

Kalamazoo raises \$1.5 million via Placement

Highlights

- \$1.5 million raised via a strongly supported placement to corporate, institutional, and sophisticated investors
- Funds raised will be used to accelerate ongoing exploration across the Company's:
 - Lachlan Fold Belt Lithium Projects, and working capital for Kali Metals (ASX: KM1) upcoming lithium IPO
 - Ashburton Gold Project, WA
 - Victorian Gold Projects

Kalamazoo Resources Limited (ASX: KZR) ("Kalamazoo" or "Company") is pleased to advise that it has received firm commitments to raise \$1.5 million (before costs) via a placement of 11,538,462 ordinary fully paid shares ("Shares") ("Placement").

The Shares will be issued at \$0.13 per Share which is a 7.7% discount to the 15 day VWAP (Volume Weighted Average Price) and a 13.3% discount to the closing price of \$0.15 for Kalamazoo shares on Tuesday 25th July 2023.

The indicative timetable for completion of the Placement is as follows:

Settlement of the Placement: 4 August 2023

Issue of Shares: 7 August 2023

ASX quotation of Shares: 8 August 2023

Following completion of the Placement, Kalamazoo will have a cash balance of approximately \$2.5m.

The funds raised will be used for further lithium exploration and to advance the upcoming de-merger and Initial Public Offering ("IPO") of Kali Metals Limited ("Kali") (as announced to the ASX on the 8th May 2023). These funds will be repaid by Kali to the Company from the IPO proceeds.

Kali is expected to list on the ASX in October 2023. The IPO will provide Kalamazoo shareholders with an initial 25% in-specie distribution of Kali shares and a priority entitlement to subscribe for shares in Kali, subject to final shareholder and regulatory approvals. The record dates for Kalamazoo shareholders to their entitlement to the in-specie distribution and priority entitlement will be announced shortly.

In addition, the funds raised from the Placement will be used to advance exploration programs across the Company's Ashburton Gold Project and Victorian Gold Projects.

Kalamazoo acknowledges and thanks BW Equities in facilitating the Placement as Lead Manager.

Kalamazoo's Chairman and CEO Luke Reinehr, said today, "We are very pleased with the immediate support we have received from institutional and sophisticated investors for this limited placement. This equity raise has been undertaken at a very exciting time for Kalamazoo as we progress the IPO of Kali Metals in partnership with Karora Resources Inc. After the completion of the IPO, Kalamazoo will be focused on progressing our Ashburton Gold Project and our very prospective Victorian Gold Projects".

The Placement will be undertaken using the Company's available placement capacity under ASX Listing Rule 7.1.

An Appendix 3B will be lodged concurrently with this announcement.

This announcement has been approved for release to the ASX by Luke Reinehr, Executive Chairman and CEO, Kalamazoo Resources Limited.

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Previously Released ASX Material References

For further details relating to information in this announcement please refer to the following ASX announcements:

ASX: KZR 8 May 2023

About Kalamazoo Resources Limited

Kalamazoo Resources Limited (ASX: KZR) is an ASX-listed exploration company with a portfolio of high-quality gold and lithium projects in Victoria and the Pilbara, WA. In Victoria Kalamazoo is exploring its 100% owned projects in the Castlemaine (historical production of ~5.6Moz Au), Maldon (historical production of ~2Moz), and Tarnagulla Goldfields as well as its Myrtle and Mt Piper Projects near the world class Fosterville gold mine in Victoria. In the Pilbara, Kalamazoo's extensive exploration program is advancing the 100% owned Ashburton Gold Project to further increase the 1.44Moz Au resource as well as the 100% owned Mallina West Project along strike from De Grey's 10Moz Hemi discovery.

Kalamazoo's lithium projects include DOM's Hill and Marble Bar Lithium Projects in an exploration joint venture with the major Chilean lithium producer Sociedad Química y Minera de Chile S.A. (SQM) (NYSE: SQM) and the 100% owned Pear Creek Lithium Project. Kalamazoo also has the 100% owned "Jingellic" and "Tallangatta" lithium exploration projects in the Lachlan Fold Belt of southern NSW/NE Victoria.

Kalamazoo has become the first gold and lithium explorer operating in Australia to be certified carbon neutral for its business operations under the Federal Government's Climate Active Program, with projected 2022 emissions fully offset achieved with a verified environmental reforestation program in Western Australia.