ASX Announcement

1 August 2023
ASX: WMC

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ASX ANNOUNCEMENT

Deed of Company Arrangement Executed

The Deed Administrators* of Wiluna Mining Corporation Limited ("**Wiluna**") and each of its subsidiaries in the attached schedule (all subject to Deed of Company Arrangement) ("**Wiluna Mining Group**") are pleased to confirm that the Voluntary Administrators and each member of the Wiluna Mining Group executed a Deed of Company Arrangement (**"DOCA"**) on 28 July 2023 in accordance with the indicative terms of the Deed of Company Arrangement proposal ("**DOCA Proposal**") as approved by creditors of the Wiluna Mining Group (refer to the ASX Announcements dated 3 July 2023 and 11 July 2023 for further information on the DOCA Proposal).

A copy of the executed DOCA (Form 5047) has been lodged with ASIC and will be available from the FTI Consulting Creditors Portal at https://www.fticonsulting.com/creditors/wiluna-group.

As a consequence of the execution of the DOCA, each member of the Wiluna Mining Group is no longer in Voluntary Administration and are now subject to the DOCA on and from 28 July 2023. Michael Ryan, Kathryn Warwick, Daniel Woodhouse and Ian Francis have been appointed as the Deed Administrators of the DOCA. The Deed Administrators will continue to manage Wiluna's business and operations while progressing the conditions precedent to the effectuation of the DOCA.

Details of the DOCA

The DOCA will be implemented as part of a broader strategic turnaround involving Wiluna's key stakeholders to find a long term financially sustainable solution for Wiluna.

The key features of the DOCA are as follows:

- a creditors' trust was established on execution of the DOCA ("**Creditors' Trust**"). The claims of participating creditors against the Wiluna Mining Group have been substituted with rights under the Creditors' Trust Deed. The Deed Administrators will be the trustees of the Creditors' Trust ("**Trustees**");
- the Deed Administrators are to provide an initial payment to the Creditors' Trust of $1.9 million which is to be applied to repay participating creditors at an estimated return of up to 5 cents in the dollar, subject to adjudication of formal proofs of debt and assuming each of the non-participating creditors remains a non-participating creditor under the terms of the DOCA; and
- the Creditors' Trust Deed includes a cash sweep mechanism which will allow the Trustees to potentially repay the balance of the claims (up to a collective cap of $39m) of participating creditors in the future in certain circumstances once Mercuria Energy Trading Pte Ltd ("**Mercuria**") has been repaid in full. It also provides participating creditors with the ability to convert any outstanding right and entitlement (up to a collective cap of $39 million) to receive a distribution from the Creditors' Trust into shares in Wiluna upon Wiluna undertaking the Capital Raising (defined below).

Secured creditors will not be bound by the DOCA and nothing in the DOCA will affect secured creditors' debt or securities.

Upon effectuation of the DOCA, the external administration of the Wiluna Mining Group will end, and the entities will come under the control of new directors, on a solvent basis.

Conditions precedent to effectuation of the DOCA

Effectuation under the DOCA is conditional on the following conditions precent being satisfied (or waived):

- the execution of the Creditors' Trust Deed by the Administrators and the Wiluna Mining Group. The Creditors' Trust Deed has been executed and this condition precedent has been satisfied;
- the execution of agreements between the Wiluna Mining Group and:
  - Mercuria, pursuant to which the parties will agree to restructure and amend the Mercuria facility agreement;
  - existing shareholders, Deutsche Balaton Aktiengesellschaft and Byrnecut Australia Pty Ltd, for the provision of convertible loan facilities totalling A$6,666,667 to be used to build and commission carbon-in-leach tanks and associated infrastructure at the Wiluna Mine and provide Wiluna with additional working capital;
  - Franco-Nevada Australia Pty Ltd, pursuant to which Franco-Nevada Australia Pty Ltd will convert some or all amounts owing to it under the royalty deeds into convertible notes and forbear from enforcing any rights under its securities. This document has been executed and this condition precedent has been satisfied;
  - Trismegist Pte Ltd, pursuant to which the terms of the Trismegist offtake agreement will be amended and Trismegist will forbear from enforcing certain rights under its offtake agreement. This document has been executed and this condition precedent has been satisfied;
  - Trafigura Pte Ltd, pursuant to which the terms of the Trafigura offtake agreement will be amended and Trafigura will forbear from enforcing certain rights under its offtake agreement; and
  - Osisko Bermuda Limited, pursuant to which Osisko Bermuda Limited will agree to (amongst other things) forbear from enforcing (and waive) certain rights under its gold purchase deed;
- Wiluna issuing new shares to raise new capital in an amount determined by the Deed Administrators on or before 31 December 2024 ("**Capital Raising**"), and obtaining necessary regulatory relief, ASX Listing Rule waivers or member approvals (if any) to complete the Capital Raising; and
- The appointment of one or more suitably qualified and experienced directors to the boards of directors of the Wiluna Mining Group.

The sunset date for the satisfaction or waiver of these conditions is 31 December 2024, or such later date as notified to the creditors in writing by the Deed Administrators.

Next steps

The Deed Administrators will now proceed to advance the broader strategic turnaround plan and the satisfaction of the remaining conditions precedent to the DOCA.

Contact Details

For further information, enquiries can be directed as follows:

Media Enquiries	**Creditor Enquiries**
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The release of this announcement has been approved by the Deed Administrators*.
*Michael Ryan, Kathryn Warwick, Daniel Woodhouse and Ian Francis, all Senior Managing Directors of FTI Consulting, were appointed as Deed Administrators of the Wiluna Mining Group on 28 July 2023.

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Annexure A - Wiluna Mining Group – Entities over which the Deed Administrators are appointed

Company	ACN
Wiluna Mining Corporation Limited	119 887 606
Wiluna Operations Pty Ltd	166 954 525
Wiluna Gold Pty Ltd	153 919 549
Kimba Resources Pty Ltd	106 123 951
Zanthus Energy Pty Ltd	129 728 374
Lignite Pty Ltd	128 111 204
Scaddan Energy Pty Ltd	128 388 634

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