



Shareholder Update

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

I refer to the previous updates to shareholders in relation to the Deed of Company Arrangement of Alita.

As set out in our previous announcement dated 19 January 2023:

- A meeting of creditors was held on Friday, 13 January 2023 and a resolution was passed in the following terms:

That the deed of company arrangement dated 23 December 2020 (DOCA) be varied as follows:

"Clause 6.4 of the DOCA be varied as follows: The Proponent must notify the Deed Administrators in writing on or before 31 July 2023 (or such later date as the Deed Administrators and Proponent may agree in writing) that conditions 6.1.1 to 6.1.7 have been satisfied, failing which the Deed Administrators may:

We note the following:

- The adjourned meeting of creditors was held on Friday, 20 January 2023. At that meeting, no business was conducted and the meeting was further adjourned to 3:00pm (AWST) on Friday, 27 January 2023.
- The further adjourned meeting of creditors was held on Friday, 27 January 2023. At that meeting, no business was conducted and the meeting was closed.

By way of update, since the date of our last announcement:

- Between about December 2022 to date, the Deed Administrators have received correspondence from shareholders / third parties expressing concerns with any consent being given by the Deed Administrators to any further extension to the Sunset Date under the Parent DOCA.
- As a condition of the Parent DOCA, the Deed Administrators are required to seek approval from ASIC pursuant to section 606 of the Corporations Act 2001, for the proposed transfer of shares to Austroid as contemplated by the Parent DOCA. ASIC have informed the Deed Administrators that they require the Deed Administrators to obtain an updated independent expert report of the value of the shares.
- The Deed Administrators have made initial enquiries with prospective expert valuers and understand that it may take at least four (4) months for a further independent expert valuation to be obtained and considered.
- The creditor's resolution passed 13 January 2023 is for a variation of the Sunset Date under the Parent DOCA for a period of 6 months (refer above).
- In the circumstances, the Deed Administrators consider it appropriate that the Sunset Date be extended for at least 4 months.
- The Deed Administrators consider it is appropriate for them to seek directions from the Supreme Court of Western Australia to the effect that they would be justified in consenting to an extension of the Sunset Date for a period up to 6 months.
- Accordingly, on Friday, 27 January 2023, the Deed Administrators filed an Originating Process with the Supreme Court of Western Australia for directions under Insolvency Practice Schedule (Corporations) s 90-15. The Deed Administrator have sought a direction to the following effect:

...that the plaintiffs would be justified in consenting to the amendment to the Parent DOCA (as defined in the Kirman Affidavit), which was caused by the resolution of the creditors of Alita Resources Limited



McGrathNicol

(Receivers and Managers Appointed) (Subject to Deed of Company Arrangement) passed on 13 January 2023 and by operation of section 445A of the Act, such resolution being in the following terms:

Clause 6.4 of the Parent DOCA be varied as follows:

The Proponent must notify the Deed Administrators in writing on or before 31 July 2023 (or such later date as the Deed Administrators and Proponent may agree in writing) that conditions 6.1.1 to 6.1.7 have been satisfied, failing which the Deed Administrators may:

- The Deed Administrators confirm that the matter has been listed for hearing before the Honourable Justice Hill at **9:15am (AWST) on Thursday, 2 February 2023.**
- If there are any matters that you wish to raise with the Deed Administrators please do so by email no later than before **5:00pm (AWST) on Wednesday, 1 February 2023.** Any correspondence received by the Deed Administrators before that time will be attached to a further affidavit and will be provided to the Supreme Court of Western Australia for its consideration in the context of the above application.

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: 30 January 2023

Yours faithfully

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

Rob Kirman
Deed Administrator