

ASX Announcement

24 JUNE 2022

PARKWAY INCREASES OWNERSHIP IN KARINGA LAKES POTASH PROJECT (KLPP) FROM 15% TO 40%

Parkway Corporate Limited (“**Parkway**” or the “**Company**”) (ASX: PWN) is pleased to advise the Company has satisfied its obligations under the Karinga Lakes Potash Project (KLPP) joint venture and has therefore increased its interest in the KLPP from 15% to 40%.

The KLPP is a joint venture between Verdant Minerals Pty Ltd and Parkway Ventures Pty Ltd (a wholly owned subsidiary of the Company), which is administered through Territory Potash Pty Ltd.

KLPP – Key Milestones

- [05 Aug 2019](#) Parkway announced the acquisition of Consolidated Potash Corporation Limited, which held a 15% interest in the KLPP. Under the KLPP-JV, Parkway acquired the right (Stage 2 Earn-In) to increase its interest in the KLPP from 15% to 40%, by satisfying certain technology related milestones, as well as agreeing to make gross incremental investment (cash and in-kind) in the project, totaling \$2 million.
- [11 May 2020](#) Parkway announced the commencement of a pre-feasibility study for the KLPP, based on the aMES® technology. Parkway’s global strategic partner, Worley, was appointed study manager for preparation of the KLPP-PFS.
- [05 Nov 2020](#) Parkway announced completion of the KLPP-PFS, satisfying the major deliverable of the Stage-2 Earn-In, as part of the KLPP-JV.
- [13 Dec 2021](#) Parkway announced confirmation of grant by the NT Government of the three exploration licences covering 1,109 km², which underpin the KLPP, finalising a protracted tenement rationalisation process.
- [24 Jun 2022](#) Parkway announced it has been advised by KLPP-JV partner that it has been awarded the additional 25% interest in the KLPP under the Stage 2 Earn-In, increasing Parkway’s interest in the KLPP to 40%. The KLPP-JV parties are working collaboratively to assign Parkway’s interest in the KLPP tenements and undertake the administrative processes to register this interest in a timely manner.

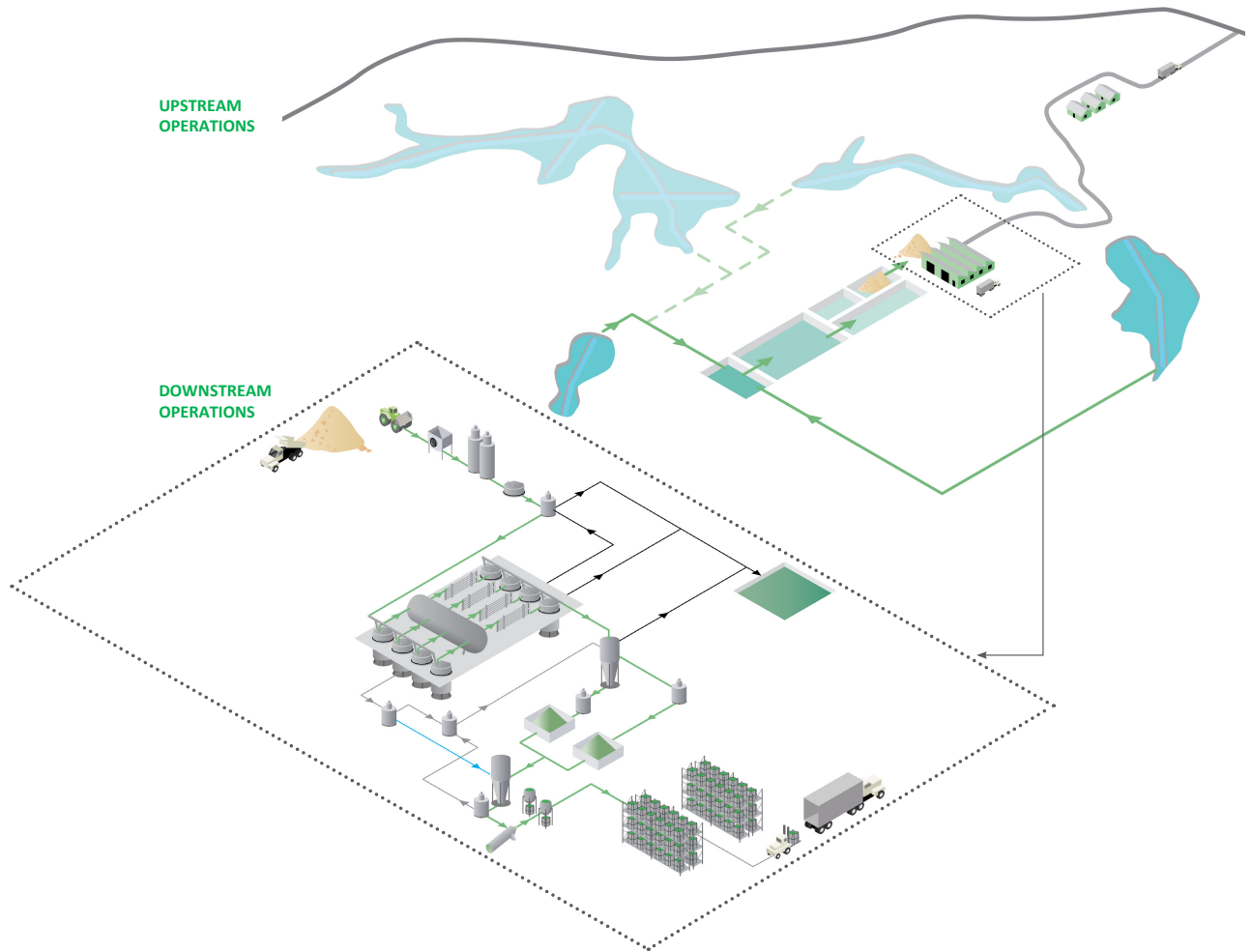
The KLPP-JV is exploring potential options to create and extract value from the KLPP.

KLPP-PFS – Key Findings

- The KLPP-PFS confirmed the KLPP located in the Northern Territory, Australia, as a potentially attractive producer of high-quality, soluble grade, sulphate of potash (SOP).
- The innovative aMES® based flow sheet demonstrated the potential for a relatively small-scale operation targeting annual SOP production of 40,000 tonnes, over an initial mine life of 20 years.
- The aMES® based development concept demonstrated highly efficient use of water, with several significant advantages over conventional SOP processing routes.



Generalised Development Concept Outlined in the KLPP-PFS



Mineral Resources

The Mineral Resource Estimate underpinning the KLPP-PFS is summarised below.

| Lake | Mineralisation Contained in Drainable Porosity | Indicated Mineral Resource contained in Total Porosity that meets reasonable prospects of economic extraction | Production |
|--------------------------------------|--|---|-------------------|
| | Potassium Tonnage | Potassium Tonnage | Potassium Tonnage |
| | (kt) | (kt) | (kT) |
| Lakes included in the mine plan (x8) | | | |
| Sub Total | 300 | 580 | 430 |
| Remaining Lakes (x16) | | | |
| Sub total | 220 | 430 | |
| Totals | 520 | 1000 | 430 |

The Mineral Resource estimate underpinning the production targets in this announcement were prepared by a competent person in accordance with the requirements of the JORC Code 2012.

COMPETENT PERSONS STATEMENT

Parkway reported the Mineral Resource estimate for the Karinga Lakes Potash Project in accordance with Listing Rule 5.8 in its ASX announcement dated 5 November 2020. Parkway confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 5 November 2020 and that all material assumptions and technical parameters underpinning the estimates in the announcement of 5 November 2020 continue to apply and have not materially changed.

KLPP-PFS Additional Information

Additional information about the KLPP-PFS, including key financial metrics, the resource estimate and additional details, including important cautionary information, are available in the ASX announcement made by the Company on 05 November 2020, which can also be accessed at the following link:

https://cdn.shopify.com/s/files/1/0529/9529/3345/files/2020_11_05_PWN_KLPP-PFS_-_with_attachments.pdf?v=1623745305

COMMENTS FROM GROUP MANAGING DIRECTOR & CEO

Parkway's Group Managing Director & CEO, Bahay Ozcakmak, makes the following comments:



“Acquiring this additional 25% equity interest in the KLPP, particularly at a time of buoyant fertiliser prices, represents another important milestone for Parkway. The primary planned output from the KLPP, sulphate of potash (SOP), a high-value specialty fertiliser product, is currently trading at approximately twice the price assumed in the KLPP-PFS. Emerging long-term supply chain challenges, particularly at a time of rising demand for fertiliser commodities, is creating exciting opportunities for new fertiliser projects, particularly projects with ESG related benefits, to take advantage of strong market fundamentals.

In terms of the KLPP location, we are encouraged by the supportive operating environment in the Northern Territory, with several significant mineral resource projects recently advancing towards key project development milestones. Through our established PPS-Darwin business, we are increasingly supporting several large global mining companies expand their mining operations in the Northern Territory, across a range of commodities. In addition to our engagement with the Northern Territory Government, we were pleased to be recently notified that the Northern Territory Government's Investment Territory publication recently featured the KLPP as priority mineral project.

Notwithstanding the merits of the KLPP, our participation in the KLPP has always been focused on the opportunity to showcase our patented next generation aMES® technology. When we entered into the KLPP-JV agreement back in 2017, we concurrently executed a technology licence agreement for the project, which enabled us to leverage our technology, to create value at the KLPP. On the technology front, the KLPP-PFS we completed in November 2020, together with our global engineering partner, Worley, really showcased the advantages of our novel aMES® based flowsheet. As one of the earliest potash projects in Australia, we were fortunate to review historical studies on the KLPP dating back to the 1980's, highlighting not only the opportunities, but the challenges associated with recovering valuable minerals, from concentrated brines. By taking a patient and methodical approach, through the KLPP-PFS, we systematically developed a project development concept that we considered to be fit-for-purpose and avoided some of the more problematic challenges associated with complex process chemistry. Unfortunately, in more recent times, some of the more advanced Australian SOP companies have encountered a range of process related challenges, particularly around the variability of feed salts on flotation related processes. Importantly, the aMES® based flowsheet developed for the KLPP by Parkway, eliminates the requirement for flotation, providing a range of operational and sustainability related advantages. Parkway continues to be approached by potash companies seeking SOP related process expertise. We are currently assisting an Australian SOP company develop a novel flowsheet, which depending on project developments, could potentially incorporate the aMES® technology.”

The release of this announcement has been approved by Parkway's Group Managing Director & CEO, Bahay Ozcakmak.

ADDITIONAL INFORMATION

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FORWARD-LOOKING STATEMENTS

This announcement may contain certain “forward-looking statements”. The words “continue”, “expect”, “forecast”, “potential” and other similar expressions are intended to identify “forward-looking statements”. Indications of (and any guidance on) future earnings, financial position, capex requirements and performance are also “forward-looking statements”, as are statements regarding internal management estimates and assessments of market outlook.

Where Parkway expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, “forward-looking statements” are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Parkway, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results, because events and actual circumstances frequently do not occur as forecast and their differences may be material.

Parkway does not undertake any obligation to publicly release any revisions to any “forward-looking statements” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under the applicable securities laws.

ABOUT PARKWAY CORPORATE LIMITED

Parkway Corporate Limited is an Australian cleantech company focused on developing and implementing, industrial-scale innovative water treatment solutions. Parkway is listed on the Australian Securities Exchange (ASX: PWN) and is emerging as an innovative player in water related sustainability solutions. With significant inhouse technical expertise and established partnerships, Parkway is well-placed to deliver the next generation of wastewater treatment plants, incorporating the company’s portfolio of world-class technologies.

Parkway operates through three (3) core business units, comprising:

- Parkway Process Solutions (PPS) – Parkway’s primary operating division and an emerging provider of industrial water treatment products, services, solutions and associated technology to customers throughout Australia. PPS has recently established commercial relationships with key water industry participants, including globally recognised OEMs;
- Parkway Process Technologies (PPT) – Parkway’s technology development, acquisition, and commercialisation division. PPT owns a portfolio of industrial wastewater treatment technologies, including the patented aMES® and iBC® process technologies. PPT has global aspirations and is supported by a network of strategic partners, including global engineering company Worley; and
- Parkway Ventures (PV) – holds a portfolio of project equity and royalty interests, including interests relating to Parkway’s Karinga Lakes Potash Project in the Northern Territory of Australia.

Additional information regarding Parkway, including an overview of the corporate structure of Parkway and the companies in its corporate group, can be found at: www.pwnps.com/pages/about-us.

SOCIAL MEDIA & EMAIL ALERTS

Parkway is committed to communicating with the investment community through all available channels. Whilst the ASX announcements platform remains the most appropriate channel for market-sensitive news about Parkway, investors and other interested parties are also encouraged to:

- follow Parkway on LinkedIn, Twitter, Facebook and YouTube; and
- subscribe for our email alert service, Parkway News Alerts, on our website (www.pwnps.com).