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3 April 2024

To Creditors

Dear Sir/Madam

Kalium Lakes Potash Pty Ltd
ACN 601 436 060

Kalium Lakes Infrastructure Pty Ltd
ACN 631 042 450

(All In Liquidation) (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 and our subsequent appointment as Deed Administrators on 22 December 2023.

On 18 March 2024 Reward Minerals Limited (**Reward**) gave notice of termination of the Share Sale Agreement (**SSA**) due to non-satisfaction of a condition precedent. Consequently, the Deed of Company Arrangement (**DOCA**) dated 22 December 2023 (which formed part of the SSA) is no longer viable and therefore has been terminated. As a result, the Companies were placed into liquidation on 18 March 2024.

The purpose of this circular is to provide you with information about the liquidation of the Companies and your rights as a creditor. In this regard, we enclose the following documents:

Annexure	Document	Description
A	Short Guide to the Creditors' Portal	Refer to section 5 of this circular
B	Information sheet - creditor rights in liquidation	Refer to section 6 of this circular

Copies of our previous correspondences to creditors are available from the KPMG website at <https://kpmg.com/au/en/home/creditors/kalium-lakes.html>

1 Declaration of independence, relevant relationships and indemnities

A copy of my Declaration of Independence, Relevant Relationships and Indemnities (**DIRRI**) was provided to creditors with my first circular dated 4 August 2023 during the Voluntary Administration. There have been no changes to the information disclosed in that DIRRI since it was provided to creditors.

2 Trading

2.1 Status of trading

At the time of writing, the Receivers remain in control of the Companies' assets and operations. Accordingly, we will not be responsible for any aspects of the Companies' trading operations. Creditors are advised to direct their enquiries relating to any ongoing commercial dealings of the Companies to the Receivers.

2.2 Contracts / agreements

The Liquidators expressly refrain from personally adopting any of the Companies' contracts existing at the date of their appointment. All contracts are currently under review. The Liquidators will advise the status of contracts as soon as practicable.

3 Legal proceedings

The appointment of Liquidators stays a proceeding in a court against the Companies. You cannot commence or continue a proceeding against the Companies without our written consent or the leave of the Court.

4 Investigations

The Directors have prepared a Report on Company Activities and Property (**ROCAP**) which sets out details of the Companies' business, property, affairs and financial circumstances as at the date of our appointment as Voluntary Administrators. Copies of the ROCAP have been lodged with the Australian Securities & Investments Commission (**ASIC**).

An investigation of the Companies' affairs will be conducted. Creditors who have any information which would assist our investigation are requested to write to us setting out full particulars. Specifically, please provide details on the following issues:

- Any demands, writs, judgments or other legal action taken by you against the Companies.
- Copies of correspondence sent to and received from the Companies regarding unpaid accounts.
- Advice when trading first commenced with the Companies.

5 Estimated outcome for creditors

You may be aware that creditors are entitled to claim for a dividend in the liquidation for debts owed by the Companies at the date of liquidation.

We do not anticipate that the Companies will have sufficient funds to permit the payment of a dividend to any class of creditors.

We are using an online platform to manage creditor claims (**the Creditors' Portal**). Creditors may register and submit a formal proof of debt form electronically via the Creditors' Portal at the following link <https://creditors.accountants/>. Creditors can find further guidance on how to register, submit and manage a claim at **Annexure A**.

Creditors who have already lodged a Proof of Debt form electronically via the Creditors' Portal during the Voluntary Administration are **not required** to lodge another Proof of Debt.

6 Creditor rights

Enclosed at **Annexure B** is an information sheet setting out your rights as a creditor in the liquidation of the Companies, including:

- Making reasonable requests for a meeting or information
- Giving directions to the Liquidator
- Appointing a reviewing Liquidator or replacing the Liquidator.

7 Liquidator's remuneration and fee estimate

In accordance with the Initial Remuneration Notice (**IRN**) provided to creditors during the Voluntary Administration, the Liquidators' remuneration will also be fixed on the basis of time spent by the Liquidators and their staff of an appropriate level having regard to the nature and complexity of the work, and calculated by reference to the hourly rates set out in that IRN.

We estimate fees for the liquidation at \$50,000 for Kalium Lakes Potash Pty Ltd and \$25,000 for Kalium Lakes Infrastructure Pty Ltd, plus applicable GST.

It should be noted that if, during the course of the liquidation, any unanticipated issues arise, it may be necessary to revisit the fee estimate. In the event that we become aware that our costs will exceed this amount we will advise you accordingly.

An information sheet concerning approval of remuneration in external administrations can be obtained from ASIC at www.asic.gov.au.

8 Electronic notification

You may elect to receive future notices or other documents, including circulars and reports regarding the liquidation, via email.

Should you wish to do so, please send your request via email to kaliumlakes@kpmg.com.au with the following information:

- The person to whom matters regarding the liquidation should be directed
- The full name of the creditor entity
- The email address at which the creditor is to receive future correspondence.

9 Next steps

We will continue to conduct the liquidation, including:

- Realising assets of the Companies (if any);
- Completing our investigation into the affairs of the Companies; and
- Reporting to ASIC.

We will write to you within 3 months from the date of our appointment to advise the outcome of our investigations and to confirm whether a dividend to unsecured creditors is likely.

10 Further information

For further information concerning the liquidation process and KPMG, you may wish to visit our website at www.kpmg.com.au. In addition, you can access general information about external administrations and insolvency from ARITA's website at www.arita.com.au.

Should you have any questions regarding the liquidation, 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
Liquidator

Encls

Annexure A

**Kalium Lakes Potash Pty Ltd
ACN 601 436 060**

**Kalium Lakes Infrastructure Pty Ltd
ACN 631 042 450**

**(All In Liquidation) (All Receivers and Managers Appointed)
(Collectively referred to as "the Companies")**

Short guide to the Creditors' Portal

We are using the Creditors' Portal as the primary tool for communicating with creditors and managing claims.

We have prepared this short guide to assist you as a creditor to understand the process that you must undertake to ensure you are appropriately registered as a creditor of the Company.

Please note, the email registered on the Creditors' Portal will receive all notifications including circulars and reports issued by the Liquidator.

Please refer to the following link for further guidance on how to register, submit and manage a claim:
<https://creditors.accountants/Help>



Step 1: Register

- Register as a user at the following link: <https://creditors.accountants/> (use chrome, edge or firefox).
- You will receive a confirmation email to verify your account (verify your email address within 24 hours of registering as a user).
- Once verified, you will be redirected to the Portal.
- If you are already a registered user, please skip to "Login" below.



Step 2: Log in

- Log into the Portal using your username and password.
- You will be redirected to a screen where you need to input the following details:
 - Company creditor – an ABN; or
 - Individual creditor – first and last name.
- You will be prompted to make a declaration to confirm that you are authorised to act on behalf of the company or individual and agree on how you wish to receive future correspondence.



Step 3: Link creditor

- Once you have completed your declaration, you will be redirected to the Portal landing page where you can view the Company under "Recent Interactions".
- If you cannot view the Company listed on the landing page you may need a creditor code to link your profile to the Company.
- Please contact the Liquidators for a unique code to register your claim.
- Once you receive your creditor code, log in and click on your user name in the top right hand side and click on "Creditor Admin" and input your code and click "Link"
- There will be an option to provide an ABN (if relevant) for company creditors, click "I do not have an ABN" (individuals) and then click "continue"
- Follow the prompts and confirm you are authorised to act on behalf of the creditor.



Step 4: View company and documents

- You will be able to view the Company on the landing page or under the “*Debtors*” tab and click “*My debtors*” or “*My claims*”. Click on “*Details*” to be directed to the Company.
- You will be able to view any documents uploaded under the “*Documents*” tab that relate to the Company.
- There are additional resources that you can also access under the “*Resources*” tab.



Step 5: Submit a Formal Proof of Debt Form (POD)

- You will be able to view the Company on the landing page or under the “*Debtors*” tab and click “*My debtors*” or “*My claims*”. Click on “*Details*” to be directed to the Company.
- Click on the “*Proof of Debt*” tab.
- Click on the “Submit” button and start completing the POD form.
- Tick “*No*” to the question “*Is your proof of debt informal?*”. If you are an employee creditor, this will not be an option.
- Upload any supporting documentation for consideration.
- Press “*Next*” and “*Submit*”.

Creditor Assistance Sheet: Completing a Proof of Debt Form

Section A – Name and Contact Details of Creditor

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 – Details of Debt or Claim

1. The amount owing should only include debts or claims which arose prior to the date of appointment.
2. Insert the currency if not Australian dollars.
3. Type of creditor: tick one of the options only.
4. For all claims, ensure supporting documentation is attached, such as invoices, statements, agreements.
5. For secured creditors, insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, indicate “refer attached” above and show them in a schedule in the following form:

Date	Drawer	Acceptor	Amount (\$)	Due Date

Section C – Signature Instructions

1. Insert the date that the proof of debt 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”]

Annexure B

Creditor Rights in Liquidations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request a meeting

In liquidations, no meetings of creditors are held automatically. However, creditors with claims of a certain value can request in writing that the liquidator hold a meeting of creditors.

A meeting may be requested in the first 20 business days in a creditors' voluntary liquidation by $\geq 5\%$ of the value of the debts held by known creditors who are not a related entity of the company.

Otherwise, meetings can be requested at any other time or in a court liquidation by:

- $> 10\%$ but $< 25\%$ of the known value of creditors on the condition that those creditors provide security for the cost of holding the meeting
- $\geq 25\%$ of the known value of creditors
- creditors by resolution, or
- a Committee of Inspection (this is a smaller group of creditors elected by, and to represent, all the creditors).

If a request complies with these requirements and is 'reasonable', the liquidator must hold a meeting of creditors as soon as reasonably practicable.

Right to request information

Liquidators will communicate important information with creditors as required in a liquidation. In addition to the initial notice, you should receive, at a minimum, a report within the first three months on the likelihood of a dividend being paid.

Additionally, creditors have the right to request information at any time. A liquidator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the liquidation, and the provision of the information would not cause the liquidator to breach their duties.

A liquidator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the liquidator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable. They are not reasonable if:

Both meetings and information:

- complying with the request would prejudice the interests of one or more creditors or a third party
- there is not sufficient available property to comply with the request
- the request is vexatious

Meeting requests only:

- a meeting of creditors dealing with the same matters has been held, or will be held within 15 business days

Information requests only:

- the information requested would be privileged from production in legal proceedings
- disclosure would found an action for breach of confidence
- the information has already been provided
- the information is required to be provided under law within 20 business days of the request

If a request is not reasonable due to (b), (d), (g) or (h) above, the liquidator must comply with the request if the creditor meets the cost of complying with the request.

Otherwise, a liquidator must inform a creditor if their meeting or information request is not reasonable and the reason why.

Right to give directions to liquidator

Creditors, by resolution, may give a liquidator directions in relation to a liquidation. A liquidator must have regard to these directions, but is not required to comply with the directions.

If a liquidator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons.

An individual creditor cannot provide a direction to a liquidator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a liquidator's remuneration or a cost or expense incurred in a liquidation. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the liquidator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace liquidator

Creditors, by resolution, have the right to remove a liquidator and appoint another registered liquidator.

For this to happen, there are certain requirements that must be complied with:

1.Meeting request

A meeting must be reasonably requested by the required number of creditors.

Creditors must inform the existing liquidator of the purpose of the request for the meeting.

1.Information and notice

Creditors must determine who they wish to act as the new liquidator (this person must be a registered liquidator) and obtain:

- Consent to Act, and
- Declaration of Independence, Relevant Relationships and Indemnities (DIRRI).

The existing liquidator will send a notice of the meeting to all creditors with this information.

1.Resolution at meeting

If creditors pass a resolution to remove a liquidator, that person ceases to be liquidator once creditors pass a resolution to appoint another registered liquidator.