

17 FEBRUARY 2020

SECTION 444GA APPLICATION UPDATE – EXPERT REPORT ADDENDUM

We refer to the previous announcements made to the ASX and SGXNet in relation to the application for relief under section 444GA of the *Corporations Act 2001* (Cth) ('**Section 444GA Application**') which has been filed by the Deed Administrators in the Supreme Court of Western Australia ('**Court**') (proceeding number COR 251 of 2019) and which contemplates the transfer of 100% of the shares in Alita Resources Limited (Subject to Deed of Company Arrangement) ('**Alita**') to the proponent of the Deed of Company Arrangement for nil consideration.

In particular, we refer to the announcement dated 14 January 2020 which (amongst other things) attached an explanatory statement which included an expert report prepared by KordaMentha ('**Expert Report**') ('**Expert Report Announcement**'). Unless otherwise defined, capitalised terms in this announcement shall have the same meanings ascribed to them in the Expert Report Announcement.

The Deed Administrators have prepared an addendum to the Expert Report ('**Expert Report Addendum**'), to provide shareholders with:-

- (i) revised and updated figures regarding the total indebtedness of the Alita group of companies, given changes to the expected timetable ('**Updated Analysis**');
- (ii) clarification regarding previous treatment of, and Updated Analysis removing, the Early Repayment Fee; and
- (iii) the Deed Administrator's opinion on the value of the Company's shares in a liquidation scenario in view of the updated analysis of the Group's indebtedness.

Notwithstanding the Updated Analysis, the Deed Administrators maintain their opinion that the Company's shares in a liquidation scenario have nil value.

The Expert Report Addendum has been published on the Deed Administrators' website (www.kordamentha.com/creditors) and Alita's website (www.allianceminerals.com.au). The Expert Report Addendum will also be provided to the Court.

The final hearing of the Section 444GA Application remains listed for 2.15 pm on 4 March 2020.

Shareholders may still provide the Deed Administrators with their views in relation to the Section 444GA Application and have those views brought to the attention of the Court. If you wish to do so, please provide your views in writing by way of email to alita@kordamentha.com no later than 5 business days before the Final Hearing (i.e. by no later than 24 February 2020) so the Deed Administrators can provide your views to the Court, for the judge's attention.

If you have any concerns, objections or questions in relation to the Section 444GA Application, please contact the Deed Administrators as soon as possible by calling +618 9220 9333 or by emailing alita@kordamentha.com.

Richard Tucker

Deed Administrator

Alita Resources Ltd (Subject to Deed of Company Arrangement)