

Monday 19 August 2019

Not for distribution to US newswire services or distribution in the United States

Successful Completion Of Retail Entitlement Offer

Highlights

- Total of approximately A\$16.4 million raised under the Retail Entitlement Offer at A\$0.50 per New Share
- Proceeds from the Entitlement Offer and Placement totaled approximately A\$72 million

Kalium Lakes Limited (ASX: KLL) (**Kalium Lakes** or **Company**) is pleased to announce the successful completion of the retail component of its 1 for 2.19 accelerated non-renounceable pro-rata entitlement offer (**Retail Entitlement Offer**) of new fully paid ordinary shares in Kalium Lakes (**New Shares**) as announced on Wednesday 24 July 2019.

The Retail Entitlement Offer closed at 5:00pm (Sydney time) on Wednesday 14 August 2019 and raised a total of \$16.4 million at \$0.50 per New Share (**Offer Price**). Together with the institutional placement and institutional component of the Entitlement Offer, the total amount raised under the Offer is approximately A\$72 million.

Managing Director, Brett Hazelden, commented: "The Kalium Lakes' Board and management team are delighted with the very strong support for the Company demonstrated by our retail shareholders.

"We will now work to finalise the documentation of the agreed debt facilities, progress the Final Investment Decision and commence deployment of the world class, high margin and low cost Beyondie SOP Project so we can achieve our target of becoming Australia's first Sulphate of Potash producer next year," he said

Applications equivalent to approximately A\$12.1 million were received under the Retail Entitlement Offer, resulting in a take-up rate (including additional New Shares applied for in excess of entitlements) of approximately 73%. Approximately 8.8 million New Shares that were not taken up under the Retail Entitlement Offer will be allotted to sub-underwriters of the Entitlement Offer at the Offer Price in accordance with the terms of sub-underwriting agreements.

New Shares issued under the Retail Entitlement Offer will rank equally with existing shares on issue. The New Shares are expected to be allotted on Thursday 22 August 2019 and will trade on the ASX on a normal settlement basis on Friday 23 August 2019.

Further Information

Further information regarding the offer is contained in the investor presentation released to the ASX on Wednesday 24 July 2019.

Macquarie Capital (Australia) Limited is acting as Sole Lead Manager and Bookrunner. Morgans Corporate Limited is co-lead manager to the offer.

Nothing in this announcement constitutes legal, tax or other advice. You should seek appropriate professional advice before making any investment decision.

*** ENDS ***

Disclaimer

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Compliance Statement

The information in this document that relates Mineral Resources, Ore Reserve Estimates, Exploration Targets or Production Targets have been extracted from the ASX announcement(s) listed below.

- 17 September 2018: Bankable Feasibility Study Completed With Exceptional Financial Outcomes
- 4 March 2019: Lower Operating Cost and Increased Production For BSOPP (Front-End Engineering and Design (FEED) works)

The report(s) are available to be viewed on the website at: www.kaliumlakes.com.au

Kalium Lakes confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, Ore Reserve Estimates, Exploration Targets or Production Targets, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Competent Persons Statement

The information in this ASX announcement and the accompanying Report that relates to Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Thomas Schicht, a Competent Person who is a Member of a 'Recognised Professional Organisation' (RPO), the European Federation of Geologists, and a registered "European Geologist" (Registration Number 1077) and Anke Penndorf, a Competent Person who is a Member of a RPO, the European Federation of Geologists, and a registered "European Geologist" (Registration Number 1152).

Thomas Schicht and Anke Penndorf are full-time employees of K-UTEC AG Salt Technologies (K-UTEC).

K-UTEC, Thomas Schicht and Anke Penndorf are not associates or affiliates of Kalium Lakes or any of its affiliates. K-UTEC will receive a fee for the preparation of the Report in accordance with normal professional consulting practices. This fee is not contingent on the conclusions of the Report and K-UTEC, Thomas Schicht and Anke Penndorf will receive no other benefit for the preparation of the Report. Thomas Schicht and Anke Penndorf do not have any pecuniary or other interests that could reasonably be regarded as capable of affecting their ability to provide an unbiased opinion in relation to the Beyondie Potash Project.

K-UTEC does not have, at the date of the Report, and has not had within the previous years, any shareholding in or other relationship with Kalium Lakes or the Beyondie Potash Project and consequently considers itself to be independent of Kalium Lakes.

Thomas Schicht and Anke Penndorf have 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 JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Thomas Schicht and Anke Penndorf consent to the inclusion in the Report of the matters based on their information in the form and context in which it appears.

Cautionary Statement Regarding Forward-Looking Information

Statements regarding plans with respect to the Company's mineral properties may contain forward looking statements. Statements in relation to future matters can only be made where the Company has a reasonable basis for making those statements. This announcement has been prepared in compliance with the current JORC Code 2012 Edition and the current ASX Listing Rules. The Company believes it has a reasonable basis for making the forward-looking statements, including any production targets, based on the information contained in the announcement and in particular the JORC 2012 and NI 43-101 Technical Report - Bankable Feasibility Study.

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 statement

Kalium Lakes Limited



ABN: 98 613 656 643
ASX: KLL
Ordinary Shares on Issue: 316,084,567



Contact Details:

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

PO Box 610
BALCATT A WA 6914

Email: info@kaliumlakes.com.au
Web: www.kaliumlakes.com.au

Tel: +61 (0)8 9240 3200



Board of Directors:

Mal Randall
Brett Hazelden
Rudolph van Niekerk
Stephen Dennis

Non-Executive Chairman
Managing Director
Executive Director
Non-Executive Director

Chief Financial Officer and Joint Company Secretary:

Christopher Achurch

Joint Company Secretary:

Gareth Widger



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

For personal use only