

## DISPATCH OF EMAIL AND LETTER REGARDING TARGET'S STATEMENT TO ALTAMIN SHAREHOLDERS

Altamin Limited (**Altamin** or the **Company**) (ASX: AZI) has today released its target's statement (**Target's Statement**) in response to the unsolicited off-market takeover offer by V B S Exchange Pty Limited (ACN 109 106 201) (**VBS**) to acquire all the fully paid ordinary shares on issue in the Company (**Shares**) which VBS does not already own.

As previously announced on 25 May 2022, ASIC has granted Altamin relief from the usual requirement under section 648C of the *Corporations Act 2001* (Cth) to send the Target's Statement to Altamin shareholders by post. As the Target's Statement has now been released:

- if you have nominated an email address to receive communications from Altamin, then you will receive an email to your nominated email address with a link to an electronic copy of the Target's Statement; or
- if you have not nominated an email address to receive communications from Altamin, then you will receive a letter from Altamin at your registered postal address, which will contain details of a link to an electronic copy of the Target's Statement.

Altamin has commenced the dispatch of its letter posted or emailed to Altamin shareholders, a copy of which accompanies this announcement.

Altamin shareholders may also request a hard copy of the Target's Statement to be sent to them by contacting the Altamin Shareholder Information Line on 1 300 043 194 (within Australia) or +61 2 8355 1006 (outside Australia) between 9:00am and 5:00pm (AEST) Monday to Friday.

An electronic copy of the Target's Statement and updates in relation to the Offer will be made available on Altamin's website (<https://www.altamin.com.au>) and we encourage shareholders to call the Altamin Shareholder Information Line if you have any queries.

**Authorised for ASX release on behalf of the Board of Altamin.**

For further information, please contact:

Alexander Burns  
**Non-executive Chairman**  
[info@altamin.com.au](mailto:info@altamin.com.au)



17 June 2022

Dear Shareholder,

On 3 May 2022, Altamin Limited (**Altamin** or the **Company**) received an unsolicited off-market takeover offer from V B S Exchange Pty Limited (ACN 109 106 201) (**VBS**) for all of the fully paid ordinary Altamin shares (**Shares**) which VBS did not own (**VBS Takeover Offer**). On 20 May 2022, VBS lodged a replacement bidder's statement for the VBS Takeover Offer. VBS is offering \$0.095 per Share. The VBS Takeover Offer opened on 3 June 2022 and is scheduled to close at 7:00pm (AEST) on 4 July 2022, unless extended or withdrawn (withdrawal is only available in very limited circumstances).

As previously announced on 25 May 2022, ASIC has granted Altamin relief from the usual requirement under section 648C of the *Corporations Act 2001* (Cth) to send the Target's Statement to Altamin shareholders by post. Altamin has now released its Target's Statement and an electronic copy can be found on Altamin's website (<https://www.altamin.com.au>).

HOW TO ACCESS THE TARGET'S STATEMENT	
Online	Paper
<p>The Target's Statement can be accessed via the website below:</p> <p><a href="https://www.altamin.com.au/investorcentre">https://www.altamin.com.au/investorcentre</a></p>	<p>Request a copy of the Target's Statement by contacting the Altamin Shareholder Information Line on 1 300 043 194 (within Australia) or +61 2 8355 1006 (outside Australia) between 9:00am and 5:00pm (AEST) Monday to Friday.</p>

As set out in the Target's Statement, the Altamin directors unanimously recommend you **REJECT** the VBS Takeover Offer for the following reasons:

- The Independent Expert has concluded that the VBS Takeover Offer is NEITHER FAIR NOR REASONABLE**

  - BDO, as Independent Expert, has assessed the value of Shares in the range of \$0.195 and \$0.309 per Share and notes that the VBS Takeover Offer price of \$0.095 is "less than the value of a Share prior to the Offer (on a controlling basis)".
  - As a result, the Independent Expert has concluded that the **Offer is NEITHER FAIR NOR REASONABLE** to Altamin shareholders. A copy of the Independent Expert's Report is contained at Attachment C of the Target's Statement.
- If you accept the VBS Takeover Offer, you LOSE THE POTENTIAL UPSIDE of Altamin's attractive portfolio, which also includes strategic battery metals projects**

  - The VBS Takeover Offer values the Company at A\$37.2 million.

- The scoping study conducted by the Company in 2021 supported the Gorno Project's net present value of US\$211 million, or approximately A\$300 million at current exchange rates.<sup>1</sup> Additionally, the Company has accumulated a suite of battery metals projects, which it considers are highly prospective and which provide the Company with significant potential upside from further exploration. These battery metals projects include the Company's Punta Corna Project, as well as its lithium in brine exploration licence applications<sup>2</sup> and volcanogenic massive sulfide exploration licence applications. Notwithstanding the potential upside attributed to the Company's battery metal projects, VBS does not reference these projects in its discussion of its intentions relating to the Company.<sup>3</sup>
  - If you accept the VBS Takeover Offer, you will lose all potential upside of the Company's projects.
3. **The VBS Takeover Offer was UNSOLICITED and provides an INSUFFICIENT PREMIUM for control of Altamin**
- The Directors view VBS' unsolicited offer as an attempt to take control of **Altamin without paying an adequate premium**.
  - The Offer Price of \$0.095 per Share is materially below the average premium for control transactions for mining and exploration companies as highlighted by BDO in the Independent Expert's Report, and represents:
    - 31.9% premium to the last trading price for Shares immediately prior to announcement of the VBS Takeover Offer on 3 May 2022 (**Announcement Date**);<sup>4</sup>
    - 7.7% premium to the VWAP in the one month prior to the Announcement Date;
    - 14.0% premium to the VWAP in the two months prior to the Announcement Date;
    - 3.1% discount to the price at which Shares traded in the month prior to the Announcement Date; and
    - 8.7% discount to the 52-week high Share price prior to the Announcement Date.

<sup>1</sup> Based on Gorno post-tax NPV8% of US\$211 million and AUD:USD 0.70 as at 13 June 2022; see Altamin's Gorno Scoping Study ASX announcement dated 24 November 2021 titled 'Gorno Project Scoping Study Results'.

<sup>2</sup> Refer to Altamin ASX Announcements released on 14 February 2022 titled 'New Lithium in Brine Geothermal Applications'; 4 May 2022 titled 'Permitting Update for Lithium in Brine Geothermal Applications'; and 7 June 2022 titled 'New Lithium in Brine/Geothermal Applications'. The Latera application has since been refused as it overlaps an existing mining concession held by the state-owned renewable energy company, Enel Green Power S.p.A.

<sup>3</sup> Refer to section 7 of the Replacement Bidder's Statement released on 3 June 2022.

<sup>4</sup> The price for Altamin Shares is subject to meaningful volatility due to the limited trading in the Shares. Given the lack of liquidity in the Shares, the Directors believe that VWAPs provide a more appropriate basis for estimating premiums associated with the VBS Takeover Offer relative to a point value measures at the close of any particular trading day.

4. **If you accept the offer, you will not benefit if any SUPERIOR PROPOSAL from a third party emerges, whether for the whole Company or in relation to any of its projects**

- Altamin is conducting a strategic review of options to fund the development of its Gorno Project, which is reasonably advanced.
- Altamin has **received indicative, non-binding proposals from a number of third parties covering a range of potential options**, including alternative corporate and asset-level and earn-in or joint venture transactions as well as potential long-term offtake agreements, and associated prepayment funding.

The Directors reserve their right to change their recommendation should new circumstances arise. The Target's Statement contains further detail relating to the Directors' recommendation to reject the VBS Takeover Offer, a copy of the Independent Expert's Report and the risks associated with accepting and rejecting the VBS Takeover Offer.

Shareholders should carefully review the entire Target's Statement, including the risks and the Independent Expert's Report, before deciding whether to accept or reject the VBS Takeover Offer. Shareholders should seek professional advice if they have any queries associated with accepting or rejecting the VBS Takeover Offer.

Yours faithfully

A handwritten signature in dark ink, appearing to be "A. Burns", written in a cursive style.

Alexander Burns  
Non-executive Chairman

Altamin Limited