



WA Kaolin Limited  
Lot 3 Ward Rd | East Rockingham WA 6168  
[www.wakaolin.com.au](http://www.wakaolin.com.au)

6 April 2023

Dear Shareholders

### **GENERAL MEETING**

A General Meeting of WA Kaolin Limited (**Company**) is scheduled to be held on Wednesday, 10 May 2023 at 10.00am (WST) (**Meeting**).

The Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has requested a hard copy. The Notice of Meeting can be viewed and downloaded from the link set out below.

The Company **strongly encourages Shareholders to lodge a directed proxy form prior to the Meeting**. Questions should also be submitted in advance of the meeting as this will provide management with the best opportunity to prepare for the meeting, for example by preparing answers in advance to Shareholder questions. However, votes and questions may also be submitted during the Meeting.

Please find below links to important Meeting documents:

- Notice of Meeting and Explanatory Memorandum: <https://www.wakaolin.com.au/asx-announcements>

Alternatively, a complete copy of the Notice of Meeting and Explanatory Statement has been posted on the Company's ASX market announcements page.

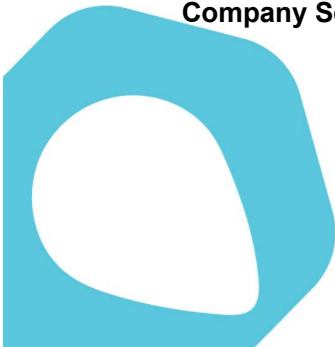
If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and Explanatory Statement.

In order to receive electronic communications from the Company in future, please update your Shareholder details online at <https://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents), where you can find your enclosed personalised proxy form. Once logged in you can also lodge your proxy vote online by clicking on the "Vote" tab. If you are unable to access the Notice of Meeting and Explanatory Memorandum online please contact the Company Secretary, Michael Kenyon, on +61 8 9439 6300 or via email at [mkenyon@wakaolin.com.au](mailto:mkenyon@wakaolin.com.au).

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

Sincerely

**Michael Kenyon**  
Company Secretary and Chief Financial Officer





**WA Kaolin Limited  
ACN 083 187 017**

**NOTICE OF GENERAL MEETING**

**The General Meeting of WA Kaolin Limited will be held at the offices  
of BDO, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth,  
Western Australia**

**on Wednesday, 10 May 2023 at 10.00am (WST).**

If you are unable to attend the meeting, you may complete the Proxy Form (enclosed) and return it to the Company as soon as possible and in any event so it is received by the Company Secretary at the place specified in the Proxy Form no later than 48 hours prior to the time of commencement of the meeting.

**THIS DOCUMENT IS IMPORTANT**

This Notice should be read in its entirety. If you do not understand it or are in any doubt about how to act, you should consult your stockbroker, solicitor, accountant or other professional adviser immediately.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary, Michael Kenyon, by telephone on +61 8 9439 6300.

## **NOTICE OF GENERAL MEETING**

Notice is hereby given that the General Meeting of shareholders of WA Kaolin Limited (**Company**) will be held at the offices of BDO, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth Western Australia on 10 May 2023 at 10.00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form are part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 8 May 2023 at 4.00pm (WST). Accordingly, transactions registered after that time will be disregarded in determining Shareholders' entitlements to vote.

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

## **AGENDA**

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### **1. Resolution 1 – Issue of Shares upon conversion of Converting Loan**

To consider and, if thought fit, to pass with or without amendment, the following as an ordinary resolution:

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 6,666,667 Shares to Wamco Industries Group Pty Ltd (**WAMCO**), an entity associated with Director Alf Baker, to convert a converting loan, on the terms and conditions set out in the Explanatory Memorandum.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of WAMCO or any other person who will receive a material benefit as a result of the issue (except a benefit solely by reason of being a holder of Shares) or any of their Associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **BY ORDER OF THE BOARD**

**Michael Kenyon**  
**Company Secretary**  
**Dated: 28 March 2023**

## **EXPLANATORY MEMORANDUM**

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### **Introduction**

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be held at the offices of BDO, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth Western Australia on 10 May 2023 at 10.00am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders when deciding whether or not to pass the Resolutions.

A Proxy Form is provided with this Explanatory Memorandum.

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## **1. Action to be taken by Shareholders and proxies**

### **1.1 Action to be taken by Shareholders**

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

### **1.2 Proxies**

A Proxy Form accompanies the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend, complete and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10.00am (WST) on 8 May 2023, being at least 48 hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

## 1.3 COVID-19

Should there be restrictions on indoor gatherings in Western Australia at the time of the General Meeting as a result of the COVID-19 pandemic, the Company encourages shareholders NOT TO ATTEND THE GENERAL MEETING IN PERSON and to vote by proxy or on-line.

Please note that the Company will strictly comply with any applicable limitations on indoor gatherings in force at the time of the General Meeting. If any restrictions are in force at the time of the General Meeting voting by you at the General Meeting will not be possible if entry is denied to you unless a proxy is appointed by you and is in attendance at the meeting or you vote on-line.

If submitting a proxy form, it is strongly recommended that the chair is appointed as your proxy to ensure the proxy will be in attendance at the General Meeting. It is also recommended that you direct your proxy how to vote on the voting form.

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## 2. Resolution 1 - Issue of Shares upon conversion of Converting Loan

### 2.1 General

As announced on 29 November 2022, the Company sought to raise \$7.5 million by way of:

- (a) a \$5.0 million placement of Shares at an issue price of \$0.15 to sophisticated, professional and other investors in Australia (**Placement**);
- (b) a \$1 million converting loan from WAMCO Industries Group Pty Ltd (ACN 065 386 656) ATF WAMCO Industries Unit Trust (**WAMCO**), an Associate of Director Alf Baker, that automatically converts to Shares subject to Shareholder approval at \$0.15 per Share (**Converting Loan**); and
- (c) a \$1.5 million Share Purchase Plan to eligible Shareholders at an issue price of \$0.15 per Share (**SPP**).

The Company is seeking Shareholder approval for the issue of 6,666,667 Shares to WAMCO, at a deemed issue price of \$0.15 per Share, to convert the Converting Loan (**Conversion Shares**).

### 2.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Conversion Shares constitutes giving a financial benefit and WAMCO is a related party of the Company by virtue of being an Associate of Director Alf Baker.

The Directors (other than Alf Baker who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Conversion Shares because the Shares will be issued to WAMCO on the same terms as Shares were issued to non-related party participants in the Placement and SPP and, as such, the giving of the financial benefit is on arm's length terms.

### **2.3 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, shareholder approval to be obtained where an entity issues, or agrees to issue, equity securities to any of the following:

- (a) 10.11.1 A related party.
- (b) 10.11.2 A person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company.
- (c) 10.11.3 A person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to sit on the board of the Company) pursuant to a relevant agreement which gives them a right or expectation to do so.
- (d) 10.11.4 An associate of any of the above.
- (e) 10.11.5 A person whose relationship with the Company or a person referred to above is such that, in ASX's opinion, the issue or agreement should be approved by Shareholders.

WAMCO meet the category under Listing Rule 10.11.4 because it is an Associate of Director Alf Baker.

The Company considers that none of the exceptions in Listing Rule 10.12 apply.

### **2.4 Technical Information required by Listing Rule 14.1A**

If Resolution 1 is passed, the Converting Loan will automatically convert into 6,666,667 Shares, removing the need for the Company to repay the Converting Loan with cash.

If Resolution 1 is not passed, the Converting Loan will be unsecured, repayable in cash no later than 1 June 2024 and accrue interest at 8% per annum.

### **2.5 Technical Information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Conversion Shares:

- (a) the Shares will be granted to WAMCO, which falls within the category in Listing Rule 10.11.4 as an Associate of Director Alf Baker;
- (b) 6,666,667 Shares will be issued to WAMCO;
- (c) the Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification

of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;

- (e) the deemed issue price will be \$0.15 per Share, with the Converting Loan discharged by the issue of the Shares;
- (f) the purpose of the issue is to discharge the Converting Loan. No funds will be raised from the issue of the Shares as they are being issued on conversion of the Converting Loan; and
- (g) the Shares will be issued in accordance with the Converting Loan, which has the following key terms:
  - (i) the Converting Loan, being an amount of \$1,000,000, is unsecured and may only be used for general working capital, capital expenditure and for the repayment of existing liabilities;
  - (ii) subject to Shareholder approval, the Converting Loan is automatically converted into Shares at a deemed issue price of \$0.15 per Share, with any fraction rounded to the nearest whole Share (being 6,666,667 Shares);
  - (iii) if Shareholder approval is not obtained by 15 May 2023 or such later date as agreed by the parties, interest accrues at 8% pa from that date, with the outstanding amount repayable on the earlier of 1 June 2024 and an event of default;
  - (iv) the Company has a right to repay early without penalty; and
  - (v) there are limited events of default that trigger repayment of the Converting Loan that are standard for an agreement of this nature.

## SCHEDULE 1 - DEFINITIONS

In the Notice, words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**ASX** means ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**ASIC** means *Australian Securities and Investments Commission*.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the board of Directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that the ASX declares is not a business day.

**Chairperson** means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

**Closely Related Party** of a member of the Key Management Personnel means:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- a company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** or **WA Kaolin** means WA Kaolin Limited ACN 083 187 017.

**Constitution** means the constitution of the Company as at the date of the Meeting.

**Conversion Shares** has the meaning given in section 2.1 of the Explanatory Memorandum.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company as at the date of this Notice.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Memorandum** means this explanatory memorandum which forms part of the Notice.

**Key Management Personnel** means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company or, if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.



**Officer** has the same meaning, as the context requires, given in paragraphs (a) and (b) of the definition of 'officer' of a corporation, or in paragraphs (a) and (b) of the definition of 'officer' of an entity that is neither an individual nor a corporation, in each case in section 9 of the Corporations Act.

**Option** means an option to be issued a Share.

**Proxy Form** means the proxy form accompanying to the Notice.

**Resolution** means a resolution contained in the Notice.

**Schedule** means a schedule to this Explanatory Memorandum.

**Section** means a section of this Explanatory Memorandum.

**Share** means an ordinary share in the issued capital of the Company.

**Shareholder** means a shareholder of the Company.

**WAMCO** means Wamco Industries Group Pty Ltd (ACN 065 386 656).

**WST** means Western Standard Time, being the time in Perth, Western Australia

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Monday, 8 May 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

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#### BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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