



Kalamazoo Resources Limited
ACN 150 026 850

Short Form Prospectus

For an offer to transfer Kali Metals Shares to Shareholders of Kalamazoo Resources Limited pursuant to a Capital Reduction by way of an In-specie Distribution contained in the Capital Reduction Resolution in the Notice of Meeting dated 17 November 2023 and to facilitate secondary trading of those shares.

This Prospectus is a short form prospectus prepared in accordance with section 712 of the Corporations Act. This Prospectus does not of itself contain all the information that is generally required to be detailed in a document of this type, but refers to documentation lodged with ASIC, the contents of which are therefore taken to be included in this Prospectus.

This is an important document and requires your immediate attention. It should be read in its entirety along with the Notice of Meeting incorporated by reference. Please consult your professional adviser(s) if you have any questions about this document.

Kalamazoo Directors consider an investment in Kali Metals Shares that will be distributed and transferred under this Prospectus and the Capital Reduction Resolution, to be speculative.

This Prospectus is not for an initial public offering of Kali Metals Shares. In order for Kali Metals Shares to commence trading on ASX, Kali Metals will be required to lodge a separate prospectus in accordance with section 710 of the Corporations Act.

This Prospectus may not be released to US wire services or distributed in the United States.

Table of Contents

Important Information	2
Corporate Directory	5
1. Details of the Offer	6
1.1 <i>Terms and conditions of the Offer</i>	6
1.2 <i>Effect of the Offer on Kalamazoo</i>	7
1.3 <i>Effect of the Offer on Kali Metals</i>	7
1.4 <i>Action required by Kalamazoo Shareholders</i>	7
2. Information deemed to be incorporated in this Prospectus	8
2.1 <i>Short Form Prospectus</i>	8
2.2 <i>Summary of Material Provisions of Notice of Meeting</i>	8
2.3 <i>Interests of Kali Metals' Directors</i>	12
2.4 <i>Interests of Advisors</i>	13
2.5 <i>Substantial Kali Metals Shareholders</i>	13
2.6 <i>Litigation</i>	13
2.7 <i>Dividend Policy</i>	13
3. Consents	14
4. Directors authorisation	15

Important Information

Prospectus

This short form prospectus (**Prospectus**) is dated 17 November 2023 and a copy of this Prospectus was lodged with ASIC on that date. ASIC and ASX take no responsibility for the content of this Prospectus, or the merits of the investment to which this Prospectus relates.

No Kali Metals Shares may be offered or transferred on the basis of this Prospectus later than 13 months after the date of this Prospectus, being the expiry date of this Prospectus.

Kalamazoo notes that the Kali Metals Shares will not be quoted on the ASX pursuant to this Prospectus.

In order for the Kali Metals Shares to commence trading on the ASX, Kali Metals will be required to lodge a prospectus in accordance with section 710 of the Corporations Act (**Kali Metals Prospectus**).

An application for admission of the Kali Metals Shares to quotation on ASX will be made within 7 days after the date of the Kali Metals Prospectus, however, Shareholders must note that the Kali Metals Shares will not commence trading unless the Conditions Precedent are satisfied and Kali Metals is admitted to the official list of ASX. Shareholders should note that there is no guarantee that these conditions will be satisfied, and even if the conditions are satisfied, there is no guarantee that the Kali Metals Shares will commence trading on the ASX.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by Kalamazoo in connection with this Prospectus.

This Prospectus, including the Notice of Meeting which is incorporated by reference into this Prospectus, is important and should be read in its entirety. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser immediately. Investment in the Kali Metals Shares that are the subject of this Prospectus should be considered speculative.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In making representations in this Prospectus, regard has been had to the fact that Kalamazoo is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to Kalamazoo Shareholders and professional advisers whom Kalamazoo Shareholders may consult.

If you are uncertain about the terms and conditions of the Offer, you should seek the advice of an appropriately qualified financial adviser.

Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means this Prospectus alone does not contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates all other necessary information by reference to information contained in the Notice of Meeting lodged with ASIC on 17 November 2023.

In referring to the Notice of Meeting, Kalamazoo:

- (a) identifies the Notice of Meeting as being relevant to the offer of Kali Metals Shares under this Prospectus and contains information that will provide Kalamazoo Shareholders and their professional advisers to assist them in making an informed assessment of:
 - (i) the rights and liabilities attaching to the Kali Metals Shares;
 - (ii) the assets, liabilities and financial position and prospects of Kali Metals;
- (b) refers Kalamazoo Shareholders and their professional advisers to this Prospectus which summarises the material information in the Notice of Meeting deemed to be incorporated in this Prospectus;
- (c) informs Kalamazoo Shareholders and their professional advisers that they are able to obtain, free of charge, a copy of the Notice of Meeting or the Constitution

- by contacting Kalamazoo at its registered office during normal business hours during the period of the Offer; and
- (d) advises that the information in the Notice of Meeting will be primarily of interest to Kalamazoo Shareholders and their professional advisers or analysts.

Exposure Period

The Corporations Act prohibits Kalamazoo from transferring the Kali Metals Shares in the seven day period after the date of lodgement of this Prospectus. This period may be extended by ASIC by up to a further seven days. This period is an exposure period to enable this Prospectus to be examined by market participants prior to the transfer of the Kali Metals Shares. Given the General Meeting will be held on 18 December 2023 and the In-specie Distribution will occur some time after that date, the exposure period will have expired by the time the In-specie Distribution occurs.

New Zealand Shareholders

This Prospectus is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 (or any other relevant New Zealand law). In offering Kali Metals Shares under the In-specie Distribution in New Zealand, Kalamazoo is relying on an exemption contained in the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 and accordingly, this document may not contain all the information that a disclosure document is required to contain under New Zealand law. New Zealand investors should seek their own advice and satisfy themselves as to the Australian and New Zealand tax implications of participating in the In-specie Distribution.

United Kingdom Shareholders

Neither this Prospectus nor any other document relating to the In-specie Distribution 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 In-specie Shares.

This Prospectus does not constitute an offer of transferable securities to the public within the meaning of the UK Prospectus Regulation or the FSMA. Accordingly, this document does not constitute a prospectus for the purposes of the UK Prospectus Regulation or the FSMA.

This Prospectus is issued on a confidential basis in the United Kingdom to existing shareholders of Kalamazoo. This Prospectus 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 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 Kalamazoo.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, or (ii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investments to which this Prospectus relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus or any of its contents.

Forward-Looking Statements

This Prospectus may contain forward-looking statements which are identified by words such as ‘may’, ‘should’, ‘will’, ‘expect’, ‘anticipate’, ‘believes’, ‘estimate’, ‘intend’, ‘scheduled’ or ‘continue’ or other similar words. Such statements and information are subject to risks and uncertainties and a number of assumptions, which may cause the actual results or events to differ materially from the expectations described in the forward looking statements or information.

Whilst Kalamazoo considers the expectations reflected in any forward looking statements or information in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors outlined in Schedule 4 of the Notice of Meeting, as well as other matters not yet known

to Kalamazoo or not currently considered material to Kali Metals, may cause actual events to be materially different from those expressed, implied or projected in any forward looking statements or information. Any forward looking statement or information contained in this Prospectus is qualified by this cautionary statement.

Defined Terms

Defined terms and abbreviations used in this Prospectus have the meaning given in the Notice of Meeting.

Corporate Directory

Directors

Luke Reinehr	Executive Chairman and Chief Executive Officer
Angus Middleton	Non-Executive Director
Paul Adams	Executive Director

Company Secretary and Chief Financial Officer

Bernard Crawford

Registered and Principal Office

16 Douro Place
West Perth WA 6005
Phone: 1300 782 988
Email: admin@kzr.com.au
Website: kzr.com.au

Share Registry

Advanced Share Registry
110 Stirling Highway Nedlands WA 6009
Phone (within Australia): 1300 113 258
Phone (outside Australia): +61 9389 8033

Auditor*

Grant Thornton Audit Pty Ltd
Chartered Accountants
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000

Securities Exchange Listing

Australian Securities Exchange (**ASX**)
ASX Code: KZR

1. Details of the Offer

1.1 Terms and conditions of the Offer

The terms and conditions of the Offer are detailed in the notice of meeting accompanying this Prospectus (**Notice of Meeting**). Resolution 3 (**Capital Reduction Resolution**) of the Notice of Meeting is as follows:

'That, pursuant to and in accordance with sections 256B and 256C of the Corporations Act and for all other purposes, Shareholders approve:

- (a) *the issued share capital of Kalamazoo be reduced by an amount equal to the In-specie Shares less a Spin-Out Dividend (if any); and*
- (b) *the reduction of capital and the Spin-Out Dividend (if any) be satisfied by Kalamazoo making a pro rata in-specie distribution of shares to all eligible holders of Kalamazoo Shares at the In-specie Record Date, to be effected in accordance with the Constitution (as modified), the Listing Rules and as otherwise determined by the Directors, with the consequence that each eligible holder of Kalamazoo Shares on the In-specie Record Date shall be deemed to have consented to becoming a Kali Metals Shareholder and being bound by the Kali Metals Constitution,*

on the terms and conditions in the Explanatory Memorandum.'

Pursuant to the Capital Reduction Resolution, Kalamazoo is inviting Kalamazoo Shareholders to vote on an equal reduction of capital by way of an In-specie Distribution of Kali Metals Shares (**In-specie Shares**) to Eligible Kalamazoo Shareholders on a pro rata basis. This represents 1 Kali Metals Share for every 17.64 Kalamazoo Shares held by Eligible Kalamazoo Shareholders on the In-specie Record Date (rounded down to the nearest whole Kali Metals Share) (assuming that no additional Kalamazoo Shares are issued prior to the In-specie Record Date).

The In-specie Distribution will only proceed if the following conditions are met:

- (a) Shareholder approval being obtained for the Spin-Out (the subject of Resolution 1 and Resolution 2 of the Notice of Meeting);
- (b) Shareholder approval being obtained for the Capital Reduction Resolution (the subject of Resolution 3 of the Notice of Meeting);
- (c) Kali Metals raising a minimum of \$12,000,000 under the IPO; and
- (d) ASX providing Kali Metals with a list of conditions which, once satisfied, will result in ASX admitting Kali Metals to the Official List,

(together, the **Conditions Precedent**).

There is no guarantee that Kalamazoo will proceed with the In-specie Distribution or that Kali Metals will successfully be admitted to the Official List.

Based on ASIC Regulatory Guide 188, the invitation to vote on the Capital Reduction Resolution of the Notice of Meeting constitutes an offer to transfer the Kali Metals Shares for the purposes of section 707(3) of the Corporations Act. Accordingly, Kalamazoo has prepared this Prospectus.

Ineligible Shareholders will have their pro rata entitlement of In-specie Shares sold by the Joint Lead Managers and the net proceeds paid to the Ineligible Shareholders, with the timing of the sale to coincide with Kali Metals' successful admission to the Official List and a resulting market for Kali Metals Shares being established.

The Joint Lead Managers will act on a best efforts only basis to sell the Ineligible Shareholders' In-specie Shares, and will not be liable to the Ineligible Shareholders for any loss suffered as a result.

As the return of capital is being represented and satisfied by the In-specie Distribution and security prices may vary from time to time (assuming a liquid market is available), the net proceeds of sale to such Shareholders may be more or less than the notional dollar value of the reduction of capital. It will be the responsibility of each Kalamazoo Shareholder to comply with the laws to which they are subject to in the jurisdictions in which they are resident.

The release, publication or distribution of this Prospectus in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions, and persons outside of Australia who come into possession of the Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

The Prospectus has been prepared in accordance with Australian law and is subject to Australian disclosure requirements. The information contained in the Prospectus may not be the same as that which would have been disclosed if the Prospectus had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia.

1.2 Effect of the Offer on Kalamazoo

The effect of the Offer on Kalamazoo will be:

- (a) Kalamazoo ceasing to own 9,715,750 Kali Metals Shares to be distributed to Shareholders pursuant to the In-specie Distribution (being 25% of the 1,000,100 existing Kali Metals Shares held by Kalamazoo and 37,862,900 Kali Metals Shares to be issued to Kalamazoo under the Tenement Sale Agreement);
- (b) Kalamazoo's share capital will be reduced by the amount to be assessed by the Kalamazoo Directors as the market value of approximately 9,715,750 In-specie Shares; and
- (c) Eligible Shareholders that are registered on the In-specie Record Date will receive 1 In-specie Share for every 17.64 Kalamazoo Shares held on the In-specie Record Date (assuming that no additional Kalamazoo Shares are issued prior to the In-specie Record Date).

1.3 Effect of the Offer on Kali Metals

The effect of the Offer on Kali Metals will be that 9,715,750 of the Kali Metals Shares to be held by Kalamazoo post-completion of the Tenement Sale Agreement will no longer be held by Kalamazoo, and instead will be transferred to Eligible Kalamazoo Shareholders that are registered on the In-specie Record Date or, in the case of Ineligible Shareholders, the In-specie Shares will be sold and net proceeds transferred to the Ineligible Shareholders.

1.4 Action required by Kalamazoo Shareholders

No action is required by Kalamazoo Shareholders under this Prospectus.

Should Kalamazoo Shareholder approval be obtained for the In-specie Distribution, the In-Specie Shares will be transferred to Kalamazoo Shareholders in accordance with the terms detailed in the Notice of Meeting.

If you have any queries regarding this Prospectus, please contact Kalamazoo on 1300 782 988 or admin@kzr.com.au.

2. Information deemed to be incorporated in this Prospectus

2.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be given in a document of this type, however, it incorporates by reference information contained in a document that has been lodged with ASIC.

The Notice of Meeting contains all the information that Kalamazoo Shareholders require in relation to the In-specie Distribution and the Notice of Meeting in its entirety is deemed to be incorporated in this Prospectus.

The material provisions of the Notice of Meeting are summarised below in section 2.2 of this Prospectus and will primarily be of interest to Kalamazoo Shareholders and their professional advisers.

A copy of the Notice of Meeting has been sent to Kalamazoo Shareholders with this Prospectus. However, Kalamazoo Shareholders and their professional advisers may also obtain, free of charge, a copy of the Notice of Meeting by contacting Kalamazoo at its registered office during normal business hours.

This Prospectus is not for an initial public offering of Kali Metals Shares. In order for Kali Metals Shares to commence trading on ASX, Kali Metals will be required to lodge a separate prospectus in accordance with section 710 of the Corporations Act. This Prospectus has been prepared in conjunction with a prospectus dated 3 November 2023 lodged with ASIC by Kali Metals Limited (ACN 653 279 371) (**Kali Metals Prospectus**). The Kali Metals Prospectus is available at www.kalimetals.com.au, otherwise, Kalamazoo Shareholders may request a copy of the Kali Metals Prospectus by contacting the Kali Metals Offer Information Line on 1300 113 258 (toll free within Australia) or +61 8 9389 8033 (outside Australia) between 8:30am and 5:00pm (AWST), Monday to Friday (excluding public holidays). Information from the Kali Metals Prospectus is incorporated into this document by reference, as set out in the Notice of Meeting.

2.2 Summary of Material Provisions of Notice of Meeting

The material provisions of the Notice of Meeting are summarised below. The Sections and Schedules referred to below are a reference to Sections and Schedules (respectively) in the Explanatory Memorandum to the Notice of Meeting:

(a) **Section 5 – Details of the Transaction**

(i) **Section 5.1 – Summary**

This Section provides an overview of the proposed Spin-Out, acquisition of the Higginsville Lithium Project, In-specie Distribution and IPO and application of Kali Metals for admission to the Official List of ASX (together, the **Transaction**).

(ii) **Section 5.2 – Key steps in the Transaction**

This Section provides an overview of the key steps and conditions for completing the Transaction.

(iii) **Section 5.3 - Indicative timetable**

This Section sets out the indicative timetable for the In-specie Distribution, as well as the other key steps of the Transaction.

(iv) **Section 5.4 – Rationale for the Transaction**

This Section provides a summary of the rationale for Kalamazoo to undertake the In-specie Distribution, insofar as it forms part of the broader Transaction.

(v) **Section 5.5 – Advantages and disadvantages of the Transaction**

This Section provides a summary of the advantages and disadvantages for Kalamazoo undertaking the In-specie Distribution and the broader Transaction.

(vi) **Section 5.6 – Effect of the Transaction on Kalamazoo Shareholders**

This Section outlines the effect completion of the In-specie Distribution and the broader Transaction will have on Kalamazoo Shareholders as well as details of how Eligible Shareholders may apply for In-specie Shares.

(vii) **Section 5.7 – Material agreements**

This Section provides a summary of the key terms for each material agreement involving Kali Metals.

(viii) **Section 5.8 – Corporate structure**

This Section sets out Kalamazoo's current corporate structure.

(ix) **Section 5.9 – Tax implications of the Capital Reduction**

This Section provides an overview of the taxation implications for Kalamazoo Shareholders and Kalamazoo itself, and notes Kalamazoo has not sought a class ruling from the ATO with respect to demerger relief on the basis the Transaction should not meet the criteria for income tax purposes.

(x) **Section 5.10 – Costs of the Spin-Out**

This Section sets out the approximate costs associated with the Spin-Out.

Further information on the approximate costs of the broader Transaction are incorporated by reference and are set out in section 7.8 of the Kali Metals Prospectus.

(b) **Section 6 – Additional information relating to Kali Metals**

(i) **Sections 6.1, 6.2 and Schedule 5 – Overview of the Kali Metals Assets, Kali Project Summary and Locations, and Kali Metals Tenement Schedule**

These Sections and Schedule provide a summary of the assets the subject of the Spin-Out and Higginsville Lithium Project (**Kali Metals Assets**).

Further information on the Kali Metals Assets is incorporated by reference and is set out in section 2, Attachment A and Attachment B of the Kali Metals Prospectus.

Further information on the Tenements is incorporated by reference and is set out in Attachment B, Schedules A – E of the Kali Metals Prospectus.

(ii) **Section 6.3 – Proposed use of funds**

This Section sets out Kali Metals proposed use of funds in the first two years following Admission to the Official List of ASX, based on Kali Metals raising Minimum Subscription and Maximum Subscription under the IPO.

(iii) **Section 6.4 and Schedule 4 – Risk factors and key risks facing Kali Metals**

This Section and Schedule outlines the general and specific risk factors which may affect Kali Metals and the value of Kali Metals securities.

(iv) **Section 6.5 – Indicative capital structure**

This Section sets out the Kali Metals proposed capital structure on successful implementation of the Transaction.

(v) **Section 6.6 and Schedule 3 – Financial information and Kali Metals Financial Position**

This Section and Schedule sets out the financial impact of the Transaction on Kali Metals.

(vi) **Section 6.8 – Kali Metals Board**

This Section contains the profiles of each member of the Kali Metals Board.

(vii) **Section 6.9 – Kali Metals Senior Management**

This Section contains the profiles of each member of Kali Metals senior management team.

(viii) **Section 6.10 – Kali Metals Directors' interests and remuneration**

This Section outlines the current interests of Kalamazoo and Kali Metals directors in Kalamazoo and Kali Metals securities and their anticipated interests post-Transaction.

(ix) **Section 6.11 – Rights attaching to Kali Metals Shares**

This Section provides a non-exhaustive summary of the rights that attach to Kali Metals Shares.

(c) **Section 7 – Additional information relating to Kalamazoo**

(i) **Section 7.1 – Plans for Kalamazoo following completion of the Spin-Out & In-specie Distribution**

This Section provides a brief summary of Kalamazoo's intended future plans subject to completion of the Transaction.

(ii) **Section 7.2 – Capital structure of Kalamazoo**

This Section sets out the Kalamazoo's current capital structure. There will be no change to the capital structure of Kalamazoo as a result of the Transaction.

(iii) **Section 7.3 and Schedule 2 – Financial effect of the Transaction on Kalamazoo and Kalamazoo Financial Information**

This Section and Schedule outlines the financial impact of the Transaction on Kalamazoo.

(iv) **Section 7.4 – Board of Kalamazoo**

This Section describes the composition of the Board of Kalamazoo. There are no proposed changes to Kalamazoo's Board in connection with the Transaction.

(v) **Section 7.5 – Kalamazoo Directors' interests**

This Section outlines the current interests of Kalamazoo directors in Kalamazoo securities and their anticipated interests following completion of the Transaction.

(vi) **Section 7.6 – Disclosure to ASX**

This Section outlines the effect of Kalamazoo being a disclosing entity.

(vii) **Section 7.7 – Market price of Kalamazoo Shares**

This Section provides the highest and lowest closing market sale prices of Kalamazoo's Shares on ASX during the 12 months immediately preceding the date of the Notice of Meeting.

(d) **Section 8 – Resolution 1 - Approval of disposal of the Spin-Out Projects to Kali Metals**

(i) **Section 8.2 – Listing Rule 10.1**

This Section outlines the requirements of Listing Rule 10.1.

(ii) **Section 8.3 – Specific information required in accordance with Listing Rule 10.1**

This Section sets out the specific information required in accordance with Listing Rule 10.1.

(e) **Section 9 – Resolution 2 - Approval of disposal of the Spin-Out Projects to Kali Metals**

(i) **Section 9.2 – Listing Rule 11.4**

This Section outlines the requirements of Listing Rule 11.4(a) and the exceptions to this rule applicable pursuant Listing Rule 11.4(b).

(ii) **Section 9.3 – Specific information required in accordance with Listing Rule 11.4 and Guidance Note 13**

This Section sets out the specific information required in accordance with Listing Rule 11.4 and Guidance Note 13.

(iii) **Section 9.4 – Board discretion to proceed with In-specie Distribution**

This Section raises that the Board retains absolute discretion whether to proceed with the In-specie Distribution and that even if Kalamazoo Shareholders approve the Spin-Out, prior to the In-specie Record Date, the Board may still resolve not to proceed with the Spin-Out should market conditions or other factors impacting on the Spin-Out or Kalamazoo cause the Board to believe that proceeding with the Spin-Out would not be in the best interests of Kalamazoo Shareholders.

(f) **Section 10 – Resolution 3 - Approval of capital reduction and in-specie distribution of Kali Metals Shares**

(i) **Section 10.2 – Sections 256B and 256C of the Corporations Act**

This Section provides a statement that the Kalamazoo Directors believe that the In-specie Distribution and Spin-Out is fair and reasonable to Shareholders as a whole and does not materially prejudice Kalamazoo's ability to pay its creditors.

(ii) **Section 10.3 – Listing Rules and waivers**

This Section sets out the information required by the Listing Rules and which apply to the capital reduction and In-specie Distribution of Kali Metals Shares. This Section also notes that Kali Metals has applied for a waiver such that the In-specie Shares to be distributed in-specie to Shareholders will not be subject to the escrow restrictions set out in Appendix 9B to the Listing Rules.

(g) **Section 11 – Resolution 4 - Approval of modification of existing Constitution**

(i) **Section 11.2 – Summary of material proposed changes**

This Section provides a summary of Kalamazoo's proposed modifications to the existing Constitution, which will allow Kalamazoo to, amongst other things, pay cash to Ineligible Shareholders in lieu of Kali Metals Shares in accordance with the In-specie Distribution.

2.3 Interests of Kali Metals' Directors

Other than as detailed elsewhere in this Prospectus or the Notice of Meeting:

- (a) no Kali Metals Director holds, or during the last two years before lodgement of this Prospectus with the ASIC, held, an interest in:
 - (i) the formation or promotion of Kali Metals;
 - (ii) property acquired or proposed to be acquired by Kali Metals in connection with its formation or promotion or the Offer; or
 - (iii) the Offer; and
- (b) except as detailed in this Prospectus or the Notice of Meeting, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Kali Metals Director either to induce them to become, or to qualify, as a Kali Metals Director or otherwise for services rendered by them in connection with the formation or promotion of Kali Metals or the Offer.

The annual remuneration of Kali Metals' Directors, following the implementation of the Transaction, is incorporated into the Notice of Meeting by reference and is set out in section 5.3 of the Kali Metals Prospectus.

2.4 Interests of Advisors

Other than as detailed below or elsewhere in this Prospectus or the Notice of Meeting, no promoter of Kali Metals or person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of Kali Metals;
- (b) any property acquired or proposed to be acquired by Kali Metals in connection with its formation or promotion or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services rendered in connection with the formation or promotion of Kali Metals or the Offer.

Hamilton Locke has acted as lawyers to the Company in relation to the Offer. The Company estimates it will pay Hamilton Locke approximately \$25,000 (exclusive of GST) in respect of these services.

2.5 Substantial Kali Metals Shareholders

As at the date of this Prospectus, Kali Metals is a wholly owned subsidiary of Kalamazoo.

Based on the information known as at the date of this Prospectus, and assuming the proposed Kali Metals IPO is successfully completed, the following persons will have an interest in 5% or more of the Kali Metals Shares on issue.

Name	Kali Metals Shares	% (IPO Minimum Subscription)	% (IPO Maximum Subscription)
Kalamazoo	29,147,250	22.06	20.22
Karora	31,863,345	24.11	22.10

2.6 Litigation

To the knowledge of Kalamazoo Directors, as at the date of this Prospectus, Kali Metals is not involved in any legal proceedings, and Kalamazoo Directors are not aware of any legal proceedings pending or threatened against Kali Metals.

2.7 Dividend Policy

Kalamazoo does not expect Kali Metals to declare any dividends in the near future as its focus will primarily be the development of the Spin-Out Projects, Higginsville Lithium Project and the Jingellic and Tallangatta Projects.

Any future determination as to the payment of dividends by Kali Metals will be at the discretion of the Kali Metals Directors and will depend on matters such as the availability of distributable earnings, the operating results and financial condition of Kali Metals, future capital requirements and general business and other factors considered relevant by the Kali Metals Directors. No assurances can be given by Kalamazoo Directors in relation to the payment of dividends by Kali Metals.

3. Consents

Each of the parties referred to in this section:

- (a) have given the following consents in accordance with the Corporations Act which have not been withdrawn as at the date of lodgement of this Prospectus with ASIC;
- (b) does not make, or purport to make, any statement in this Prospectus, or any statement on which a statement in this Prospectus is based, other than those referred to in this section;
- (c) has not authorised or caused the issue of this Prospectus or the making of the Offer; and
- (d) makes no representations regarding, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in, or omissions from, any part of this Prospectus other than a reference to its name and a statement and/or any report (if any) included in this Prospectus with the consent of that party as specified in this section.

Bell Potter Securities Limited has given its written consent to being named as a Joint Lead Manager to the Kali Metals IPO in this Prospectus in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of Meeting in the form and context in which it is incorporated, and to all references to the Notice of Meeting in this Prospectus in the form and context in which they appear.

Canaccord Genuity (Australia) Limited has given its written consent to being named as a Joint Lead Manager to the Kali Metals IPO in this Prospectus in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of Meeting in the form and context in which it is incorporated, and to all references to the Notice of Meeting in this Prospectus in the form and context in which they appear.

Hamilton Locke has given its written consent to be named in this Prospectus as solicitors to Kalamazoo in relation to the Prospectus in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of Meeting in the form and context in which it is incorporated, and to all references to the Notice of Meeting in this Prospectus in the form and context in which they appear.

Advanced Share Registry has given its written consent to be named as the share registry to Kalamazoo in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of Meeting in the form and context in which it is incorporated, and to all references to the Notice of Meeting in this Prospectus in the form and context in which they appear.

Gilbert + Tobin has given its written consent to be named as solicitors to Kali Metals in this Prospectus in the form and context in which it is named and to the inclusion of Solicitor's Report on Tenements (and each reference to it) in the Notice of Meeting in the form and context in which it is included in the Kali Metals Prospectus.

CSA Global has given its written consent to being named as the Independent Technical Specialist to Kali Metals and to the inclusion of the Independent Technical Assessment Report, which is incorporated by reference in the Notice of Meeting in the form and context in which the report is included in the Kali Metals Prospectus.

BDO Corporate Finance (WA) Pty Ltd has given its written consent to being named as the preparer of the Independent Expert's Report in the form and context in which it is named and

to the inclusion of the Independent Expert's Report, which is incorporated by reference in the Notice of Meeting.

Kali Metals has given its written consent to be named in this Prospectus in the form and context in which it is named and to the incorporation by reference into this Prospectus of the Notice of Meeting in the form and context in which it is incorporated and to the inclusion in this Prospectus of all information and statements relating to, made by, or said to be based on statements by, Kali Metals, in each case in the form and context as they appear in this Prospectus (as applicable).

4. Directors authorisation

This Prospectus is issued by Kalamazoo and its issue has been authorised by a resolution of Kalamazoo Directors.

In accordance with section 720 of the Corporations Act, each Kalamazoo Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.



Luke Reinehr

Executive Chairman and Chief Executive Officer

Dated: 17 November 2023