



Shareholder Update

Alita Resources Limited (Subject to Deed of Company Arrangement) (Receivers and Managers Appointed) ACN 147 393 735 (Alita)

We refer to the previous announcements to shareholders providing information on the Parent DOCA.

Capitalised terms have the meaning given in our announcement to shareholders dated 13 February 2023 (unless otherwise stated) (**Previous Announcement**).

As foreshadowed by the Previous Announcement, a further hearing took place at 2:15pm (AWST) on Thursday, 16 February 2023. The hearing was in respect of both COR 16 of 2023 (i.e. the Deed Administrators' Directions Application) and COR 19 of 2023 (Canaccord's 445D Application).

The Deed Administrators, Austroid and Canaccord were each represented at the hearing referred to above.

We note the following, by way of update, in respect of the Directions Application:

- At the hearing, the Honourable Justice Hill made an order to the effect that the Directions Application be discontinued (noting that on Tuesday, 14 February 2023, the Deed Administrators sought leave to discontinue the Directions Application for the reasons set out in the Previous Announcement).
- Canaccord wished to be heard on the costs of the Directions Application (and, in effect, argued that its costs of participating in the Directions Application, as a non-party seeking leave to be heard under the *Supreme Court (Corporations) (WA) Rules 2004* (WA) r 2.13, should be levied against the assets of Alita / the external administration).
- The Deed Administrators opposed any costs orders being made either: (1) in favour of Canaccord; and (2) against the Deed Administrators. The Deed Administrators were wholly successful and no costs orders were made by the Honourable Justice Hill.

Accordingly, the following orders, in effect, were made at the hearing in respect of the Directions Application:

- The Deed Administrators' action be discontinued.
- Orders 1 to 4 of the Orders of the Honourable Justice Hill dated 9 February 2023 be vacated.
- No orders as to costs.

We note the following, by way of update in respect of the 445D Application:

- At the hearing, Canaccord and Austroid gave argument in respect of the appropriate programming of the 445D Application.
- Canaccord sought, inter alia, orders for discovery and that the 445D Application be programmed such that lay and expert evidence be filed by 21 April 2023, reply evidence be filed by 12 May 2023 and the matter otherwise be returnable for further directions to 28 February 2023.
- Austroid foreshadowed a summary judgment application in respect of the 445D Application (i.e. a process by which Austroid will, in effect, seek to persuade the Supreme Court of Western Australia that the 445D Application should be dismissed without a trial being held).
- The Honourable Justice Hill, in effect, considered that Austroid should be given the opportunity to file its summary judgment application before any further, future programming of the 445D Application should proceed.

Accordingly, the following orders, in effect, were made at the hearing in respect of the 445D Application:

- Austroid file and serve any application for summary judgment by no later than 4:00pm (AWST) on 24 February 2023.



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- A directions hearing be held in respect of the 445D Application at 2:15pm (AWST) on 28 February 2023.
- Costs in the cause.

The Deed Administrators will otherwise provide a further update to shareholders after they obtain an independent expert report in respect of Alita's shares or any further orders are made in the 445D Application (or otherwise as the Deed Administrators consider necessary).

If you have any further queries, these should be emailed to alita@mcgrathnicol.com or should be directed to McGrathNicol's Perth office at +61 8 6363 7600.

Dated: 20 February 2023

Yours faithfully

Alita Resources Limited (Receivers & Managers Appointed) (Subject to Deed of Company Arrangement)

Rob Kirman
Deed Administrator