

ASX Release

Tuesday 13 November 2018

Beyondie Gas Pipeline Licence Approval

Highlights

- **Kalium Lakes Limited (ASX:KLL) has been granted a licence to construct and operate a gas pipeline to the Beyondie Sulphate Of Potash Project.**
- **The gas pipeline generates substantial operating cost savings and positions KLL to accelerate the future expansion of the Beyondie SOP Project.**
- **The gas pipeline forms part of a package of infrastructure associated with the Beyondie SOP Project that is proposed to be funded by way of a concessional loan facility from the Australian Government's Northern Australia Infrastructure Facility (NAIF).**

Kalium Lakes Limited (ASX:KLL) is pleased to announce that it has received confirmation that the Department of Mines, Industry Regulation and Safety (DMIRS), under delegation from the Minister for Mines and Petroleum (under section 10(1) of the Petroleum Pipelines Act 1969), has granted licence PL117 to construct and operate a pipeline for the conveyance of petroleum and for associated purposes along the authorised route to the 100% owned Beyondie Sulphate Of Potash Project (BSOPP) in the East Pilbara region of Western Australia.

The formal grant of a licence allows KLL, as part of the BSOPP Front End Engineering and Design (FEED) process, to continue to assess the option of constructing the pipeline for Stage 1 in place of trucked gas bullets.

Construction of the 78 km lateral gas pipeline, to connect to the Goldfields Gas Pipeline at a cost of A\$29 million, would result in a reduction in operating cost of approximately A\$31-34 per tonne.

The gas pipeline forms part of the formal Investment Proposal that is being prepared for submission to the Australian Government's Northern Australia Infrastructure Facility (NAIF) – refer to KLL ASX Release "Progressing NAIF Financial Support Discussions" dated 13 September 2018.

Kalium Lakes Managing Director, Brett Hazelden, commented: "The grant of this licence confirms that we now have the flexibility to include the gas pipeline in the mix of construction variables, in order to optimise the best configuration of the processing plant."

KLL is continuing to assist NAIF with its required due diligence investigations regarding participation in the debt facilities to fund the project capital expenditure necessary to develop the Beyondie SOP Project.

NAIF is a major long term initiative of the Australian Government. NAIF provides access to up to A\$5 billion of finance which may be on concessional terms to support infrastructure development that generates public benefit for northern Australia. It also seeks to encourage and complement private sector investment to further that objective.

Cautionary Statement Regarding Forward-Looking Information

All statements, trend analysis and other information contained in this document relative to markets for Kalium Lakes, trends in resources, recoveries, production and anticipated expense levels, as well as other statements about anticipated future events or results constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “expect” and “intend” and statements that an event or result “may”, “will”, “should”, “could” or “might” occur or be achieved and other similar expressions. Forward-looking statements are subject to business and economic risks and uncertainties and other factors that could cause actual results of operations to differ materially from those contained in the forward-looking statements. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Kalium Lakes does not undertake any obligation to update forward-looking statements even if circumstances or management’s estimates or opinions should change. Investors should not place undue reliance on forward-looking statements.

*** ENDS ***

Corporate Profile

Kalium Lakes Limited is an exploration and development company, focused on developing the Beyondie Sulphate Of Potash Project in Western Australia with the aim of producing Sulphate of Potash (SOP), a high yield, premium fertiliser, for both domestic and international markets. There is currently no SOP production in Australia.

Approaching a Final Investment Decision, the Company has just completed a Bankable Feasibility Study for the Project (the first BFS for any Australian deposit) which confirmed the Project is technically and financially robust, with first production anticipated in 2020. The Project aims to commence production at 82ktpa of SOP, before ramping up to 164ktpa of SOP for domestic and international sale. An initial mine life of between 30-50 years is anticipated for a project designed to be a low cost, long life and high margin producer.

Kalium Lakes Limited

ABN: 98 613 656 643
ASX: KLL
Ordinary Shares on Issue: 179,793,465

Board of Directors:

Mal Randall	Non-Executive Chairman
Brett Hazelden	Managing Director
Rudolph van Niekerk	Executive Director
Brendan O’Hara	Non-Executive Director

Chief Financial Officer and Joint Company Secretary:

Christopher Achurch

Joint Company Secretary:

Gareth Widger

Contact Details:

Kalium Lakes Limited
Unit 1, 152 Balcatta Road
BALCATT A WA 6021

PO Box 610
BALCATT A WA 6914

Tel: +61 (0)8 9240 3200
Email: info@kaliumlakes.com.au
Web: www.kaliumlakes.com.au

Share Registry:

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth, WA 6000
Tel: (within Australia): 1300 850 505
Tel: (outside Australia): +61 3 9415 4000