

SECOND SUPPLEMENTARY BIDDER'S STATEMENT

In relation to the Offer by
AURENNE ULARRING PTY LTD
to acquire all fully paid ordinary shares in
ALT RESOURCES LIMITED

ACCEPT

**THE CASH OFFER TO ACQUIRE ALL YOUR
FULLY PAID ORDINARY SHARES IN
ALT RESOURCES LIMITED**

**FOR \$0.0505 CASH FOR EACH FULLY PAID
ORDINARY SHARE**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

You should read this document in its entirety. If you are in any doubt as to how to deal with it, you should consult your legal, financial or other professional adviser as soon as possible. If you have any queries about the Offer, you may also call the AUPL Offer Information Line on 1300 737 760 (within Australia) or +61 2 9290 9600 (from outside Australia) between 8.30am and 5.00pm (Sydney time) Monday to Friday.

SECOND SUPPLEMENTARY BIDDER'S STATEMENT

1. Introduction

This document is a supplementary Bidder's Statement under section 643 of the *Corporations Act 2001* (Cth).

It is the second supplementary Bidder's Statement (**Second Supplementary Bidder's Statement**) issued by Aurenne Ularring Pty Ltd ACN 640 687 618 (**AUPL**) in relation to its off-market takeover bid for all the ordinary shares in Alt Resources Limited ABN 57 168 928 416 (**Alt Resources**).

This Second Supplementary Bidder's Statement supplements, and should be read together with, AUPL's Bidder's Statement lodged with ASX, Alt Resources Limited ACN 168 928 416 (**Alt Resources**) and ASIC on and dated 15 June 2020 (**Bidder's Statement**), as varied by a notice of variation – extension of offer period dated 30 July 2020, and a notice of variation – extension of offer period dated 13 August 2020, and as supplemented by the first supplementary Bidder's Statement dated 13 August 2020 (**First Supplementary Bidder's Statement**). This document will prevail in the event of any inconsistency with the Bidder's Statement, as varied by a notice of variation – extension of offer period dated 30 July 2020 and a notice of variation – extension of offer period dated 13 August 2020, and as supplemented by the First Supplementary Bidder's Statement dated 13 August 2020.

A copy of this Second Supplementary Bidder's Statement was lodged with ASIC on and is dated 20 August 2020. Neither ASIC nor any of its officers takes any responsibility for the contents of this document.

Unless the context requires otherwise, terms defined in the Bidder's Statement have the same meaning where used in this Second Supplementary Bidder's Statement.

This Second Supplementary Bidder's Statement has been approved by a resolution of the directors of Aurenne Ularring Pty Ltd.

2. AUPL's Offer declared unconditional

AUPL has today declared its off-market takeover offer for all the ordinary shares of Alt Resources (**Offer**) unconditional.

AUPL has a relevant interest in 79.5% of Alt Resources Shares.

Attached as Annexure A is the formal notice declaring the Offer free from conditions under Section 650F of the Corporations Act.

3. Accelerated payment terms

AUPL is providing accelerated payment terms to within 7 Business Days, subject to any unforeseen delays experienced as a result of the Covid-19 interruptions that are being experienced by many businesses at this time.

AUPL will pay \$0.0505 cash per Alt Resources Share to Alt Resources Shareholders who validly accept the Offer within 7 Business Days after the later of the date of the Offer becoming unconditional and the date of receipt of the Alt Resources Shareholder's valid acceptance of the Offer.

4. Payment Method

The Bidder's Statement provides for the Offer Consideration to be paid by cheque to Alt Resources Shareholders who accept the Offer.

AUPL is aware of significant delay in mailing times as a result of the COVID-19 impact. AUPL is committed to paying consideration for Alt Resources Shareholders who accept the Offer as soon as possible and encourages all Alt Resources Shareholders to ensure details were correctly recorded in their Acceptance Form.

5. Reasons to accept AUPL's Offer

AUPL strongly encourages remaining Alt Resources Shareholders to accept the Offer promptly and without delay.

- The Offer is now unconditional and accepting shareholders will be paid within 7 Business Days after the later of the date of the Offer becoming unconditional and of receipt of valid acceptances.
- Alt Resources urgently needs to raise funding to meet its obligations to pay the final instalment in November 2020 under the Option Agreement pursuant to which its interests in the Bottle Creek tenements in the Northern Goldfields of Western Australia are held.
- Alt Resources requires significant additional funding to support its development plans for its Bottle Creek gold project, (now currently estimated by AUPL to be in excess of \$100 million). Any capital raising to fund the development costs will require continued support from Alt Resources Shareholders or otherwise Alt Resources Shareholders may face significant dilution.
- Subject to compliance with the Corporations Act, AUPL intends to convert the Convertible Note issued to it on 7 May 2020 into 122,643,200 ordinary shares in Alt Resources to alleviate the funding needs of Alt Resources.
- AUPL now has a relevant interest in excess of 75% of Alt Resources Shares. Subject to meeting ASX's criteria for delisting Alt Resources, AUPL will seek to procure the delisting and removal of Alt Resources from the official list of the ASX as soon as possible. If Alt Resources is removed from the official list of the ASX and you have not accepted the Offer during the Offer Period, you will not be able to sell your Alt Resources Shares on-market.

All substantial Alt Resources Shareholders have now accepted the Offer from AUPL, including funds managed by Harvest Lane Asset Management Pty Ltd.

Remaining Alt Resources Shareholders are encouraged to accept the Offer before the Offer closes at 7.00pm (Sydney time) on 28 August 2020.

6. Bidder Group structure and revised funding arrangements

AUPL is a wholly owned subsidiary of AGH.

As part of its ongoing due diligence, and communicated to Alt Resources Shareholders in its First Supplementary Bidders Statement, AUPL has identified that the funding required to place the assets owned by Alt Resources successfully into mining production has materially increased since the Offer was first announced, to now over \$100 million.

Consequently, AUPL will require to raise additional funding, post the acquisition of Alt Resources, in order to achieve this objective. Given the magnitude of the requirement, it is necessary to separate AUPL from the other assets of AGH.

As such, AGH has disposed of its interest in AUPL, to allow this funding to be raised and a new company has been formed, Karus Capital Pty Ltd (ACN: 643 557 715) ("Karus") to enable this to happen.

Accordingly, AGH has transferred its shareholding in AUPL to Karus. Following this restructure, AUPL becomes a wholly owned subsidiary of Karus.

As contemplated in Section 6 of the Bidder Statement, AGH has provided funds to AUPL to enable AUPL to pay the Maximum Consideration Amount and any transaction costs associated with the Offer. AGH will transfer its rights to Karus, and Karus will assume AGH's obligations, under the AUPL Loan Agreement made available to AUPL to fund the consideration, as part of this restructure to Karus.

On the basis of these arrangements, AUPL remains of the opinion, that it has a reasonable basis for forming, and holds, the view that it will be able to satisfy its payment obligations under the Offer.

Alt Resources Shareholders who have accepted the Offer will be unaffected by this change.

As at the date of this Second Supplementary Bidder's Statement, the directors of Karus are set out below:

Name	Position
Carl Rose	Director
Mark Hoddinott	Director & Secretary

As at the date of this Second Supplementary Bidder's Statement, the sole shareholder of Karus is Margaret Brice.

7. Update to Bidder's Statement

The Bidder's Statement is updated in all relevant places from the date of this Second Supplementary Bidder's Statement such that the terms for payment of the Offer Consideration are accelerated so that Alt Resources Shareholders who accept the Offer will be paid within 7 Business Days after the later of the date of the Offer becoming unconditional and the date of receipt of the Alt Resources Shareholder's valid acceptance of the Offer.

8. Consent

Karus has given and has not, prior to the lodgement of this Second Supplementary Bidder's Statement with ASIC, withdrawn its consent to the statements set out in Section 6 of this Second Supplementary Bidder's Statement and to be named in this Second Supplementary Bidder's Statement in the form and context in which they appear.

Karus:

- (a) does not make, or purport to make, any statement in this Second Supplementary Bidder's Statement or any statement on which a statement in this Second Supplementary Bidder's Statement is based other than any reference to its name and any statement included in this Second Supplementary Bidder's Statement with the consent of Karus; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Second Supplementary Bidder's Statement, other than a reference to its name and any statement which has been included in this Second Supplementary Bidder's Statement with the consent of Karus.

9. Offer scheduled to close on 28 August 2020

The Offer is scheduled to close at **7.00pm (Sydney time) on 28 August 2020** (unless extended or withdrawn in accordance with the Corporations Act).

AUPL encourages all Alt Resources' Shareholders to accept the Offer without delay.

10. How to accept the Offer

You are encouraged to accept the Offer by following the instructions set out in Section 3 of Appendix 1 to AUPL's Bidder's Statement and the Acceptance Form accompanying the Bidder's Statement.

11. Further Information

If you require any further information or assistance in relation to the Offer, you may call the AUPL Offer Information Line or email Boardroom Pty Limited as follows:

For callers within Australia 1300 737 760

For callers outside Australia+61 2 9290 9600

Email: corporateactions@boardroomlimited.com.au
(use subject line ref: Alt Offer)

DATED 20 August 2020

SIGNED for and on behalf of the Aurrenne Ularring Pty Ltd by:

A handwritten signature in black ink, consisting of a stylized 'C' and 'R' intertwined.

Carl Rose
Director

ANNEXURE A

NOTICE UNDER SECTION 650F OF THE CORPORATIONS ACT

AURENNE ULARRING PTY LTD
ACN 640 687 618

Corporations Act 2001 (Cth)

Sections 650F

**NOTICE UNDER SECTION 650F OF THE CORPORATIONS ACT –
DECLARING OFF-MARKET BID FREE FROM CONDITIONS**

To: Alt Resources Limited ACN 168 928 416 (**Alt Resources**)
ASX Limited ACN 008 624 691

This is a notice given by Aureenne Ularring Pty Ltd ACN 640 687 618 (**AUPL**) in relation to the offers made under its off-market takeover bid for all the ordinary shares of Alt Resources (**Offer**) contained in its Bidder's Statement dated 15 June 2020, as varied by a notice of variation – extension of offer period dated 30 July 2020 and a notice of variation – extension of offer period dated 13 August 2020, and as supplemented by the first supplementary bidder's statement dated 13 August 2020 (**Bidder's Statement**).

In accordance with section 650F of the *Corporations Act 2001* (Cth), AUPL declares the Offers and each contract resulting from acceptance of the Offer free from all the defeating conditions set out in Appendix 2 of the Bidder's Statement.

Accordingly, the Offers have now become wholly unconditional.

AUPL's voting power in Alt Resources is 79.5%.

Unless otherwise defined in this notice, terms defined in the Bidder's Statement have the same meaning in this notice.

Dated: 20 August 2020

Signed for and on behalf of

Aureenne Ularring Pty Ltd by:



Carl Rose
Director (Authorised signatory)