

# KordaMentha

## Restructuring

### SGX Announcement

4 September 2023

**Alita Resources Limited (Subject to Deed Administration) (Receivers and Managers Appointed), formerly Alliance Mineral Assets Limited  
ACN 147 393 735  
SGX Code: 40F**

### Update to Shareholders

We refer to the recent media speculation in the Australian Financial Review and the Deed Administrators and Receivers and Managers' previous announcements to shareholders providing information on the Parent DOCA, COR 134 of 2023 and the Implementation Agreement dated 31 August 2023, 1 September 2023 and 4 September 2023.

Mineral Resources Limited (**MRL**) has announced to the ASX that they have entered into an Implementation Agreement with the Deed Administrators. A copy of MRL's ASX announcement in relation the Implementation Agreement is attached to this announcement.

The Court ordered confidentiality restrictions in respect of the Implementation Agreement have been confirmed in the Deed Administrators' announcements dated 31 August 2023 and 4 September 2023 and will expire at 4pm on 5 September 2023. The Court may order an extension of the confidentiality regime.

Separately, the Deed Administrators advise that the terms of the Implementation Agreement will continue to be confidential until a share sale agreement is entered into between the parties.

The Deed Administrators and the Receivers will provide further updates to shareholders in due course.

Contact details for McGrathNicol are as follows: by email [alita@mcgrathnicol.com](mailto:alita@mcgrathnicol.com) or via telephone to McGrathNicol's Perth office at +61 8 6363 7600.

Contact details for KordaMentha are as follows: by email [alita@kordamentha.com](mailto:alita@kordamentha.com) or via telephone to via telephone to KordaMentha's Perth office at +61 8 9220 9333.

For all media enquiries, please call Mike Smith 0411 055 306

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### About KordaMentha Restructuring

KordaMentha Restructuring is the distressed business division of KordaMentha, an advisory and investment firm that helps clients to grow, protect and recover value.

KordaMentha Restructuring works with companies in financial distress – to restructure and to stabilise the business or to recover value on behalf of stakeholders. They have over 170 professional staff with diverse backgrounds and deep experience from accounting and agriculture to mining and real estate.

4 September 2023

## Implementation Agreement – Alita Resources

Mineral Resources Limited (**ASX: MIN**) (**MinRes**) confirms it has entered into an Implementation Agreement with the Deed Administrators of Alita Resources Limited (**Alita**) regarding the proposed acquisition of the Bald Hill lithium mine in Western Australia.

A wholly owned subsidiary of Alita owns and operates the Bald Hill mine.

McGrathNicol was appointed the administrators of Alita in December 2020. Alita is subject to a Deed of Company Arrangement under which Austroid Corporation (**Austroid**) proposed to acquire the Bald Hill mine. This transaction was blocked by the Foreign Investment Review Board (**FIRB**) in July 2023.

Austroid is also the secured creditor of Alita and appointed KordaMentha as receivers and managers in December 2020. KordaMentha acts in the interest of foreign-owned Austroid, not the shareholders of Alita.

The Deed Administrators have commenced an application in the Supreme Court of Western Australia seeking various orders, including for Alita to be placed into liquidation to allow for the implementation of the proposed MinRes acquisition.

If the court orders the liquidator to be appointed, MinRes will pay out the secured debt and acquire Alita's interest in the Bald Hill mine, which will provide a material return to Alita. The consideration that MinRes will pay under the transaction is subject to a number of factors, including an independent expert valuation.

The outcome of applications in the Supreme Court is currently uncertain with no guarantee that the transaction will be able to proceed, and details are currently subject to commercial confidentiality between transaction parties.

MinRes expects to fund the potential transaction from existing resources and does not intend to raise equity.

Notwithstanding the FIRB rejection, it has been reported that the Bald Hill lithium mine operates under effective foreign control through a complex corporate structure.

It is reported that the lithium mine operates at a loss under these arrangements, with profits transferred overseas via an offtake agreement with a Hong Kong-registered entity, Yihe Cleantech Material Limited. It has been alleged that this offtake agreement has also led to an under-payment of state royalties.

MinRes' successful acquisition of the Bald Hill mine will ensure that the mine is being operated by an experienced Australian ASX listed lithium miner, and any profits are generated and taxes and royalties paid in Australia to the benefit of Australian taxpayers.

MinRes is the largest lithium miner in the Goldfields region of Western Australia, operating the world-class Mt Marion lithium mine, and is one of Australia's largest diversified resources companies.

If the Treasurer's decision-making power under the *Foreign Acquisitions and Takeovers Act 1975* (**FATA**) has been circumvented, and there is a risk the mine remains in the effective control of foreign entities whose proposed acquisition has been rejected by FIRB, MinRes believes the Australian Government should use their powers under FATA to intervene.

**ENDS**

This announcement dated 4 September 2023 has been authorised for release to the ASX by Mark Wilson, Chief Financial Officer and Company Secretary. For further information, please contact:

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## About Mineral Resources

Mineral Resources Limited (ASX: MIN) (MinRes) is a leading diversified resources company, with extensive operations in lithium, iron ore, energy and mining services across Western Australia. With a focus on people and innovation, MinRes has become one of the ASX's best-performing companies since listing in 2006. For more information, visit [www.mineralresources.com.au](http://www.mineralresources.com.au).