

16 February 2023

Wiluna Mining Corporation Limited ACN 119 887 606
Wiluna Operations Pty Ltd ACN 166 954 525
Wiluna Gold Pty Ltd ACN 153 919 549
Kimba Resources Pty Ltd ACN 106 123 951
Zanthus Energy Pty Ltd ACN 129 728 374
Lignite Pty Ltd ACN 128 111 204
Scaddan Energy Pty Ltd ACN 128 388 634
(All Administrators Appointed) (together “Companies” or “Wiluna”)

Circular to Creditors

I refer to the appointment of Kate Warwick, Daniel Woodhouse, Ian Francis and I, Michael Ryan, as Joint and Several Voluntary Administrators (“Administrators”) of the Companies on 20 July 2022 and to our most recent circular to creditors dated 8 February 2023.

We set out below an update as to:

- the application to the Department of Mines, Industry Regulation and Safety (“DMIRS”) for the Tailings Retreatment Plan;
- outcome of the application to the Supreme Court of Western Australia (“Court”) for a third extension to the convening period for the Second Meeting of Creditors (“Meeting”) to 30 June 2023; and
- FTI Consulting personnel authorised to sign purchase orders for the Companies.

Tailings Retreatment Plan

On 14 February 2023, Wiluna received approval from DMIRS to begin the reprocessing of tailings from Wiluna’s Western Cell tailings storage facility. The Western Cell historic tailings facility is planned to provide an economically viable supply of low-grade ore for processing using Wiluna’s existing plant for approximately 12-18 months.

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Third Extension of Time for the Meeting

On 9 February 2023 we applied to the Court to obtain a further extension of time to hold the Meeting as we considered it was in the best interest of all creditors and will provide adequate time for us to formulate the elements of a Deed of Company Arrangement (“DOCA”) and provide an opportunity to:

- Obtain from Mining One, our appointed technical consultant, a “Value Opportunity Study” of the Wiluna Mine to provide certainty to potential investors and other key stakeholders that Wiluna has a viable mine plan going forward;
- Commence the Tailings Retreatment Plan;
- Undertake and conclude negotiations with key stakeholders in regards to the recapitalisation of the Companies or undertake a revised sale process;
- Avoid the value destruction which would result from an immediate winding up of the Companies; and
- Report to creditors to allow creditors to approve any proposal for a DOCA to help facilitate a sale and/or recapitalisation process.

On 14 February 2023, pursuant to s 439A(6) of the Corporations Act 2001 (Cth), a third extension of the convening period of the Meeting for the Companies was granted by the Court.

The Orders are attached at **Annexure A** and summarised as follows:

- the convening period within which the Administrators of the Companies must convene the Meeting be extended to 30 June 2023 and may be held at any time during, or within the five (5) business days after the end of the convening period; and
- not less than three (3) business days’ notice regarding the details of any application for a further extension of the convening period by the Administrators is to be given to all stakeholders, including employees, lessors and creditors of the Companies.

We will issue a further notice to all creditors advising the exact time, date and place for the Meeting providing creditors at least five (5) business days’ notice, and will include our detailed report into the affairs of the Companies and articulate the options available to creditors going forward.

Administrators’ Trading Procedures – Authorised Persons

Set out at **Annexure B** is a revised list of the persons authorised to sign purchase orders for the Companies. This supersedes the schedule of authorised persons provided in our initial circular to

creditors dated 22 July 2022. All other trading protocols remain as per our circular dated 22 July 2022.

If you have any questions about the contents of this circular, please contact this office by email at **wiluna@fticonsulting.com** or by phone on (08) 9321 8533.



Michael Ryan

Joint and Several Administrator

Annexure A – Court Order



IN THE SUPREME COURT OF WESTERN AUSTRALIA

COR/25/2023

EX PARTE:

**Michael Joseph RYAN as administrator of
WILUNA MINING CORPORATION LTD
(ADMINISTRATORS APPOINTED) (ACN 119
887 606) and Ors**

Plaintiffs

**ORDERS OF MASTER SANDERSON
MADE ON 14 FEBRUARY 2023**

UPON APPLICATION of the plaintiffs by originating process dated 9 February 2023 AND UPON HEARING Mr P Edgar for the plaintiffs IT IS ORDERED that:

1. The originating process filed in these proceedings on 9 February 2023 (Originating Process) be made returnable instant.

Extension of Convening Period

2. Pursuant to s 447A(1) of the Act, s 439A operate as if the convening period within which the plaintiffs must convene the second meeting of creditors of Wiluna Mining Corporation Ltd (Administrators Appointed) ACN 119 887 606 and each of the companies listed in the Schedule (together, the Companies) under s 439A of the Act (Second Meeting) be extended from 16 February 2023 to 30 June 2023.
3. Pursuant to s 447A(1) of the Act, Part 5.3A of the Act is to operate such that the Second Meeting may be held at any time during, or within five business days after the end of the convening period as extended by paragraph 2 above, notwithstanding the provisions of s 439A(2) of the Act.

Costs and other orders

4. The following parties have liberty to apply on giving all other interested parties not less than 3 business days' notice:
 - (a) any person who can demonstrate sufficient interest (including any creditor of the Companies), for the purpose of modifying or discharging any orders made pursuant to

paragraphs 2 and 3 above; and

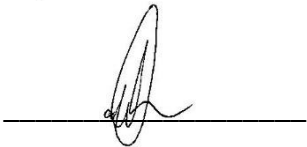
- (b) the plaintiffs, for the purpose of seeking any further extension of the convening period.
5. Any application for access pursuant to Order 67B rule 11 of the Rules of the Supreme Court 1971 (WA) to inspect the confidential affidavit of Michael Joseph Ryan affirmed 9 February 2023 and filed in these proceedings on 10 February 2023, and the annexures referred to therein:
- (a) be referred to the Court; and
 - (b) not be determined until notice of the application is given to the deponent, by his solicitor, and the deponent has reasonable opportunity to be heard in opposition to the application for inspection.
6. The plaintiffs' costs of and incidental to this application be costs and expenses in the administration of each of the Companies, and to be paid out of the assets of the Companies.
7. A direction that orders 1 to 4 of this Originating Process be entered forthwith.



BY THE COURT

MASTER C SANDERSON

Annexure B – Authorised Persons

Person	Authority Limit (\$)	Specimen Signature
Michael Ryan	All Purchases	
Ian Francis	All Purchases	
Kathryn Warwick	All Purchases	
Daniel Woodhouse	All Purchases	
Matthew Chivers	All Purchases	
James Mazzone	100,000	