

Wednesday 31 March 2021

COMMISSIONING UNDER WAY AT BEYONDIE SOP PROJECT

Milestones

- **Gas supply infrastructure successfully commissioned**
- **Commissioning of power station well advanced**
- **Mobilisation of site-based commissioning team**
- **Over 87k tonnes of equivalent SOP pumped from brines and ponds ready for harvest**
- **Commercial production and inaugural sales on target for September 2021**

"Entering the commissioning phase at Beyondie represents a major milestone for Kalium Lakes. Several commissioning activities are under way, including the gas supply infrastructure and on-site power station. The pace of activity at the Project continues to increase rapidly as we transition from construction to start-up of operations. This is another important achievement for the Company, and I am immensely proud of our team and key contractors for reaching this important milestone."

Rudolph van Niekerk - Chief Executive Officer

Commissioning Activities

Kalium Lakes Limited has completed its first major commissioning activity for the Beyondie SOP Project (BSOPP), introducing gas all the way to the delivery station near the SOP processing facility. From the delivery station, gas will be supplied through low pressure pipelines to the power station, boiler and other process plant equipment.

Gas Supply to the Delivery Station at the BSOP Mine Site

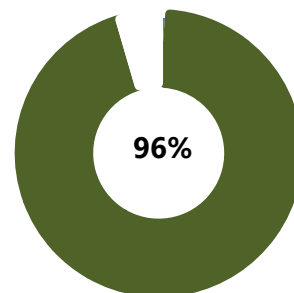


Power Station

Commissioning activities for the power station are nearing completion and it is anticipated that load testing will commence ahead of schedule in early April 2021.



Gas and Power Progress



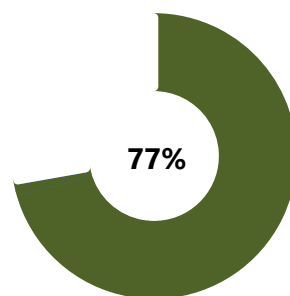
- ✓ APA metering facility
- ✓ Kalium Lakes owned gas inlet station
- ✓ Kalium Lakes owned gas pipeline
- ✓ Kalium Lakes owned gas delivery station
- Kalium Lakes owned power station

SOP Purification Plant

Overall, the BSOPP is 83% complete at mid-March 2021. All commissioning personnel have been on-boarded and key technical personnel have transitioned to site base roles while commissioning activities accelerate. The team includes senior Ebtec specialists who are on site (post a mandatory quarantine period) in preparation for the SOP Purification Plant commissioning. The specialists' scope encompasses training of Kalium Lakes' operations personnel to run the plant during commissioning and ramp-up, which will facilitate acceleration to the initial 100ktpa production target.



SOP Purification Plant Progress



- Standard grade SOP plant
- Granulation plant
- Product storage
- Product coating and out-loading

SOP Purification Plant Construction Progress

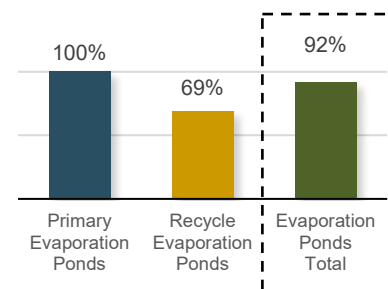


Brine Supply and Evaporation Ponds

More than 87,000 tonnes equivalent of SOP has been pumped from the bore field and trenches into the primary evaporation ponds since 2019. In line with the current plan, potassium salts are ready for harvest, with harvesting due to commence in May. Importantly, potassium salts have grown to a harvest cut thickness of at least 300mm, sufficient to provide the necessary feed for commissioning and subsequent ramp up of the SOP Purification Plant. In parallel, works are being finalised on the recycle ponds, comfortably in time to receive recovered brine from the purification plant.



Evaporation Ponds Progress



- ✓ 60.1 Ha pre-concentrator ponds complete
- ✓ 163.1 Ha sodium chloride ponds complete
- ✓ 57.6 Ha primary potassium ponds complete
- 59 Ha recycle ponds commissioned with remaining ponds on schedule

SOP Production

In the near term, delivering the BSOPP on schedule and on budget remains the main priority for the Kalium Lakes' team. Presently, commercial production and first sales of SOP is anticipated during September 2021. With an eye to the future, the longer-term planning is focussed on increasing initial production capacity (as reported in ASX announcements dated 24 and 25 March 2021), with the objective of maximising value for shareholders. The Company is also undertaking work to mitigate and minimise any potential impact from inflationary pressures in a buoyant Western Australian economy and an increasingly strong Australian dollar.

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*** ENDS ***

This announcement was approved and authorised for release by the Chief Executive Officer of Kalium Lakes Limited.

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