



# Consolidation of Australia's Leading Hard-Rock Lithium Fields

Bell Potter Presentation

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February 2024

ASX: KM1



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Compliance statement.

The information in this announcement that relates to Exploration Results for Kali Metals, Lithium Projects and complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results and is based on, and fairly represents, information and supporting documentation prepared by Mr Stuart Peterson, a fulltime employee of Kali Metals Limited. Mr Peterson is a member of the AusIMM and he has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Peterson considers that the information in the market announcement is an accurate representation of the available data and studies for the mining project. Mr Peterson consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears..

# Why does Kali stand out amongst its peers?



## Substantial land holding

### Tier 1 jurisdiction

- Unrivalled exploration tenure<sup>1</sup> (~3,854km<sup>2</sup>) in WA and NSW/Victoria
- Higginsville Lithium District adjacent to two hard rock lithium mines
- Dom's Hill similar geology setting to Pilgangoora.
- Lachlan Fold Belt an emerging lithium region



## Funding in place

- Raised \$15m in heavily subscribed IPO
- Exploration program fully funded for 2 years



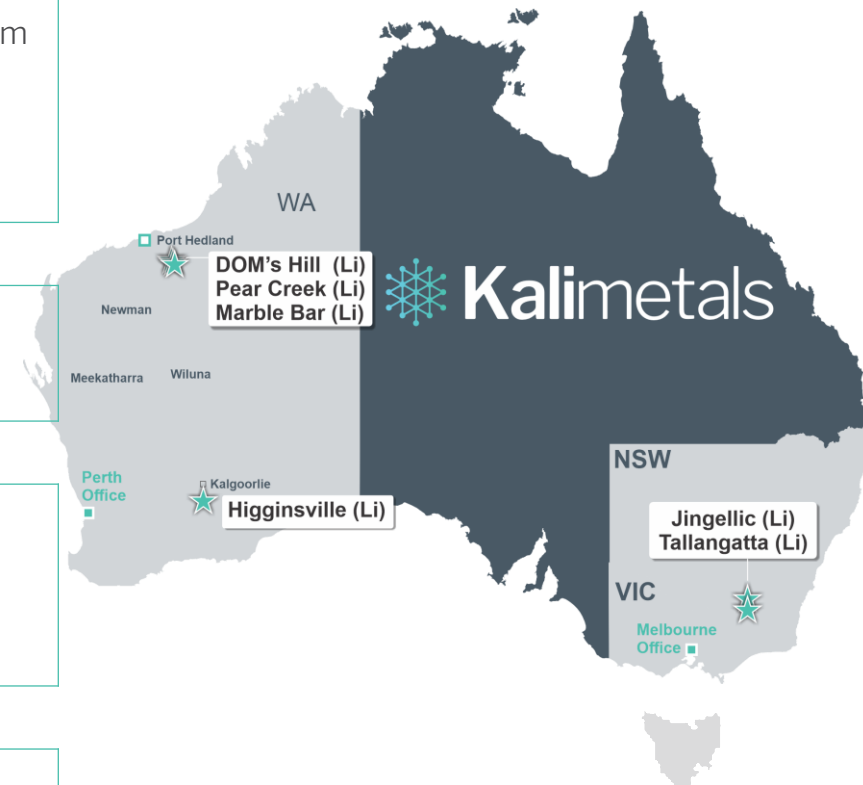
## Strategic partnership & investors

- Key investors emerge pre and post IPO including MinRes 14%
- SQM Pilbara JV – SQM is a major Chilean lithium producer and produces ~19% of world supply



## Backable team

- Highly accomplished Board and Management team
- Background in mining, exploration and project development complements lithium industry credentials



# Corporate Overview



Corporate Structure	IPO	Date (as at 7/2/24)
Share Price	\$0.25	\$0.40
Proceeds from the Offer	\$15.0M	\$15.0M
Shares issued under the Offer	60.0M	60.0M
Total shares on issue	144,1M	144,1M
Market Capitalisation	\$36.0M	\$57.6
Cash (as at 31/12/23)	\$14.9m	\$14.9m
Enterprise Value	\$21.1m	\$42.7m



Major Shareholders	
Karora Resources	22.1%
Kalamazoo Resources	20.2%
Mineral Resources	14.0%
Wabelo Pty Ltd	4.9%
Board & Management	3.0% (11.4% diluted)
Top 20 (as at 1/2/24)	70.8%

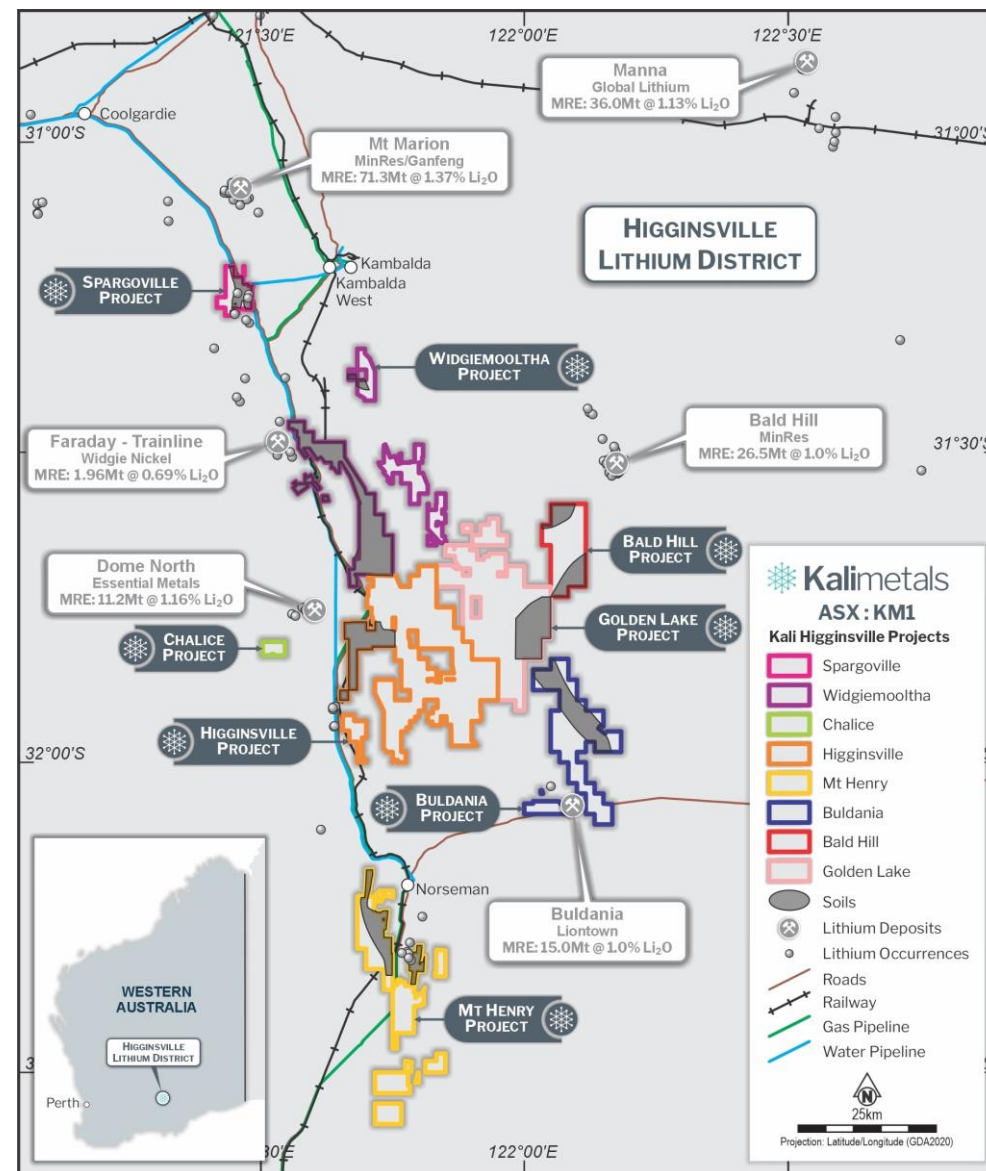
Board and Management	
Luke Reinehr	Non-Executive Chair
Graeme Sloan	Managing Director
Paul Adams	Non-Executive Director
John Leddy	Non-Executive Director
Simon Coyle	Non-Executive Director
Stuart Peterson	General Manager Geology
Nicholas Madders	Company Secretary
Silfia Morton	Chief Financial Officer

# 1 Higginsville Lithium District



## Spargoville Project

- Spodumene identified in multiple areas at the Spargoville Project<sup>1</sup>
- Assays from rock chip samples returned results up to 3.69% Li<sub>2</sub>O, with highlighted results including:<sup>1</sup>
  - ✓ Parker-Grubb Prospect KCSA049 **3.69%** Li<sub>2</sub>O, 349ppm Ta
  - ✓ Flynn-Giles Prospect KCSA037 **1.63%** Li<sub>2</sub>O, 258ppm Ta
  - ✓ Flynn-Giles Prospect KCSA030 **1.24%** Li<sub>2</sub>O, 136ppm Ta
  - ✓ Green Flame Prospect KCSA043 **1.27%** Li<sub>2</sub>O, 41ppm Ta
- First soil sampling at Spargoville completed, results pending. Ongoing programs planned for 2024
- First drilling program ("RC") at the Spargoville Project scheduled to commence 1H 2024.
- First lithium-focused drilling to be undertaken in the area.



<sup>1</sup> ASX: KM110 January 2023

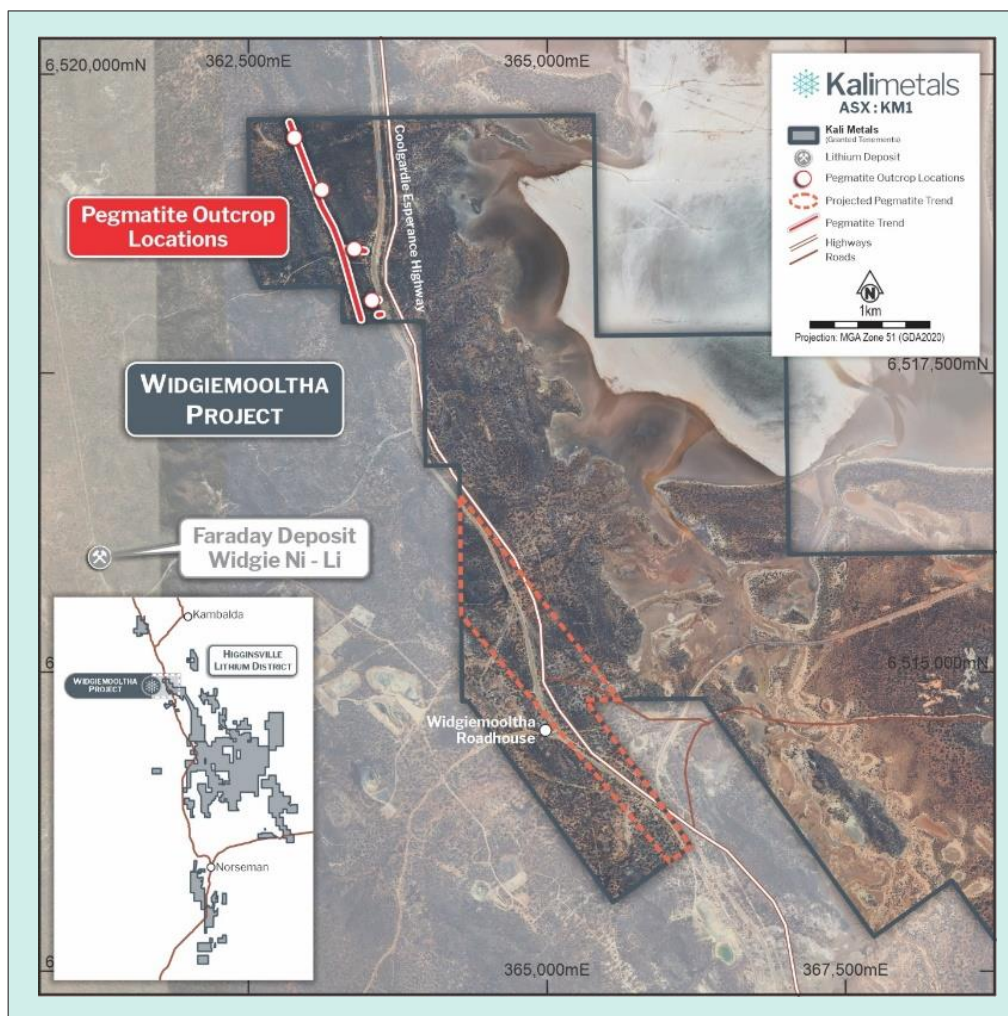


# 1 Higginsville Lithium District: continued



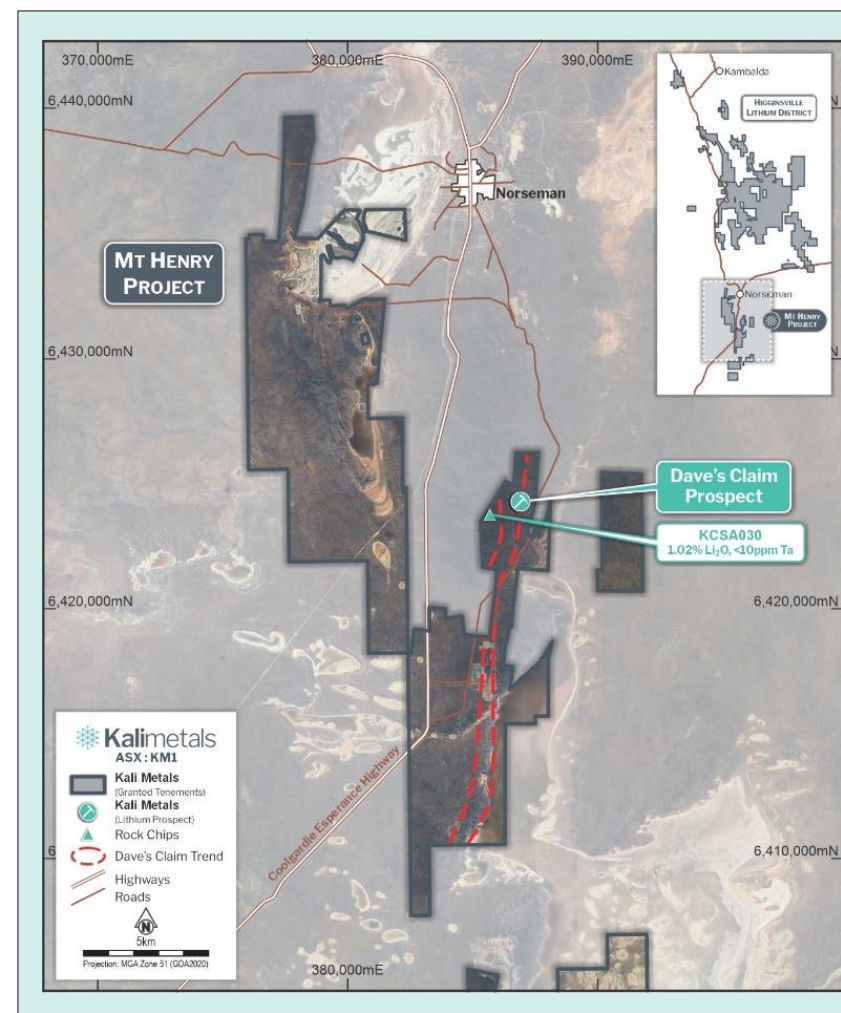
## Widgiemooltha Project

Initial soil sampling program completed at Widgiemooltha Projects – results pending



## Mt Henry Project

Rock chip samples at the Mt Henry Project returned a lithium result of 1.02% Li<sub>2</sub>O, <10ppm Ta (sample KCSA039<sup>1</sup>)

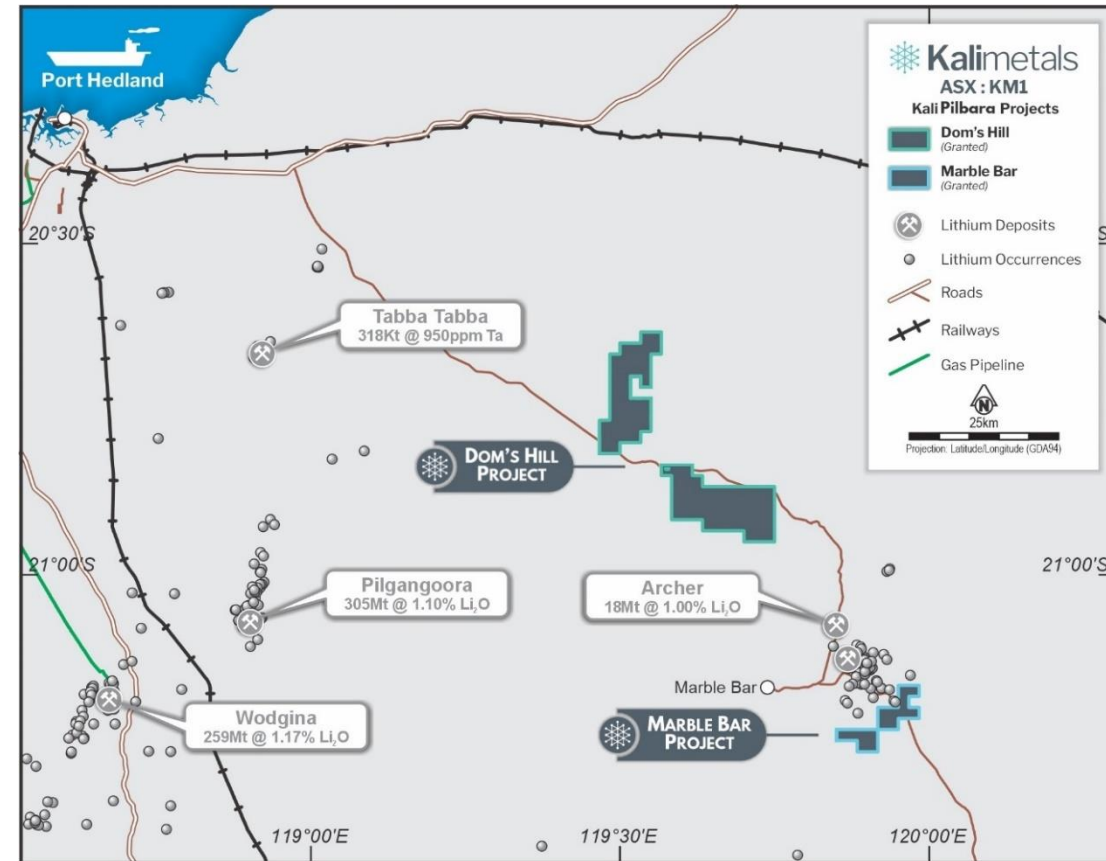


<sup>1</sup> ASX: KM1 10 January 2023



## Pilbara Region – “Land of the Lithium Giants”

- DOM's Hill and Marble Bar adjacent to world-class lithium deposits:
  - Pilgangoora 305Mt @ 1.10% Li<sub>2</sub>O
  - Wodgina 259Mt @ 1.17% Li<sub>2</sub>O
- DOM's Hill Project considered geologically similar to Pilgangoora area
- SQM JV (DOM's Hill & Marble Bar):
  - right to earn up to 70% by funding A\$12M over 4 years
  - work completed predominately first pass Geochem and RC drilling - Phase 1 and 2 drilling at Dom's Hill, and Phase 1 drilling at Marble Bar
- Geochemical assay results from Phase 2 Dom's Hill currently under review



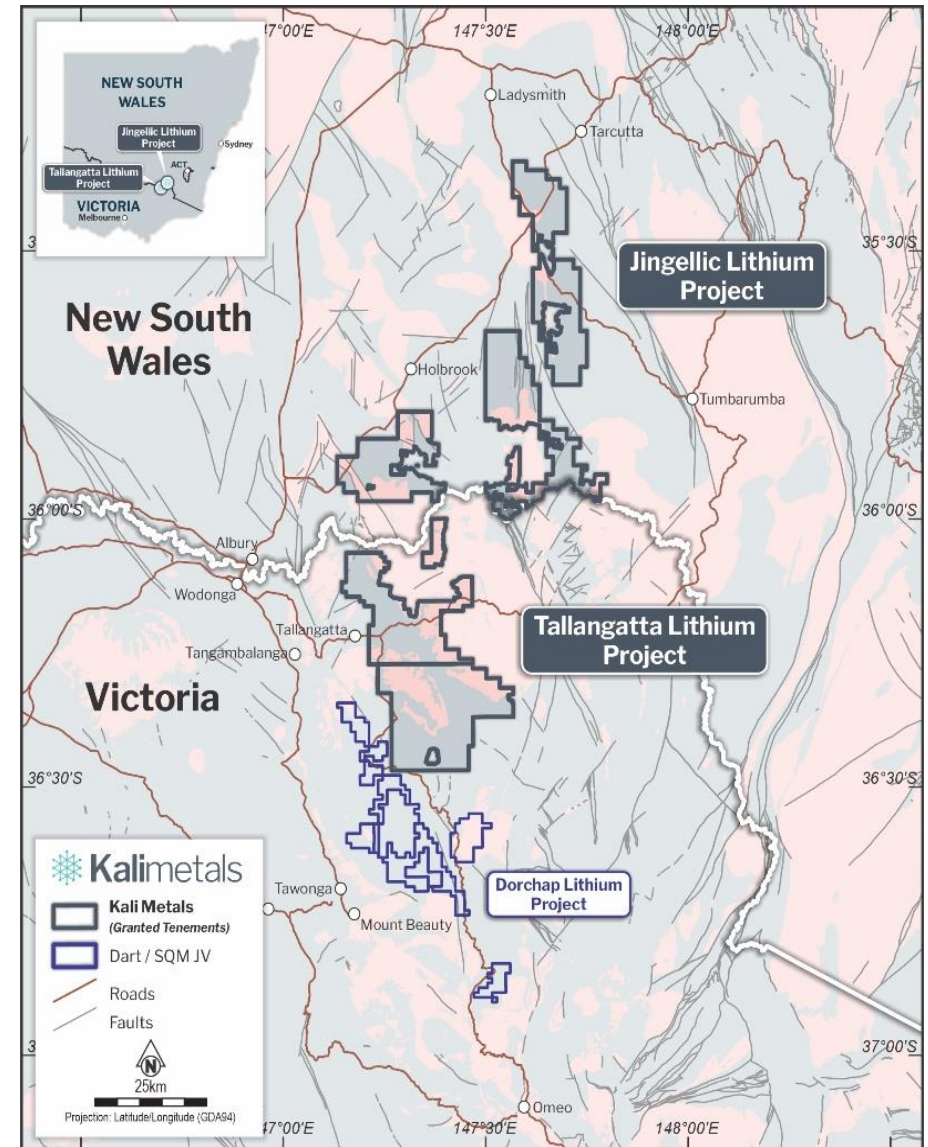




## Lachlan Fold Belt Project

- Emerging Lithium Province in Victoria & NSW
- Multiple outcropping pegmatites
- LCT pegmatites identified from early reconnaissance fieldwork
- Established land-owner relationships
- Lithium mineralised pegmatites which host spodumene and petalite identified at Tallangatta
- Historic tin operations at Jingellic
- Upcoming exploration program to include:
  - Mapping / ground surveys / geophysical
  - Geochemical surveys

Note: (1) Rights to lithium, tin and tantalum







## Environment

Commitment to protecting the environment where it may be affected directly or indirectly by the Company's activities



## Social

Commitment to establishing ongoing positive working relationships with Traditional Owners and local communities



## Governance

Board level commitment to transparency, accountability and security

Kali Metals – Joining the journey to Net Zero – “We care, we listen, we act”

## CONSOLIDATION OF ONE OF AUSTRALIA'S LARGEST HARD-ROCK LITHIUM EXPLORATION PACKAGES

- Enormous tenement package of **3,854km<sup>2</sup><sup>1</sup>** in WA and NSW/Victoria
- Exploration package in WA adjacent to world class hard rock lithium mines and advanced exploration projects
- Our assets close to key infrastructure
- Well-funded \$15m raised at IPO
- High-profile lithium investors on company register
- Proven and highly-experienced team with decades of experience in the mining industry

Note: (1) Kali's tenure was acquired through a variety of tenement sale agreements and mineral rights agreements between Kali and the 2 principal parties (Karora Resources and Kalamazoo Resources) – refer to Appendix A for further information

KALI'S PORTFOLIO HAS THE OPPORTUNITY TO PLAY AN IMPORTANT ROLE IN SECURING SUPPLY OF LITHIUM TO SUPPORT THE GLOBAL CLEAN ENERGY TRANSITION



Image of the Flynn - Giles pegmatite outcrop from the Spargoville project.





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Appendix:



Ownership interests	Shares held at Completion of the Offer (Max) <sup>1</sup> (%)	Escrow structure <sup>2</sup>
Kalamazoo Resources (100% held at Prospectus date)	18.3%	• 100% escrowed - 24 months
Kalamazoo Resources (in-specie distribution) <sup>4</sup>	6.1%	• 29% escrowed - 3 months <sup>6</sup>
Karora Resources	20.0%	• 100% escrowed - 24 months
Seed Investors (excl. Directors)	5.7%	• 50% escrowed - 12 months <sup>3</sup> - 50% voluntarily escrowed - 3 months <sup>5</sup>
Seed Investors (Directors)	2.5%	• 50% escrowed - 24 months <sup>3</sup> , - 50% voluntarily escrowed - 3 months <sup>5</sup>
New Shareholders	37.7%	• No escrow conditions apply
Management Performance Rights	7.2%	• 100% escrowed - 24 months
Advisor Options	2.5%	• 100% escrowed - 24 months
<b>Total</b>	<b>100%</b>	

## Notes:

1. On a fully diluted basis, including the number of Shares represented by management performance rights and advisor options
2. Minimum mandatory escrow is subject to ASX confirmation
3. 50% of shares subject to escrow given the issue price if \$0.125 per share, being 50% of the Offer price
4. The Company understands that Kalamazoo has applied to ASX for confirmation that the Shares to be distributed to Kalamazoo Shareholders will not be subject to the escrow restrictions in Chapter 9 of the ASX Listing Rules
5. The balance of Shares to be issued to related seed party investors (including the Directors) and unrelated party seed investors to be subject to voluntary escrow for 3 months, unless the daily volume weighted average price of Shares is over 200% of the Offer Price for a period of at least 10 consecutive trading days
6. In specie shares to be issued to major Kalamazoo shareholders, directors and executives will be subject to voluntary escrow for 3 months, unless the daily volume weighted average price of Shares is over 200% of the Offer Price for a period of at least 10 consecutive trading days

# Kali Tenements – Breakdown by Project and License Type

Kali Shareholder <sup>1</sup>	Project	Commodity	Exploration Licences	Prospecting Licences	Mining Leases	Granted Landholding (km <sup>2</sup> )
Karora	Higginsville <sup>2</sup>	Lithium	47	75	61	1,516
Kalamazoo <sup>3</sup>	DOM's Hill <sup>4</sup>	Lithium	7	-	-	125
Kalamazoo <sup>3</sup>	Marble Bar <sup>4</sup>	Lithium	2	-	-	77
Kalamazoo <sup>3</sup>	Jingellic <sup>5</sup>	Lithium	3	-	-	1,200
Kalamazoo <sup>3</sup>	Tallangatta <sup>6</sup>	Lithium	3	-	-	839
Kalamazoo <sup>3</sup>	Pear Creek <sup>4</sup>	Lithium	3	-	-	108
<b>Total</b>			<b>65</b>	<b>75</b>	<b>61</b>	<b>3,864</b>

Note: (1) Kali landholding presented exclusive of 20 pending licences across an area of ~202 km<sup>2</sup>

(2) Lithium-caesium-tantalum (LCT) and tin rights over Higginsville to be granted by Karora to Kali

(3) Per the tenement sale agreement, completion of the seed raising is subject to Kalamazoo Resources obtaining the approvals of its shareholders required for the transfer of its assets, or the grant of rights over its assets, to Kali, including, amongst others, under Chapters 10 and 11 of the ASX Listing Rules

(4) All rights for Marble Bar, DOM's Hill & Pear Creek tenements to be transferred from Kalamazoo to Kali

(5) EL 9403 and EL9507 tenements are already held by Kali. Mineral rights other than LCT and tin to be granted by Kali to Kalamazoo. EL8958 is currently held by Mining and Energy Group Pty Ltd (MEG) with Kali holding an option over the tin-tungsten and LCT minerals

(6) Tallangatta tenements already in Kali but mineral rights other than lithium, tantalum and tin to be granted by Kali to Kalamazoo



Favourable demand / supply dynamic due to expected exponential EV growth.

- Why??

- Lithium to play a fundamental role in the evolution of the EV market
  - ✓ Increasingly supportive government policies for EVs, underpinning supply growth through joint ventures between OEMs and junior miners
- IEA: The Role of Critical Minerals in the Clean Energy Transitions (2021) report:
  - ✓ Supply and investment plans for many critical minerals fall short of what is needed to deliver the clean energy transition
  - ✓ Massive lithium supply needed to meet “Net Zero globally by 2050 scenario”
  - ✓ Over 20 countries and 70 city governments have announced 100% zero emission vehicle targets or the phase out of ICE vehicles before 2050



Source: Benchmark Mineral intelligence, 6 September 2022

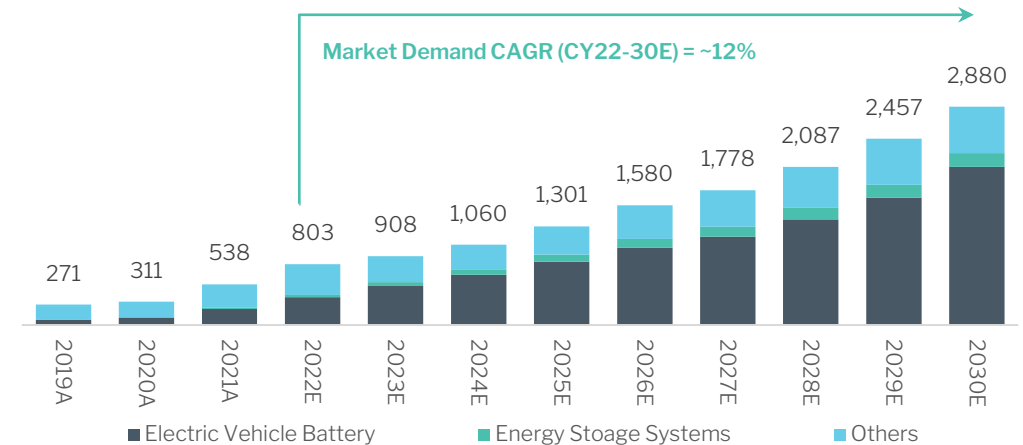
**AUSTRALIA HAS BECOME THE WORLD'S LARGEST HARD ROCK LITHIUM SUPPLIER IN JUST A FEW YEARS<sup>2</sup>**

Note: (1) China Lithium Carbonate 99.5% (Bloomberg)  
(2) World Economic Forum

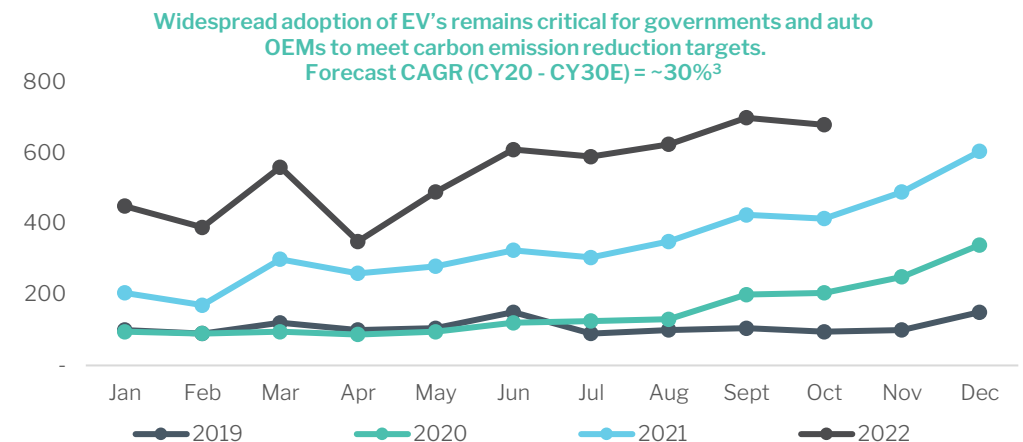
# Strong Future for Lithium

- Lithium-ion batteries store significant energy in a small, compact battery that can be recharged repeatedly
  - EV penetration expected to drive lithium demand – >70% of total lithium demand expected to be underpinned by EV market in 2030
  - Supportive government policies for EVs underpinning supply growth EU zero-emission target for automakers by 2035
  - China announced targeted levels of EV penetration by 2025 (20%) and 2030 (40%)
  - US committed US\$5bn over 5 years to build out charging network – targeted levels of EV sales penetration by 2030 (50% of new sales)
- Australia leads the world as a hard rock lithium supplier
  - International investment in downstream processing to drive focus on lithium exploration
  - Investment in downstream processing designed to bypass China and remove supply chain risk

## Global Lithium Demand Outlook | KT LCE<sup>1</sup>



## Global Electric Vehicle Demand | # 000's Sales<sup>2</sup>



Sources: Wood Mackenzie, Broker Research & Company Disclosures  
 Note: (1) Goldman Sachs Australian Metals and Mining research (Dec-22)  
 (2) JPM Lithium market research (Nov-22)  
 (3) Livent Corporation investor presentation (Nov-22)