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## Update to Shareholders – ASIC Reporting Relief

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

I refer to:

- the appointment of Rob Kirman and Rob Brauer as Administrators on 4 December 2020 and our subsequent appointment as Deed Administrators on 23 December 2020;
- the relief granted by ASIC from Alita's financial reporting and annual general meeting obligations pursuant to section 340 and 250PAB of the Corporations Act 2001 (**Act**) (**Relief**); and
- my previous update to the Shareholders in relation to the Relief dated 30 September 2021 and my subsequent shareholder announcements providing updates on developments (**Previous Updates**).

The Deed Administrators provide the following update to shareholders pursuant to the conditions of the Relief. This update should be read in conjunction with the Previous Updates.

Defined terms have the same definitions as used in the Previous Updates unless otherwise specified.

#### **1 Actions taken during the relevant period**

The Deed Administrators highlighted the following key developments and updates in respect of Alita during the relevant period, being from 18 September 2021 to 18 March 2022:

- Following the granting of the 444GA Orders on 1 September 2021 (as amended on 7 September 2021), a shareholder who lodged an appeal against the 444GA Orders had until 27 October 2021 to file their Appellant's Case with the Court of Appeal. That shareholder subsequently determined not to file their Appellant's Case and instead filed a notice of discontinuance of the appeal on 1 November 2021 which had the effect of discontinuing the appeal against the 444GA Orders in the Australian Court.
- On 7 October 2021, an application was made with the Singapore High Court (**SHC**) for the recognition of the Parent DOCA and the 444GA Orders, pursuant to the UNICITRAL Modal Law on Cross-Border Insolvency.
- At a SHC hearing on 15 November 2021, the matter was adjourned for pre-trial conference noting a shareholder had raised an objection. On 16 November 2021, that shareholder confirmed that after careful consideration, they determined not to oppose the application and the hearing was re-fixed for 23 November 2021.



- At the hearing on 23 November 2021:
  - the SHC made Order One which had the effect of recognising the Parent DOCA and the 444GA Orders in Singapore, subject to there being no expatriation of assets outside of Singapore (**Order One**); and
  - held Order Two (which sought affirmation of the 444GA Orders) in abeyance noting there was objection from shareholders (**Order Two**).
- Noting the Deed Administrators considered Order Two not being required, following consultation with the SGX, the Deed Administrators made an application to the SHC seeking clarification and amendments in respect of Order One. A hearing was set for 26 January 2022 when the SHC granted the proposed variations to the terms of Order 1 (**Clarification Application**). The granting of the Clarification Application meant the SGX and the Deed Administrators agreed Order Two was not required to effect a de-listing of Alita from the Catalist Board of the SGX. The Deed Administrators subsequently withdrew its application in respect of Order 2.
- The Deed Administrators have engaged with the SGX to confirm Alita will be removed from the Catalist Board since obtaining the necessary order in the SHC. At the request of the SGX, a delisting re-application was made to the SGX on 29 March 2022.

In addition to the steps taken in Singapore detailed above, the Deed Administrators note:

- The Deed Administrators' application to ASIC for relief pursuant to section 606 of the Corporations Act 2001 has yet to be determined;
- Austroid's application to the Foreign Investment Review Board has yet to be determined;
- As announced on 4 March 2022, David Pile has been removed as a director of Alita and Paul Vincent O'Farrell has been appointed as director, subject to completion of the due diligence process by the Sponsor PrimePartners Corporate Finance Pte. Ltd;
- On 28 January 2022, to allow additional time to satisfy the conditions precedent to the Parent DOCA, the Sunset Date for completion was extended from 31 January 2022 to 31 January 2023; and
- Lithco No.2 Pty Ltd (Alita's subsidiary and owner of the Bald Hill Mine) entered into a US\$30 million loan facility, a security deed and an offtake agreement with Yihe Cleantech Material Ltd on 2 March 2022.

The Deed Administrators have provided regular detailed updates to shareholders on each of the above developments in a timely manner. These can be found on SGXNet and at McGrathNicol's website, ([www.mcgrathnicol.com/creditors/alita-group](http://www.mcgrathnicol.com/creditors/alita-group)), which shareholders can access for further information.

## **2 Actions required to complete the Deed Administration and proposed to be taken in the next 12 months**

In order for the Parent DOCA to effectuate, the following conditions precedent must be completed:

- ASIC providing relief pursuant to section 606 of the Corporations Act;
- Austroid (or its nominee) obtaining FIRB approval; and
- The Securities Industry Council of Singapore granting such waivers or relief from the Singapore Code as are necessary or convenient in connection with the transfer of shares to Austroid, or the



parties being satisfied that the Singapore Code does not apply to Alita, including by reason of Alita being de-listed (**Singapore Approval**).

If ASIC Relief, FIRB Approval and Singapore Approval are received, all conditions precedent to the Parent DOCA will have been satisfied and the Parent DOCA will effectuate.

Upon effectuation:

- All creditor claims against Alita (except Austroid's secured debt) will be discharged, satisfied, released and extinguished.
- Control of Alita will revert to the Directors and the Deed Administrators will not have any obligation or responsibility for the affairs of Alita.
- The Deed Administrators will transfer all issued shares of Alita to Austroid in accordance with 444GA Orders, in consideration for the release of up to the full amount of the debt the subject of the Loan Facility Agreement dated 29 November 2019.
- Austroid will fully release and discharge the Deed Administrators from all claims, debt and liability in relation to the Administrators' Loan Agreement, being the funding advanced to the Administrators by Austroid to fund the Administrators and Deed Administrators.
- The Parent DOCA will terminate.
- The Deed Administrators will lodge written notice with ASIC.

### **3 Expected timeframe to complete the Deed Administration**

The Deed Administrators anticipate that each of the outstanding conditions precedent can be satisfied by the sunset date of 31 January 2023. Regular communications will be issued to shareholders by way of update via SGXNet and at McGrathNicol's website as and when there are material developments.

If you have any queries, please contact Amber Andre of my staff on (08) 6363 7665.

Dated: 30 March 2022

Yours faithfully

A handwritten signature in black ink, appearing to read 'Rob Kirman', written over a light blue horizontal line.

Rob Kirman  
*Deed Administrator*