

## Wickepin Plant Commissioning Progresses

### Highlights

- **WA Kaolin advances commissioning of Wickepin Processing Plant on schedule**
- **Plant expected to commence nameplate capacity of 25 tonnes per hour by end of September**
- **Facility power plant operating at 100% nameplate capacity**
- **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 provide an update on commissioning of the processing plant at its Wickepin Kaolin Project. Following significant progress during the current quarter, WA Kaolin is on track to prove production at nameplate capacity of 25 tonnes per hour by the end of September.

Commissioning progress to date has been highlighted by the production of high-quality kaolin which meets and exceeds our customer specification. The commissioning to date has seen each of the process steps run, including plant infeed; kiln drying; separation waste conveying; the silo transfer system and the bulk bag packaging station. The 20kg bagging station is due for commissioning in the last quarter of CY2022.

The commissioning phase has to date been achieved with an outstanding safety record and the Company’s upcoming work program on the plant includes commissioning of each of the process steps to nameplate capacity - to operate the full plant at nameplate capacity and conduct noise and stack testing.



**Figure 1.** ROM feeder

Earlier this year, commissioning of the plant was approved by the WA Department of Water and Environmental Regulation (DWER) and commenced on 27<sup>th</sup> June 2022.

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.



**Figure 2.** Conditioned ore feed to the rotary kiln

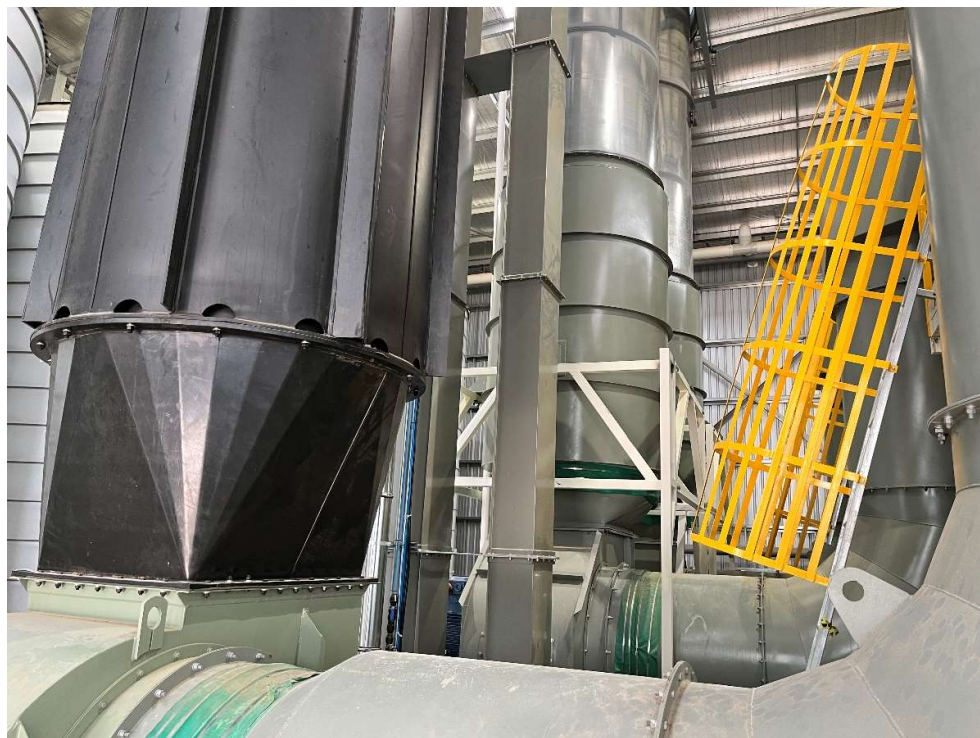
Prior to the commencement of production from Stage 1, WA Kaolin has in place offtake agreements and LOIs securing contracts covering 90% of the expected Stage 1 output.

**CEO Andrew Sorensen said,** *"We are delighted with the progress made on commissioning of the Wickepin Kaolin Plant so far, as we close in on completing this important phase in the development of our project. The hard work of our on-site team at the Wickepin Kaolin Project has the Company well placed to commence production at nameplate capacity by the end of September."*

*With commissioning progressing as planned, we are also on track to steadily increase production to the planned Stage 1 production rate of ~200,000 tonnes per annum in the coming year, before then looking ahead to progressing into our Stage 2 ramp up to 400,000 tonnes per annum. As we near the completion of the commissioning phase in the coming weeks, I look forward to updating shareholders of our progress."*



**Figure 3.** Kwinana plant and ROM pad (left)



**Figure 4.** Separator product collector fans

**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 September 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 (%)<br>( $<45 \mu\text{m}$ in size) | In situ Kaolin (Mt) |
|---------------------|-------------|--------------------|---|---------------------|
| Proved              |             |                    |   |                     |
| Probable            | 30.5        | 83.7               | 51.8                                      | 15.8                |
| <b>Total</b>        | <b>30.5</b> | <b>83.7</b>        | <b>51.8</b>                               | <b>15.8</b>         |

Source: CSA Global Report No. R301.2020 – 30<sup>th</sup> July 2020

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

|              | Kaolinized granite (Mt) | ISO brightness (%) | Yield (%)   | Kaolin (Mt)  |
|--------------|-------------------------|--------------------|-------------|--------------|
| <b>Total</b> | <b>644.5</b>            | <b>75.8</b>        | <b>44.0</b> | <b>283.6</b> |

Source: CSA Global Report No. R280.2017 – 3<sup>rd</sup> 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<sup>1,2</sup> 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.

<sup>1</sup> The Mineral Resource estimate is inclusive of Ore Reserves.

<sup>2</sup> CSA Global Mineral Resource Estimate R280.2017