



ASX ANNOUNCEMENT | 12 March 2019

SPP INCREASED TO \$10 MILLION ON STRONG DEMAND

Altura Mining Limited (ASX: AJM) ("Altura" or the "Company") is pleased to advise that it has been inundated with strong demand from existing shareholders for the Company's Security Purchase Plan (SPP) Offer announced on 7 February 2019.

On the back of the positive response, the Board has decided to increase the amount to be raised to \$10.0 million from the original \$5.0 million. The increased maximum amount will minimise the prospect of any required scale-back of the SPP Offer applications.

Altura Managing Director Mr James Brown said: *"We are delighted with the response from investors and rather than have to scale back shareholders who are keen to support us, the Board has decided to increase the capacity of the SPP to satisfy demand. As we recently announced our operations have turned a corner and we now have a clear pathway to declaring commercial production."*

Altura has today lodged a Supplementary Prospectus with the Australian Securities and Investments Commission (ASIC) for the purposes of the amended SPP Offer and for additional disclosures required by ASIC regarding the original prospectus lodged on 15 February 2019. The Supplementary Prospectus is attached to this announcement.

Shareholders are reminded the SPP offer closes at 5.00pm AEDT on Friday 15 March 2019.

About Altura Mining Limited (ASX: AJM)

Altura is a key player in the global lithium market and is leveraging increasing demand for raw materials for manufacturing lithium ion batteries for electric vehicles and static storage uses. Altura owns and operates the world-class Altura Lithium Project at Pilgangoora in WA's Pilbara, which has a production capacity of 220,000tpa of quality spodumene concentrate. The Company has completed a Definitive Feasibility Study on a potential Stage 2 expansion, with a Final Investment Decision due following a review of the Stage 1 operations and ramp-up to nameplate production.

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Altura Mining Limited ABN 39 093 391 774



ALTURA MINING LIMITED

ABN 39 093 391 774

Supplementary Prospectus

Important information

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 15 February 2019 (**Prospectus**) issued by Altura Mining Limited ACN 093 391 774 (**Altura or Company**).

This Supplementary Prospectus is dated 12 March 2019 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility as to the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than the changes set out in this Supplementary Prospectus, all other details in relation to the Prospectus remain unchanged. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, the provisions of this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus will have the same meaning in this Supplementary Prospectus.

The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already subscribed for New Securities under the Prospectus.

The Company has issued both a printed and electronic version of this Supplementary Prospectus and the Prospectus. Electronic versions may be accessed at www.alturamining.com

This Supplementary Prospectus and the Prospectus are important documents that should be read in their entirety. If you are in any doubt as to the contents of this Supplementary Prospectus or the Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay.

1. SUPPLEMENTARY PROSPECTUS

1.1 Reasons for this Supplementary Prospectus

The purpose of this Supplementary Prospectus is to increase the maximum amount to be raised under the SPP Offer as well as to provide supplementary disclosure with respect to certain information contained in the Prospectus.

1.2 Amendment to SPP Offer

Due to the positive response from Shareholders since lodgement of the Prospectus, the Company will be increasing the number of Shares and Options to be offered under the SPP Offer by an additional 38,461,540 Shares and 19,230,770 Options (increasing the total amount to be raised under the SPP Offer from \$5 million to \$10.0 million).

Accordingly, the Company makes the following amendments to the Prospectus:

- (a) A total of 76,923,080 Shares and 38,461,540 Options will now be offered under the SPP Offer.
- (b) The total Shares and Options on issue following completion of the Offers will now be as follows:

Securities	Full subscription
Shares	
Shares on issue prior to Placement	1,820,366,474
New Shares issued to the Placement Subscribers under the Placement	69,527,995
New Shares to be issued to the Lender under the Loan Conversion Offer ¹	116,933,615
New Shares to be issued to the Participating Directors under the Related Parties Offer ²	3,540,000
New Shares to be issued under the SPP ³	76,923,080
Total Shares on issue at completion of the Offers and Placement	2,087,291,164
Options	
Options on issue prior to Placement ⁴	5,784,846
New Options to be issued to the Placement Subscribers under the Placement	34,763,997
New Options to be issued to the Lender under the Loan Conversion Offer ¹	58,466,808
New Options to be issued to the Participating Directors under the Related Parties Offer ²	1,770,000
New Options to be issued under the SPP	38,461,540
Total Options on issue at completion of the Offers and Placement	139,247,191

Notes:

1. The issue of these Securities is subject to Shareholder approval. Refer to Sections 1.4 and 7.1 of the Prospectus for further details.
 2. The issue of these Securities is subject to Shareholder approval. Refer to Sections 1.5 and 7.1 of the Prospectus for further details.
 3. The figures in the table above assume that other Shares are not issued (including on the exercise of Options, warrants or performance rights) prior to the close of the Offers.
 4. Option expiring 25 September 2019 exercisable at \$0.2340 each.
- (c) Dilution to existing Shareholders upon completion of the Offers (assuming the Offers are fully subscribed and that none of the existing Options are exercised) will be approximately 12.79% based on the total Shares on issue following completion of the Offers.
- (d) The total funding package will have the effect of increasing cash reserves by approximately \$34.5 million (before costs and on a fully subscribed basis) immediately after completion of the Offers. Further details, including the use of funds are set out in section 1.4 below.

1.3 Effect of the Loan Conversion Offer

As stated in section 3.2 and 3.4 of the Prospectus:

- (a) Mr AC Buckler currently has a relevant interest in 194,839,756 Shares, representing 10.31% of all Shares currently on issue; and
- (b) under the Loan Conversion Offer, a further 116,933,615 Shares will be issued to the Lender (a company controlled by Mr Buckler).

Accordingly, on completion of the Offers and Placement, Mr AC Buckler will have a relevant interest in a total of 311,773,371 Shares, representing 14.94% of voting shares in the Company (assuming full participation in the SPP Offer as increased under section 1.2 above) and 15.51% (assuming there is no shareholder participation under the SPP Offer).

1.4 Updated use of funds

As described in section 1.2 above, the total funding package is now up to \$34.5 million (before costs). An updated breakdown of the Company's intentions regarding the use of funds from this funding package (including the increased size of the SPP Offer as described in section 1.2 above) is set out below:

Funds available	Assuming 100% subscription under the SPP Offer	Percentage of funds (%)
Source of funds		
Existing cash reserves ¹	\$27,742,000	72.62%
Funds raised from the SPP Offer	\$10,000,000	26.18%
Funds raised from the Related Party Offer	\$460,000	1.20%
Funds raised from the Loan Conversion Offer ²	Nil	Nil%
Funds raised from the Placement Options Offer ³	Nil	Nil%
Total	\$38,202,000	100.00%
Allocation of funds		
Commissioning costs associated with production and sale of spodumene concentrate	\$5,608,000	14.68%
Ramp up costs associated with production and sale of spodumene concentrate	\$7,000,000	18.32%
Development costs	\$2,000,000	5.24%
Interest payments in accordance with senior secured loan note facility ⁴	\$13,899,440	36.38%
Working capital (inclusive of stock pile and debtor management)	\$8,500,000	22.25%
Administration and corporate costs	\$649,117	1.70%
Costs of the Offers ⁵	\$545,443	1.43%
Total	\$38,202,000	100.00%

Notes:

- As at 28 February 2019, which includes \$15 million received under the Loan on 5 February 2019 and a further \$9.04 million raised under the Placement on 14 February 2019. For further information on the Loan and the Placement, please refer to section 1.1 of the Prospectus.
- As stated in section 1.1 of the Prospectus, the Company received \$15 million under the Loan, which Loan is convertible into Shares and Options under the terms of the Loan Agreement, subject to shareholder approval. The purpose of the Loan Conversion Offer is to offer the Shares and Options to the Lender in accordance with the Loan Agreement. Accordingly, no funds will be raised from the Loan Conversion Offer.
- As stated in section 1.1 of the Prospectus, the Company has issued a total of 69,527,995 Shares under the Placement to raise approximately \$9.04 million (before costs). Under the terms of the Placement, Placement Subscribers are to receive one free-attaching Option for every two Shares subscribed for under the Placement. The purposes of the Placement Options Offer is to offer the Options to the Placement Subscribers. Accordingly, no funds will be raised from the Placement Options Offer.
- The facility comprises senior secured loan notes totalling US\$125 million, provided by lenders Magy LLC, Pala Investments Limited and CarVal Investors LLC. The interest rate is 14% per annum for the first 18 months of the loan and 15% per annum thereafter.
- For breakdown of costs of the Offers please refer to section 7.7 of the Prospectus.

The above table is a statement of current intentions as of the date of this Supplementary Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

2. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.

Signed for and on behalf of the Company on 12 March 2019.



James Brown
Managing Director