



NWR Resources Series Presentation

October 2021

*Production of
High Purity Kaolin
From One of the
World's Largest
Primary Resources*








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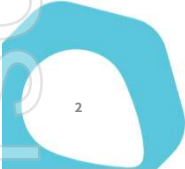
Investment Overview

A high quality, long life, permitted Kaolin Project located in Wickepin, 220km south-east of Perth.






WA Kaolin raised \$22m on IPO (November 2020).

 <p>Global Demand Exceeds Supply</p>	 <p>World Class Mineral Resource</p>	 <p>De-Risked through Investment</p>	 <p>Proven Low Cost Production</p>	 <p>Customers & Offtake</p>
<p>Global market dynamics are changing such that demand exceeds supply and product quality gaps are emerging.</p> <p>WA location strongly aligns WAK with fast growing APAC market.</p> <p>Global revenue demand from 2020-2027 is forecasted to grow at a CAGR of 3.5%.</p>	<p>In-situ primary kaolin resource with high brightness and low impurities suitable for all kaolin market applications.</p> <p>Ore Reserve Estimate (JORC 2012) of 30.5Mt of kaolinised granite within Mining Lease – delivering a 31 year mine life.</p> <p>Access to 644.5Mt of Mineral Resources provides potential to significantly increase mine life.</p> <p>The Mineral Resource estimate is inclusive of Ore Reserves and the 2019 Mineral Resource estimate.</p> <p>CSA Global Mineral Resource Estimate R280.2017</p>	<p>~\$42 million invested since acquiring the assets in 1998 from Rio Tinto who had discovered and drilled out the Mineral Resource.</p> <p>The \$42 million has been spent on the acquisition cost, research and development to deliver WAK’s proprietary K99 process, land, plant, equipment and market development, and tier 1 customer base.</p>	<p>WAK engineered and built a small scale commercial plant operating in Kwinana, WA, validating the Company’s proprietary K99 process which produces a high quality kaolin.</p> <p>Combined with the high quality of the ore reserve, the K99 process delivers a high quality ultra-bright kaolin at a lower cost than conventional chemical bleaching and magnetic separation processing.</p>	<p>Ten year distribution agreement and a six year offtake agreement signed with a Taiwanese distributor.</p> <p>In the first three years of production, the sum of the targeted sales in the offtake is 271kt, coupled with non-binding letters of intent of 280kt from other customers, amounts to 551kt.</p> <p>This represents 83% of targeted production of 664kt for those years.</p> <p>Offtake negotiations in progress with other customers.</p>

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Low Capital Intensity

 <p>Simple Mining</p>	 <p>Strong Potential for Cash Flow</p>	 <p>Low CAPEX</p>	 <p>Staged Ramp Up</p>	 <p>Delivery Capability</p>
<p>Amenable to free digging, open cut campaign mining with a low strip ratio.</p> <p>Presently trucked to Kwinana for processing, where 1 tonne contains 440kg of refined product.</p>	<p>A Definitive Feasibility Study (DFS) completed has delivered robust economics based ramp up of kaolin production to 400,000tpa in two stages only – NPV(7) of \$257m, IRR of 47% and average EBITDA of \$29.2m over a 31 year life of mine.</p> <p>There is significant scope to further increase the production.</p> <p>WAK intends to implement further 200ktpa modular increases to capacity subject to adequate demand and funding.</p>	<p>Estimated capex of circa \$18 million to construct Stage 1 scaled up processing plant in Wickepin that will utilise WAK’s proprietary K99 process.</p> <p>The brownfields expansion scales the project up in a modular/sequential manner to meet customer demand.</p>	<p>Stage 1 will deliver WAK’s plant providing a production capacity of >200,000tpa kaolin by 2021 year end.</p> <p>Stage 2 will utilise free cash flow to expand production capacity further to >400,000tpa kaolin.</p>	<p>The Board and Executive team have extensive experience in project delivery and business development.</p>

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About Kaolin

Overview

- A platy white clay derived from the mineral Kaolinite formed by hydrothermal weathering of igneous rock such as granite
- A common mineral, however, rarely occurs in large high-grade and low impurity deposits

Applications

- Chemically inert, nonabrasive material
- **Current Application Industries:** Paper and packaging, ceramics, paints and coatings, fibreglass, plastics, rubber, pharmaceuticals, cosmetics, concrete and agriculture
- **Future Applications:** Feedstock for High Purity Alumina (HPA) production. WA Kaolin's deposits are the purest known in Australia and being a primary deposit is free of any organic matter. This purity, particularly with respect to Iron Oxide, Titanium Dioxide and Sodium content, renders WA Kaolin's deposits an optimal feedstock for the direct synthesis of HPA 4N and 5N from kaolin ore



The Ceramics Industry

Kaolin increases the durability of ceramics as well as the smoothness and whiteness of the finished product.



The Fibreglass Industry

Kaolin is used in the production process of fibreglass.



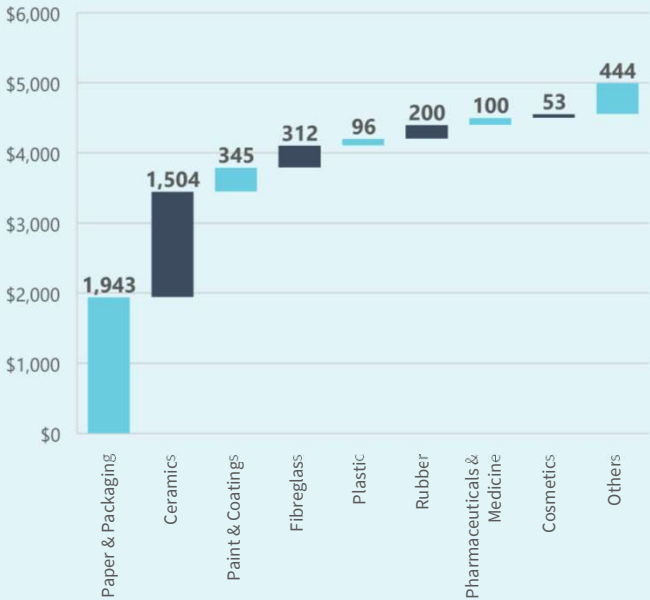
The Packaging & Paper Industry

Kaolin is used as a filler or coating in the filler industry. This increases gloss, smoothness, brightness and ink absorbency of the paper, which improves the printability.

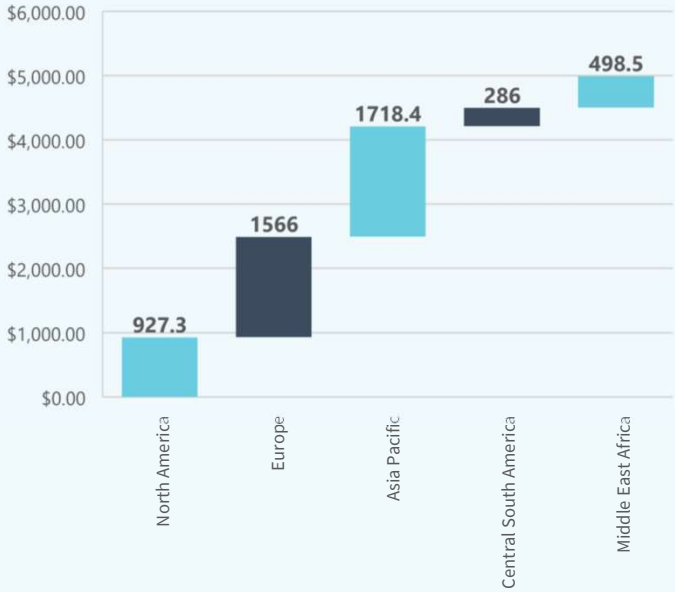
Kaolin Market



Kaolin Market by Application (US\$m)



Kaolin Market by Region (US\$m)



The Wickepin Project





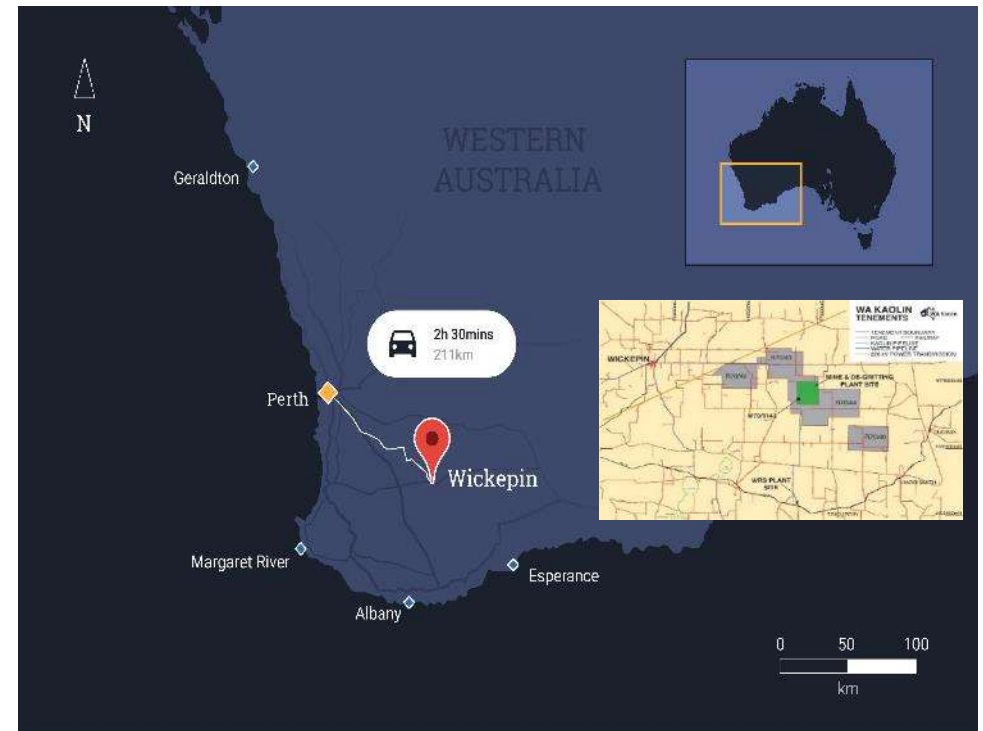
Wickepin Project Overview

Location

- WAK's project is located in Wickepin, 220 km south-east of Perth, Western Australia
- Existing processing plant is currently located on portside industrial land in Kwinana, south of Perth in Western Australia
- All infrastructure located close to WAK's mine and processing plants to support future expansion – power, water, road, rail, town and access to ports in Fremantle (220 km) and Bunbury (230 km)

World Class Resource

- **Ore Reserve:** 30.5mt of high-grade premium kaolinised granite within Mining Lease
- **Mineral Resource:** 109.1mt of kaolinised granite within Mining Lease and 535.4mt of kaolinised granite within the Retention Licences
- The mineralised zone is free dig, open cut, a low strip ratio with overburden thickness varying from 2-9 metres and is between 15-35 metres in thickness.



Road Route from Wickepin to Perth

The Mineral Resource estimate is inclusive of Ore Reserves and the 2019 Mineral Resource estimate. CSA Global Mineral Resource Estimate R280.2017.



One of the World's Largest Remaining Primary Resources

Producer	Country	Type	Reserves of Kaolin (mt) ¹	Resources of Kaolin (mt) ¹
WA Kaolin	Australia	Primary	13.4²	270.0²
Imerys (Listed Conglomerate)	All Areas	Primary/Secondary	98.9	151.7
KaMin (Private)	All Areas	Secondary	120.8	0
BASF (Private)	All Areas	Secondary	53.0	0
THIELE (Private)	Georgia	Secondary	53.2	0

1. Reserves and Resources in accordance with the "Public reporting of industrial minerals, cement feed materials and construction raw materials" section of the PERC Reporting Standard

2. Reserve and Resources of reported kaolinised granite at a dry yield of 44%.

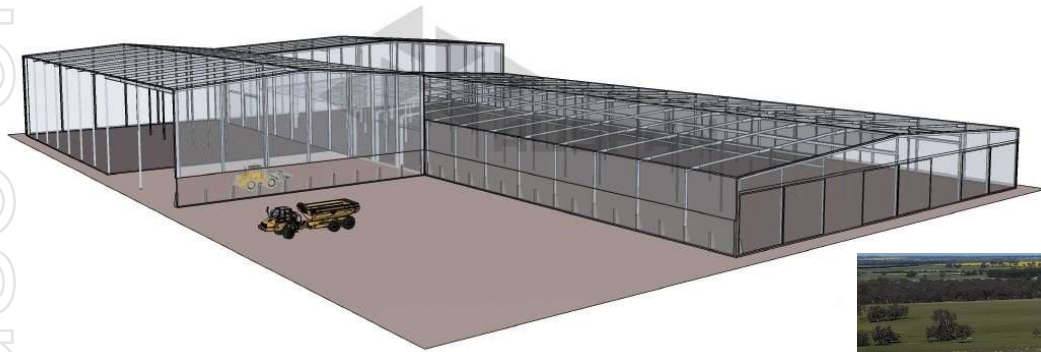
Reference: Wilson I.R. 2019

Staged Ramp Up to 400,000 tpa and beyond

Current Operations	2021 Stage 1 Ramp Up	Stage 2 Ramp Up	Future Scale Up
<p>K99 Proof of Concept Plant, Kwinana, WA</p> <ul style="list-style-type: none"> Existing Production 5t/hour Production capacity of 40ktpa Kaolin¹ 5 staff plus 3 operators per shift Growing market with small commercial sales to key customers Continue to supply existing customers 	<p>K99 Commercial Scale, Wickepin</p> <ul style="list-style-type: none"> 25t/hour Production capacity of 200ktpa Kaolin¹ 54 staff Improved logistics lowers Opex Focus on expanding markets 12 month build LOI for majority of capacity output 	<p>Expand K99 Capacity, Wickepin</p> <ul style="list-style-type: none"> 50t/hour Production capacity of 400ktpa kaolin¹ 90 staff Further reduction of Opex through economies of scale Finalising R&D for entry into the wet process market 12 month build 	<p>Further Expansion of K99 Capacity, Wickepin</p> <p>WAK intends to implement further 200ktpa modular increases to capacity subject to adequate demand and funding</p>

1. Based on 24 hours / 7 days a week

Stage 1 – Concept to Construction



Construction on target for completion 2021

- Key components acquired
 - Generator testing complete – to power entire site
 - Kiln delivered – installation imminent

Recent Milestones

- 15 year contract signed for LNG supply
- Bagging solution contract signed with Haver & Boeker
- 15 year water supply agreement executed



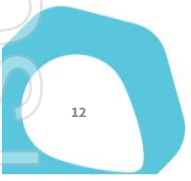
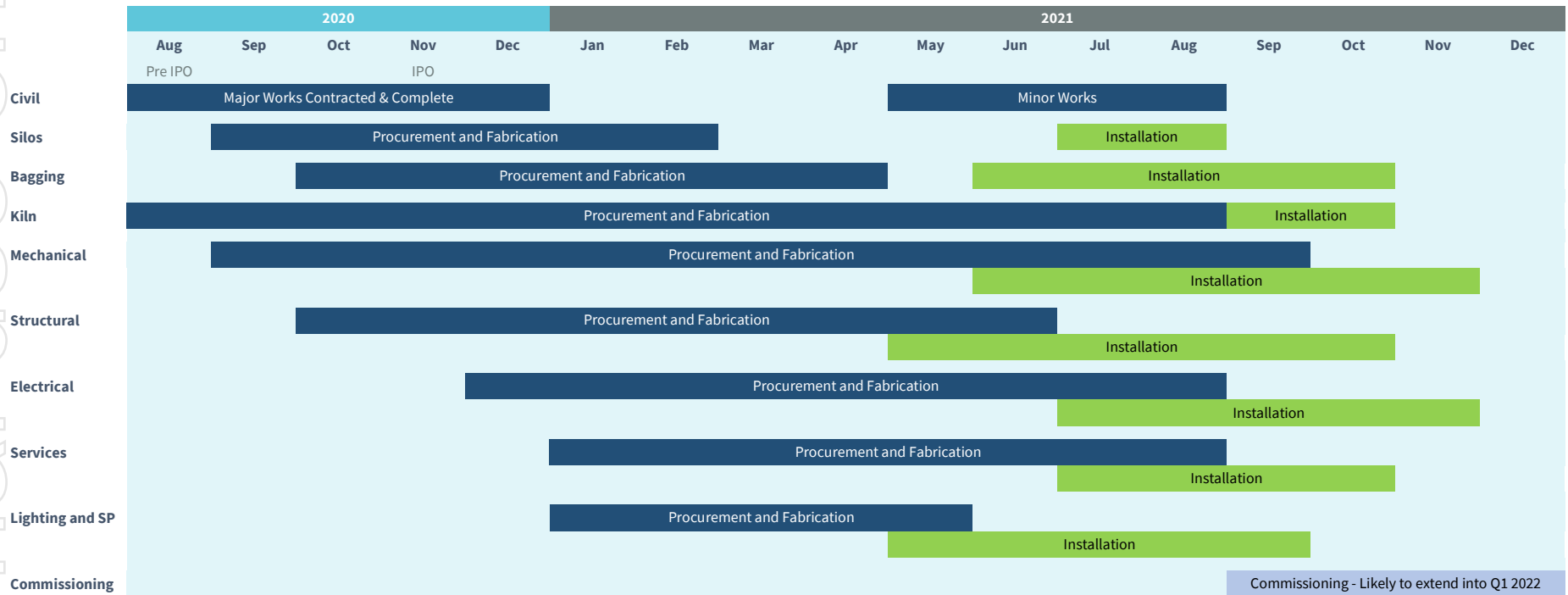
The Plant and The Pit



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Stage 1 Project Program





Existing Customers

- Demand for WAK’s kaolin products from existing customers is driving the expansion timing and strategy.
- A Taiwanese distributor has executed a 10-year distribution agreement with a 6 year offtake agreement. The target offtake of 432kt of kaolin in the six years.
- In years 1 to 3 of production at Wickepin, the sum of the Stanco offtake of 271kt, which when coupled with non-binding letters of intent of 280kt from other customers, amounts to a total target offtake for the first 3 years of 551kt. This represents 83% of targeted production of 664kt for those years. Offtake negotiations in progress with other customers.

WA Kaolin Customers

Country	% of Production	Vertical	About
China & Taiwan	39%	Fibreglass	Executed Offtake - Distributor servicing the fibreglass market in China and Taiwan
Taiwan	2%	Ceramics	Distributor servicing SE Asia ceramics markets
China	6%	Paper & Packaging, Paints & Coatings	Distributor servicing the tableware market in Japan
Japan	15%	Ceramics	Tableware manufacturer and ceramic technology provider to Japan market
Australia	20%	Building Products	Plasterboard Producer based in WA
Vietnam	2%	Ceramics	Distributor servicing ceramics market
Australia	2%	Cosmetics	Various customers producing cosmetics around Australia
China	2%	Ore	Distributor servicing the kaolin producers in China

Corporate Overview

Substantial Shareholders

Top 20 Shareholders	67.45%
Owners & Board	38.41%
No. of Shareholders	1,481

Corporate Structure (@ 4th October 2021)

Shares on Issue	282,821,885
Market Capitalisation @ 20.5c p/share	\$58m
Unlisted Options	167,232,813
Performance Rights	27,500,000
Cash	\$7.5m



High Purity Kaolin at the Wickepin Kaolin Project

Experienced & Invested Executive Team



Dr John White
Chairman

Director and/or CEO of several publicly listed and private Australian companies, formerly the Chairman of the Federal Government's Uranium Industry Framework Council, a member of the Federal Government's Defence Procurement Board and Director of the Defence SA Advisory Board. Extensive involvement with Woodside's North West Shelf Offshore Gas and LNG Development from 1978 to 1984. Formerly Chief Executive of Transfield Defence Systems Pty Ltd and Global Chief Executive of the recycling/packaging group, Visy Industries. John is currently Chairman of Regenerative Australian Farmers Pty Ltd and Birdon Pty Ltd.



Andrew Sorensen
CEO

Over 30 years' experience in operations management across a broad range of industries. Bachelor degree in Applied Science (Information Management) and a Masters of Business Administration from the University of Queensland. Previously held various senior leadership positions, including Vice President / General Manager (Asia Pacific) for Potters Industries Inc. and Manufacturing Manager for PQ Australia Pty Ltd. Proven track record in marketing and management in Industrial Minerals space and is responsible for driving standards in Health, Safety, Security, Environment, IT, Procurement and Knowledge Management.



Alf Baker
Executive Director

(17.64% Current Ownership)
Over 40 years' engineering experience in process technology and co-founder of WAK. An experienced and successful businessman, authoring several patents and designs over the course of his career, having founded and directed EMC Pacific Aust P/L, Australia's only manufacturer of power distribution insulators and Pacific Polymers, a mineral treatment plant operating in Victoria using patented technology. From 1976 – 1996, MD and co-founder of the highly successful PQ Australia, producing the inorganic chemical, Sodium Silicate, in both glass and liquid form and patented valuable downstream product 'Q-Cel' hollow microspheres. In all cases, innovation, hands-on determination and training of younger executives have led to success and lowest cost producer status.



Linton Putland
Non-Exec Director

Degrees in mining engineering (B Eng, WA School of Mines) and a masters in science (Mineral Economics, Western Australian School of Mines) with over 30 years' experience in mining operations, joint ventures and corporate management, in Australia, Africa and the Americas over a range of commodities. Principal of LJ Putland & Associates, a private mining consultancy company which was founded in 2002, providing advisory and consultancy services in mining project and company evaluation and due diligence appraisals. Currently NED for Breaker Resources NL and previously NED Pacific Energy Limited and Azumah Resources Limited, and held corporate / senior management roles in IAMGOLD, AurionGold, Delta Gold and Pancontinental Mining.



Cathy Moises
Non-Exec Director

Bachelor of Science (Hons) Geology in addition to a Securities Institute of Australia Diploma of Finance and Investment. Over 30 years experience working within the resources industry primarily as a financial analyst. She has extensive capital markets, company management, financial analysis and Institutional Investor engagement experience having worked for a number of the most prominent stock broking firms within Australia including Merrill Lynch, Citigroup, Evans and Partners (as a partner) and most recently worked as Head of Research for Patersons Securities. Currently NED for Arafura Resources Limited, Australian Potash Limited, Podium Minerals Limited, Pearl Gull Limited and PacGold Limited.



Michael Kenyon
CFO & CoSec

Senior roles with both private and ASX-listed corporations over the past 22 years. Bachelor of Business degree from Edith Cowan University, a Chartered Accountant and a graduate member of the Australian Institute of Company Directors. Commenced finance career with roles at then 'Big 6' professional services firms, Ernst & Whinney and Price Waterhouse before joining diversified industrial company, Vysam Pty Ltd in 1997 as CFO. Previously held CFO roles with ASX-listed Forge Group Ltd, Matrix Composites and Engineering Ltd, Pacific Energy Ltd and is currently CFO of Resource Development Group Ltd. NED for ASX-listed Babylon Pump & Power and a leading Catholic health care services provider in Perth, WA.

Definitive Feasibility Study Complete

DFS carried out by BDB Process Pty Ltd in 2020

- DFS confirms positive outcomes for the development of the Wickepin Project:
 - Stage 1 initial production of 200,000 tonnes per annum (tpa) of kaolin product
 - Stage 2 see ramp up to 400,000 tpa
- Life Mine of 31 years based on 2020 Ore Reserves; potential for delineation of additional resources to increase this life significantly (First 20 years is reported as Ore Reserve and remaining as Life of Mine)
- Significant scope exists to further increase the production - As per Stages 1 and 2 construction and ramp-up, the Company intends to implement further 200,000 tpa modular increases to capacity subject to adequate demand and funding
- Robust economics based on Stage 2 – initial project plus expansion (400,000 tpa kaolin):
 - NPV(7) of \$257 million
 - IRR of 47%
- Stage 1 production capex of \$18.07 million, with an additional \$13.57 million for expansion in Stage 2
- Stage 1 funded from IPO funds with Stage 2 to be funded from cash flow from operations
- Stage 1 generates positive EBITDA in the first year of production and becomes cashflow positive by Year 3
- Construction of Stage 1 scheduled for completion over a 39-week period, with subsequent commissioning and production ramp-up for Stage 2 scheduled over 13 weeks
- Global kaolin market demand expected to grow by 28% from 29 million tonnes in 2019 to more than 37 million tonnes in 2027, with a CAGR of 3.1% p.a. from 2020 to 2027

Key DFS Outcomes



Key Financial Parameters	Value	Average
NPV₍₇₎ LOM (\$k)	256,709	
IRR	47%	
Kaolin Sold		
t	3,760	313
\$k	1,208,159	100,680
Average \$/t	321	
Cost of Sales		
\$k (incl freight to Port)	(601,737)	(50,145)
\$/t	(160)	
Gross Margin		
\$k	606,421	50,535
% of Sales Revenue	50%	
Total Operating Expenses		
\$k	(253,628)	(21,136)
\$/t	(67)	
EBITDA		
\$k	350,594	29,216
Profit Before Tax		
\$k	342,200	28,517
% of Sales Revenue	28%	
Profit After Tax		
\$k	261,276	21,773
% of Sales Revenue	22%	
Cashflow from Operations	250,423	20,869

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This announcement was authorised for market release by the Company Secretary of WA Kaolin Limited.



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