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Replacement Prospectus

WA Kaolin Limited (ACN 083 187 017)

Partially underwritten pro-rata non-renounceable rights offer

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This Prospectus contains:

(i) a pro rata non-renounceable entitlement offer of up to approximately 3,490,892,095 Shares at an issue price of $0.01 per Share to Eligible Shareholders to raise up to approximately $34.9 million (before costs) on the basis of five (5) new Shares for every one (1) Share held as at the Record Date, together with one (1) free new Option ($0.02 exercise price, expiring 30 April 2030) (**Attaching Option**) for every two (2) new Shares issued (**Offer**);

(ii) an offer to Eligible Shareholders (and other investors) to apply for Shares and Attaching Options comprising Shortfall Securities not applied for and issued under the Offer at an issue price of $0.01 per Share (**Shortfall Offer**); and

(iii) an offer of 40,000,000 Lead Manager Options (on the same terms as the Attaching Options) to Leeuwin Wealth Pty Ltd (**Lead Manager**) (or its nominees) (**Lead Manager Options Offer**).

The Offer is partially underwritten as to $10.13 million by way of Debt Conversion by the Partial Underwriters and is subject to a minimum subscription of 1.53 billion Shares being subscribed for under the Offer/Shortfall Offer by the Offer Closing Date.

The Offer is conditional on Shareholders approving the Offer at a Shareholders meeting to be held on Wednesday 29 April 2026. If Shareholder approval is not obtained, the Offer will not proceed and all Application Monies will be refunded as soon as practicable.

The Offer closes at 5.00pm (AEDT) on Wednesday 29 April 2026 unless extended or withdrawn in accordance with the ASX Listing Rules.

Lead Manager – Leeuwin Wealth

IMPORTANT NOTICE

This Prospectus is important and you should read it in its entirety before deciding to participate in any Offers. If, after reading this Prospectus, you have any questions about the Securities being offered under this Prospectus or any other matter, you should consult your stockbroker, accountant, solicitor or other professional adviser. The Securities offered by this Prospectus should be considered highly speculative.

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IMPORTANT NOTICES

General

This Replacement Prospectus is dated 9 April 2026 and was lodged with ASIC on that date with the consent of all Directors. The Replacement Prospectus supercedes the Company's original prospectus dated 30 March 2026 (**Original Prospectus**) that was lodged with ASIC on that date.

None of ASIC, ASX or their respective officers or employees takes any responsibility for the contents of this Prospectus.

This Prospectus is important and should be read in its entirety before deciding to participate in the Offer, the Shortfall Offer or the Lead Manager Options Offer (together the **Offers**). In particular, you should consider the risk factors set out in Section 7 of this Prospectus in light of your personal circumstances (including financial and taxation issues) and seek advice from your accountant, financial advisor, stockbroker, lawyer, tax advisor or other independent and qualified advisor if you have any questions.

Overview of material changes from Original Prospectus

This Prospectus has been issued to provide additional disclosure:

- that the Company's Shares will remain suspended by ASX unless and until Shareholders approve the Offtake Agreement for the purposes of ASX Listing Rule 10.1 (refer Section 2.3); and
- the intended allocation of funds raised towards working capital (refer Section 5.4).

Transaction Specific Prospectus

In preparing this Prospectus, regard has been had to the fact the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisors. This Prospectus is a transaction specific prospectus prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and it is intended to be read in conjunction with publicly available information in relation to the Company which has been notified to ASX.

No Exposure Period

An exposure period does not apply to the Offers.

Expiry Date

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of the Original Prospectus (being the expiry date of the Original Prospectus).

Not financial product advice

The information in this Prospectus is not financial product advice and has been prepared without taking into account your financial and investment objectives, financial situation or particular needs (including financial or taxation issues).

Some of the risks that investors and their professional advisors should consider before deciding whether to invest in the Company are set out in Section 7 of this Prospectus. There may be additional risks to those that should be considered in light of your personal circumstances.

Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offers in this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offers.

Except to the extent required by law, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company, the payment of a return on the Shares or the future value of the Securities. The business, financial condition, operating results and prospects of the Company may change after the date of this Prospectus. You should be aware that past performance is not indicative of future performance. Any new or change in circumstances that arise after the date of this Prospectus will be disclosed by the Company to the extent required and in accordance with the Corporations Act.

Eligible Shareholders

The Offer is being made to all Shareholders as at the Record Date.

Overseas Shareholders

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of law.

No action has been taken to permit a public offer under this Prospectus in any jurisdiction other than Australia.

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This Prospectus may not be distributed to any person, and the Securities offered may not be offered or sold, to registered shareholders in any country outside Australia except to the extent permitted below.

New Zealand

The Securities are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these Securities is being made in reliance on the *Financial Markets Conduct Act 2013* and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Hong Kong

WARNING: This Prospectus may be distributed in Hong Kong solely to existing shareholders of the Company. The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

Taiwan

The Securities offered under this Prospectus have not been registered in Taiwan nor approved by the Financial Supervisory Commission ("FSC") of Taiwan. The Securities may be offered and sold in Taiwan only to institutional investors that have been approved, or meet qualifications promulgated, by the FSC. The Securities may not be offered to the public in Taiwan and purchasers of Securities may not resell them in Taiwan.

United States

The Securities offered under this Prospectus have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Securities may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act of 1933 and applicable US state securities laws.

The Offer is being made in the United States only to a limited number of shareholders of the Company who are "accredited investors" (as defined in Rule 501(a) under the US Securities Act). In order to participate in the Offer, a US shareholder must sign and return a US investor certificate, together with an application form, that is available from the Company to confirm, amongst other things, that the US shareholder is an accredited investor.

Notice to custodians and nominees

The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offers is compatible with applicable foreign laws.

Completion of an Application Form, or payment by BPAY® or EFT in accordance with an Application Form, will be taken by the Company to constitute a representation that there has been no breach of those requirements.

Nominees and custodians may not distribute this Prospectus and may not permit any beneficial shareholder to participate in the Offers in any country outside Australia to beneficial shareholders resident in other countries unless lawful and practical for the Company to make the Offers.

Application for Securities

Applications for Securities offered pursuant to this Prospectus can only be submitted in accordance with the instructions on an original Entitlement and Acceptance Form or Shortfall Application Form.

Obtaining a copy of this Prospectus

You can obtain a copy of this Prospectus, free of charge, by contacting the Company Secretary on +61 8 9439 6300 during normal business hours or by email at aanand@wakaolin.com.au.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Application Form. If you have not, please phone the Company on +61 8 9439 6300 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.wakaolin.com.au.

The Corporations Act prohibits any person from passing onto another person an Application Form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

The Offers contemplated by this Prospectus are only available in electronic form to persons receiving an electronic version within Australia and New Zealand or otherwise in a country where it is lawful for the Offers to be made under the Prospectus.

No cooling-off rights

Cooling-off rights do not apply to an investment in Securities issued under this Prospectus. This means that, except where permitted by the Corporations Act,

you cannot withdraw your Application once it has been accepted.

Defined Terms

A number of terms used in this Prospectus are defined in Section 10 of the Prospectus.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company and the Partial Underwriters will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.wakaolin.com). By making an application under an Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Risk factors

Potential investors should be aware that subscribing for and holding Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed companies not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities.

Forward-looking statements

Some of the statements appearing in this Prospectus are in the nature of forward looking statements, including statements of intention, opinion and belief and predictions as to possible future events. Such statements are not statements of fact and are subject to inherent risks and uncertainties (both known and unknown) which may or may not be within the control of the Company. You can identify such statements by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and are predictions or indicative of future events.

Although the Directors believe these forward looking statements (including the assumptions on which they are based) are reasonable as at the date of this Prospectus, no assurance can be given that such expectations or assumptions will prove to be correct. Actual outcomes, events and results may differ, including due to risks set out in Section 7 of this Prospectus.

The Company and its Directors, officers, employees and advisors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Company does not intend to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

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1. Corporate directory

Directors

Matt Shackleton
(Non-Executive Chair)

Alfred Baker
(Managing Director)

Andrew Sorensen
(Executive Director)

Catherine Lynch
(Non-Executive Director)

Company Secretary

Abhi Anand

Registered office

330 Sparks Road
East Wickepin WA 6370

Telephone: +61 9439 6300
Facsimile: +61 8 439 6300
Email: admin@wakaolin.com.au
Website: www.wakaolin.com.au

Share Registry*

Automic Registry Services
Level 5
191 St Georges Terrace
Perth WA 6000

Telephone: 1300 288 664
Email: hello@automic.com.au
Website: www.automicgroup.com.au

Auditor*

BDO Audit Pty Ltd
Level 9
Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Solicitors

EMK Lawyers
Suite 1
519 Stirling Highway
Cottesloe WA 6012

Lead Manager

Leeuwin Wealth Pty Ltd
AFSL 561 674
Suite 1, 1292
Hay Street
West Perth WA 6005

Partial Underwriters

Wamco Industries Pty Ltd
C/- Burton Partners, 403/65 Victor Crescent, Narre Warren Victoria 3805

Boneyard Investments Pty Ltd
C/- Parmelia Partners
Level 2, 12-14 Thelma Street
West Perth WA 6005

Scientific Management Associates (Operations) Pty Limited
C/- Bedford Partners Pty Limited
Level 16, 101 Miller Street
North Sydney NSW 2060

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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2. Key Offer Information

2.1 Indicative Timetable

Action	Date
Announce Offers / lodge Appendix 3B with ASX / Lodge Prospectus with the ASIC and ASX	Monday 30 March 2026
Ex-date for Offer	Thursday 2 April 2026
Record Date for determining Entitlements	7.00pm (AEDT) Tuesday 7 April 2026
Lodgement of Replacement Prospectus	Thursday 9 April 2026
Replacement Prospectus and personalised Application Forms made available and announced to ASX Offers open	Friday 10 April 2026
Last day Company can extend Offer Closing Date	Before 12.00pm (AEST) Friday 24 April 2026
Shareholder meeting date	Wednesday 29 April 2026
Closing Date of the Offer*	5.00pm (WST) Wednesday 29 April 2026
Unless otherwise determined by ASX, Shares quoted on a deferred settlement basis from market open	Thursday 30 April 2026
Announcement of results of the Offer* Issue date of Securities under the Offer to Eligible Shareholders and to Partial Underwriters or nominees / Lodge Appendix 2A and Appendix 3G*	Before 12.00pm (AEST) Wednesday 6 May 2026
Closing Date of the Shortfall Offer*	5.00pm (AWST) Wednesday, 29 July 2026
Announcement of results of the Shortfall Offer* Issue date of remaining Shortfall Securities under the Shortfall Offer / Lodge Appendix 2A and Appendix 3G*	Monday, 3 August 2026

* The dates above are indicative only and are subject to change. The Directors may vary these dates subject to any applicable requirements of the Corporations Act or the Listing Rules. The Directors may extend the Offer Closing Date by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

2.2 Effect of Offers on capital structure[1]

Shares	Number	Number
Shares on issue at the date of this Prospectus	698,178,419	698,178,419
	Minimum Subscription	**Fully Subscribed**
Shares offered under the Offer[2]	1,530,000,000	3,490,892,095

Total Shares on issue after completion of the Offer	**2,228,178,419**	**4,189,070,514**

Options	Number	Number
Unlisted Options currently on issue:	**122,984,600**	**122,984,600**
WAKAJ: exercise price $0.09, expiring 30 June 2027	122,234,600	122,234,600
WAKAN: exercise price $0.34[3], expiring 9 January 2028	750,000	750,000
Options offered pursuant to the Offers	**Minimum Subscription**	**Fully Subscribed**
Attaching Options (exercise price $0.02, expiring 30 April 2030)[2]	765,000,000	1,745,446,047
Lead Manager Options (exercise price $0.02, expiring 30 April 2030)[4]	40,000,000	40,000,000
Total Options on issue after completion of the Offers	**927,984,600**	**1,908,430,647**

Notes:

1 Based on the capital structure of the Company as at the Last Practicable Date and based on the Assumption.

2 The number of Shares and Attaching Options to be issued depends on the total number of Shares on issue, and the number of Eligible Shareholders, at the Record Date, and the effect of rounding. Refer to Section 6.2 of this Prospectus for the full terms and conditions of the Attaching Options.

3 The exercise price of the WAKAN Options was reduced under Listing Rule 6.22.2 under ASX Listing Rule 6.22.2, however has not been disclosed, meaning that on the most recent Appendix 3H, the exercise price of the WAKAN Options is still $0.35. The exercise price will be reduced again according to the formula provided for in the ASX Listing Rules as a result of the Offer. The Company will advise the new exercise price following completion of the Offer and lodge the required documentation with ASX.

4 The Company has agreed to issue the Lead Manager or its nominees, on completion of the Offer, with 40,000,000 million Options on the same terms as the Attaching Options in part consideration for acting as lead manager to the Offer.

2.3 Key Risks

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out below with additional risks specified in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares and Attaching Options in the future.

The following is a summary of the key risk factors (please refer to Section 7 of this Prospectus for a more extensive list of risk factors):

(a) **Reinstatement to Trading**

The Company's Shares were suspended by the ASX from trading on 2 February 2026 due to a delay in the Company lodging its December quarterly report. Subsequently, the quarterly report was lodged with ASX on 20 February 2026 but ASX agreed to a voluntary suspension in trading until the earlier of an announcement of a recapitalisation and 8 May 2026.

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ASX has subsequently advised the Company that:

(i) it considers the offtake agreement between the Company and Dak Tai Trading Limited (**DTT**) (as announced to ASX on 31 December 2025) (**Offtake Agreement**) required Shareholder approval under ASX Listing Rule 10.1 (**LR 10.1 Approval**); and

(ii) ASX will not lift the suspension of the Company's Shares unless and until LR 10.1 Approval is obtained and it complies with the Listing Rules (including Listing Rules 10.1 and 12.2). The Company is working cooperatively with ASX to address this matter.

As a result, the Company has agreed with DTT not to rely on the Offtake Agreement and has suspended performance under it pending Shareholder approval. The Company intends to seek LR 10.1 Approval for the Offtake Agreement at a Shareholder meeting currently expected to be held by mid-May 2026. Existing Shareholders together holding ~31% of Shares currently on issue[1] and the Partial Underwriters have advised the Company they intend to vote in favour of the LR 10.1 Approval. If LR 10.1 Approval is not obtained, the Company will not be able to reactivate supply under the Offtake Agreement. Pending the Shareholder meeting, the Company will continue to sell kaolin product to DTT to the extent permitted by ASX Listing Rule 10.1.

If the Offer is successfully completed, and the LR 10.1 Approval is obtained and the Company otherwise satisfies ASX that it is in compliance with the ASX Listing Rules, the Company anticipates its Shares will be reinstated to trading on the ASX. However, the decision is in the ASX's sole discretion and no assurance can be given that the voluntary suspension will be lifted.

If ASX were to refuse to restate the Company's Shares to trading, investors would be unable to exit their investment by trading on the ASX unless and until such time as the ASX was satisfied that the suspension should be lifted.

(b) **Dilution**

Upon completion of the Offer, based on the Assumption, the number of Shares in the Company will increase from 698,178,419 currently on issue to 4,189,070,514. This means that each Share will represent a significantly lower proportion of the ownership of the Company and a Shareholder who does not take up its Entitlement will be diluted by 83.3%.

(c) **Production ramp up**

The Company intends to ramp up its mining and processing operations. There is a risk that any ramp 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. This may have a materially adverse effect on the Company's financial position and prospects.

(d) **Going concern**

The continuing viability of the Company and its ability to continue as a going concern and meet its debts and commitments as and when they fall due are dependent on a number of factors, including:

[1] Comprising Silver Tropic Pty Ltd, Scientific Management Associates (Victoria) Pty Ltd and Boneyard Investments Pty Ltd.

(i) the successful completion of the Offer and associated Debt Conversion;

(ii) the continued support of the Company's key creditors and financiers, including in relation to the restructuring and repayment of existing debt obligations;

(iii) the Company's major distributor, Dak Tai, continuing to order product from the Company (including, if approved, under the Offtake Agreement);

(iv) the Company maintaining sufficient operational performance at its Wickepin processing facility, including achieving improved plant availability and throughput following recent operational disruptions;

(v) the successful implementation of planned plant upgrades and maintenance activities intended to address operational issues identified, including abrasion-related wear in the dry separation process and other factors that have reduced plant availability and contributed to lower-than-expected production during the December 2025 quarter;

(vi) the Company continuing to operate its mining and processing activities without material interruption; and

(vii) the Company maintaining sufficient run-of-mine stockpiles and mining approvals to support continuous processing operations at the Wickepin plant.

In its half yearly financial report to 31 December 2026 (**HY2026 Accounts**) the Company recorded a loss from continuing operations after income tax of $5,055,426 and had net cash outflows from operating activities of $3,278,202 and working capital deficit of $4,200,073.

The HY2026 Accounts include a note that the ability of the Company to continue as a going concern is dependent on maintaining the support of existing and potentially new financiers, achieving increased sales of the Company's products.

If the above matters are not achieved or resolved in the anticipated timeframe, the Company may be unable to continue as a going concern and may be required to realise its assets and discharge its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial statements.

(e) **Additional requirements for capital**

The Company believes that the funds raised under the Offer, together with existing cash flow, will be sufficient to meet working capital requirements until end August 2026 if only the Minimum Subscription is achieved. This conservatively assumes that plant production volumes average 3,600 tonnes per month over that period, which is considered by the Board to be an objectively reasonable assumption.

Thereafter the Company may need to raise additional capital to meet its working capital requirements, with the objective that any additional capital raise is sufficient for the Company to fund operations until Q3 FY2027.

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The Offer is intended to reduce debt and provide working capital to stabilise operations and reposition the Company following the recapitalisation to support the raising of additional funds when required.

Any additional equity financing may dilute shareholdings. Any debt financing, if available, may involve restrictions on the Company's activities. If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope of its operations or dispose of assets, as the case may be.

The Company's ability to raise funds through the issue of Shares or other securities is subject to share market conditions from time to time.

There is no certainty that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company and its Shareholders. If the Company is unable to raise additional funds when required, it may not be able to continue as a going concern.

Future sustainable cashflows are contingent upon increasing plant output, reducing total costs of operations and importantly, increasing average kaolin sale prices received by focussing sales into higher value markets.

At conservative monthly production volumes of 3,600 – 4,000 tonnes from the plant, output will be committed until Q2/Q3 FY2027 in fulfilling expected orders from Dak Tai (assuming Shareholders approve the Offtake Agreement). Volumes of kaolin produced in excess of agreed monthly deliveries to Dak Tai, of the total contracted supply, will be produced to specifications suitable for high-value, positive margin markets. Until this time however, the Company will not generate sustainable (positive) cashflows.

The Company may require additional capital in the future to continue operations, implement operational improvements and pursue its revised business strategy.

The Company's future capital requirements, and the Company's ability to satisfy those requirements, depend on numerous factors, many of which are beyond the control of the Company.

(f) **Operational activities**

The Company's operational activities include mining and supply of kaolin products, which are subject to operating risks that could impact the amount and quality of kaolin produced or increase the cost of production for varying lengths of time. Such difficulties include: increased costs of mining, processing, loading and equipment failures, safety incidents and accidents, freight capacity constraints and a shortage of labour. If any of these or other conditions occur in the future, they may increase the cost of the Company's activities which could adversely affect the Company's results or decrease the value of its assets.

The Company received regulatory prohibition and improvement notices in relation to its mining operations and Wickepin kaolin plant in October and December 2025, as announced to the ASX on 10 March 2026 following a query from ASX. The Company has closed out all material matters raised by these notices. While the Company is not currently aware of any reason why further notices would be received, no assurance can be given in this regard. Any such notices may adversely affect the Company's mine and plant and

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have a material adverse effect on the financial condition and prospects of the Company.

(g) **Financial Indebtedness**

WAK owes approximately $27,591,751 to loan creditors of which $1,150,000 is on an interest-free basis. It also owes $378,073 to asset financiers (hire purchase), $161,058 (Lease Liability) and approximately $2,369,540 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 in quarterly repayments when WAK achieves free cash flow in the previous quarter. Specific agreed repayments are conditional on WAK having free cash flow. Asset financing payments continue to occur in the ordinary course of business.

(h) **Fuel Supply and Availability Risk**

The Company's processing operations require the ongoing supply of fuel (including diesel and other petroleum-based fuels) to operate plant, equipment and supporting infrastructure at the Wickepin processing facility. The availability and price of fuel may be affected by a range of factors outside the control of the Company, including disruptions to global or domestic fuel supply chains, geopolitical events, refinery outages, transportation constraints, regulatory changes, industrial action or broader energy market volatility.

If fuel becomes unavailable, restricted or significantly delayed for any period, the Company may be unable to operate its processing plant or associated equipment at planned levels or at all. Any interruption to fuel supply could result in temporary shutdowns, reduced plant availability, lower production volumes, increased operating costs, delays in meeting customer commitments and a corresponding adverse impact on the Company's financial performance and cash flow.

In circumstances where sufficient fuel cannot be obtained to maintain planned plant operations, the Company may be required to source alternative energy solutions, including renewable energy generation or supply. However, there can be no assurance that suitable renewable or alternative energy arrangements could be procured in a timely manner, on commercially acceptable terms or at all. The transition to alternative energy sources may also require additional capital expenditure, infrastructure modifications or operational adjustments, which could increase costs and delay the resumption or continuation of full plant operations.

If the Company is unable to secure sufficient fuel supply, or cannot implement alternative energy arrangements in a timely or cost-effective manner, this may materially disrupt the Company's operations, increase operating costs and adversely affect production levels. Any such outcome could have a material adverse effect on the Company's operations, financial position, financial performance and future prospects.

(i) **Executive Management**

The responsibility of overseeing the day-to-day operations and the Company's strategic management depends substantially on its senior management and key personnel. There can be no assurance given that there

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will be no detrimental impact on the Company if one or more of these employees cease their employment.

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3. Letter from the Chair

Dear Shareholders,

As you will be aware, the Company's Shares are currently suspended from trading on the ASX at the Company's request to allow the Company to undertake a recapitalisation.

The Board considers a recapitalisation is critical to overcome a shortfall in working capital and to substantially reduce the Company's debt levels. The shortfall in working capital has largely resulted from ongoing challenges with the Wickepin kaolin processing plant (as most recently disclosed to ASX on 31 December 2025).

In order to secure sufficient working capital and substantially reduce its debt, the Company has resolved to undertake a non-renounceable pro-rata entitlement offer (**Offer**) to Eligible Shareholders to raise up to approximately $34.9 million (before costs).

Key shareholders and creditors with ~43% share ownership and holding ~$27.5 million of debt have provided firm commitments for ~$4.7 million in entitlements and have agreed to partially underwrite ~$10.1 million of the Offer by way of debt for equity conversion.

If the Offer is fully subscribed up to approximately $22.5 million of debt owed to major creditors would be repaid as part of the recapitalisation and the Company would expect to retain approximately $11.2 million in working capital (after deducting costs of the Offer).

The Company has set a Minimum Subscription of 1.53 billion Shares (equivalent to $15.3 million in subscriptions in cash or by debt for equity conversion).

If the Minimum Subscription is achieved:

(a) there will be a substantial reduction in the Company's debt levels (with ~$10.1m to be converted into equity by way of partial underwriting of the Offer by the Company's major creditors (**Debt Conversion**)[2];

(b) the Company will raise working capital of ~$4.7 million (after costs of the Offer) which is currently considered sufficient to fund the Company's operations until end August 2026[3], allowing the Company to overcome its short-term cash flow shortfall and undertake improvements to the Wickepin kaolin plant to increase production; and

(c) the Company currently considers it will be in a strong position to raise additional working capital when required, with the objective that any additional capital raise is sufficient for the Company to fund operations until Q3 FY2027.

If the Offer is successfully completed, the ASX has advised the Company that its Shares will remain suspended until the Company obtains Shareholder approval under Listing Rule 10.1 for the Offtake Agreement and complies with the ASX Listing Rules

[2] Refer to Sections 4.6 and 5.8 of this Prospectus for further details in respect of the Debt Conversion by way of partial underwriting and the effect on control of the Company that may result and Section 8.4 for details of the Underwriting Agreements.

[3] Assuming that production volumes average 3,600 tonnes per month over that period, which is considered by the Board to be an objectively reasonably assumption.

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(including Listing Rules 10.1 and 12.2) as detailed in Section 2.4(a) above. A Shareholder meeting to seek this approval is currently anticipated to be held by mid May 2026. The Company intends to apply to ASX to reinstate its Shares to trading on the ASX subject to this Shareholder approval being obtained. The decision as to reinstatement is in the sole discretion of the ASX.

The issue price of $0.01 per Share under the Offer and Shortfall Offer represents a 65% discount to the 10-day VWAP up to 29 January 2026, being the final day that the Company's Shares traded on the ASX prior to the Company's suspension from trading on the ASX.

The Management team of your Company are confident that the program of plant and other asset improvements scheduled to be effected on the closure of this Offer will lead to substantial increases in (primarily) plant availability: that is, the time that the processing plant is actually consistently producing kaolin.

The dramatic shift in demand by the Chinese kaolin market to non-USA based suppliers that materialised in early 2025 saw demand for production and shipping volumes from the Wickepin plant increase dramatically. Management have mapped the program towards plant stability against which they aspire to capitalise on this strong demand and continue to grow the customer base both inside and external to China.

At the same time, the Board are bringing corporate and financial governance skillsets to bear on the business overall. To this end, the independent directors, being Catherine Lynch and me, are working closely with management to develop first principles sales and operational budgets, as we move towards eliminating the negative gross margins on the Company's products.

The information in this Prospectus should be read carefully in its entirety before deciding whether or not to participate in the Offers. In particular applicants should consider the key risk factors outlined in Section 7 of this Prospectus.

On behalf of your Board, I invite you to consider this investment opportunity and thank you for your ongoing support for our Company.

Yours faithfully,



Matt Shackleton
Non-Executive Chair
WA Kaolin Limited

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4. Details of the Offers

4.1 Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of five (5) new Shares for every one (1) Share held by Eligible Shareholders registered at the Record Date at an issue price of $0.01 per Share together with one free Attaching Option for every two (2) new Shares issued.

The ratio of 5:1 is required to ensure the total amount to be raised allows:

(a) the Company to materially reduce the Company's debt by at least ~$10.1 million if only the Minimum Subscription was achieved (through the Debt Conversion) and by up to ~$22.5 million if the Offer is Fully Subscribed; and

(b) the Company to secure ~$4.2 million from Century Horse by way of an Entitlement firm commitment, being a substantial portion of the $5.2 million in cash subscriptions (before Offer costs) the Company considers it requires for working capital purposes until end August 2026 if only the Minimum Subscription is achieved.

All of the Shares offered under this Prospectus will following issue rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.1 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares and Section 6.2 of this Prospectus for the Attaching Options.

Fractional entitlements will be rounded up to the nearest whole number.

The issued capital of the Company on a fully diluted basis as at the Last Practicable Date is 821,163,019 Shares and on completion of the Offer (based on the Assumption) would be 6,097,501,162 Shares.

Assuming the Offer is Fully Subscribed (on an undiluted basis) then the Company will raise approximately $34,908,921 under the Offer (before costs).

The total amount raised under the Offer will be reduced by the amounts the Partial Underwriters subscribe for under their Underwriting Agreements as their underwriting commitments are to be satisfied through the discharge of an equivalent amount of debt owed to the Partial Underwriters by the Company.

The purpose of the Offer and the intended use of funds raised are set out in Sections 5.1 and 5.4 of this Prospectus.

The Offer closes on the Closing Date but the Company reserves the right to extend the Closing Date by giving notice to the ASX in accordance with the ASX Listing Rules.

The Securities in your Entitlement that are not taken up will form part of the Shortfall (see Section 4.4 below).

4.2 Existing Options

As at the date of this Prospectus, the Company has 122,984,600 Options on issue. Please refer to Section 5.3 of this Prospectus for information on the material terms of the existing Options.

Holders of Options must exercise their Options prior to the Record Date in order to participate in the Offer in respect of the Shares underlying their Options.

Whilst the Board does not expect any Options to be exercised prior to completion of the Offer, if all Options are exercised (and the resultant Shares issued) before the Record Date, the Offer will increase by approximately 614,923,000 Shares and 307,461,500 Attaching Options, taking the aggregate Shares and Options that may be subscribed for and issued under the Offer to a total of approximately 4,105,815,095 and 2,092,907,548 Attaching Options and the funds raised will increase by approximately $6,149,230 to a total of approximately $41,058,151 (before costs and rounding).

4.3 Minimum Subscription

The minimum subscription for the Offer is 1.53 billion Shares being subscribed for under the Offers by the Offer Closing Date (whether by cash subscription or Debt Conversion, with up to ~520 million Shares anticipated to be issued for cash totalling ~$5.2 million (before costs) and up to ~1.01 billion Shares issued for the Debt Conversion) (**Minimum Subscription**).

No Securities will be issued until Applications for the Minimum Subscription have been received. If the Minimum Subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus to all Applicants and, in accordance with section 724 of the Corporations Act, allow all Applicants one month to withdraw their Applications and be repaid their Application monies.

4.4 Condition of the Offer

The Offer is conditional on Shareholders approving the Offer at the general meeting to be held on or about Tuesday 28 April 2026. If Shareholder approval is not obtained, the Offer will not proceed and all Application Monies will be refunded as soon as practicable.

4.5 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three (3) months following the Closing Date of the Offer. The Shortfall Offer is currently proposed to close at 5.00pm (AEDT) on Thursday 23 July 2026 unless extended in the Board's discretion.

The issue price for each Share to be issued under the Shortfall Offer will be $0.01, being the price at which Shares have been offered under the Offer, with one (1) Attaching Option for every two (2) new Shares issued.

All Securities issued under the Shortfall Offer shall be issued on the same terms as Securities being offered under the Offer.

Eligible Shareholders (unless subject to ASX Listing Rule 10.11 such as a Director) may apply for additional Securities under the Shortfall in accordance with the Entitlement and Acceptance Form and by paying the appropriate Application Monies

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in accordance with the instructions provided with the Entitlement and Acceptance Form.

Additionally, other investors who are not currently Shareholders who wish to participate in the Shortfall may apply for Shortfall Securities by following the instructions provided with the Shortfall Application Form and paying the appropriate Application Monies.

If you are not a Shareholder and wish to participate in the Shortfall Offer, please contact the Company.

4.6 Lead Manager and the Lead Manager Options Offer

Leeuwin Wealth has been appointed as lead manager to the Offers. The terms of the appointment of the Leeuwin Wealth are summarised in section 8.6 of this Prospectus.

The Lead Manager Options Offer is a conditional offer of 40 million Options to the Lead Manager or its nominee as consideration for acting as corporate advisor and Lead Manager in relation to the Offer. The Lead Manager Options Offer is conditional upon successful completion of the Offer.

The Lead Manager offer will remain open for up to three (3) months following the Closing Date of the Offer. The Lead Manager Options Offer is currently proposed to close on the Closing Date of the Offer unless extended in the Board's discretion.

The Lead Manager Options Offer is only made to and capable of acceptance by the Lead Manager, or its nominees.

4.7 Partial Underwriting of Offer

The Offer is partially underwritten by the Partial Underwriters detailed below (upon and subject to the terms and conditions of their respective underwriting agreements (**Underwriting Agreements**)). The Partial Underwriters have collectively agreed to underwrite up to $10.13 million of the Offer (**Underwritten Amount**) as detailed below through the conversion of debts owed by the Company to the Partial Underwriters (**Debt Conversion**).

Partial Underwriter	Underwritten Amount[1]	Underwritten Shares	Underwritten Attaching Options
Scientific Management Associates (Operations) Pty Ltd (**SMAO**)	$5,459,661	545,966,055	272,983,028
Boneyard Investments Pty Ltd (**Boneyard Investments**)	$3,520,339	352,033,945	176,016,973
Wamco Industries Pty Ltd (**Wamco Industries**)[2]	$1,150,000	115,000,000	57,500,000
TOTAL	**$10,130,000**	**1,013,000,000**	**506,500,000**

Notes:

1. To be satisfied through a reduction in equivalent amount of debt owed by the Company to the applicable Partial Underwriter.

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2. Wamco Industries is a related party of the Company by virtue of being controlled by the Company's Managing Director Alf Baker.

Refer to Section 8.5 for a summary of the material terms of the Underwriting Agreements which were negotiated on arms' length terms by the independent Non-Executive Directors and are on materially identical terms. No fees are payable to the Partial Underwriters for partially underwriting the Offer.

The Company sought a professional underwriter for the Offer but was unable to secure one due to the Company's Shares being suspended from trading.

The Partial Underwriters currently hold Shares and Voting Power in the Company as set out below. Refer to Section 5.8 of this Prospectus for details with respect to the potential effect of the Underwriting Agreements on the control of the Company.

Partial Underwriter	Existing Shares held directly	Existing Voting Power
Boneyard Investments	52,572,885[1]	8.14%[1]
Wamco Industries	0[2]	10.65%[2]
SMAO	0[3]	12.78%[3]
TOTAL	**52,572,885**	**31.57%**

Notes:

1. A further 4,269,422 Shares are held by Chemco Superannuation Fund Pty Ltd (**Chemco**), which is an associate of Boneyard Investments due to both entities being controlled by Mr Gordon Martin, resulting in Boneyard investments/Chemco having Voting Power of 8.14% as at the Last Practicable Date.
2. Wamco Industries is an associate of Silver Tropic Pty Ltd (**Silver Tropic**) (with both entities being controlled by the Company's Managing Director Alf Baker). Silver Tropic is the registered holder of 74,375,241 Shares as at the Last Practicable Date, giving Wamco Industries/Silver Tropic Voting Power of 10.65% as at the Last Practicable Date.
3. SMAO is not the registered holder of any Shares at the Last Practicable Date. Scientific Management Associates (Victoria) Pty Ltd (**SMAV**), which is an Associate of SMAO, is the registered holder of 89,193,211 Shares as at the Last Practicable Date, giving SMAO/SMAV Voting Power of 12.78% as at the Last Practicable Date.

4.8 Allocation of Shortfall

The Directors reserve the right to issue any Shortfall at their discretion, subject to the Underwriting Agreements.

The Board intends to allocate Shortfall as follows:

(a) firstly, to Eligible Shareholders (other than any Partial Underwriters) who have validly applied for Shortfall Securities under the Shortfall Offer before the Offer Closing Date and who do not require Shareholder approval for Shortfall Securities to be issued to them, with pro rata scale back if necessary; and

(b) then, in the Board's discretion, to new investors determined by the Board and the Lead Manager that apply for Shortfall under the Shortfall Offer before completion of the Offer (other than the Partial Underwriters); and

(c) then, to the Partial Underwriters by way of Debt Conversion (with the same number of Shares issued to each Partial Underwriter until their underwriting commitments are discharged); and

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(d) finally, to new investors determined by the Board and the Lead Manager that apply for Shortfall under the Shortfall Offer after the Closing Date of the Offer (other than the Partial Underwriters,

with allocations (and any pro rata scale back) taking into account the following factors, namely, the need to:

(a) give preference to existing Shareholders of the Company in recognition of their ongoing support;

(b) consider any new potential long-term or cornerstone investors identified; and

(c) ensure an appropriate Shareholder base for the Company.

Except for the issue of Shares in accordance with the Underwriting Agreements, no Shortfall will be issued to a party if the effect would be to increase that party's Voting Power in the Company to an amount greater than 20%.

Refer to Section 5.8 of this Prospectus for details with respect to the Partial Underwriters who could potentially increase their Voting Power in the Company above 20.0% as a result of their underwriting commitment, depending on the Entitlements and Shortfall Securities subscribed for by the Offer Closing Date.

Notwithstanding any other provision of this Prospectus, the Directors reserve the right to issue an Applicant a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. All decisions regarding the allocation of Shortfall Securities will be made by the Directors, and will be final and binding on all Applicants under the Shortfall Offer. As such, there is no guarantee that any Shortfall Securities applied for will be issued to Applicants.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Securities applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any application monies will be pro rata returned (without interest) in accordance with the provisions of the Corporations Act.

4.9 ASX Waivers – Listing Rules 7.11.3 and 7.15

ASX Listing Rule 7.11.3 provides that the ratio or securities offered under a pro rata rights issue must not be greater than one security for each security held. ASX Listing Rule 7.11.3 does not apply where the offer is renounceable and the issue price is not more than the VWAP for securities in that class, calculated over the last 5 days on which sales in the securities were recorded before the day on which the issue was announced.

The Company's Shares have been suspended from official quotation since 2 February 2026 and will continue to be suspended during the Offer.

As such, the Company cannot make the Offer on a renounceable basis in order to comply with ASX Listing Rule 7.11.3. The Company therefore sought, and ASX granted, a waiver of ASX Listing Rule 7.11.3 to the extent necessary to permit the Company to proceed with the Offer on the terms set out in this Prospectus.

It is a condition of the waiver that the Company obtain Shareholder approval for the terms of the Offer. A resolution will be put to Shareholders at the general meeting to be convened for 28 April 2026 (**General Meeting**) to seek to satisfy this condition. The votes of substantial shareholders, underwriters or sub-underwriters of the Offer,

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any brokers or managers of the Offer, and any of their respective Associates will be excluded from voting on the resolution. The Company has otherwise complied with the conditions of the waiver.

The Company has also been granted a waiver of ASX Listing Rule 7.15 to permit the Company to undertake the Offer with a record date that is prior to the General Meeting, on the condition that the Company's securities are not reinstated to trading prior to the General Meeting. Without this waiver, the Company would need to undertake the Offer after the general meeting, delaying the receipt of funds from the Offer by approximately three week at a time when the Company urgently requires additional working capital.

4.10 Acceptance – what Eligible Shareholders may do

An Eligible Shareholder's acceptance of the Offer must be in accordance with the Entitlement and Acceptance Form accompanying this Prospectus.

Other than where you apply for Shortfall Shares, your acceptance must not exceed your Entitlement as shown on that form.

You may participate in the Offer (and Shortfall Offer) as follows:

(a) accept your **full** Entitlement:

(b) accept your **full** Entitlement and apply for Shortfall under the Shortfall Offer;

(c) accept **part** of your Entitlement and allow the balance to lapse; or

(d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

4.11 Acceptance – what new investors may do

Investors who are not Eligible Shareholders who wish to apply for Shortfall Shares should follow the instructions on the Shortfall Application Form provided with this Prospectus.

4.12 No Return of Application Forms

Eligible Shareholders do NOT need to return their Entitlement and Acceptance Form to the Company provided payment is made for Securities applied for using BPAY® or EFT in accordance with the instructions on their Entitlement and Acceptance Form.

Eligible Shareholders can obtain their Entitlement and Acceptance Form details online at https://portal.automic.com.au/investor/home.

Investors who wish to subscribe for Shortfall Securities under the Shortfall Offer do NOT need to return a Shortfall Application Form to the Company provided payment is made for Securities applied for using BPAY® or EFT in accordance with the instructions on the Shortfall Application Form.

4.13 No payment by cheque

The Company has resolved that Applications cannot be paid for by cheque.

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4.14 Payment by BPAY

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form which can be accessed online at the offer website https://portal.automic.com.au/investor/home. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

(a) you do not need to submit the Entitlement and Acceptance Form if you pay by BPAY® but are taken to have made the declarations on that Entitlement and Acceptance Form; and

(b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies paid by BPAY®.

4.15 By Electronic Funds Transfer (EFT)

If you are an Eligible Shareholder resident outside Australia, and unable to pay using BPAY®, you may make payment by Electronic Funds Transfer (**EFT**). Please follow the instructions on your Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

(a) you must make payment to the entitlement offer bank account using your unique entitlement reference number for payment. **You must quote your unique entitlement reference number as your payment reference/description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your Application and the Securities not being issued (and the funds refunded);** and

(b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares (and Attaching Options) which is covered in full by your application monies.

4.16 Cut-off for Receipt of BPAY® and EFT Payments

Applicants should be aware of the cut off time for payment to the Company's Share Registry, which for the Offer is 5.00pm (AWST) on the Closing Date. Applicants should also be aware of their own financial institutions cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure that funds are submitted correctly so that payment is received by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 3.00pm (WST) and/or on a day that is not a business day.

Any application monies received for more than your final allocation of Shares (only where the amount is $1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

4.17 ASX quotation

Application for Official Quotation of the Shares offered pursuant to this Prospectus on the ASX will be made in accordance with the timetable set out at the commencement of this Prospectus.

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If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three (3) months after the date of this Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities under this Prospectus and will repay all Application Monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares offered for subscription.

4.18 Issue of Securities

Shares and Options issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out in Section 2.1 of this Prospectus.

Shortfall Securities that have been applied for before the completion of the Offer will be issued contemporaneously with completion of the Offer. Shortfall Securities applied for after completion of the Offer will be issued progressively until the Shortfall Offer closes.

Where the number of Shares and Options issued is less than the number applied for, or where no issue is made, surplus Application Monies will be refunded without any interest to the Applicant as soon as practicable.

Pending the issue of the Shares and Options or payment of refunds pursuant to this Prospectus, all Application Monies will be held in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares and Options issued under the Offer will be provided in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Holding statements for any Shortfall Securities issued under the Shortfall Offer will be provided as soon as practicable after their issue.

4.19 CHESS and Issuer Sponsorship

The Company will not be issuing share certificates for the Shares and Options offered under this Prospectus. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Investors who are issued Shares and Options under this Prospectus will be provided with a holding statement (similar to a bank account statement) that sets out the number of Shares and Options issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

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4.20 Foreign shareholders

The Offer is being made to all Shareholders on the Record Date, including those with registered addresses outside Australia. The Company therefore does not need to appoint a nominee for the purposes of section 615 of the Corporations Act or ASX Listing Rule 7.7.1(c).

4.21 Rounding

Fractional entitlements will be rounded up to the nearest whole number. All references to numbers of Securities to be issued pursuant to this Prospectus are expressed subject to rounding.

4.22 Enquiries

Any questions concerning the Offer or Shortfall Offer should be directed to Abhi Anand, Company Secretary, on +61 8 9439 6300 or by email to Abhi Anand aanand@wakaolin.com.au.

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5. Purpose and effect of the Offers

5.1 Purpose of the Offers

The purpose of the Offers is to undertake a recapitalisation of the Company to strengthen its balance sheet, materially reduce existing debt and provide additional working capital to support the continued operation and optimisation of the Wickepin kaolin project.

If the Offer is Fully Subscribed the Company will raise approximately $34,908,921 before costs (based on the total number of Shares on issue as at the date of this Prospectus and subject to the Assumption).

5.2 Effect of the Offers

The principal financial effect of the Offers will be to:

(a) reduce the Company's debt by between $10.13 million (on a Minimum Subscription basis) and up to $22.5 million (on a Full Subscription basis); and

(b) increase the cash reserves by approximately:

(i) $4,742,528 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer if only the Minimum Subscription is achieved; and

(ii) $23,571,447 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer if the Offer is Fully Subscribed.

5.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company is set out below.

Shares	**Number**	**Number**
Shares on issue at the date of this Prospectus	698,178,419	698,178,419
	Minimum Subscription	**Fully Subscribed**
Shares offered under the Offer[2]	1,530,000,000	3,490,892,095
Total Shares on issue after completion of the Offer	**2,228,178,419**	**4,189,070,514**

Options	**Number**	**Number**
Unlisted Options currently on issue:	**122,984,600**	**122,984,600**
WAKAJ: exercise price $0.09, expiring 30 June 2027	122,234,600	122,234,600
WAKAN: exercise price $0.34[3], expiring 9 January 2028	750,000	750,000

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Options offered pursuant to the Offers	Minimum Subscription	Fully Subscribed
Attaching Options (exercise price $0.02 expiring 30 April 2030)[2]	765,000,000	1,745,446,047
Lead Manager Options (exercise price $0.02, expiring 30 April 2030)[4]	40,000,000	40,000,000
Total Options on issue after completion of the Offer	**927,984,600**	**1,908,430,647**

Notes:

1 Based on the capital structure of the Company as the Last Practicable Date, and based on the Assumption.

2 The number of Shares and Attaching Options to be issued depends on the total number of Shares on issue, and the number of Eligible Shareholders, at the Record Date, and the effect of rounding. Refer to Section 6.2 of this Prospectus for the full terms and conditions of the Attaching Options.

3 The exercise price of the WAKAN Options was reduced under Listing Rule 6.22.2, however has not been disclosed, meaning that on the most recent Appendix 3H, the exercise price of the WAKAN Options is still $0.35. The exercise price will be reduced again according to the formula provided for in the ASX Listing Rules as a result of the Offer. The Company will advise the new exercise price following completion of the Offer and lodge the required documentation with ASX.

The issued capital of the Company on a fully diluted basis as at the Last Practicable Date is 821,163,019 Shares and on completion of the Offer (based on the Assumption) would be 6,097,501,162 Shares.

Assuming the Offer is Fully Subscribed (on an undiluted basis) then the Company will raise approximately $34,908,921 under the Offer (before costs).

5.4 Use of Funds

The funds raised from the Offers are planned to be used in accordance with the table set out below on a minimum and full subscription basis.

Item	Proceeds of the Offer	Minimum Subscription ($m)	%	Full Subscription ($m)	%
1.	Debt reduction[1]	$10,130,000	66.2%	$22,501,447	64.5%
2.	Working capital[2]	$4,742,528	31.0%	$11,200,000	32.1%
3.	Expenses of the Offer[3]	$427,472	2.8%	$1,207,474	3.5%
Total		**$15,300,000**	**100.0%**	**$34,908,921**	**100.0%**

Notes:

1. To the extent the Partial Underwriters take up their Underwriting commitments of up to $10.13 million, these repayments will be deemed to be made under the Debt Conversion and the total funds raised from the Offer will be reduced by an equivalent amount.

2. As disclosed to ASX on 20 February 2026, the Company had net negative cash flows of ~$1.7 million for the quarter ended 31 December 2025. The Company will continue to have negative net cash flows until it can produce and sell sufficient additional products at higher prices, which on a conservative basis may not occur for another 12 months. Refer to Section 2.3(e) of this Prospectus for more details. If only the Minimum Subscription is raised, working capital of ~$4.7 million is expected to comprise outstanding trade creditors (~$2.4 million as at the date of the Original Prospectus), plant improvements

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(~$0.5 million)[4] and funding for the Company's ongoing operations until end August 2026. If the Offer is Fully Subscribed, the Company anticipates additional working capital of ~$6.5 million of which ~$2.5 million as detailed in section 5.4.1 below is intended to be allocated towards plant improvements and the balance towards the Company's ongoing operations from end August 2026.

3. Refer to Section 8.14 of this Prospectus for further details relating to the estimated expenses of the Offers.

The above table is a statement of current intentions as of the date of this Prospectus. To the extent the Company raises more than $5.2 million (after costs) in cash from the Offer, it intends to apply:

(a) up to ~$7.2 million of any additional cash funds raised above this amount towards costs of the Offer and working capital (including ~$2.5 million on plant improvements as detailed in section 5.4.1 below) before any further debt is repaid; and

(b) any additional cash funds raised in excess of $7.2 million towards additional costs of the Offer and repaying the Company's debt.

As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Company's current cash resources and additional capital proposed to be raised by the Offers are sufficient to meet its current stated objectives.

If the full subscription amount is not raised under the Offers, the Company's proposed use of funds will be scaled back accordingly. The Board considers that the Company will still be able to progress its key objectives until additional funding sources are secured.

5.4.1 Plant Improvements

If the Offer is Fully Subscribed, the Company's proposed use of funds includes additional working capital of ~$6.5 million, of which ~$2.5 million is intended to be allocated towards plant improvements as detailed in order of priority in the table below.

	DESCRIPTION	METHOD	STATUS	BENEFIT	ESTIMATED COST
1	Waste recovery from coarse waste stream	Install dry mixer to break up kaolin lumps and install an additional primary separator (T1C). Overflow goes via existing T3s to classifiers. Underflow goes to coarse sand waste	Analysis shows 30% kaolin in waste. Pilot study progressing to show % recoverable at full scale	Recovers good kaolin from waste and adds approximately 4 tonnes per hour to finished product	$500,000
2	2 x additional storage silos		Quoted	Aids multiple grade storage without shutdown	$100,000
3	2 x additional bagging stations		Estimated	Improves packaging output and aids multiple grade packaging	$150,000

[4] Refer Table 1 in ASX announcement "Debt Restructure and Recapitalisation" dated 30 March 2026 for details.

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4	Relocate loading hopper to dry ore store	Alternatively enclose the existing area	Estimated	Reduce dust and improve working conditions in process area	$150,000
5	Wind break walls to protect generator compound		Estimated	Protect generator failure due to dust ingress	$75,000
6	Road sealing			Dust reduction	$25,000
7	Pallet racking			Efficiency of storage	$50,000
8	Classifier waste recovery	Develop grinding plant to grind waste to below 45 micron and reinclude in appropriate products	Analysis shows 70% of kaolin in the waste stream Studies have commenced into grinding methods and equipment	Recovers good kaolin from waste and adds approximately 4 tonnes per hour to finished product	$1 million
	Subtotal				**$2.05 million**
	Contingency (25%)				$500,000
	Total				**$2.55 million**

5.5 Pro-forma statement of financial position

The audit reviewed statement of financial position as at 30 June 2025, the reviewed accounts as at 31 December 2025 and the unaudited pro-forma statement of financial position as at 31 December 2025 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma statement of financial position has been prepared to provide an indication on the effect of the Offer on the financial position of the Company assuming the Offer is Fully Subscribed and no other Shares are issued prior to the Record Date. It has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITED 30/06/2025	**REVIEWED 31/12/2025**	**UNAUDITED PRO-FORMA 31/12/2025 Minimum Subscription**	**UNAUDITED PRO-FORMA 31/12/2025 Full Subscription**
Current assets				
Cash and cash equivalents	3,581,113	774,215	5,513,490	11,974,215
Trade and other receivables	1,619,890	1,531,438	1,531,438	1,531,438
Inventory	2,588,854	2,568,423	2,568,423	2,568,423
Total current assets	**7,789,857**	**4,874,076**	**9,613,351**	**16,074,076**
Non-current assets				
Right of use asset	389,375	253,181	253,181	253,181
Deposit paid	20,433	20,433	20,433	20,433
Property, plant and equipment	2,333,257	2,277,909	2,277,909	2,277,909

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	AUDITED 30/06/2025	REVIEWED 31/12/2025	UNAUDITED PRO-FORMA 31/12/2025 Minimum Subscription	UNAUDITED PRO-FORMA 31/12/2025 Full Subscription
Mine development expenditure	29,142,604	29,544,438	29,544,438	29,544,438
Total non-current assets	**31,885,669**	**32,095,961**	**32,095,961**	**32,095,961**
TOTAL ASSETS	**39,675,526**	**36,970,037**	**41,709,312**	**48,170,037**
Current liabilities				
Trade and other payables	3,174,568	3,733,465	3,733,465	3,733,465
Lease liabilities	53,844	249,756	249,756	249,756
Borrowings	25,401,228	5,034,669	361,416	361,416
Provisions	211,504	56,259	56,259	56,259
Total current liabilities	**28,841,144**	**9,074,149**	**4,400,896**	**4,400,896**
Non-current liabilities				
Borrowings	253,348	22,396,024	17,444,257	5,076,063
Lease liabilities	133,608	104,799	104,799	104,799
Provisions	1,786,921	1,802,346	1,802,345	1,802,345
Total non-current liabilities	**2,173,877**	**24,303,169**	**19,351,401**	**6,983,207**
TOTAL LIABILITIES	**31,015,021**	**33,377,318**	**23,752,297**	**11,384,103**
NET ASSETS (LIABILITIES)	**8,660,505**	**3,592,719**	**17,957,015**	**36,785,934**
Equity				
Issued capital	69,137,747	69,125,387	83,997,915	102,826,834
Reserves	37,385,293	37,385,293	37,385,293	37,385,293
Accumulated losses	(97,862,535)	(102,917,961)	(103,426,193)	(103,426,193)
TOTAL EQUITY	**8,660,505**	**3,592,719**	**17,957,015**	**36,785,934**

The pro-forma statement of financial position includes the following adjustments:

A. The Offer raising $5.2 million in cash (Minimum Subscription) and $34,908,921 (on a Fully Subscribed basis) before deducting the estimated expenses of the Offer of $427,472 (Minimum Subscription) and $1,207,474 (Full Subscription). The total amount raised under the Offer will be reduced by the amounts the Partial Underwriters subscribe for under their Underwritten Amount (as their Underwriting commitment will be satisfied through the discharge of an equivalent amount of debt owed by the Company to them); and

B. Material adjustments for the period of the offer have been made in the above Pro-forma balance sheet.

5.6 Potential dilution of Shareholders

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 83.33% (as compared to their holdings and

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number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer
Shareholder 1	100,000,000	14.32%	500,000,000	100,000,000	2.39%
Shareholder 2	50,000,000	7.16%	250,000,000	50,000,000	1.19%
Shareholder 3	20,000,000	2.86%	100,000,000	20,000,000	0.48%
Shareholder 4	10,000,000	1.43%	50,000,000	10,000,000	0.24%
Shareholder 5	1,000,000	0.14%	5,000,000	1,000,000	0.02%

Note:

1. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer.

5.7 Details of substantial holders

Based on publicly available information, the Company's substantial holders (i.e. holders with a Relevant Interest of 5% or more in the Company's Shares) as at the date of this Prospectus, and their Entitlement (including any Entitlement of their Associates) under the Offer, are set out in the table below.

Holder	Existing Shares held	Voting Power[1]	Entitlement (Shares)[2]	Subscription Sum	Existing Shares plus Entitlement Shares[3]	Maximum Potential Voting Power[4]
Kenneth Hall[5]	158,193,197	22.66%	790,965,985	$7,909,660	949,159,182	31.44%
SMAV[6]	89,193,211	12.78%	445,966,055	$4,459,661	535,159,266	40.43%
Century Horse[7]	84,756,824	12.14%	423,784,120	$4,237,841	508,540,944	22.82%
Silver Tropic Pty Ltd[8]	74,375,241	10.65%	371,876,205	$3,718,762	446,251,446	21.59%
Boneyard Investments[9]	52,572,885	8.14%	262,864,425	$2,628,644	319,706,732	28.15%
Total	**459,091,358**	**66.37%**	**2,295,456,790**	**$22,954,568**	**2,758,817,570**	**N/A**

Notes:

1. In the event all Entitlements are accepted by Eligible Shareholders there will be no change to the substantial holders on completion of the Offer.
2. Entitlement includes one (1) Attaching Option ($0.02 exercise price, expiring 30 April 2030) for every two (2) Shares subscribed.
3. The "Existing Shares plus Entitlement Shares" column shows the number of Shares that would be held by the relevant substantial holder assuming the substantial holder and their Associates subscribe for their full Entitlements under the Offer. This column does not include any Shares that may be issued to the relevant substantial holder or its Associates pursuant to underwriting arrangements under the Offer. The potential effect of those underwriting arrangements on the Voting Power of the relevant parties is shown in the next column and described in Section 5.8.
4. Maximum potential Voting Power is calculated on the basis that the Minimum Subscription under the Offer is achieved and assumes that the relevant substantial holder and its Associates subscribe

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for their full Entitlements under the Offer and, where applicable, that the relevant substantial holder or its Associates also participate through underwriting commitments. As a result, the Voting Power shown may include Shares issued in excess of the Entitlements shown in the table. Refer to Section 5.8 for full details of the underwriting arrangements and their effect on control of the Company.

5. Held as trustee for the Hall Park Trust. Kenneth Hall is a former director of the Company (resigned 20 October 2025). The Company does not currently anticipate Mr Hall will take up his Entitlement. If he does not, his Voting Power will be reduced to a maximum of 7.10% on a Minimum Subscription basis.
6. SMAV has indicated it does not intend to take up any of its Entitlement. Its Associate, SMAO, is instead Underwriting ~$5.5 million of the Offer by way of Debt Conversion. As such, it is anticipated that SMAV/SMAO's Voting Power will increase to a maximum of 28.51% on a Minimum Subscription basis as detailed in Section 5.8 below and Section 8.5 for details of the SMAO Underwriting Agreement.
7. Century Horse has executed a firm commitment letter that it will subscribe for its full Entitlement of 423,784,120 Shares under the Offer, for a total subscription amount of $4,237,841. Century Horse is an Associate of former Director Sean Hu (resigned 21 November 2025), with Mr Hu Century Horse's Chief Executive Officer.
8. Held as trustee for the Wamco Industries Unit Trust other than 312,500 Shares held directly by Director Alfred Baker. Director Alfred Baker is a shareholder and a director of Silver Tropic and an indirect unit holder in the Wamco Industries Unit Trust. Silver Tropic has advised that it does not intend to take up its Entitlement. Its Associate, Wamco Industries, has agreed to underwrite $1.15 million of the Offer by way of Debt Conversion. This underwriting will result in Silver Tropic /Wamco Industries' Voting Power being reduced to a maximum of 8.50% on a Minimum Subscription basis. Refer to Section 5.8 for further details on the effect of this Underwriting on control of the Company and Section 8.5 for details of the Wamco Industries Underwriting Agreement.
9. Boneyard Investments has executed a firm commitment letter that it will subscribe for $500,000 of its Entitlement. It has also agreed to underwriting ~$3.5 million of the Offer by way of Debt Conversion. This will result in its Voting Power increasing to a maximum of 20.59% on a Minimum Subscription basis. Refer to Section 5.8 for further details on the effect of this Underwriting on control of the Company and Section 8.5 for details of the Boneyard Investments Underwriting Agreement.

5.8 Effect of Offer on Control of the Company

The potential effect that the issue of the Shares and Attaching Options under the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including Eligible Shareholders' interest in taking up their Entitlements and participation in the Shortfall Offer, as well as the level of participation by Eligible Shareholders and third party investors in taking up Securities under the Shortfall Offer, and the extent to which the Partial Underwriters acquire Shares under their underwriting commitments.

Section 5.8.1 below details the potential control effect on control of the Company of the Partial Underwriters' partial underwriting of the Offer.

If all Eligible Shareholders subscribe for their Entitlements, there will not be any effect on the control of the Company.

If the existing substantial Shareholders of the Company take up some or all of their Entitlements, they may increase their Voting Power in the Company above 20% (or from above 20%) potentially up to the maximum Voting Power as detailed in Section 5.7 above if only the Minimum Subscription is achieved.

However, as noted in that section and Table 2 below, the Company expects only the following substantial shareholders will acquire more than 20% Voting Power if only the Minimum Subscription is achieved:

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(a) SMAO, SMAV and their Associates: up to 28.51% Voting Power;

(b) Boneyard Industries and its Associates: up to 20.59% Voting Power; and

(c) Century Horse and its Associates: up to 22.82% Voting Power.

5.8.1 Effect of Partial Underwriting

As set out in Section 4.7 of this Prospectus, the Partial Underwriters have agreed to underwrite through Debt Conversion up to 1.013 billion Shares of the Offer upon and subject to the terms and conditions of the Underwriting Agreements. The Partial Underwriters' current Voting Power, as at the Record Date, is set out in Section 4.7 above.

Where cash applications received under the Offer exceed $24 million, the underwriting commitments will be reduced on a dollar-for-dollar basis by the amount by which cash applications exceed $24 million. Any reduction in underwriting commitments reduces the number of Shares issued to the Partial Underwriters proportionally to their respective underwriting commitments.

Accordingly, the effect of the underwriting arrangements on the voting power of the Partial Underwriters will depend on the level of participation by Shareholders under the Offer.

The tables below illustrate the potential effect of the underwriting arrangements on the voting power of the Partial Underwriters in a number of scenarios. These scenarios are provided for illustrative purposes only.

Table 1 – Current control and Offer Full Subscribed

The table below shows the Voting Power of the Partial Underwriters and their Associates at the date of this Prospectus and assumes that all Shareholders take up their Entitlements (including the Partial Underwriters or their Associates as applicable) under the Offer, such that the underwriting arrangements are not triggered.

Under this scenario, all Shareholders participate in the Offer on a pro-rata basis and the relative voting power of each Shareholder remains unchanged.

Partial Underwriter	Shares held at date of Prospectus by Partial Underwriter & Associates	Voting Power	Shares held assuming Fully Subscribed	Voting Power
Boneyard Investments[1]	56,842,307	8.14%	341,053,842[4]	8.14%
Wamco Industries[2]	74,375,241	10.65%	446,251,446[5]	10.65%
SMAO[3]	89,193,211	12.78%	535,159,266[6]	12.78%
Other shareholders	477,767,660	68.43%	2,866,605,960	68.43%
Total	**698,178,419**	**100%**	**4,189,070,514**	**100%**

Notes:

1. Boneyard Investments is the registered holder of 52,572,885 Shares at the Last Practicable Date. Chemco, which is an Associate of Boneyard Investments due to both entities being controlled by Mr Gordon Martin, is the registered holder of a further 4,269,422 Shares, resulting in Boneyard Investments/Chemco having Voting Power of 8.14% as at the Last Practicable Date.

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2. Wamco Industries does not hold any Shares at the Last Practicable Date. Wamco Industries is an associate of Silver Tropic Pty Ltd (with both entities being controlled by the Company's Managing Director Alf Baker). Silver Tropic is the registered holder of 74,375,241 Shares as at the Last Practicable Date, giving Wamco Industries/Silver Tropic Voting Power of 10.65% as at the Last Practicable Date.
3. SMAO is not the registered holder of any Shares at the Last Practicable Date. SMAV, which is an Associate of SMAO, is the registered holder of 89,193,211 Shares as at the Last Practicable Date, giving SMAO/SMAV Voting Power of 12.78% as at the Last Practicable Date.
4. Comprising an additional 262,864,425 Shares issued to Boneyard Investments for its full Entitlement and 21,347,110 Shares issued to Chemco for its full Entitlement.
5. Comprising 371,876,205 Shares issued to Silver Tropic for its full Entitlement.
6. Comprising 445,966,055 Shares issued to SMAV for its full Entitlement.

Table 2 – Minimum Subscription

The table below assumes that only the Minimum Subscription is achieved in the Offer, with Valid Applications lodged for 1.53 billion Shares inclusive of the Debt Conversion under the Underwriting Agreements, with the Partial Underwriters and their Associates not otherwise subscribing for any Shares other than Boneyard Investments' firm commitment of $500,000 (being 50,000,000 Shares).

Partial Underwriter	Shares held by Partial Underwriter & Associates (Minimum Subscription)[1]	Maximum Voting Power
Wamco Industries	189,375,241	8.50%
Boneyard Investments	458,876,252	20.59%
SMAO	635,159,266	28.51%
Other shareholders	944,767,660	42.40%
Total	**2,228,178,419**	**100%**

Notes:

1. Demonstrating Shares held by the relevant Partial Underwriter and their Associates.

Table 3 – Minimum Subscription and Individual Partial Underwriter & Associates take up full Entitlements

The table below illustrates the potential Shares held and maximum Voting Power of each Partial Underwriter and their Associates where:

(a) the Minimum Subscription is achieved with 1.013 billion Shares issued to the Partial Underwriters under the Debt Conversion;

(b) the relevant Partial Underwriter and its Associates take up their full Entitlements under the Offer; and

(c) no other Shares are issued.

	Relevant Partial Underwriter & their Associates		
	Wamco Industries	Boneyard Investments	SMAO
Total Shares held	561,251,446	693,087,787	1,081,125,321

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Total Shares on issue	2,600,054,624	2,462,389,954	2,674,144,474
Voting Power	21.59%	28.15%	40.43%

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6. Rights and Liabilities attaching to Shares and Options

6.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one (1) vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one (1) vote for each Share held.

(c) Dividend rights

Subject to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. The Directors may set aside any amounts that they may determine as reserves, to be applied at the discretion of the

Directors, for any purpose for which the Company's profits may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on shares which are participating shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the Company's property, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of shareholders.

(e) Shareholder liability

As the Shares issued under the Prospectus will be fully paid shares at the time of issue, they will not be subject to any calls for further moneys by the Directors and will therefore not become liable for forfeiture.

(f) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of, or failure to observe the provisions of, a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) Future increase in capital

The issue of any new Shares is under the Directors' control. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) Variation of rights

By resolution of the Board, the Company may vary the rights attached to Shares in a class of Shares by the issue of new Shares not having the same rights attached as any shares already issued.

(i) Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at a general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

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6.2 Attaching Options and Lead Manager Options

The Attaching Options and Lead Manager Options entitle the holder to subscribe for Shares on the terms and conditions set out below.

(a) (**Entitlement**) Each Option entitles the holder to subscribe for 1 Share upon exercise of the Option.

(b) (**Exercise Price**) Subject to paragraph (i), the amount payable upon exercise of each Option will be $0.02 (**Exercise Price**).

(c) (**Expiry Date**) Each Option will expire at 5:00pm (WST) on 30 April 2030 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) (**Exercise Period**) The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) (**Notice of Exercise**) The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option Certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic transfer or other means of payment acceptable to the Company.

(f) (**Exercise Date**) A Notice of Exercise is only effective on and from the latter of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) (**Timing of issue of Shares on exercise**) Within 5 business days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and

(ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) (**Shares issued on exercise**) Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) (**Reconstruction of capital**) If at any time the issued capital of the Company is reconstructed, all rights of an Option Holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) (**Participation in new issues**) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) (**Change in exercise price**) An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

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(l) (**Transferability**) The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

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7. Risk factors

7.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus, publicly available information, circumstances peculiar to them and that they consult their professional advisers before deciding whether to apply for Shares and Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are general risks, many if not all of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Key risks

Section 2.3 of this Prospectus summarises the key risks that apply to the Company.

7.3 Company specific risks

(a) **Kaolin prices and foreign exchange**

As a significant portion of the Company's kaolin products are exported overseas, prices may fluctuate and may be affected by a number of factors beyond the control of the Company. Potential future production from the Company's mining tenements will be dependent upon the sustainable price of kaolin. The Company has certain agreements and orders with various customers including those in Australia and overseas. The Company's financing is denominated in Australian dollars and most of any future development and operational activities will also be denominated in Australian dollars. A significant portion of its sales revenue will be denominated in US dollars and the Company's ability to fund activities and make debt repayments may be adversely affected if the Australian dollar rises against the US dollar. The Company has a hedging policy in place and will undertake hedging of its foreign exchange risks to alleviate any pressure this may cause.

A material and extended fall in kaolin prices will likely affect the timing, viability and profitability of WA Kaolin's future operations, earnings and financial position (because the cost of extraction is higher than the likely return).

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(b) **Tenure risks and native title**

Mining tenements are only granted for a specified term and subject to periodic renewal. The renewal of the term of granted tenements is also subject to the discretion of the Minister and the Company's ability to meet the conditions imposed on the relevant licence, including payment of annual rents and meeting prescribed expenditure commitments which, in turn, is dependent on the Company being sufficiently funded. The inability of the Company to meet those conditions may have a materially adverse effect on the operations, financial position and/or overall performance of the Company.

(c) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

(i) developing an economic process route to produce a saleable product; and

(ii) changes in mineralogy in the ore deposit can result in inconsistent product recovery, affecting the economic viability of the project.

If the Company does not meet agreed product specifications, the Company's ability to sell kaolin to those distributors or customers, or to sell the kaolin at the anticipated price, will be adversely affected.

(d) **Technology**

Any failure or delay in developing new technology or an inability to exploit technology as successfully or cost-effectively as competitors, could result in a decrease in customer demand, which could have a material adverse effect on the Company's business and cash flows, prospects for growth, financial condition and results of its operations.

(e) **Unforeseen expenses**

The Company's cost estimates and financial forecasts include appropriate provisions for material risks and uncertainties and are considered to be fit for purpose for proposed activities of the Company. If risks and uncertainties prove to be greater than expected, or if new currently unforeseen material risks and uncertainties arise, the expenditure proposals of the Company are likely to be adversely affected.

(f) **Customers**

The Company is currently negotiating offtake agreements for its intended expanded production. The Company has customers in place for current production and letters of intent for a certain quantity of the intended expanded production. However, there is a risk that the Company 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 the Company's financial position.

(g) **Counterparty**

The Company's ability to receive payment for kaolin product produced, sold and delivered will depend on the continued creditworthiness of and contractual performance by its distributors, customers and other counterparties. If deterioration of the creditworthiness of these counterparties occurs, or if they otherwise fail to adhere to or terminate arrangements, the Company's business could be adversely affected.

7.4 Industry specific risks

(a) **Resource and reserve estimates**

Any resource or reserve estimates released by the Company in the future will be expressions of judgement based on knowledge, experience and industry practice. Estimates which are valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource and reserve estimates are imprecise and depend to some extent on interpretation, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations and financial performance.

(b) **Development, mining, processing and production**

The business of minerals development, mining, processing and production involves many risks and may be impacted by factors including ore tonnes, yield, input prices (some of which are unpredictable and beyond the Company's control), overall availability of free cash to fund continuing development activities, labour force disruptions, cost overruns, change in the regulatory environment and other unforeseen contingencies.

Other risks also exist such as environmental hazards (including discharge of pollutants or hazardous chemicals), industrial accidents and occupational and health hazards. Such occurrences could result in damage to, or destruction of, production and processing facilities, personal injury or death, environmental damage, delays in mining, increased production costs and other monetary losses and possible legal liability to the owner or operator of a mine or processing plant. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities in an area for which it was not responsible.

(c) **Infrastructure and transport**

The Company's ability to achieve production targets, receive goods and services and export products may be restricted by access to power networks, roads and other infrastructure.

(d) **Environmental**

The Company's current and proposed activities are subject to state and federal laws and regulations concerning the environment. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining and processing operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of

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waste products occurring as a result of production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

(e) **Safety legislation**

Mines and processing plant are subject to a range of safety legislation which may change in a manner that may include requirements in addition to those now in effect, and a heightened degree of responsibility for companies and their directors and employees.

(f) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operation and financial performance of the Company's projects and business.

(g) **Industrial action**

The Company is subject to the risk of industrial action and work stoppages by employees and contractors who provide services which are necessary for the continued operation of the Company's businesses.

(h) **Pandemic**

Outbreaks of pandemics or diseases, including, for example, the outbreak of the coronavirus disease (COVID-19), may have a material adverse effect on the Company's business. The Company's share price may be adversely affected by economic uncertainty caused by pandemics such as COVID-19.

(i) **Climate change**

There has been increasing concern by the public and regulators globally on climate change issues. As a mining company, the Company is exposed to both transition risks and physical risks associated with climate change. Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes and, if demand for kaolin declines, the Company will find it difficult to commercialise any resources it discovers. Physical risks resulting from climate change can be acute or chronic. Acute physical risks refer to those that are event-driven, including increased

severity of extreme weather events, such as cyclones or floods. Chronic physical risks refer to longer term shifts in climate patterns (for example, sustained higher temperatures) that may cause sea level rises or chronic heat waves. The transition and physical risks associated with climate change (including also regulatory responses to such issues and associated costs) may significantly affect the Company's operating and financial performance.

7.5 General risks

(a) **Stock market fluctuations and economic conditions**

The Shares to be issued under this Prospectus will be quoted on the ASX. The price of Shares may rise or fall and there is no certainty in respect of profitability, dividends, return of capital, or the price at which the Shares may trade on the ASX.

The selling value of the Shares will be determined by the stock market and will be subject to a range of factors beyond the control of the Company, and the Directors and officers of the Company. Such factors include, but are not limited to:

(i) the demand for and availability of Shares;

(ii) movements in domestic interest rates;

(iii) exchange rates;

(iv) general and domestic economic activity; and

(v) fluctuations in the Australian and international stock markets.

Returns from an investment from the Shares may also depend on general stock market conditions as well as the performance of the Company. There can be no guarantee that there will be an active market in the Shares.

Changes in economic and business conditions or government policies in Australia or internationally may affect the fundamentals which underpin the projected growth of the Company's target markets or its cost structure and profitability. Adverse changes in such things as the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), consumer spending and employment rates, amongst others, are out of the control of the Company and may result in material adverse impacts on the business or its operating results.

(b) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of subscribing for Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

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(c) **Liquidity of Shares**

There may be relatively few potential buyers or sellers of the Shares on the ASX at any time. This may increase the volatility of the price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in a market price being received which is less than the price that Shareholders paid to acquire their Shares.

(d) **Investment risks**

As with any stock market investment, there are various risks associated with investing in the Company. Potential investors should consider whether the Shares offered under this Prospectus are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out in this section. Many of these risk factors are outside the Directors' control. Whilst some common risk factors are set out in this section, it is not possible to produce an exhaustive list. The Directors recommend that potential investors consult their professional advisers before deciding whether to apply for Securities.

(e) **Adverse changes to government policy and taxation**

Changes in relevant taxation laws, interest rates, other legal, legislative and administrative regimes, and government policies, may have an adverse effect on the assets, operations and ultimately the Company's financial performance. These factors may ultimately affect the Company's financial performance and the market price of the Securities.

(f) **Insurance risks**

The Company's operations are insured in accordance with industry practice, however in certain circumstances, the Company's insurance may not be of a nature or the level to provide adequate insurance cover. The occurrence of an event that is not covered or not fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(g) **Claims, liability and litigation**

Although the Company is not currently involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company, the risk of litigation remains a general risk to the Company. The Company may incur costs in making payments to settle any such claims which may not be adequately covered by insurance or at all. Any litigation or settlement may have an adverse impact on the Company's financial position.

(h) **Global conflicts**

Ongoing geopolitical conflicts, including the conflicts between Russia and Ukraine and in the Middle East involving the United States, Israel, Palestine and Iran (**Current Conflicts**), have contributed to volatility and uncertainty in global financial and commodity markets. The nature and extent of the potential impact of the Current Conflicts on global economic conditions and

capital markets remains uncertain and may adversely affect investor sentiment and the market price of the Company's Shares.

The Current Conflicts may also give rise to broader macroeconomic impacts, including fluctuations in commodity and energy prices, supply chain disruptions, inflationary pressures, increased cybersecurity risks and changes in global trade or financial market conditions. In addition, government or industry responses to the Current Conflicts, including sanctions, trade restrictions, export controls or other regulatory measures, may impact global economic activity and business operations more broadly.

While the Company does not currently have direct operations or material exposure in the jurisdictions directly affected by the Current Conflicts, any deterioration in global economic conditions, financial markets or supply chains may adversely affect the Company's business, financial position and operating results. The situation remains fluid and the extent and duration of any impacts are inherently uncertain and largely outside the control of the Company.

7.6 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities under this Prospectus.

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8. Additional information

8.1 Litigation

As at the date of this Prospectus, the Company Group is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company Group.

8.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The Offer is an offer of Shares which are 'continuously quoted securities' for the purposes of the Corporations Act.

Under section 677 of the Corporations Act, a reasonable person is taken to expect information to have a material effect on the price or value of the Company's quoted securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's quoted securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is primarily required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities (and where options are offered, the rights attaching to the underlying securities). It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is issued in circumstances where significant publicly available information in relation to the Company exists by virtue of disclosures to ASX. This Prospectus does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors are encouraged to have regard to the other publicly available information available through the ASX in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three (3) months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not generally been included in this Prospectus other than certain information required to be included in this Prospectus by the Corporations Act.

The Company, as a disclosing entity under the Corporations Act, states that:

(a) the Company is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, the offices of the ASIC; and

(c) the Company will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

(i) the annual financial report most recently lodged by the Company with ASIC;

(ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and

(iii) any continuous disclosure notices given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected, or a copy obtained, at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the date of lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of announcement
30/03/2026	Notice of Meeting/Proxy Form
30/03/2026	Proposed issue of securities - WAK
30/03/2026	Proposed issue of securities - WAK
30/03/2026	Non-renounceable Rights Issue Prospectus
30/03/2026	Debt Restructure and Recapitalisation
24/03/2026	Update to Indicative Timetable
20/03/2026	ASX Voluntary Suspension Extension
20/03/2026	Debt Restructure and Recapitalisation via Entitlement Issue
18/03/2026	Change in substantial holding - Updated
17/03/2026	Change in substantial holding
17/03/2026	Half Yearly Report and Accounts
11/03/2026	Response to ASX Query Letter
20/02/2026	Continuation of Suspension from Quotation
20/02/2026	Quarterly Activities/Appendix 5B Cash Flow Report
2/02/2026	Suspension from Quotation
15/01/2026	ASX Waivers Granted
31/12/2025	Debt Restructure and Operational Update
16/12/2025	Initial Director's Interest Notice
11/12/2025	Appointment of Executive Director
26/11/2025	WAK - Market Update
25/11/2025	Notification of cessation of securities - WAK

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Date	Description of announcement
25/11/2025	Final Directors Interest Notice
24/11/2025	Resignation of Director
24/11/2025	Appointment of Chair and Company Secretary
21/11/2025	Results of Annual General Meeting
31/10/2025	Quarterly Activities/Appendix 5B Cash Flow Report
31/10/2025	Quarterly Activities/Appendix 5B Cash Flow Report
28/10/2025	AGM Notice of Meeting and Notice Letter
24/10/2025	Appendix 4G
24/10/2025	Initial Director's Interest Notice
24/10/2025	Initial Director's Interest Notice
24/10/2025	Final Director's Interest Notice
24/10/2025	Final Director's Interest Notice
20/10/2025	Resignation of Director and Alternate Director
16/10/2025	Appointment of Non-Executive Directors
6/10/2025	WAK Market Update
2/10/2025	Listing Rule 3.13.1 Disclosure
30/09/2025	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. Copies of all documents released by the Company to the ASX are available on the ASX website at www.asx.com.au.

8.3 Market price of Shares

The highest, lowest and last market sale prices of the Shares on ASX during the three (3) months immediately preceding the date of lodgement of this Prospectus with the ASIC and the last respective date of those sales were:

	Price	Date
Highest	$0.031	22 December 2025
Lowest	$0.024	2 & 27 January 2026
Last	$0.025	29 January 2026[1]

Notes:

1. Being the final day that the Company's traded on the ASX prior to the Company's suspension from trading on the ASX.

8.4 Firm Commitment Letters

Boneyard Industries has executed a firm commitment letter on industry standard terms agreeing to subscribe for $500,000 of its Entitlement.

Century Horse has executed a firm commitment letter on industry standard terms agreeing to subscribe for its full Entitlement of $4,237,841.20.

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8.5 Underwriting Agreements

The Company has entered into underwriting agreements with each of the Partial Underwriters to partially underwrite $10.13 million of the Offer.

The Underwritten Amounts will be satisfied through the discharge of an equivalent amount of debt owed to the Partial Underwriters. The debts captured under the Underwriting Agreements are as follows:

(a) $1.15 million owed by the Company to Wamco Industries Pty Ltd (ACN 006 092 655) under a loan agreement as amended by letter dated 17 August 2020 (**Wamco Industries Loan**);

(b) $3,520,339 owed by the Company to Boneyard Investments under a convertible loan agreement dated 28 June 2023 (**Boneyard Convertible Loan**); and

(c) $5,459,661 owed by the Company to SMAO under a loan agreement dated 24 December 2025 (**SMAO Loan**).

The above loan agreements are summarised in Section 8.7 below.

The Partial Underwriters will be treated on an equal basis, that is, the same number of Shares will be issued to each Partial Underwriter until their underwriting commitments is discharged.

The obligations of the Partial Underwriters will only be reduced to the extent more than $24.0 million in cash subscriptions are received. In that event, their obligations will be reduced equally on a dollar for dollar basis by amounts raised in excess of $24.0 million.

The Company will not pay the Partial Underwriters any fees for their Underwritten Amounts.

A Partial Underwriter has the right to terminate their Underwriting Agreement prior to the issue of their Underwritten Shares by giving notice to the Company and without any cost or liability in the following circumstances:

(a) the S&P ASX 200 Index at any time after the date of the Underwriting Agreement is 15% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;

(b) the Company does not lodge the Prospectus on the proposed lodgement date or the Prospectus or the Offer is withdrawn by the Company;

(c) any person (other than the Partial Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;

(d) the Company lodges a Supplementary Prospectus without the prior written agreement of the Partial Underwriter;

(e) an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus and that application has not been dismissed or withdrawn;

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(f) ASIC gives notice of its intention to hold a hearing under Section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under Section 739 of the Corporations Act; or

(g) the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company or the acquisition or potential acquisition by the Partial Underwriter of the Underwritten Shares or any associated matters are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Partial Underwriter's reasonable opinion has a material adverse effect. For the purposes of the termination right, a material adverse effect means:

(i) a material adverse effect on the outcome of the Offers or on the subsequent market for the Underwritten Shares (including, without limitation, a material adverse effect on a decision of an investor to invest in Underwritten Shares); or

(ii) a material adverse effect on the condition, trading or financial position and performance, profits and losses, results, prospects, business or operations of the Company and its Subsidiaries taken as a whole.

The Underwriting Agreements otherwise contain terms and conditions considered standards for agreements of this nature.

8.6 Corporate Advisor and Lead Manager Mandate

The Company has entered into a mandate with Leeuwin Wealth for Leeuwin Wealth to act as exclusive corporate advisor to the Company and Lead Manager in respect of the Offer (**Mandate**). Leeuwin Wealth has agreed to provide cash subscription support to offset against fees earnt for $0.5 million to be relieved by the first $0.5 million of shareholder subscriptions to the Offer excluding Century Horse and Boneyard's entitlement cash subscriptions under the Offer.

The Mandate continues for 6 months (but if the Offer has commenced but remains unfinished will continue until the end of the Offer).

In consideration for these services, subject to the successful completion of the offer, the Company has agreed to:

(a) pay Leeuwin Wealth:

(i) a corporate advisory success fee of $70,000;

(ii) a management fee of 1.5% on the gross proceeds of the Offer, including the entitlements taken up by Century Horse and the Underwriting Amount;

(iii) a lodgement fee of 4.5% on the gross proceeds of the Offer, excluding the any Underwriting Amount, the entitlements of Century Horse and any of the Chairman's list of investors; and

(b) issue Leeuwin Wealth (or its nominees) 40.0 million Lead Manager Options on the same terms as the Attaching.

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The agreement is otherwise on standard terms and conditions for an agreement of this nature.

8.7 Other interests, fees and benefits of Partial Underwriters and their Associates

8.7.1 SMAO / SMAV

SMAO Loan

As announced to ASX on 31 December 2025, the Company restructured its existing loan agreement with SMAO (**SMAO Loan**) on 24 December 2025.

The key material terms of the restructured SMAO Loan are as follows:

(a) **Loan Amount**: the loan is for a principal amount of $8,381,900. As at the Last Practicable Date, the Company owes SMAO $8,696,049.02, being the SMAO Loan Amount and interest accrued (**SMAO Loan Amount**).

(b) **Interest**: Interest is payable quarterly in arrears on the principal amount at a rate of 8% per annum from the quarter commencing 1 October 2025. SMAO may, subject to Shareholder approval, elect to convert a percentage of any interest owed into Shares based on a 20 day VWAP Shares price to the end of the applicable quarter or otherwise capitalise the interest. The percentage is equal to the 100% minus the percentage that the Company's EBIT for the quarter bears to $500,000. For example, if EBIT for a quarter is $300,000, 40% of the interest may be converted into Shares.

(c) **Default Interest**: To the extent that any amount payable under the SMAO Loan is not repaid on or before its due date, the outstanding amount will accrue interest at a rate of which is the sum of 2% per annum and the normal loan interest rate (as if the overdue amount were outstanding principal), recalculated monthly.

(d) **Repayment**: The Loan Amount and interest must be fully repaid no later than 31 December 2037 with annual repayments of a proportion of $1 million commencing on 30 June 2027. Each annual repayment will be that proportion of $1.0 million equal to the proportion of the outstanding SMAO Loan to the outstanding SMAV Loan (as detailed below), unless that amount is less than the remaining SMAO Loan Amount, in which case the SMAO Loan must be repaid in full. At the execution date, the loan proportion is 41% and the repayment instalment is $410,000. The Company may voluntarily repay all or part of the Loan Amount and accrued interest with 30 days' notice.

(e) **Acceleration of Repayment:** The Company must accelerate repayment of the SMAO Loan by paying the repayment instalments on a 6 monthly basis commencing 30 June 2027 if the Company receives a capital injection of $5.0 million or more in any 12 month period commencing after 30 June 2026 or the Company achieves annual audited revenue of $30.0 million or higher.

(f) **Conversion of Overdue Repayment into Shares:** SMAO may elect to require the conversion of any overdue repayment amount into Shares based on a 20 day VWAP Share price, subject to Shareholder approval.

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(g) **Restriction on Financial Indebtedness**: The Company is restricted from incurring or assuming any further Financial Indebtedness (as defined in the SMAO Loan) until the SMAO Loan has been fully repaid or as otherwise agreed in writing by SMAO.

As at the Last Practicable Date, the Company has not paid any interest. The Company has not made any repayments on the principal amount.

As part of its underwriting commitment in respect of the Offer, SMAO has agreed that $5,459,661 of the SMAO Loan Amount will be discharged through the Debt Conversion.

SMAV Loan

The Company restructured its existing loan agreement with SMAV (**SMAV Loan**) on 24 December 2025.

The key material terms of the SMAV Loan are as follows:

(a) **Loan Amount**: the loan is for a principal amount of $12,040,368. As at the Last Practicable Date, the Company owes SMAV $12,322,409.50 under the SMAV Loan, being the SMAV Loan Amount and interest accrued (**SMAV Loan Amount**).

(b) **Interest**: Interest is payable quarterly in arrears on the principal amount at a rate of 5% per annum from the quarter commencing 1 October 2025. On and from 1 January 2028, interest will be payable on the principal amount at a rate equal to the Cash Rate Target issued by the Reserve Bank of Australia plus 7%. SMAV may elect to convert a percentage of interest into Shares on the same basis as under the SMAO Loan.

(c) **Default Interest**: Default interest is payable on the same basis as the SMAO Loan.

(d) **Repayment**: The Loan Amount and interest must be fully repaid no later than 31 December 2037 with annual repayments of a proportion of $1 million commencing on 30 June 2027. Each annual payment will be that proportion of $1.0 million equal to the proportion of the outstanding SMAV Loan to the outstanding SMAO Loan (as detailed above), rising to $1.0 million once the SMAO Loan is fully repaid. At the execution date, the loan proportion is 59% and the repayment instalment is $590,000. The Company may voluntarily repay all or part of the Loan Amount and accrued interest with 30 days' notice.

(e) **Acceleration of Repayment:** The Company must accelerate repayment of the SMAV Loan by paying the repayment instalments on a 6 monthly basis commencing 30 June 2027 if the Company receives a capital injection of $5.0 million or more in any 12 month period commencing after 30 June 2026 or the Company achieves annual audited revenue of $30.0 million or higher.

(f) **Conversion of Overdue Repayment into Shares:** SMAV may elect to require the conversion of any overdue repayment amount into Shares based on a 20 day VWAP Share price, subject to Shareholder approval.

(g) **Restriction on Financial Indebtedness**: The Company is restricted from incurring or assuming any further Financial Indebtedness (as defined in the SMAV Loan) until the SMAV Loan has been fully repaid or as otherwise agreed in writing by SMAV.

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(h) **Right to appoint Board member**: SMAV has the right, so long as the SMAV Loan is outstanding, to appoint one non-executive director to the Company's Board of Directors. SMAV has not exercised its right to appoint a Director as at the Last Practicable Date.

(i) **Security**: The SMAV Loan is secured by a general security deed over all of the present and future assets of the Company (**SMAV Security**). The granting of the security was subject to the Company obtaining an ASX Listing Rule 10.1 waiver, which was obtained on 14 January 2026. Under a priority deed dated 6 February 2026 between SMAV, Wamco Industries Group and the Company (**Priority Deed**), the SMAV Security will rank as a first ranking security interest, ahead of a second ranking security interest held by Wamco Industries Group.

To date, the Company has not paid any interest. The Company has not made any repayments on the principal amount.

8.7.2 Boneyard

As announced on 17 October 2023, the Company entered into a convertible loan agreement with Boneyard Investments dated 28 June 2023 (**Boneyard Convertible Loan**).

The key material terms of the Boneyard Convertible Loan are as follows:

(a) **Loan Amount**: the loan is for a principal amount of $3,000,000. As at the Prospectus Date, the Company owes Boneyard $3,720,703.39 under the Boneyard Convertible Loan, being the Boneyard Loan Amount and interest accrued (**Boneyard Loan Amount**).

(b) **Interest**: Interest is payable on the principal amount at a rate of 8% per annum.

(c) **Conversion**: Boneyard Investments can elect to convert the outstanding Boneyard Convertible Loan balance to Shares at a 20% discount to the 60-day VWAP prior to the conversion date.

(d) **Repayment**: The Boneyard Loan Amount and any other outstanding monies must be repaid on or before 17 October 2026, or such other date as the parties may agree in writing.

(e) **Priority of payments**: Prior to the Boneyard Loan Amount being repaid in full, the Company must not:

(i) declare or pay any dividend or return of capital to any Shareholder; or

(ii) undertake or implement any share buyback; or

(iii) pay to any Shareholder any amount in repayment of a liability, debt, loan or similar owed by the Company to the Shareholder, unless expressly agreed between the Boneyard and the Company.

(f) **Security**: The Boneyard Convertible Loan is unsecured.

To date, the Company has not paid any interest. The Company has not made any repayments on the principal amount.

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As part of its underwriting commitment, $3,520,339 of the Boneyard Loan Amount will be discharged through a debt for equity conversion.

8.7.3 Wamco Industries / Wamco Industries Group

Wamco Industries Loan

The Company entered into a loan agreement with Wamco Industries dated 16 February 2007, and amended by letter dated 17 August 2020 (**Wamco Industries Loan**).

The key material terms of the Wamco industries Loan are as follows:

(a) **Loan Amount**: the loan is for a principal amount of $1,150,000 (**Wamco Industries Loan Amount**).

(b) **Interest**: Nil interest is payable on the Wamco Industries Loan Amount.

(c) **Repayment**: The Wamco Industries Loan Amount and any other outstanding monies must be repaid on or before 30 June 2027.

As part of Wamco Industries' underwriting commitment, the Wamco Industries Loan will be fully discharged through the Debt Conversion.

Other Payments to Wamco Industries

In the 24 months preceding the Last Practicable Date, Wamco Industries has been paid $638,695 by the Company, comprising the following payments:

(a) consulting fees for provision of the services of Managing Director Alf Baker- $534,076;

(b) expense reimbursements - $47,934; and

(c) payment for contractors supplied - $56,685.

Wamco Industries Group Loan

As announced on 31 December 2025, the Company has entered into a secured loan agreement with Wamco Industries Group dated 23 December 2025 (**Wamco Industries Group Loan**).

Wamco Industries Group is an associate of Wamco Industries as both entities are controlled by the Company's Managing Director, Alfred Baker.

The key material terms of the Wamco Industries Group Loan are as follows:

(a) **Loan Amount**: the loan is for a principal amount of $1,500,000 (**Loan Amount**).

(b) **Use of funds:** The Company must use the Loan Amount for working capital purposes, unless otherwise agreed in writing by Wamco Industries Group.

(c) **Repayment:** The Loan Amount and any other outstanding monies must be repaid on or before 31 December 2028 (**Repayment Date**).

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(d) **Interest:** Interest is payable on the Loan Amount, in arrears, at a rate of 6% per annum. To the extent that any amount of the Loan Amount is not repaid on or before the Repayment Date, the outstanding amount will accrue interest at a rate of 10% per annum calculated from the Repayment Date to the date that the outstanding amount is repaid.

(e) **Security:** The loan is secured by a general security deed over all of the present and future assets and undertakings of the Company dated 19 January 2026 (**Security**). The granting of the Security was subject to the Company obtaining an ASX Listing Rule 10.1 waiver which was obtained on 14 January 2026. Under the Priority Deed, as outlined in relation to the SMAV Loan in section 8.7.1, the Security will rank as a second ranking security interest behind the SMAV Security.

Wamco Industries Group Royalties

The Company must pay two royalties to Wamco Industries Group Pty Ltd as Trustee of Wamco Industries Unit Trust (of which Director Alfred Baker is a director and 48% unitholder) (**Royalties**) until the earlier of 1 July 2049 and the date the Company relinquishes, surrenders or conveys to Wamco Industries Group all of the Tenements (other than L70/156 and G70/251).

The first Royalty is the greater of:

(a) $1.50 per tonne of dry kaolin ore or product sold in a quarter, provided that if kaolin product has been sold after processing, then tonnage used to calculate the royalty will be twice the actual tonnage of the processed kaolin; and

(b) 1.5% of the price received for the sale of kaolin ore or product in a quarter.

The second Royalty is $1.25 per tonne of dry kaolin ore or product sold in a quarter, provided that if kaolin product has been sold after processing, then tonnage used to calculate the royalty will be twice the actual tonnage of the processed kaolin.

As at the date of this Prospectus, the Company has paid Wamco Industries Group a total of $245,218 (plus GST) under the two Royalties within the two (2) years preceding lodgement of this Prospectus.

Wamco Industries Group Land Access and Compensation

Wamco Industries Group as trustee for Wamco Industries Unit Trust is the legal and beneficial owner of Lot 7495 on DP 233525 and Lot 14431 on DP 155015, over which the Company holds a mining lease (M70/1143). Director Alfred Baker is a director and 48% beneficial interest holder in the Wamco Industries Unit Trust. Pursuant to an Access Agreement and Landowner Compensation letter dated 11 June 2020, the Company has the sole and exclusive right to access and use that part of the land to conduct its mining operations. The Company must pay Wamco Industries Group nominal compensation of $525 per hectare per annum for land used for mining. $41,738 has been paid in the last 24 months.

8.8 Director interests and benefits

Other than as set out in this Prospectus, no Director holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

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(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offer; or

(c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

(d) to a Director as an inducement to become, or to qualify as, a Director; or

(e) to a Director for services provided in connection with:

(i) the formation or promotion of the Company; or

(ii) the Offer.

8.9 Stanco Joint Venture MOU

The Company has entered into a Memorandum of Understanding (**MOU**) with Stanco International Corp. (**Stanco**), a key distribution partner and associate of former non-executive director Sean Hu, to establish a 50:50 incorporated joint venture (**JV**) to develop, market and sell high value kaolin products such as engineered clays, fine particle size kaolin and coated kaolin (**JV Products**) in China and Taiwan (and, if agreed in the future, the Asia Pacific region) outside the fibreglass industry (**Territory**).

The MOU provides for the establishment of a jointly owned entity (**JVCo**), product supply arrangements, and coordinated market development activities leveraging Stanco's distribution network. The JVCo will have the exclusive right to sell, market and distribute the Company's products, including JV Products, in the Territory. JVCo may appoint third parties to on-sell/distribute in the Territory, with Stanco having a first right of refusal for Company products including JV Products in the Territory, and for JV Products outside the Territory.

The parties have agreed to negotiate the definitive agreements contemplated by the MOU, including a shareholders' agreement for JVCo, a kaolin supply agreement and management services agreement in good faith by 30 May 2026. The MOU is conditional on Board and (if applicable) shareholder approval of Stanco and the

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Company, execution of the definitive agreements by 30 May 2026 or such later date as agreed by the parties, capitalisation of JVCo and all necessary approvals.

8.10 Director Relevant Interests in Securities

The Relevant Interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlements under the Offer, is set out in the table below.

Director	Current Securities		Entitlement		Total Subscription ($)
	Shares	Options	Shares	Attaching Options[5]	
Alfred Baker	74,791,907[1]	6,531,250[2]	373,959,535	186,979,768	$3,739,595
Andrew Sorensen	9,518,124[3]	1,201,393[4]	47,590,620	23,795,310	$475,906
Catherine Lynch[6]	Nil	Nil	Nil	Nil	Nil
Matthew Shackleton[6]	Nil	Nil	Nil	Nil	Nil
Total	**84,310,031**	**12,568,060**	**421,550,155**	**210,775,078**	**4,215,502**

Notes:

1. Shares held by Silver Tropic Pty Ltd (**Silver Tropic**) ATF the Wamco Industries Unit Trust other than 416,666 Shares held directly by Alfred Baker. Alfred Baker is a shareholder and director of Silver Tropic and an indirect unit holder in the Wamco Industries Unit Trust.
2. 6,479,167 Options ($0.09 exercise price, 30 June 2027 expiry) held by Silver Tropic ATF the Wamco Industries Unit Trust and 52,083 Options held directly by Alfred Baker.
3. 6,329,186 held by Andrew Sorensen in his own name and 3,188,938 held by Andrew Sorensen Holdings Pty Ltd <Sorensen Family A/C>.
4. 802,777 Options ($0.09 exercise price, 30 June 2027 expiry) held by Andrew Sorensen in his own name and 398,616 options ($0.09 exercise price, 30 June 2027 expiry) held by Andrew Sorensen Holdings Pty Ltd <Sorensen Family A/C>.
5. Attaching Options on the basis of one (1) Attaching Option ($0.02 exercise price, expiring 30 April 2030) for every two (2) Shares subscribed.
6. Appointed as a director on 15 October 2025.

8.11 Director Remuneration

The remuneration of an executive director is decided by the Board, without the affected executive director participating in that decision-making process. The total maximum remuneration of non-executive directors is set by ordinary resolution of Shareholders in general meeting in accordance with the Constitution. The current amount has been set to not exceed $350,000 per annum. The determination of non-executive directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive director.

A director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. In addition, Directors

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are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration (inclusive of superannuation) paid to both executive and non-executive directors. This does not include any reimbursements that the Directors may receive for work related expenses.

Director	Current Financial Year to Date	Financial year ending 30 June 2025	Financial year ending 30 June 2024
Matthew Shackleton[1]	$40,096	Nil	Nil
Alfred Baker[2]	$220,260	$283,047	$228,166
Andrew Sorensen[3]	$199,200	$263,795	$266,400
Catherine Lynch[4]	$24,640	Nil	Nil

Notes:

1. Appointed as directors on 15 October 2025. Comprising director fees and statutory superannuation.
2. Comprising consultancy fees under a consultancy agreement with Wamco Industries, an entity controlled by Mr Baker, and $24,000 per annum for director's fees (increasing to $33,000 on the Company's first operational cash flow positive quarter).
3. Appointed as a director on 10 December 2025. Comprising director fees, statutory superannuation.
4. Appointed as directors on 15 October 2025. Comprising director fees and statutory superannuation.

8.12 Interests of other relevant persons

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or

(b) promoter of the Company; or

(c) underwriter to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offer; or

(c) the Offer,

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and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(a) the formation or promotion of the Company; or

(b) the Offer.

EMK Lawyers has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay EMK Lawyers $50,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, EMK Lawyers has been paid fees totalling $88,404 (excluding GST and disbursements) for legal services provided to the Company.

Leeuwin Wealth is acting as the Lead Manager and will be paid fees as detailed in section 8.6. During the 24 months preceding lodgement of this Prospectus with the ASIC, Leeuwin Wealth has been paid fees totalling $90,676 (excluding GST and disbursements) by the Company.

SMAO is acting as a Partial Underwriter and will not be paid any fees. During the 24 months preceding lodgement of this Prospectus with the ASIC, SMAO has not been paid any fees by the Company.

Boneyard Investments is acting as a Partial Underwriter and will not be paid any fees. During the 24 months preceding lodgement of this Prospectus with the ASIC, Boneyard Investments has not been paid any fees by the Company.

Wamco Industries is acting as a Partial Underwriter and will not be paid any fees. During the 24 months preceding lodgement of this Prospectus with the ASIC, Wamco Industries has been paid amount as detailed in Section 8.7.3 above.

8.13 Consents

Each of the parties referred to in this section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and

(b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

EMK Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus and have not withdrawn their consent prior to the lodgement of this Prospectus with the ASIC.

Leeuwin Wealth has given its written consent to being named as the lead manager to the Offer in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

SMAO has given its written consent to being named as a Partial Underwriter to the Offer in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Boneyard Investments has given its written consent to being named as a Partial Underwriter to the Offer in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

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WAMCO Industries has given its written consent to being named as a Partial Underwriter to the Offer in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.14 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately $427,472 (excluding GST) (for the Minimum Subscription) and $1,207,474 for the Full Subscription and are expected to be applied towards the items set out in the table below:

	Minimum Subscription ($)	Full Subscription ($)
ASIC fees	3,206	3,206
ASX fees	32,266	49,258
Corporate Advisory Fee	70,000	70,000
Capital Raising Fees[1]	252,000	1,015,010
Legal fees	50,000	50,000
Printing and distribution	15,000	15,000
Miscellaneous	5,000	5,000
Total	**427,472**	**1,207,474**

Notes:

1. The Lead Manager is entitled to:

    a. a management fee of 1.5% on the gross proceeds of the Offer, including the entitlements taken up by Century Horse and the Underwriting Amount; and

    b. a lodgement fee of 4.5% on the gross proceeds of the Offer, excluding the any Underwriting Amount, the entitlements of Century Horse and any of the chairman's list of investors.

8.15 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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9. Directors' authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Matt Shackleton

Chair
For and on behalf of
WA Kaolin Limited

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10. Glossary

$ means the lawful currency of the Commonwealth of Australia.

AEDT means Australian Eastern Daylight Time.

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

Applicant means a Shareholder who applies for Shares and Attaching Options pursuant to the Offer or a Shareholder or other party who applies for Shares and Attaching Options pursuant to the Shortfall Offer.

Application means an application to subscribe for Shares and Attaching Options under this Prospectus.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

Application Monies means money submitted by Applicants in respect of Applications.

ASIC means the Australian Securities and Investments Commission.

Associates has the meaning given in section 12 of the Corporations Act.

Assumption means the assumption that the Offer is Fully Subscribed and no additional Securities, other than those issued under the Offer, are issued after the date of this Prospectus and before completion of the Offer.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Attaching Option means an Option on the terms and conditions set out in Section 6.2.

Board means the Board of Directors unless the context indicates otherwise.

Boneyard Investments means Boneyard Investments Pty Ltd (ACN 161 625 734).

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 ASX declares is not a business day.

Century Horse means Century Horse Limited (incorporated in the British Virgin Islands).

CHESS means the Clearing House Electronic Sub-Register System operated by ASX Settlement Pty Ltd.

Closing Date means 5.00pm (AWST) on the date specified in the timetable as the Offer Closing Date set out in Section 2.1 of this Prospectus (unless extended).

Company means WA Kaolin Limited (ACN 083 187 017).

Company Group means the Company and its Subsidiaries.

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Debt Conversion has the meaning given in section 4.7 of this Prospectus.

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Directors mean the directors of the Company.

Eligible Shareholder means a Shareholder of the Company as at the Record Date.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form provided with this Prospectus.

Fully Subscribed means that all Entitlements are taken up on the assumption that no further Shares are issued by the Company prior to the Record Date (whether on the exercise of Options or otherwise).

Issue Price means $0.01 per Share.

Last Practicable Date means the last practicable date before the finalisation of this Prospectus, being 20 March 2026.

Lead Manager Option Offer means the offer of the Lead Manager Options on the terms and conditions set out in section 4.6 of this Prospectus.

Minimum Subscription has the meaning given in Section 4.3.

Offer means the pro rata non-renounceable entitlement issue of new Shares and Attaching Options the subject of this Prospectus.

Offers means the Offer, the Shortfall Offer and the Lead Manager Option Offer.

Official Quotation means official quotation on ASX.

Offtake Agreement has the meaning given in clause 2.3 of this Prospectus.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Partial Underwriters means Boneyard Investments, WAMCO Industries and SMAO as Underwriters to the Offer.

Prospectus means this prospectus.

Record Date means the time and date specified in the timetable set out Section 2.1 of this Prospectus (unless extended).

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Securities means securities in the capital of the Company.

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

Shareholder means a holder of a Share.

Share Registry means the share registry of the Company as noted in Section 1 of this Prospectus.

Shortfall means the Shares and Attaching Options not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form provided with this Prospectus.

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 4.4 of this Prospectus.

Shortfall Securities means those Shares and Attaching Options not issued pursuant to the Offer.

SMAO means Scientific Management Associates (Operations) Pty Ltd (ACN 092 811 035).

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SMAV means Scientific Management Associates (Victoria) Pty Ltd (ACN 008 649 081).

Subsidiaries has the meaning given in the Corporations Act.

Underwriting Agreements means the agreements dated on or around 27 March 2026 between the Company and the Partial Underwriters appointing the Partial Underwriters as partial underwriters to the Offer, as summarised in Section 8.5 of this Prospectus.

Underwritten Amount means $10.13 million.

Underwritten Shares means, in respect of a Partial Underwriter, that number of Shortfall Shares determined by dividing their Underwritten Amount by the Issue Price.

Voting Power has the meaning given in section 610 of the Corporations Act.

WAMCO Industries means WAMCO Industries Pty Ltd (ACN 006 092 655).

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

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