

WA Kaolin Engages with Minister for Transport; Planning; Ports for Discussions Surrounding Reinstatement of Local Rail infrastructure

WA Kaolin Ltd (“**WA Kaolin**” or the “**Company**”) (ASX:WAK) is pleased to announce that it has been advised by The Hon Rita Saffioti, WA Minister for Transport; Planning; Ports, of the state Government’s interest in reinstating part of the Tier 3 rail network, to provide rail freight service options for producers in the Wickepin area. These lines are currently under care and maintenance and cannot be used without significant investment.

WA Kaolin holds the Wickepin Kaolin Project, 220km south-east of Perth, which has a 644.5 million tonne 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 and beyond in its expansion strategy.

WA Kaolin processes its high-quality kaolin product on site at Wickepin. The Company is keen to utilise the rail network however currently all of WA Kaolin’s freight from its Wickepin plant is transported to Fremantle port via road. The Company’s future growth strategy contemplates increased output volume, so access to the rail for transport to the port will be vital to the viability of the business as higher tonnages of kaolin are destined for export markets.

CEO Andrew Sorensen stated, “As we look towards the future and increasing production volumes from Wickepin, we need the best logistics option for higher quantities of our product keeping in mind traffic on local roads as well as lowest possible freight cost. Our Executive Director, Mr. Alf Baker has visited most kaolin producers worldwide, and notes that WAK will be the only major producer without a rail siding alongside the plant. Therefore, access to the rail is imperative as it ensures the future growth of the company is not hampered by logistics issues and will enable WA Kaolin to create jobs in the Wheatbelt region.

“We look forward to future discussions with the Minister for Transport; Planning; Ports and the rail freight providers to identify how WA Kaolin can play a part in this significantly important local infrastructure project and to participating in the initial technical study to determine how best funds should be allocated for maximum benefit to both the Community and WA Kaolin and its shareholders.”

Project Background

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 (%)	In situ Kaolin (Mt)
			(<45 µm in size)	
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

WA Kaolin developed a dry processing method, the K99 Process, at its plant in Kwinana, which together with the high-grade Wickepin kaolin resource, produces 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.

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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^{1,2} 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 by 2023 with further modular increases to capacity to be implemented in tune with market demand and funding capability

¹ The Mineral Resource estimate is inclusive of Ore Reserves.

² CSA Global Mineral Resource Estimate R280.2017