

24 MARCH 2021

UPDATE ON LITIGATION AND DEEDS OF COMPANY ARRANGEMENT

Further to the announcement dated 25 February 2021, Alita Resources Limited (Subject to Deed of Company Arrangement) (Receivers and Managers Appointed) (SGX: 40F) (**'Alita'**) provides the following update on the Deeds of Company Arrangement executed by Alita (**'Parent DOCA'**) and by Alita's subsidiaries; Tawana Resources Ltd and Lithco No. 2 Pty Ltd (**'Subsidiary DOCA'**) as detailed in the announcement dated 23 December 2020.

As set out in Alita's 23 December 2020 announcement, on 23 December 2020 the Parent DOCA and Subsidiary DOCA, as proposed by Austroid Corporation (**'Austroid'**), a US-registered company which is Alita's sole creditor, were executed.

As set out in Alita's 17 February 2021 announcement, after execution of the Parent DOCA and Subsidiary DOCA, Lithium Investments (WA) Pty Ltd (**'LWA'**) made an urgent application in the Supreme Court of Western Australia (**'Court'**) to restrain the effectuation (completion) of the Subsidiary DOCA and to set aside the Parent DOCA and Subsidiary DOCA (**'Legal Proceedings'**).

The parties to the Legal Proceedings, including LWA, Galaxy Resources Limited, the Deed Administrators and Austroid have agreed a settlement on terms acceptable to Alita and under which (among other things) all proceedings were dismissed on Friday, 19 March 2021, with no order as to costs. Alita believes the settlement represents a fair result in the circumstances for both the plaintiffs and defendants.

Following settlement of the proceedings, the injunction preventing effectuation of the Subsidiary DOCA was lifted, and the Subsidiary DOCA was effectuated on Friday, 19 March 2021. The Receivers and Managers were retired from their appointment to Tawana Resources Ltd and Lithco No. 2 Pty Ltd on that date, and control of those entities passed to the appointed directors. The Receivers, and Deed Administrators, remain appointed to Alita pending effectuation of the Parent DOCA, which remains subject to completion of conditions precedent.

Authorised by:

Richard Tucker
Receiver and Manager
Alita Resources Limited
(Receivers and Managers Appointed)
(Subject to Deed of Company Arrangement)