



Investor Presentation

Equity Raising: Production Ramp Up and Advancing Stage 2 at the world class Wickepin Kaolin operation

Delivering ultra bright, high purity Kaolin into a global market for decades to come



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Compelling Investment Proposition

Long-life supply of superior quality Kaolin, with a global competitive advantage through proximity to the dominant Asian end user market

WAK is now an Emerging Globally Significant Kaolin Producer

- One of the largest ultra bright high purity Kaolin deposits in the world
- Proven low-cost production via K99 process
- Product demand significantly in excess of current ramp up targets
- Wickepin product already achieving price premiums in excess of feasibility forecasts
- WAK has significant competitive advantage due to proximity for shipping to the dominant Asian Kaolin market (versus US based competitors)

New Equity Rationale: Production Ramp Up and Advancing Stage 2

- WAK is conducting a capital raising of A\$7.5m
- Raising strongly supported by directors and management, who are subscribing for \$1 million (13.3%) of the capital raising, subject to shareholder approval
- New equity to provide working capital as the company ramps up operations
- The company expects to come to carry inventory levels of up to 25,000 tonne which requires \$5m of working capital
- Continued incremental investment in the planned Stage 2 including bagging plant – opportunity to bring forward high margin 20kg bag sales (strong customer demand)



WA Kaolin CEO Andrew Sorensen at the Wickepin ROM stockpile ready for processing

WAK Ramping Up to 400,000tpa and beyond

Pilot Operations	2022 Stage 1 Ramp Up	2024 Stage 2 Ramp Up	Future Scale Up
<p>K99 Proof of Concept Plant Kwinana, WA</p> <ul style="list-style-type: none"> ▪ Pilot Plant Production ▪ 5t/hour ▪ Growing market with small commercial sales to key customers ▪ Reverting to R&D Activities <p>✓ COMPLETE</p>	<p>K99 Commercial Scale Wickepin, WA</p> <ul style="list-style-type: none"> ▪ 25t/hour ▪ Production capacity of 200ktpa Kaolin¹ ▪ Improved logistics further lowers Opex ▪ All production under existing offtakes and LOIs ▪ Forecast positive cashflow in H1 CY23 <p>UNDERWAY</p>	<p>K99 Capacity Expansion Wickepin, WA</p> <ul style="list-style-type: none"> ▪ 50t/hour ▪ Production capacity of 400ktpa kaolin¹ ▪ Further reduction of Opex through economies of scale ▪ Planned entry into the high premium paper market (via wet processing circuit R&D) ▪ Estimated 12-month build, targeted outstanding funding to be completed via cashflow from operations ▪ Very strong demand from customers to accelerate Stage 2 timeline ▪ Stage 2 budget \$16m, to date \$4m has been spent 	<p>Further K99 Expansion Wickepin, WA</p> <ul style="list-style-type: none"> ▪ After Stage 2 ramp up completion Wickepin will represent just 2% of global output ▪ Continued opportunity to build market share, particular in Asia, due to material shipping cost competitive advantage ▪ WAK intends to implement further 200ktpa modular increases to cater for product demand growth

1. Based on 24 hours / 7 days a week



2022 Milestones

Wickepin Plant Operational

- Stage 1 operations underway: First production in September 2022
- Operational start up completed to budget despite challenging environment (COVID-19, supply chain, labour shortages)
- Accelerated early investment into portions of Stage 2 production ramp up due to customer demand



Executed Additional Major Long-term Offtake Agreements

- Offtake agreement signed for up to 13,500 tonnes over 3 years with Vietnamese distributor
- Additional contracts with customers in Australia, Malaysia and South Korea
- Customer demand for Wickepin quality premium Kaolin continues to far outstrip Stage 1 supply capability

Price Premium Achieved

- Wickepin quality attracting sales premium above expectation
- Average FOB price A\$278/t (FY23 YTD) vs 2020 Prospectus estimate of A\$240/t
- Stage 2 product bagging line (due H1 CY23) provides access to high margin 20kg bag market

Growing Production & Operational Cashflow

- Initial Stage 1 production ramp up continuing to achieve daily production records
- Wickepin operational ramp up forecast to be cashflow positive within H1 CY23
- Ramp up to sell out full Stage 1 production capacity forecast by June 2023



Corporate Snapshot

Corporate Structure

Shares on Issue	332,991,470
Market Capitalisation @ 17.0c per share	\$56.6m
Unlisted Options ¹	167,232,813
Performance Rights	27,500,000

¹ Weighted average option exercise price is \$0.27 and expiring between Nov-23 to Nov-25

Cash at bank 30/09/2022	\$2.9m
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Substantial Shareholders

Top 30 Shareholders	72%
Board & Founders	32.6%
No. of Shareholders	1,490



John White
Non-Executive Chairman



Alf Baker
Executive Director



Cathy Moises
Non-Executive Director



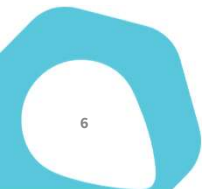
Patrick Walta
Non-Executive Director



Andrew Sorensen
Chief Executive Officer



Michael Kenyon
Chief Financial Officer & Company Secretary



Equity Raise Details

WA Kaolin is raising A\$7.5 million (before costs)

Offer Structure and Size Single tranche share placement of fully paid ordinary shares (“New Shares”) to sophisticated, professional and other institutional investors to raise approximately A\$5.0 million (before costs) (“Placement”).

A Share Purchase Plan (“SPP”) will be offered to the Company’s eligible shareholders at the Offer Price to raise up to A\$1.5 million, comprising the issue of up to approximately 10 million New Shares in the Company (together, the “Offer”).

Executive Director of the Company, Alf Baker, and CEO Andrew Sorensen have also committed to subscribe to A\$1.0 million by way of a Converting Loan which will automatically convert into New Shares at the same issue price as the Offer, subject to shareholder approval. New Shares will rank equally with existing shares.

Offer Price Offer price of A\$0.150 per share, which represents a:

- 11.8% discount to last closing price of \$0.170 as at 24 November 2022; and
- 10.7% discount to the 5-day trading VWAP of A\$0.168

Share Purchase Plan Eligible Shareholders with a registered address in Australia or New Zealand at 4.00pm (WST) on 28 November 2022 will have the opportunity to apply for New Shares pursuant to SPP

- Offer price of A\$0.150 per share
- WA Kaolin intends to raise A\$1.5 million (the Board reserves the rights to scale back applications at its absolute discretion)
- Director Cathy Moises and CFO Michael Kenyon have indicated they intend participating in the SPP.
- The Company is applying for ASX waivers to allow the SPP to proceed less than 12 months after the Company’s last SPP. In the event the waivers are not granted, the Company intends to utilize its available placement capacity under ASX Listing Rule 7.1 and seek shareholder approval to issue SPP Shares to Directors who participate in the SPP.

Use of Proceeds Please refer to slide 8

Lead Manager Canaccord Genuity (Australia) Limited is acting as Lead Manager and Bookrunner to the Placement and Lead Manager to the SPP.

Use of Proceeds

Item	A\$ million
Source of funds	
Placement (including Converting Loan)	6.0
SPP	1.5
Total	7.5
Stage 2 Works	
20kg Bagging Filling and Palletising	1.5
Covered Ore Store Roof	0.5
Mine development and Traffic Management	0.5
Working Capital and R&D (inc. Costs of the Offer)	5.0
Total	7.5

Indicative Timetable

Event	Date
Trading halt	Friday, 25 November 2022
Record date for the SPP	4pm (WST) Monday, 28 November 2022
ASX announcement Placement & SPP, Appendix 3B lodged with ASX	Pre-open Tuesday, 29 November 2022
Trading halt lifted – trading resumed on the ASX	7am (WST) Tuesday, 29 November 2022
Settlement of Placement, issue of New Shares issued under the Placement, Appendix 2A and Cleansing Notice lodged with ASX	Monday, 5 December 2022
Dispatch of SPP offer booklet and application forms to Eligible Shareholders Opening date for SPP acceptances	Tuesday, 6 December 2022
Commencement of trading of New Shares issued under the Placement	Tuesday, 6 December 2022
Closing date for SPP acceptances	Wednesday, 21 December 2022
Announce results of SPP	Thursday, 22 December 2022
Allotment of New Shares issued under the SPP and Appendix 2A lodged with ASX	Friday, 30 December 2022
Normal trading of New Shares issued under the SPP	Monday, 2 January 2023
Dispatch of holding statements under the SPP	Tuesday, 3 January 2023

Indicative Timetable subject to change

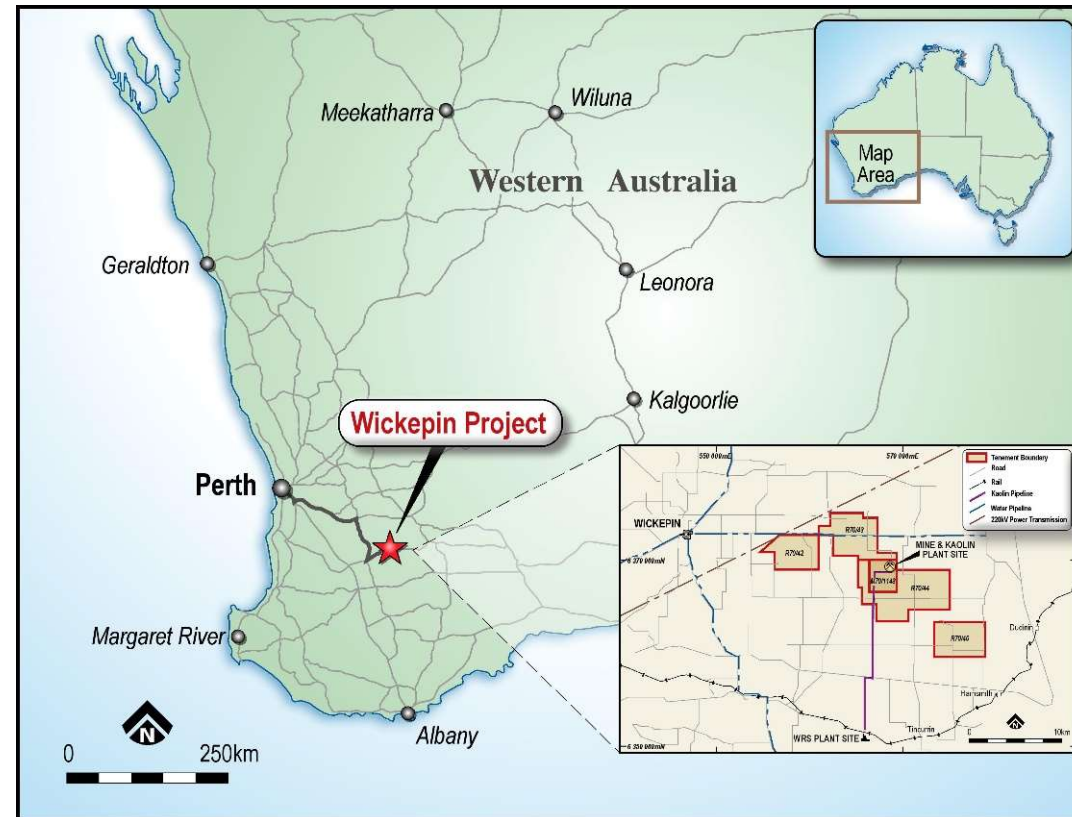
Wickepin Kaolin Operation: Overview

World Class Deposit

- Discovered by Rio Tinto in 1980's (acquired by WA Kaolin in 1999)
- **Ore Reserve:** 30.5mt¹ of ultra bright, high purity kaolinised granite
- **Mineral Resource:** 644.5 mt² of ultra bright, high purity kaolinised granite (includes ore reserve)
- The mineralised zone is **free dig, open cut, a low strip ratio** with overburden thickness varying from 2-9 metres and is between 15-35 metres in thickness.

Strong Logistics Infrastructure

- Proximal to power, water, road, rail, towns
- Access to ports in Fremantle (220 km) and Bunbury (230 km)
- All infrastructure in place to support future expansion plans



Wickepin location and tenement map

1. CSA Global Report No. R301.2020 – 30th July 2020*
2. CSA Global Report No. R280.2017 – 3rd August 2017*

* Refer slide 14 for information and disclaimer relating to Estimates and Production Targets

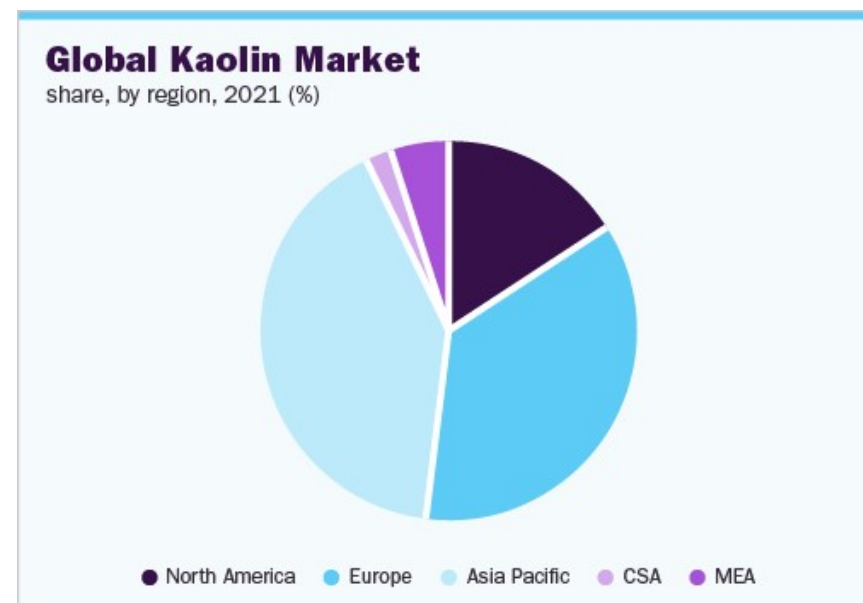
Kaolin Market Growing Strongly

Market Size & Growth

- 2021: Over US\$4.2 billion in global kaolin market sales
- Continued strong global Kaolin market growth, forecast 3.7% compound growth 2022-2030
- Asia dominates end user demand (41% market 2021), primarily in China, India, Malaysia and South Korea

Product End Use Growth

- The global kaolin market is expected to show a compound annual growth rate (CAGR) of 3.7% from 2022-2030. Revenue forecast is estimated to be US\$5.87 billion in 2030.
 - Ceramics (33% end use market) – forecast 4.6% compound growth 2022-2030
- Countries including China, India, Vietnam, Malaysia and South Korea and set to be the main contributors to this growth during the period.



CSA – Central & South America
MEA – Middle East & Africa

Reference: Grand View Research report, Kaolin Market Size & Share Report, 2022-2030

Conclusion

- WA Kaolin has successfully delivered construction of Stage 1 on budget with first production commencing on time at the end of September
- Full Stage 1 production rate of 200,000 tpa expected by the end of FY 23
- Product Pricing premium achieved over initial projections
- Wickepin quality product demand significantly in excess of current supply capabilities; material opportunity to accelerate Stage 2 ramp up in order to capture market share
- Wickepin operations represent **a long-life supply of superior quality product**, that will supply the growing global Kaolin market for decades to come
- WA Kaolin is now an **established major player in the Kaolin market**, with a **strong competitive advantage** through proximity to end users





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Reserves and Resources

Reserves & Resources

It is one of the largest known remaining kaolin resources in the world, and contains:

- 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.

Tenements

- The Project comprises a mining lease, a general-purpose lease, a miscellaneous licence and retention licences.

Table 1. Ore Reserves by JORC Classification

JORC classification	Tonnes (Mt)	ISO brightness (%)	Yield (%) (<45 µm 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 µm), WA Kaolin Project

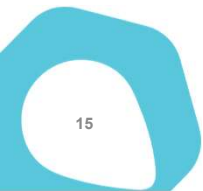
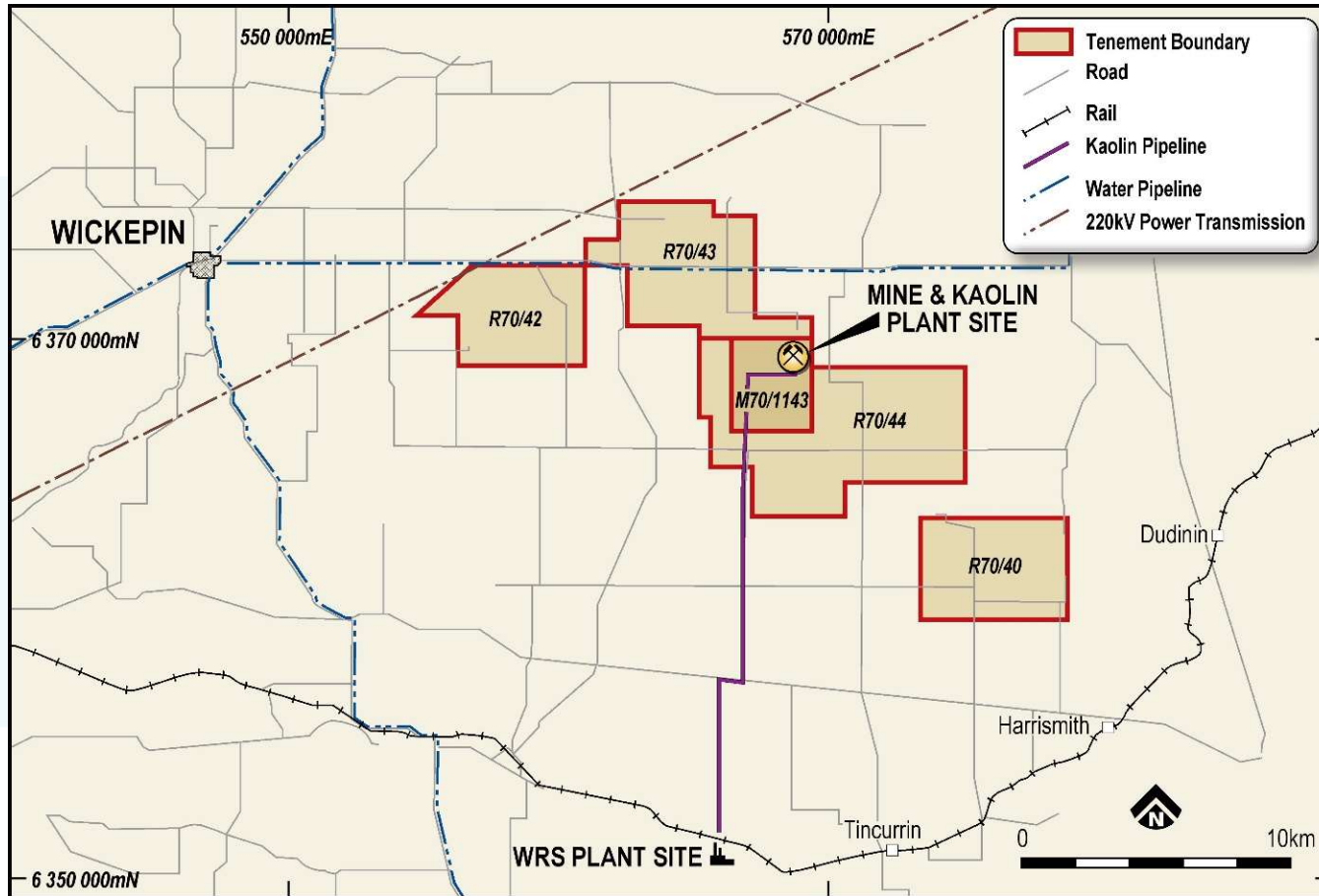
	Kaolinized granite (Mt)	ISO brightness (%)	Yield (%)	Kaolin (Mt)
Total	644.5	75.8	44.0	283.6

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 presentation 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.

Tenement Map



Risks

Risks associated with WAK including, but not limited to:

<p>Kaolin Prices</p>	<p>A key factor for WAK is the price of kaolin. Kaolin prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange rate fluctuations, interest rates, global or regional consumption patterns and speculative activities. There can be no assurance that kaolin prices will always be at levels such that WAK's deposit can be mined to provide an acceptable return in the future. WAK is producing differing grades of product and the price of its premium product lifts the average price of WAK's production. If WAK had to sell the premium product at the price of its low to medium value product then this would have an impact on WAK's total revenue and profitability.</p>
<p>Scale Up</p>	<p>WAK intends to scale up its mining and processing operations. There is a risk that any scale up may take longer than planned, not achieve desired kaolin product levels, revenues may be less than anticipated or costs may be higher than anticipated. As at the date of this investor presentation a Mineral Reserve estimate has been completed and a definitive feasibility study has also been prepared in relation to the WAK project.</p>
<p>Debt</p>	<p>WAK owes approximately \$26.0 million to loan creditors (including Owners' Loan), \$0.9m to asset financiers (hire purchase) and approximately \$2.3 million to trade creditors (including related parties). WAK has entered agreements with those creditors that have loaned it money and certain trade creditors to document the manner in which its debts will be repaid, which includes repayments in pre-defined instalments following the IPO / or in quarterly repayments when WAK achieves free cash flow in the previous quarter. Certain of the agreed repayments are conditional on WAK having free cash flow. Asset financing payments continue to occur in the ordinary course of business.</p>
<p>Mineral Resource Estimates</p>	<p>The Mineral Resource and Ore Reserve estimates contained in this presentation, reported in accordance with the JORC Code (2012), are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available. Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to Mineral Resource and Reserve estimates could affect WAK's future plans and ultimately its financial performance and value.</p>
<p>Processing</p>	<p>WAK's future profitability is in part governed by its ability to recover kaolin product from ore. While WAK has significantly de-risked its processing activities, processing risk includes mechanical failure in critical parts of the plant and an inability to achieve the targeted recovery of kaolin product from ore. Each of these events (were they to occur) could result in a reduced volume and/or off-specification kaolin product being available for sale.</p>
<p>Capital Costs</p>	<p>WAK's future capital requirements may exceed those forecast in WAK's budget and life of mine plans from time to time and in these circumstances there may be an adverse impact on WAK's operating and/or financial performance.</p>

Risks continued

Risks associated with WAK including, but not limited to:

<p>Customers</p>	<p>WAK is currently negotiating offtake agreements for its intended expanded production. WAK has customers in place for current production and LOI's for a certain quantity of the intended expanded production. However, there is a risk that WAK may not secure offtake agreements in respect of any, or all, of its intended expanded production or that any offtake agreement may not be on favourable terms having regard to the differing grades of product. If the customers reneged on their contractual obligations or otherwise failed to pay for kaolin product delivered, or declined to receive further kaolin product, this would have a consequential effect on WAK's financial position.</p>
<p>Permitting</p>	<p>WAK has received many permits for the proposed mining and processing operations. The applicability and scope of these permits has been reviewed in the recently completed definitive feasibility study for the project. If additional permits are required and/or amendments needed, these may not be obtained, or may cause delays to the proposed development schedule, or additional capital and/or operating costs.</p>
<p>Funding</p>	<p>Further expansion is intended to be funded from this raising, operating cash surpluses from Stage 1 operations and the exercise of options. If the Stage 1 operations do not produce the projected operating cash surpluses then WAK will not be able to fund its expansion plans in the absence of further debt and equity funding.</p>
<p>Climate Change Risks</p>	<p>Climate change is a risk WAK has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to WAK include:</p> <ul style="list-style-type: none"> • the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, by or specific taxation or penalties for carbon emissions or environmental damage; and • climate change may cause certain physical and environmental risks that cannot be predicted by WAK, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All of these risks associated with climate change may significantly change the industry in which WAK operates.
<p>Force Majeure</p>	<p>WAK projects now or in the future may be adversely affected by risks outside the control of WAK including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>

Risks continued

General Risks

<p>USD : AUD Exchange Rate</p>	<p>The agreements entered into by WAK with its current customers / distributors outside Australia are in USD. Demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact foreign currency exchange rates. These factors may have a positive or negative effect on WAK's project development and production plans and activities together with the ability to fund those plans and activities.</p>
<p>Future Capital Requirements</p>	<p>If WAK requires future capital in addition to this raising, such additional equity financing may be dilutive to shareholders, may be undertaken at discounted prices or may involve restrictive covenants which limit WAK's operations and business strategy. No assurances can be made that appropriate funding, if and when needed, will be available on terms favourable to WAK or at all.</p>
<p>Other</p>	<p>Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of WAK. The above list of risk factors ought not to be taken as exhaustive of the risks faced by WAK or by investors in WAK. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of WAK and the value of its shares.</p>
<p>Investment in equity capital and COVID-19</p>	<p>Investments in equity capital carry general risks. The trading price of WA Kaolin Limited ordinary shares on ASX may fluctuate in line with broader market movements or in response to specific circumstances, which may result in the market price being higher or lower than the Placement Price or SPP Price (as applicable). Some factors which may affect the market price of the WA Kaolin Limited ordinary shares include:</p> <ul style="list-style-type: none"> • the impact of COVID-19, including with respect to travel restrictions, consumer sentiment, and global supply chains; • the Australian and global macroeconomic outlook, including fluctuations in interest rates, currency exchange rates, inflation, commodity prices, investor sentiment, consumer demand, and employment levels; • changes in Australian and foreign government regulation (including fiscal and monetary policies); • force majeure events such as natural disasters, extreme weather events, pandemics (such as COVID-19), war and terrorism; and • geopolitical instability and international hostilities. <p>There is considerable uncertainty as to the ongoing impact of COVID-19 on the Australian and global economy. Equity capital markets have historically and may in the future be subject to significant volatility. No assurance can be given that any New Shares will trade at or above the Placement Price or SPP Price (as applicable), and none of the Company Group, its Board, the Underwriters or any other person guarantees the market performance of the New Shares.</p>

