

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

PROPOSED ISSUE AND ALLOTMENT OF COMPENSATION SHARES

The Board of Directors (“**Board**”) of Alliance Mineral Assets Limited (“**Company**”) proposes to issue and allot an aggregate 13,250,000 new ordinary shares (“**Shares**”) in the capital of the Company (“**Compensation Shares**”) to certain Directors and executives of the Company (including Tjandra Adi Pramoko and Suen Sze Man, as the Company’s former chief executive officer and executive director, respectively) (“**Proposed Issue**”), as follows:-

<u>Name</u>	<u>Designation</u>	<u>Number of Existing Shares Held</u>	<u>Number of Compensation Shares</u>	<u>Market Value (A\$)⁽¹⁾</u>	<u>Percentage of Issued Shares Pre⁽²⁾ / Post⁽³⁾ Proposed Issue (%)</u>
Pauline Gately	Independent Non-Executive Chairperson	326,081	2,250,000	A\$819,390	0.40 / 0.32
Ong Kian Guan	Independent Non-Executive Director	-	250,000	A\$91,043	0.04 / 0.04
Mahtani Bhagwandas	Independent Non-Executive Director	-	250,000	A\$91,043	0.04 / 0.04
Tjandra Adi Pramoko	Former Chief Executive Officer	67,104,674	3,750,000	A\$1,365,650	0.67 / 0.54
Suen Sze Man	Former Executive Director	67,104,674	3,750,000	A\$1,365,650	0.67 / 0.54
Fiona Leaw Mun Ni	Company Secretary	-	1,125,000	A\$409,695	0.20 / 0.16
Shaun Menezes	Chief Financial Officer	-	1,125,000	A\$409,695	0.20 / 0.16
Tony Dominkovich	Project Director	-	750,000	A\$273,130	0.13 / 0.11
Total			13,250,000	A\$4,825,295	2.38 / 1.94

Notes:

1. Based on the closing price of S\$0.37 per Share on the 13 April 2018 and an exchange rate of S\$1:A\$0.983.
2. Based on existing share capital of 555,573,988 Shares.
3. Based on enlarged share capital of 696,221,907 Shares post the Proposed Issue, assuming completion of the Alliance Underwritten Placement and Alliance Conditional Placement as announced on 5 April 2018 as well as full exercise of the Company’s outstanding convertibles.

4. Any discrepancies in the percentages listed and the totals thereof are due to rounding.

The Proposed Issue is made in lieu of compensation otherwise payable by the Company in cash, and is subject to shareholders' approval at an extraordinary general meeting to be convened. The Compensation Shares will, upon allotment and issuance, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions which are declared on or after the date of issue.

Rationale

As part of its human resource retention strategy, the Company had previously in June 2017 engaged an independent consultant, namely The Reward Practice, to review and advise the Directors on aligning its remuneration terms with comparable Australian listed mining companies.

Pursuant to the recommendations made by the independent consultant on 10 July 2017, and taking into account the achievement of specific performance milestones (such as execution of the joint venture agreement and off-take agreement and commencement of commercial production for Bald Hill Project), the Board proposes to issue the Compensation Shares as part of the remuneration packages for these Directors and executives for the financial year ended 30 June 2017 (which includes the two former executives, who rendered services to the Company for the preceding financial year) and for the financial year ending 30 June 2018 (which excludes the two former executives, who have ceased their services).

The Proposed Issue will also align the interests of current Directors and executives with the interest of shareholders, and enable the Company to conserve its cash resources.

Taking into account the above, the Remuneration Committee of the Company is thereof the opinion that the Proposed Issue is in the interest of the Company. Each member of the committee has abstained from participating in the deliberation and recommendation of and voting on any resolution in respect of his or her own entitlement to the Compensation Shares.

Interests of Directors and Substantial Shareholders

Save for Chan Hung Chiu, Eddy, who is the Non-Executive Director of the Company, all members of the Board are interested in the Proposed Issue. Other than Tjandra Adi Pramoko and Suen Sze Man who are substantial shareholders of the Company, none of the other substantial shareholders of the Company and their respective associates has any interest in the Proposed Issue, other than through their respective shareholding interest in the Company

Circular

A circular containing further details of the Proposed Issue and notice of extraordinary general meeting to be convened will be despatched to shareholders in due course.

BY ORDER OF THE BOARD

Pauline Gately
Chairperson
16 April 2018

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 Catalist. 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 Email: sponsorship@ppcf.com.sg).