

4<sup>th</sup> March 2025  
ASX Market Announcement  
Via e-lodgment

## WA KAOLIN UPDATE

### Overview

- Steady sales performance in February with sales revenue of \$477k and volume of 2,061 tonne.
- Current orders in hand for March total \$982k (4,472 tonne).
- The current \$7.0m rights issue capital raise closing on March 5, while fully underwritten and strongly supported by key stakeholders, is available to all shareholders to take up their entitlements at an issue price of \$0.04 per share. The proceeds of the ANREO will provide the required working capital to support a steady ramp up to the next target of 8,000 tonnes per month and then on to nameplate capacity, equal to 16,600 tonnes per month.
- The classifiers continue to be the key for production being able to furnish the sales team with all they need to grow sales strongly and for the Company to move towards profitability.
- With the engineered ceramic grades launched, the Company is pleased to see the strong sales increase to this sector bringing a corresponding improvement in selling price.
- After overcoming some issues of power supply and compressed air capacity during February, the Company managed to meet all the promised deliveries and is adding shifts to meet the growing demand and inventory buildup. Whereas last month we were planning on production of 4,000 tonnes per month, we are now looking at doubling that to 8,000 tonnes as soon as possible.

### Financial

WA Kaolin Limited (**WAK** or the **Company**) completed the settlement of the A\$2.64 million institutional component of WAK's Accelerated Non-Renounceable Entitlement Offer (ANREO) on 11 February 2025. With the settlement of the accelerated portion of the Entitlement Offer complete, the Company's cash position at 28 February 2025 was circa A\$2.65m.

The fully underwritten Retail Entitlement Offer of A\$4.4m (before costs) is closing on 5 March 2025, with settlement scheduled for 11 March 2025, delivering an additional A\$4.1m of net cash to the Company at a point where inventories are growing to support marketing success.

### Operations

As mentioned previously, improvements have commenced on infeed, drying and transfer equipment to reliably cater for increased production rates through the classifiers already indicated at 20% above nameplate capacity. Some equipment from Kwinana will assist in the improvements and left-over contingency funds from the classifier project will assist in the estimated cost of \$150k.

The next mining campaign has commenced with contractors assisting our staff on this occasion, while we train more operators.

DMIRS (Department of Energy, Mines, Industry Regulation and Safety) inspectors visited the plant during February and the Company is pleased to state that it has improved compliance to OHS regulations. WAK is committed to operating without accidents and injuries and remains focussed on continuous improvement of safety awareness and working conditions.

With some fluctuation in our workforce, where some have left to return to FIFO opportunities, the core team has settled well into their roles and the operations management is commendable.

## **R&D**

New product development is continuing with the engineered kaolin grades for the ceramic market proving very rewarding on the sales front and work continues on the development of finer grades for the paper and paint markets.

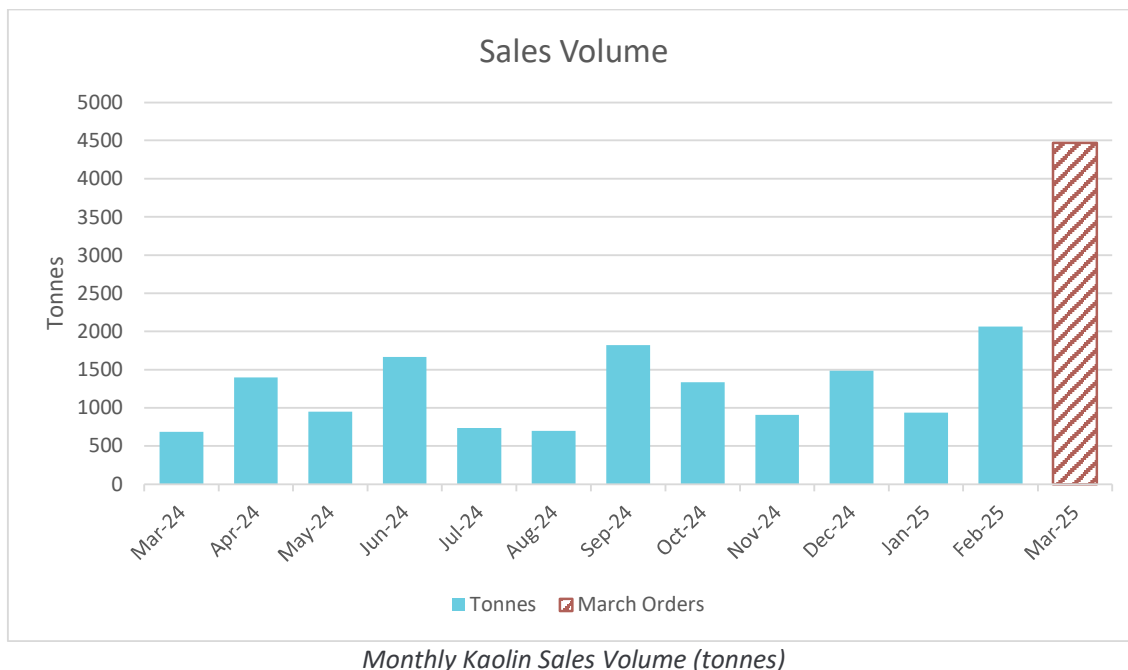
Some further characterisation activities will occur in March for the use of the Company's kaolin for geopolymer concrete applications ('green cement')

## **Sales**

In February, WA Kaolin Limited's sales were \$477k (ex GST) with a volume of 2,061 tonne. The sales to the ceramic market segment represented 47% of the sales revenue including to a China-based customer that commenced ordering in December 2024.

Current orders already in hand for March total 4,472 tonne, generating revenue of \$982k. The new finer grades made possible with the installation of the classifier equipment represent 40% of the upcoming March revenue.

The chart below depicts the sales revenue totals by month year to date for the last 12 month period.



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

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### **Forward Looking Statements**

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