

AURENNE ULARRING PTY LIMITED (AUPL)

ACN 640 687 618

AUPL ANNOUNCES ITS OFFER PRICE OF \$0.0505 IS FINAL, AND CHANGES TO THE TERMS OF ITS OFFER FOR ALT RESOURCES LTD ACN 168 928 416 (ASX:ARS)

HIGHLIGHTS

- AUPL will declare its Offer free of all conditions on 20 August 2020 if on or before 19 August 2020 AUPL receives sufficient acceptances so the 90% minimum acceptance condition is satisfied ¹.
- AUPL gives notice that its Offer Price of \$0.0505 is its best and final offer price and confirms to remaining shareholders who have not yet accepted the Offer that it will **NOT** be increasing the price offered for the shares.
- If AUPL declares the Offer unconditional, and depending on AUPL's final level of ownership (and other factors), AUPL intends to seek to procure the delisting and removal of ASX quotation of ARS Resources Shares as soon as this is possible from the ASX;
- The Independent Technical Valuation Report (attached to the Independent Expert's Report) and included in the Target's Statement sent to Alt Resources shareholders on 16 July 2020, has a preferred valuation of the tenements held by Alt Resources at \$24 million vs an Offer Consideration from AUPL, if it becomes unconditional, of \$36 million (including options).
- AUPL highlights that Alt Resources urgently requires significant funding to meet the final option payment due on the Bottle Creek acquisition by November 2020 and currently does not have sufficient funds to meet this payment;
- AUPL also highlights that Alt Resources requires significant funding to support its developments plan. The feasibility study released to the market on 10 July 2020 identifies the need for Alt Resources to raise a minimum of \$70 million (AUPL currently estimates that up to \$100 million is now required) for the company to put assets into mining production. Should AUPL obtain control of the company, it will require the Board to immediately address this funding need from shareholders. Shareholders who chose not to participate in future funding will face dilution;
- AUPL draws attention to the Convertible Note issued to AUPL on 7 May 2020, which is, subject to compliance with the Corporation Act, convertible into 122,643,200 ordinary shares in Alt Resources. AUPL confirms its intention to

¹ AUPL reserves the right to take such action as it considers appropriate if the 90% minimum acceptance condition is not satisfied on or before 19 August 2020 including not declaring the Offer free of any conditions or alternatively freeing the Offer of some or all of the conditions at a later time.

convert the Note, into equity (subject to compliance with the Corporations Act) to alleviate the cash funding need of the company, further diluting remaining shareholders interests;

- AUPL is therefore today extending its Offer by one week so the Offer will now close on 28 August 2020 with the new date for giving notice of the status of the bid conditions being 20 August 2020.

AUPL urges remaining shareholders to accept the Offer and extends the date for acceptance by 1 week to the 28 August 2020.

OVERVIEW

Aurenne Ularring Pty Ltd (AUPL) announces that it will remove all conditions for its recommended bid for Alt Resources Ltd (ASX:ARS) on 20 August 2020 if it receives sufficient acceptances by 19 August 2020 to satisfy the 90% minimum acceptance condition. AUPL currently holds acceptance for 67.86% of Alt Resources ordinary shares. AUPL further announces that it has extended the deadline to accept the offer to all remaining shareholders by one week.

AUPL encourages all remaining shareholders to accept the recommended offer before the deadline expires.

The Alt Resources Board has unanimously recommended the Offer and encouraged shareholders to accept without delay, in the absence of a superior proposal. AUPL believes it is unlikely that a superior offer will eventuate and reiterates its intention to convert the Note into ordinary shares of Alt Resources to preserve cash.

AUPL INTENTIONS

The Board of AUPL advises that if shareholders do not accept the offer and AUPL declares the offer unconditional, but does not reach the compulsory acquisition threshold, they will remain a minority interest in Alt Resources. AUPL intends to apply to delist Alt Resources from the ASX as soon as it is able to do so. When that event occurs there will be a substantial reduction in the liquidity of the shares.

AUPL reminds shareholders that Alt Resources faces an urgent requirement to secure funds that must be addressed by shareholders, further increasing the risk of dilution to shareholders who chose not to participate in these significant funding requirements.

Full information on AUPL's intentions are set out in Section 5 of the Bidders Statement.

EXTENSION OF OFFER PERIOD

AUPL is today also extending the closing date for the Offer.

The extended closing date will now be 7pm (Sydney time) on Friday 28th August 2020 to give Alt Resources shareholders who have yet to accept the Offer a further opportunity to do so.²

Remaining shareholders who have not yet accepted the Offer and wish to do so, are encouraged to act quickly.

ACCEPTANCE FORMS

Acceptance forms have been provided to shareholders. Shareholders who hold Alt Resources shares through CHESS can instruct their broker to accept the Offer on their behalf.

If you have any queries in relation to the Offer, please do not hesitate to contact the Alt Resources Offer information line on 1300 737 760 (within Australia) or +61 2 9290 9600 (from outside Australia) between 8.30am to 5.00pm (Sydney time) Monday to Friday.

This ASX announcement was authorised for release by the Board of Directors of AUPL.

Dated: 13 August 2020

² Subject to further extension of the Offer Period by AUPL.