

QUARTERLY ACTIVITIES REPORT PERIOD ENDING 30 JUNE 2022

Kalium Lakes Limited (ASX:KLL) (**Kalium Lakes** or the **Company**) provides its quarterly activities report for the period ending 30 June 2022, including a summary of its operational activities at the Beyondie SOP Mine (**Beyondie** or **BSOPM**).

Highlights

- Production now exceeds 1,400 tonnes of commercial quality Sulphate of Potash (**SOP**) to the end of July 2022.
 - Ongoing production has validated Kalium Lakes' process design, from borefields through evaporation ponds and processing plant, culminating in the production of high quality SOP ready for local and international markets.
 - First commercial sales were made in late July through the Company's sales offtake partner, K+S, to a leading local WA based fertiliser producer and distributor (refer KLL ASX announcement "First Commercial Sales of Beyondie SOP" dated 31 July 2022), taking advantage of current high SOP prices. K+S has developed supply chains to local WA markets and supply from Beyondie will replace imported SOP with locally produced SOP.
 - Strong SOP pricing outlook, due to on-going supply disruptions and macro-economic outlook.
 - On-track for planned August plant shutdown and re-start in September, with targeted ramp-up to nameplate capacity testing in Q4 CY2022.
 - Targeting 80 ktpa SOP production run-rate by Q1 CY2023, followed by further ramp-up to 120 ktpa production target run-rate by Q3 CY2024.
 - Supportive financiers motivated to see Beyondie substantiate itself as a long-life SOP producer. External funding requirement in Q3 CY2022, quantum to be announced during August 2022.
 - Building operating expertise with assistance of significant SOP production experience out of US operations.
 - As at 30 June 2022, Kalium Lakes had approximately A\$21.5 million in cash and A\$179.1 million of drawn senior debt facilities.
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Kalium Lakes Chief Executive Officer, Len Jubber, said:

"During the past quarter we have substantially de-risked Beyondie. We have validated the overall process design, strengthened our technical teams and skills base, and have achieved our first sales into a buoyant pricing environment. The progress made in de-risking is playing an important part in our process to secure the additional funding which we identified as required to mitigate the challenges of being the first producer in a new industry. We expect to announce the details of our targeted funding solution in the coming weeks.

Post our planned financing initiatives, we are looking forward to ramping up our production and taking advantage of the strength of the SOP pricing environment as Australia's sole producing SOP mine. We are delighted that our SOP will reduce Australia's reliance on imports. Western Australian farmers will for the first time be able to source SOP fertiliser made locally through solar evaporation and supporting local communities."

Beyondie Sulphate of Potash Mine – Operations Update

Key Statistics

SOP Production and Sales	June 2022 Qtr	March 2022 Qtr
SOP produced (t)	972 ¹	-
SOP sold (t)	-	-
KTMS output and plant feed	June 2022 Qtr	March 2022 Qtr
KTMS harvested (t)	22,800	30,800
KTMS fed into SOP plant (t)	35,800	-
KTMS ROM Stockpiles	June 2022 Qtr	March 2022 Qtr
KTMS ROM stockpile – design (or above) grade (t)	12,800	31,000
KTMS ROM stockpile – lower grades for blending (t)	39,200	34,000
Total KTMS stockpile (t)	52,000	65,000
Waste Salt Harvesting	June 2022 Qtr	March 2022 Qtr
Waste salt harvested (t)	83,000	36,000



SOP Product Shed with SOP stockpiles, July 2022

1. Cumulative SOP produced to 30 June 2022 was revised down from the 1,000 tonnes (as announced to the ASX on 1 July 2022) to 972 tonnes following completion of end of month survey calculations as at 30 June 2022.

SOP Purification Plant

With the successful re-start of the SOP plant early in the quarter, the equipment testing programme has validated Kalium Lakes' process design. Significant commissioning progress has seen a cumulative total of over 1,400 tonnes of commercially saleable SOP having been produced up until the end of July 2022.

The availability of sufficient KTMS (kainite-type mixed salts) to feed the plant has remained the key production constraint. Expectations are that sufficient KTMS will be available by end of August to continue the ramp up in production. Until then Kalium Lakes plans to produce SOP at lower rates and is on-track for the planned shutdown in August.

Further optimisation and rectification works during the planned shutdown in August will include a focus on the flotation circuit where opportunities have been identified to further improve the recovery of schoenite. Additional works, including further pump upgrades and the installation of a heat exchanger to allow improved operation during hot summer weather do not require a shutdown and will take place after August.

Production is planned to recommence in September, with progressive SOP output ramp-up through to nameplate performance tests planned at the end of Q4 CY2022.

As previously outlined, Beyondie is expected to be operating at an approximate 80 Ktpa SOP production run rate by Q1 CY2023, with the targeted 120 Ktpa run rate established by Q3 CY2024.



SOP Purification Plant, July 2022

Pond Operations

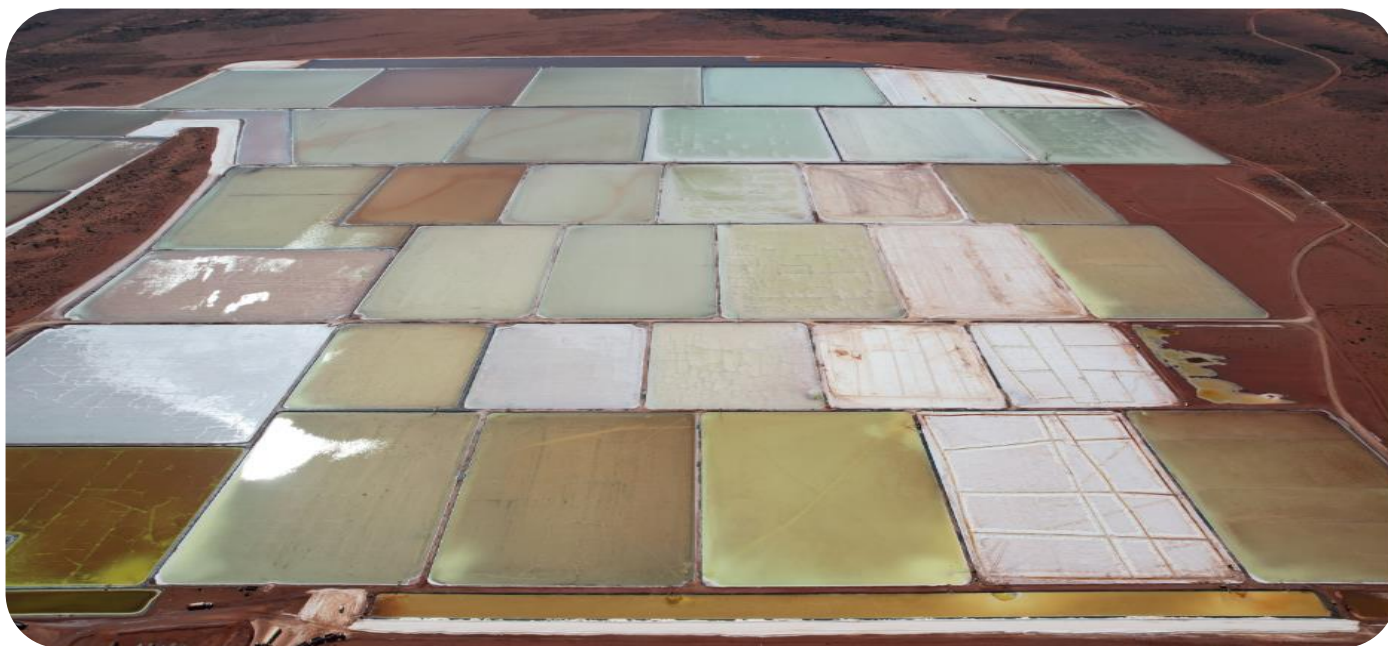
During the June quarter, 22,800 tonnes of KTMS and 83,000 tonnes of waste salt were harvested. As a result of late season rain events in May and June, brine movement between the evaporation ponds was temporarily halted due to the dilution effects of the rain on brine chemistry. This has resulted in delays in salt precipitation of 5-6 weeks due to the time required to evaporate the excess fresh water from the ponds and return the brine chemistry to target levels. The evaporation of the rainfall was largely completed around the end of the quarter and the ponds began concentrating again.

The second Wirtgen harvester, which was ordered from Germany in the March 2022 quarter, was shipped for Fremantle during July. It will undergo some minor customisations in Australia, before being transported to Beyondie to commence harvesting operations in September.





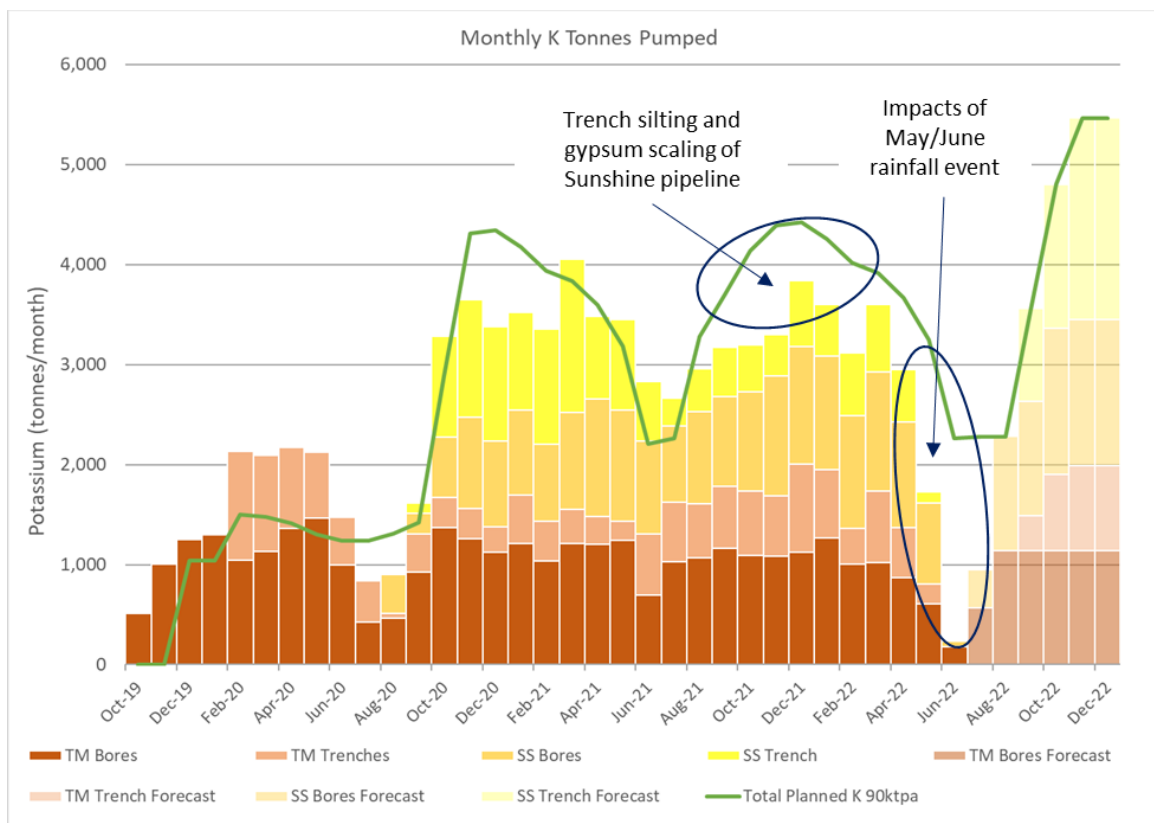
Kalium Lakes' second Wirtgen Harvester, in Germany ready for transport to Fremantle



Primary Evaporation Ponds, July 2022

Borefield & Trenching Operations

As a result of the recent rain events and the pre-concentrator ponds being full, May and June abstraction has been below planned volumes as pumps have been turned off. Ten Mile Lake and Lake Sunshine have seen significant recharge at the lake surface. This has resulted in an initial drop in grade followed by a trend of increasing grade over the last few weeks towards mine plan grades as a result of evaporation effects. The water levels in the lake surface have recovered to above pre-pumping water levels. This is expected to provide significant upside in surge capacity for the upcoming summer evaporation period.



Ten Mile Trench, July 2022



Ten Mile Preconcentrator Pond, July 2022



Lake Sunshine Preconcentrator Pond, July 2022

Shortly after the end of the quarter a new amphibious excavator was delivered and assembled on site. The excavator is in addition to the excavator already in operation on site and will assist with further improvements to the maintenance and on-going cleaning of the trenches to maintain and improve design capacity.



New Amphibious Excavator arrived at site in July 2022

The 120 ktpa expansion programme works progressed, with a total of 23 out of 27 exploration holes and 12 out of 25 new production bores now completed and the second Lake Sunshine transfer pipeline due for commissioning in the September quarter. Availability of drilling crews in the June quarter was adversely affected by Covid, and a pause in drilling was instigated whilst test pumping and review of newly installed bore capacities is completed. New bores are planned to be progressively added to the brine pumping system from November onwards, with completion expected by January 2023. Current installed and operational brine abstraction capacity is sufficient to meet an SOP production run rate of 90 ktpa.

Community

Kalium Lakes continues to focus on its strong relationships with local communities. During the quarter fencing works around the reagent storage area and process (fresh) water dam were completed by an indigenous business.



Corporate

Liquidity

As at 30 June 2022, Kalium Lakes had approximately A\$21.5 million cash and A\$179.1 million of drawn senior debt facilities with NAIF and KfW. Undrawn debt capacity is A\$2.5 million under Facility A, provided by KfW, which is set aside for final commissioning payments.

As previously announced, Kalium Lakes expects that it will have a requirement for further external funding during the September 2022 quarter as a result of the revised production ramp-up schedule at Beyondie. The Company expects to be able to inform the market of the quantum of funding during August 2022.

Discussions with financiers in connection with the revised production ramp-up schedule and funding requirements are continuing to advance well, assisted by financial adviser, Cutfield Freeman and Co. The maturity date on the undrawn A\$20 million liquidity facility provided by its senior lenders, NAIF and KfW, has, by agreement subsequent to quarter end, been extended to 31 August 2022. Pre-requisites to drawdown of the liquidity facility are related to the Company demonstrating to its senior lenders that it has a financing solution in place for the revised ramp up to the production target of 120 ktpa SOP.

The Company's senior debt facilities have no measurable financial covenants requiring satisfaction before CY2024. The facility agreements contain material adverse change clauses typical for facilities of this nature.



State Government Royalty

During the quarter, the WA Government advised that the applicable State royalty rate on SOP was 5% of “royalty value”, based on the Government’s view that processing for SOP was equivalent to a concentrate and SOP being a high-value mineral product. The Government also advised that it had established a royalty rebate scheme for the State’s potash industry, in which a 50% non-repayable rebate would be paid on a quarterly basis for the first two years of commercial production, subject to the average realised SOP price being less than A\$1,000 per tonne for the quarter.

The Company continues to review its position in relation to the WA Government’s royalty advice and expects to respond in due course.

Payments to Related Parties

During the quarter, the Company paid salaries and wages of A\$0.085 million to its Directors. Further, payments totalling A\$1.44 million were made during the quarter to a company related to Non-Executive Director, Mr Brent Smoothy, for construction and salt harvesting and haulage services under contracts previously awarded following arm’s length tender processes.

Securities on Issue

The Company had 1,181,712,214 ordinary shares on issue as at 30 June 2022.

The following list details the other securities on issue at the end of the quarter:

- 17,677,493 nil exercise price options expiring 16 June 2023
- 5,000,000 options exercisable at A\$0.50 each, expiring on 30 June 2025



Interests and Resources – Beyondie Sulphate of Potash Mine (100% Owned)

Tenement Interests

Tenement	Name	Holder	State	Status	Grant Date	Interest
Exploration Licences						
E 52/3956	Access Rd FW A	KLP	WA	Pending	TBA	100%
E 52/3957	Access Rd FW B	KLP	WA	Pending	TBA	100%
E 52/4038	Access Rd FW C	KLP	WA	Pending	TBA	100%
E 52/4052	Kendenura Hill	KLP	WA	Pending	TBA	100%
E69/3306	Yanneri-Terminal	KLP	WA	Granted	17-3-2015	100%
E69/3309	10 Mile Beyondie-	KLP	WA	Granted	17-4-2015	100%
E69/3339	West Central	KLP	WA	Granted	22-6-2015	100%
E69/3340	White	KLP	WA	Granted	22-6-2015	100%
E69/3341	West Yanneri	KLP	WA	Granted	11-8-2015	100%
E69/3342	Aerodrome	KLP	WA	Granted	22-6-2015	100%
E69/3343	T Junction	KLP	WA	Granted	22-5-2015	100%
E69/3344	Northern	KLP	WA	Granted	22-5-2015	100%
E69/3345	Wilderness	KLP	WA	Granted	22-5-2015	100%
E69/3346	NE Beyondie	KLP	WA	Granted	11-8-2015	100%
E69/3347	10 Mile South	KLP	WA	Granted	11-8-2015	100%
E69/3348	North Yanneri-Terminal	KLP	WA	Granted	11-8-2015	100%
E69/3349	East Central	KLP	WA	Granted	22-6-2015	100%
E69/3351	Sunshine	KLP	WA	Granted	31-8-2015	100%
E69/3352	Beyondie Infrastructure	KLP	WA	Granted	31-8-2015	100%
E69/3594	10 Mile West	KLP	WA	Granted	26-07-2019	100%
Miscellaneous Licences						
L52/162	Access Road	KLI	WA	Granted	30-3-2016	100%
L52/186	G N Hwy Access Road	KLI	WA	Granted	30-5-2018	100%
L52/187	Comms Tower 2	KLI	WA	Granted	30-5-2018	100%
L52/193	Kumarina FW 2	KLP	WA	Granted	13-8-2018	100%
L69/28	Access Road Diversion	KLI	WA	Granted	7-8-2018	100%
L69/29	Access Road Village	KLI	WA	Granted	7-8-2018	100%
L69/30	Comms Tower 1	KLI	WA	Granted	30-5-2018	100%
L69/31	Sunshine Access Road	KLP	WA	Granted	7-8-2018	100%
L69/32	10MS FW A	KLP	WA	Granted	14-8-2018	100%
L69/34	10MS FW B	KLP	WA	Granted	14-8-2018	100%
L69/35	10MS FW C	KLP	WA	Granted	17-12-2018	100%
L69/36	10MS FW D	KLP	WA	Granted	17-12-2018	100%
L69/38	Access Road "S" Bend	KLI	WA	Granted	30-1-2019	100%
L69/40	10 Mile Airstrip	KLI	WA	Granted	8-2-2019	100%
L69/41	10 Mile Village	KLI	WA	Granted	8-2-2019	100%
L69/46	10MS FW E	KLP	WA	Granted	8-2-2021	100%
L69/47	10MS FW F	KLP	WA	Granted	8-2-2021	100%
L69/48	10MS FW G	KLP	WA	Granted	27-7-2021	100%



Tenement	Name	Holder	State	Status	Grant Date	Interest
L69/52	Ten Mile Expansion 1	KLP	WA	Granted	31-3-22	100%
L69/53	Ten Mile Expansion 2	KLP	WA	Granted	31-3-22	100%
L69/54	Sunshine Expansion 1	KLP	WA	Granted	31-3-22	100%
L69/55	Sunshine Expansion 2	KLP	WA	Granted	31-3-22	100%
L69/59	Sunshine Access Rd A	KLP	WA	Granted	15-7-22	100%
L69/60	Sunshine Access Rd B	KLP	WA	Granted	15-7-22	100%
L69/61	Sunshine Access Rd C	KLP	WA	Granted	15-7-22	100%
Mining Leases						
M69/145	10 Mile	KLP	WA	Granted	6-6-2018	100%
M69/146	Sunshine	KLP	WA	Granted	6-6-2018	100%
M69/148	10 Mile West	KLP	WA	Granted	10-11-21	100%
Gas Pipeline						
PL117	Gas Pipeline	KLI	WA	Granted	7-11-2018	100%

Dora / Blanche (100% Owned): Tenement Interests

The Company has applied for exploration licences that could, if granted, introduce the Dora/Blanche Prospect as a new prospective area for potassium exploration.

Tenement	Tenement Name	Holder	State	Status	Grant Date	Interest
E45/4436	Dora	Rachlan	WA	Application	-	100%
E45/4437	Blanche	Rachlan	WA	Application	-	100%

Note: Kalium Lakes Potash Pty Ltd (KLP) entered into a declaration of trust with Rachlan Holdings Pty Ltd (Rachlan) where Rachlan will hold for the benefit of KLP certain exploration licence applications and deal with the applications as directed by KLP (including transferring title).

Carnegie Potash Project (Joint Venture): Tenement Interests

The Carnegie Joint Venture (CJV) which is located approximately 220 kilometres east-north-east of Wiluna. The CJV comprises one granted exploration licence (E38/2995) and five (5) exploration licence applications (E38/2973, E38/2982, E38/3295, E38/5296 and E38/3297) covering a total area of approximately 3,040 square kilometres.

The CJV is a Joint Venture between Kalium Lakes (KLL, 70% Interest) and BCI Minerals (BCI, 30% interest). Under the terms of the agreement BCI can earn up to a 50% interest in the CJV by predominantly sole-funding exploration and development expenditure across several stages. KLL is the manager of the CJV.

Tenement	Tenement Name	Holder	State	Status	Grant Date	Interest
E38/2995	Carnegie East	Carnegie Potash	WA	Granted	31-7-2015	70%
E38/2973	Carnegie Central	Rachlan	WA	Application	-	70%
E38/2982	Carnegie West	Rachlan	WA	Application	-	70%
E38/3295	Carnegie South West	KLP	WA	Application	-	70%
E38/3296	Carnegie South East	KLP	WA	Application	-	70%
E38/3297	Carnegie North	KLP	WA	Application	-	70%

Note: Carnegie Potash Pty Ltd (Carnegie Potash) is a wholly owned subsidiary of Kalium Lakes Limited and is the entity which holds Kalium Lakes' interest in the CJV.



Mineral Resources and Ore Reserves

Beyondie Sulphate of Potash Mine: JORC Measured Mineral Resources as at 30 June 2021 (inclusive of the ore reserves)

Aquifer Type	Volume (10 ⁶ m ³)	Total Porosity (-)	Brine Volume (10 ⁶ m ³)	Specific Yield (-)	Drainable Brine Volume (10 ⁶ m ³)	K (mg/L)	K Mass (Mt)	SO ₄ (mg/L)	SO ₄ Mass (Mt)	Mg (mg/L)	Mg Mass (Mt)	SOP Grade (kg/m ³)	K ₂ SO ₄ Mass (Mt)
Lake Surface Sediments	278	0.47	131	0.17	46	7,463	0.35	19,097	0.89	6,624	0.31	16.64	0.77
Alluvium	122	0.31	38	0.12	15	2,432	0.04	10,556	0.15	4,379	0.06	5.42	0.08
Palaeovalley Clay	935	0.36	333	0.06	58	4,628	0.27	14,495	0.84	4,130	0.24	10.32	0.60
Sand and Silcrete	270	0.33	88	0.21	56	5,665	0.32	17,394	0.97	5,090	0.28	12.63	0.71
Fractured and Weathered Sandstone	1,371	0.16	219	0.08	110	6,241	0.68	18,909	2.07	6,553	0.72	13.92	1.53
Fractured / Weathered Bedrock	773	0.24	186	0.10	76	5,404	0.41	15,138	1.15	5,814	0.44	12.05	0.92
Total Resources	3,749		995		361	5,718	2.06	16,853	6.08	5,701	2.06	12.75	4.60

Note: SOP grade calculated by multiplying Potassium (K) by a conversion factor of 2.23. Errors are due to rounding.

Beyondie Sulphate of Potash Mine: JORC Indicated Mineral Resources as at 30 June 2021 (inclusive of the ore reserves)

Aquifer Type	Volume (10 ⁶ m ³)	Total Porosity (-)	Brine Volume (10 ⁶ m ³)	Specific Yield (-)	Drainable Brine Volume (10 ⁶ m ³)	K (mg/L)	K Mass (Mt)	SO ₄ (mg/L)	SO ₄ Mass (Mt)	Mg (mg/L)	Mg Mass (Mt)	SOP Grade (kg/m ³)	K ₂ SO ₄ Mass (Mt)
Lake Surface Sediments	651	0.46	297	0.12	77	7,379	0.57	20,972	1.62	6,521	0.51	16.46	1.27
Lake Surface Leaching	N/a	N/a	N/a	N/a	80	5,373	0.43	16,986	1.36	3,632	0.29	11.98	0.96
Alluvium	1,240	0.35	438	0.13	155	4,852	0.75	13,618	2.12	4,088	0.64	10.82	1.68
Palaeovalley Clay	1,396	0.34	478	0.07	100	6,043	0.61	16,540	1.66	5,395	0.54	13.48	1.35
Sand and Silcrete	221	0.32	70	0.21	45	4,210	0.19	14,103	0.64	4,390	0.20	9.39	0.43
Fractured and Weathered Sandstone	5,081	0.16	826	0.08	406	6,135	2.49	16,998	6.91	6,109	2.48	13.68	5.56
Fractured / Weathered Bedrock	5,727	0.23	1,297	0.05	288	5,998	1.73	16,688	4.80	5,137	1.48	13.38	3.85
Total Resources	14,316		3,406		1153	5,875	6.77	16,577	19.11	5,319	6.13	13.10	15.11

Note: SOP grade calculated by multiplying Potassium (K) by a conversion factor of 2.23. Errors are due to rounding.

Beyondie Sulphate of Potash Mine: JORC Inferred Mineral Resources as at 30 June 2021

Aquifer Type	Volume (10 ⁶ m ³)	Total Porosity (-)	Brine Volume (10 ⁶ m ³)	Specific Yield (-)	Drainable Brine Volume (10 ⁶ m ³)	K (mg/L)	K Mass (Mt)	SO ₄ (mg/L)	SO ₄ Mass (Mt)	Mg (mg/L)	Mg Mass (Mt)	SOP Grade (kg/m ³)	K ₂ SO ₄ Mass (Mt)
Lake Surface Sediments	272	0.47	128	0.13	35	11,735	0.41	31,405	1.11	7,969	0.28	26.15	0.92
Alluvium	1,352	0.43	579	0.11	153	5,884	0.90	17,939	2.75	5,899	0.90	13.11	2.01
Palaeovalley Clay	14,508	0.35	5,086	0.03	466	5,898	2.75	17,929	8.35	6,171	2.87	13.14	6.12
Sand and Silcrete	608	0.31	190	0.21	128	5,435	0.70	16,611	2.13	5,569	0.71	12.11	1.55
Weathered / Fractured Bedrock	5,350	0.21	1,149	0.03	154	7,791	1.20	24,625	3.78	6,263	0.96	17.36	2.67
Total Resources	22,091		7,132		936	6,363	5.96	19,357	18.12	6,127	5.74	14.18	13.27

Note: SOP grade calculated by multiplying Potassium (K) by a conversion factor of 2.23. Errors are due to rounding.

Beyondie Sulphate of Potash Mine: Exploration Target as at 30 June 2021 *

Geological Layer	Maximum Thickness (m)	Coverage (km ²)	Sediment Volume (10 ⁶ m ³)	Total Porosity (-)	Total Stored Brine (10 ⁶ m ³)	Specific Yield (-)	Drainable Brine (10 ⁶ m ³)	K Grade (mg/L)	K Mass (Mt)	SO ₄ Grade (mg/L)	SO ₄ Mass (Mt)	Mg Grade (mg/L)	Mg Mass (Mt)	K ₂ SO ₄ Mass (Mt)
Alluvium	6	157	942	0.4	377	0.10	94	2,000	0.2	6,100	0.6	2,300	0.2	0.4
Palaeovalley Clay	30	1,148	34,440	0.45	15,498	0.04	1,378	1,800	1.2	5,500	3.8	2,100	1.4	5.5
Basal Sands	7	108	756	0.35	265	0.18	136	1,600	0.2	5,000	0.7	1,900	0.3	0.5
Weathered Sandstone	10	253	2,530	0.15	380	0.06	152	3,500	0.5	10,500	1.6	4,200	0.6	1.2
Total					16,519		1,760	1,942	2.1		6.7		2.5	7.6
Alluvium	12	157	1,884	0.5	942	0.18	339	3,500	1.2	9,600	3.3	3,900	1.3	2.6
Palaeovalley Clay	50	1148	57,400	0.55	31,570	0.06	3,444	3,300	7.6	9,100	20.9	3,700	8.5	25.3
Palaeochannel Sand	15	108	1,620	0.45	729	0.25	405	3,200	1.0	8,700	2.6	3,500	1.1	2.9
Weathered Sandstone	30	299	8,972	0.25	2,243	0.10	897	6,000	5.4	18,000	16.1	7,200	6.5	12.0
Total					35,484		5,085	3,782	15.2		42.9		17.4	42.9

*The Beyondie Exploration Target is based on several assumptions and limitations and is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource for the Exploration Target. It is not an indication of a Mineral Resource Estimate in accordance with the JORC Code (2012) and it is uncertain if future exploration will result in the determination of a Mineral Resource.

Note: SOP grade calculated by multiplying Potassium (K) by a conversion factor of 2.23. Errors are due to rounding.

Beyondie Sulphate of Potash Mine: Proved Ore Reserves as at 30 June 2021

Aquifer Type	Drainable Brine Volume (10 ⁶ m ³)	K (mg/L)	K Mass (Mt)	SO ₄ (mg/L)	SO ₄ Mass (Mt)	K ₂ SO ₄ (SOP) Grade (kg/m ³)	K ₂ SO ₄ (SOP) Mass (Mt)
Production Bores	115.5	6,207	0.71	17,945	2.05	13.83	1.58
Total Proved Ore Reserves	115.5	6,207	0.71	17,945	2.05	13.83	1.58

Note: errors are due to rounding

Beyondie Sulphate of Potash Mine: Probable Ore Reserves as at 30 June 2021

Aquifer Type	Drainable Brine Volume (10 ⁶ m ³)	K (mg/L)	K Mass (Mt)	SO ₄ (mg/L)	SO ₄ Mass (Mt)	K ₂ SO ₄ (SOP) Grade (kg/m ³)	K ₂ SO ₄ (SOP) Mass (Mt)
Lake Sediments	208.2	4,755	0.99	13,699	2.85	10.60	2.21
Production Bores	82	6,713	0.56	18,867	1.57	14.69	1.24
Total Probable Ore Reserves	290.2	5,306	1.55	15,129	4.42	11.82	3.45

Note: errors are due to rounding

Beyondie Sulphate of Potash Mine: Total Ore Reserves as at 30 June 2021

Category	Drainable Brine Volume (10 ⁶ m ³)	K (mg/L)	K Mass (Mt)	SO ₄ Mass (Mt)	K ₂ SO ₄ (SOP) Mass (Mt)
Proved Ore Reserve	115.5	6,207	0.71	2.05	1.58
Probable Ore Reserve	290.2	5,306	1.55	4.42	3.45
Total Ore Reserve	405.7	5,565	2.26	6.47	5.03

Note: errors are due to rounding

Compliance Statement and Competent Persons Statements

The information in this ASX announcement 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 as modified and supplemented by the investor presentation dated 26 July 2022 (together the Announcements) 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 Announcements 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 Announcements 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.

Forward looking statements

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

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

*** ENDS ***

This announcement was approved and authorised for release by the Board of Kalium Lakes Limited.

Kalium Lakes Limited



ABN: 98 613 656 643
ASX: KLL



Board of Directors:

Stephen Dennis	Non-Executive Chairman
Mark Sawyer	Non-Executive Director
Brent Smoothy	Non-Executive Director
Sam Lancuba	Non-Executive Director



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Chief Executive Officer

Len Jubber

Chief Financial Officer:

Jason Shaw

Company Secretaries:

Sophie Raven
Jason Shaw

Share Registry

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Level 11, 172 St Georges Terrace Perth, WA 6000
Tel: (within Australia): 1300 850 505
Tel: (outside Australia): +61 3 9415 4000



Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Kalium Lakes Limited

ABN

98 613 656 643

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(3,829)	(28,884)
	(c) production (including capitalised opex)	(7,613)	(16,952)
	(d) staff costs	(3,700)	(12,071)
	(e) administration and corporate costs	(1,561)	(4,365)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	9	11
1.5	Interest and other costs of finance paid	(1,635)	(5,316)
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	16	35
1.9	Net cash from / (used in) operating activities	(18,312)	(67,543)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(239)	(1,416)
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(239)	(1,416)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	59,460
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities		(2,682)
3.5	Proceeds from borrowings	524	4,526
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(370)	(4,888)
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	154	56,416

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	40,004	34,206
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(18,312)	(67,543)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(239)	(1,416)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	154	56,416

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(93)	(150)
4.6	Cash and cash equivalents at end of period	21,513	21,513

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	18,824	37,489
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (Restricted cash)	2,689	2,514
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	21,513	40,004

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
1,526
-

Directors fees, salaries & wages - A\$0.085 million

Construction, harvesting and haulage of harvested and waste salt services - A\$1.44 million (incl. GST). Payments were made to K19 Mining Pty Ltd. K19 Mining Pty Ltd is related to Mr Brent Smoothy who is a Director of the Company.

Add notes as necessary for an understanding of the sources of finance available to the entity.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
201,587	179,080
201,587	179,080

2,506

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Lender	Borrower	Facility Limit	Facility Limit	Drawn (Principal & Capitalised Interest)	Unused Facility	Maturity Date 5
			AUD	AUD	AUD	
KfW/Euler Hermes	Kalium Lakes Potash (KLP) (Facility A) 2	EUR €32,487,268	AUD \$53,878,065	AUD \$51,371,595	AUD \$2,506,470	31 March 2033
KfW	Kalium Lakes Potash (Facility B) 3	USD \$37,000,000	AUD \$53,708,811	AUD \$53,708,811	-	31 March 2033
NAIF	Kalium Lakes Potash (Facility C)	AUD \$26,000,000	AUD \$26,000,000	AUD \$26,000,000	-	31 March 2033
NAIF	Kalium Lakes Infrastructure (KLI)	AUD \$48,000,000	AUD \$48,000,000	AUD \$48,000,000	-	31 March 2036
KfW	Kalium Lakes Potash (Liquidity Facility A) 4	USD \$8,000,000	AUD\$10,000,000	-	AUD \$10,000,000	31 August 2022
NAIF	Kalium Lakes Potash (Liquidity Facility B) 4	AUD \$10,000,000	AUD \$10,000,000	-	AUD \$10,000,000	31 August 2022
			AUD \$201,586,876	AUD \$179,080,406	AUD \$22,506,470	

The current weighted average interest rate on drawn amounts across all facilities is 4.15% per annum.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(18,312)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(18,312)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	21,513
8.5	Unused finance facilities available at quarter end (Item 7.5)	2,506
8.6	Total available funding (Item 8.4 + Item 8.5)	24,019
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.31

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

- Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes

- Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

As previously announced, Kalium Lakes expects that it will have a requirement for further external funding during the September quarter as a result of the revised production ramp-up schedule at the Company's Beyondie SOP Mine. Discussions with the Company's financiers in connection with the revised production ramp-up schedule and funding requirements are advancing well, assisted by resources strategic and financial adviser, Cutfield Freeman and Co. The Company expects to be able to inform the market of the quantum of funding during August 2022.

- Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. See response to Q2 above.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.