BEYONDIE SOP PROJECT
Developing Australia’s First Sulphate of Potash Operation

Construction and Investor Update
February 2020
Kalium Lakes is Developing Australia’s First Sulphate of Potash Operation

- Construction **27% complete**
- First production due December 2020
- Ore Reserve sufficient for +30 years
- Binding Offtake Agreement with K+S
- Low Cost Financing, <5% average interest rate
- 10-15 Year Loan Tenor
- ~68% Australian Content
- Low Operating Cost ~ US$208/t FOB
- Current SOP price in Australia ~ US$500/t CFR

No current production in Australia
SIMPLE SOP PRODUCTION PROCESS

... using the sun to economically extract SOP for the world’s growing population...
COMPREHENSIVE STUDY & DEVELOPMENT PROCESS

► No skipped study or development steps
► Full Pilot Scale Validation
► Over $33M spent on studies and pilot trials
► Bank Due Diligence investigations completed
► The completed investigations have resulted in: ¹
  ► Performance Guarantees
  ► Liquidated Damages for Performance and Schedule
  ► Incentives for exceeding nameplate design

¹. Refer: Key Contracts Awarded – Purification Plant  ASX Announcement dated 23 May 2019
OUTSTANDING ECONOMICS

- 90ktpa SOP expanding to 180ktpa Full Scale
- A$216M Initial Capital Cost
- A$606 NPV\(_8\) (pre tax)
- 20.3% IRR
- $126M EBITDA
- EBITDA Margin of 61%
- Lowest Quartile Operating Cost
  ~ US$178-208/t FOB AISC
- Ore Reserve sufficient for +30 years

Refer: ASX Announcement: Bankable Feasibility Study Completed with Exceptional Financial Outcomes and ASX Announcement: Lower Operating Cost and Increased Production For BSOPP
TIMELINE TO FIRST PRODUCTION

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<td>Engineering and procurement</td>
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<td>Final Investment Decision (FID)</td>
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Beyondie (Stage 1) is the only SOP project in Australia to have obtained a comprehensive set of approvals and traditional owner consents.
BRINE EXTRACTION AND PUMPING PROGRESS

► 19 of 27 brine production bores installed
► 10 of 10 freshwater bores installed
► 73 km of pipeline installed out of 91 km in total
► 10 Mile trenches due to be complete in February
► 2 of 4 trench pumps installed
Salt Production Commenced
400 ha ponds cleared and grubbed
160 ha ready for lining
60 ha of ponds lined
Trenches and Bores filling ponds
All liner delivered
CONSTRUCTION PROGRESS

- Access Road complete
- 150 Man Accommodation being finalised
- Offices and Workshops in place
- Airstrip constructed
- Process Plant Earthworks advanced
- Equipment Fabrication commenced
- Gas Pipeline Fabricated en route to BSOPP
- Gas Power Station ordered
- Harvester delivered to Perth

Administration Buildings and Workshop (left), Process Plant bulk earthworks (centre), Airstrip (top)
EQUIPMENT & FABRICATION PROGRESS
10 MILE WEST TO INCREASE RESOURCES / RESERVES

- Highest Grades Recorded across BSOPP – 31,644 mg/L SOP
- Consistently low Na:K ratio averaging around 7.4
- Easy extension of trenches and bore network
- Expected to Expand JORC Resources and Reserves

Refer: ASX Announcement: High Potassium Grades Continue at 10 Mile West
It is important for our current and future investors to recognise the potential that Stage 2 offers, which has almost four times the lake surface area of Stage 1.
MAGNESIUM UPSIDE AND JV OPPORTUNITY

- 8.52Mt Magnesium (Mg) JORC Resource
- Exclusive Termsheet signed with EcoMag
- Proposal to produce high purity magnesium carbonates, oxides and hydroxides
- Current market sales prices of US$1,000 to US$2,000 per tonne
- Successful Pilot Scale Trials Completed
- Australian Government Critical Mineral
- Pre Feasibility Study commenced

Refer: ASX Announcement: Kalium Lakes and EcoMag Investigate Sustainable Extraction of High Value Magnesium
GOVERNMENT SUPPORT

Australia’s first sulphate of potash operation gets green light

Premier approves Northern Australia Infrastructure Facility fund for Kalium Lakes

Construction at Kalium’s Beyondeera sulphate of potash project has begun

Located near Newman, Beyondeera will create 170 construction and 70 production jobs

Premier of Western Australia Mark McGowan today signed off on a Northern Australia Infrastructure Facility loan to assist in developing infrastructure for Kalium Lakes Beyondeera project.

Located southwest of Newman, the sulphate of potash project is on track to become Australia’s first sulphate of potash operation in Australia.

Construction at the project has commenced, which will create 170 jobs, while first production is expected at the end of 2020, creating 70 operational jobs for Western Australians.

This environment-friendly project demonstrates that the McGowan Government is dedicated to lower rental rates for industries in town, such as potash, in providing positive results.

Potash is an essential nutrient widely used in high-quality fertilizers that protects food crops from disease and pests, and improves water retention, yield, taste and appearance.

Comments attributed to Premier Mark McGowan:

“The Beyondeera project has a more than 50 plus years, so it’s a win for local regional communities that we expect will create long-lasting, sustainable jobs.

“My government is pleased to support this emerging industry through the introduction of lower rental rates, and the development of this project is another sign that our economy is heading in the right direction.”

Comments attributed to Treasurer Ben Wyatt:

“Through our careful financial management, the McGowan Government is able to provide the necessary investment that drives jobs throughout the State.”

Comments attributed to Mines and Petroleum Minister Bill Johnston:

“Congratulations to Kalium Lakes who are progressing to become a nation-wide leader in developing the potash industry.”

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GOVERNMENT SUPPORT
CAPITAL STRUCTURE AND SHARE PRICE

<table>
<thead>
<tr>
<th>Capital Structure</th>
<th>Current</th>
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</thead>
<tbody>
<tr>
<td>Cash Balance (at 31 December 2019)</td>
<td>A$37M</td>
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<tr>
<td>Shares on Issue</td>
<td>~392M</td>
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<tr>
<td>Share Price (at 3 February 2020)</td>
<td>A$0.505</td>
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<tr>
<td>Market Capitalisation (at 3 February 2020)</td>
<td>A$195M</td>
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<tr>
<td>Performance Rights</td>
<td>~10.0M</td>
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<tr>
<td>Options</td>
<td>~6.3M</td>
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<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Greenstone Resources</td>
<td>20.5%</td>
</tr>
<tr>
<td>Smoothy</td>
<td>16.2%</td>
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<tr>
<td>Institutions</td>
<td>13.5%</td>
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<tr>
<td>Agricultural Investors</td>
<td>10.8%</td>
</tr>
<tr>
<td>Directors &amp; Management</td>
<td>5.3%</td>
</tr>
<tr>
<td>Other Investors</td>
<td>33.7%</td>
</tr>
</tbody>
</table>

Research Coverage
Malcolm Randall, NON-EXECUTIVE CHAIRMAN  
(B.Chem, FAICD)
An experienced company director and chairman with extensive experience in corporate management and marketing in the resources sector. Mal’s experience extends over a broad range of commodities both in Australia and internationally.

Brett Hazelden, MANAGING DIRECTOR  
(B.Sc, MBA, GAICD)
A Metallurgist who brings more than 21 years of experience, in project management, engineering design and operations serving the Australasian resources industry. Brett has been involved in a broad range of commodities including numerous mergers, acquisitions and due diligence reviews. As well as other roles, he has held senior positions at Rio Tinto, Fluor, Newcrest Mining and Iron Ore Holdings.

Rudolph van Niekerk, CHIEF DEVELOPMENT OFFICER / EXECUTIVE DIRECTOR  
(B.Eng, GAICD)
A Mechanical Engineer with more than 13 years experience in project management, operations, construction, commissioning, production ramp-up and project hand-over. Rudolph has a broad range of commodities experience both in Australia and internationally. Previous positions include senior engineering roles for DRA, Ausenco, AngloGold Ashanti and BC Iron.

Stephen Dennis, NON-EXECUTIVE DIRECTOR  
(B.Com, LLB)
With a career spanning more than 30 years as an experienced and well regarded company director, Stephen is currently the non-executive chairman of several ASX listed resource companies, including Heron Resources Limited, Rox Resources Limited, EHR Resources Limited and Graphex Mining Limited.

Chris Achurch, CHIEF FINANCIAL OFFICER  
(B.Com, CA)
Chris has worked with a number of major businesses across the exploration, mining and agricultural sectors. He possesses a comprehensive understanding of commercial accounting and audit functions, International Financial Reporting Standards and Australian Accounting Standards.

Gareth Widger, COMPANY SECRETARY  
(BA, GIA (Cert))
With almost four decades of experience, Gareth’s career includes managing corporate administration and strategic communication activities for public and private companies across many different industry sectors.
OFFTAKE AND HISTORIC PRICING

- Binding Offtake Agreement executed with German fertiliser producer and distributor $k+S^1$
- 10 year term, 100% of Start-up Volume
- $K+S$ currently supplies over 50% of the Australian and New Zealand SOP markets
- Demand = Australia ~75ktpa SOP, NZ ~20ktpa SOP

POTASSIUM MINERAL RESOURCES AND ORE RESERVES

<table>
<thead>
<tr>
<th>JORC / CIM Resource</th>
<th>Drainable Brine Volume (M m³)</th>
<th>K Grade (mg/l)</th>
<th>K (Mt)</th>
<th>SO₄ (Mt)</th>
<th>Drainable Brine SOP (Mt)</th>
<th>Total Brine Volume SOP (Mt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measured Resource</td>
<td>149</td>
<td>5,155</td>
<td>0.77</td>
<td>2.33</td>
<td>1.72</td>
<td>5.67</td>
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<tr>
<td>Indicated Resource</td>
<td>735</td>
<td>5,591</td>
<td>4.11</td>
<td>11.91</td>
<td>9.17</td>
<td>32.42</td>
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<tr>
<td>Inferred Resource</td>
<td>695</td>
<td>5,647</td>
<td>3.92</td>
<td>11.86</td>
<td>8.75</td>
<td>121.61</td>
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<tr>
<td>Total Mineral Resource</td>
<td>1,579</td>
<td>5,585</td>
<td>8.80</td>
<td>26.10</td>
<td>19.64</td>
<td>159.70</td>
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<tr>
<td>Exploration Target</td>
<td>920 - 2,810</td>
<td>1,800 - 3,300</td>
<td>1.6 - 9.3</td>
<td>5.0 - 25.6</td>
<td>3.7 – 20.7</td>
<td>40 - 250</td>
</tr>
</tbody>
</table>

Drainable Brine Mineral Resource complies with the Canadian (CIM, 43-101) standards and guidelines for brine deposits, as well as JORC Code (2012). German consultants K-UTEC have signed off as the Competent Persons. KLL is also part of the Association of Mining and Exploration Companies (AMEC) Potash Working Group which has developed guidelines to define a brine Mineral Resource and Ore Reserve; in order to increase the certainty, clarity and transparency in reporting of these resources, which was recently accepted by JORC. Total Brine Volume (Porosity) Estimates are provided for comparative purposes with other Australian Listed Companies who do not report Resources on a Drainable Brine basis.

The Ore Reserve estimate has been developed using detailed integrated groundwater flow and solute transport finite element modelling in FEFLOW, an industry standard numerical groundwater modelling platform. The models have been used to simulate the Ore Reserve estimate and develop mine plans for the Beyondie SOP Project. Proved and Probable Reserve volumes were derived from the capture zones originating from the Measured and Indicated Resource zones respectively. The impacts of lake surface recharge have been determined by comparing the differences of the mine plan with and without recharge. The Ore Reserve estimate does not include any recharge. A cut-off grade of 2,500 mg/L potassium has been applied to the Ore Reserve.
### MAGNESIUM MINERAL RESOURCES

<table>
<thead>
<tr>
<th>JORC / CIM Resource</th>
<th>Drainable Brine Volume (M m³)</th>
<th>Mg Grade (mg/l)</th>
<th>Drainable Brine Mg (Mt)</th>
<th>Total Brine Volume Mg (Mt)</th>
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<tbody>
<tr>
<td>Measured Resource</td>
<td>149</td>
<td>4,742</td>
<td>0.71</td>
<td>2.33</td>
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<tr>
<td>Indicated Resource</td>
<td>735</td>
<td>5,058</td>
<td>3.72</td>
<td>13.27</td>
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<tr>
<td>Inferred Resource</td>
<td>695</td>
<td>5,881</td>
<td>4.09</td>
<td>59.36</td>
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<tr>
<td>Total Mineral Resource</td>
<td>1,579</td>
<td>5,390</td>
<td>8.52</td>
<td>74.96</td>
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<tr>
<td>Exploration Target</td>
<td>920 - 2,810</td>
<td>1,900 - 3,900</td>
<td>1.9 – 10.4</td>
<td>23 – 120</td>
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</table>

Drainable Brine Mineral Resource complies with the Canadian (CIM, 43-101) standards and guidelines for brine deposits, as well as JORC Code (2012). German consultants K-UTEC have signed off as the Competent Persons. KLL is also part of the Association of Mining and Exploration Companies (AMEC) Potash Working Group which has developed guidelines to define a brine Mineral Resource and Ore Reserve, in order to increase the certainty, clarity and transparency in reporting of these resources, which was recently accepted by JORC. **Total Brine Volume (Porosity) Estimates are provided for comparative purposes with other Australian Listed Companies who do not report Resources on a Drainable Brine basis.**

Refer to Disclaimer & Compliance Statement. The Kalium Lakes Beyondie Potash Project Exploration Target is based on a number of assumptions and limitations and is conceptual in nature. It is not an indication of a Mineral Resource Estimate in accordance with the JORC Code (2012) and it is uncertain if future exploration will result in the determination of a Mineral Resource.
Reporting of Exploration Results, Mineral Resources and Ore Reserves. Thomas Schicht and Anke Penndorf consent to the inclusion in this document of the matters based on their information in the form and context in which it appears.

Thomas Schicht and Anke Penndorf have sufficient experience that is relevant to the style of mineralisation and type of mineral deposits that are 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'.

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Compliance Statement

The information in this document is extracted from the report titled "TECHNICAL REPORT FOR THE BEYONDIE POTASH PROJECT, AUSTRALIA, JORC (2012) and NI 43-101 Technical Report – Bankable Feasibility Study" dated 17 September 2018 (Report) and ASX announcement titled "Lower Operating Costs and Increased Production for BSOPP" dated 4 March 2019 (Announcement), that relates to Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves and 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 329). Kalium Lakes confirms that it is not aware of any new information or data that materially affects the information included in the Report and Announcement and, in the case of estimates of Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves, which all material assumptions and technical parameters underpinning the estimates in the Report and Announcement continue to apply and have not materially changed. Kalium Lakes confirms that the form and content in which the Competent Persons' findings are presented have not been materially modified from the Report and Announcement. Thomas Schicht and Arne Perndorf are full-time employees of K-UTECH AS Salt Technologies (K-UTECH). K-UTECH, Thomas Schicht and Arne Perndorf are not associated or affiliates of Kalium Lakes or any of its affiliates and the preparation or the expression of the opinions, views or conclusions of the Competent Persons in the Report and K-UTECH, Thomas Schicht and Arne Perndorf will receive no other benefit for the preparation of the Report. Thomas Schicht and Arne Perndorf do not have any pecuniary or other interests that could reasonably be regarded as capable of providing an unbiased opinion in relation to the Beyondie Potash Project. K-UTECH 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.

Thom Schicht and Arne Perndorf 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 Arne Perndorf consent to the inclusion in this document of the matters based on their information in the form and context in which it appears.
THANK YOU

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