Email [danield@rothsay.com.au](mailto:danield@rothsay.com.au)  
Web [rothsay.com.au](http://rothsay.com.au)

## REGISTERED OFFICE

159 Stirling Highway  
NEDLANDS WA 6009

PO Box 1104  
NEDLANDS WA 6909

Telephone 08 9386 4699  
Email [admin@rewardminerals.com](mailto:admin@rewardminerals.com)  
Web [www.rewardminerals.com](http://www.rewardminerals.com)

## ASX Code

RWD / RWDOA

# 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 2022.

## 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 \$3,220,063 (2021: \$359,777 loss) for the half-year ended 30 June 2022.

### The Kumpupintil Lake Potash Project – formerly Lake Disappointment Potash Project

#### Overview

The Kumpupintil Lake Potash Project ("KP") is Reward Minerals' flagship 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 3,000 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 respected 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 continued during the current period with particularly productive outcomes resulting in lodgement of an International Patent Application designed to protect intellectual property generated by the R&D testwork.

While considerable additional test and pilot works are required to validate the technology, the Company believes that the new process developed has potential to significantly reduce the capital and process costs of an operation recovering SOP from KP brine and sea water type brines economically.

Process development works are continuing and the Company intends to proceed with an engineering Scoping Study in the near future based on use of the Company's new technology at the KP site.

# Directors' Report

## REVIEW AND RESULTS OF OPERATIONS continued

### The Kumpupintil Lake Potash Project continued

#### *Environmental Approvals*

In June 2020, Reward received notice from the Western Australian Minister for the Environment of Approval for Implementation of the Kumpupintil Lake (Lake Disappointment) 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 Kumpupintil Lake (Lake Disappointment) Potash Project had been awarded Commonwealth Government Major Project Status (see ASX Release dated 29 June 2021).

#### *Period Activities*

Activities at KP project site this field season have been restricted due to several factors including very heavy rainfall in March and advancement of Cultural Heritage Management Plan with the Martu Traditional Owners and representative body, JYAC (formerly WDLAC) relating to the KP Project development.

The first of three proposed on-country (KP) visits was held in June 2022 and the second shortly after the end of the period with the third planned for October 2022.

### Officer Basin Potash Exploration Project

Reward Minerals Ltd holds 100% beneficial interest in five Exploration Licences (approximately 3,000 km<sup>2</sup>) in the Officer Basin ("OB") region approximately 80 kms east of Reward's Kumpupintil Lake Potash Project in WA.

The tenements held provide substantial coverage in the Officer Basin which is known to host buried evaporites. Based on the large potash resource defined at Kumpupintil Lake and work to date, Reward believes that the OB Project area has excellent potential for hosting large (buried) Potash resources, in particular Sulphate of Potash (SOP).

The 2021 drilling at Officer Basin confirmed substantial groundwater presence in the area drilled to date.

However, generally the tenor of dissolved salts in the groundwater recovered from the latest drill holes was disappointing, considering the much higher Total Dissolved Salts (TDS) content of brines encountered in holes OB001 – OB004 during 2020.

Results of the Officer Basin Potash Project to-date provide the following indications:

1. Drilling of the deeper holes OB001 and OB002 (cored to 419.45 m and 705.6 m respectively) failed to return solid evaporites containing water-soluble potash salts. Core analysis of OB002 to include formation dating to confirm whether the targeted rock sequences were in fact reached, has yet to be finalised. These dating results may provide a guide as to whether deeper drilling to penetrate the Browne Formations sediments is warranted.

# Directors' Report

## REVIEW AND RESULTS OF OPERATIONS continued

### Officer Basin Potash Exploration Project continued

2. The shallower drilling executed in 2021 in holes OB005 – OB008 and limited groundwater recovery trials, support Reward's view that a large palaeovalley system runs from (at least) OB001/OB002 in the east across the Warnturr and Timpirr Lakes corridor to the west, a distance of >40 km. The low-density tenor of groundwater in recent holes OB005, OB006 and OB007 suggests that these holes are located on the margins of the postulated palaeovalley aquifer. OB008 demonstrated a significant Potash content in groundwater drawn from the bottom of hole at 202 metres. Potassium analysis of 1.49 kg/m<sup>3</sup> and sulphate of 13.9 kg/m<sup>3</sup> are regarded as encouraging (equivalent to 3.3 kg SOP/m<sup>3</sup> of brine).

Based on the assumption, that a substantial palaeovalley aquifer exists in the area where holes OB001 – OB008 have been drilled to-date, Reward proposes to conduct a geophysical Passive Seismic Survey, both across and perpendicular to the postulated flow direction of the palaeovalley.

Passive seismic is a relatively low-cost, non-ground disturbing technique used extensively in Western Australia to define depth of cover, shallow stratigraphy and direction and depth of palaeovalley water and brine resources for mining and other (Potash) operations. Follow-up drilling has confirmed the effectiveness of the method in other regions.

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

Late in 2019, Reward executed a Farm-In Exploration Joint Venture with FMG Resources Pty Ltd ("FMG") covering Reward's Exploration Licences 45/3285 and 45/4090 which form part of the Kumpupintil Lake Potash Project.

FMG retain the right to earn an 80% interest in the Reward tenements by expenditure of \$2 million over four years. Reward retains 100% Potash Rights over E45/3285 and E45/4090 and over the two adjoining FMG tenements E45/5362 and E45/5360. For further details of the Agreement (see ASX Release dated 13 November 2019).

Works on the Farm-In to-date include helicopter VTEM geophysical survey, regolith mapping, ground gravity survey, passive seismic survey and surface sampling (soil, lag rock chip).

Activities by FMG during the half year focused on Heritage Clearance of proposed drilling sites and access routes. These clearances remained pending at the end of the period with drilling programmed for September 2022 subject to final Heritage clearances.

# 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 report that relates to Exploration Results is based on information compiled by Matthew Wheeler, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Wheeler is contracted to Reward Minerals Ltd. Mr Wheeler 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 Wheeler consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Brine Assays and Analyses is based on information compiled by Dr Michael Ruane, a Competent Person who is a Member of The Royal Australian Chemical Institute. Dr Ruane is an Executive Director of Reward Minerals. Dr Ruane 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'. Dr Ruane 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 9 August 2022, the Company announced that it will be withdrawing its exploration activities on its Officer Basin tenement holdings. Within the Officer Basin region lies the Company’s Gibson tenement holdings. Accordingly, exploration and evaluation expenditure previously capitalised for both these areas have been written off, in the amount of \$2,764,405 at 30 June 2022.
- On 30 August 2022, the Company announced the appointment of its new Chief Executive Officer (CEO), Mr David (Lorry) Hughes, to commence effective 8 September 2022.

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 Audit & Assurance Pty Ltd, 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 2022, Perth



# Consolidated Statement of Comprehensive Income for the Half-Year Ended 30 June 2022

	Note	June 2022 \$	June 2021 \$
Revenue from continuing operations	2	35,704	167,226
		<b>35,704</b>	<b>167,226</b>
Depreciation		(35,851)	(43,127)
Audit fees		(20,000)	(20,000)
Consulting fees		(16,086)	(15,957)
Exploration expenses		(75,372)	(72,498)
Interest expense	5	(85,541)	(48,349)
Legal expenses		-	(5,050)
Administration expenses		(151,293)	(148,113)
Employee costs		(42,622)	(115,342)
Building and occupancy costs		(49,980)	(58,567)
Share based payment	6(c)	(14,617)	-
Impairment of exploration and evaluation assets	4	(2,764,405)	-
		<b>(3,255,767)</b>	<b>(527,003)</b>
Loss before income tax		<b>(3,220,063)</b>	<b>(359,777)</b>
Income tax (expense)/benefit		-	-
Loss for the half-year		<b>(3,220,063)</b>	<b>(359,777)</b>
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>(3,220,063)</b>	<b>(359,777)</b>
Basic and diluted loss per share (cents)		(1.65)	(0.19)

*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 2022

	Note	June 2022 \$	December 2021 \$
<b>Current Assets</b>			
Cash and cash equivalents		2,472,892	3,160,211
Trade and other receivables	3	67,446	83,677
<b>Total current assets</b>		<b>2,540,338</b>	<b>3,243,888</b>
<b>Non-Current Assets</b>			
Right of use assets		148,860	185,894
Other Assets		50,000	50,000
Property, plant and equipment		312,247	342,648
Exploration and evaluation expenditure	4	41,282,413	43,697,070
<b>Total non-current assets</b>		<b>41,793,520</b>	<b>44,275,612</b>
<b>Total assets</b>		<b>44,333,858</b>	<b>47,519,500</b>
<b>Current Liabilities</b>			
Trade and other payables		779,811	808,124
Lease liabilities		76,533	73,868
Borrowings	5	2,565,336	2,479,795
<b>Total current liabilities</b>		<b>3,421,680</b>	<b>3,361,787</b>
<b>Non-Current Liabilities</b>			
Lease liabilities		82,834	121,673
<b>Total non-current liabilities</b>		<b>82,834</b>	<b>121,673</b>
<b>Total liabilities</b>		<b>3,504,514</b>	<b>3,483,460</b>
<b>Net assets</b>		<b>40,829,344</b>	<b>44,036,040</b>
<b>Equity</b>			
Contributed equity	6(a)	44,439,827	44,428,077
Reserves		11,238,105	11,236,488
Accumulated losses		(14,848,588)	(11,628,525)
<b>Total equity</b>		<b>40,829,344</b>	<b>44,036,040</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 2022

	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>	-	-	(3,220,063)	(3,220,063)
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 2021</b>	44,227,990	11,234,355	(10,992,578)	44,469,767
<b>Comprehensive income for the half-year</b>				
Loss for the half-year	-	-	(359,777)	(359,777)
<b>Total comprehensive income for the half-year</b>	-	-	(359,777)	(359,777)
Transactions with owners in their capacity as owners:				
Share issue	128,000	-	-	128,000
Share issue costs	(32,913)	-	-	(32,913)
<b>Balance at 30 June 2021</b>	<b>44,323,077</b>	<b>11,234,355</b>	<b>(11,352,355)</b>	<b>44,205,077</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 2022

	June 2022 \$	June 2021 \$
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	51,739	18,211
Payments to suppliers and employees	(186,595)	(272,253)
Interest received	196	28
<b>Net cash outflow from operating activities</b>	<b>(134,660)</b>	<b>(254,014)</b>
<b>Cash Flows from Investing Activities</b>		
Payments for mineral exploration	(545,959)	(726,832)
Payment for plant and equipment	(5,450)	(10,340)
<b>Net cash outflow from investing activities</b>	<b>(551,409)</b>	<b>(737,172)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from the issue of ordinary shares and options	-	128,000
Share issue costs	(1,250)	(32,913)
<b>Net cash (outflow)/ inflow from financing activities</b>	<b>(1,250)</b>	<b>95,087</b>
Net decrease in cash held	(687,319)	(896,099)
Cash and cash equivalents at the beginning of the half-year	3,160,211	4,652,492
<b>Cash and cash equivalents at the end of the half-year</b>	<b>2,472,892</b>	<b>3,756,393</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 2022

## 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 2021 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 2022 \$	Half-Year Ended June 2021 \$
205	28
35,499	167,198
<b>35,704</b>	<b>167,226</b>

  

June 2022 \$	Dec 2021 \$
3,842	24,474
29,229	29,392
34,375	29,811
<b>67,446</b>	<b>83,677</b>

## 3. Trade and other receivables

Prepayments  
GST assets  
Trade and other receivables

- (i) The Group has applied for the research and development tax rebate from the Australian Taxation Office for the year ended 31 December 2021. An amount of \$121,537 is expected to be received however this is yet to be assessed and determined.

# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2022

## 4. Exploration and evaluation expenditure

Exploration and evaluation expenditure at 1 January  
Exploration expenditure capitalised during the period  
Exploration expenditure written off

30 June 2022 \$	31 Dec 2021 \$
43,697,070	41,438,942
349,748	2,258,128
(2,764,405)	-
<b>41,282,413</b>	<b>43,697,070</b>

The future realisation of these non-current assets is dependent on the granting of native title rights and obtaining funding necessary to commercialise the resources or realisation through sale.

- (i) The Directors have determined that the Group may be some time away from mining operations and accordingly have decided to reclassify prior allocated mine development expenditure as exploration expenditure. Refer to 2021 Annual Report for further details.

## 5. Borrowings

The Company's Managing Director, Michael Ruane, entered into a \$2.3M 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.

\$85,541 in interest was accrued during the period ended 30 June 2022.

Loan from Director  
Accrued interest

30 June 2022 \$	31 Dec 2021 \$
2,300,000	2,300,000
265,336	179,795
<b>2,565,336</b>	<b>2,479,795</b>

# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2022

## 6. Contributed Equity

	2022 Shares	2021 Shares	2022 \$	2021 \$
<b>(a) Ordinary Shares</b>				
<b>Issue of ordinary shares during the half-year</b>				
Balance at 1 January	195,202,690	193,538,405	44,428,077	44,227,990
Issue of shares – rights issue at \$0.14 each	-	914,285	-	128,000
Issue of shares – performance rights reached milestone	100,000	-	13,000	-
Share issue cost	-	-	(1,250)	(32,913)
	<b>195,302,690</b>	<b>194,452,690</b>	<b>44,439,827</b>	<b>44,323,077</b>
<b>(b) Options</b>	<b>2022 Options</b>	<b>2021 Options</b>		
Movement in options during the six months to 30 June as follows:				
Balance at beginning of year	15,853,260	28,563,983		
Options expired during the period	-	(13,167,866)		
Options issued during the period	-	457,143		
Options exercised	-	-		
	<b>15,853,260</b>	<b>15,853,260</b>		

Closing balance options of 15,853,260 are unlisted with an expiry date of 30 September 2023 and an exercise price of \$0.20 each.

# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2022

## 6. Contributed Equity (continued)

### (c) Performance Rights

On 13 December 2021, an employee was granted a total of 200,000 performance rights.

The performance rights were granted at nil consideration, do not have an exercise price and will lapse if the vesting conditions are not met.

The performance rights are issued under the Company's Employee Incentive Plan (EIP), as approved by shareholders at the General Meeting held on 28 May 2021. The issue was granted on 13 December 2021.

Each performance right will, at the election of the holder, vest, and convert to one fully paid ordinary share, subject to the satisfaction of certain service conditions.

The terms of the performance rights will be as follows:

Class of Performance Rights	Service Condition
Class A Performance Rights	The holder remains engaged as an employee or until 10 May 2022. This condition has been met.
Class B Performance Rights	The holder remains engaged as an employee or until 10 May 2023.

During the period ended 30 June 2022, \$14,617 was expensed as a share based payment in respect of the Company's Class A and B performance rights, with the fair value being recognised over the vesting period. As at 30 June 2022, a total of 100,000 Class B performance rights remain unvested.

Set out below is a summary of the performance rights on issue:

	Class A	Class B	Total
Number granted	100,000	100,000	200,000
Grant date	13 Dec 2021	13 Dec 2021	
Expiry date of milestone achievements	10 May 2022	10 May 2023	
Fair value per right	\$0.13	\$0.13	
Total fair value that would be recognised over the vesting period if rights are vested	\$13,000	\$13,000	\$26,000
Number cancelled at 31 December 2021	0	0	0
Number cancelled at 30 June 2022	0	0	0
Number vested at 31 December 2021	0	0	0
Number vested at 30 June 2022	100,000	0	100,000
Number remaining at 31 December 2021	100,000	100,000	200,000
Number remaining at 30 June 2022	0	100,000	100,000
Amount expensed at 31 December 2021	\$1,581	\$552	\$2,133
Amount expensed at 30 June 2022	\$11,419	\$3,198	\$14,617



# Notes to the Consolidated Financial Statements for the Half-Year Ended 30 June 2022

## 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 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 WDLAC 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 WDLAC 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 WDLAC \$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 9 August 2022, the Company announced that it will be withdrawing its exploration activities on its Officer Basin tenement holdings. Within the Officer Basin region lies the Company's Gibson tenement holdings. Accordingly, exploration and evaluation expenditure previously capitalised for both these areas have been written off, in the amount of \$2,764,405 at 30 June 2022.
- On 30 August 2022, the Company announced the appointment of its new Chief Executive Officer (CEO), Mr David (Lorry) Hughes, to commence effective 8 September 2022.

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 2022 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 2022, Perth

## 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 2022, 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 2022

## 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 2022, 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 2022 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.



## 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 2022 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 2022