

Wednesday 24 July 2019

**Notification under Section 708AA(2)(f) of Corporations Act 2001 (Cth)**

Kalium Lakes Limited (ASX: KLL) (**Kalium** or **Company**) has announced that it is undertaking an institutional placement (**Placement**) and an accelerated non-renounceable pro-rata entitlement offer of new fully paid ordinary shares in Kalium (**New Shares**) (**Entitlement Offer**) to raise up to approximately \$72 million (before costs).

Under the Entitlement Offer, eligible shareholders will be invited to subscribe for 1 New Share for every 2.19 existing shares in the Company held as at the record date, on 26 July 2019 at an issue price of \$0.50 per New Share.

The Entitlement Offer will comprise an accelerated institutional component and a retail component.

The Placement will be for approximately 34.97 million New Shares at an issue price of \$0.50 per New Share.

Further details regarding the Entitlement Offer and the Placement are detailed in the ASX announcement and investor presentation accompanying this notice.

The Company advises that it will offer New Shares for issue to investors under Part 6D.2 of the *Corporations Act 2001* (Cth) (**Corporations Act**) and states that this notice is given to ASX under paragraph 708AA(2)(f) of the Corporations Act, as modified by the Australian Securities and Investments Commission ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**ASIC Instrument**).

Accordingly, Kalium confirms that:

1. the Company will offer the New Shares under the Entitlement Offer without disclosure to investors under Part 6D.2 of the Corporations Act;
2. this notice is given under section 708AA(2)(f) of the Corporations Act as modified by ASIC;
3. as at the date of this notice, the Company has complied with:
  - a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company;
  - b) section 674 of the Corporations Act;
4. as at the date of this notice, there is no excluded information as defined in section 708AA(8) and section 708AA(9) of the Corporations Act which is required to be disclosed by the Company; and
5. the potential effect that the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including investor demand and existing shareholdings. As the Entitlement Offer is a pro rata issue, and given the current level of holdings of substantial holders (based on substantial holder notices that have been given to the Company and lodged with ASX before the date of this announcement), the Entitlement Offer is not expected to have any material effect on the control of the Company and, as a result, there is not expected to be any consequences flowing from that effect.

Signed for and on behalf of the Board of Kalium Lakes Limited

  
Gareth Widger  
Company Secretary