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ASX ANNOUNCEMENT | 17 October 2019

\$21.5 MILLION NON-RENOUNCEABLE RIGHTS ISSUE

Altura Mining Limited (ASX:AJM) is undertaking a capital raising of approximately \$21.5 million (before costs) to provide funding for:

- exploration on recently acquired, highly prospective tenements in the Pilbara;
- incremental capital works on the Altura lithium process plant at Pilgangoora, to increase lithia recoveries, lift production and reduce unit operating costs; and
- working capital as the operation ramps up to full production of 220,000 wet metric tonnes of spodumene concentrate.

This capital raising will be undertaken through a non-renounceable entitlement offer of 2 (two) new fully paid ordinary shares (**New Shares**) for every 13 (thirteen) existing fully paid ordinary shares (**Shares**) held by Eligible Shareholders as at 7.00pm (AEDT) on Thursday 24 October 2019 (**Record Date**) (**Entitlement Offer**).

The New Shares will be issued at a price of A\$0.06 per share, representing a discount of 10.04% to the 5-day and 10-day volume weighted average price of Altura ordinary shares (being 6.67 cents).

Comments by Managing Director

Altura Managing Director James Brown said the funds raised through the Entitlement Offer would provide Altura with a strengthened balance sheet to underpin the Company as it advanced to full production at the Altura Lithium operation at Pilgangoora in the Pilbara region of Western Australia.

"Altura has made excellent progress with the construction and commissioning of the Pilgangoora project. We are now approaching full production rates, driving down unit operating costs and generating substantial cash operating margins on sales."

"We have binding offtake agreements in place with multiple large lithium converters and battery manufacturers and we are continuing to make regular shipments of high-quality spodumene concentrate to our customers."

"We are now fine-tuning aspects of the plant to increase production rates and operating efficiencies and this Entitlement Offer will provide the necessary working capital for those important improvements. In addition, the Company recently announced an agreement with Sayona Mining to earn a 51% interest over its 1,806 km² tenement package near Altura's Pilgangoora operations, and this capital raising will provide the funding to explore that highly prospective territory," he said.

Altura Mining Limited ABN 39 093 391 774

Short Term Loan

The Company has also entered into an agreement with Katsura Holdings Pte Ltd (**Loan Agreement**) for the provision of a \$2.8 million unsecured, interest free loan (**Loan**) for the purposes of providing funds for the Company's general working capital requirements during the capital raising period. Katsura Holdings Pte Ltd is a company controlled by Mr Buckler, a Director of the Company who also holds a relevant interest in 13.41% of all shares in the capital of the Company.

Under the Loan Agreement, Mr Buckler has committed to take up his full entitlement under the Entitlement Offer and the application money in respect of Mr Buckler's participation in the Entitlement Offer will be used to repay the Loan in full.

Additional Regulatory Information

The Entitlement Offer will be made by the Company pursuant to an offer document in accordance with section 708AA of the *Corporations Act 2001 (Cth)* (**Corporations Act**) (**Offer Document**) to be sent to Eligible Shareholders on or about Tuesday 29 October 2019.

The Entitlement Offer period will open on Tuesday 29 October 2019 and is due to close on Friday 15 November 2019 (unless extended by the Company in accordance with the Corporations Act and the Listing Rules).

The Entitlement Offer is only available to shareholders who:

- (a) are registered as a holder of Shares as at the Record Date;
- (b) have an address on the Company's share register in Australia, New Zealand, Singapore or Hong Kong; and
- (c) are eligible under all applicable laws to receive an offer under the Entitlement Offer without a prospectus, disclosure document, product disclosure statement or any lodgement, filing, registration or qualification,

(Eligible Shareholders). Shareholders who do not satisfy each of these criteria are considered 'Ineligible Shareholders' and will not be eligible to participate in the Entitlement Offer.

Eligible Shareholders will also be able to participate in a further discretionary offer of New Shares, being the New Shares that have been initially offered to Eligible Shareholders under the Entitlement Offer (Shortfall Offer). The Shortfall Offer is a separate offer made pursuant to the Offer Document and will remain open for up to three months from the closing date of the Entitlement Offer.

The Offer Document, together with a personalised entitlement and acceptance form will be mailed to all Eligible Shareholders in accordance with the timetable below. The Offer Document will also be lodged with the ASX and be made available on the Company's website (www.alturamining.com) and at the Company's registered office at Level 2, 23 Barrack Street, Perth, Western Australia once despatched to Eligible Shareholders.

The following timetable is indicative only. Subject to the Corporations Act and Listing Rules, the Company reserves the right to vary the dates and times in connection with the Entitlement Offer, including the closing date, without prior notice.

Event	Date
Announcement of Entitlement Offer and Cleansing Statement	Thursday 17 October 2019
Notice to Shareholders including information required by Appendix 3B	Friday 18 October 2019
Ex-Date for Entitlement Offer	Wednesday 23 October 2019
Record Date to determine Entitlement to New Shares (7.00pm AEDT)	Thursday 24 October 2019
Despatch of Offer Document and Application Form and announcement that dispatch completed.	Tuesday 29 October 2019
Entitlement Offer opens	Tuesday 29 October 2019
Entitlement Offer closes (5.00pm AEDT)	Friday 15 November 2019
New Shares under Entitlement Offer quoted on a deferred settlement basis	Monday 18 November 2019
Announcement of Entitlement Offer shortfall	Wednesday 20 November 2019
Issue of New Shares under Entitlement Offer	Friday 22 November 2019
Despatch date of holding statements	Friday 22 November 2019
Trading of New Shares issued under the Entitlement Offer on a normal basis	Monday 25 November 2019

The Loan Note Holders have indicated their support for the Entitlement Offer and the Loan Agreement. The Company is now in the process of obtaining formal consent from the existing Loan Note Holders and anticipates that this will be provided in the near future.

For an on behalf of the Board

James Brown
Managing Director
Altura Mining Limited

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Forward Looking Statements:

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, Altura does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this news release is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.