

ARS – ASX ANNOUNCEMENT

26 April 2018

CAPITAL RAISING UPDATE – PLACEMENT TO BE INCREASED AS ADDITIONAL DEMAND

Alt Resources Limited (ASX: ARS) (Alt or the **Company**) is pleased to advise that the recent capital raising announced on 17 April 2018 by the Company has been increased as the lead managers, Canary Capital and the Company received in excess of \$5,000,000 in applications for shares from existing, sophisticated and professional investors. Alt is now proposing to undertake a Placement to raise up to \$2,817,000 before issue costs. The share issue comprises a placement in two tranches to sophisticated and professional investors (**Placement**).

To satisfy demand the Board of Directors has elected to offer an additional placement of shares to applicants in a second tranche Placement. The offer of additional shares in the second tranche will be subject to existing shareholder approval. Applications received to the lead manager Canary Capital under the Placement offer have been scaled back proportionately by percentage.

The Company will place 31,424,323 fully paid ordinary shares using existing capacity under ASX Listing Rule 7.1 and 7.1A as the first tranche placement. Subject to shareholder approval the Company will issue an additional 17,996,718 fully paid ordinary shares in the Company as a second tranche placement. Alt Resources will prepare a Notice of Meeting (NOM) to obtain shareholder approval for the issue of additional shares and options to satisfy demand in the coming days.

Pursuant to the placement offer the Company will issue 1 option of every 3 subscribed shares. Subject to shareholder approval the Company will issue 16,064,322 options. The options will have an exercise price of \$0.10 and will have an expiry date of 30 December 2019.

Additionally the lead manager of the Placement, Canary Capital and the drilling company Challenge Drilling Pty Ltd have elected to take Shares in the Company as partial payment in lieu of costs as manager of the placement and for drilling costs pursuant to RC drilling at the Bottle Creek Gold Project. The Issue of shares to the lead manager and drilling company will be subject to shareholder approval.



Placement

The announcement made by the Company on 17 April 2018 in respect of the Placement is now replaced by this announcement as it includes the up to date position. Investors should have regard to this announcement as the principal announcement in considering the Placement.

The Placement is to be conducted in two tranches. The Shares under the first tranche to raise \$1,791,186 were issued on 26 April 2018 using the Company's available placement capacity under ASX Listing Rules 7.1. and 7.1A (the previous announcement referred to the first tranche as being completed however it should be noted that at that date the Shares were not issued). The second tranche to raise up to an additional \$1,025,812.00 will be completed and Shares issued following the receipt of necessary shareholder approval.

Up to an aggregate 49,500,000 fully paid ordinary shares in the capital of the Company (**Shares**) will be issued under the Placement at an issue price of \$0.057 per Share (**Issue Price**). The Issue Price represents a 17.63% discount to the Company's Volume Weighted Average Price (VWAP) over the last 15 days the shares traded, being \$0.0692

Under the Placement and subject to shareholder approval, the Company will issue one (1) option to acquire a Share (**Option**) for every three (3) Shares subscribed for and issued under the Placement. The Options will be exercisable at \$0.10 on or before 31 December 2019. Up to an aggregate 16,500,000 Options will be issued under the Placement.

The Placement is made to investors qualifying under Section 708 of the *Corporations Act 2001* (Cth) (**Act**).

Use of Funds

It is intended that funds raised under the Placement will be used as follows:

- a) to pay Latitude Consolidated Limited the cash payment of \$600,000 for the Mt Ida South and Quinns Project acquisition, as announced on 16 January 2018;
- b) to continue RC and diamond drilling programs at the Bottle Creek Gold Project;
- c) to undertake JORC 2012 resource modeling and metallurgical studies;
- d) to commence pre feasibility studies: and
- e) to provide general working capital for the Company's current operations.



Disclosure under ASX Listing Rule 7.1 and 7.1A

In accordance with ASX Listing Rules 7.1A.4(b) and 3.10.5A the Company makes the following disclosures in respect of the Placement:

- (a) The Company today issued a total of 31,424,323 Shares under the first tranche of the Placement, of which:
 - (i) 18,774,593 Shares were issued using the Company's available placement capacity under ASX Listing Rule 7.1; and
 - (ii) 12,649,729 Shares were issued using the Company's available placement capacity under ASX Listing Rule 7.1A;
- (b) The Shares issued under Listing ASX Rule 7.1A resulted in dilution to existing shareholders as follows:
 - (i) The number of Shares on issue prior to this issue of securities was 127,947,290.
 - (ii) The number of Shares on issue following this issue of securities under ASX Listing Rule 7.1A was 140,597,019 (or 159,371,612 including the Shares issued under ASX Listing Rule 7.1, comprising the entire Placement).
 - (iii) The percentage of voting dilution following this issue of securities under ASX Listing Rule 7.1A is 9.89% (or 24.56% including Shares issued under ASX Listing Rule 7.1, comprising the entire Placement).
- (c) No underwriting arrangements were entered into in connection with the Placement.
- (d) A fee of \$96,900 will be paid to brokers who introduced investors to participate in the Placement.

Secondary Trading Notice Pursuant to Section 708A(5)(E) of the Corporations Act 2001

The Company confirms that it has issued 31,424,323 Shares pursuant to the first tranche of the Placement on 26 April 2018.

The Company confirms that:

- (a) the Shares issued under the first tranche of the Placement were issued without disclosure to investors under Part 6D.2 of the Act;
- (b) this notice is being given pursuant to section 708A(5)(e) of the Act;



(c) as at the date of this notice, the Company has complied with:

- (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
- (ii) section 674 of the Act; and

(d) as at the date of this notice there is no information that is excluded information for the purposes of sections 708A(7) and 708A(8) of the Act.

Signed for and on behalf of the Company:

Clive Buckland
Company Secretary

About Alt Resources Limited (ASX: ARS)

Alt Resources is an Australian based mineral exploration company that aims to become a gold producer by exploiting historical and new gold prospects across quality assets and to build value for shareholders. The Company's portfolio of assets includes the newly acquired Bottle Creek gold mine located in the Mt Ida gold belt in South Central WA 95km north west of Menzies, the Paupong IRG Au-Cu-Ag mineral system in the Lachlan Orogen NSW, Myalla polymetallic Au-Cu-Zn project east of Dalgety in NSW and the Mt Roberts gold project located near the town of Leinster in WA.

Alt Resources, having acquired historical and under-explored tenements in the Mt Ida Gold Belt, aims to consolidate the historical resources, mines and new gold targets identified within the region. Potential at Mt Ida exists for a centralised production facility to service multiple mines and to grow the Mt Ida Gold Belt project to be a sustainable and profitable mining operation.

For further information, please visit www.altresources.com.au or phone Clive Buckland, Company Secretary on 1300 66 0001.