

Kali Metals Commences Trading on ASX

Highlights

- Kali Metals Limited (**ASX: KM1**) (“**Kali**” or “**the Company**”) is pleased to announce it commenced trading today on ASX with the code “**KM1**” at 12.00pm AEDT / 9.00am AWST
- The IPO was heavily oversubscribed and raised the maximum amount of \$15 million (before costs)
- Kali is an Australian resources company with a portfolio of lithium exploration projects in Western Australia (**WA**), New South Wales (**NSW**) and Victoria (**VIC**)
- Kali’s **3,854km² portfolio** of lithium projects with its WA tenure located adjacent to some of the world’s largest hard rock (spodumene) mines and deposits. Kali’s projects include:
 - **Pilbara Region, WA:** The DOM’s Hill, Marble Bar and Pear Creek Lithium Projects
 - **Eastern Yilgarn, WA:** The Higginsville Lithium Project
 - **NSW / Victoria:** The Jingellic and Tallangatta Lithium Projects
- The funds raised by the IPO will be used to:
 - Explore and develop Kali’s lithium exploration tenure with a strong focus at the Higginsville Lithium Project in WA’s Eastern Yilgarn region
 - Fund expenses of IPO and associated costs of listing Kali on the ASX
 - Fund general working capital of the Company
- Two of Kali’s three Lithium projects in the Pilbara (DOM’s Hill and Marble Bar) are fully funded by SQM as part of the Company’s Joint Venture with SQM
- Exploration programs are already underway at Kali’s Western Australian lithium projects with results expected to be announced in January and an initial drilling program anticipated to commence in H1 2024

Mr. Graeme Sloan, Managing Director of Kali commented:

“It is truly an exciting day for Kali shareholders, with the Company successfully listing as a publicly traded company on the ASX. We now look forward to creating shareholder value through the successful exploration of our portfolio of lithium projects in Western Australia, New South Wales and Victoria.

On behalf of the Kali Board, I wish to thank all parties involved in the formation of the Company and completion of this IPO. We have received an overwhelming response from potential investors during every aspect of this process. This response is a reflection of the quality of Kali’s project portfolio, the Board, our Technical team and the current appetite for exposure to lithium. I personally welcome all new shareholders to the Company, as well as the shareholders of Kalamazoo Resources and Karora Resources who also make up Kali’s register.

It is a great time to become an ASX-listed lithium exploration company with activity in the sector high and the long-term fundamentals for the commodity strong. With the emergence of lithium as one of the most important critical minerals that will enable the global energy transition, this is an ideal time to provide investors with an opportunity to invest in a company with world-class projects in Tier 1 locations. We are excited about the potential that our project portfolio offers shareholders and the role Kali can play in the future growth of the lithium industry.”

Background

Lithium explorer Kali Metals Limited is pleased to advise it commenced trading on the Australian Securities Exchange (**ASX**) at 12.00pm AEDT / 9.00am AWST under the code “KM1”. The listing follows the completion of Kali’s heavily oversubscribed Initial Public Offering (**IPO**) which raised the maximum \$15 million (before costs) through the issue of 60,000,000 Offer Shares at an issue price of \$0.25 per share. The Shares offered under the Prospectus represent approximately 41.62% of the Shares on issue at listing.

Kali has been established from the spin out of a portfolio of Australian lithium assets owned by ASX-listed Kalamazoo Resources Limited (**ASX: KZR**) in Western Australia, New South Wales and Victoria combined with TSX-listed Canadian gold miner Karora Resources Inc. (**TSX: KRR**) and its highly prospective lithium mineral rights across an extensive range of projects located south of Kalgoorlie in Western Australia (“**Higginsville Lithium Project**”).

Bell Potter Securities Limited and Canaccord Genuity (Australia) Limited acted as Joint Lead Managers to the IPO. Grant Samuel acted as financial adviser to Kali and Gilbert + Tobin as legal adviser.

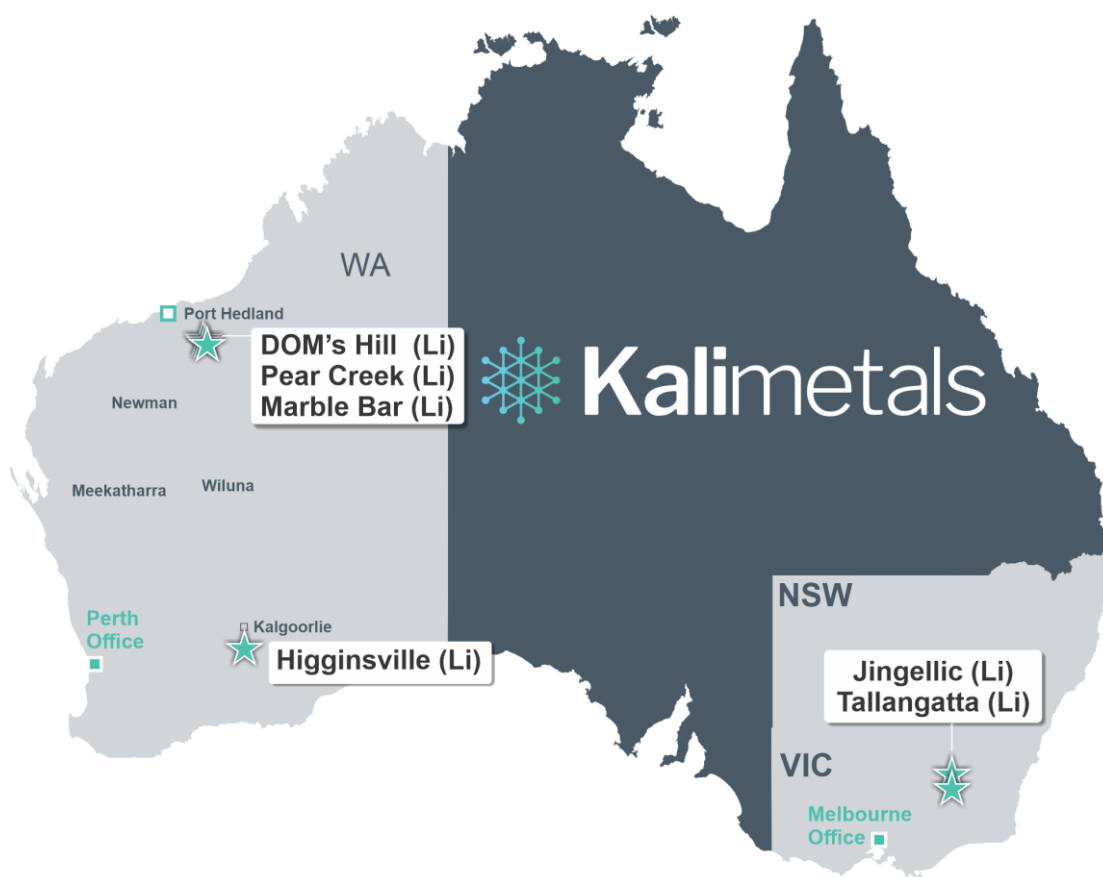


Figure 1: Kali’s portfolio of Australian lithium assets

Kali’s **3,854km²** portfolio of assets comprises:

- **Pilbara Region, WA** - The DOM’s Hill, Marble Bar, and Pear Creek Lithium Projects including title and all exploration rights. Kalamazoo has also assigned its interests in the SQM Earn-in Agreement, which operates in respect of the DOM’s Hill and Marble Bar Projects, to Kali
- **Eastern Yilgarn Region, WA** - Lithium Rights across the entire Higginsville Lithium Project
- **NSW / Victoria** - The Jingellic and Tallangatta Lithium Projects, including the option to earn a 100% interest in the MEG Lithium Rights at EL8958, located adjacent to the Jingellic Project

Kali's WA lithium tenure is located adjacent to some of the world's largest hard rock (spodumene) mines and deposits.

In January, Kali intends to release results from its exploration campaign recently completed at the Higginsville Lithium Project, including rock chip and soil sampling. The Company is also planning its initial Reverse Circulation (RC) drilling program at the Higginsville Lithium Project, expected to commence in H1 2024.

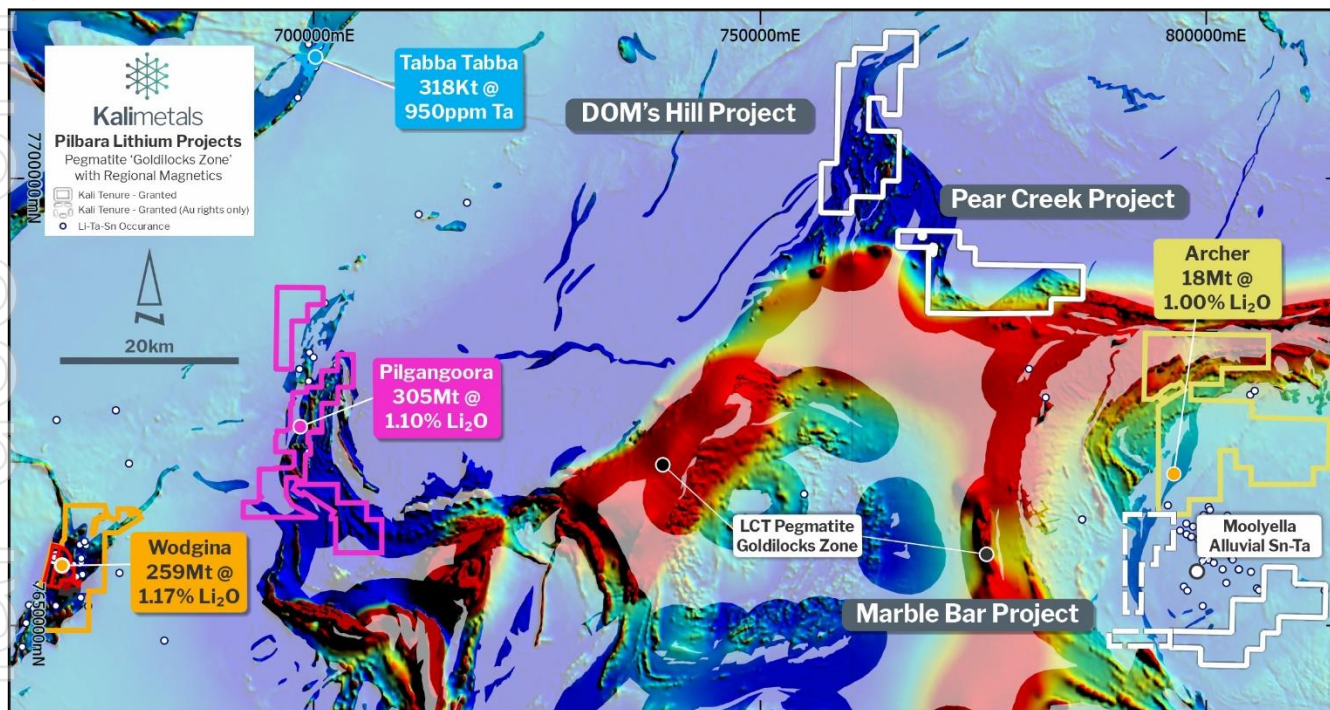


Figure 2: Pilbara Lithium Projects (DOM's Hill Project, Marble Bar Project and Pear Creek Project)

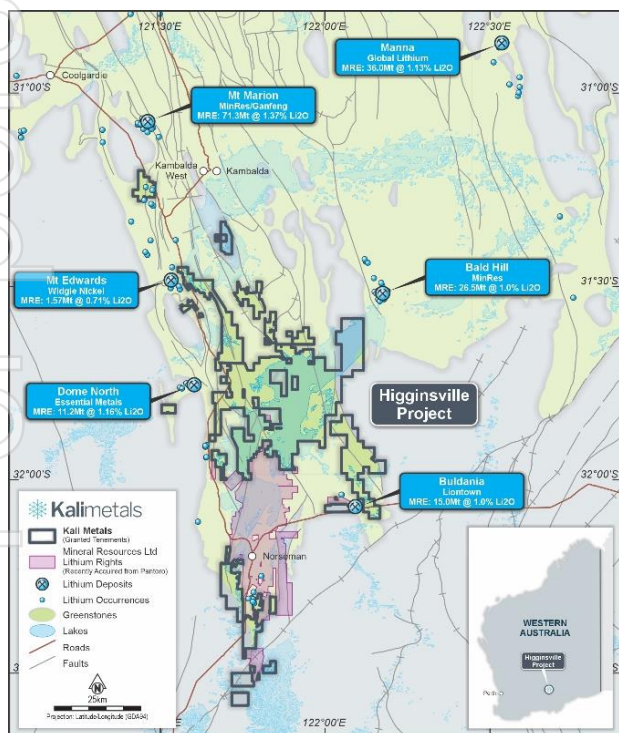


Figure 3: Higginsville Project – Eastern Yilgarn

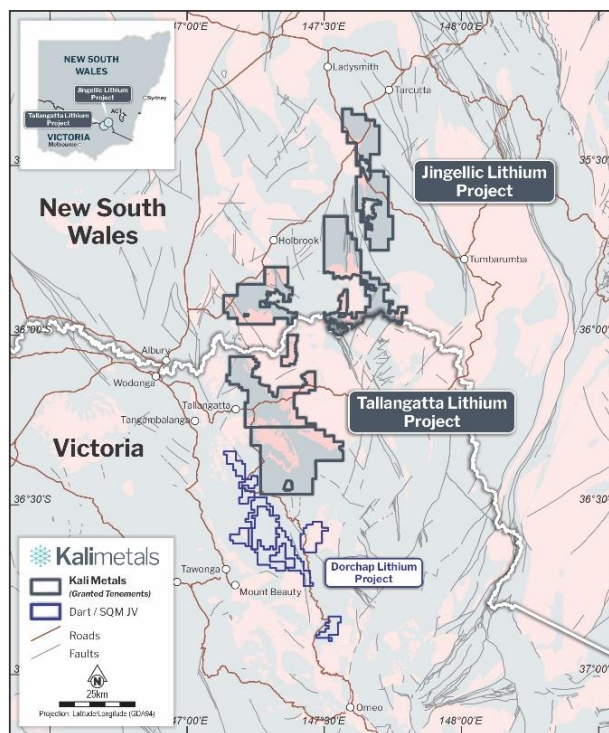


Figure 4: Jingellic Project and Tallangatta Project



Board of Directors

The Kali Board of Directors comprises an experienced management team with a proven track record of value creation, led by Graeme Sloan as Managing Director and Kalamazoo Resources' Chairman/Chief Executive Officer (**CEO**) Luke Reinehr as Non-Executive Chairman. They are supported by Non-Executive Directors Paul Adams, John Leddy and Simon Coyle.

As co-founder of Kalamazoo, Mr. Reinehr was Kalamazoo's Managing Director from January 2013 to July 2016 and is currently the CEO and Chairman of Kalamazoo. Working across all levels of management over a period of more than 25 years, he has extensive partnership, director, chief executive officer and chairman experience with resources and technology companies in Australia and abroad.

Mr. Sloan is a qualified mining engineer with over 35 years' experience as a Managing Director/CEO, Non-Executive Director, Chairman and Member of Audit, Risk and Sustainability Committees and General Manager of Operations. He has held roles in corporate affairs, operational management, technical and project development and has worked in Australia and North and South America.

Mr. Adams has over 20 years' experience in the mining industry in exploration, open pit, underground operational roles both in Australia and overseas. He has over 10 years' experience as the Head of Equities Research at a well-known Perth stockbroking company, specialising in small to mid-cap resource companies. He currently sits on the Board of Kalamazoo Resources Ltd (**ASX:KZR**) and Meeka Metals Ltd (**ASX:MEK**).

Mr. Leddy serves as senior advisor on legal and strategic matters at Karora Resources. He also provides strategic advice to, and has made seed capital investments in, various public and private companies in the battery metals, carbon reduction, plant-based foods, vertical farming and high-density infill property development sectors.

Mr. Coyle has 20 years' industry experience and graduated from the Western Australian School of Mines. He has held several senior operational management positions in a range of commodities including gold, iron ore, manganese and lithium. More recently, Simon held the position of general manager operations for Pilbara Minerals Limited's hard rock lithium operation, Pilgangoora. He is currently the CEO and the President of Velox Energy Materials Inc (**TSX:VLX**).

Lithium

Lithium is a critical component of modern battery technology. With the advent and continuing development of electric vehicles and hybrid vehicles, coupled with a trend towards renewable energy, the demand for lithium has seen a marked increase in recent years.

Over 20 countries and 70 city governments have announced 100% zero emission vehicle targets or the phase out of internal combustion engine powered vehicles before 2050. Continued penetration of electric vehicles is expected to drive lithium demand, with over 70% of total lithium demand expected to be underpinned by the electric vehicle market in 2030.

Lithium resources are predominantly concentrated in a small number of countries, including Australia, Chile, China and Argentina. The five largest lithium producers (including SQM) control the majority of lithium supply to the global lithium market and only a handful of companies control the majority of the mine output.

Lithium is produced from either brines or hard-rock sources. Apart from China, each producing country currently supplies lithium from either one of these sources (and not both). South American countries such as Argentina, Chile and Bolivia produce lithium in only brine form and Australia produces only hard rock.

It is estimated that the demand for lithium will grow from approximately 0.72 million metric tonnes of lithium carbonate equivalent (LCE) in 2023 to over 3 million metric tonnes of LCE in 2030. Subject to exploration success at and development of the Projects, there is an opportunity for Kali to play an important role in securing the long-term supply of lithium to support the global clean energy transition.



Authorised for release by the Board of Kali.

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About Kali

Kali's (ASX: KM1) portfolio of assets represents one of the largest and most prospective exploration packages across Australia's world leading hard-rock lithium fields. Kali's ~3,854 km² exploration tenure is located near existing, emerging, and unexplored lithium and critical minerals regions in WA including the Pilbara and Eastern Yilgarn and the Lachlan Fold Belt in NSW and Victoria.

Kali has a team of well credentialed professionals who are focused on exploring and developing commercial lithium resources from its highly prospective tenements and identifying new strategic assets to add to the portfolio. Lithium is a critical component in the production of electric vehicles and renewable energy storage systems. With the rapid growth of these industries, the demand for lithium is expected to increase significantly in the coming years. Kali is committed to playing a key role in meeting this demand and powering the global clean energy transition.