

Westpac to Provide Working Capital and Hedging Facilities

Highlights

- **Credit approved offer received from Westpac for a A\$15 million working capital facility and hedging facility**
- **Provides additional prudent capital and risk management during construction, commissioning and operations of the Beyondie Sulphate of Potash (SOP) Project**
- **A Final Investment Decision for the Beyondie SOP Project is on target for this quarter**

Kalium Lakes Limited (Kalium Lakes) (ASX:KLL) is pleased to announce that it has received a credit-approved offer from Westpac Banking Corporation (Westpac) for a A\$15 million working capital facility and a hedging facility. Together, these facilities will support prudent capital and risk management during construction, commissioning and operations of the Beyondie SOP Project.

The working capital facility is an 18 month revolving facility with a A\$15 million limit that becomes available from Practical Completion of the Beyondie SOP Project. The hedging facility will be used to hedge risk in accordance with the hedging policy of the Beyondie SOP Project. Both facilities are senior secured.

The working capital and hedging facilities are both subject to the execution of formal documentation and other customary conditions precedent.

These facilities form the final component of the funding package for the Beyondie SOP Project, which includes the previously announced credit-approved offers for A\$102 million of funding from KfW IPEX-Bank (see ASX announcement 2 July 2019) and A\$74 million of funding from the Northern Australia Infrastructure Facility (NAIF) (see ASX announcement 20 February 2019). The facilities are in addition to the recently completed \$72 million capital raise and the \$15.5 million cash on hand as at 30 June 2019.

Kalium Lakes' Managing Director, Brett Hazelden, commented: "We are pleased to have the support of Westpac in providing these facilities. We welcome the relationship with Westpac, one of the leading banks in agriculture and mining."

The working capital and hedging facilities were obtained with the assistance of BurnVoir Corporate Finance, Kalium Lakes' financial adviser.

About Westpac



Westpac is Australia's first bank and oldest company and one of the four major banking organisations in Australia. Westpac is consistently ranked as a leading arranger of project finance solutions in Australasia and has arranged and underwritten in excess of A\$50 billion over the past 20 years.

*** ENDS ***

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 Persons Statement

The information in this ASX announcement and the accompanying Report that relates to Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves 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 1077) and Anke Penndorf, a Competent Person who is a Member of a RPO, the European Federation of Geologists, and a registered "European Geologist" (Registration Number 1152).

Thomas Schicht and Anke Penndorf are full-term employees of K-UTEC AG Salt Technologies (K-UTEC).

K-UTEC, Thomas Schicht and Anke Penndorf are not associates or affiliates of Kalium Lakes or any of its affiliates. K-UTEC will receive a fee for the preparation of the Report in accordance with normal professional consulting practices. This fee is not contingent on the conclusions of the Report and K-UTEC, Thomas Schicht and Anke Penndorf will receive no other benefit for the preparation of the Report. Thomas Schicht and Anke Penndorf do not have any pecuniary or other interests that could reasonably be regarded as capable of affecting their ability to provide an unbiased opinion in relation to the Beyondie Potash Project.

K-UTEC 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.

Thomas Schicht and Anke Penndorf 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 Anke Penndorf consent to the inclusion in the Report of the matters based on their 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

Kalium Lakes Limited



ABN: 98 613 656 643
ASX: KLL
Ordinary Shares on Issue: 381,483,373



Board of Directors:

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



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Christopher Achurch

Joint Company Secretary:

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Share Registry

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