



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.

As set out in our previous announcements:

- On Friday, 27 January 2023, the Deed Administrators commenced Supreme Court of Western Australia Proceeding COR 16 of 2023 (**Directions Proceeding**) for a direction pursuant to IPSC s 90-15 to the effect that the Deed Administrators would be justified in consenting to a variation to the Parent DOCA (with the effect of extending the Sunset Date under the Parent DOCA to 31 July 2023) to enable them to obtain an independent updated valuation of Alita's shares, as required by ASIC.
- The Sunset Date under the Parent DOCA and the Repayment Date under the Loan Facility Agreement were previously scheduled for 31 January 2023. On Tuesday, 31 January 2023, given that the Directions Proceeding was scheduled for 9:15am (AWST) on Thursday, 2 February 2023, the Deed Administrators agreed to a short extension of the Sunset Date under the Parent DOCA and the Repayment Date under the Loan Facility Agreement to Tuesday, 28 February 2023 (with deeds of variation being executed by the Deed Administrators and Austroid on Tuesday, 31 January 2023). This short extension was agreed to allow sufficient time for the Supreme Court of Western Australia to hear and determine the Directions Proceeding.
- On Wednesday, 1 February 2023, Canaccord Genuity (Australia) Limited and Chalmers Nominees Pty Limited (**together, Canaccord**) filed court papers in the Supreme Court of Western Australia. In summary, Canaccord filed court papers opposing the directions sought by the Deed Administrators in the Directions Proceeding and separately, commenced an application under Corporations Act s445D for the termination of the Parent DOCA (**445D Application**).
- A hearing took place at 9:15am (AWST) on Thursday, 2 February 2023 (as scheduled). The Deed Administrators, Austroid and Canaccord were each represented at the Directions Proceeding. In effect, the following orders were made at the hearing (with the effect of programming the Directions Proceeding to a final hearing):
 1. An interlocutory hearing on whether Canaccord will have leave to be heard on the Directions Proceeding be scheduled for 2:15pm (AWST) on Thursday, 9 February 2023.
 2. The Deed Administrators and Austroid file and serve any further affidavits and submissions upon which they intend to rely in relation to the above by no later than 4:00pm (AWST) on Monday, 6 February 2023.
 3. Canaccord file and serve any responsive affidavits or submissions upon which they intend to rely in relation to the above by no later than 5:00pm (AWST) on Wednesday, 8 February 2023.
 4. The Deed Administrators' Directions Proceeding be scheduled for:
 - programming / first mention at 2:15pm (AWST) on Thursday, 9 February 2023; and
 - final hearing at 10:00am (AWST) on Wednesday, 22 February 2023.
 5. The 445D Application be scheduled for programming / first mention at 2:15pm (AWST) on 9 February 2023.

We note the following, by way of update:

- A further hearing took place at 2:15pm (AWST) on Thursday, 9 February 2023. The Deed Administrators, Austroid and Canaccord were each represented at the Directions Proceeding.



- At the hearing, the Deed Administrators foreshadowed that they were considering the amendment of the orders sought by them in the Directions Proceeding.
- Accordingly, in effect, the following orders were made at the hearing:
 1. The Deed Administrators file and serve any minute of amended Originating Process by 4:00pm (AWST) on Tuesday, 14 February 2023
 2. The question of whether Canaccord should be granted leave to be heard in the Directions Proceeding be relisted for hearing at 2:15pm (AWST) on Thursday, 16 February 2023.
 3. The Directions Proceeding be otherwise listed for mention at 2:15pm (AWST) on Thursday, 16 February 2023.
 4. The 445D Application be listed for mention at 2:15pm (AWST) on 16 February 2023.

We note the following, by way of further update:

- Since commencing the Directions Application, the Deed Administrators have reached a new agreement with Austroid to extend the Sunset Date under the Parent DOCA for a shorter period than was stipulated in the creditor resolution dated 13 January 2023 (which was the subject of the Directions Application).
- Accordingly, on Tuesday, 14 February 2023, the Deed Administrators executed deeds of variation with the effect of extending the Sunset Date under the Parent DOCA and the Repayment Date under the Loan Facility Agreement to a date that is the earlier of: (1) four weeks after the Deed Administrators' receipt of an independent expert report, from experts engaged by the Deed Administrators, in relation to the Bald Hill Mine or Alita's shares; or (2) Monday, 29 May 2023.
- Having regard to the above, on Tuesday, 14 February 2023, the Deed Administrators sought leave to discontinue the Directions Application (as the Deed Administrators no longer wished to seek directions that they would be justified in consenting to the creditor resolution dated 13 January 2023). It is possible that the Deed Administrators may wish to seek directions from the Supreme Court of Western Australia at a future time in connection with the Parent DOCA, once an independent expert report is obtained in respect of the value of Alita's shares.
- A hearing before the Honourable Justice Hill is scheduled to take place on Thursday, 16 February 2023 (in respect of the costs of the Directions Application / the programming of the 445D Application).

The Deed Administrators will otherwise provide a further update to shareholders pending the outcome of the upcoming hearing (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: 16 February 2023

Yours faithfully

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

Rob Kirman
Deed Administrator