

ASX Release

Monday 17 December 2018

A\$2.8 Million Share Placement

Kalium Lakes Limited (KLL) advises that it has successfully completed a bookbuild for its placement of 9,053,083 new fully paid ordinary shares in the Company (Shares) at an issue price of A\$0.31 per Share to both new and existing, domestic and overseas institutional, sophisticated and professional investors to raise A\$2,806,456 million (Placement).

Proceeds from the Placement will be used to continue to fund early capital works, Front End Engineering & Design (FEED), progressing project financing, general overheads and working capital, to advance the Beyondie Sulphate Of Potash Project.

Kerr Allan Financial Pty Ltd acted as Lead Manager to the Placement.

Kalium Lakes' Chairman, Mr Mal Randall, said: "It is very pleasing to complete this Placement as this exciting year draws to a close. These additional funds will continue to drive the Company's momentum, at a time when we have already commenced early works on site and project financing activities.

"We look forward to continued success in 2019 as we move into the construction phase of the Project. I also want to thank all those who have supported our Company, as well as wishing everyone a pleasant and safe festive season," he said.

The issue price of A\$0.31 per Share represents a 10.14 per cent discount to Kalium Lakes' last closing price of A\$0.345 per Share on the ASX (12 December 2018) and a 14.4 per cent discount to the 30 day VWAP.

Brent Smoothy, Kalium Lakes' largest shareholder with 33 per cent of the Company, has committed to subscribe for A\$500,000 of the Placement, demonstrating his continued support for the Company. The issue of Shares to Brent Smoothy (or any of his controlled entities) will be subject the Company obtaining shareholder approval at an Extraordinary General Meeting, convened following completion of the Placement and to be held no later than 28 February 2019.

Save for the Shares to be issued to Brent Smoothy, it is expected that the Shares will be issued on Friday 21 December 2018.

The Shares will be issued within the Company's existing 15 per cent capacity under ASX Listing Rule 7.1 and accordingly shareholder approval will not be required for the issue of the Shares.

*** ENDS***

Forward-Looking Information

Certain information in this document refers to the intentions of Kalium Lakes, but these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of the events in the future are subject to risk, uncertainties and other actions that may cause Kalium Lakes' actual results, performance or achievements to differ from those referred to in this document. Accordingly Kalium Lakes and its affiliates and their directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of these events referred to in the document will actually occur as contemplated.

Statements contained in this document, including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, revenue, exchange rates, potential growth of Kalium Lakes, industry growth or other projections and any estimated company earnings are or may be forward looking statements. Forward-looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. These statements relate to future events and expectations and as such involve known and unknown risks and significant uncertainties, many of which are outside the control of Kalium Lakes. Actual results, performance, actions and developments of Kalium Lakes may differ materially from those expressed or implied by the forward-looking statements in this document. Such forward-looking statements speak only as of the date of this document. There can be no assurance that actual outcomes will not differ materially from these statements. To the maximum extent permitted by law, Kalium Lakes and any of its affiliates and their directors, officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumption;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

***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 (with an additional 9,053,083 to be issued via this placement)

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

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