

28 AUGUST 2019

APPOINTMENT OF ADMINISTRATORS TO PURSUE POTENTIAL RESTRUCTURE

Alita Resources Limited (ASX: A40; SGX: 40F) (**Company**) advises that on 28 August 2019 Richard Scott Tucker and John Allan Bumbak of KordaMentha (**Administrators**) were appointed as administrators of the Company and also of the following subsidiaries (together, the **Group Companies**):

- Alliance Mineral Assets Exploration Pty Ltd
- Tawana Resources Pty Ltd
- Lithco No.2 Pty Ltd
- Tawana Gold Pty Ltd
- Waba Holdings Pty Ltd

The appointments of the Administrators followed ongoing discussions between the Company, the secured lenders and other key stakeholders.

The current standstill with the secured lenders in respect of the A\$40m secured loan facility (**Facility**) expires at 7pm AEST on 29 August 2019 (**Standstill**). As announced on 27 August 2019, the benefit of the Facility was acquired by Galaxy Resources Limited (**Galaxy**) (which is also the company's largest shareholder).

The Company has been negotiating the terms of a potentially viable restructure proposal from a consortium of unsecured creditors, existing shareholders and new investors (**Consortium**), in conjunction with its new secured lender. The Company sought, but was unable to secure, standstill commitments for the period it was seeking.

Accordingly, the directors of the Group Companies resolved that the Administrators should be appointed to the Group Companies, with a view to effecting a restructure and recapitalisation through the administration process. The Company expects the Administrators will progress various restructure proposals with various parties, including the Consortium and the secured lender.

On behalf of the Company's directors, we would like to thank the employees, counterparties and shareholders in the Company for their support to date, and particularly during the difficult circumstances experienced in advance of the appointment of Administrators.

The Administrators will be in contact with creditors and key stakeholders in the Group Companies and will make further announcements when there are material developments.

Alita Resources Ltd

Mark Calderwood
Managing Director