



Level 8, 235 St
Georges Terrace
PERTH WA 6000

ABN: 51 194 660 183
Telephone: +61 8 9263 7171
Facsimile: +61 8 9263 7129

GPO Box A29
PERTH WA 6837
Australia

www.kpmg.com.au

24 October 2023

To Creditors

Dear Sir/Madam

Kalium Lakes Potash Pty Ltd
ACN 601 436 060

Kalium Lakes Infrastructure Pty Ltd
ACN 631 042 450

(All Administrators Appointed) (All Receivers and Managers Appointed)
(Collectively referred to as "the Companies")

We refer to the appointment of Matthew Woods, Clint Joseph, and, Martin Jones, as Joint and Several Voluntary Administrators of the Companies on Thursday, 3 August 2023 pursuant to Section 436A of the Corporations Act 2001 (**the Act**) and our previous correspondence, circulars and report in relation to the Companies.

This circular should be read in conjunction with the Administrators' Report to Creditors dated 26 September 2023 (**Administrators' Report**) and the Circular to Creditors dated 5 October 2023. Copies of the Administrators' Report, Circular to Creditors and other previous correspondence addressed to creditors are available from the KPMG website at <https://kpmg.com/au/en/home/creditors/kalium-lakes.html>.

Outcome of Second Meetings of Creditors of the Companies – 4 October 2023

The Second Meetings of Creditors of the Companies were held concurrently on Wednesday, 4 October 2023 at 10:00 am AWST at the office of KPMG, Level 8, 235 St Georges Terrace, Perth WA 6000.

On 3 October 2023, in the lead-up to the Second Meetings of Creditors, Agrimin Limited (ACN 122 162 396) (**Agrimin Limited**) gave notice of termination of the Share Sale Agreement (**SSA**) (which was detailed in Administrators' Report) due to non-satisfaction of a condition precedent, hence the contract was terminated by Agrimin Limited in accordance with its terms. Consequently, the Deed of Company Arrangement (**DOCA**) proposed by Agrimin Limited (which incorporated the SSA) was no longer viable and therefore there was no resolution to put forward to creditors at the Second Meetings of Creditors.

On 4 October 2023, the Chairman adjourned the Second Meetings of Creditors pursuant to Rule 75-140(1)(b) of the Insolvency Practice Rules (Corporations) 2016 (Cth), for a period of four (4) weeks to 1 November 2023, by reason of the DOCA proposal being incapable of proceeding.

The adjournment was to (amongst other things):

- allow time for the Receivers and Managers to negotiate with interested parties to formulate and put forward a revised or new DOCA proposal to creditors of the Companies; and
- allow the Administrators to report back to creditors of the Companies with sufficient information to accurately determine whether entering into a DOCA (if one is proposed) provides a better return to creditors as compared to an immediate winding-up of each of KLP and KLI.

Reconvened Second Meetings of Creditors – 1 November 2023

The Second Meetings of Creditors of the Companies is reconvened for **1 November 2023, at 10:00am (AWST) at the offices of KPMG**. The following documents in respect of the reconvened concurrent second meetings of creditors of the Companies are **enclosed** with this circular:

Report annexure	Document	Description
A	Notice of Concurrent Meetings of Creditors (Form 529)	<ul style="list-style-type: none"> – Please note that the meetings will be held concurrently on 1 November 2023, commencing at 10.00am (AWST). – You should arrive for registration at least 15 minutes prior to the meetings. – For creditors who are unable to attend the meetings, a conference call facility will be available. – Please contact KPMG by email at kaliumlakes@kpmg.com.au or via telephone on (08) 9263 7297 one business day prior to the meetings to advise that you will be using the conference facilities and you will be provided with the conference ID.
B	Appointment of proxy (Form 532)	<ul style="list-style-type: none"> – This form enables you to appoint a person to act on your behalf at the meetings. – General (not special) proxy forms submitted for the second meetings are valid for the meetings and creditors do not need to re-submit another form for the reconvened meetings unless you seek to amend the proxyholder.
C	Short Guide to the Creditors' Portal	<ul style="list-style-type: none"> – We are using the Creditors' Portal to manage creditor claims. – This document provides guidance on how to register and submit a claim. – A person is not entitled to vote at the meetings unless they provide particulars of their debt or claim electronically via the Creditors' Portal beforehand. – All creditors must furnish full details of their claims, indicating whether they rank as secured, preferential or unsecured, and whether they claim title to any goods supplied to the Companies or any lien over goods in their possession which are the property of the Companies via the Creditors' Portal. – If you have previously lodged your claim on the Creditors' Portal for the purposes of the first meetings of creditors and second meetings of creditors, you do not need to re-submit your claim for the reconvened second meetings of creditors unless you wish to amend your claim.

Proofs of debt and proxy forms are to be lodged before the meetings and, in any event no later than 4.00pm on 31 October 2023.

Sale Process

The Receivers and Managers remain in control of the Companies and their assets. Following the termination of the SSA with Agrimin Limited, the Receivers and Managers re-engaged with the interested parties who had previously been shortlisted and progressed their due diligence that was conducted during the marketing period between June 2023 to mid-September 2023.

On 19 October 2023, the Administrators received a draft unsigned, non-binding DOCA term sheet for the Companies (**Proposal**). The Proposal is not sufficiently progressed to a form that may be considered by the creditors of the Companies. The terms of the Proposal are still being negotiated and it is therefore unable to be summarised for creditors consideration. The Receivers and Managers have also confirmed that they are in negotiations with other parties for the sale of the Companies' assets and require further time to progress the proposed transaction to a form which would be able to be presented to creditors.

Administrators' Recommendation and Next Steps

Having regard to the above, it is not appropriate in the Administrators' view for creditors to vote on the future of the Companies at the Reconvened Second Meetings of Creditors, as the Administrators believe that there is a reasonable possibility that a DOCA proposal may be received that may provide a better outcome to creditors than an immediate winding up of the Companies.

Therefore, the Administrators consider it would be in the creditors' best interests to adjourn the Reconvened Second Meetings of Creditors for a period not exceeding forty-five (45) business days after the first day on which the Second Meetings of Creditors was held (being 4 October 2023) to allow further time for the Receivers and Managers to finalise their sale process and for the Proposal to be finalised.

At the Reconvened Second Meetings of Creditors, it is the Administrators intention to adjourn the meetings for a period not exceeding 45 business days from the date of the original Second Meetings of Creditors, which was held on 4 October 2023. In this regard, once a sale transaction has been agreed between the parties and a DOCA proposal is sufficiently progressed to be presented to the creditors of the Companies, then the Administrators will reconvene the Second Meetings of Creditors to be held on or before 7 December 2023 (being 45 business days after the original date of Second Meetings of Creditors which was held on 4 October 2023).

Should you have any questions regarding the administration of the Companies or this circular, please contact us on (08) 9263 7297 or email at kaliumlakes@kpmg.com.au.

Yours faithfully

Kalium Lakes Potash Pty Ltd
Kalium Lakes Infrastructure Pty Ltd



Martin Jones
Joint and Several Administrator

Encl.

Annexure A – Notice of meetings of creditors

Notice of Concurrent Reconvened Second Meetings of Creditors of the Companies

Insolvency Practice Rules (Corporations) 2016 (IPR), Section 75-15

Kalium Lakes Potash Pty Ltd
ACN 601 436 060 (KLP)

Kalium Lakes Infrastructure Pty Ltd
ACN 631 042 450 (KLI)

(All Administrators Appointed) (All Receivers and Managers Appointed)
(Collectively referred to as “the Companies”)

NOTICE is given that concurrent reconvened second meetings of creditors of the Companies will be held at KPMG, Level 8, 235 St Georges Terrace, Perth WA 6000 on Wednesday, 1 November 2023 at 10:00am (AWST).

Although, the meetings will be treated as separate, we will conduct each of the meetings of the Companies at the same time and location in order to minimise costs and allow for an efficient reconvened second meetings of creditors Administration process for all stakeholders, without prejudicing their respective interests.

Agenda

1. To consider the Circular of the Administrators dated 24 October 2023.
2. Any other business that may be lawfully brought forward.

Creditors wishing to vote at either of the meetings, who will not be attending in person or which are a company, must complete and return a Proxy Form (and lodge a Proof of Debt form electronically via the Creditors' Portal if one has not already been lodged) by no later than 4:00pm on the last business day prior to the meetings by email to kaliumlakes@kpmg.com.au, by post to GPO Box A29, PERTH WA 6837 or by facsimile to +61 8 9263 7129. A Proxy Form is enclosed.

For creditors who are unable to attend the meetings in person, a conference call facility will be available.

If you wish to vote or participate, you must attend in person or by proxy. Creditors are not entitled to vote at the meetings unless they lodge particulars of their debt or claim via the Creditors' Portal before the meetings.

Should you wish to attend the meetings via teleconference facilities, please contact KPMG by email at kaliumlakes@kpmg.com.au or by telephone to (08) 9263 7297 at least one (1) business day prior to the meetings to advise that you will be using the conference facilities and to be provided with the conference call code.

Dated this 24th day of October 2023



Martin Jones
Joint and Several Administrator

KPMG
Tel: +61 8 9263 7297
Fax: +61 8 9263 7129
Email: kaliumlakes@kpmg.com.au

Note: In accordance with IPR Section 75-15(1)(c) please see effect of IPR Section 75-85 Entitlement to vote at meetings of creditors on the following page.

B - Appointment of Proxy Form for KLP or KLI

Form 532 - Appointment of Proxy
Insolvency Practice Rules (Corporations) 2016, Section 75-25

Return no later than 4pm, 31 October 2023 to:
KPMG GPO Box A29, PERTH WA 6837
Tel: +61 8 9263 7297
Fax: +61 8 9263 7129
Email: kaliumlakes@kpmg.com.au

Select Indebted Company:

- Kalium Lakes Potash Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) ACN 601 436 060**
- Kalium Lakes Infrastructure Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) ACN 631 042 450**

Date of Appointment: 3/08/2023

A. Name and Contact Details of Person or Entity Entitled to Attend Meeting

¹

(if entitled in a personal capacity, given name and surname; if a corporate entity, full name of company, etc)

² of

(address)

³ Tel:

⁴ Email:

B. Appointment of Person to Act as Proxy

Note: You may nominate "the Chairperson of the meeting" as your proxy (or your alternate proxy in the event that the first-named proxy is not in attendance).

¹ I/We, as named in Section A above, a creditor/employee of the Company, appoint

²

(name of person appointed as proxy)

³

⁴ or in his / her absence

(address of person appointed as proxy)

⁵

(name of person appointed as alternate proxy)

⁶

⁷ as *my / *our proxy

(address of person appointed as alternate proxy)

to attend at the reconvened meeting of creditors to be held on 1 November 2023 at 10:00AM (AWST) at KPMG, Level 8, 235 St Georges Terrace, Perth WA 6000 or at any adjournment of that meeting

Creditor Assistance Sheet: Completing a Proxy Form

Section A – Name and Contact Details of Person or Entity Entitled to Attend Meeting

1. Insert the full name of the employee, individual, sole trader, partnership or company that the debt is owed to.
2. Insert the address of the employee, individual, sole trader, partnership or company that the debt is owed to.
3. Insert the telephone number of the employee, individual, sole trader, partnership or company that the debt is owed to.
4. Insert the email address of the employee, individual, sole trader, partnership or company that the debt is owed to.

Section B – Appointment of Person to Act as Proxy

1. Cross out any wording that is **not** applicable. For example, if the employee/individual/sole trader/partnership/company is a creditor, cross out “eligible employee creditor”, “contributory”, “debenture holder” and “member”.
2. Insert the name of the person who will be exercising the creditor’s vote at the meeting. If someone is attending the meeting in person, that person’s name should be inserted. Alternatively, if someone is unable to attend, but you still want to cast a vote at the meeting, then you can appoint the Chairperson of the meeting to vote on your behalf by inserting the words ‘the Chairperson’ here.
3. Insert the address of the person nominated at (2) that will be attending the meeting as proxy. If you have elected ‘the Chairperson’ because no one is attending in person, leave this row blank.
4. Cross out any wording that is **not** applicable.
5. If the person you have elected to attend is unavailable on the day, you may nominate a second person to attend in their absence. Alternatively, you can appoint the Chairperson of the meeting to vote on your behalf by inserting ‘the Chairperson’.
6. Insert the address of the second person here. If you have elected ‘the Chairperson’, leave this row blank.
7. Cross out any wording that is not applicable.

Section C – Voting Instructions

1. Cross out any wording that is not applicable.
2. Insert an ‘X’ in this box if you want the person who is attending the meeting to vote as they see fit on each of the resolutions in the ‘Resolution’ table. If you select this option, proceed to Section D, **unless** you wish to vote specifically on certain resolutions, in which case you also insert an ‘X’ in the special proxy box and select ‘For’, ‘Against’ or ‘Abstain’ on the resolutions. The person voting at the meeting will have discretion to vote as they see fit on any resolutions where you have **not** selected ‘For’, ‘Against’ or ‘Abstain’.
3. Insert an ‘X’ in this box if you want the person who is attending the meeting, to vote exactly in accordance with your instructions. If you select this option, you must select ‘For’, ‘Against’ or ‘Abstain’ for each of the resolutions in the ‘Resolution’ table. Do not tick more than one box for each resolution.

Section D – Signature Instructions

1. Insert the date that the proxy form is being signed.
2. The form should be signed by **one** of the following persons:
 - If the debt is owed to an employee/individual, then the individual that the debt is owed to; or
 - If the debt is owed to a sole trader, then the sole trader that the debt is owed to; or
 - If the debt is owed to a partnership, then one of the partners of the partnership; or
 - If the debt is owed to a company, then a duly authorised office of the company (normally a director or secretary of the company).
3. Insert the name of the person signing the form, and note their capacity (that is, their role):
 - If the debt is owed to a sole trader, note their capacity as proprietor, eg: “[Full name], proprietor”; or
 - If the debt is owed to a partnership, note their capacity as partner, eg: “[Full name], partner of the firm named in Section A above”; or
 - If the debt is owed to a company, note their capacity as director or secretary, eg: “[Full name], director/secretary of the company named in Section A above”]