

ASX Release

Monday 29 January 2018

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 DECEMBER 2017

Highlights

- **\$14.6M Placement and Share Placement Plan complete, resulting in Kalium Lakes being fully funded through to completion of the Beyondie Bankable Feasibility Study.**
- **KLL announced the completion of the Pre-Feasibility Study (PFS) which confirmed that the 100% owned Beyondie Sulphate Of Potash Project, is technically and financially robust.**
 - **The Project has an Indicated Resource of 4.37 Mt @ 14,000 mg/l SOP at a cut-off grade of 3,500mg/l K and an Inferred Resource of 13.74 Mt @ 12,788 mg/l SOP at a cut-off grade of 3,500mg/l K.**
 - **Its Maiden Probable Reserve of 2.66 Mt @ 14,210 mg/l SOP at a cut-off grade of 3,500mg/l K is based solely within the Stage 1 Approval Footprint, which represents ~21% of total lake surface area within the tenement package.**
 - **Development base case of 150 ktpa SOP, with the option to incrementally phase the project, through a ramp up from 75 ktpa to 150 ktpa SOP.**
 - **Development base case pre-tax NPV10 of A\$388M, IRR of 28.7%, average EBITDA of A\$83 Mpa, EBITDA margin of 62%, a payback period of 3.7 years and Life of Mine (LOM) free cash flows of more than +\$1B, based on an initial 21 year LOM and a US\$500/t SOP sales price @ \$A/\$US exchange rate of 0.75.**
- **The Company has commenced work on the Bankable Feasibility Study for the Project.**
- **KLL continued operation of the large scale pilot evaporation ponds, which are currently following the expected brine concentration / salt crystallisation sequence developed by DSB International, K-UTEC AG Salt Technologies (K-UTEC) and DRA Global.**
- **By November 2017 more than 3,000 tonnes of salts were estimated to have precipitated in the large scale pilot evaporation ponds which equates, after harvesting and purification, to approximately 170 tonnes of SOP.**
- **Purification plant trials at K-UTEC in Germany using recently harvested salts from the large scale pilot ponds have commenced.**
- **Concentrated brine sent to EcoMag Limited for pilot trials to recover Hydrated Magnesium Carbonate (HMC), with testing anticipated to commence Q1 2018.**
- **The required Environment Protection and Biodiversity Conservation Act 1999 (Cth) and Environmental Protection Act 1986 (WA) submissions lodged.**
- **A number of benchmarking site visits to international brine operations were undertaken;**
- **Announced the appointment of Frederick Kotzee as Chief Financial Officer and appointed BurnVoir Corporate Finance to commence the process of arranging project financing for the development of the Project.**
- **Initiated site works at the Carnegie Joint Venture Project, following the receipt of necessary approvals allowing site exploration activities.**
- **KLL released its Annual Report to shareholders, held its first Annual General Meeting and issued its Corporate Governance Statement.**

Kalium Lakes Limited (KLL) is pleased to report its activities for the quarter ending 31 December 2017.

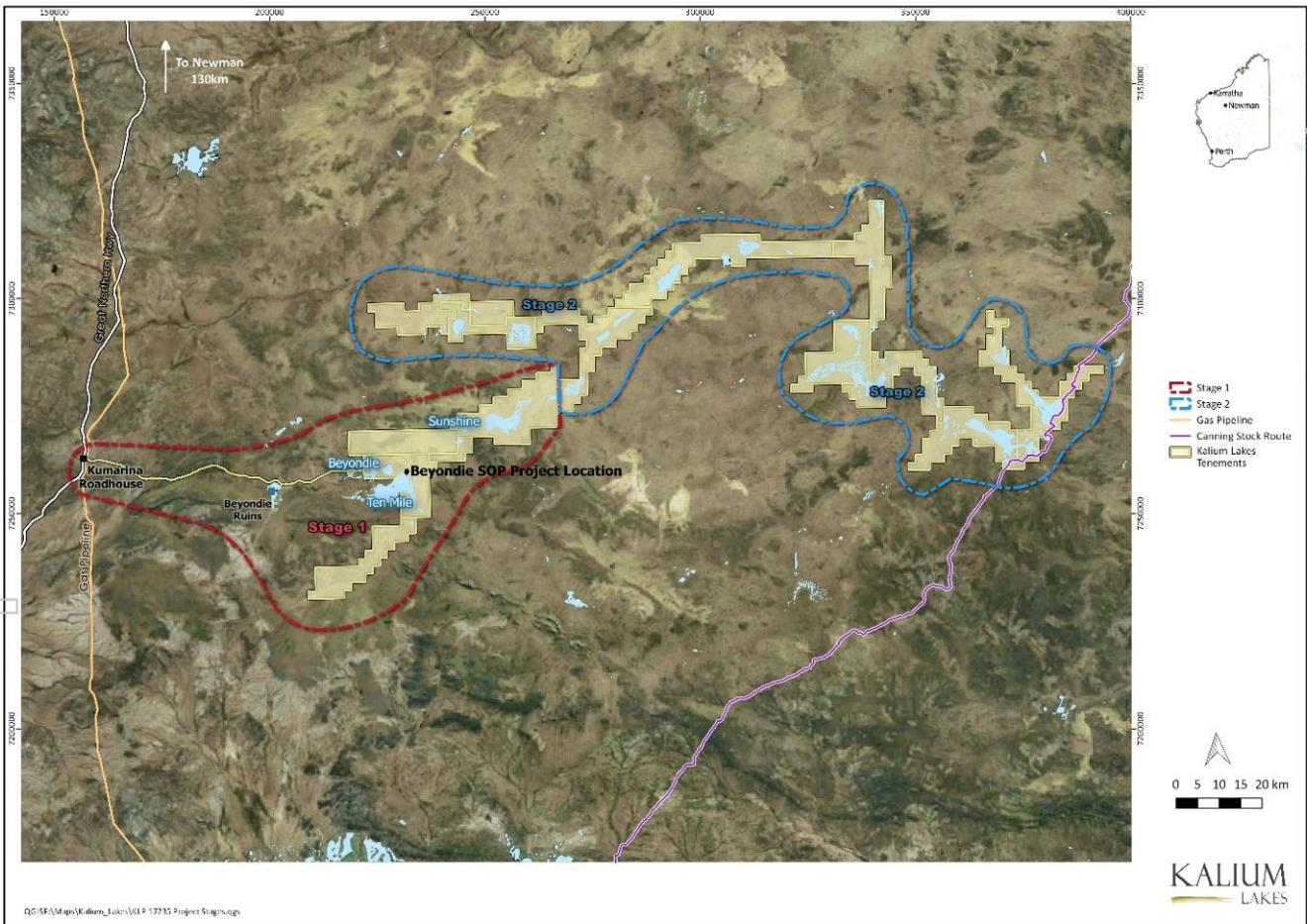
Beyondie Sulphate Of Potash Project

KLL is an exploration and development company focused on developing the 100% Owned Beyondie Sulphate Of Potash Project (BSOPP) in Western Australia with the aim of producing 150ktpa of Sulphate Of Potash (SOP) for domestic and international sale.

The Project, comprising 15 granted exploration licences and a miscellaneous licence, covers an area of approximately 2,400 square kilometres. Kalium Lakes intends to develop a sub-surface Brine deposit to produce a SOP product, by undertaking an evaporation and processing operation 160 kilometres (km) south east of Newman.

The BSOPP is Australia's highest grade SOP brine deposit with a Probable Reserve of 2.66 million tonnes at 14.2 kilograms per cubic metre SOP using a cut-off of 3,500mg/l K. The Project, which is located close to key infrastructure, is already well progressed and has completed a Pre-Feasibility Study (PFS) involving detailed technical reports, test pumping of brine, environmental, heritage surveys and economic analysis. KLL has two Native Title agreements covering the full project development area which provides certainty in relation to the development of the project. Approvals are in place from the WA Department of Mines and Petroleum (DMP), the WA Department of Environmental Regulation (DER) and the WA Department of Water (DoW) for a 150ha of evaporation ponds and 1.5Gtpa of brine extraction – equivalent to production of ~20ktpa SOP.

The BSOPP has an Inferred Resource of 4.37 Mt SOP at 14.0 kilograms per cubic metre SOP using a cut-off of 3,500mg/l K, and an Inferred Resource of 13.74 Mt SOP at 12.7 kilograms per cubic metre SOP using a cut-off of 3,500mg/l K.



Beyondie Sulphate Of Potash Project, Pilbara Region, Western Australia

Activities for the September Quarter (in order of ASX announcement)

Pre-Feasibility Study with Maiden Ore Reserve Confirms Low Cost, Long Life and High Margin Beyondie SOP Project

Kalium Lakes Limited (KLL) provided a summary of the highlights of the Pre-Feasibility Study and attached the JORC (2012) and NI 43-101 Technical Report, compiled by German Potash Experts and Competent Persons, K-UTECH AG Salt Technologies (K-UTECH), which included the following keypoints:

- PFS confirmed that the Beyondie Sulphate Of Potash (SOP) Project, is technically and financially robust.
- Indicated Resource of 4.37 Mt @ 14,000 mg/l SOP at a cut-off grade of 3,500mg/l K and an Inferred Resource of 13.74 Mt @ 12,788 mg/l SOP at a cut-off grade of 3,500mg/l K.
- Maiden Probable Reserve of 2.66 Mt @ 14,210 mg/l SOP at a cut-off grade of 3,500mg/l K based solely within the Stage 1 Approval Footprint, which represents ~21% of total lake surface area within the tenement package¹.
- Development base case of 150 ktpa SOP, with the option to incrementally phase the project, through a ramp up from 75 ktpa to 150 ktpa SOP, to minimise operational and financial risks.
- Development base case pre-tax NPV₁₀ of A\$388M, IRR of 28.7%, average EBITDA of A\$83 Mpa, EBITDA margin of 62%, a payback period of 3.7 years and Life of Mine (LOM) free cash flows of more than +\$1B, based on an initial 21 year LOM and a US\$500/t SOP sales price @ \$A/\$US exchange rate of 0.75².
- Estimated LOM Operating Cash Cost of A\$244-253/t SOP FOB Geraldton or Fremantle Port. This places the BSOPP in the lowest quartile cost of global SOP production³.
- Pre-production Capital Cost of A\$220 million including a 78 kilometre gas pipeline for the base case or A\$124 million for the phased ramp-up scenario.
- Significant potential upside to increase production levels or extend the LOM.
- Potential additional revenue associated with recovery of magnesium by-products which have not been included in the current financial outcomes.
- An independent review by Snowden Mining Industry Consultants Pty Ltd (Snowden) considered that the PFS content meets or exceeds the appropriate standard to support the estimation of Ore Reserves.

Chief Financial Officer Appointed and Debt Financing Work Commences

In November Kalium Lakes appointed Frederick Kotzee, as its Chief Financial Officer (CFO).

Most recently, Mr. Kotzee held the role of Chief Financial Officer of Kumba Iron Ore Limited (Kumba) for a period of approximately five years (a company listed on the Johannesburg Stock Exchange and a member of the Anglo American Plc group).

Prior to his position at Kumba, Mr Kotzee was the Group Financial Director of African Oxygen Limited, a member of the Linde AG group, has held Executive and Non-Executive Director positions and has extensive experience in Investment Banking, Corporate Finance and Business Development.

He is a Chartered Accountant and holds Bachelor of Laws (LLB) and Bachelor of Commerce qualifications. He has developed in-depth management, commercial, marketing and strategic skills across a range of industries and commodities, including mining, industrial gasses and financial services.

¹ Refer to ASX release on 3 October 2017, Pre-Feasibility Study with Maiden Ore Reserve Confirms Low Cost, Long Life and High Margin Beyondie SOP Project, JORC Table 1 in the technical report titled "JORC (2012) and NI 43-101 Technical Report" for further details.

² Refer to ASX release on 3 October 2017, Pre-Feasibility Study with Maiden Ore Reserve Confirms Low Cost, Long Life and High Margin Beyondie SOP Project, Table 2 and the technical report titled "JORC (2012) and NI 43-101 Technical Report".

³ Operating Cash Costs FOB includes all mining, processing, site administration, product haulage to port and ports costs, but excludes head office corporate costs, sustaining costs and royalties.

Frederick has also been appointed Joint Company Secretary of Kalium Lakes Limited.

The Company also announced the appointment of leading independent financial advisory group BurnVair Corporate Finance to commence the process of arranging financing for the development of the Beyondie SOP Project.

Beyondie SOP Project and Company Update

On 21 November 2017 the Company provided a Beyondie Sulphate Of Potash Project and Company Update that included the following details:

- commenced work on the Bankable Feasibility Study for the Project;
- continued operation of the large scale pilot evaporation ponds, which are currently following the expected brine concentration / salt crystallisation sequence developed by DSB International, K-UTEC AG Salt Technologies (K-UTEC) and DRA Global (see images below);
- purchased a small salt harvester (similar to image below) to trial salt collection methods when working with the large scale pilot ponds, which had accumulated salts to a depth of between 20-80 mm in less than three months of operation;
- estimated that more than 3,000 tonnes of salts had precipitated in the large scale pilot evaporation ponds which equates, after harvesting and purification, to approximately 170 tonnes of SOP;
- commenced steps to start purification plant trials at K-UTEC in Germany during the next quarter using recently harvested salts from the large scale pilot ponds;
- prepared for the EcoMag Limited (EcoMag) pilot trial to recover Hydrated Magnesium Carbonate (HMC) from the waste bitterns, with testing anticipated to commence during the first quarter of the 2018 calendar year;
- lodged the required Environment Protection and Biodiversity Conservation Act 1999 (Cth) and Environmental Protection Act 1986 (WA) submissions for the next phase of the Project;
- continued to actively pursue off-take MOUs, particularly following discussions with interested parties at the 2017 International Fertilizer Association Conference in Shanghai; and
- completed a number of benchmarking site visits to international brine operations.



Large Scale Pilot Evaporation Ponds

Issue of Placement Shares and Share Purchase Plan

On 24 November 2017 the Company announced that it would conduct an institutional placement (Placement) and share purchase plan (SPP) to fund the completion of the Bankable Feasibility Study (BFS), commence early site preparation works and to provide working capital for the Beyondie Sulphate Of Potash Project.

The new shares were issued at a price of A\$0.42, which represented a 13.4% discount to the last closing price of A\$0.485 on 21 November 2017 and a 11.6% discount to the 10 trading day VWAP of A\$0.475 up to and including 21 November 2017.

The equity raising comprised a Placement of up to approximately 33.8 million ordinary shares, to institutional and sophisticated retail investors in Australia and internationally, which raised A\$14.2 million (before costs).

In addition to the Placement, Kalium Lakes offered Eligible Retail Shareholders the opportunity to participate in a SPP Offer, which raised a total of \$422,500 (before costs) through the issue of 1,005,922 Shares.

Subsequent Events

Since 31 December 2017, KLL has announced the results of the General Meeting held on 9 January 2018 where shareholders approved resolutions for the ratification of Prior Placement Shares, the issue of Further Placement Shares and issue of Advisor Options.

On 18 January KLL announced that it had signed a Native Title Agreement with Mungarlu Ngurrarankatja Birraunkaja (Aboriginal Corporation) RNTBC (MNR) covering the eastern tenements of the BSOPP. MNR is the registered native title body corporate that holds the native title rights and interests the subject of the Birriliburu determination area in trust for the Birriliburu People.

Kalium Lakes is committed to building a mutually beneficial relationship with MNR and the Birriliburu People through effective engagement, consultation and communication. The Native Title Agreement also provides opportunities for MNR and the Birriliburu People to participate in the BSOPP, as well as a future royalty stream.

This is the second and final Native Title Agreement and provides the certainty that will allow the Company to develop both Stage 1 and the subsequent Stage 2 of the Project.



MNR negotiation team with their consultants and representatives of Kalium Lakes

Planned Activities for Next Quarter

The Company's main objectives and planned activities include:

- Commence additional drilling
- EPA and EPBC Levels of Assessment expected to be set
- Ongoing operation of the large scale pilot evaporation ponds
- Ongoing K-UTEC Purification Pilot Plant Optimisation Tests
- Upgrade of site facilities and communication systems
- EcoMag pilot trials
- Application for Mining Leases and ancillary tenure
- Salt harvesting trials
- Ongoing offtake discussions
- K- UTEC competent person site visits

For personal use only

Carnegie Potash Project - Joint Venture

The Carnegie Joint Venture (CJV) is focussed on the exploration and development of the Carnegie Sulphate Of Potash Project in Western Australia, which is located approximately 220 kilometres east-north-east of Wiluna. The CJV comprises one granted exploration licences (E38/2995) and two exploration licence applications (E38/2973 & E38/2928) covering a total area of approximately 1,725 square kilometres.

This Project is highly prospective for hosting a large sub-surface brine deposit which could be developed into a solar evaporation and processing operation that produces sulphate of potash (SOP). The Carnegie Project tenements are located directly north of Salt Lake Potash Limited's (SO4) – Lake Wells tenements and Australian Potash Limited's (APC) – Lake Wells tenements.

The CJV is a Joint Venture between Kalium Lakes (KLL, 85% Interest) and BCI Minerals (BCI, 15% interest). Under the terms of the agreement BCI can earn up to a 50% interest in the CJV by predominantly sole-funding exploration and development expenditure across several stages. KLL is the manager of the CJV and will leverage their existing Intellectual Property to fast track work.

- Stage 1 - BCI can earn a 30% interest by sole funding the \$1.5M Scoping Study Phase,
- Stage 2 - BCI can elect to earn a further 10% interest by sole funding a further \$3.5M Pre-Feasibility Study Phase,
- Stage 3 - BCI can elect to earn a further 10% interest by sole-funding a further \$5.5M Feasibility Study Phase,
- By end of the Feasibility Study the CJV would have an ownership of 50% KLL and 50% BCI

Activities & Subsequent Events

Joint Venture activities undertaken during and subsequent to the quarter included:

- Initial 64 auger hole program completed and analysed.
- Potassium results up to 4,790 mg/L, equivalent to a SOP grade of 10,674 mg/L.
- Brine samples collected for evaporation and processing testwork.
- Approximately 120 kilometres of geophysical traverses completed.
- Exploration targets along the interpreted palaeochannel identified.
- Hydrogeological desktop study works completed and Scoping Study program now well advanced.

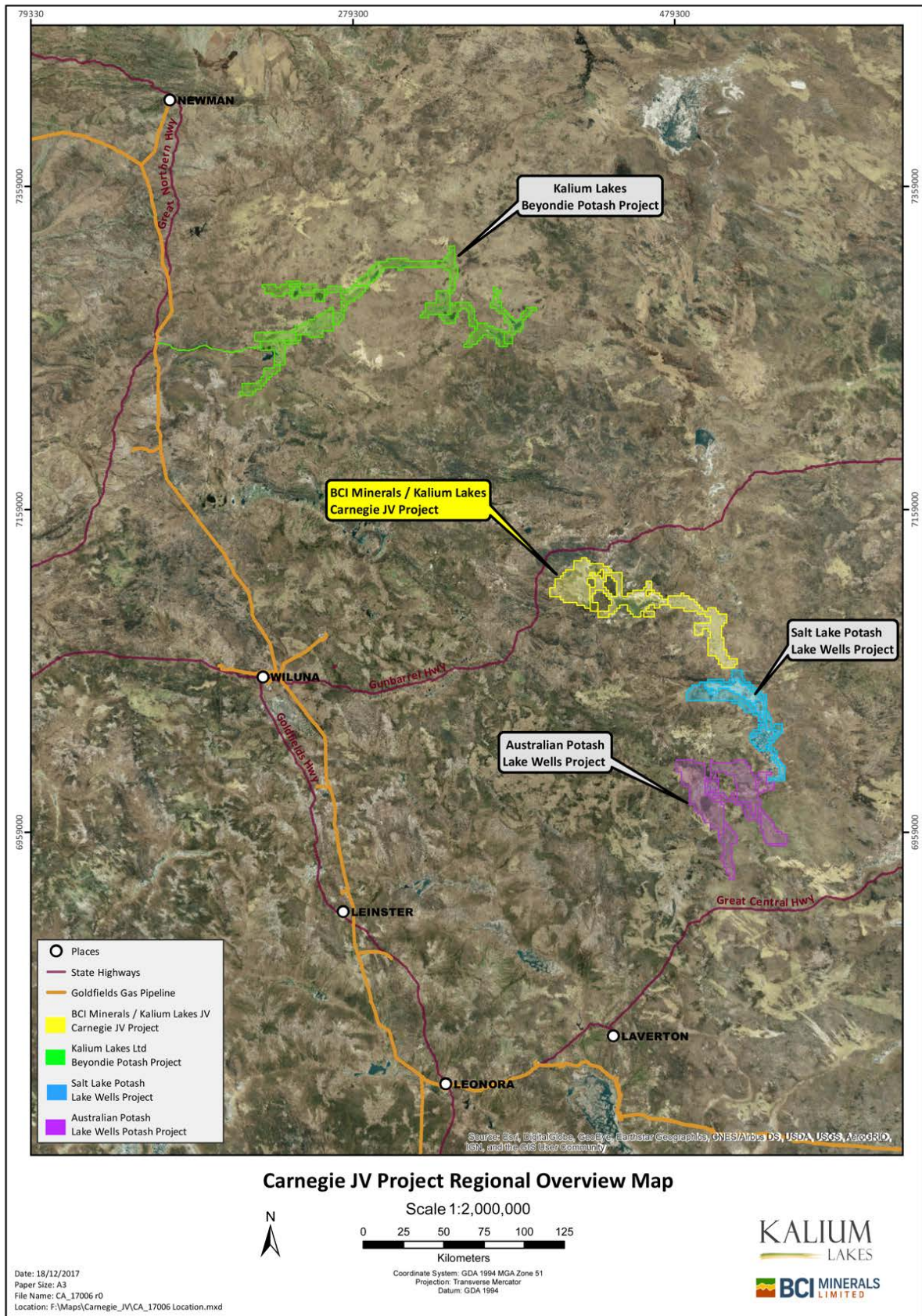
These results are positive and compare favourably with other SOP exploration and development projects in the region. The extensive lake surface area confirms the project's scale, with its comparative lake surface footprint being significantly greater than other SOP exploration and development projects in the area.

Planned Activities for Next Quarter

The Joint Venture's planned activities include:

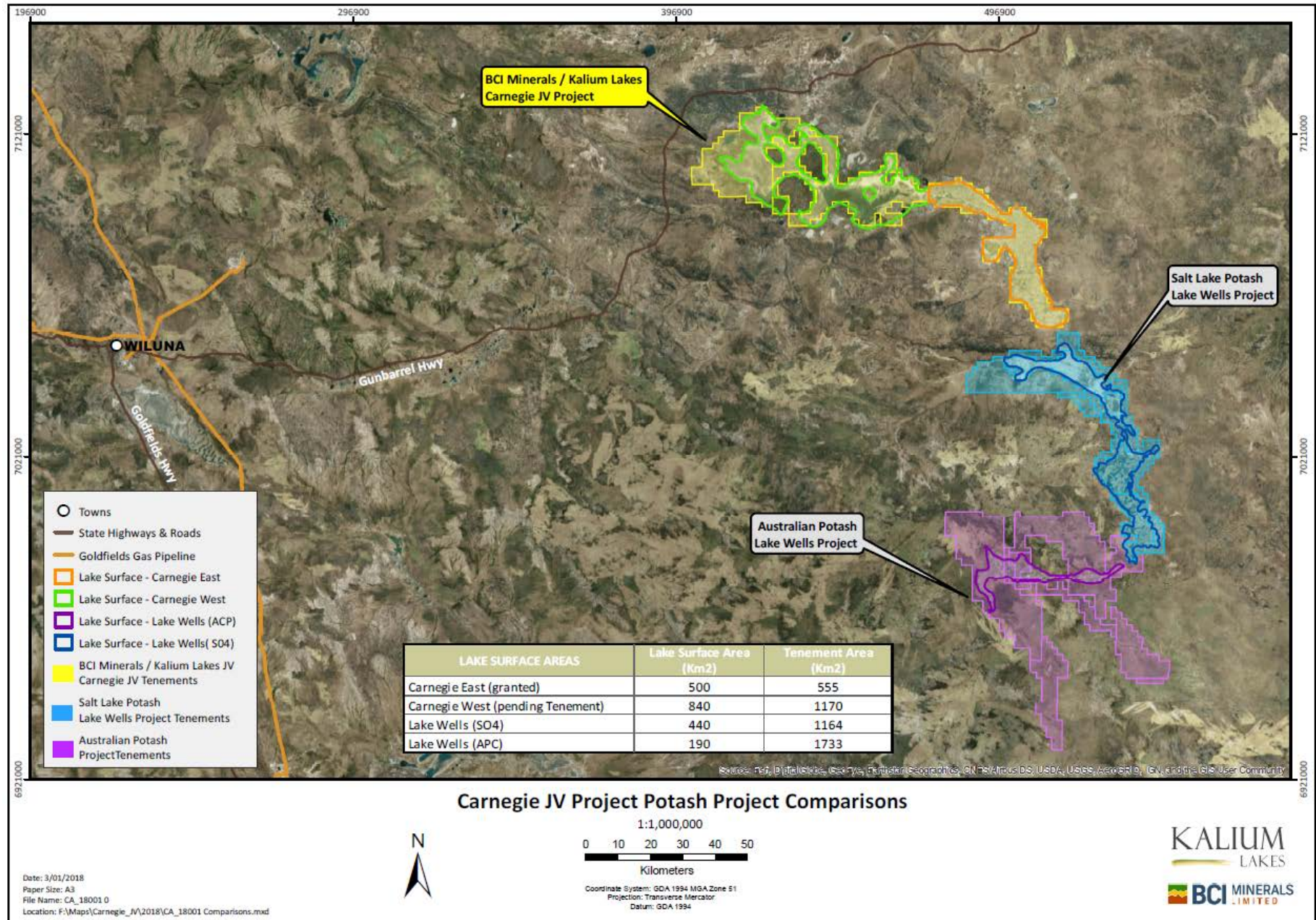
- Further exploration including drill testing in the coming months
- Test pumping from bores and trenches
- Additional meetings with Native Title parties
- Ongoing Scoping Study Works
- Finalisation of Product Transport Options Reviews
- Ground truthing for future Permit of Works applications
- K-UTEC Competent Person site visit

For personal use only



Comparative Location of Carnegie Potash Project

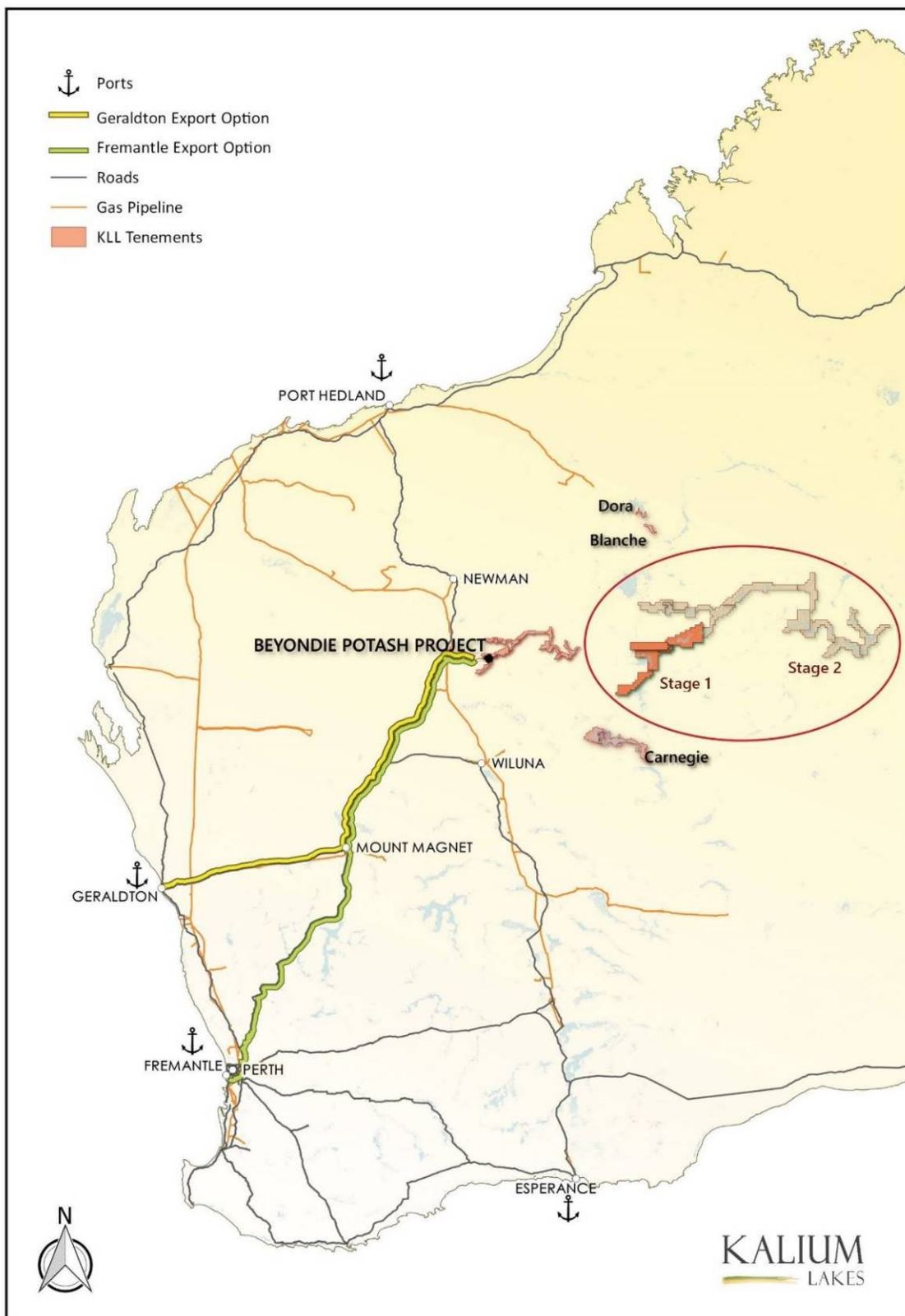
For personal use only



Carnegie and Lake Wells SOP Exploration Projects Comparative Footprint

Potash Prospects – Dora / Blanche (100% Owned)

The Company has applied for exploration licences that could, if granted, introduce a new prospective area, the Dora/Blanche Prospect, for potassium exploration.



Kalium Project and Prospect Comparative Location in Western Australia

Corporate Activities

Cash Holdings

The Company had \$14.7 million cash on hand as at 31 December 2017, with an additional \$1.6 million received following approval at the General Meeting of shareholders held on 9 January 2018.

Business Development

The Company plans to continue to actively assess business development opportunities that relate to its existing project portfolio.

As and when acquisitions, divestments or partnerships are completed the Company will make announcements to the market under continuous disclosure requirements.

Investor Road Show

In November 2017, KLL undertook a national investor roadshow and released an investor presentation to update and inform existing investors, brokers and fund managers on current progress and upcoming activities.

Shares On Issue

The Company currently has 169,793,465 Ordinary Shares on Issue.

A total of 34,763,430 Ordinary Shares were issued during and subsequent to the quarter.

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 on the ASX.
- 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 on the ASX.
- 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.
- 330,882 Options exercisable at \$0.425 each and expiring on 29 September 2020.
- 843,936 Options exercisable at \$0.525 each, expiring on 22 January 2020.
- 4,000,000 Options exercisable at \$0.525 each, expiring on 11 January 2021.

Tenement Interests

Below is a schedule of tenement interests by project as at 31 December 2017.

Beyondie Potash Project

Tenement	Tenement Name	Holder	State	Status	Grant Date	Interest
E69/3306	Yanneri-Terminal	KLP	WA	Granted	17-3-2015	100%
E69/3309	Beyondie - 10-Mile	KLP	WA	Granted	17-4-2015	100%
E69/3339	West Central	KLP	WA	Granted	22-6-2015	100%
E69/3340	White	KLP	WA	Granted	22-6-2015	100%
E69/3341	West Yanneri	KLP	WA	Granted	11-8-2015	100%
E69/3342	Aerodrome	KLP	WA	Granted	22-6-2015	100%
E69/3343	T Junction	KLP	WA	Granted	22-5-2015	100%
E69/3344	Northern	KLP	WA	Granted	22-5-2015	100%
E69/3345	Wilderness	KLP	WA	Granted	22-5-2015	100%
E69/3346	NE Beyondie	KLP	WA	Granted	11-8-2015	100%
E69/3347	South 10 Mile	KLP	WA	Granted	11-8-2015	100%
E69/3348	North Yanneri-Terminal	KLP	WA	Granted	11-8-2015	100%
E69/3349	East Central	KLP	WA	Granted	22-6-2015	100%
E69/3351	Sunshine	KLP	WA	Granted	31-8-2015	100%
E69/3352	Beyondie Infrastructure	KLP	WA	Granted	31-8-2015	100%
L52/162	Access Road	KLP	WA	Granted	30-3-2016	100%

Note: Kalium Lakes Potash Pty Ltd (KLP) is a wholly owned subsidiary of Kalium Lakes Limited (KLL)

Carnegie Joint Venture

Tenement	Tenement Name	Holder	State	Status	Grant Date	Interest
E38/2995	Carnegie East	KLP	WA	Granted	31-7-2015	85%
E38/2973	Carnegie Central	Rachlan	WA	Application	-	85%
E38/2982	Carnegie West	Rachlan	WA	Application	-	85%

Note: Kalium Lakes Potash Pty Ltd (KLP) entered into a declaration of trust with Rachlan Holdings Pty Ltd (Rachlan) where Rachlan will hold for the benefit of KLP certain exploration licence applications and deal with the applications as directed by KLP (including transferring title).

Potash Prospects

Tenement	Tenement Name	Holder	State	Status	Grant Date	Interest
E45/4436	Dora	Rachlan	WA	Application	-	100%
E45/4437	Blanche	Rachlan	WA	Application	-	100%

Note: Kalium Lakes Potash Pty Ltd (KLP) entered into a declaration of trust with Rachlan Holdings Pty Ltd (Rachlan) where Rachlan will hold for the benefit of KLP certain exploration licence applications and deal with the applications as directed by KLP (including transferring title).

Resources Tables as at 31 December 2017

Indicated Mineral Resources

Aquifer Type	Coverage (km ²)	Volume (10 ⁶ m ³)	Total Porosity (P)	Brine Volume (10 ⁶ m ³)	Specific Yield (Sy)	Drainable Brine Volume (10 ⁶ m ³)	K (mg/L)	K Mass (Mt)	SO ₄ (mg/L)	SO ₄ Mass (Mt)	Mg (mg/L)	Mg Mass (Mt)	SOP Grade (kg/m ³)	K ₂ SO ₄ Mass (Mt)
Lake Surface Sediments	288	1,066	0.46	492	0.14	150.59	6,685	1.01	18,710	2.82	5,617	0.85	14.91	2.24
Palaeovalley Clay	105	3,901	0.50	1,951	0.03	117.03	5,753	0.67	16,156	1.89	4,908	0.57	12.83	1.50
Palaeochannel Sand	19	146	0.39	57	0.27	38.64	6,004	0.23	18,453	0.71	5,745	0.22	13.39	0.52
Fractured/ Weathered Bedrock	7	113	0.10	11	0.05	5.63	8,200	0.05	25,070	0.14	7,230	0.04	18.29	0.10
Total Resources		5,225		2,511		311.88	6,278	1.96	17,834	5.56	5,396	1.68	14.00	4.37

Inferred Mineral Resources

Aquifer Type	Coverage (km ²)	Volume (10 ⁶ m ³)	Total Porosity (P)	Brine Volume (10 ⁶ m ³)	Specific Yield (Sy)	Drainable Brine Volume (10 ⁶ m ³)	K (mg/L)	K Mass (Mt)	SO ₄ (mg/L)	SO ₄ Mass (Mt)	Mg (mg/L)	Mg Mass (Mt)	SOP Grade (kg/m ³)	K ₂ SO ₄ Mass (Mt)
Lake Surface Sediments	260	1,559	0.45	701	0.12	182.43	6,344	1.16	18,646	3.40	6,834	1.25	14.15	2.58
Palaeovalley Clay	665	23,275	0.50	11,638	0.03	698.25	5,730	4.00	17,108	11.95	6,194	4.32	12.78	8.92
Palaeochannel Sand	97.2	682	0.39	266	0.28	188.95	5,101	0.96	15,304	2.89	5,342	1.01	11.38	2.15
Fractured/ Weathered Bedrock	9.7	97	0.10	10	0.05	4.85	8,170	0.04	26,410	0.13	7,310	0.04	18.22	0.09
Total Resources		25,612		12,615		1,074.48	5,735	6.16	17,094	18.37	6,158	6.62	12.79	13.74

Exploration Target

Geological Layer	Maximum Thickness (m)	Coverage (km ²)	Sediment Volume (10 ⁶ m ³)	Porosity (P)	Total Stored Brine (10 ⁶ m ³)	Specific Yield (Sy)	Drainable Brine (10 ⁶ m ³)	K Grade (mg/L)	K Mass (Mt)	SO ₄ Grade (mg/L)	SO ₄ Mass (Mt)	Mg Grade (mg/L)	Mg Mass (Mt)	K ₂ SO ₄ (Mt)
Alluvium	6	157	942	0.4	377	0.10	94	2,000	0.19	6,080	0.57	2,320	0.22	0.42
Clays	20	1,148	22,960	0.45	10,332	0.03	689	1,800	1.24	5,472	3.77	2,088	1.44	2.76
Basal Sands	7	108	756	0.35	265	0.20	151	1,650	0.25	5,016	0.76	1,914	0.29	0.56
Total					10,973		934	1,803	1.68	5,482	5.10	2,092	1.95	3.74
Alluvium	12	157	1,884	0.5	942	0.18	170	4,500	0.76	12,375	2.00	4,950	0.84	1.70
Clays	50	1148	57,400	0.55	31,570	0.05	1,579	4,275	6.75	11,756	18.56	4,703	7.42	15.05
Basal Sands	10	108	1,080	0.45	486	0.30	146	4,000	0.58	11,000	1.60	4,400	0.64	1.30
Total					32,998		1,894	4,277	8.09	11,763	22.26	4,705	8.90	18.05

Probable Ore Reserves

Aquifer Type	Brine Volume (10 ⁶ m ³)	K Grade (mg/L)	K Mass (Mt)	SO ₄ Grade (mg/L)	SO ₄ Mass (Mt)	Mg Grade (mg/L)	Mg Mass (Mt)	SOP Grade (kg/m ³)	K ₂ SO ₄ Mass (Mt)
Lake Surface Sediments	138.44	6,793	0.94	19,020	2.63	5,774	0.80	15.15	2.10
Production Bores	48.61	5,179	0.25	14,501	0.70	4,402	0.21	11.55	0.56
Total Reserve	187.06	6,373	1.19	17,845	3.34	5,417	1.01	14.21	2.66

Refer to Compliance Statement and Cautionary Statement Regarding Forward Looking Information. The Beyondie 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 and it is uncertain if future exploration will result in the determination of a Mineral Resource

Compliance Statement

The information in this document that relates to Mineral Resource and Ore Reserve Estimates has been extracted from the report(s) listed below.

- 3 October 2017:
Pre-Feasibility Study with Maiden Ore Reserve Confirms Low Cost, Long Life and High Margin Beyondie SOP Project. (Including the attachment, JORC (2012) and NI 43-101 Technical Report, compiled by German Potash Experts and Competent Persons, K-UTEC AG Salt Technologies (K-UTEC)).

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, 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.

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 on 3 October 2017, including any production targets, based on the information contained in the announcement and in particular the JORC 2012 and NI 43-101 Technical Report.

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***

Kalium Lakes Limited

ABN: 98 613 656 643

ASX: KLL

Ordinary Shares on Issue: 169,793,465

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

Company Secretary: Frederick Kotzee

Company Secretary: Gareth Widger

Contact Details:

Kalium Lakes Limited
Unit 1, 152 Balcatta Road
BALCATTWA WA 6021

PO Box 610
BALCATTWA, 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