



ASX ANNOUNCEMENT | 20 July 2020

RESPONSE TO CIVMEC LEGAL ACTION

Altura Mining Limited (ASX: AJM) ("Altura" or "the Company") notes the announcement by Civmec Limited on 17 July 2020 regarding a legal claim against Altura subsidiary Altura Lithium Operations Pty Ltd in relation to process plant construction and installation work at Altura's Pilgangoora Lithium Project.

Civmec was awarded the civil, construction, fabrication and commissioning work in 2017. The fabrication and construction works had a combined contract value of approximately \$64 million.

To date, Altura has paid Civmec \$61.55 million for these works.

Civmec achieved practical completion on 31 August 2018, some three months after the original scheduled completion date.

As a result of the delay in reaching practical completion, Altura's position is that liquidated damages of at least \$2.35 million are payable by Civmec in accordance with the contract. Altura exercised its rights to offset the liquidated damages payable by Civmec against the certified outstanding amount payable and retention monies (\$2.4 million in total) and has paid Civmec the balance including interest.

Altura notes that the financial impact of the delays attributed to Civmec far exceeded the liquidated damages payable or the amounts that Civmec is now pursuing through legal proceedings.

Altura denies the assertion by Civmec that an agreement that Altura would pay \$2.4 million plus GST was reached in January 2019 or that Civmec is entitled to other outstanding and, to date, unsupported claims of up to \$2.1 million.

The decision by Civmec to commence legal proceedings against Altura is disappointing.

Altura is confident in its position and will vigorously defend the proceedings.

Authorised for release by the Managing Director

About Altura Mining Limited (ASX: AJM)

Altura is a key player in the global lithium market and is leveraging increasing demand for raw materials required to manufacture lithium ion batteries for electric vehicles and static storage uses. Altura owns and operates the world-class Altura Lithium Project at Pilgangoora in Western Australia's Pilbara region. The current processing infrastructure has a production capacity of 220,000tpa of high-quality spodumene concentrate. The Company declared Commercial Production in March 2019 and subsequently delivered increasing production and sales whilst also reducing its unit costs. Altura has a clear pathway forward to further reduce its operating costs and continues to perform at globally competitive levels.

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