



Our Ref: REG/LC/GT/NOC-ARL

8 January 2020

**Alita Resources Limited**

c/o KordaMentha

Administrators - Richard Tucker and John Bumbak

Level 10, 40 St Georges Terrace

Perth WA 6000

Attention: Richard Tucker and John Bumbak

**PRIVATE & CONFIDENTIAL**

Dear Sirs,

**ALITA RESOURCES LTD. ("ALITA" OR THE "COMPANY", TOGETHER WITH ITS SUBSIDIARIES, THE "GROUP")**

**NOTICE OF COMPLIANCE (THE "NOTICE")**

1. Singapore Exchange Regulation ("**SGX RegCo**" or the "**Exchange**") refers to:
  - (a) SGXNet announcement dated 29 August 2019 (Announcement Reference No: SG190829OTHRHBFB) entitled "*Appointment of Administrators*";
  - (b) SGXNet announcement dated 11 December 2019 (Announcement Reference No: SG191211OTHR26EV) entitled "*Report by Administrators*";
  - (c) SGXNet announcement dated 19 December 2019 (Announcement Reference No: SG191219OTHRXXW0) entitled "*Execution of Deed of Company Arrangement*";
  - (d) SGXNet announcement dated 20 December 2019 (Announcement Reference No: SG191220OTHR4RJ7) entitled "*Shareholder Update Section444GA Application*"; and
  - (e) SGXNet announcement dated 3 January 2020 (Announcement Reference No: SG200103OTHR9IO4) entitled "*Shareholder update – Section 444GA Application*".

**Singapore Exchange Regulation Pte Ltd**

Company Reg No. 201709600D

11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589

main: +65 6236 8888 fax: +65 6535 6994

sgx.com

## **Background**

2. Alita was incorporated in Australia and dual-listed on both the Singapore Exchange Catalist board ("SGX") and the Australian Securities Exchange ("ASX").
3. On 28 August 2019, Richard Scott Tucker and John Allan Bumbak of KordaMentha ("Administrators") were appointed as administrators of the Company and its subsidiaries ("Group"). Accordingly, the Administrators have stepped into the shoes of the Directors and taken over the management of the Group.
4. On 17 December 2019, meetings with creditors were held pursuant to Section 439A of the Corporations Act 2001 ("the Act"). Creditors voted to approve the proposed Deed of Company Arrangement ("DoCA") received from China Hydrogen Energy Ltd ("CHEL") and Liatam Mining Ltd ("Liatam"). Among the key conditions precedent for the DoCA, is the need for the Administrators to obtain an order from the Supreme Court of Western Australia (the "Court") pursuant to Section 444GA of the Act.
5. The Administrators have made a Section 444GA application ("Application") to the Court. A successful Application would result in the transfer of 100% of Alita shares ("Alita Shares") to Liatam ("Compulsory Transfer") for zero consideration and a delisting from SGX and ASX. The Court may approve the Application if it is satisfied that the Compulsory Transfer would not unfairly prejudice the interests of the Shareholders.
6. Shareholders have the right to provide the Administrators with their views, including any concerns, objection(s) or questions, so that the Administrators can provide such views to the Court, for the judge's attention.
7. Based on the timetable announced by Alita on 20 December 2019, the deadline for Shareholders to provide their views on the Application is on 29 January 2020, for such views to be heard at the directions hearing scheduled on 30 January 2020.
8. The Application was made on the basis that the Alita Shares have no value. In order to determine the value of the Alita Shares, the Administrators are preparing an expert report in relation to, amongst other things, the value of Alita's assets, the total indebtedness of Alita and the likely return to Shareholders if the Court refuses to make the Section 444GA orders and Alita is placed into liquidation ("Expert Report"). The Administrators had announced that the Expert Report and an explanatory statement describing the Section 444GA process ("Explanatory Statement") would be available to shareholders by 3 January 2020. However, on 3 January 2020, the Administrators announced that the Expert Report and the Explanatory Statement would only be issued on or around 10 January 2020.

## **Exchange's Directives**

9. SGX RegCo notes the delay in publication of the Expert Report and Explanatory Statement. The Expert Report has an important bearing on the Court's decision and material impact on shareholders investment in Alita if it is determined that the Alita Shares have no value, and provides the context for Shareholders to raise any concerns and objection(s) on the DoCA. However, the timeline for Shareholders to provide their views to the Administrators as well as the session for such views to be heard by the Court, and the final Court hearing date remain scheduled for 29 January 2020, 30 January 2020 and 25 February 2020 respectively.

10. As the Court must be satisfied that the Compulsory Transfer of all the Shareholders' holdings in Alita to Liatam at zero consideration would not unfairly prejudice the interests of Shareholders, SGX RegCo is of the view that it is important, and in the interest of Shareholders, that sufficient time be given for Shareholders to carefully review the Expert Report and provide their views on the DoCA and the Application to the Court (through the Administrators) for due consideration.
11. SGX RegCo also notes that the Administrators have so far not publicly provided information to Shareholders on how and whether they have made best efforts to safeguard the interests of Shareholders when proposing the DoCA. Shareholders may have unanswered questions or concerns that could have a bearing on their views on the DoCA and the Application.
12. In view of safeguarding Shareholders' interest, pursuant to Catalist Rule 305(1)(k), SGX RegCo requires the Administrators to:
  - (i) Apply to the Court for an extension of time for the Court hearing on the Application; and
  - (ii) Hold an information session/meeting for Singapore Shareholders to (a) fully understand the implications of the DoCA, the Application, its process and their rights and interests; as well as (b) provide a platform for them to state their views, concerns and objection collectively (if any) to the Court through the Administrators.
13. Please note that this Notice is an official notification to the Company with immediate effect.
14. Pursuant to Catalist Rule 305(4), failure to comply with the requirements imposed by the Exchange shall be deemed to be a contravention of the Catalist Rules.
15. Please note that SGX RegCo reserves the right to take disciplinary action against the Company and / or Relevant Persons for breaches of the Listing Rules, including any failure to comply with the requirements imposed by the Exchange.

Yours faithfully,

June Sim  
Senior Vice President  
Head, Listing Compliance  
Singapore Exchange Regulation

*cc: Ms Gillian Goh, PrimePartners Corporate Finance Pte. Ltd.*