

Lithium Projects Exploration and IPO Update

Highlights

PILBARA EXPLORATION ACTIVITIES

- Kalamazoo has commenced a ~12,000m aircore (“AC”) drilling program at its **DOM’s Hill Lithium Project** in the Pilbara, WA
- The AC drilling program is targeting two broad areas considered highly prospective for Lithium-Caesium-Tantalum (“LCT”) pegmatites based upon analogous geology to the nearby Pilgangoora lithium deposit as well as anomalous soil geochemistry
- Field reconnaissance and geological mapping of identified soil geochemistry anomalies continues across the Pilbara JV project areas
- The DOM’s Hill Lithium Project is part of an exploration Joint Venture (“**Joint Venture**”) between Kalamazoo and Chilean lithium producer Sociedad Química y Minera de Chile S.A. (“**SQM**”) (NYSE: SQM)

KALI METALS IPO AND EXPLORATION UPDATE

- Agreement with TSX-listed gold miner Karora Resources Inc (“**Karora**” TSX: KRR) to spin out Kalamazoo’s and Karora’s combined Australian-based lithium projects into Kali Metals Limited (“**Kali**”)
- Kali to undertake an initial Public Offering (“**IPO**”), expected to raise \$10 to \$12 million with Bell Potter and Canaccord appointed as Joint Lead Managers
- At listing, Kali will be a leading Australian critical minerals exploration company, having consolidated significant lithium and critical minerals tenure in the Pilbara, Eastern Yilgarn and Lachlan Fold Belt totaling ~**3,866km²**
- The IPO will provide Kalamazoo shareholders with an initial 25% in-specie distribution of its Kali shares and priority entitlement to subscribe for shares in Kali, subject to final shareholder and regulatory approvals
- At Karora’s **Higginsville Lithium Project** which forms part of the upcoming Kali Metals Ltd IPO, an experienced exploration team recently commenced early-stage field reconnaissance and rock chip sampling of several high priority targets identified from known pegmatite outcrops and historical reports
- Interrogation of the large project-wide drilling database at the Higginsville Lithium Project is ongoing with historical downhole pegmatite intersections identified for follow-up investigation

PILBARA EXPLORATION ACTIVITIES

Kalamazoo Resources Limited (**ASX: KZR**) (“Kalamazoo” or “the Company”) is pleased to advise that a ~12,000m AC drilling program has commenced at its DOM’s Hill Lithium Project, located in the Pilbara region of WA (Figure 1). Kalamazoo considers the DOM’s Hill Lithium Project highly prospective for LCT-mineralised pegmatite dykes and recently completed all requisite Government permitting and cultural heritage surveys to drill two high priority prospect areas within E45/4919 and E45/5146 targeting favourable major structures. Furthermore, the area to be drilled in E45/5146 contains anomalous soil geochemistry as previously reported (Figure 2)¹.

The AC drilling program is being completed on a 400m x 200m grid pattern across both prospect areas to collect samples from the underlying regolith which is covered by a thin veneer of transported cover. The regolith samples will subsequently be submitted for multi-element assay analysis to test for geochemical anomalism indicative of LCT pegmatite dykes. Positive regolith geochemistry anomalism will be the subject of follow-up drill testing of the underlying basement.

The program is expected to be completed in August 2023 with laboratory assay results due Q4 2023.

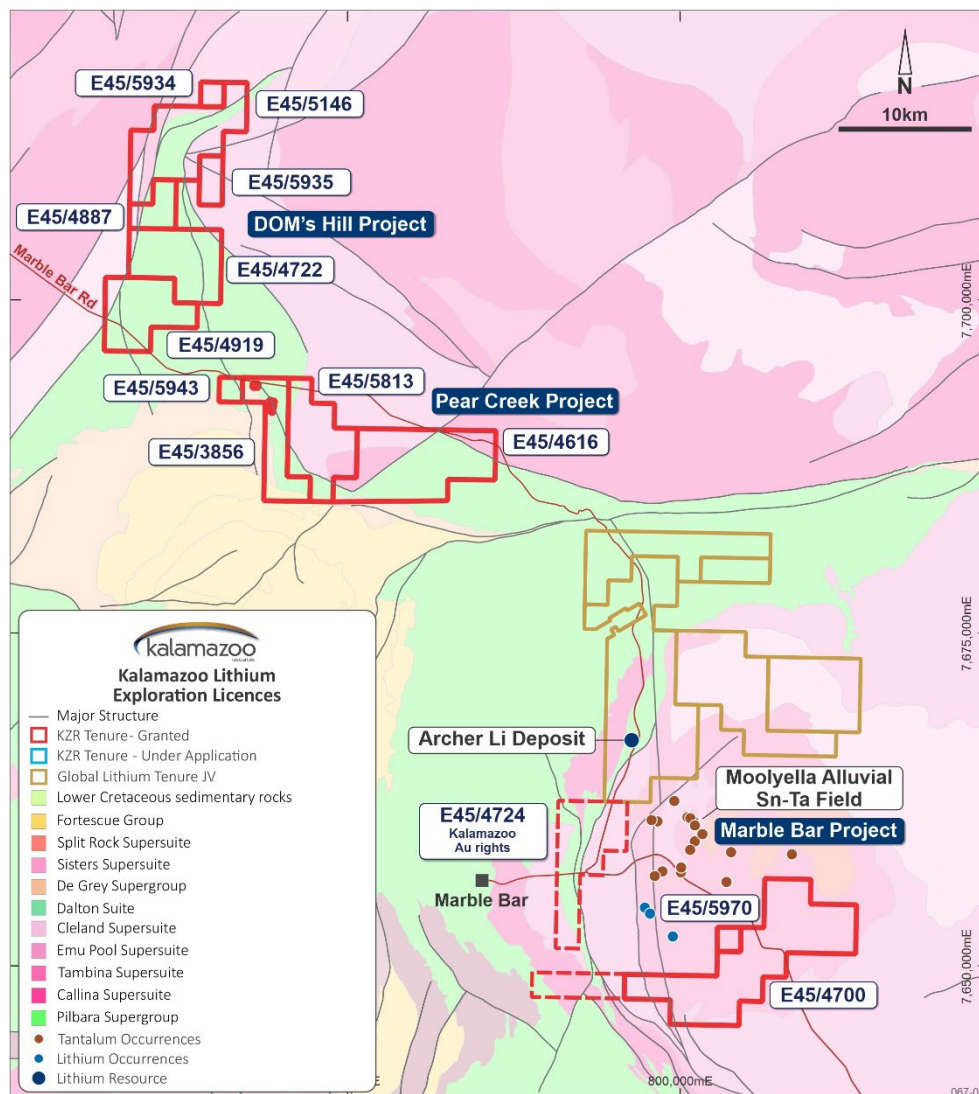


Figure 1: Location of Kalamazoo’s lithium exploration projects at DOM’s Hill, Pear Creek and Marble Bar, East Pilbara WA. Note that Kalamazoo has gold rights only in respect to E45/4724.

¹ ASX: KZR 11 May 2022

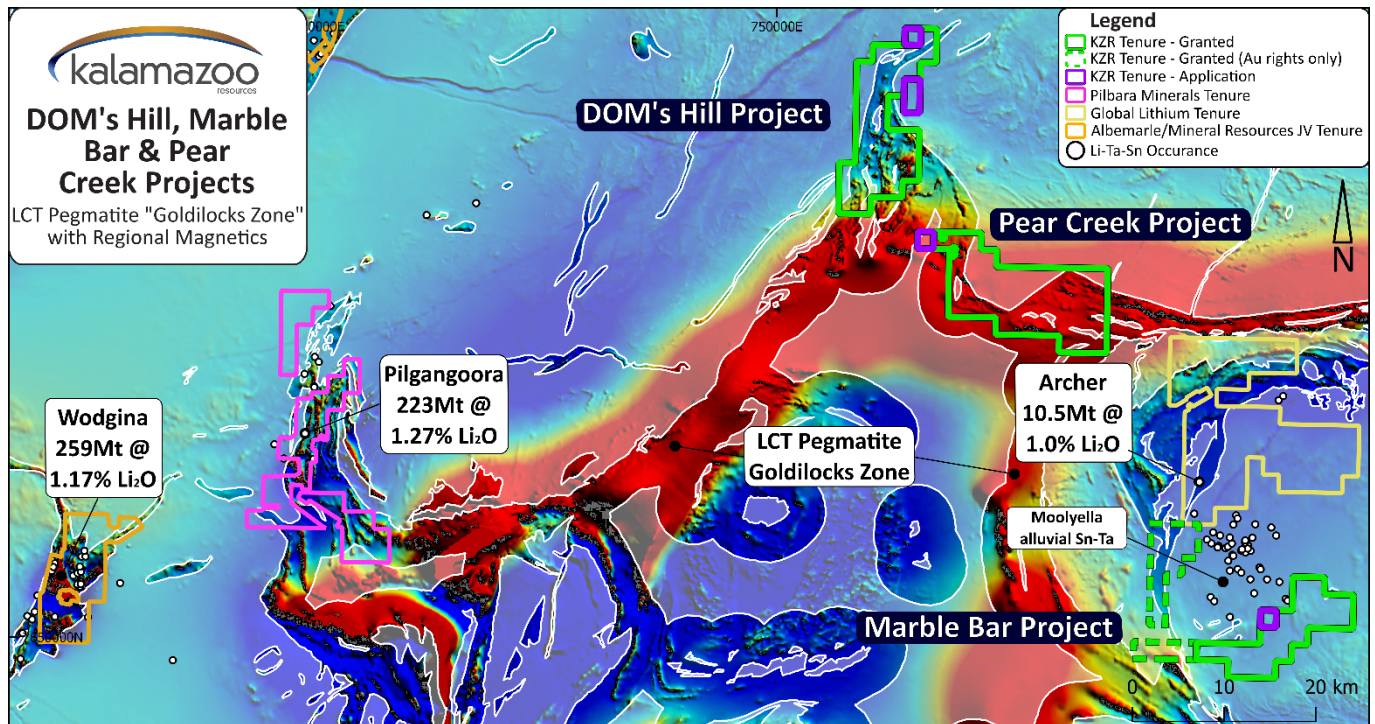


Figure 2: Location of the DOM's Hill Lithium Project with respect to the Pilgangoora and Wodgina lithium mines and the Archer lithium deposit on a background WA regional-scale aeromagnetic image². The interpreted "Goldilocks Zone" is defined as a 4km wide zone located along the Archaean granite-greenstone contact area.

KALI METALS IPO AND EXPLORATION UPDATE

Kalamazoo and Karora continue to make excellent progress with the upcoming Kali IPO. The Prospectus, Independent Technical Report and supporting documentation are substantially complete and Bell Potter and Canaccord have been appointed as Joint Lead Managers for the \$10-12m capital raise, currently scheduled for October 2023.

At IPO, Kalamazoo shareholders will receive an initial 25% in-specie distribution of Kali shares issued to Kalamazoo and a priority entitlement to subscribe for shares in Kali, subject to final shareholder and regulatory approvals. The record dates for Kalamazoo shareholders to the entitlement to the in-specie distribution, and priority entitlement, will be announced shortly.

At the Higginsville Lithium Project (which forms part of the upcoming Kali Metals' IPO³) an experienced exploration team recently commenced early-stage field reconnaissance and rock chip sampling of several high priority targets identified from known pegmatite outcrops and historical reports (Figure 3). Concurrently, the exploration team is also interrogating and evaluating the large project-wide drilling database to identify historical downhole pegmatite intersections for follow-up investigation. Of note the majority of these historical downhole pegmatite intersections have no corresponding lithium or associated pathfinder element assay data.

The purpose of the Higginsville concurrent field and database exercises is to define high priority drill-ready targets to be drill tested as soon as possible in 2H 2023, subject to all requisite permitting.

² Western Australian Department of Mines, Industry Regulation and Safety website: Lithium in Western Australia, June 2021

³ ASX: KZR 8 May 2023

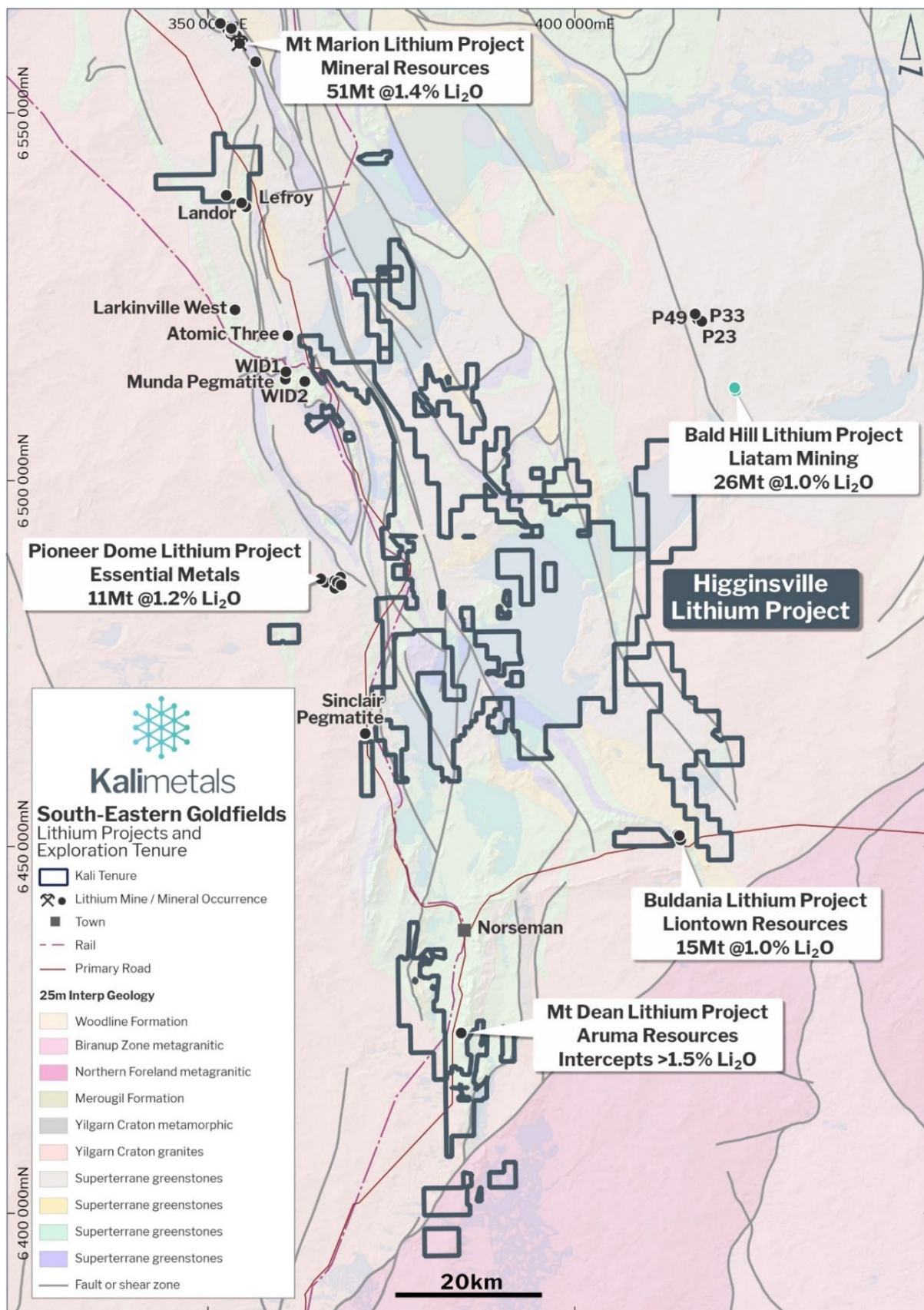


Figure 3: Location of Higginsville Lithium Project

This announcement has been approved for release to the ASX by Luke Reinehr, Chairman and CEO, Kalamazoo Resources Limited.

For further information, please contact:

Luke Reinehr

Chairman/CEO

luke.reinehr@kzr.com.au

Media & Investor Relations

Victoria Humphries

victoria@nwrcommunications.com.au

Media & Investor Relations

Leo Karabelas: leo@fcr.ca

Tom Panoulis: tom@fcr.ca

Previously Released ASX Material References

For further details relating to information in this announcement please refer to the following ASX announcements:

ASX: KZR 7 December 2021

ASX: KZR 11 May 2022

ASX: KZR 8 May 2023

About Kalamazoo Resources Limited

Kalamazoo Resources Limited (ASX: KZR) is an ASX-listed exploration company with a portfolio of high-quality gold and lithium projects in Victoria, New South Wales and the Pilbara, WA. Kalamazoo is exploring at its 100% owned Castlemaine Goldfield (historical production of ~5.6Moz Au), south of the Maldon Goldfield (historical production of ~2Moz) and Mt Piper Gold Project near the world class Fosterville gold mine in Victoria. In the Pilbara, Kalamazoo's extensive exploration program is advancing the 100% owned Ashburton Gold Project to further increase the 1.44Moz Au resource and progress development plans. Kalamazoo's WA lithium projects include the DOM's Hill and Marble Bar Lithium Projects in an exploration joint venture with the major Chilean lithium producer Sociedad Química y Minera de Chile S.A. (SQM) (NYSE: SQM) and the 100% owned Pear Creek Lithium Project. Kalamazoo's 100% owned Victorian/NSW lithium projects includes the Tallangatta and Jingellic in the newly emerging lithium province of the Lachlan Fold Belt.

On 8 May 2023, Kalamazoo announced that it had entered into an agreement with Karora Resources Inc to vend their respective lithium projects and mineral rights into the newly formed Kali Metals Limited and to undertake an IPO.

Kalamazoo has become the first gold and lithium explorer operating in Australia to be certified carbon neutral for its business operations under the Federal Government's Climate Active Program, with projected 2022 emissions fully offset achieved with a verified environmental reforestation program in Western Australia.

Competent Persons Statement

The information in this announcement for the Pilbara Lithium Projects is based on information compiled by Dr Luke Mortimer, a competent person who is a Member of The Australian Institute of Geoscientists. Dr Mortimer is an employee engaged as the Exploration Manager for the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves'. Dr Mortimer consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding Kalamazoo's plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that Kalamazoo's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Kalamazoo will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Kalamazoo's mineral properties. The performance of Kalamazoo may be influenced by a number of factors which are outside the control of the Company and its Directors, staff and contractors.