

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme WA Kaolin Limited (WAK)

ACN/ARSN 083 187 017

1. Details of substantial holder (1)

Name Century Horse Limited (CHL) and Mr Cheng-Chen Hu (together, the CHL Group)

ACN/ARSN (if applicable) Not applicable

The holder became a substantial holder on 16 August 2023

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully Paid Ordinary Shares (Shares)	63,567,618	63,567,618	15.0% (based on 423,784,121 WAK Shares on issue)
*Note: The CHL Group's interest as at the date of this notice has been noted above. The CHL Group's interest on the date that it became a substantial holder was 29,806,373 Shares, representing, then, a voting power of 7.64% based on 390,022,876 Shares on issue.			

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
CHL	Pursuant to section 608(1)(a) of the <i>Corporations Act 2001</i> (Cth) (Act) CHL acquired its relevant interest under a subscription agreement entered into between WAK and CHL dated 1 August 2023, a copy of which is attached as Annexure 'B' (Subscription Agreement)	63,567,618 Shares.
Mr Hu	Pursuant to section 608(3)(a) of the <i>Act</i>	63,567,618 Shares.

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
The CHL Group	CHL	CHL	63,567,618 Shares.

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
See TABLE 1 in Annexure 'A'.				

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
CHL	Quijano & Associates (BVI) Limited, Quijano Chambers, P.O BOX 3159, Road Town, Tortola, British Virgin Islands
Mr Cheng-Chen Hu	8FL, No.52, Sec.2, Chungshan N. Rd., Taipei, Taiwan (104)

Signature

print name Hsiang-Jung Hu

capacity Director

sign here



date 29 /04/2024

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (e.g. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (e.g. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

ANNEXURE A

This is Annexure A of 1 page referred to in the Form 603 "Notice of initial substantial holder" given by the CHL Group.



Hsiang-Jung Hu
Director

TABLE 1 – Consideration paid for each relevant interest

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
CHL	16/09/2023	As per Subscription Agreement, at \$0.17 per Share.		11,764,706 Shares
CHL	20/09/2023	As per Subscription Agreement, at \$0.17 per Share.		5,882,353 Shares
CHL	20/10/2023	As per Subscription Agreement, at \$0.17 per Share.		5,882,353 Shares
CHL	21/11/2023	As per Subscription Agreement, at \$0.17 per Share.		5,882,353 Shares
CHL	22/12/2023	As per Subscription Agreement, at \$0.17 per Share.		5,882,353 Shares
CHL	25/01/2024	As per Subscription Agreement, at \$0.17 per Share.		5,882,353 Shares
CHL	12/02/2024	As per Subscription Agreement, at \$0.17 per Share.		4,349,480 Shares

ANNEXURE B

This is Annexure B of 12 pages referred to in the Form 603 "*Notice of initial substantial holder*" given by the CHL Group.

A handwritten signature in black ink, appearing to read "Hsiang-Jung Hu", written over a horizontal line.

Hsiang-Jung Hu
Director

THIS AGREEMENT is dated the 1st day of August 2023

Between:

WA KAOLIN LIMITED (A.C.N. 083 187 017) of 3 Ward Road, East Rockingham, Western Australia 6168 (**Company**);

and

CENTURY HORSE LIMITED a company incorporated in British Virgin Islands of Mandar House, 3rd Floor, Suite 301, PO Box 3159, Road Town, Tortola (**Subscriber**).

Recitals:

- A. The Subscriber has agreed to subscribe for the Subscription Shares in monthly Tranches at the Subscription Price.
- B. The Parties have agreed to enter into this Agreement to record the terms of the Subscription.

IT IS AGREED as follows:

1. Definitions and interpretation

- 1.1 In this Agreement (including the Recitals) the following terms shall bear the following meanings unless the context otherwise requires:

Agreement means the agreement constituted by this document and includes the Recitals and all Schedules and Annexures (as relevant).

Application Form means the share application form set out in Schedule 1.

ASX means ASX Limited (ABN 98 008 624 691) as operator of the Australian Securities Exchange.

ASX Listing Rules means the listing rules of the ASX as amended from time to time.

AWST means Australian Western Standard Time, as observed in Perth, Western Australia.

Business Day means a day which is other than a Saturday, Sunday or Public Holiday in Perth Western Australia.

Cleansing Statement has the meaning given to that term in clause 4.5.

Conditions means the conditions to completion of a Tranche as set out in clause 2.1.

Completion means, in respect of a Tranche, the completion of the subscription and payment for the applicable Subscription Shares and issue of the applicable Subscription Shares by the Company to the Subscriber in accordance with this Agreement.

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

FIRB Act means the *Foreign Acquisitions and Takeovers Act 1976* (Cth).

Issue Price means A\$0.17 per Share.

Party means a party to this Agreement and **Parties** has a corresponding meaning.

Public Holiday means a day on which banks are not open for business in Western Australia.

Related Body Corporate has the meaning given to that term in section 50 of the Corporations Act.

Satisfaction Date means the date 120 days after the date of this Agreement or such other date as may be mutually agreed between the Parties.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Subscription means the subscription by the Subscriber for Subscription Shares in Tranches at the applicable Subscription Price and on the applicable Subscription Date as set out in Schedule 2 in accordance with this Agreement.

Subscription Date means, in respect of a Tranche, the later of the Subscription Date for that Tranche as set out in Schedule 2 and 5 Business Days after the date of the payment received or waiver by the Party or Parties entitled to waive the last of the Conditions (as relevant and as applicable) in relation to the Tranche or such other date as the Parties agree in writing.

Subscription Price means, in respect of a Tranche, the Issue Price multiplied by the number of Subscription Shares in the Tranche as set out in Schedule 2.

Subscription Shares means a total of 45,525,951 Shares to be issued in Tranches as set out in Schedule 2.

Tranche means a tranche of Subscription Shares as set out in Schedule 2.

1.2 In this Agreement unless the context otherwise requires:

- (a) the expression person includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (b) a reference to any party includes that party's executors, administrators, successors and assigns, including any person taking by way of novation;
- (c) a reference to any document (including this Agreement) is to that document as varied, novated, ratified, supplemented or replaced from time to time;
- (d) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Agreement and a reference to this Agreement includes any schedule or annexure to this Agreement;
- (e) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning; and

- (f) the word 'day' where used herein refers to a calendar day whether or not it is a Saturday, Sunday or a Public Holiday provided that any act, matter or thing required herein to be done on a Saturday, Sunday or Public Holiday may be done on the next Business Day; and
- (g) a reference to \$ or dollar is to Australian currency unless the context otherwise requires.

2. Conditions to Completion of a Tranche

2.1 The obligations of the Parties to proceed to Completion of a Tranche (other than the first Tranche) are subject to and conditional upon:

- (a) if required under the ASX Listing Rules, the Company's Shareholders approving by resolution in general meeting the issue of the Subscription Shares for that Tranche to the Subscriber (or its nominee) for the purposes of ASX Listing Rule 7.1 and for all other purposes; and
- (b) if the acquisition by the Subscriber of the Subscription Shares in respect of a Tranche requires the consent of the Treasurer of the Commonwealth of Australia under the FIRB Act, the Treasurer giving that consent, with the Treasurer taken to have so consented:
 - (i) if the Subscriber receives written advice from or on behalf of the Treasurer, either unconditionally or on conditions acceptable to the Subscriber, to the effect that such acquisition is not inconsistent with the Australian Government's foreign investment policy or is not objected to under the FIRB Act; or
 - (ii) if notice of the proposed acquisition of the Subscription Shares for that Tranche is given to the Treasurer and the period within which the Treasurer is empowered under the FIRB Act to make an order prohibiting the proposed acquisition expires without any order being made.

2.2 If the Conditions in respect of a Tranche are not satisfied or waived by the Party or Parties entitled to waive, on or before 5.00 pm (AWST) on the Satisfaction Date, any Party can terminate this agreement by written notice to the other Parties and upon termination this Agreement shall no longer be of any force or effect, and each Party will be released from the obligations and liabilities arising under this Agreement except for any obligations or liabilities arising or relating to the period before the termination date.

2.3 Each Party will use its best endeavours to procure the satisfaction of the Conditions as soon as practicable and will keep each other Party informed or progress in seeking that satisfaction of the Conditions.

2.4 The Company may by notice in writing to the Subscriber waive the Condition in clause 2.1(a) in respect of a Tranche.

2.5 The Subscriber may by notice in writing to the Company waive the Condition in clause 2.1(b) in respect of a Tranche.

2.6 If the acquisition by the Subscriber of the Subscription Shares in respect of a Tranche requires the consent of the Treasurer of the Commonwealth of Australia under the

FIRB Act, the Subscriber will promptly following the Execution Date make application for the consent of the Treasurer and do all things reasonable to ensure that the above Condition in clause 2.1(b) is satisfied in respect of that Tranche as soon as practicable.

3. Subscription and issue

Subject to the satisfaction or waiver of the Conditions in respect of a Tranche in accordance with clause 2, the Subscriber will subscribe for, and the Company will issue to the Subscriber, the Subscription Shares in respect of that Tranche as set out in Schedule 2 on the terms and conditions set out in this Agreement.

4. Completion

4.1 Completion in respect of a Tranche must take place at 10.00am (AWST) (or such other time the Parties may agree) on or before the applicable Subscription Date.

4.2 Before or at Completion of a Tranche:

- (a) the Subscriber must pay the Company the Subscription Price in respect of that Tranche by transferring the applicable Subscription Price in cleared funds to the Company's nominated bank account by bank-to-bank transfer in Australian Dollars; and
- (b) the Subscriber must complete with relevant details and sign and deliver to the Company an application form for the applicable Subscription Shares in the form set out in Schedule 1 or any other form that the Company agrees to accept.

4.3 At Completion in respect of a Tranche, the Company must:

- (a) allot and issue the applicable Subscription Shares in respect of that Tranche to the Subscriber credited as fully paid;
- (b) record the Subscriber as the holder of the applicable Subscription Shares in respect of that Tranche in its register of members and provide to the Subscriber a holding statement showing the Subscriber as the holder of those Subscription Shares.

4.4 Immediately after Completion of a Tranche, the Company must apply to ASX for official quotation of the applicable Subscription Shares in respect of that Tranche on the Australian Securities Exchange.

4.5 The Company must do all things reasonable to ensure that each Subscription Share issued to the Subscriber will, as soon as practicable after the issue of the Subscription Shares, be freely tradeable without restriction under section 707 of the Corporations Act, including by providing to ASX, immediately after Completion of a Tranche on the applicable Subscription Date a notice in accordance with section 708A(6) of the Corporations Act (**Cleansing Statement**).

4.6 If the Company does not issue a Cleansing Statement or any Cleansing Statement provided under clause 4.5 is for any reason is not effective to ensure that an offer for sale of the Subscription Shares does not require disclosure to investors, then the Company must as soon as practicable after Completion lodged with the Australian Securities and Investments Commission a prospectus prepared in accordance with

the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act.

5. Representations and warranties

5.1 The Subscriber represents and warrants to the Company, with the intention that such representations and warranties will survive Completion, that:

- (a) it has full power and authority to enter into this Agreement and to perform its obligations under it;
- (b) this Agreement constitutes its legal, valid and binding obligations and is enforceable in accordance with its terms;
- (c) subject to the Conditions, this Agreement and the Subscription does not conflict with or result in a breach of any obligation (including any statutory, contractual or fiduciary obligation) or constitute or result in any default under any provision of its constitution or any material provision of any agreement, deed, writ, order, injunction, judgment, law, rule or regulation to which it is a party or is subject or by which it is bound;
- (d) the Company is not issuing the Subscription Shares to the Subscriber for the purpose of the Subscriber selling or transferring the Subscription Shares or granting, issuing or transferring interests in, or options over, the Subscription Shares within 12 months of the date of issue of the Subscription Shares;
- (e) the Subscriber is not subscribing for the Subscription Shares for the purpose of the Subscriber selling or transferring the Subscription Shares or granting, issuing or transferring interests in, or options over, the Subscription Shares within 12 months of the date of issue of the Subscription Shares;
- (f) if the Subscriber is incorporated in Australia or the offer of the Subscription Shares is made in Australia, the Company is not required by the Corporations Act to provide to the Subscriber a prospectus or other disclosure document for the offer or issue of the Subscription Shares to the Subscriber because the Subscriber comes within one of the stated exceptions in section 708 of the Corporations Act; and
- (g) if the Subscriber is incorporated outside Australia or the offer of the Subscription Shares is made outside Australia, the Subscriber is in a category whereby under the laws applicable in the place of the Subscriber's incorporation and the place where the offer of the Subscription Shares is made such that no prospectus or similar or other filing or registration or compliance with any other legal requirements is required in order to lawfully make the offer of the Subscription Shares and to enter into this Agreement and proceed to Completion.

5.2 The Subscriber acknowledges that:

- (a) the Company will not provide the Subscriber a prospectus or other disclosure document under the Corporations Act in respect of any offer or issue of the Subscription Shares by the Company to the Subscriber; and
- (b) the Subscriber has made its own enquiries concerning the Company and its business and affairs and that the Company makes no representation or

warranties to the Subscriber in respect of the Company and its business and affairs.

- 5.3 To the maximum extent permissible at law, the Subscriber indemnifies the Company against all damages, losses, liabilities and expenses incurred by the Company as a consequence of any matter or thing being found to be in breach of the representations and warranties given by the Subscriber in clause 5.1 or clause 5.2.

6. Notices

- 6.1 Each notice authorised or required to be given to a Party shall be in legible writing and in the English language addressed to the Party's address set out below (or such other address nominated in accordance with clause 6.2) and may be given by personal delivery, mail, or email:

Party	Address	Email
Company	WA Kaolin Limited 3 Ward Road, East Rockingham, Western Australia 6168	asorensen@wakaolin.com.au
Subscriber	Century Horse Limited	seanhu@stanco.com.tw

- 6.2 Each Party may from time to time change its address by giving notice pursuant to clause 6.1 to the other Parties.

- 6.3 Any notice given under this Agreement will be conclusively deemed to have been received:

- (a) in the case of personal delivery, at the actual time of delivery; or
- (b) if sent by mail, two (2) Business Days after the day of posting; or
- (c) if sent by email, at the time of sending, unless a failure to send message is received,

but if the day or time of deemed receipt as specified above is on a day that is not a Business Day or is after 5:00 pm (addressee's time) on a Business Day that notice is regarded as deemed to be received at 9:00 am on the following Business Day.

7. Miscellaneous

- 7.1 The Company and the Subscriber agree to pay their own legal and other costs and expenses in connection with the negotiation, preparation, execution and completion of this Agreement.
- 7.2 No modification or alteration of the terms of this Agreement shall be binding unless made in writing dated subsequent to the date of this Agreement and duly executed by the Parties.
- 7.3 No Party will assign any or all of its right, title and interest under this Agreement to any person except with the prior written consent of each other Party.

- 7.4 Each Party will do, execute, acknowledge and deliver all and every such further acts, deeds, agreements, covenants, applications, consents, assignments and other assurances as may be necessary or expedient for the purposes of giving full effect to the terms and conditions and purposes of this Agreement.
- 7.5 This Agreement shall constitute the sole understanding of the Parties with respect to the subject matter and replaces all other agreements with respect thereto.
- 7.6 If any provision of this Agreement is invalid and not enforceable in accordance with its terms, all other provisions, which are self-sustaining and capable of separate enforcement without regard to the invalid provision, shall be and continue to be valid and forceful in accordance with their terms.
- 7.7 This Agreement shall be governed by and construed in accordance with the laws from time to time in force in the state of Western Australia and the Parties agree to submit to the non-exclusive jurisdiction of the courts of that State and all courts of appeal there from.
- 7.8 This Agreement may be executed in counterpart and all counterparts shall operate and be read and construed as one document.

SCHEDULE 1 – APPLICATION FORM

APPLICATION FORM WA KAOLIN LIMITED (Company) ACN 083 187 017

CENTURY HORSE LIMITED (Subscriber) hereby applies to the Company for 45,525,951 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.17 per Share. The Subscriber will transfer to the Company by means of electronic funds transfer an amount of A\$7,739,411.67 to the bank account nominated by the Company (Schedule 2) in accordance with the Subscription Agreement to which this Application Form is attached.

By signing and lodging this Application Form with the Company, the Subscriber:

1. declares that the agreements, statements, declarations and acknowledgments contained in the following paragraph are given for the benefit of the Company;
2. declares that all details and statements made by the Subscriber in this Application Form are complete and accurate;
3. agrees to be bound by the Constitution of the Company;
4. represents, warrants and undertakes to the Company that the Subscriber has full right and authority to sign and lodge this Application Form, to subscribe for the Shares and to perform the other obligations set out in this Application Form, and has taken all action and obtained all regulatory and other consents, approvals and authorisations necessary in that respect in order to lawfully acquire the Shares;
5. acknowledges that the Subscriber have/has made its own enquiries concerning the Company and its business and affairs and that the Company makes no representation or warranties to the Subscriber other than set out in the Subscription Agreement to which this Application Form is attached;
6. request the Company to, upon its receipt of this Application Form signed by the Subscriber, issue the Shares to the Subscriber in accordance with and subject to the Subscription Agreement;
8. acknowledges that this Application Form is irrevocable;
9. warrants and confirms to the Company that the Shares may be lawfully offered and issued to the Subscriber without the need for the issue of any prospectus or other disclosure document or the like or the need to effect any registration or filing or the like under the laws of the British Virgin Islands or Australia and that the Subscriber is one of the categories stated in Section 708 of the Corporations Act; and
9. acknowledges that returning this Application Form will constitute the Subscriber's application for the Shares and that no notice of acceptance of this Application Form will be provided.

NOTE: Return of the Application Form and payment of the application monies will constitute your application for the Shares. This Application Form is for the Subscriber only and must not be passed onto any person without written permission from the Company.

**EXECUTED BY
CENTURY HORSE LIMITED**

in accordance with its constituent documents:

Director 

Stan Hu

Print name



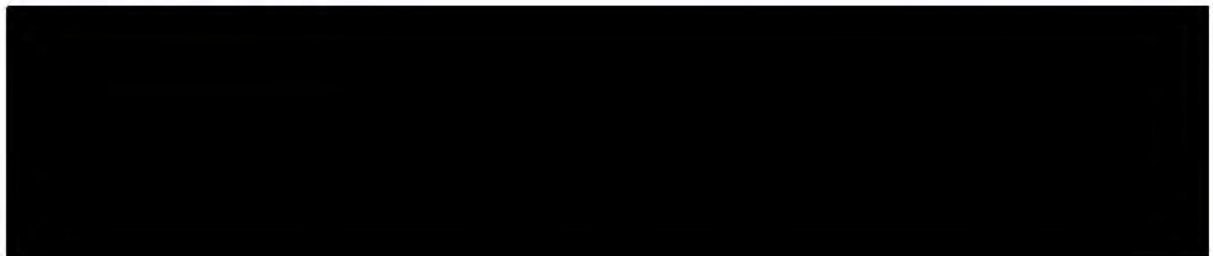
Director/Secretary

Sean Hu

Print name

SCHEDULE 2 – SUBSCRIPTION TRANCHEs

TRANCHE	NUMBER OF SUBSCRIPTION SHARES	PROPORTION OF SUBSCRIPTION PRICE	PAYMENT DATE	SUBSCRIPTION DATE
1	11,764,706	A\$2,000,000.02	15 August 2023	20 August 2023
2	5,882,353	A\$1,000,000.01	15 September 2023	20 September 2023
3	5,882,353	A\$1,000,000.01	15 October 2023	20 October 2023
4	5,882,353	A\$1,000,000.01	15 November 2023	20 November 2023
5	5,882,353	A\$1,000,000.01	15 December 2023	20 December 2023
6	5,882,353	A\$1,000,000.01	15 January 2024	20 January 2024
7	4,349,480	A\$739,411.60	15 February 2024	20 February 2024
TOTAL	45,525,951	A\$7,739,411.67		

BANK INFORMATION OF WAK:

EXECUTED by the Parties as an Agreement

**EXECUTED BY
WA KAOLIN LIMITED**
in accordance with section 127
of the Corporations Act:



Director

JOHN D. WHITE

Print name



Director/Secretary

ALFRED G. BAKER

Print name

**EXECUTED BY
CENTURY HORSE LIMITED**
in accordance with its constituent documents:



Director

Stan Hu

Print name



Director/Secretary

Sean Hu

Print name