



**Alita Resources Limited (Receivers and Managers Appointed) (Subject to Deed of Company Arrangement)  
And entities listed at Annexure A  
ACN 147 393 735  
(Alita Group)**

**Execution of Deeds of Company Arrangement**

The second meeting of creditors for the Alita Group was held on 23 December 2020 (**Second Meeting**), pursuant to section 439A of the Corporations Act 2001 (**Act**).

At the Second Meeting, the sole creditor of the Alita Group voted to approve the Deed of Company Arrangement (**DOCA**) proposals received from Austroid Corporation (**Austroid**). Immediately following the Second Meeting, Rob Kirman and Rob Brauer executed the DOCAs and were appointed Deed Administrators of each company in the Alita Group (**Deed Administrators**). Copies of the executed DOCAs are available on McGrathNicol's website (<https://www.mcgrathnicol.com/creditors/alita-group/>) and are summarised as follows:

- Parent DOCA relating to Alita Resources Limited (**Alita**) – subject to the terms of the Parent DOCA, will result in the: transfer of 100% of the issued shares in Alita to the proponent, Austroid, on conversion of up to \$48.0m of Austroid's debt to equity.
- Subsidiary DOCA relating to Alita's wholly owned subsidiaries, Tawana Resources Pty Ltd and Lithco No2. Pty Ltd (collectively **Subsidiaries**) – subject to the terms of the Subsidiary DOCA, will result in the:
  - execution of a deed of release under which the Subsidiaries are released from obligations in relation to circa \$28m of Austroid's existing secured facilities, with the Subsidiaries to remain indebted to Austroid for \$20m on an unsecured basis;
  - provision of a \$40m secured loan to the Subsidiaries post-effectuation of the Subsidiary DOCA, to provide funding for ongoing expenditure; and
  - resumption of mining operations at the Bald Hill mine.

The DOCAs will effectuate 5 Business Days after satisfaction of the respective conditions precedent. The Deed Administrators expect the conditions precedent of the Subsidiary DOCA to be completed shortly after execution of the DOCA, however the conditions precedents of the Parent DOCA may take between 3 to 12 months to complete.

Pursuant to the terms of the Subsidiary DOCA, Mike F Que has been appointed as Austroid's nominated director on the Board of Tawana and Lithco effective from 23 December 2020. Mr Que will be an executive director.

The Deed Administrators note specifically the following conditions precedents of the Parent DOCA:

- execution of a transfer agreement pursuant to which Alita will transfer all assets used or applied exclusively in relation to the Bald Hill mine (including Alita's interests in tenements) to its subsidiary Lithco No2. Pty Ltd;
- effectuation of the Subsidiary DOCA;
- confirmation from ASIC of relief for the purposes of section 606 of the Act;
- leave from the Court pursuant to section 444GA of the Act to transfer all shares of Alita to the proponent; and
- approval for the acquisition of all the issued shares of Alita by the proponent from the Foreign Investment Review Board.



An application will be made to the Court seeking leave under section 444GA of the Act in due course and shareholders can expect further announcements in relation to the application.

Dated: 23 December 2020

Rob Kirman  
*Deed Administrator*

Enclosures:

1 Annexure A – Alita Group entities



***Annexure A: the Alita Group – entities over which Deed Administrators are appointed***

<b>Alita Group (Receivers &amp; Managers Appointed)(Subject to Deed of Company Arrangement)</b>			
<b>Company name</b>	<b>Receivers and Managers Appointed</b>	<b>Subject to Deed of Company Arrangement</b>	<b>ACN</b>
Alita Resources Limited	Yes	Yes	147 393 735
Lithco No.2 Pty Ltd	Yes	Yes	612 726 922
Tawana Resources Pty Ltd	Yes	Yes	085 166 721