KALIUM LAKES

ASX Release

Tuesday 17 December 2019

Extensive Increase in Aquifer Thickness at Lake Sunshine

Highlights

- **Significant increase in brine aquifer thickness (up to 145%) recorded at Lake Sunshine.**
- **Drilling reveals thickness of Lake Sunshine brine aquifer to a depth 196 metres.**
- **Previous work was limited to the palaeovalley sequence from surface to 80 metre depth.**
- **Drill results are contiguous with the current Mineral Resources and Ore Reserves.**
- **Results show the highest SOP Concentrations recorded at Lake Sunshine - up to 20,872 mg/L (9,360 mg/L potassium) from more than100 metre depth.**
- **BMR logs confirm an average of 8% drainable porosity of the bedrock sandstone sequence.**
- **The current Stage 1 BSOPP production bore program can be optimised to include the deeper, higher-grade brine.**
- **Work has commenced to update / increase the Current Mineral Resource Statement.**

Kalium Lakes Limited (KLL) is pleased to report brine analysis results for recent drilling activities completed at Lake Sunshine as part of the Beyondie Sulphate of Potash Project (BSOPP). The brine assay results are presented in Table 1 with drill hole data shown in Table 2, drill hole locations are shown in Figure 1.

Lake Sunshine has existing Indicated and Measured Mineral Resources and Ore Reserves for the lake surface and shallow sediments associated with the palaeovalley and weathered bedrock. The drilling results have tested the Jilyili Sandstone Formation below the palaeovalley for brine grade and drainable porosity with the sandstone being contiguous with the current Mineral Resources and Ore Reserves.

Results show the sandstone extends down to a depth of up to 196 m with interbedded friable and cemented sandstone bands and minor siltstone. Brine samples were obtained at regular intervals throughout the profile with airlifts rates typically only restricted by the anulus of the drilling system. Borehole magnetic resonance (BMR) logs have been run in the open holes to measure drainable porosity.

It is notable that some of the grades are the highest ever recorded at Lake Sunshine with potassium grades up to 9,360 mg/L, equivalent to a SOP grade of 20,872 mg/L. The drill holes have been completed in the location of the Stage 1 production borefield at Lake Sunshine. These results mean that the production bore designs can be optimised to include the deeper higher-grade brine.

Managing Director, Brett Hazelden, commented: “We are delighted with the extension in thickness, grade and depth of the Lake Sunshine brine aquifer.

“These results will allow our current production bore installation program to take advantage of the higher grades and increased thickness of brine available as part of the initial 90ktpa SOP Stage 1 of the Beyondie SOP Project. We anticipate a significant Mineral Resource increase to be finalised early next year,” he said.

Drill Program Summary

The 23 new drill holes have been completed for a total of 2066 m to test the Jilyili Sandstone Formation for brine grade and drainable porosity. The drilling program comprised of nine aircore drill holes and 14 deep reverse circulation (RC) hammer drill holes to test the bedrock sandstone for its aquifer potential and brine content.

The aircore drilling was able to penetrate the weathered zones of the sandstone sequence, but not the more cemented siliceous bands that are present. RC hammer drilling was used to drill to depth or at such point that drilling penetration rates slowed due to the volume of brine bring unable to be lifted with the compressor. An auxiliary compressor was mobilised to drill the five deeper holes at the end of the program (SSAC095 to 99). The drill hole locations and depths are presented in Table 2.

All drill holes encountered fine to coarse grained sandstone with minor siltstone and shale bands of the Jiliyili Formation, which outcrops extensively in the Sunshine area. The sandstone was variably weathered with friable and highly siliceous bands. Brine in flows correlate with weakly cemented fine to medium grained red sandstone bands that are between 0.5 and 5 m thick throughout the sequence. SSAC099 encountered fractured vesicular basalt from 40 to 127 m, coinciding with magnetic anomalies in the publicly available aeromagnetic data, which have been encountered previously at Sunshine West.

Brine samples obtained in the drilling program were sampled from the cyclone after prolonged airlifts following the change of drill rods and at end of hole. Brine grades typically increase with depth at drill locations on the edge of the salt lake and away from the lake, with grade gradually reducing away from the lake. The highest brine SOP grades of between 17,000 and 20,000 mg/L SOP occurred on the western end of Lake Sunshine at depths greater than 60 m near the lake edge. The brine analysis results are presented in Table 1.

All open holes were geophysically logged open hole with a suite of tools, including borehole magnetic resonance (BMR). Six of the drill holes were found to be open and logged for a total of 475m of logging, representing 23% of the 2019 drilling. Drainable porosity derived from the BMR sandstone calibrated logs ranged from 6 to 11% with an average of 8%. An example BMR log is presented in Figure 2.

Table 1 – Drill Hole Brine Assay Results

Hole Number	Sample Depth (m)	K	Na	Mg	Cl	SO4	SOP*	Na:K Ratio
		mg/L						
SSAC077	11	1,860	23,800	3,410	43,450	10,100	4,145	13
SSAC077	59	6,500	73,300	7,460	126,650	20,300	14,485	11
SSAC077	65	7,010	76,600	7,820	134,550	20,900	15,622	11
SSAC077	70	6,920	77,000	7,830	132,450	21,100	15,421	11
SSAC078	17	3,020	36,000	4,010	61,300	11,200	6,730	12
SSAC078	24	3,310	39,800	4,410	66,400	12,500	7,376	12
SSAC079	16	5,170	48,800	5,670	83,900	15,100	11,521	9
SSAC080	11	1,460	19,200	2,510	31,550	7,920	3,254	13
SSAC080	35	1,120	15,000	1,930	24,350	6,090	2,496	13
SSAC080	53	2,550	30,500	3,290	50,300	9,690	5,683	12
SSAC080	58	3,760	40,700	4,430	68,150	12,900	8,379	11
SSAC083	16	7,850	80,700	8,810	137,900	22,800	17,494	10
SSAC083	47	8,450	86,200	8,980	145,400	24,100	18,831	10
SSAC084	47	7,220	70,800	7,460	119,500	20,100	16,090	10
SSAC086	17	6,580	64,600	6,870	110,750	18,500	14,663	10
SSAC086	18	6,060	55,000	6,400	98,100	18,000	13,505	9
SSAC086	36	6,270	57,900	6,460	98,100	19,100	13,973	9
SSAC086	48	6,740	69,900	6,730	117,900	20,000	15,020	10

Hole Number	Sample Depth (m)	K	Na	Mg	Cl	SO4	SOP*	Na:K Ratio
		mg/L						
SSAC086	66	7,560	61,200	7,090	103,000	21,900	16,847	8
SSAC086	84	7,540	68,800	7,120	116,000	22,200	16,803	9
SSAC086	102	7,720	68,200	7,170	115,100	22,200	17,204	9
SSAC087	30	8,770	81,200	8,150	140,500	24,500	19,544	9
SSAC087	66	8,200	76,500	7,520	129,850	22,400	18,273	9
SSAC087	90	8,970	81,000	8,080	140,500	24,300	19,989	9
SSAC087	108	9,360	85,700	8,330	145,250	25,400	20,859	9
SSAC088	37	7,910	78,300	7,930	137,700	21,900	17,627	10
SSAC088	49	7,770	76,500	7,880	138,400	22,400	17,315	10
SSAC088	60	7,290	72,500	7,490	140,350	21,300	16,246	10
SSAC088	72	7,800	76,900	7,980	140,350	22,200	17,382	10
SSAC088	84	7,380	72,400	7,380	131,750	20,400	16,446	10
SSAC088	96	7,700	76,000	7,820	134,550	21,300	17,159	10
SSAC088	125	7,190	71,100	7,230	131,250	19,900	16,023	10
SSAC090	24	7,720	75,900	8,800	141,050	19,500	17,204	10
SSAC090	48	7,720	76,500	8,840	146,800	19,400	17,204	10
SSAC090	60	7,770	77,000	8,920	144,200	19,700	17,315	10
SSAC090	72	7,740	76,800	8,830	147,000	19,900	17,248	10
SSAC090	84	7,520	75,300	8,790	144,200	19,100	16,758	10
SSAC090	102	7,920	78,200	9,070	144,550	19,900	17,650	10
SSAC090	120	7,870	77,600	9,020	145,050	19,900	17,538	10
SSAC091	24	900	9,910	1,150	16,100	3,270	2,006	11
SSAC091	42	5,050	53,800	5,880	95,550	18,900	11,254	11
SSAC091	52	3,530	37,200	4,110	63,850	12,800	7,867	11
SSAC091	61	2,870	30,700	3,360	50,750	10,600	6,396	11
SSAC091	73	5,640	57,100	6,160	91,150	19,100	12,569	10
SSAC091	85	7,080	69,000	7,190	120,550	21,700	15,778	10
SSAC091	97	7,020	67,700	6,990	127,050	20,700	15,644	10
SSAC091	109	7,880	75,100	7,830	133,150	22,800	17,560	10
SSAC091	121	7,740	74,900	7,890	136,850	23,100	17,248	10
SSAC091	133	7,770	75,800	8,000	136,850	23,400	17,315	10
SSAC092	37	1,960	20,100	2,990	37,450	8,550	4,368	10
SSAC092	55	2,980	31,500	4,500	55,100	14,800	6,641	11
SSAC092	67	3,100	33,700	4,770	57,900	16,100	6,908	11
SSAC092	79	3,020	33,800	4,770	58,950	16,700	6,730	11
SSAC092	97	2,830	30,900	4,360	53,000	14,100	6,307	11
SSAC093	24	7,170	69,000	8,140	130,700	21,300	15,978	10
SSAC093	42	7,390	73,900	8,510	136,300	21,600	16,468	10
SSAC093	61	7,900	77,900	8,920	144,550	23,100	17,605	10
SSAC093	73	8,090	79,200	9,030	146,100	23,500	18,028	10
SSAC093	85	8,010	79,000	9,060	146,800	23,000	17,850	10
SSAC093	97	8,580	83,900	9,510	146,300	25,300	19,120	10
SSAC094	54	8,400	70,400	7,100	117,050	22,100	18,719	8
SSAC094	84	8,000	67,200	6,690	113,400	21,300	17,828	8
SSAC094	100	7,310	62,100	6,170	107,950	19,400	16,290	8

Hole Number	Sample Depth (m)	K	Na	Mg	Cl	SO4	SOP*	Na:K Ratio
		mg/L						
SSAC094	111	6,900	59,400	5,930	105,000	18,600	15,376	9
SSAC095	30	4,410	51,100	5,650	96,950	14,700	9,828	12
SSAC095	54	4,140	47,400	5,110	86,250	13,100	9,226	11
SSAC095	66	5,650	65,500	7,120	117,050	21,100	12,591	12
SSAC095	90	6,500	74,200	7,990	120,550	24,000	14,485	11
SSAC095	108	6,470	74,000	7,980	121,250	23,200	14,418	11
SSAC095	133	6,360	70,900	7,560	125,300	21,800	14,173	11
SSAC095	151	6,520	72,800	7,800	128,100	22,100	14,530	11
SSAC096	43	6,090	61,200	6,940	116,200	15,300	13,571	10
SSAC096	61	6,320	63,600	7,210	113,900	16,000	14,084	10
SSAC096	79	6,210	62,600	6,960	114,100	16,000	13,839	10
SSAC096	97	6,580	69,100	7,420	122,850	18,900	14,663	11
SSAC096	115	6,780	69,200	7,740	119,150	18,700	15,109	10
SSAC096	133	6,810	71,200	7,580	125,650	20,000	15,176	10
SSAC096	151	7,120	74,400	7,880	132,800	21,300	15,867	10
SSAC097	30	7,520	75,100	8,350	138,950	20,400	16,758	10
SSAC097	59	6,360	64,900	7,210	122,150	17,400	14,173	10
SSAC097	85	6,730	67,200	7,480	128,450	18,800	14,998	10
SSAC097	108	6,490	65,500	7,260	126,350	17,900	14,463	10
SSAC097	124	6,910	69,800	7,790	130,200	18,800	15,399	10
SSAC097	145	6,980	71,300	8,010	119,000	20,600	15,555	10
SSAC097	169	7,600	76,200	8,550	131,600	21,800	16,936	10
SSAC097	193	6,250	64,800	7,280	105,850	18,400	13,928	10
SSAC098	25	1,130	13,000	1,670	23,550	4,860	2,518	12
SSAC098	58	8,640	82,200	8,780	145,950	22,900	19,254	10
SSAC098	73	8,930	85,500	9,140	148,900	23,800	19,900	10
SSAC098	91	8,580	83,000	8,850	147,350	24,600	19,120	10
SSAC098	109	8,770	83,600	8,990	146,850	23,900	19,544	10
SSAC098	127	6,780	67,400	7,150	115,500	18,800	15,109	10
SSAC099	30	540	4,610	540	8,850	1,740	1,203	9
SSAC099	49	6,230	60,900	6,670	100,450	21,100	13,883	10
SSAC099	73	7,020	70,500	7,120	112,400	24,800	15,644	10
SSAC099	91	6,980	67,300	7,040	111,500	24,100	15,555	10
SSAC099	109	6,950	68,100	7,050	110,650	24,300	15,488	10
SSAC099	127	6,770	65,300	6,890	111,700	23,200	15,087	10
SSAC099	151	7,250	72,000	7,550	119,800	24,600	16,156	10

* SOP grade calculated by multiplying Potassium (K) by a conversion factor of 2.228475

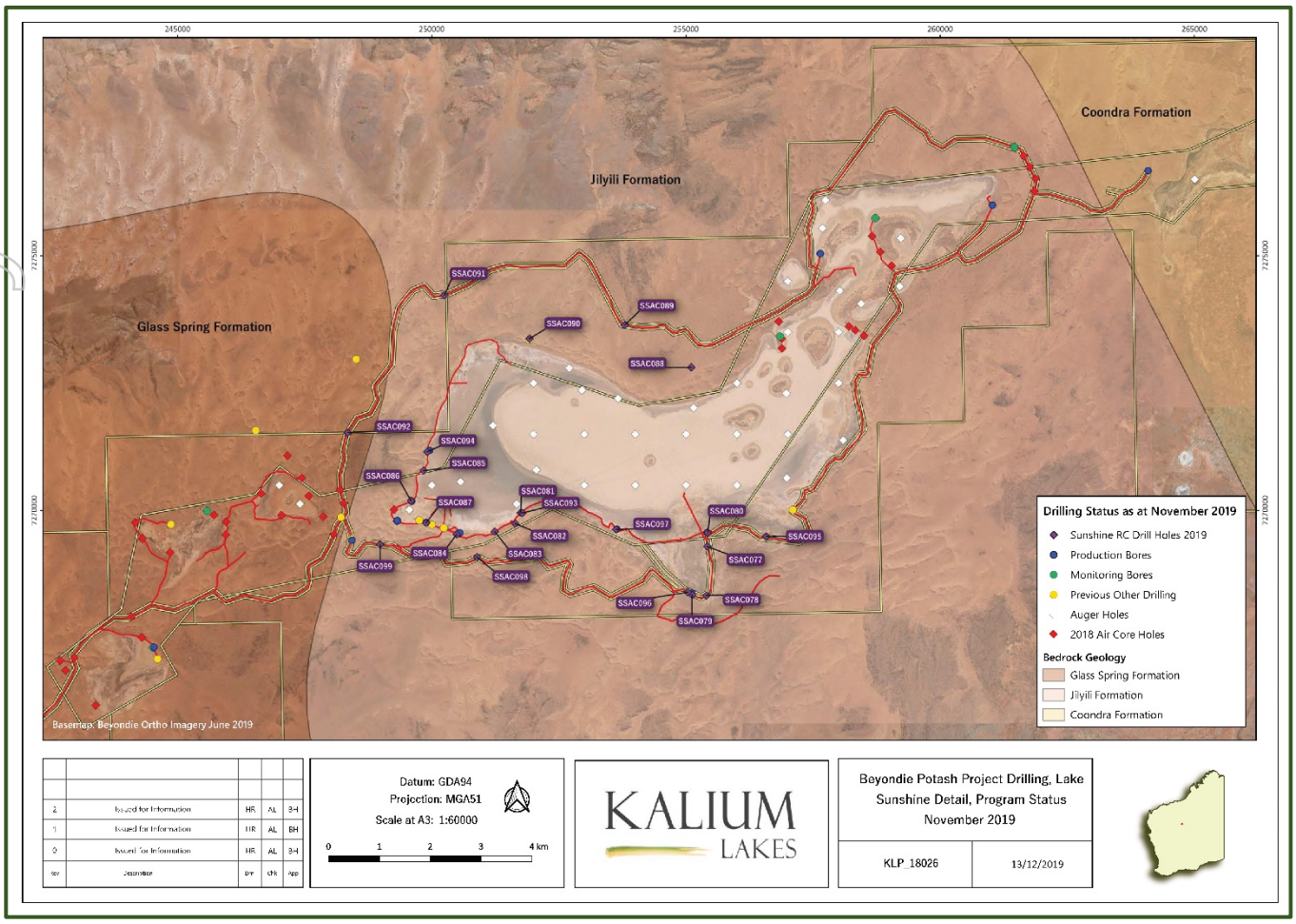

Figure1: Sunshine Drill Hole Locations

Table 2 – Drill Hole Data

Hole Number	Easting	Northing	Dip	Azimuth	Hole Depth (m)	Comments
SSAC077	255419	7269294	90	0	70	Aircore drilling into fresh sandstone
SSAC078	255402	7268337	90	0	24	Early refusal with aircore drilling
SSAC079	255117	7268349	90	0	16	Early refusal with aircore drilling
SSAC080	255425	7269569	90	0	58	Aircore drilling into basalt – strong airlift flow rates
SSAC081	251748	7269959	90	0	4	Early refusal with aircore drilling
SSAC082	251641	7269746	90	0	3	Early refusal with aircore drilling
SSAC083	251238	7269588	90	0	47	Aircore drilling into fresh sandstone
SSAC084	250489	7269535	90	0	55	Aircore drilling into fresh sandstone
SSAC085	249839	7270787	90	0	9	Early refusal with aircore drilling
SSAC086	249591	7270195	90	0	102	RC hammer drilled into sandstone – strong airlift flow rates
SSAC087	249891	7269764	90	0	108	RC hammer drilled into sandstone – strong airlift flow rates
SSAC088	255102	7272809	90	0	125	RC hammer drilled into sandstone– strong airlift flow rates
SSAC089	253795	7273641	90	0	114	RC hammer drilled into sandstone,
SSAC090	251922	7273372	90	0	120	RC hammer drilled into sandstone
SSAC091	250250	7274225	90	0	133	RC hammer drilled in to sandstone
SSAC092	248348	7271532	90	0	97	RC hammer drilled into sandstone
SSAC093	251781	7269954	90	0	97	RC hammer drilled into sandstone
SSAC094	249912	7271157	90	0	111	RC hammer drilled – strong airlift flow rates
SSAC095	256575	7269492	90	0	151	RC hammer drilled
SSAC096	255034	7268402	90	0	151	RC hammer drilled – strong airlift flow rates
SSAC097	253627	7269630	90	0	193	RC hammer drilled – strong airlift flow rates
SSAC098	250891	7269087	90	0	127	RC hammer drilled in to basalt – strong airlift flow rates
SSAC099	248983	7269336	90	0	151	RC hammer drilled

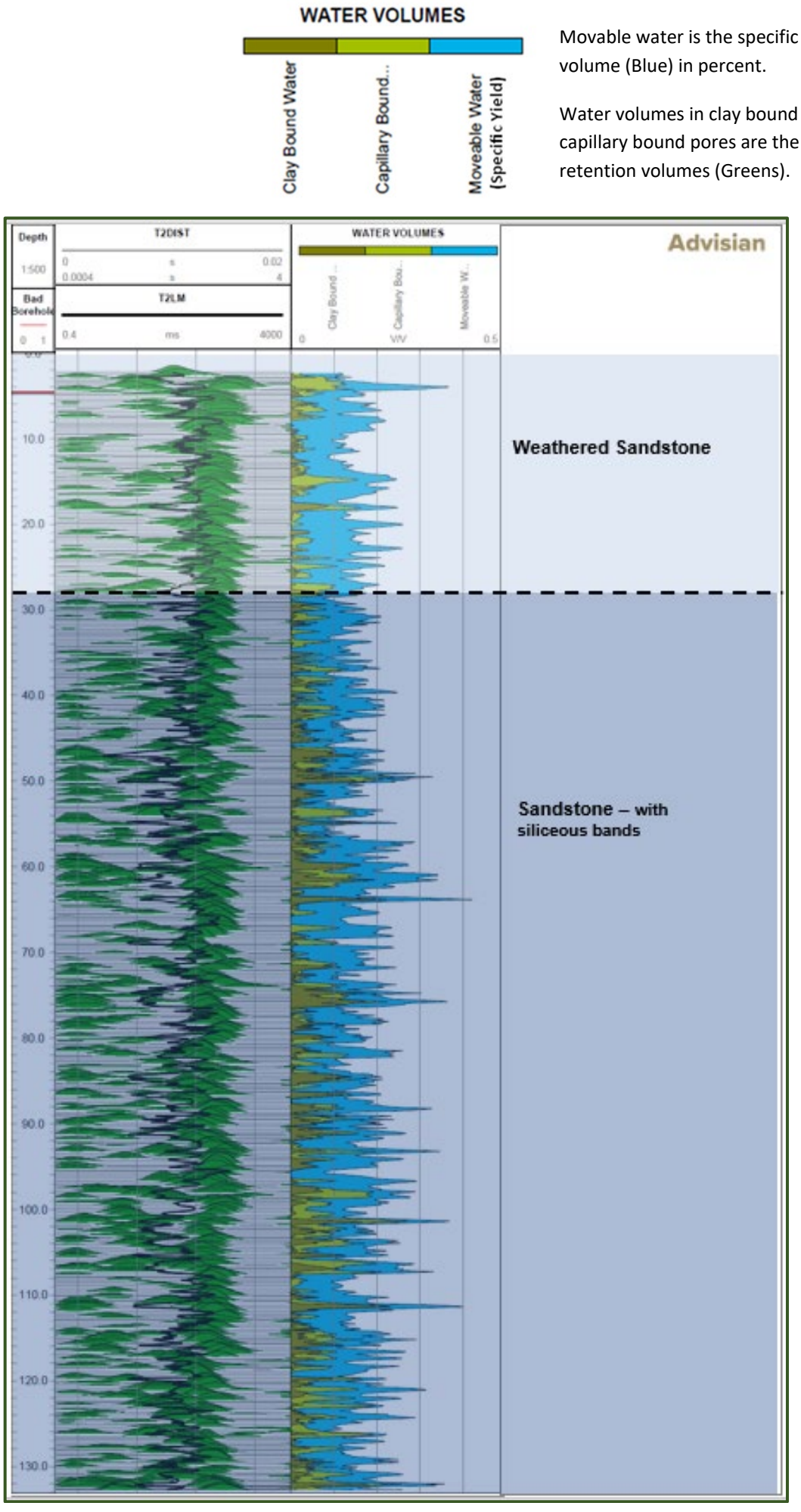

Figure 2: BMR Log from SSAC091

Table 3 – JORC Table One

Section 1 – Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• The sampling program involved the collection of brine samples and samples of the aquifer material. • Brine samples were obtained during drilling from prolonged airlift yields and collected at the cyclone. These samples are interpreted to come from the zone above the drilling depth, although the possibility of downhole flow outside of the drill rods from shallower zones cannot be excluded. The degree of these effects are concluded to be minimal after comparison of forecasted production bore grades and actual grades.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse circulation (140mm diameter) drilling has been utilised for all exploration holes drilled during this report. • All holes were drilled vertically.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Geological sample recovery was high, in all lithologies • Brine recoveries were high for Reverse Circulation drilling in the productive aquifer zones (Surficial sediments, palaeochannel sand and bedrock). The low transmissivity clay yielded very low volumes with more sporadic sampling resulting. • Brine samples have been collected during drilling, by sampling direct from the cyclone discharge. • Airlifts were generally of prolonged duration to obtain representative samples.
Geologic Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill holes were geologically logged by a qualified geologist. • All geological samples collected during all forms of drilling are qualitatively logged at 1 m intervals, to gain an understanding of the variability in aquifer materials hosting the brine. • Geological logging and other hydrogeological parameter data is recorded within a database. • Solid samples are collected and washed and stored in chip trays for future reference. • Downhole geophysical methods (Resistivity, spectral gamma Caliper and BMR) were used to assist with lithological logging.
Subsampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• All samples collected are kept cool, until delivery to the laboratory in Perth. • Brine samples were collected in 500 ml bottles with little to no air. • Laboratory standards and laboroatory repeats were completed at approximately 1 in 10 intervals. No erroneous analysis were noted. • Airlifting with low pressure air aims to collect a brine sample that is representative of the interval immediately above the bit face. However, this

Criteria	JORC Code explanation	Commentary
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/ second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	method does not exclude the potential for downhole mixing of brine.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Elemental analysis of brine samples are performed by a reputable Perth laboratory, the Bureau-Veritas (BV) mineral processing laboratories. BV is certified to the Quality Management Systems standard ISO 9001. Additionally they have internal standards and procedures for the regular calibration of equipment and quality control methods. • Laboratory equipment are calibrated with standard solutions • Analysis methods for the brine samples used are inductively coupled plasma optical emission spectrometry (ICP OES), Ion Selective Electrode (ISE), Inductive coupled plasma mass spectroscopy (ICP-MS), volumetrically and colourimetrically. • Duplicate samples and laboratory repeats have been completed and reviewed against the assay results.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Field parameters of SG and salinity have been taken and compared against the laboratory data. • Data concerning sample location was obtained out in the field, data entry then performed back in the Perth office to an electronic database and verified by Advisian. • Assay data remains unadjusted.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Hole location coordinates obtained by handheld GPS. Reduced levels are to be determined from the existing aerial topography survey. • The grid system used was MGA94, Zone 51.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drilling has resulted in drill hole spacing of between 0.2 km and 4 km. • No drilling beneath the lake surface has been completed at Lake Sunshine. • Mineral Resources and Ore Reserves exist for Lake Sunshine. The Exploration results will be used to update the Mineral Resource Estimate.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Not applicable, considering the deposit type. • All drill holes are vertical given the flat lying structure of a salt lake
Sample security	• *The measures taken to ensure sample security.*	• Samples are labelled and transported by KLL or Advisian personnel to Perth. They are then delivered to BV laboratories.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	

Section 2 – Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The BSOPP is 100% owned by Kalium Lakes Limited (KLL or Kalium Lakes) with project tenure held under granted exploration licences: E69/3306, E69/3309, E69/3339, E69/3340, E69/3341, E69/3342, E69/3343, E69/3344, E69/3345, E69/3346, E69/3347, E69/3348, E69/3349, E69/3351, E69/3352, E69/3594. • KLL also has granted Mining Licences: M69/145 and M69/146. • KLL has a land access and mineral exploration agreement, and a Mining Land Access Agreement with the Mungarlu Ngurrarankatja Rirraunkaja (MNR) Aboriginal Corporation over tenures E69/3339, E69/3340, E69/3342, E69/3343, E69/3344, E69/3345, E69/3348, E69/3349 and E69/3351. • KLL has an exploration and prospecting deed of agreement, and a Mining Land Access Agreement with the Gingirana Native Title Claim Group over tenures E69/3306, E69/3309, E69/3341, E69/3346, E69/3347, E69/3348, E69/335, E69/3352, E69/3594.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• There has been no 3rd party previous exploration at Lake Sunshine
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The deposit is a brine containing potassium and sulphate ions that form a potassium sulphate salt. The brine is contained within saturated sediments below the lake surface and in sediments adjacent to the lake. The lake sits within a broader palaeochannel system that extends over hundreds of kilometres. • Brine hosted drilling targets include the palaeochannel and porous and fractured bedrock.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* • *easting and northing of the drillhole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* • *dip and azimuth of the hole* • *downhole length and interception depth* • *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Information has been included in drill collar tables • All holes are vertical.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable due to exploration results being applicable to a brine and not a solid. • No low or high grade cut-off grade has been implemented.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.*	• Not applicable due to exploration results being applicable to a brine and not a solid. • The brine samples are reported as a depth sample. In low permeability zones (for example clay) it is considered that downhole flow is likley to be contributing the larger proportion of the sample.

Criteria	JORC Code explanation	Commentary
	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to figures/tables in this announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All pertinent results have been reported. • Resource estimation needs to be completed to determine the grade of the deposit as a whole.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• BMR tool $T_{2\ cut\ off}$calibration was completed by Qtec the developers of the BMR tool utilised (BMR-60). The sandstone logs were calibrated to an industry standard sandstone. The diameter of investigations was 260mm, the signal to noise ratio at this depth of investigation was deemed acceptable. • BMR logging was completed in open exploration holes, approximatly 23% of the drilled metres have been logged. • Gravity geophysical surveys have been completed at approximatly 1.5 km grid spacing across the tenement. Publically available aerial magnetic data has been processed, and in combination with residual gravity modelling has been used for drill targeting. • In addition to brine grade, qualitative information on brine flows from airlift data is an important indicator of the prospectivity of a brine deposit.“striong brine flows“ are indicative of flow rates that are only constrained by the drilling method.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Production bore drilling and test pumping to confirm aquifer hydrualic conductivity and sustainable yields; • Updated Mineral Resource and Reserve Modelling.

Compliance Statement

The information in this document that relates Production Targets has 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 Person Statement

The information in this ASX Announcement that relates to Exploration Results for The Beyondie Sulphate of Potash Project is based on, and fair represents, information compiled by Mr Adam Lloyd, who is a member of the Australian Institute of Geoscientists and International Association of Hydrogeologists. Mr Lloyd has verified and approved the data disclosed in the release, including the sampling, analytical and test data underlying the information.

Mr Lloyd is employed by Advisian, an independent consulting company. Mr Lloyd has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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". Mr Lloyd consents to the inclusion in this ASX Announcement of the matters based on his 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

*** ENDS ***

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Brett Hazelden	Managing Director
Rudolph van Niekerk	Executive Director
Stephen Dennis	Non-Executive Director

Chief Financial Officer and Company Secretary: Christopher Achurch

Company Secretary: Gareth Widger

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