

7 AUGUST 2019

## ISSUE OF PERFORMANCE RIGHTS & OPTIONS

Alita Resources Limited (ASX: A40; SGX: 40F) (**Company** or **Alita**), advises that 3,323,596 unlisted long term incentive performance rights (**Performance Rights**) have been granted to Executive Directors pursuant to shareholder approval at the Extraordinary General Meeting held on 11 July 2019 (**EGM**).

The Performance Rights are subject to performance and service conditions and the terms of the Company's Equity Incentive Plan Rules (**EIPR**) which were also approved at the EGM. The share price used to calculate the quantum of Performance Rights in the grant<sup>1</sup> was A\$0.1532. A summary of the principal terms of the Performance Rights including the information in accordance with Catalist Rule 704(32) is set out below:

<b>Date of Grant</b>	6 August 2019
<b>Number of Performance Rights granted and proposed to be granted</b>	3,323,596 <sup>2</sup> , which are exercisable into 3,323,596 ordinary shares in the capital of the Company subject to the satisfaction of the Vesting Conditions
<b>Vesting Conditions</b>	<p>50% of the Performance Rights are subject to a relative Total Shareholder Return (<b>TSR</b>) performance condition. Vesting will only occur if the Company's TSR is above the 50th percentile of the TSR of the peer group of lithium production and development companies during the 2 year period ending 30 June 2021 (<b>Performance Period</b>). If the Company's TSR is between 50th and 75th percentiles of the TSR of the peer group at the end of the Performance Period, between 50% and 100% of the Performance Rights subject to this vesting condition will vest on a sliding scale, proportionate to the percentile of the peer group TSR achieved. 100% of the Performance Rights subject to this vesting condition will vest if the Company's TSR is equal or above the 75<sup>th</sup> percentiles of the TSR of the peer group at the end of the Performance Period.</p> <p>50% of the Performance Rights of each grantee will vest at the end of the Performance Period provided that grantee remains employed by the Company at that time</p>
<b>Closing Price of Company's Shares on Date of Grant</b>	<p>ASX A\$0.073</p> <p>SGX SGD0.08</p>
<b>Expiry Date</b>	6 August 2023

2,358,681<sup>3</sup> Performance Rights were granted to Managing Director Mr Mark Calderwood. 964,915<sup>4</sup> Performance Rights were granted to Executive Director – Operations Mr Mark Turner. Grant of Performance Rights to Directors is pursuant to shareholder approval for the purposes of ASX Listing Rule 10.14 obtained at the EGM.

<sup>1</sup> Being the VWAP of the Shares traded on both ASX and SGX over the 5 trading days period to 30 June 2019 (converted to A\$ at the mid-point exchange rate for each day). Refer to section 3.2 of the Explanatory Statement to the Notice of EGM dated 11 June 2019.

<sup>2</sup> These represent 0.23% of the Company's issued share capital of 1,476,422,411 Shares.

<sup>3</sup> These represent 0.16% of the Company's issued share capital of 1,476,422,411 Shares.

<sup>4</sup> These represent 0.07% of the Company's issued share capital of 1,476,422,411 Shares.



The Company has also issued 9,000,000 unlisted options to Mr Turner pursuant to shareholder approval at the EGM. A summary of the principal terms of the Options including the information in accordance with Catalist Rule 704(32) is set out below:

<b>Date of Issue</b>	6 August 2019
<b>Number of Options granted</b>	9,000,000 Options exercisable into 9,000,000 <sup>5</sup> ordinary shares in the capital of the Company
<b>Exercise Price</b>	A\$0.3148
<b>Closing Price of Company's Shares on Date of Grant</b>	ASX A\$0.073 SGX SGD0.08
<b>Issue Price</b>	No amount is payable for the issue of the Options
<b>Expiry Date</b>	17 December 2022
<b>Vesting Periods</b>	3,000,000 on 17 December 2019 3,000,000 on 17 December 2020 3,000,000 on 17 December 2021  Each subject to continued employment of Mr Turner by the Company at the end of the respective vesting period
<b>Exercise period</b>	In accordance with the terms of the EIPR, at any time after one year from the Date of Issue up to the Expiry Date

Issue of Options to Director is pursuant to shareholder approval for the purposes of ASX Listing Rule 10.14 obtained at the EGM.

None of the Performance Rights or Options have been granted/issued to the Company's "controlling shareholders" or their "associates" (as defined in the Catalist Rules of the Singapore Exchange Securities Trading Limited).

#### **Alita Resources Ltd**

Alexei Fedotov  
Company Secretary

<sup>5</sup> These represent 0.61% of the Company's issued share capital of 1,476,422,411 Shares.

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Alita Resources Limited

ABN

56 147 393 735

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | (1) Options<br>(2) Performance Rights   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | (1) 9,000,000 Options<br>(2) 3,323,596 Performance Rights   |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (1) Options with exercise price of A\$0.3148 and Expiry Date of 17 December 2022<br>(2) Performance Right terms are in accordance with the Company's Equity Incentive Plan Rules approved on 11 July 2019; Expiry Date of 6 August 2023 |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No</p>
<p>5 Issue price or consideration</p>	<p>Nil</p>
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issued pursuant to equity incentive plan to Company's employees</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>

---

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	(1) 9,000,000 Options (2) 3,323,596 Performance Rights Shareholder approval under Listing Rule 10.14 obtained on 11 July 2019	
6f	Number of +securities issued under an exception in rule 7.2	(1) 9,000,000 Options (2) 3,323,596 Performance Rights	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	209,686,496	
7	+Issue dates  <small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.</small>	6 August 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number 1,476,422,411	+Class Fully paid ordinary shares

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	3,800,000	Unquoted options (S\$0.24; 24.05.2020)
	3,800,000	Unquoted options (S\$0.30; 24.05.2020)
	3,800,000	Unquoted options (S\$0.36; 24.05.2020)
	15,600,000	Unquoted options (S\$0.4875; 12.04.2021)
	1,858,115	Unquoted options (A\$0.18; 05.04.2022)
	9,000,000	Unquoted options (A\$0.3148; 17.12.2022)
	3,323,596	Unquoted Performance Rights (exp. 6.08.23)
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	There has been no change to the Company's dividend policy.	

**Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
*(tick one)*

(a)  +Securities described in Part 1

(b)  All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

**Entities that have ticked box 34(a)**

**Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
 1 - 1,000  
 1,001 - 5,000  
 5,001 - 10,000

+ See chapter 19 for defined terms.

10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:   
.....  
(Company secretary)

Date: .6 August 2019

Print name: . Alexei Fedotov

== == == == ==

---

+ See chapter 19 for defined terms.

## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,295,367,917
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	9,929,494 (14 December 2018)  112,500,000 (31 May 2019)  50,000,000 (25 July 2019)
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	
<b>“A”</b>	1,467,797,411

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	220,169,611
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>1,858,115 (18 April 2019)</p> <p>8,125,000 (31 May 2019)</p> <p>500,000 (25 July 2019)</p>
<b>“C”</b>	<b>10,483,115</b>
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	220,169,611
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	10,483,115
<b>Total [“A” x 0.15] – “C”</b>	209,686,496 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	Not applicable
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<i>Multiply “A” by 0.10</i>	
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>“E”</b>	

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b>  <i>Note: number must be same as shown in Step 2</i>	
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	
<b>Total [“A” x 0.10] – “E”</b>	  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

---

+ See chapter 19 for defined terms.