
Wickepin Plant Completed on Budget (Amended)

WA Kaolin Ltd (“**WA Kaolin**” or the “**Company**”) (ASX: WAK) wishes to advise that an amended version of this morning’s announcement titled “**Wickepin Plant Completed on Budget**” is attached to this document.

This amended version now contains further disclosures on the third page (***Estimates and Production Targets*** and ***Forward Looking Statements***) that were accidentally omitted from the original announcement.

This announcement was authorised for market release by the Company Secretary of WA Kaolin Limited.

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Wickepin Plant Completed on Budget (Amended)

Highlights

- **WA Kaolin has achieved practical completion of its Wickepin Kaolin Plant with construction compliance issued by the Department of Water and Environmental Regulation (DWER)**
- **The plant has been completed within budget, set out in 2020 IPO Prospectus**
- **Commissioning of the plant has been approved by DWER and commences 27th June 2022**
- **WAK anticipates achieving the plant's nameplate capacity of 25 tonnes per hour within a few weeks of commissioning ahead of achieving full Stage 1 production rate of 200,000 tonnes per annum (tpa) by year end**
- **90% of Stage 1 output is covered by existing Offtake Agreements and LOIs**

WA Kaolin Ltd (“**WA Kaolin**” or the “**Company**”) (ASX: WAK) is pleased to advise of the practical completion of the processing plant at the Wickepin Kaolin Project, with government endorsed construction compliance. Most notably, the Company reports that the completion has occurred within the Company’s original budget which was detailed in the IPO Prospectus (ASX Announcement “*WAK Prospectus*” 24th November 2020).

Following the delivery of the processing plant with an excellent safety record during construction, commissioning is the next vital step to provide a safe, efficient and operation-ready facility. Commissioning commences Monday 27th June 2022 and processing run of mine ore is on track to begin in August 2022, with the ramp up to full production rate of 200,000tpa by year end.

The processing plant has been constructed to utilise WA Kaolin’s proprietary dry processing method, the K99 Process, designed specifically for the high-grade Wickepin kaolin resource. The K99 process will produce an ultra-bright, high-quality kaolin product at a low cost, in comparison to other methods which rely on chemical bleaching and multiple wet mechanical and magnetic separation methods.

Prior to the commencement of production from Stage 1, WA Kaolin has in place offtake agreements and LOIs securing contracts covering 90% of the expected Stage 1 output.

CEO Andrew Sorensen said, *“Since our ASX listing back in November 2020, the WA Kaolin construction team, led by founder and executive director, Alf Baker, has worked tirelessly on site to achieve what we have today – the practical completion of the processing plant at the Wickepin Kaolin Project, which will allow the Company to achieve its defined Stage 1 Wickepin ramp up, to be producing 200,000tpa of high purity kaolin.*

With the completion in place and commissioning commencing, we are on track to commence production at a rate of 25 tonnes per hour nameplate capacity, which we will steadily increase to ~ 200,000 tonnes per annum rate by the end of this year.

The Board and I wish to thank everyone who has been involved in construction to date and our loyal shareholders who have been with us on this journey. As we ramp up to full production, we look forward to not only providing our premium kaolin to our tier one customers, but also progressing into our Stage Two ramp up, to increase production to 400,000tpa.

I am very proud of what we have achieved to date, most notably given that almost the entire construction of the processing plant has been done in a COVID environment where we, like everyone in our wider industry, have had to endure delays in shipping and delivery, in addition to managing shortages of labour attributable to the virus. As our commencement of production nears, I look forward to updating shareholders of our progress.”

This announcement was authorised for market release by the Board of WA Kaolin Limited.

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Project Background

WA Kaolin holds the Wickepin Kaolin Project, 220km south-east of Perth, which has a 644.5 million tonnes Mineral Resource, including an Ore Reserve Estimate of 30.5 million tonnes of kaolinised granite. The Wickepin Project produces kaolin products for tier one customers and the Company aims to expand its production to 400,000tpa in a two-stage strategy.

The Company anticipates reaching its first full production rate in late August 2022, at which time production is still targeted to commence at 25 tonnes per hour nameplate capacity and steadily increase to ~ 200,000 tonnes per annum rate by the end of CY22.

WA Kaolin has a two-stage ramp up strategy. Stage 1 will see the production rate optimised up to 200,000tpa by end of CY22. The second stage will be to expand production to 400,000 tpa.

The Company acquired the Wickepin Project in 1999 from Rio Tinto which, through exploration, had discovered and drilled out a Mineral Resource and commissioned engineering and feasibility studies. The acquisition included the tenements covered by the Wickepin Project and all associated engineering and feasibility studies.

Since then and prior to the Company's IPO in November 2020, WA Kaolin co-founders and owners invested over \$42 million to develop and progress the Wickepin Project. Through extensive R&D of product and processes, the Company has spent significant time and funds in optimising its proprietary dry processing method for kaolin ("K99 Process") to build and extend on its success as a kaolin producer and exporter to global markets.

As part of the process, the Company has undertaken trial mining and processing to ensure proof of concept and to produce product for, amongst other things, establishing customer confidence and price discovery.

The project comprises a mining lease, a general-purpose lease, a miscellaneous licence and retention licences. It is one of the largest known remaining kaolin resources in the world, and contains:

- A **Probable Ore Reserve of 30.5 million tonnes** (Table 1) in the mining lease which is part of and included in;
- An **Inferred Mineral Resource (reported in 2017) of 644.5 million tonnes** (Table 2) of high-grade premium kaolinised granite across all tenements.

Table 1. Ore Reserves by JORC Classification

JORC classification	Tonnes (Mt)	ISO brightness (%)	Yield (%) ($<45 \mu\text{m}$ in size)	In situ Kaolin (Mt)
Proved				
Probable	30.5	83.7	51.8	15.8
Total	30.5	83.7	51.8	15.8

Source: CSA Global Report No. R301.2020 – 30th July 2020

Table 2. Inferred Mineral Resources ($<45 \mu\text{m}$), WA Kaolin Project

	Kaolinized granite (Mt)	ISO brightness (%)	Yield (%)	Kaolin (Mt)
Total	644.5	75.8	44.0	283.6

Source: CSA Global Report No. R280.2017 – 3rd August 2017

Estimates and production targets

The Mineral Resources, Ore Reserves and production targets referred to in this announcement were previously reported in the Prospectus dated 11 October 2020 and released to the ASX on 24 November 2020 and the Definitive Feasibility Study announcements released on 24 and 25 November 2020. WA Kaolin confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates, production target or forecast financial information derived from a production target continue to apply and have not materially changed.

Forward Looking Statements

This ASX announcement may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on WAK's current expectations, estimates and assumptions about the industry in which WAK operates, and beliefs and assumptions regarding WAK's future performance. Any forward-looking statements, that are inconsistent with previous forward-looking statements made by the Company supersede those previous statements or prevail to the extent of any inconsistency. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of WAK. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law, WAK does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

About WA Kaolin

WA Kaolin's Wickepin Kaolin Project, 220km south-east of Perth, contains a Mineral Resource (JORC 2012) of 644.5 million tonnes^{1,2} of high-grade premium kaolinised granite. This world-class resource at Wickepin is one of the largest known remaining premium primary resources of kaolin globally. It is characterised by its purity, quality and brightness, producing kaolin products that typically attract higher prices from a growing collection of top tier customers.

With more than \$42 million invested in the project prior to the Company's IPO in November 2020, WA Kaolin has developed a proprietary dry processing method, known as K99, to turn raw material into market suitable feedstock for global customers, and constructed a small-scale commercial processing plant on 3ha of portside industrial land at Kwinana, WA. The Company is focused on increasing production from Wickepin to 400,000 tonnes per annum with further modular increases to capacity to be implemented in tune with market demand and funding capability.

¹ The Mineral Resource estimate is inclusive of Ore Reserves.

² CSA Global Mineral Resource Estimate R280.2017