

BEYONDIE SOP PROJECT

KALIUM
LAKES



Equity Capital Raising Presentation

13 October 2021

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Competent Persons Statements

The information in this document that relates to the Exploration Results, Mineral Resource estimate, Ore Reserve estimate and Exploration Target is based upon information compiled by Mr Adam Lloyd, a competent person who is an employee of Kalium Lakes. Mr Lloyd is a Member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity which is being undertaken to qualify as a Competent Person for reporting of Exploration Results, Mineral Resources, Ore Reserves and Exploration Targets as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Certain information in this document is extracted from the ASX announcement titled "BSOPP Feasibility Study Complete – New 120ktpa Base Case" dated 18 August 2021 that relates to Exploration Results, Mineral Resource estimate, Ore Reserve estimate and Exploration Target and is based upon information compiled by Mr Adam Lloyd. Kalium Lakes confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcement and, in the case of Exploration Results, Mineral Resource estimate, Ore Reserve estimate and Exploration Target, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Kalium Lakes confirms that the form and context in which the Competent Person's findings are presented have not materially been modified from the original market announcement. Mr Lloyd consents to the inclusion in this document of the matters based upon his information in the form and context in which it appears.

KLL BY THE NUMBERS

1st

The first SOP producer in Australia/NZ

50_{yr}

Mine life¹

100%

Of SOP currently imported into Australia

7 Mtpa

Global SOP Market Size - supply constrained

5 Mt

Of Sulphate of Potash Beyondie Ore Reserve

\$280_m

(A\$) Cost of initial Processing Plant & Resource Development

98%

Project complete to produce Standard Grade SOP

100%

Binding offtake with K+S for 10 years²

3.2%

Low cost debt with NAIF and KfW 10 year term – principal repayments commence March 2024

120_{kt}

Annual Production Target

\$484_m

(A\$) NPV₈ unlevered pre-tax on 120ktpa expansion LOM plan³

US\$617_t

Forecast 2022 average standard grade SOP price CFR Aust ³

\$375_t

(A\$) AISC (real cashflows) – Low Cost Quartile producer at 120ktpa

\$70_m

(A\$) Annual LOM EBITDA⁴ at 120ktpa production rate

41%

LOM EBITDA Margin⁴ at 120ktpa production rate

1. The 120ktpa mine plan comprises Ore Reserves (77%) and Indicated Mineral Resources (13%), it is partly based on Inferred Mineral Resources (10%).

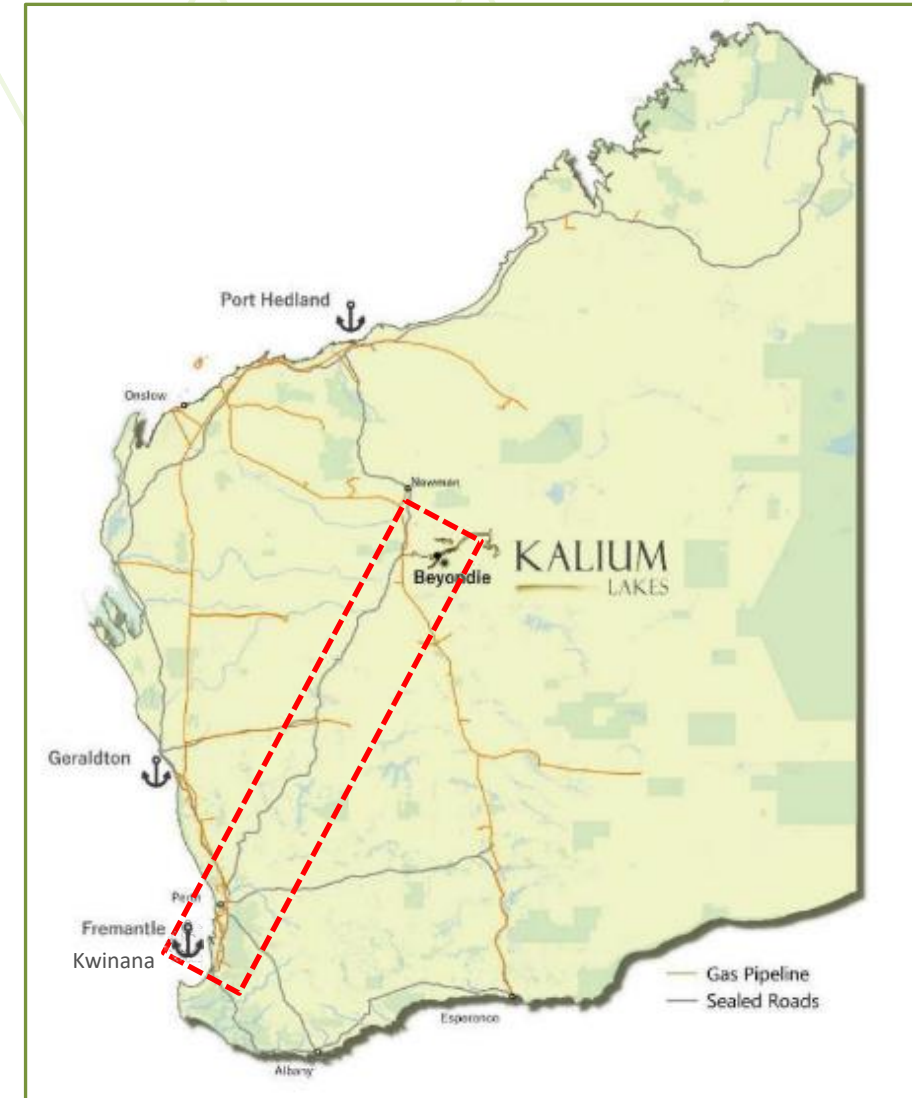
2. K+S offtake in place for all 120ktpa production.

3. Based on forecasts provided to KLL by CRU/Argus in July 2021.

4. Nominal cashflows – based on ASX announcement – New 120ktpa Base Case for BSOPP dated 18 August 2021. Refer to page 22 in this presentation for further information.

SUCCESSFUL ACHIEVEMENT OF FIRST SOP PRODUCT BEYONDIE PROJECT TO BE FIRST HIGH GRADE SOP PRODUCER

- ✓ Kalium Lakes has successfully achieved first production at the Beyondie SOP Project on 4 October 2021
- ✓ First producer of SOP in Australia – premium high-grade product
- ✓ Project completion schedule and cost remain in line with revised May 2020 capital expenditure budget¹ of \$280million²
- ✓ First sales to K+S via 100% Take or Pay Offtake scheduled for Q4 CY21 with achieved pricing in line with financial model³
- ✓ First sales into a buoyant SOP market – average year-on-year price increase forecast
- ✓ Long life operation – 50 year mine life with first 30 years based on 88% reserves only, with significant additional expansion opportunity
- ✓ Project expansion to 120ktpa⁴ – take advantage of strong pricing, project team on site and expansion of 100% take or pay offtake



1. Refer to the revised capital expenditure budget set out in ASX Announcement dated 21 May 2020 – “Investor Presentation – Project Update & Equity Raising”.

2. \$280m is the final forecast cost once all construction, commissioning and punch list work for the project is complete. These remaining activities are not essential for commencement of production ramp-up.

3. Refer pricing at page 7.

4. Initial target production target of 90ktpa by March 2022.

SOP – THE PREMIUM POTASH FERTILISER

Key Highlights









- ✓ The two most common types of potassium fertiliser are Muriate of Potassium (**MOP**) and Sulphate of Potash (**SOP**)
- ✓ SOP is a premium fertiliser essential for high value crops and historically trades at a substantial premium to MOP of ~US\$200/t¹
- ✓ Global use of SOP is supply constrained, with Australia a 100% net importer prior to imminent production by KLL
- ✓ Predominantly 2 types of SOP production:
 - 1. Primary SOP Production** – SOP is produced as the primary product through evaporation of potassium containing brines, resulting in the crystallisation of potassium mixed salts, which are then purified to SOP fertiliser in a process plant.
 - 2. Mannheim process** – MOP is converted to SOP and accounts for ~50% of all SOP production². The cost of MOP typically accounts for 60-70% of the total cost of the Mannheim process to produce SOP², which means that MOP prices have a direct impact on SOP prices.
- ✓ Uncertainty surrounding Belarusian supply has been the cornerstone of global MOP markets over recent weeks, with MOP spot prices increasing as a result.³
- ✓ SOP prices have recently been rising steeply on the back of higher MOP prices and increased shipping costs, consistent with KLL's forecasts for Q4 CY21.

1. Based on Industry consultant and third party market advice to KLL

2. Argus Potash Analytics – May 2021

3. CRU Weekly Report – 9 September

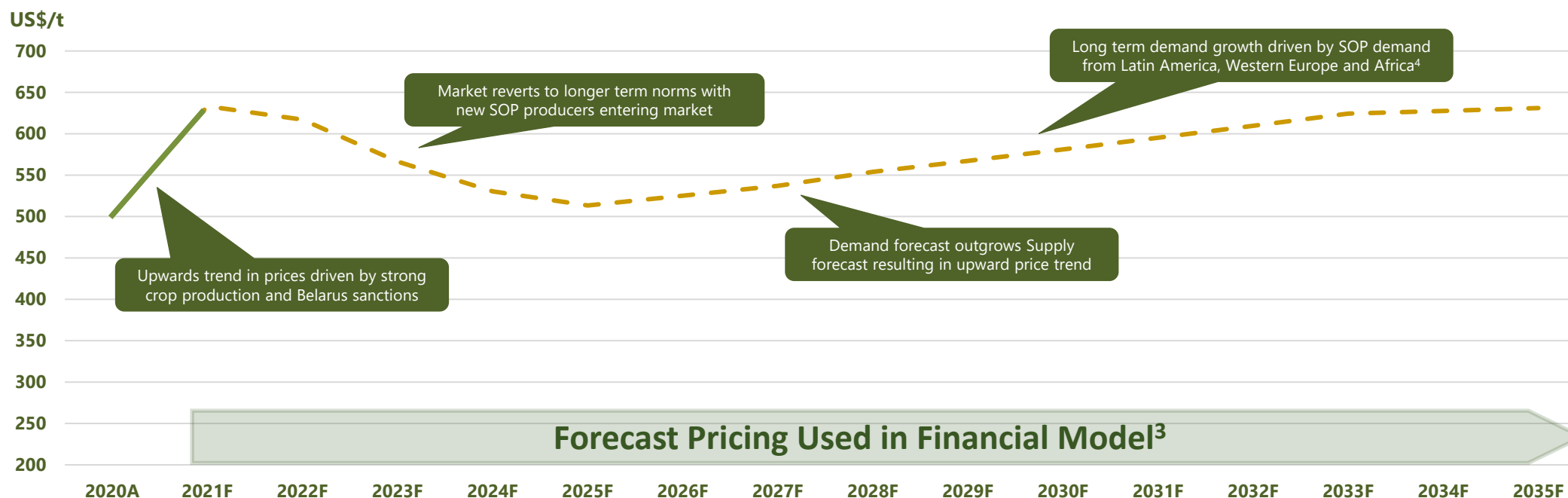
4. <https://investingnews.com/daily/resource-investing/agriculture-investing/potash-investing/types-of-potash-sop-mop/>

MOP	SOP
Example crops ⁴	Example crops
   	   
<ul style="list-style-type: none">✓ Most common potash fertilizer✓ Contains high level of chlorides✓ Suited to high chloride crops such as rice, maize and wheat✗ Not suited to soils with high levels of chloride✗ High levels of chloride can be toxic to fruit and vegetables	<ul style="list-style-type: none">✓ Purer form of potash✓ Chloride free source of potassium and sulphur✓ Improves crop yield and resilience✓ Preferred for high value crops like fruits, vegetables and nuts✓ Historically priced at a premium to MOP

ATTRACTIVE SOP PRICE OUTLOOK

- Strong SOP price outlook driven by:
 - ✓ Strong demand from farmers – crop prices are at eight-year highs and are anticipated to remain elevated until H1 2022¹
 - ✓ Coordinated global sanctions against Belarus - ~ 20% of global potash supply affected²
 - ✓ Strong positive trend in SOP price forecast supports immediate expansion to 120ktpa

CFR Australia SOP Price Forecast (Standard Grade, Real³)



1. CRU Weekly report – 24 May 2021

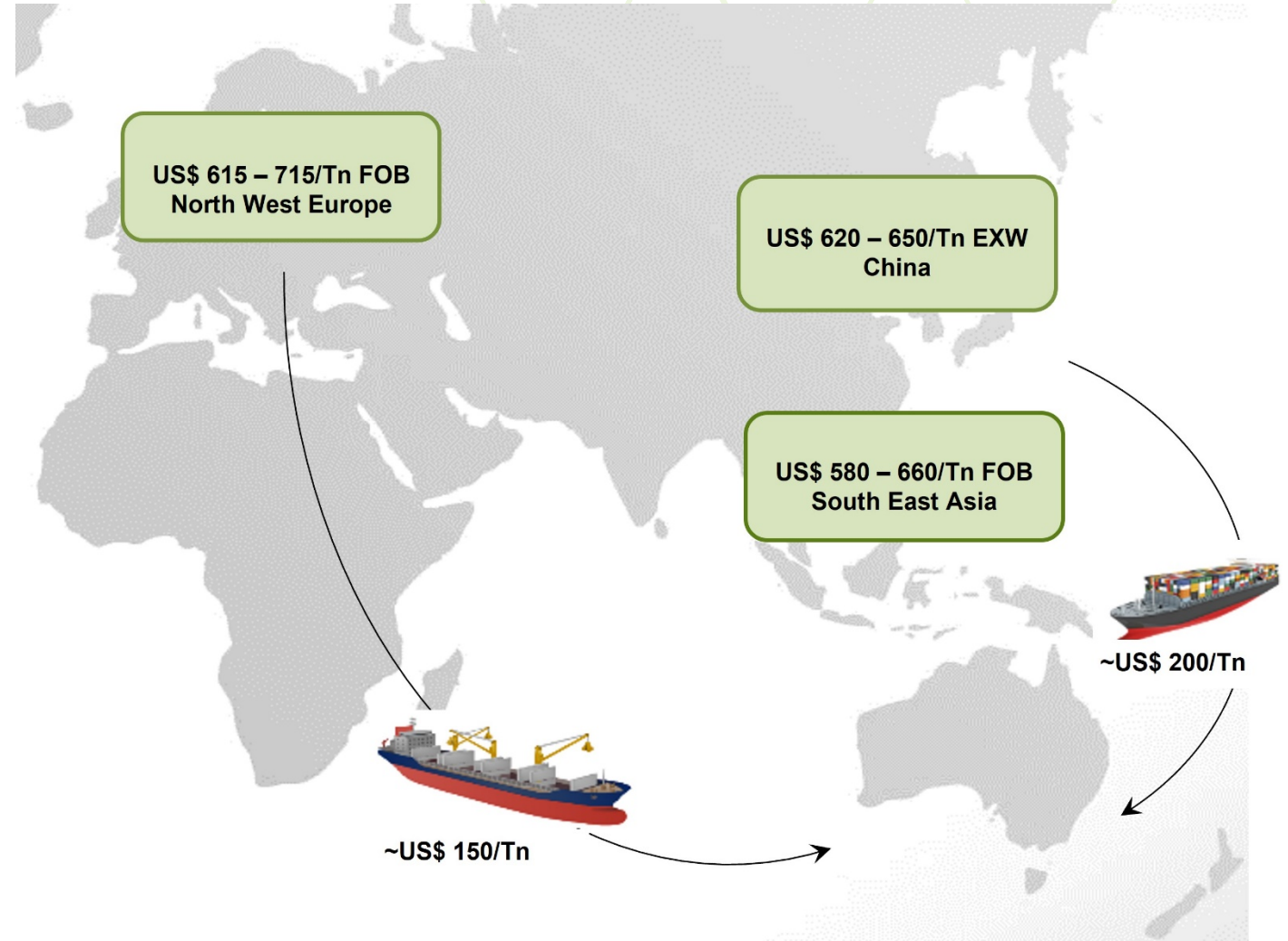
2. CRU Reference in Stockhead interview – 5 July 2021

3. SOP price forecasts are KLL's forecast prices for standard grade SOP on a CFR Australia basis in real terms. SOP pricing forecasts are calculated as the mid-point of price forecasts derived from data prepared by CRU and Argus. Comparative to standard grade product prices, granular and soluble grade SOP products are expected to achieve a price premium.

4. Argus Potash Analytics – May 2021

SOP PRICING UPDATE – OCTOBER 2021

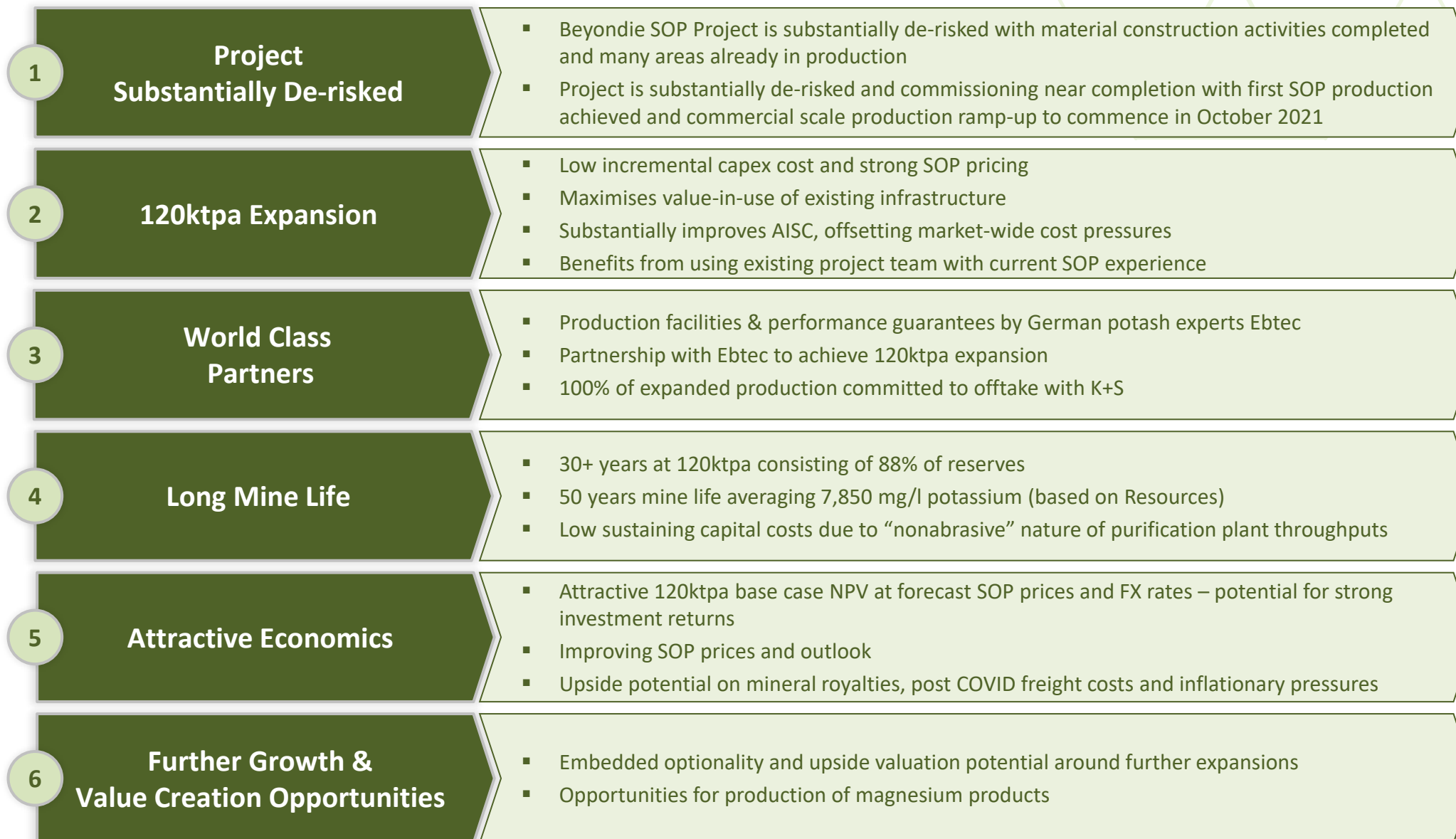
- SOP prices increased rapidly over the last 4 months
- Chinese Mannheim SOP production has reduced by 5% due to high MOP prices & environmental regulation, resulting in lower SOP export volumes from China and potential further price increases
- The COVID-19 pandemic continues to put pressure on shipping costs, pushing up the CFR delivery cost of SOP into Australia (currently ~US\$150-200/t). This offers significant opportunities to Kalium Lakes for SOP supply to the local market



Sources:

- Argus & CRU Weekly Reports – Week Ending 24 September 2021
- Argus & CRU Weekly Reports – Week Ending 10 September 2021
- Based on Industry consultant and third party market advice to KLL

ATTRACTIVE INVESTMENT PROPOSITION



Equity Raising



EQUITY RAISING OVERVIEW

Offer Structure and Size	<ul style="list-style-type: none"> Offer to raise approximately A\$50 million (“Offer”)¹, comprising: <ul style="list-style-type: none"> A placement of up to 209.8 million new shares to raise up to approximately A\$37.8 million (“Placement”) utilising Kalium Lakes’ existing Placement capacity pursuant to Listing Rules 7.1 and 7.1A; and A conditional placement of up to 68.0 million new shares to raise approximately A\$12.2 million (“Conditional Placement”), subject to shareholder approval at a General Meeting to be held in late November New shares will rank equally with existing fully paid ordinary shares in Kalium Lakes In addition to the Offer, Kalium Lakes will conduct a share purchase plan (“SPP”) of up to A\$30,000 per shareholder to raise up to A\$10 million
Offer Price	<ul style="list-style-type: none"> Offer price of A\$0.18 per new share, which represents a: <ul style="list-style-type: none"> 18.2% discount to last closing price of A\$0.22 per share on 11 October 2021, and 21.3% discount to the 5-day VWAP of A\$0.229 per share as at 11 October 2021
Share Purchase Plan	<ul style="list-style-type: none"> Eligible Kalium Lakes shareholders as at the record date of Tuesday, 12 October 2021 with a registered address in Australia or New Zealand will have the opportunity to apply for Kalium Lakes shares pursuant to a non-underwritten SPP Offer price of A\$0.18 per share, the same offer price as the Placement Up to A\$30,000 per Eligible Shareholder, targeting to raise up to A\$10 million Kalium Lakes may decide to accept applications (in whole or in part) that result in the SPP raising more or less than A\$10 million in its absolute discretion. Kalium Lakes reserves the right (in its absolute discretion) to close the SPP early and scale back applications under the SPP if demand exceeds A\$10 million or accept oversubscriptions
Use of Proceeds	<ul style="list-style-type: none"> Net proceeds from the Offer to be used to fund the expansion to 120ktpa and provide working capital during ramp-up Refer to page 12 for detailed Sources and Uses of Proceeds
Significant Shareholder Participation	<ul style="list-style-type: none"> Greenstone Resources (“Greenstone”), Kalium Lakes’ largest shareholder with approximately 20.5% of the Company’s issued shares, has committed to take up between A\$8.8 million and A\$11.3 million² of the Offer to retain a holding of 19.8% post the Offer under its anti-dilution rights, as announced to the ASX on 11 May 2020 Greenstone will participate across both tranches of the Offer and the final quantum will depend on the take up under the SPP
Syndicate	<ul style="list-style-type: none"> Macquarie Capital (Australia) Limited and Morgans Corporate Limited are Joint Lead Managers to the Offer The Offer is settlement underwritten

1. The final raising size might be larger if Greenstone exercises its anti-dilution right (up to 19.8%) to account for the proceeds raised under the Share Purchase Plan. For example, if the SPP raised A\$10 million, the final raising size could increase by A\$2.5 million.

2. Greenstone take up commitment of \$8.8 million based on total proceeds of \$50 million (being \$50 million Offer and \$0 million raised under the SPP) and \$11.3 million if total proceeds raised is \$60 million (being \$50 million Offer and \$10 million under the SPP).

SOURCES & USES OF FUNDS

Net proceeds from the Offer to be used to fund the project expansion to 120ktpa, which is targeted to be achieved by Q4 2022¹, and provide additional working capital during ramp-up.

Sources of Funds ²	A\$M	Uses of Funds	A\$M
Placement and Conditional Placement proceeds	50	Expansion to 120ktpa	45.3
Proceeds from SPP ³	nil – 10	Cashflow during ramp-up and additional working capital	1.8 – 11.8
		Cost of offer	2.9
Total Sources	50 – 60	Total Uses	50 - 60

- Additional facilities providing working capital benefits to Kalium Lakes include:
 - A\$20 million liquidity facility from senior lenders (KfW and NAIF) for 6 months (plus 6 months at lenders' option)
 - Improved payment terms with K+S for the first three years of offtake

1. Subject to the risk factors identified on pages 32-35 of this presentation.

2. The final raising size might be larger if Greenstone exercises its anti-dilution right (up to 19.8%) to account for the proceeds raised under the Share Purchase Plan. For example, if the SPP raised A\$10 million, the final raising size could increase by A\$2.5 million.

3. Assumes the SPP is fully subscribed, and oversubscriptions are not accepted.

TIMETABLE

Key event	Date
Record date for eligibility to participate in SPP	7:00pm AEDST Tuesday, 12 October 2021
Trading halt	Tuesday, 12 October 2021
Launch of Offer and Investor Presentation	Wednesday, 13 October 2021
Trading halt lifted and announcement of completion of Capital Raising	Thursday, 14 October 2021
Settlement of Placement (excluding Greenstone) ¹	Monday, 18 October 2021
Allotment of Placement (excluding Greenstone) ¹	Tuesday, 19 October 2021
Dispatch of SPP Offer Documents	Friday, 22 October 2021
SPP Opening date	Friday, 22 October 2021
Notice of Meeting sent to shareholders	Thursday, 28 October 2021
SPP Closing date	Thursday, 11 November 2021
Announcement of SPP Participation Results	Wednesday, 17 November 2021
Issue of New Shares under SPP	Thursday, 18 November 2021
Annual General Meeting for shareholders to consider approval of Conditional Placement Shares	Approximately Tuesday, 30 November 2021
Settlement of Conditional Placement Shares	Approximately Friday, 3 December 2021
Allotment of Conditional Placement Shares	Approximately Monday, 6 December 2021

* Timetable is subject to change. Kalium Lakes reserves the right to alter the above dates at its discretion and without notice, subject to the ASX Listing Rules and Corporations Act.

1. Greenstone settlement on a deferred basis.

PRO-FORMA CAPITAL STRUCTURE

Pro-forma capital structure¹

	Shares on issue (M)	Cash at Bank (A\$M)
30 September 21 (unaudited)	839.2	15.2 ²
Placement	209.8	37.8
Conditional Placement	68.0	12.2
Pro-forma	1,116.9	65.2
SPP (assuming fully subscribed) ³	55.6	10.0
Pro-forma	1,172.5	75.2

As at 30 September 21 (unaudited):

A\$6.2m

Undrawn facilities⁴

A\$20.0m

Liquidity facility⁵

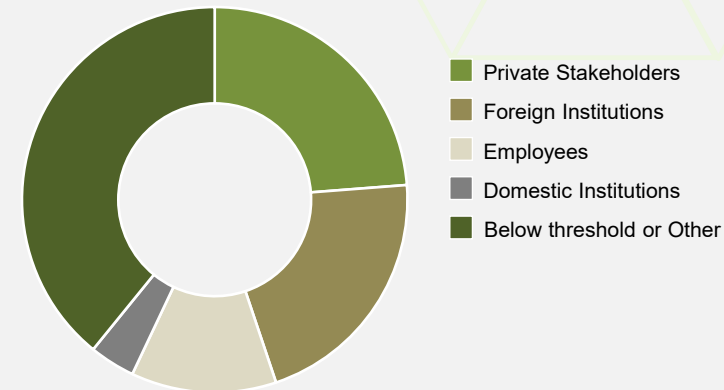
A\$170.8m

Debt outstanding⁶

Other securities on issue

10,375,000	Performance rights
29,896,480	nil exercise price options expiring 16 June 2023
1,182,639	options exercisable at \$0.55 each, expiring 16 June 2022
1,750,000	options exercisable at \$0.625 each, expiring 16 June 2022
5,000,000	options exercisable at \$0.3583 each, expiring on 30 June 2025

Register overview (prior to equity raising)



Board of Directors

Stephen Dennis, Non-Executive Chairman

Brent Smoothy, Non-Executive Director

Mark Sawyer, Non-Executive Director

Sam Lancuba, Non-Executive Director

Key Management

Rudolph van Niekerk, CEO

Jason Shaw, CFO

Pratik Patel, GM Operations

Ian Hind, Marketing & Logistics Manager

1. Kalium Lakes is in advanced discussions with Ebtec to issue to Ebtec (subject to shareholder approval) up to EUR1 million in equity, at the same issue price as the Offer, in lieu of cash payments for future works to be undertaken by Ebtec (in stages) under its services agreement with the Company.
2. Cash and cash equivalents as at 30 September 2021. Not including restricted cash.
3. Assumes the SPP is fully subscribed, and oversubscriptions are not accepted.
4. Undrawn facilities as at 30 September 2021 are based on FX rates at that date. Excludes A\$20m liquidity facility.
5. A\$20 million liquidity facility from existing senior lenders (KfW and NAIF) for 6 months (plus 6 months at senior lenders' option).
6. Debt includes principal plus capitalised interest at 30 September 2021 based on FX rates at that date.

The Beyondie SOP Project and Expansion to 120 ktpa



BEYONDIE SOP PROJECT OVERVIEW

- ✓ The Beyondie SOP Project is a two hour flight North West of Perth, on the border of the Little Sandy Desert, with natural high evaporation rates all year.
- ✓ SOP production at Beyondie a liquid brine operation, a well-known process, that uses the sun and wind to naturally evaporate fresh water from the brine, causing the production of potassium mixed salts which is then processed to premium SOP fertiliser.
- ✓ Brine is sourced from underground aquifers, using pumps stations at trenches and production bores.
- ✓ Construction is substantially complete and commissioning is underway with first SOP produced in October 2021 - the total project cost of ~\$280m to 90ktpa included construction of trenches, pumping stations, ponds, processing plant, gas power station, camp, airstrip, access road and an 80km gas pipeline.
- ✓ The SOP process plant design is based on a proven technology from SOP process experts, Ebtec, complete with process and throughput guarantees.
- ✓ Low resource intensity on site – ~30 people on site are required to run operations for steady state SOP production at 90 and 120ktpa production levels.
- ✓ SOP Product is trucked to Perth for collection by end users on the West Coast, or taken to port for distribution to the east coast of Australia and New Zealand. Excess product will be shipped to South East Asian markets.
- ✓ Project expansion to 120ktpa – to take advantage of strong SOP pricing, project team on site and expansion of 100% take or pay offtake.



PROCESS TO 90KTPA COMPLETION AND 120KTPA EXPANSION



Bores and Trenches Brine Pumping



90KTPA	120KTPA ADDITIONS
<ul style="list-style-type: none">✓ Construction✓ Commissioning✓ Operations Ramp up	<ul style="list-style-type: none">• 15 x Production Bores at Sunshine• 10 x Production Bores at Ten Mile• Ten Mile West Bores & Trenches in 2024

Solar Evaporation & Salt Crystallisation

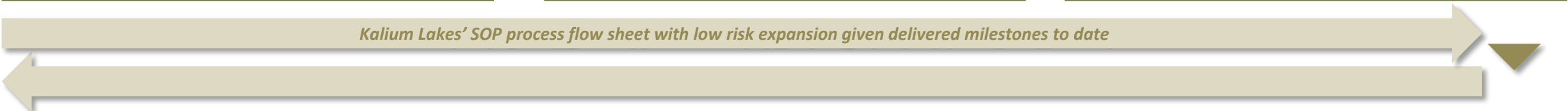


90KTPA	120KTPA ADDITIONS
<ul style="list-style-type: none">✓ Construction✓ Commissioning¹✓ Operations Ramp up¹	<ul style="list-style-type: none">• One New Primary Evaporation Train• One New Recycle Evaporation Train

Plant Feed Salt Stockpiles



90KTPA	120KTPA
<ul style="list-style-type: none">✓ Harvesting Commenced✓ Plant Feed Salt Haulage Commenced✓ Plant Feed Salt Stockpile Ready	<ul style="list-style-type: none">✓ No changes



Marketing & Sales

- ✓ 100% Offtake to 120ktpa
- ✓ Existing K+S Market Share
- ✓ SOP Sales Plan
- ✓ Buoyant SOP Market
- ✓ Improved payment terms for the first 3 years



Product Haulage, Storage & Dispatch

- ✓ Backloading Agreements
- ✓ Depot & Dispatch Solutions



SOP Purification Plant

90KTPA
<ul style="list-style-type: none">✓ Gas, Water and Power Supply✓ SSOP² Plant Construction✓ First SOP Produced
<ul style="list-style-type: none">★ SSOP Production Oct '21★ GSOP³ Production Dec '21
120KTPA
<ul style="list-style-type: none">• One Additional Generator• Small Water Supply Upgrade• Plant Upgrade and Optimisation by SOP Process Experts - Ebtec



1. Other than recycle ponds that will be commissioned when recycle feed is available from the SOP plant; 2. SSOP = Standard Grade Sulphate of Potash; 3. GSOP = Granular Sulphate of Potash

BRINE PRODUCTION BORES & TRENCHES

90ktpa

- ✓ All trenches complete
- ✓ All production bores complete
- ✓ All pump stations and brine transfer piping installed
- ✓ Remote pre-concentrator ponds complete



Ten Mile Lake Trenches



Typical Trench Pump Station



Typical Bore Pump Station

120ktpa Additions

- ✓ 10 additional production bores at Ten Mile and 15 additional production bores at Sunshine
- ✓ Brine extraction and transfer infrastructure installation complete, with only minor upgrades required
- ✓ Remote pre-concentrator ponds complete and operational, with no upgrade required
- ✓ Future design allowance (contingency / further expansion) for 5 additional production bores and 24km of trenches at Ten Mile West

EVAPORATION PONDS PRODUCING SALTS

Evaporation Ponds Design and Operation

- ✓ Primary ponds receive brine from bore & trenches
- ✓ Recycle ponds receive recirculating brine from the SOP plant
- ✓ All ponds are constructed off-lake, lined and with control gates to produce on spec potassium and NaCl salts
- ✓ 118,412 tonnes of SOP equivalent in brine pumped into ponds to date*
- ✓ Harvesting activities underway



Crystalliser Ponds

90ktpa

- ✓ All primary evaporation ponds complete – 5 trains
- ✓ All recycle evaporation ponds complete – 3 trains

120ktpa

- One new primary train to be constructed
- One new recycle train to be constructed



Harvesting Activities Underway

*As at end August 2021

MAXIMISING VALUE-IN-USE OF WORLD CLASS SOP

90ktpa

- ✓ Purification Plant Designed and manufactured by K-UTEC and Ebner (Ebtec), world renowned and experienced German engineering
- ✓ Construction complete and commissioning near completion, within capital expenditure budget and on schedule
- ✓ SOP production commenced in October '21, and 90ktpa nameplate expected to be achieved by March '22
- ✓ Operations team in place and salt harvesting operations ongoing, with 107kt KTMS feed (equivalent of 10,700 tons of SOP) delivered to ROM stockpile as at mid September 2021



Salt ROM Pad and SOP Purification Plant

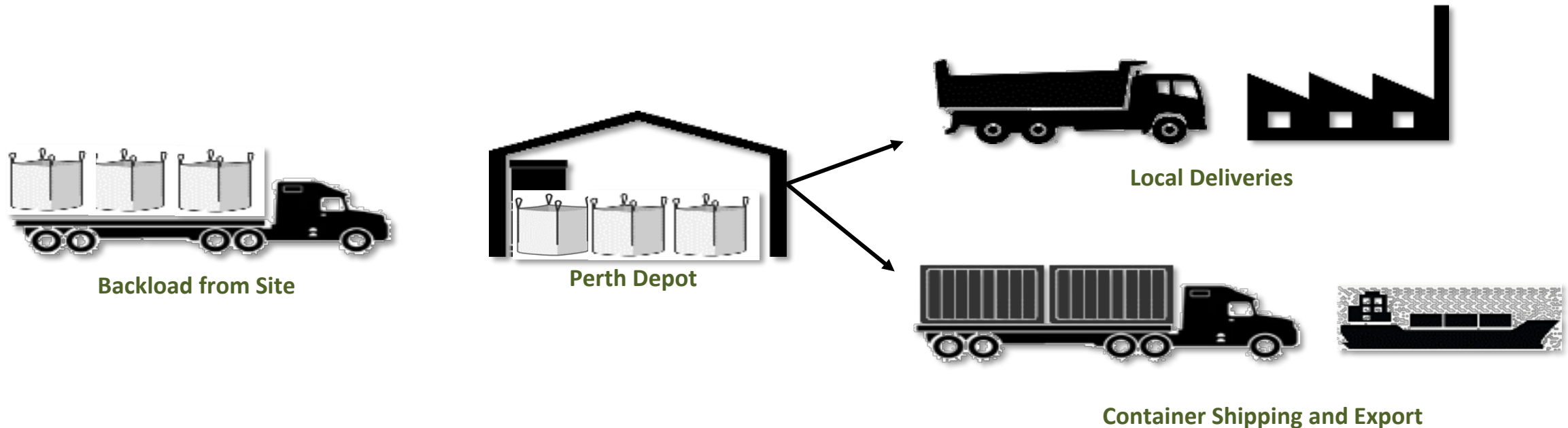


120ktpa

- Five steps to be implemented by Ebtec:
 - 1) Maximise production within design factors / allowances
 - 2) Debottlenecking & small equipment upgrades
 - 3) Optimise operation & operating hours
 - 4) Optimise process chemistry & efficiency
 - 5) Increase potassium grade in KTMS salts (improving pond operations)

PRODUCT HAULAGE

- On 27 July 2021, the Company reported that it was assessing additional backloading arrangements and depot services following Toll Mining Services' notice that it was presently unable to provide services under its 2019 agreement with Kalium Lakes.
- While Kalium Lakes continues to address the notice with Toll, it has awarded additional contracts for SOP product haulage services.
- These arrangements will enable Kalium Lakes to achieve a suitable product delivery logistics solution when production commences in October 2021.



ATTRACTIVE EXPANSION ECONOMICS – 120KTPA

Description	Base Case - 120ktpa Assumptions and Results ¹	Upside Case - 120ktpa Assumptions and Results ¹	Upside Case Comments
Production Target	120ktpa by Q4 2022	120ktpa by Q4 2022	The 120ktpa Base Case includes conservative allowances with potential upside as follows: <ul style="list-style-type: none"> Mineral Royalty reduced from 5% to 2.5%⁸ Inflationary pressures reduce All-in Sustaining Cost by 5% once COVID-19 impacts normalise⁹
Life of Mine (LOM)	50 years (from 2019) ²	50 years (from 2019) ²	
Capital Cost for the expansion from 90ktpa to 120ktpa	A\$45.3m ³	A\$45.3m ³	
LOM Operating Cost FOB (real)⁴ (All-in Sustaining Cost)	A\$375/t FOB (US\$270/t FOB @ AUD:USD 0.72)	A\$356/t FOB (US\$256/t FOB @ AUD:USD 0.72)	
LOM Average Net SOP Price (real)⁵	US\$585/t	US\$585/t	
AUD:USD foreign exchange rate	0.75 to June 2025, 0.72 thereafter	0.75 to June 2025, 0.72 thereafter	
LOM Revenue (nominal)	A\$8,409m	A\$8,409m	
LOM EBITDA (nominal)	A\$3,465m	A\$4,075m	
LOM Average EBITDA p.a. (nominal)	A\$70.7m	A\$83.2m	
LOM EBITDA Margin (nominal)	41%	48%	
LOM Cash Conversion Ratio (nominal)⁶	114%	111%	
Project unlevered pre-tax NPV (8%, nominal)⁷ (Valuation date: 30 June 2021)	A\$484m	A\$566m	

1. Except for the incremental capital cost presented in the table which relates to the cost of expansion from 90ktpa to 120ktpa, all figures in the table are for the project in relation to the 120ktpa production target.

2. Refer to Cautionary Statement in ASX announcement titled "BSOPP Feasibility Study Complete – New 120ktpa Base Case" dated 18 August 2021 - the 120ktpa mine plan comprises Ore Reserves (77%) and Measured and Indicated Mineral Resources (13%) and is partly based on Inferred Mineral Resources (10%). No Exploration Target brine has been included in the assumed life of mine or economic evaluation of the project. Refer to the disclaimer and compliance statement in pages 2-3 of this announcement.

3. Capital cost estimate is based on actual data from current project and updated where required to Q2 2021 prices. The majority of the deliverables constituting the basis for the capital cost estimate at an AACE Class 3 level. The capital cost includes a contingency of A\$4.2m.

4. Life of Mine Operating Cost FOB includes all mining, processing, site administration, product haulage to port, port costs, head office corporate costs, sustaining costs, but excludes royalties and taxes.

5. SOP market studies by CRU and Argus have been used as the basis for the commodity price. Long term SOP price forecasts were obtained in July 2021 for the period to 2040 which the Company has adopted in its forecasts. The Company has assumed that SOP prices remain stable for the period after 2040 for the remainder of the life of mine. The average net SOP price is calculated as the average CFR price less agent fee and CPT costs but before marketing fees.

6. LOM Cash Conversion Ratio is calculated as LOM Net Profit after Tax divided by LOM net cashflow (excluding senior debt principal movements).

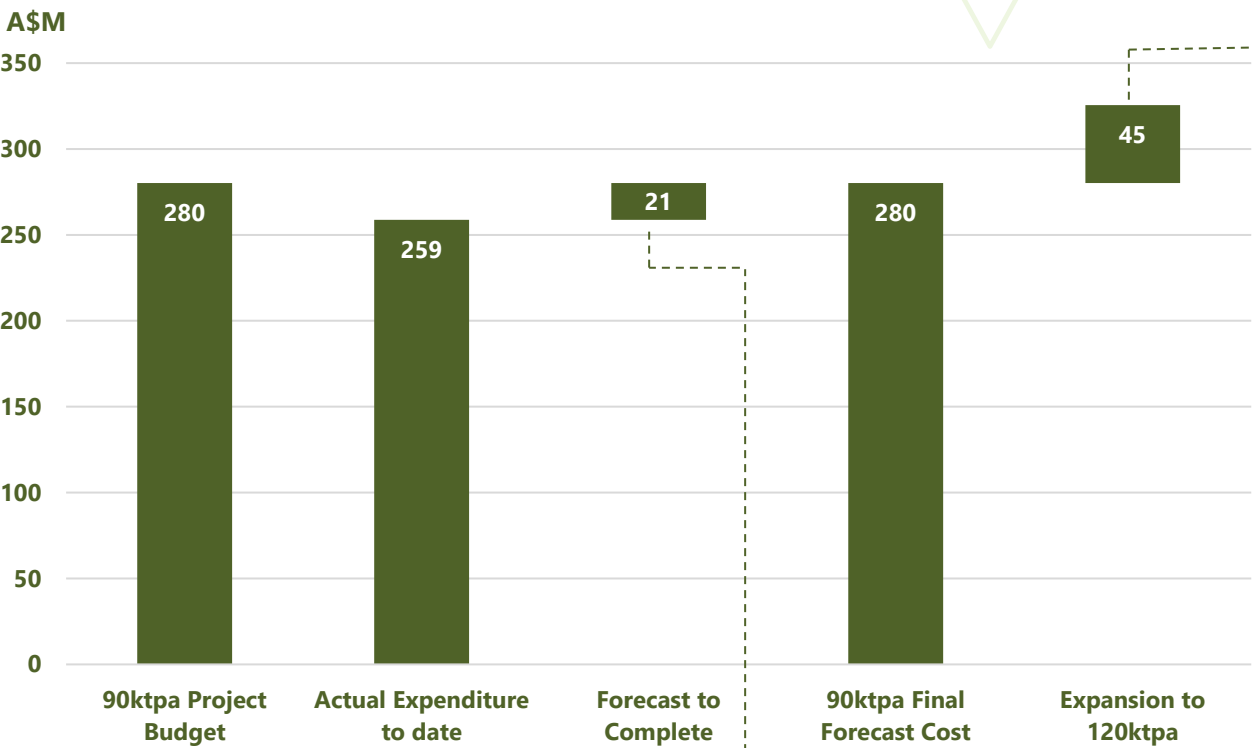
7. NPV based on nominal cashflows assuming a 2.4% inflation factor used; WACC calculation = 8% discount rate.

8. The Mineral royalty payable in Western Australia on final products is 2.5%.

9. Increased costs driven by COVID-19 and WA border closures are expected to reduce once vaccination rates meets national targets, allowing international and WA state borders to reopen.

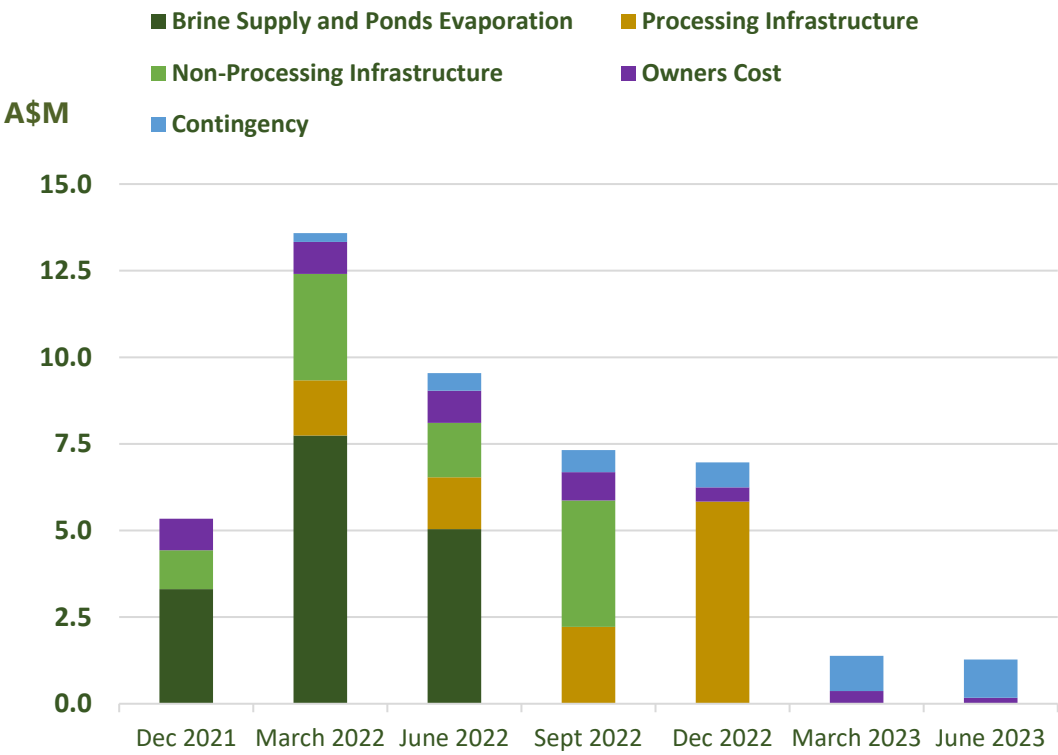
CAPITAL EXPENDITURE SUMMARY

Project Capital Expenditure Overview – 30 September 2021



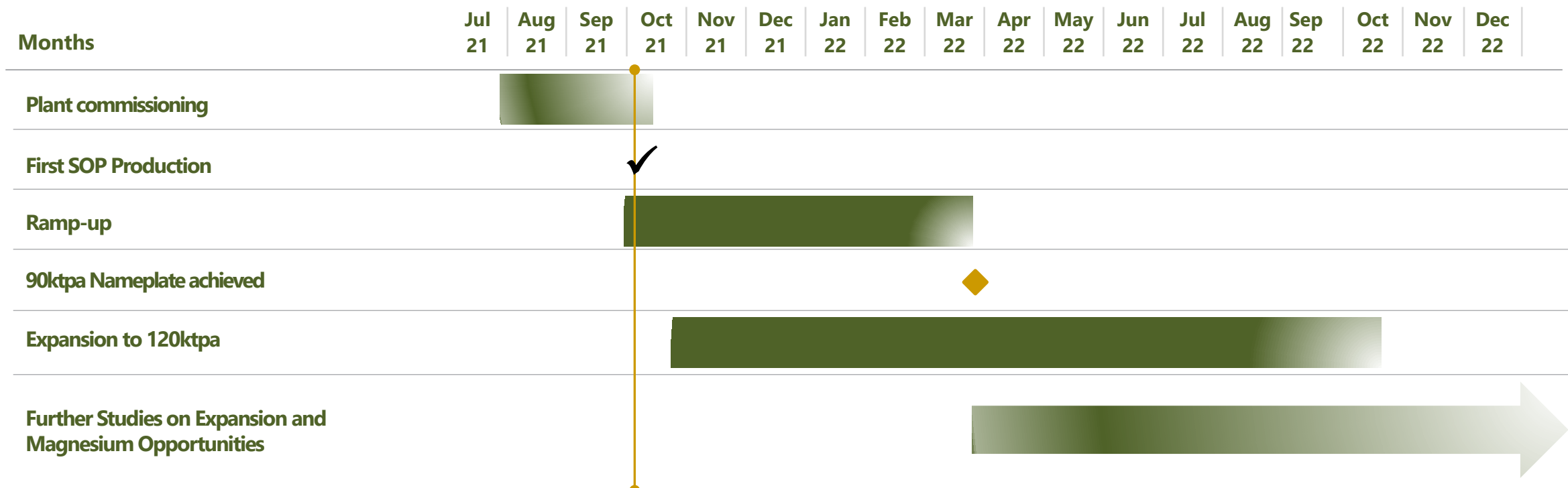
Forecast to Complete is fully funded from available cash and debt facilities

30ktpa Incremental Expansion Capital Expenditure



EXPECTED TIMETABLE

- ✓ Delivered on every milestone since June 2020
- ✓ Production ramp-up on target for October 2021








KEY ATTRIBUTES FOR KALIUM LAKES' SUCCESSFUL PROJECT DELIVERY

Understanding the Key Risks Specific to SOP		How Kalium Lakes Manages Key Risks specific to SOP	
Mineral Resources, Ore Reserves and Mine Plan <ul style="list-style-type: none"> • Brine quantity and quality • Grade variability • Sustainable brine extraction flow rates 		<ul style="list-style-type: none"> • Mineral Resources based on “drainable brine volumes only” • Ore Reserves compliant to JORC guidelines for brine resources and the Canadian Standard NI43-101 • Mine plan developed using a solute transport model • Standard operating procedures to ensure quality control and quality assurance is in place to verify actual performance against design 	
Evaporation Ponds <ul style="list-style-type: none"> • Sufficient potassium salt crystallisation to meet SOP production targets • Managing the impact on variable weather patterns on evaporation pond performance • Management of seepage into the ground • Implementation of efficient harvesting solutions 		<ul style="list-style-type: none"> • Pond design based on knowledge and experience from David Butts¹ • 10 ha trial ponds that were build and operated for 12 months during the BFS stage of the project to produce representative salt samples for process design requirements and develop standard operating procedures for pond operations and doing harvesting trials • Ongoing support from Corey Milne, a chemical engineer trained by David Butts with more than 28 years practical experience working for Compass Minerals 	
SOP Production <ul style="list-style-type: none"> • Limited experience globally in SOP process design • SOP & MOP are NOT the same (lots of MOP production experience globally) 		<ul style="list-style-type: none"> • Process design done by K-UTEC² Salt Technologies, using representative salt samples produced from our 10 ha trial pond operation during the BFS • Key process equipment and performance guarantee for standard grade SOP provided by Ebtec (partnership between German companies K-UTEC and Ebner³) • Ebtec representatives on site to verify completion of construction and to lead commissioning activities until performance testing of the SOP purification plant is complete • Ongoing partnership negotiated with Ebtec to assist the Kalium Lakes operations team for the first year of production to operate and maintain the SOP purification plant, whilst completing the expansion to 120ktpa of SOP production. 	
Marketing and Sales <ul style="list-style-type: none"> • SOP sales are market driven and seasonal based • Australia historically 100% importer of SOP • Product quality is extremely important to end users 		<ul style="list-style-type: none"> • Kalium Lakes have secured and off-take agreement with K+S⁴ for 100% of all SOP produced up to 120ktpa. • The performance guarantee in the Ebtec agreement is aligned with the K+S standard grade SOP product specification, allowing for SOP produced from the Beyondie SOP Project to be sold by K+S under their own branding • K+S holds a significant share of the Australian SOP market (estimated Australian SOP market size of ~70,000Mt pa⁵) and will service this market with SOP produced from the Beyondie SOP Project – this way Kalium Lakes ensures that it manages its market entry risk whilst looking after Australia’s local farmers first 	

1. David Butts is a chemical engineer and a salt and solar pond expert with over 50 years of experience primarily devoted to the extraction of minerals and salts from lakes, oceans, salars and underground deposits
2. K-UTEC comprises an internationally recognised team of experts, with over 70 years of salt processing experience. (<https://www.k-utec.de/en/home>)
3. Ebner GmbH is an engineering & manufacturing company based in Germany, experienced in the design and fabrication of cooling crystallisers used in the SOP production industry. (<https://ebner-co.de/en/home-2/>)
4. K+S is the largest SOP producer in the world outside of China
5. Represents 100% of the Australian market based on ABS import statistics for Potassium sulphate (excl. tablets and similar forms).

LONG TERM SUPPORTIVE FINANCIERS

- **Ongoing support of Senior Lenders, NAIF and KfW with attractive long term, low cost funding:**¹
 - ✓ Long Tenor 10-15 year loan life
 - ✓ Low Cost ~3.2% average interest rate
- **Successful completion of debt restructure with Senior Lenders**² to facilitate expansion to 120ktpa with:
 - ✓ Principal repayments deferred by two years until 31 March 2024
 - ✓ Maturity of Kalium Lakes Potash Loans (KLP Tranches A, B & C below) deferred by two years
 - ✓ A new A\$20m liquidity facility which has replaced the Westpac working capital facility³

Lender	Borrower	Principal & Interest ⁴ (A\$M)	Undrawn & Available ⁴ (A\$M)
 KfW IPEX-Bank	Kalium Lakes Potash – Tranche A ⁵	48.2	3.4
 KfW IPEX-Bank	Kalium Lakes Potash – Tranche B ⁵	50.0	1.4
 NAIF	Kalium Lakes Potash – Tranche C	25.3	0.7
 NAIF	Kalium Lakes Infrastructure (KLI)	47.3	0.7
 KfW IPEX-Bank NAIF	Liquidity Facility	-	20.0
Totals		170.8	26.2

1. 10-15 year loan life applies across the four senior facilities being the KLP Tranches A, B & C and the KLI facility. The interest rates on Tranches A & B are based on a margin plus USD Libor. USD Libor has been assumed at a rate of 0.25% p.a. for the purpose of the calculation of the 3.2% average interest rate across the four senior facilities.

2. The debt restructure is subject to a condition subsequent for completion of an equity raise of A\$47.1m (net of costs) being the balance of funding required for the expansion from 90ktpa to 120ktpa.

3. The new A\$20m Liquidity Facility is available for 6 months and can be extended for another 6 months at the senior lenders' option.

4. Calculated as at 30 September 2021, except for the A\$20m Liquidity Facility which is available from 12 October 2021 following execution of documentation with the senior lenders.

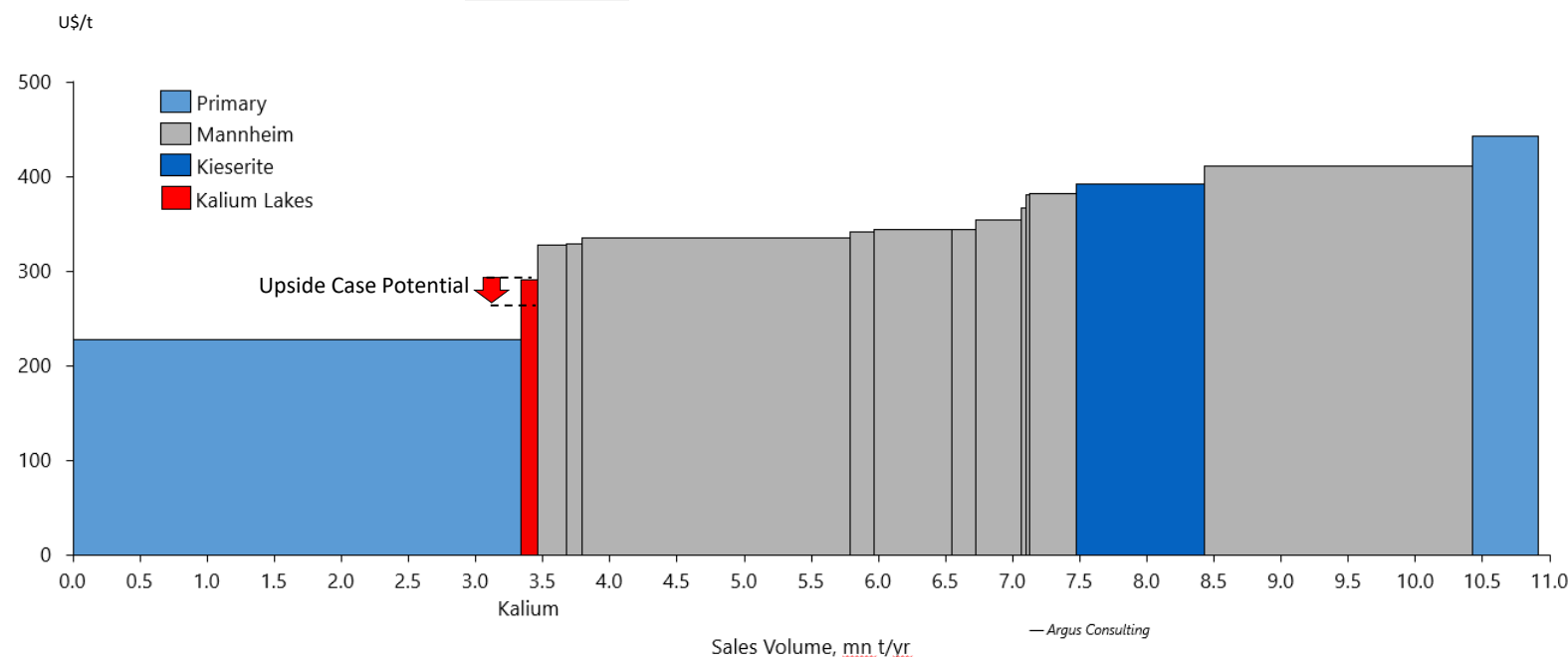
5. Tranche A facility is denominated in EUR and converts to a USD denominated loan on drawdown date, with interest accruing in USD. Tranche B facility is denominated in USD. Tranches A and B have been converted to AUD at exchange rate of 0.720 AUD:USD.

KALIUM LAKES WELL PLACED TO BENEFIT FROM HIGHER PRICES



K+S is the largest SOP producer in the world outside of China, planning to distribute SOP from the Beyondie SOP Project into their existing, significant SOP market share in Australia, New Zealand and South East Asia

SOP fob Cash Cost (incl. Royalties), 2020² Operating companies + Kalium Lakes

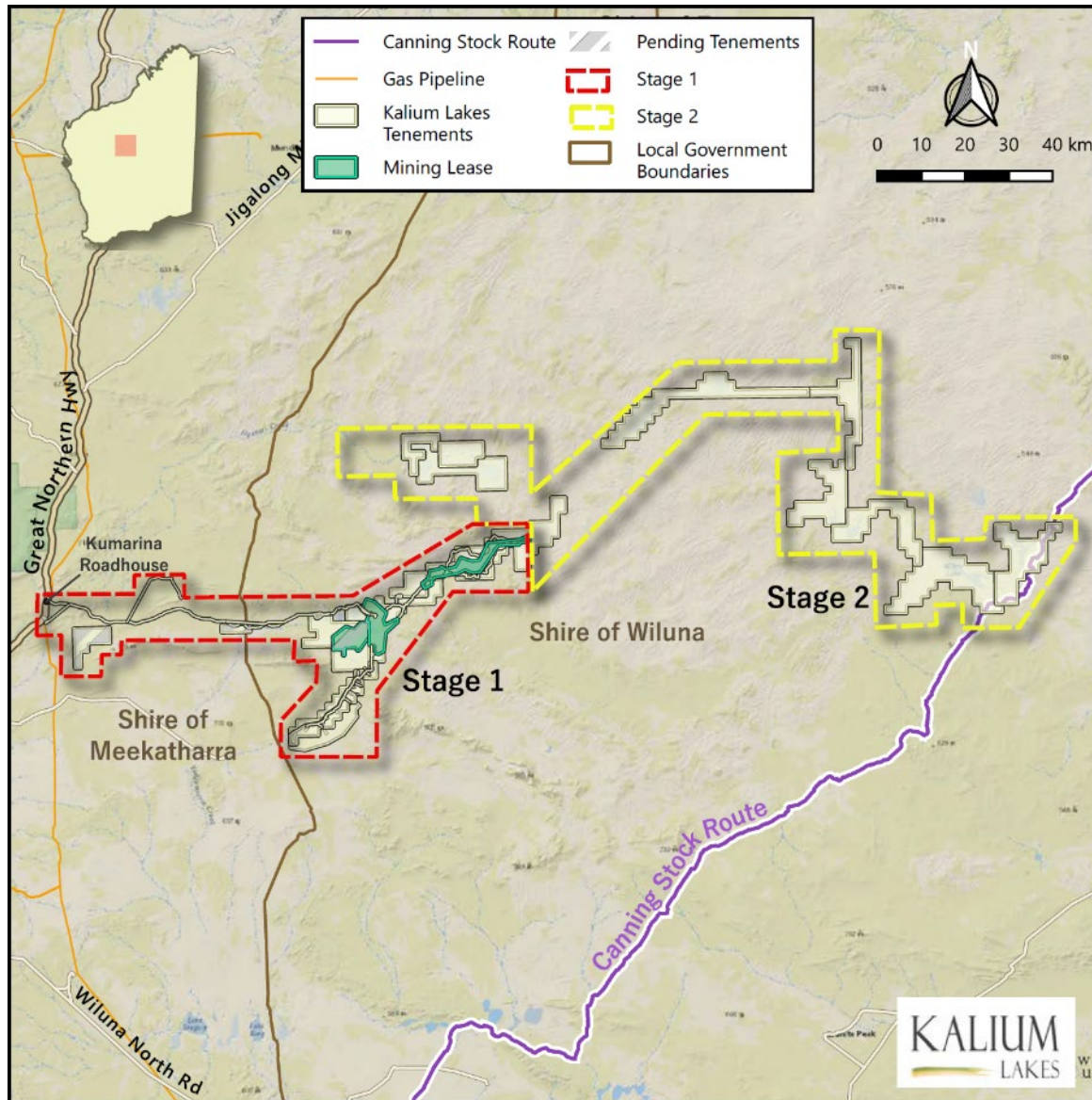


- ✓ **First mover advantage with** Beyondie SOP production about to commence
- ✓ **Take-or-pay offtake Agreement** with German fertiliser producer K+S and distributor for 10 years at 120ktpa¹
- ✓ **Net realised sales price** model agreed with K+S
- ✓ **K+S to deliver Beyondie SOP into their existing market share** in Asia and Oceania
- ✓ **Very attractive payment terms** negotiated for the first 3 years of the agreement

1. Refer to Kalium Lakes Concludes Historic Binding Offtake agreement with global potash Producer K+S ASX Announcement dated 26 March 2019 https://www.kaliumlakes.com.au/site/wp-content/uploads/austocks/kll/2019_03_26_KLL_1553549280.pdf and ASX Announcement titled "BSOPP Feasibility Study Complete – New 120ktpa Base Case" dated 18 August 2021

2. While this chart reflects SOP FOB cash costs for operating companies in 2020, the red bar represents KLL's forecast AISC (plus royalties) as per the ASX announcement titled "BSOPP Feasibility Study Complete – New 120ktpa Base Case" dated 18 August 2021

SIGNIFICANT FURTHER GROWTH POTENTIAL



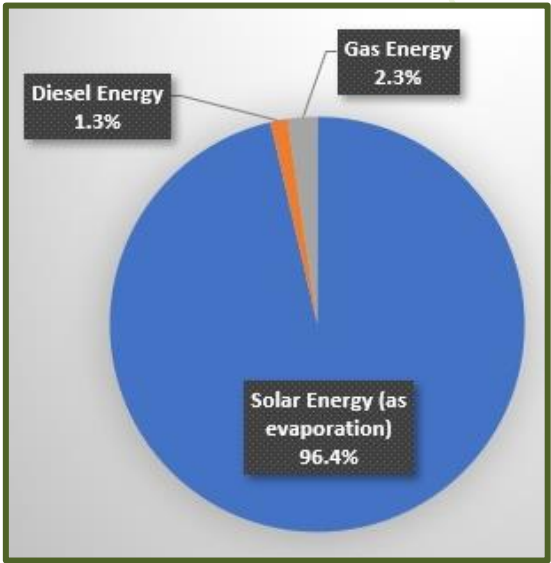
INCREASED PRODUCTION

- Potential for future expansion exists with studies commenced on expansion opportunities
- Project has been built with further expansion in mind which would likely require a lower capital intensity than the 90ktpa project and take advantage of key infrastructure in place including, camp, power station, Airport, roads etc
- A review of resources and reserves, combined with the updated resources / reserves currently being completed to maximise SOP production and economics.
- Further increased SOP production scenario will not only maximise resource potential and returns for stakeholders, but also provide other benefits including:
 - ✓ Establish Kalium Lakes as one of the largest SOP producers in Australia, competitive in the global market
 - ✓ Further reduce operating costs due to economies of scale

STRONG ESG CREDENTIALS

Low Energy Footprint

- Increased SOP usage drives improved crop yields and reduces deforestation (less than 1% chloride)
- Low carbon consumption footprint – Kalium Lakes’ process predominantly relies on natural evaporation and wind
 - ✓ Energy requirements, predominantly renewable energy with opportunities to replace all diesel power generation with renewable power supply for bore fields over time
 - ✓ Lower-production emissions relative to average potash fertiliser production (0.26 kgCO₂e/kg SOP)¹
 - ✓ High nutrient content minimises relative transport emission



GHG emission factors for fertilizers, seeds and pesticides ¹	
Agricultural Input	GHG Emissions (kg CO ₂ e/kg)
Nitrogen fertilizer (as N)	6.69
Phosphate fertilizer (as P)	0.71
Potash fertilizer (as K)	0.46
Pesticides (as active ingredient)	5.41
Seed material	0.87

Strong Indigenous Engagement



- Active engagement with traditional owners and land access agreements signed with both traditional owner groups:
 - ✓ Marputu Aboriginal Corporation RNTBC representing the Gingerana People, and
 - ✓ Mungarlu Ngurrarankatja Rirraunkaja Aboriginal Corporation representing the Birriliburu People
- Impeccable safety record with declining trends for Total Recordable Injury Frequency Rates (TRIFR)² and Lost Time Injury Frequency Rates (LTIFR)² for the project development to date, with ongoing measures to improve and optimise

1. Source: Woods, Jeremy & Brown, Gareth & Estrin, Alexander. (2005). Bioethanol greenhouse gas calculator.
2. LTIFR / TRIFR Formula: Number of injuries in the accounting period / Total hours worked in accounting period x 1,000,000

ATTRACTIVE INVESTMENT PROPOSITION

1

Project Substantially De-risked

2

120ktpa Expansion

3

World Class Partners

4

Long Mine Life

5

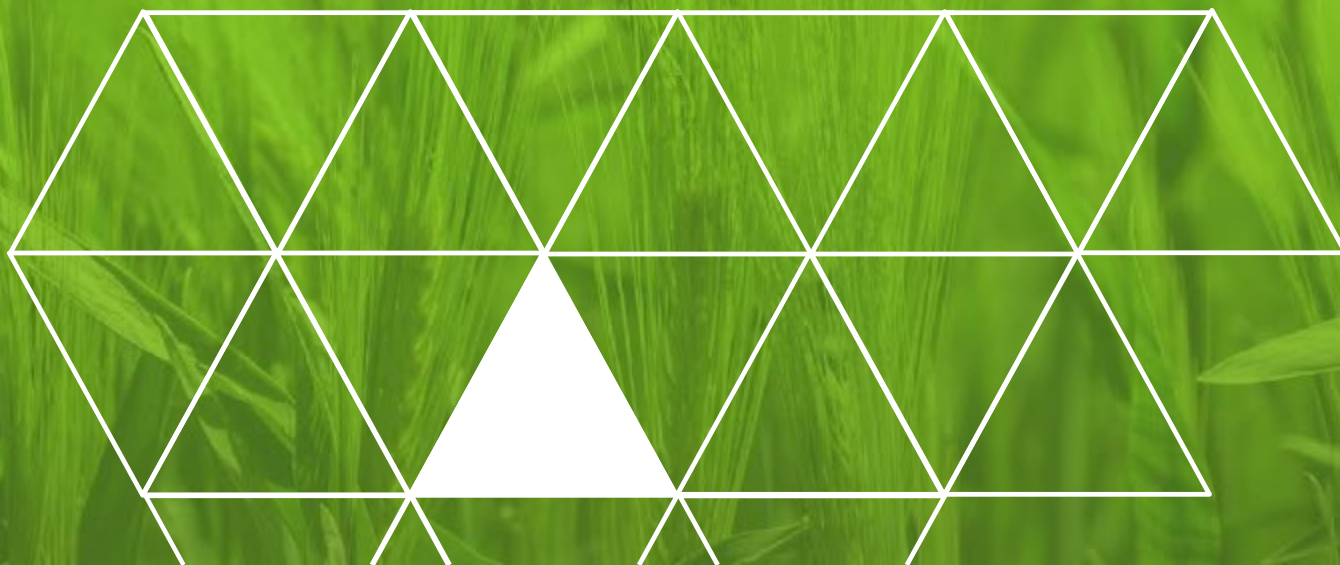
Attractive Economics with Strong Cash Flows

6

Further Growth &
Value Creation Opportunities



Additional Information





KEY RISKS

Development and future operations of the Beyondie Potash Project

As at the date of this document, the Company has commenced commissioning and achieved first production of SOP at the BSOPP (refer to the ASX announcement dated 5 October 2021 for further details). The Company intends to utilise proceeds raised from the Placement and the SPP to fund the BSOPP's expansion to 120ktpa (refer to the ASX announcement dated 18 August 2021 for further details). No assurances can be given that the Company will be able to achieve a production increase to 120ktpa or that the 120ktpa expansion will be achieved in the timeline detailed in this document. Failure to achieve a production increase to 120ktpa or significant delays to the Company's expansion plans will have a material adverse impact on the Company's future cash flows, profitability, results of operations and financial condition.

Any unforeseen delays, shutdowns or difficulties encountered in maintaining continued operations at the BSOPP will also materially and adversely impact on the Company's financial condition and cash flow. Further, the Company has prepared operating cash costs, future production targets and revenue profiles for its future operations at the BSOPP. However, production targets and operating costs may be adversely affected by a variety of factors, including the delineation of economically recoverable mineralisation, unfavourable geological conditions, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns and contracting risk from third parties providing essential services. In addition, there may be other risks that can impact production and operating cost estimates, including increases in labour costs, general inflationary pressures, currency exchange rates, COVID-19 and other unforeseen circumstances such as health and safety outcomes and adverse weather events.

Any unforeseen increases in capital or operating costs of the BSOPP could have an adverse impact on the Company's future cash flows, profitability, results of operations and financial condition. No assurance can be given that the Company's estimates will be achieved or that the Company will have access to sufficient capital to develop the BSOPP expansion to 120ktpa if there were an increase in capital and operating costs estimates.

Financing arrangements and funding risk

The Company has received approvals from, and entered into formal binding documentation with, its senior lenders, KfW IPEX-Bank (KfW) and the Northern Australia Infrastructure Facility (NAIF) (together, the Senior Lenders) for the provision of an additional A\$20 million liquidity facility and has also entered into revised financing arrangements with the Senior Lenders to (amongst other matters) defer principal repayments (by two years) in respect to the existing syndicated term loan facilities provided by the Senior Lenders.

It is a requirement under the revised financing arrangements that the Company raises at least A\$47.1 million in equity capital by early January 2022 and, under the terms of the Offer, the Company is proposing to raise up to A\$50 million via a two tranche Placement to satisfy this condition, with the second tranche of the Placement to raise up to A\$12.2 million being subject to shareholder approval. Such funding will also provide the Company with the requisite funds to progress the expansion of the BSOPP to 120ktpa. If the Company fails to obtain the requisite shareholder approval for the second tranche of the Placement and/or does not complete the Placement (for whatever reason), there will be a funding deficit which will result in the Company not satisfying the requirements under the revised financing arrangements with the Senior Lenders and this will trigger an event of default across all of the Company's senior debt facilities and allow the Senior Lenders to request immediate repayment of their loans and enforce their security over the Company's assets. Furthermore, the Company will not have sufficient funds to expand the BSOPP to 120ktpa. If there is a failure to raise at least A\$47.1 million (net of costs) of new equity capital by early January 2022, the Company will need to seek alternative sources of capital to fund the expansion of the BSOPP and re-engage with the Senior Lenders to (amongst other things) seek to renegotiate the terms of its debt facilities, including (but not limited to) procuring a waiver and/or extension to the equity raising condition. There can be no assurance that the Company will be able to:

- obtain additional financing (whether via equity, debt or a combination of both) or that the terms of the financing will be acceptable and favourable to the Company; or
- successfully renegotiate revised terms with the Senior Lenders (or achieve revised terms on similar or favourable terms to the Company).

If the Company is unable to obtain additional funding to fund the expansion of the BSOPP to 120ktpa in the timeline detailed in this document and/or is unable to achieve revised terms with the Senior Lenders (or obtains accommodation from the Senior Lenders on less robust and attractive terms), this will have a material adverse impact on the ongoing and future economic feasibility of the BSOPP and, by extension, will materially adversely affect the Company's financial position and ongoing operations.

COVID-19 risk

The global economic outlook continues to face uncertainty due to the current COVID-19 pandemic, which has been having, and will likely continue to have, a significant impact on global capital markets, commodity prices and foreign exchange.

To date, the COVID-19 pandemic has not had any material impact on the Company's operations during construction, however, any infections on site at the BSOPP could result in the Company's operations being suspended for an unknown period of time, which may have an adverse impact on the Company's operations as well as adverse implications on the Company's future cash flows, profitability and financial condition.

Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Company's operations, financial position and prospects.

The Company has implemented a COVID-19 management plan in order to minimise the risk of infection for individuals. The plan includes, enhancing temperature and questionnaire screening, establishing flexible and remote working plans, identifying mandatory self-quarantine, and isolation areas on site, optimising site works to manage within COVID-19 limitations, managing site manning levels to limit COVID-19 risk and optimising usage of installed accommodation, continuing operation and maintenance of existing brine bore fields, trenches and evaporation ponds.

The Company will continue to review its COVID-19 mitigation plan and update its plan based on the latest guidance from health professionals and the government as the situation develops.

Staff and owner's team recruitment and retention

The Company's ability to execute its strategy is dependent on the performance and expertise of its key management personnel and the owner's team. The Company relies on experienced and qualified staff in respect to the development and operation of the BSOPP and there is a risk that the Company may not be able to attract and retain key staff and members of the owner's team, or be able to find effective replacements in a timely manner. The loss of staff, or any delay in their replacement, and the inability of the Company to hire additional staff could impact the Company's development of the BSOPP.

There is also a risk that the Company will be unable to retain existing staff, or recruit new staff, on terms of retention that are as attractive to the Company as past agreements. The loss of key personnel could cause a significant disruption to the business and could adversely affect the Company's operations.

There is a risk that the Company may not be able to recruit suitably qualified and talented staff in a time frame that meets the growth objectives of the Company. This may result in delays in the development of the BSOPP, which may adversely impact on the Company's future cash flows, profitability, results of operations and financial condition.



KEY RISKS

Commodity price volatility

The revenue the Company will derive through the sale of sulphate of potash product (SOP Product) exposes the Company to commodity price and exchange rate risk (see below). Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. Such factors include the supply and demand for commodities such as potash, forward selling activities, technological advancements and other macro-economic factors.

If the Company achieves development success of the expansion which leads to viable production increases, its financial performance will be highly dependent on the prevailing commodity prices and exchange rates. These factors can affect the value of the Company's assets and the supply and demand characteristics of potash, and may have an adverse effect on the viability of the Company's development and production activities, its ability to fund those activities and the value of its assets.

Currency and interest rate volatility

The prices of various internationally traded commodities are denominated in United States Dollars, whereas the income and expenditure of the Company are and will be taken in account in Australian Dollars, consequently exposing the Company to the fluctuations and volatility of the rate of exchange between the United States Dollar and the Australian Dollar as determined in international markets.

The Company's term loan facilities with KfW are United States Dollars LIBOR based, consequently exposing the Company to movements in interest rates in the United States. Movements in interest rates may result from changes in economic conditions, monetary and fiscal policies, international and regional political events or other factors beyond the control of the Company which may adversely affect the financial condition of the Company.

Operational risks

The Company's operational and development activities will be subject to numerous operational risks, many of which are beyond the Company's control. The Company's operations may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions, mechanical difficulties, shortages in or increases in the costs of labour, consumables, spare parts, plant and equipment, external services failure (including energy and water supply), industrial disputes and action, difficulties in commissioning, ramp up and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, COVID-19 and compliance with governmental requirements. Hazards incidental to the mining, exploration and development of mineral properties such as unusual or unexpected geological formations, difficulties and/or delays associated with groundwater and dewatering of existing pits may be encountered by the Company. Industrial and environmental accidents could lead to substantial claims against the Company for injury or loss of life, and damage or destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

There is no certainty that the production ramp up process, including the Company's expansion to 120ktpa, will not uncover failures or deficiencies in processes, systems, plant and equipment required for the BSOPP, and addressing such failures or deficiencies may result in the Company incurring unexpected costs and production ramp-up delays. Any of these outcomes could have a material adverse impact on the Company's results of operation and financial performance, including but not limited to the Company's ability to operate on a cashflow positive basis.

Any inability to resolve any unexpected problems relating to these operational risks or adjust costs profiles on commercial terms could adversely impact continuing operations, production targets, Mineral Resources and Ore Reserves estimates and the assessment of recoverable amount of the Company's assets. Production guidance and targets are subject to assumptions and contingencies which are subject to change as operations performance and market conditions change or other unexpected events arise.

Purification facility design, operation, recovery and product specification

The Company is using internationally recognised consultants in the design of the process and selection of suitable equipment to achieve production capacity and specification to market requirements. However, project development associated with the expansion to 120ktpa remains inherently risky due to the number of variables that need to be managed. This could lead to equipment not performing as required or expected, resulting in difficulty maintaining product specification, not achieving name plate design capacity, not achieving expected potassium recoveries, increased maintenance and overall operating costs.

This risk also applies to non-process plant equipment and facilities, recognising that the BSOPP by its nature is operating with corrosive fluids and subject to environmental impacts of salinity which may result in premature or otherwise unexpected failure of critical equipment such as bore pumps.

Offtake

The Company has entered into an offtake agreement with German fertiliser producer and distributor K+S. Risks associated with the offtake agreement include, but are not limited to, rising contract prices (as pricing under the offtake agreement is linked to the sales price realised by K+S), disputes regarding variations and extensions of time and costs, all of which may give rise to delays and/or increased costs. If any of these risks materialise, this could have a material adverse impact on the Company's profitability, financial performance and position.

Further, if K+S, being the Company's only offtake party, reneged on its contractual obligations or otherwise failed to pay for the SOP Product delivered, or decline to receive further product, this would have a consequential effect on the Company's financial position. If this occurs, there is a risk that future offtake contracts may not be negotiated on similar or more favourable terms.

Dependence on key contractors

The Company has outsourced substantial parts of the development of the BSOPP to third party contractors. Such contractors may not be available to perform services for the Company, when required, or may only be willing to do so on terms that are not acceptable to the Company. Further, performance may be constrained or hampered by capacity constraints, mobilisation issues, plant, equipment and staff shortages, labour disputes, managerial failure and default or insolvency. Contractors may not comply with provisions in respect of quality, safety, environmental compliance and timeliness, which may be difficult to control. In the event that a contractor underperforms or is terminated, the Company may not be able to find a suitable replacement on satisfactory terms within time or at all. These circumstances could have a material adverse effect on the Company's operations and the development of the BSOPP.

Inability to abstract brine volume

The Company has utilised a number of specialist consultants in determining its ability to abstract brine consistently from the deposits but there is a risk that the Company will be unable to abstract the brine in volumes required to meet project timetables and production. This can occur due to low permeability of aquifer material, variability in the deposit and continuity of the various aquifer layers. As a result, pumping rates may be lower than expected, or require additional bores and/or trenches. Each bore and trench is likely to have a specific life expectancy and will eventually run dry as brine is extracted. This life expectancy may be variable and shorter than expected.

Variability in brine

The brine deposit may be variable due to the geological layering of the host rock, the location within the palaeochannel, inflows of other waters carrying other impurities or fresh water all of which will affect the brine chemistry across the deposit. Added to this there is also the potential for dilution after rainfall which may influence changes in the chemistry of brine recovery. The variability may cause different evaporation rates, alternative salt evaporites being formed in the evaporation ponds, and/or require additional pumping volumes due to lower grades.



KEY RISKS

Resource and Reserve estimates and classification

The Mineral Resource and Ore Reserve estimates for the BSOPP are estimates only and are expressions of judgement based on knowledge, experience and industry practice. In addition, by their very nature, Mineral Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. No assurances can be given that any particular level of recovery of potash will in fact be realised.

Environmental and other statutory approvals

The Company's project and operations, including its expansion to a production rate of 120ktpa, are subject to Commonwealth and State laws, regulations and specific conditions regarding approvals to explore, construct and operate. There is a risk that such laws, regulations and specific conditions or any changes thereto may impact the profitability of the project and the ability for the project to be satisfactorily permitted. Key and on-going approvals required may take longer to be obtained or may not be obtainable at all.

The Company has not yet received the relevant approvals to operate at a production rate of 120ktpa, including Ministerial approval / receipt of an operating licence for 120ktpa, and the failure to receive any of these approvals could have an adverse impact on the Company's operations and activities. Although the Company has no reason to believe that the relevant approvals will be granted, there is no assurance that such approvals will be granted as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

Evaporation pond design

The Company has undertaken a large scale pilot evaporation pond program to enhance its understanding of the construction methodology, evaporation rates, leakage rates and other potential performance parameters of the brine. Whilst the operations of the evaporation ponds to date have been verified against the design, the BSOPP is yet to see a prolonged period of producing SOP and there remains a scale up risk that, in the construction and operation of the evaporation ponds, these performance parameters could vary to the current pond and pump testing findings and therefore may impact the basis of design and operation, and potentially the capital and operation costs, of the full size project. There is also a risk of structural failures or leakage.

Future capital requirements

Whilst the funds raised pursuant to the first and second tranche of the Placement is expected to leave the Company well positioned, the Company may require further financing to continue to operate in the future if, for example, there is a material departure from the Company's production or cost guidance. Any additional equity financing that the Company may undertake in the future may dilute existing shareholdings. Debt financing, if available, may involve restrictions on financing and operational activities.

There can be no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and the time in which any such financing can be obtained will be acceptable to the Company. This may have an adverse effect on the Company's financial position and prospects.

Contractual disputes

As with any contract, there is a risk that the business could be disrupted in situations where there is a disagreement or dispute in relation to a term of the contract. Should such a disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally.

New commodity and lack of operational experience

The Company recognises that as a potential leader in the Australian production of sulphate of potash products there may initially be a lack of suitably trained operators for the overall project which has been explicitly designed for the extraction and treatment of brine to produce the product to market specifications.

Furthermore, this risk could manifest itself during the start-up and ramp-up stage for the same reasons expressed above which could lead to increased capital costs and delays in achieving operational ramp up targets.

Inclement weather and Natural Disasters

The Company's operational activities are subject to a variety of risks and hazards which are beyond its control, including hazardous weather conditions such as excessive rain, flooding and fires.

Severe storms and high rainfall leading to flooding and associated damage may result in disruption to the evaporation process in the ponds, scouring damage to trenches, roadways and pond walls. Flood waters within the pond areas will increase the total evaporation time and impact the production schedule.

Additionally, as some of the brine production is from surface trenches, these trenches may become flooded during severe weather. This may impact the quality and consistency of the brine and the ability to continue surface extraction by trenches within the lakes areas, until the flood waters subside.

Any of the above occurrences will impact profitability.

Title risk

The Company's activities are dependent upon the maintenance (including renewal) of the tenements in which the Company has or acquires an interest. Maintenance of the Company's tenements is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including compliance with the Company's work program requirements, which in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Although the Company has no reason to think that the tenements in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

Exploitation, exploration and mining licences

The Company has been granted two Mining Leases, various miscellaneous licences and exploration licences. The Company's activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licenses and leases, which may be withdrawn or made subject to limitations. The maintaining of licences and leases, obtaining renewals, or getting licences and leases granted, often depends on the Company being successful in obtaining required statutory approvals for its proposed activities and that the licences and tenements, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.



KEY RISKS

Change in regulations

Adverse changes in Federal or Western Australia government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation. Increased royalties or any other changes to the royalty regime could result in higher operating costs for the Company's operations and may have an adverse effect on the Company's business, results, financial condition and prospects.

Environmental risk

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most mining and exploration projects, the Company's activities including the BSOPP are expected to have an impact on the environment. It is the Company's intention to conduct its activities to the required standard of environmental obligation, including compliance with all environmental laws.

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidents or other unforeseen circumstances, which could subject the Company to extensive liability.

Insurance

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be available or of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance, such as COVID-19, could have a material adverse effect on the business, financial condition and results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

Third party risk

The operations of the Company require the involvement of a number of third parties, including suppliers, contractors and clients.

Financial failure, default or contractual non-compliance on the part of such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect the Company against all such risks.

Competition

Although there is currently no Australian production of SOP, there are other mining exploration companies in Australia that are currently seeking to explore, develop and produce SOP. The Company will have no influence or control over the activities or actions of its competitors and other industry participants, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business.



FOREIGN SELLING RESTRICTIONS

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations

Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada

Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Guernsey

The New Shares may only be offered or sold in or from within the Bailiwick of Guernsey (i) to existing shareholders; (ii) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the "POI Law"); or (iii) to persons licensed under the POI Law, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc., (Bailiwick of Guernsey) Law, 2000.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.



FOREIGN SELLING RESTRICTIONS

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

- "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

THANK YOU

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