

28 JUNE 2019

CORPORATE DIRECTORY

Non-Executive Chairman

Geoff McNamara

Managing Director

Mark Calderwood

Executive Director – Operations

Mark Turner

Non-Executive Directors

Robert Vassie

Wei (Vicki) Xie

Ong Kian Guan

Chan Ming Fai

Joint Company Secretaries

Alexei Fedotov

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**LODGEMENT OF SGX-ST SUSTAINABILITY REPORT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2018**

Alliance Mineral Assets Limited (ASX: A40; SGX: 40F) (**Company** or **Alliance**) advises that it has today lodged its Sustainability Report on the Singapore Exchange Securities Trading Limited (**SGX-ST**), pursuant to the Catalist Rules of the SGX-ST, for the Financial Year Ended 30 June 2018 (**Sustainability Report**).

A copy of the Sustainability Report is appended to this announcement.

Beverley Nichols
Company Secretary



ALLIANCE MINERAL
ASSETS LIMITED



SUSTAINABILITY REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

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SUSTAINABILITY REPORT



Alliance believes in building a sustainable business that not only delivers long-term value to our stakeholders but one which commits to sustainable mining practices.

1. BOARD STATEMENT

The Board of Alliance Mineral Assets Limited (“Company” or “Alliance”) is pleased to present the Company’s first Sustainability Report for the Company and its controlled entities (the “Group”) for the financial year ended 30 June 2018 (“FY2018”). The Sustainability Report sets out our policies, practices and performance in relation to sustainability. This report is aligned with the “Sustainability Reporting Guide” in Practice Note 7F of the SGX-ST Listing Manual Section B” Rules of Catalist (“Catalist Rules”).

Alliance believes in building a sustainable business that not only delivers long-term value to our stakeholders but one which commits to sustainable mining practices.

The Board has considered sustainability issues and, together with the management team, has identified and considered the Environmental, Social and Governance (“ESG”) factors and issues that are material to the Group and could most impact the business and the Group’s stakeholders. We place health and safety as our utmost priority, ensure that we are environmentally responsible in our operations and are committed to respecting human rights and supporting our host communities. As a partner in the communities in which we operate, we share stewardship of the environment, support local cultures and aim to make a positive impact, both socially and economically, in these communities.

2. ABOUT ALLIANCE

Alliance listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) in July 2014. As at 30 June 2018, Alliance Minerals held a 50% interest in the Bald Hill Joint Venture (“JV”) comprising the Bald Hill Lithium and Tantalum Mine (“Bald Hill Mine”) in Western Australia. The other 50% was held by Lithco No. 2 Pty Ltd (“Lithco”), a wholly-owned subsidiary of Tawana Resources NL (“Tawana”) which was listed on the Australian Securities Exchange (“ASX”) at the time. Lithco was the appointed manager of the JV and the operator of the Bald Hill Mine.

Following confirmation of results of the Pre-Feasibility Study in August 2017, the JV engaged contractors to construct a 1.2 million tonnes per annum Dense Media Separation (“DMS”) processing plant at the Bald Hill Mine. Commissioning of the DMS commenced in February 2018 with lithium production commencing a month later, first shipment of spodumene concentrate occurring in May 2018 and commercial lithium production declared in July 2018. Within a period of less than 12 months, Alliance grew to become a producer of lithium.

In December 2018, a Scheme of Arrangement between Tawana and its shareholders was implemented (“Scheme”). Pursuant to the Scheme, Alliance acquired 100% of the shares in Tawana and the Group is now 100% owner and operator of the Bald Hill Mine. Alliance listed on the ASX in December 2018, making it a primary dual-listed company on the ASX and Catalist of the SGX-ST.

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3. ABOUT THIS SUSTAINABILITY REPORT

This report has been prepared for the FY2018 as required by Catalist Rule 711A. This report outlines the environmental, social and governance performance of the Group. The contents of this report have been determined by assessing the Group's material sustainability issues and identifying those material ESG factors that could most impact the business and its stakeholders.

As this is Alliance's first Sustainability Report, this report has been prepared using the phased approach as described in Practice Note 7F Sustainability Reporting Guide of the Catalist Rules. The Company is in the process of improving and refining data collection methods so as to obtain meaningful and reliable data to track and provide the basis to determine trends for the purpose of setting targets. Accordingly, we have deferred the process of target setting until a time when adequate data is available to set reasonable targets.

The scope of this report encompasses all business operations within the Group for the period 1 July 2017 to 30 June 2018. Although some indicators are applicable to all types of industries, the scope of this sustainability report will be unique to Alliance's industry-specific concerns and risks. We will introduce new measurement indicators as they are accepted, from time to time.

4. REPORTING FRAMEWORK

Pursuant to Catalist Rule 711B(1)(d), the Sustainability Report must describe the sustainability practices with reference to the sustainability reporting framework used. Due to the development cycle of the Company, its size and the relatively new requirements for sustainability reporting, the Company is in the process of adopting the sustainability reporting framework to guide its reporting and disclosure.

In preparing this report, the Company has noted the primary component requirements under Catalist Rule 711B and where possible, has followed the guidance provided by Practice Note 7F in order to address all primary components. Sustainability issues within the mining industry were also taken into account.

For future reports, the Company will select a suitable sustainability reporting framework. In choosing the framework, the Company will look at a globally recognised framework that has wide acceptance and provides robust guidance.

5. STAKEHOLDER ENGAGEMENT

Stakeholders include those with the potential to be impacted by, as well as those that could impact, the Bald Hill Mine. Alliance recognises the importance of engaging our stakeholders to encourage open communications and build relationships.

Identified key stakeholder groups are our shareholders, employees, contractors, state government regulatory bodies, local government agencies, business associations and other business partners, local communities, pastoralists, traditional landowners, media and non-governmental organisations.

Alliance interacts with a range of stakeholders through various mediums of communication and regularly consults and engages with its stakeholders so that it can respond effectively to the issues they raise. Stakeholder consultation is undertaken through formal and informal communication on an ongoing basis.

All stakeholder groups, such as business partners, shareholders and employees, are encouraged to access information such as SGX/ASX announcements, annual, half year and quarterly reports, Corporate Governance policies, Board and Committee Charters, research reports and other presentations at the Company's website, www.allianceminerals.com.au. The contact page of our website allows stakeholders to provide feedback or ask questions of the Company.

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The Company has adopted a formal Shareholder Communications Policy in order to set guidelines around effective communication with shareholders. Shareholders are encouraged to attend the Company's securityholder meetings. Our Annual General Meeting (AGM) provides the opportunity for shareholders to receive a performance update directly from our Board and ask questions of the Board and the external auditor, who also attends the meeting. The Company encourages shareholders to support its commitment to the environment by electing to receive communications electronically by registering with the Company's share registry.

Communication with employees occurs throughout the year and includes induction programs for new employees; regular communications and meetings, and health and safety training.

6. MATERIALITY

Focusing on materiality enables Alliance to make decisions based on issues that are important to the Group and its stakeholders. A materiality assessment was conducted to identify ESG factors that were most material to the Group's business strategy and operations and of significant interest to key stakeholders.

The Board and executive management of the Company have considerable experience in the mining industry, and as such, are cognisant of the factors that are material to various stakeholder groups within the industry and for peer companies. In identifying what factors are material to the Group, management considered the guidance provided under Practice Note 7F, value drivers for the Group, feedback from stakeholder groups, risk management policies, the market in which the Group operates, and the Group's business strategy.

It is the Company's intention to review material matters annually for relevance and prioritisation and to set KPIs for future material factors.

The ESG factors identified as material to the Group are listed in the table below.

SUSTAINABILITY FOCUS AREA	MATERIAL FACTOR
Economic	Economic and Financial Performance
Environmental	Environmental Regulations Compliance
Environmental	Water and Waste Management
Social	Occupational Health and Safety
Social	Equal opportunity employment
Social	Local communities and heritage
Governance	Risk management

SUSTAINABILITY REPORT



7. APPROACH TO SUSTAINABILITY

Alliance recognises that a safe workplace, the wellbeing of employees and contractors is fundamental to the success of the Group. Great importance is also placed on responsible environmental management and the Group is committed to improving the identification, assessment and mitigation of the environmental effects of business operations.

Sustainability is addressed at the highest levels at Alliance. The Board of Directors are all professionals with a wealth of experience in different areas relevant to the Group's business. Alliance is committed to ensuring the Board is comprised of directors who possess the appropriate mix of skills, expertise and diversity to adequately discharge its responsibilities and duties, including implementing the strategic direction/objectives provided by the Board, developing control and accountability systems in respect of compliance, risk management and corporate governance, operating within the risk appetite set by the Board, maintaining accurate financial and other reports.

We believe a high standard of governance is critical to the implementation of our strategy, taking into consideration any sustainability issues, as well as the achievement of targets for long-term success and this is reflected in the Company's Corporate Governance Statement contained in its 2018 annual report.

Our employees work closely with Management to identify and manage material risks across our business activities, functions and processes. The Company is in the process of developing internal risk management standard to ensure systematic and consistent reporting and evaluation of risks and developing proactive mitigation strategies.

The Board established the Audit and Risk Committee ("Committee") which is responsible for ensuring that the Board is kept regularly informed on all matters relating to audit, financial reporting and risk management that might significantly impact upon the Company, in a timely manner.

The Committee reviews and makes recommendations to the Board in relation to the Company's financial statements, the integrity, adequacy and effectiveness of the Company's financial reporting and risk management processes, the scope, adequacy and quality of audits.

The Committee evaluates the adequacy and effectiveness of our risk management processes and internal control systems (including financial, operational, compliance and information technology) annually using the Company's internal protocols.

These audit results are used to create management plans to address and identify gaps. Key findings are then reported to the Board, which manages oversight of the Company's systems of risk management. At the business unit level, economic, operational as well as health and safety issues and other risks are reported to and reviewed by the Director of Operations and the Managing Director.

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This allows us to consistently apply a risk-based approach in our business considerations and operations. All material risks are assessed alongside careful consideration of the potential health, safety, environmental, community, reputational, legal and financial impacts. By incorporating risk management into all our work processes and critical business systems, we ensure that decisions are made based on relevant inputs and valid data.

8. ECONOMIC PERFORMANCE

Details of the Group's economic and financial performance are disclosed in the Financial Statements section of the Annual Report of Alliance and in the quarterly financial reports. Annual Reports and quarterly financial reports can be found on the Company's website at www.allianceminerals.com.au, the SGXNET and the ASX website.

9. ENVIRONMENTAL PERFORMANCE

Alliance believes in sustainable mining practices and has made it a priority to carefully manage the impact of its operations on the environment through all stages of the mining process, ranging from acquisition and development of operations, disposal of waste to rehabilitation. All employees, contractors, consultants and suppliers are expected to work within the developed standards, plans and in accordance with the Company's Environmental Policy which provides an overarching framework outlining the legal and ethical position in relation to responsible environmental management procedures.

The Alliance Environmental Policy can be found on the Company's website. At the heart of the policy is compliance with applicable environmental laws, regulations, tenement and permit conditions as a minimum standard for operational management practices.

Alliance will continue to ensure environmental compliance through compliance with tenement licence conditions and regulations, and ongoing review and development of environmental management techniques.

In respect of the major contractors operating at the Bald Hill Mine, Alliance requires that those contractors follow practices that have minimal impact on the environment. Works are required to be executed in a manner that does not cause, or threaten to cause, pollution, contamination or environmental harm. This includes:

- minimisation of clearing
- prevention and minimisation of dust emissions from all parts of the operations
- minimisation of the operational impact on surrounding environment by minimising hydrocarbon and other chemical waste.

There are strict contractual requirements regarding the disposal of hazardous, contaminated waste and materials used in the construction of the works, as well as requirements to remediate any environmental damage caused as a result of the works.



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9.1 Water Management

Water is a valuable resource which requires increasingly careful management to ensure its availability and suitability for use by the broader community. Water availability is being affected by a combination of climate change, population growth, infrastructure planning and land use change. Water is critical for every aspect of the mine life cycle and as such sound water management is followed for the sustainability of the operations.

Alliance recognises the importance of water management and as such, Alliance actively seeks methods to reduce water wastage such as recycling the water for the processing plant.

9.2 Waste Management

Most waste management activities are regulated in Western Australia by the Department of Water and Environmental Regulation. As far as practical, Alliance minimises waste production and endeavours to reduce waste by using the principals of “reduce, reuse, recycle”. Alliance has implemented stringent waste disposal procedures concerning every aspect of the operations at the Bald Hill Mine.

Alliance constantly seeks to uncover newer, innovative ways to mitigate any potential effects on the environment as a result of waste disposal.

10. SOCIAL RESPONSIBILITY

Alliance believes that social responsibility is essential to its business and is demonstrated through building relationships based on trust and adding value to the communities in which it operates. The Social Responsibility Policy can be found on the Company's website at www.allianceminerals.com.au.

10.1 Occupational Health and Safety

The health and safety of our employees, contractors, suppliers, visitors and surrounding community is fundamental to the success of the Group. Workplace health and safety laws require that Alliance ensures the health and safety of workers carrying out activities at the Bald Hill Mine. Workers must receive the necessary information, training, instruction and supervision in order to comply with the relevant workplace health and safety laws and to ensure that the workers and other people are not put in risk from activities in connection with the works on the Bald Hill Mine.

The workplace is structured to make sure that Alliance has people with the right skills and experience, the correct processes, tools/ equipment and planning to ensure it does not pose risks to other people, the immediate site and the community as a whole.

Alliance aspires to deliver safe work outcomes with “zero harm” to our employees, contractors, stakeholders and visitors. Some of the procedures implemented by Alliance in order to minimise risks to workers and to deliver on the Zero Harm target include:

- All personnel are required to be suitably trained and competent in their relevant disciplines to enable them to undertake the execution of their duties
- Safety inductions are required to be completed prior to commencing work on the Bald Hill Mine
- All incidents are immediately reported and reviewed to identify preventative measures that can be implemented to avoid similar types of incidents occurring in the future
- Contractors are required to demonstrate their compliance with the workplace health and safety legislation and applicable site safety procedures

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- The Group has the right to audit a contractor's compliance with applicable safety legislation and procedures written into their contracts
- The Group conducts regular workplace audits on its people and contractors to ensure compliance with all applicable legislation and procedures
- The Group has commenced the staged implementation of an Integrated Management System to ensure safety and environment programs are conducted to the correct standard

The Health and Safety Policy can be found on the Company's website at www.allianceminerals.com.au.

10.2 Equal Opportunity Employment

Alliance believes people are the cornerstone of our business, and we are committed to growing and nurturing our human resources. We strive to create an inclusive workplace where people can perform to their full potential to deliver business success.

Alliance has internal practices in place to ensure the equitable recruitment, promotion, and remuneration of employees as well as policies to protect and promote individual privacy.

Alliance has a strong commitment to diversity and recognises the value of attracting and retaining personnel with different backgrounds, knowledge, experiences and abilities. Diversity not only encompasses gender, but extends to age, ethnicity, religious or cultural background, language, marital or family status and disability. Our major project contracts contain provisions requiring, to the extent practicable, employment of indigenous workers at the Bald Hill Mine.

The Board is responsible for overseeing the implementation of the Company's Diversity Policy (which can be found on the Company's website) and monitoring the effectiveness of this policy. As Alliance is a young company, no specific measurable targets have been set for diversity. During the FY2018, the 5 person Board of Alliance comprised two female Directors and Senior Management of five persons had 2 females in key leadership positions (Executive Director and Company Secretary).

10.3 Local Communities and Heritage

Alliance strives to conduct its activities in a socially responsible manner and demonstrate respect for the local host communities. It acknowledges that some of the business operations can have some negative impacts on the local communities but will endeavour to monitor and address any negative impacts.

Alliance recognises the traditional rights and values of aboriginal people and respects their cultural heritage. In order to protect a site's heritage and cultural significance, Alliance has developed a comprehensive package of both corporate and site-based systems and documents to manage and protect the site's culture and heritage. These systems provide education for project personnel in proactive heritage management and ensure that no clearing of ground occurs without an ethnographic and archaeological survey being conducted.

Most of the Bald Hill Mine tenements are subject to heritage protection agreements with the Ngadju people – the holders of the Native Title in the area. Broadly, they ensure that any ground disturbing activity requires prior consultation with the traditional owners to ensure that no culturally significant sites and areas are disturbed and preserved.

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11. GOVERNANCE

The Board and Management of Alliance are committed to maintaining high standards of ethics, integrity and statutory compliance in all Group dealings. The Group's internal and corporate governance in respect of the financial year ended 30 June 2018 is explained in detail in the Corporate Governance Statement in Alliance's 2018 Annual Report.

Alliance has a suite of Corporate Governance policies that set the framework for its corporate conduct and behaviour. These include:

- Board and Committee Charters
- Continuous Disclosure Policy
- Corporate Code of Conduct
- Diversity Policy
- Securities Trading Policy
- Shareholder Communication Policy
- Social Responsibility Policy
- Whistleblower Policy.

11.1 Risk Management

Alliance views Risk Management as a key governance factor and is committed to maintaining a sound system of risk management and internal controls to safeguard shareholders' interest and the Group's assets. The ability to identify and address risk is central to achieving Alliance's corporate objectives.

Alliance's risk management program comprises a series of processes, structures and guidelines which assist the Company to identify, assess, monitor and manage its business risk, including any material changes to its risk profile ("Risk Management Program"). To achieve this, Alliance has clearly defined the responsibility and authority of the Board to oversee and manage the Risk Management Program, while conferring responsibility and authority on the Audit and Risk Management Committee to develop and maintain the Risk Management Program in light of the day to day needs of the Company. The Audit and Risk Management Committee is governed by the Audit and Risk Management Committee Charter, a copy of which is available on the Company's website.

Alliance aims to continue to mitigate risks effectively and to ensure that its internal controls and risk management systems remain robust, adequate and effective.

FORWARD LOOKING STATEMENTS

This report may contain forward looking statements and projections including regarding strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon as representation or warranty, express or implied, of the Company. They do not guarantee future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of the Company. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

While the information contained in this report has been prepared in good faith, neither the Company, nor any of its directors, officers, agents, employees or advisors make any representation or give any warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, forward looking statement, opinions and conclusions contained in this report. Accordingly, to the maximum extent permitted by law, none of the Company, nor any of its directors, officers, employees, agents or advisors, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortious, statutory or otherwise, in respect of the accuracy or completeness of the information or for any of the opinions contained in this report or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this report. The Company disclaims any obligation to update or revise any forward looking statements based on new information, future events or otherwise except to the extent required by applicable laws.



ALLIANCE MINERAL
ASSETS LIMITED

(Company Registration Number: ACN 147 393 735)
(Incorporated in Australia on 6 December 2010)