

Tuesday 19 March 2019

Kalium Lakes agrees terms for \$102 Million debt funding for Beyondie Project with KfW IPEX-Bank

Highlights

- Kalium Lakes Limited has agreed non-binding terms with German KfW IPEX-Bank for A\$102 million of senior project debt funding.
- The KfW IPEX-Bank debt facilities are in addition to the A\$74 million debt funding package recently approved by the Northern Australia Infrastructure Facility (NAIF).
- Significant parts of the KfW IPEX-Bank funding is expected to be covered by a German export credit guarantee from German Government export credit agency, Euler Hermes.
- Australia's first Sulphate of Potash production on schedule to begin in 2020.

Kalium Lakes Limited (**Kalium Lakes** or the **Company**) is pleased to announce that it has agreed a non-binding term sheet with German bank (KfW IPEX-Bank) to provide approximately A\$102 million of senior debt funding for the development of the Beyondie Sulphate of Potash Project (**Beyondie Project**). On the basis of these terms, KfW IPEX-Bank is finalising its due diligence and has initiated its credit approval process.

The KfW IPEX-Bank funding is on attractive terms compared to traditional project financing, including a long tenor of 10 years and complements the low cost, long tenor funding approved by NAIF (see [KLL ASX Announcement 20 February 2019](#)).

Kalium Lakes' Managing Director, Brett Hazelden, commented: "We are delighted with the level of support shown by the German and Australian governments for this incredible venture to produce a premium fertiliser which we know will benefit not just Australians but many other countries around the world.

"With the support of NAIF, KfW IPEX-Bank, Euler Hermes, our investors, management and staff, the development of Australia's first Sulphate of Potash production is now one step closer. We look forward to continuing to work with our funding group as we move towards a Final Investment Decision," he said.

With KfW IPEX-Bank's assistance, Kalium Lakes continues to progress the export credit finance application with Euler Hermes, having received a positive preliminary assessment decision by the German Government Inter-Ministerial Committee (see [KLL ASX Announcement 23 July 2018](#)).

The Company's financial adviser in relation to the Beyondie Project financing is BurnVoir Corporate Finance.

About KfW IPEX-Bank GmbH

Within KfW Group, KfW IPEX-Bank is responsible for international project and export finance. It offers medium and long-term financing to support key export industries, to develop economic and social infrastructure, to fund environmental and climate protection projects and to secure the supply of raw materials.

KfW IPEX-Bank operates as a legally independent group subsidiary and is represented in the most important economic and financial centres across the globe.

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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 90ktpa of SOP, before ramping up to 180ktpa 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.



The Carnegie Joint Venture (CJV) is focussed on the exploration and development of the Carnegie Potash Project (CPP) in Western Australia, which is located approximately 220 kilometres east-north-east of Wiluna and covers a total area of approximately 3,081 square kilometres.

The CJV is a Joint Venture between Kalium Lakes (KLL, 70% Interest) and BCI Minerals (BCI, 30% interest). The JV Companies have endorsed proceeding to a staged Pre-Feasibility Study, with an initial focus on securing tenure and access to all required tenements.

Kalium Lakes Limited



ABN: 98 613 656 643
ASX: KLL
Ordinary Shares on Issue: 189,100,658



Board of Directors:

Mal Randall	Non-Executive Chairman
Brett Hazelden	Managing Director
Rudolph van Niekerk	Executive Director
Brendan O'Hara	Non-Executive Director



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Joint Company Secretary:

Gareth Widger



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