

Tuesday 20 December 2016

Mr Jeremy Newman
Senior Adviser, Listings Compliance (Perth)
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Dear Jeremy

Pre-Quotation Disclosure

On behalf of Kalium Lakes Limited (ASX: KLL) this letter confirms that the Company closed the Offer, under the Prospectus dated 4 November 2016, on Tuesday 13 December 2016 and subsequently completed the issue of 30,000,000 shares at an issue price of \$0.20 per share raising \$6,000,000, on Friday 16 December 2016.

The Company had previously completed the restructure of Kalium Lakes Potash Pty Ltd and issued 91,494,740 ordinary shares and 20,000,000 Performance Rights in Kalium Lakes Limited.

The following is a list detailing the ASX Restricted Securities:

- 57,769,847 fully paid ordinary shares will be escrowed for a period of 24 months from the date of official quotation;
- 9,000,000 options exercisable at \$0.25 each, expiring on 16 December 2019, will be escrowed for a period of 24 months from the date of official quotation;
- 20,000,000 performance rights with terms and conditions as set out at pages 190 to 192 of the Prospectus will be escrowed for a period of 24 months from the date of official quotation; and
- 129,999 fully paid ordinary shares will be escrowed until 4 August 2017.

We confirm that KLL is currently in compliance with Listing Rule 3.1 and that the Company has released all material information to the market.

Lastly, KLL confirms that there are no legal, regulatory or contractual impediments to the Company undertaking the activities which are the subject of the commitments disclosed in the Prospectus.

Yours sincerely



Gareth Widger
Company Secretary