

ALLIANCE MINERAL ASSETS LIMITED

(Incorporated in Australia on 6 December 2010)
(Company Registration no. ACN 147 393 735)

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- (I) **COMPLETION OF PLACEMENT OF 13,000,000 NEW ORDINARY SHARES (“SHARES”) AT S\$0.33 EACH TO BURWILL HOLDINGS LIMITED**
 - (II) **ISSUANCE AND ALLOTMENT OF AN AGGREGATE 3,500,000 NEW SHARES TO CERTAIN ENTITLED DIRECTORS AND ENTITLED EXECUTIVES**
 - (II) **UNDERWRITTEN PLACEMENT OF 10,875,115 NEW SHARES AT S\$0.34 EACH**
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1. **Completion of Burwill Placement and Compensation Shares Issuance**

Unless otherwise defined, capitalised terms used herein shall have the same meaning ascribed to them in the Company’s circular to shareholders dated 1 June 2018.

Reference is made to the shareholders’ circular of Alliance Mineral Assets Limited (“**Company**”, together with its subsidiary, “**Group**”) dated 1 June 2018 and the announcement of the Company dated 25 June 2018 on shareholders’ approval for, amongst others, the proposed placement of 23,875,115 new Shares at S\$0.33 each to Burwill Holdings Limited (“**Burwill**”) and the proposed issuance and allotment of an aggregate 3,500,000 new Shares to certain Entitled Directors and Entitled Executives (“**Compensation Shares**”).

Subsequent to discussions between Burwill and the Company, the Company has today completed a placement of 13,000,000 new Shares (“**Burwill Placement Shares**”) at S\$0.33 each to Burwill (“**Burwill Placement**”), with the balance 10,875,115 Shares not taken up by Burwill to be placed out by Canaccord Genuity (Australia) Limited (“**Canaccord**”) on an underwritten basis at S\$0.34 each (details of which are set out in Section 2 below).

The Company had today also completed the issuance and allotment of the Compensation Shares to Mr. Ong Kian Guan (250,000 new Shares), Mr. Mahtani Bhagwandas (250,000 new Shares), Ms. Leaw Mun Ni (1,125,000 new Shares), Mr. Shaun Menezes (1,125,000 new Shares) and Mr. Tony Dominkovich (750,000 new Shares) as approved by the Company’s shareholders at the extraordinary general meeting held on 25 June 2018.

Following the allotment and issuance of the 13,000,000 Burwill Placement Shares and the 3,500,000 Compensation Shares, the total number of issued and paid-up ordinary Shares of the Company has increased from 632,096,792 Shares to 648,596,792 Shares.

The Burwill Placement Shares and the Compensation Shares will be listed and quoted on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) with effect from 9.00 a.m. on or about 6 July 2018 and trading of the Burwill Placement Shares and the Compensation Shares will commence with effect from 9.00 a.m. on the same day.

2. **Underwritten Placement**

The Company had on 4 July 2018 after the close of market trading appointed Canaccord as placement agent and underwriter to place out 10,875,115 new Shares (“**Underwritten Placement Shares**”) at S\$0.34 each (“**Placement Price**”) to raise gross proceeds of approximately S\$3,697,540 (“**Underwritten Placement**”).

Pursuant to the Underwritten Placement, 3,275,115 Underwritten Placement Shares have been placed out to an Australian institutional investor and the remaining 7,600,000 Underwritten Placement Shares are subscribed by Canaccord as underwriter. The Underwritten Placement is expected to complete by the third week of July 2018, subject to the approval for the listing of and quotation for the Underwritten Placement Shares on the Catalist being received

from the SGX-ST. The Company will through its sponsor be making an application to the SGX-ST for the listing of and quotation for the Underwritten Placement Shares on the Catalist.

(a) Placement Price

The Placement Price represents a discount of approximately 8.7% to the volume weighted average price of S\$0.3725 for the trades done on the Company's shares on the SGX-ST on 4 July 2018, being the full market day on which the placement and underwriting agreement was signed. The Placement Price was arrived at following arm's length negotiations between the Company and Canaccord, taking into account the prevailing Share price and the financial position and prospects of the Group.

(b) Underwritten Placement Shares

The Underwritten Placement Shares represent approximately 1.68% of the Company's existing issued share capital of 648,596,792 Shares as at the date of this announcement and approximately 1.65% of the Company's enlarged issued share capital of 659,471,907 Shares immediately after the completion of the Underwritten Placement. No Underwritten Placement Share has been/will be placed to any of the persons set out as restricted persons under Rule 812 of the SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"). In addition, the Underwritten Placement and proposed issuance of the Underwritten Placement Shares will not result in a transfer a controlling interest in the Company under Catalist Rule 803, unless the prior approval of shareholders of the Company ("**Shareholders**") in a general meeting is obtained.

The Underwritten Placement Shares will be issued under the Company's general share issue mandate granted by Shareholders at the annual general meeting of the Company held on 30 October 2017 ("**2017 AGM**") ("**Existing Share Issue Mandate**") which authorises the directors of the Company ("**Directors**") to allot and issue Shares not exceeding 100% of the total number of issued Shares as at the date of the 2017 AGM, of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing Shareholders shall not exceed 50% (excluding treasury shares and subsidiary holdings). The number of issued Shares as at the date of the 2017 AGM was 480,763,760 Shares. From the date of the 2017 AGM up to the date of this announcement, an aggregate 166,933,032 Shares have been issued or will be issuable pursuant to the Existing Share Issue Mandate, comprising: (i) placement of 74,810,228 Shares to Burwill in November 2017 ("**Nov 2017 Placement**"); (ii) grant of options to Tribeca Investment Partners Pty Ltd, Precision Opportunities Fund Ltd, Adrinat Investments Pty. Ltd (as trustee for Baron Family Super Fund), Crofton Park Developments Pty. Ltd (as trustee for Brougham Superannuation Fund) and M. Alter Super Fund Pty Ltd (as trustee for Alter Family Superannuation Fund) in connection with a A\$13 million loan facility announced on 29 March 2018, which options are exercisable into an aggregate 15,600,000 new Shares ("**Loan Facility**"); (iii) placement of 76,522,804 Shares to sophisticated and institutional investors in May 2018 ("**May 2018 Placement**"). The remaining maximum number of Shares that can be issued under the Existing Share Issue Mandate other than on a pro-rata basis is therefore 73,448,848 Shares. Accordingly, the allotment and issue of the Underwritten Placement Shares fall within the limits of the Existing Share Issue Mandate.

The Underwritten Placement Shares when issued and allotted, will rank in all respects *pari passu* with the existing issued Shares and be free from all pre-emption rights, charges, liens and other encumbrances and with all rights and benefits attaching thereto save that they will not rank for any dividend, rights, allotments or other distributions, the record date of which falls on or before the completion of the Underwritten Placement.

(c) Use of Proceeds

The net proceeds of the Underwritten Placement (after deducting estimated expenses of S\$221,852, including placement and underwriting fee of 6.0% of the gross proceeds) is approximately S\$3,475,687, with 43% to be allocated as capital expenditure for the Bald Hill Lithium and Tantalum Project in Western Australia ("**Bald Hill Project**"), 43% as working capital for the Bald Hill Project taking into account its operating expenses, and the balance 14% for future exploration and other initiatives at Bald Hill Project.

The Company had in the past two years raised gross proceeds of approximately A\$66.7 million (approximately S\$67.4 million), comprising the A\$4.9 million placement which was completed on 20 June 2016, the Nov 2017 Placement,

Loan Facility, May 2018 Placement and the Burwill Placement, which proceeds had been or will be (as the case may be) applied in accordance with their intended purposes.

Pending the deployment of the net proceeds from the Underwritten Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Company may, in its absolute discretion, deem fit. The Company will make periodic announcements on the utilisation of the net proceeds of the Underwritten Placement via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the stated percentage allocated. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of the net proceeds from the Underwritten Placement in its interim and full-year financial statements and annual report. Where the net proceeds have been used for working capital purposes, the Company will disclose a breakdown with specific details on how the net proceeds have been applied in the announcements and annual reports.

The Directors are of the opinion that after taking into consideration the Company's present bank facilities and the net proceeds raised from the Nov 2017 Placement, Loan Facility, May 2018 Placement and Burwill Placement, as well as the net proceeds of the Underwritten Placement, the working capital available to the Group is sufficient to meet its present requirements.

(d) Financial Effects

The financial effects of the Underwritten Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual future financial situation of the Company or the Group after the Underwritten Placement. The financial effects of the Underwritten Placement have been computed based on the audited consolidated financial statements of the Group for the financial year ended 30 June 2017. The financial effects are based on the following assumptions:

- (i) the financial effect of the consolidated net tangible asset ("NTA") per Share is computed based on the assumption that the Nov 2017 Placement, Loan Facility, May 2018 Placement, Burwill Placement and Underwritten Placement were completed on 30 June 2017;
- (ii) the financial effect on the earnings per Share ("EPS") is computed based on the assumption that the Underwritten Placement was completed on 1 July 2016; and
- (iii) the financial effect from the issuance of the Compensation Shares has been disregarded.

Share Capital

	<u>Before Underwritten Placement⁽¹⁾</u>	<u>After Underwritten Placement</u>
Issued and paid-up share capital (A\$'000)	86,068	89,544
Total number of issued Shares (excluding treasury shares) ('000)	648,597	659,472

NTA per Share

	<u>Before Underwritten Placement</u>	<u>After Underwritten Placement</u>
NTA (A\$'000)	41,960	45,436

NTA per Share (A\$ cents) ⁽¹⁾	6.5	6.9
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Note:

(1) NTA per Share is calculated based on the NTA and the issued and paid-up Shares comprising 648,596,792 Shares (excluding treasury shares).

EPS

	<u>Before Underwritten Placement</u>	<u>After Underwritten Placement</u>
Profit/(Loss) attributable to Shareholders (A\$'000)	(4,804)	(4,804)
Number of Shares ('000)	648,597	659,472
EPS (A\$ cents) ⁽¹⁾	(0.7)	(0.7)

Note:

(1) EPS is calculated based on the profit/(loss) attributable to Shareholders and the number of issued and paid up Shares comprising 648,596,792 Shares (excluding treasury shares).

3. Interests of Directors and Substantial Shareholders

Save as publicly disclosed, none of the Directors and substantial Shareholders and their respective associates has any interest in the Underwritten Placement other than by way of their shareholding interests in the Company.

4. Responsibility Statement

The Directors (who may each have delegated detailed supervision of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries that, as at the date hereof, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Underwritten Placement and the Group. The Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD

Pauline Gately
Chairperson
5 July 2018

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*This announcement has been prepared by Alliance Mineral Assets Limited (the "**Company**") and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).