

PUA Share Purchase Plan

23 April 2019

ASX Code: PUA, PUAOC

Pure Alumina to raise \$1.25m via SPP to assist with pivotal HPA acquisition

Pure Alumina Limited (ASX: PUA) is pleased to announce that it intends to make an offer to Eligible Shareholders to participate in a Share Purchase Plan to raise circa \$1.25 million (**SPP**).

The SPP is partially underwritten up to A\$770,000 by Patersons Securities Limited and CPS Capital Group Pty Ltd (together the **Joint Underwriters**). The mandate also gives the Joint Underwriters the right to facilitate an additional “top up” placement to raise up to \$500,000 (**Top Up Placement**), subject to the Company having the available placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A.

The offer price for both the SPP and Top Up Placement (**Offer Price**) will be determined by applying a 20% discount to the volume-weighted average price (VWAP) of fully paid ordinary shares in the capital of the Company (**Shares**) over the five trading days, on which the Shares trade, prior to Tuesday 28 May 2019, being the proposed issue date under the SPP (**SPP Issue Date**).

The proceeds from the SPP and, if applicable, the Top Up Placement will be used to fund the Company’s ongoing working capital requirements as Pure Alumina works to complete the transformational acquisition of Canadian-based high purity alumina (HPA) producer Polar Sapphire Limited (**Polar Acquisition**) (see ASX release dated March 21, 2019).

The Company is currently examining the various options to fund the Polar Acquisition.

The SPP provides the opportunity for Eligible Shareholder to each subscribe for up to \$15,000 worth of Shares, subject to scale back, without incurring brokerage or transaction costs. Eligible Shareholders are defined as those persons holding Shares with a registered address in Australia or New Zealand as at 7.00pm (AEST) on 18 April 2019 (**Record Date**).

The Joint Underwriters obligations to partially underwrite the SPP are conditional upon:

- the Company preparing a SPP and offer document that complies with all legal and regulatory requirements;



- the Joint Underwriters being satisfied with the form and content of the SPP and accompanying announcements to the ASX concerning the; and
- the Joint Underwriters entering into sub-underwriting agreements.

The fees payable, in equal proportion to each Joint Underwriter:

- an underwriting/selling fee of 6% of the total amount raised under the SPP and if applicable the Top Up Placements;
- a management fee of \$20,000; and
- 10,000,000 options to acquire Shares.

The Underwriting Agreement has termination clauses standard for a transaction of this nature.

Indicative timetable:

Event	Date and time
Record Date	7:00pm (AEST), Thursday 18 April 2019
Announcement of the SPP	Tuesday 23 April 2019
SPP Opening Date	Thursday 2 May 2019
SPP Closing Date	Thursday 23 May 2019
SPP Issue Date	Tuesday 28 May 2019
Quotation of Shares on ASX	Thursday 30 May 2019

Should subscriptions under the SPP exceed A\$1.25 million (**Proposed Raise**), the Company may accept oversubscriptions up to the maximum number of Shares that can be issued under the SPP, being 51,327,278 (**SPP Limit**). The Company reserves the right in its absolute discretion to scale back applications under the SPP if the total subscriptions under the SPP exceed the Proposed Raise or the SPP Limit.

For those shareholders holding less than a marketable parcel of Shares (i.e. holding a value less than A\$500), the SPP also offers an opportunity to increase their shareholding to a marketable parcel.

Each of the directors of Pure Alumina Ltd, all of whom are eligible shareholders for the purpose of the SPP, have indicated that they will participate in the SPP.

The Shares issued pursuant to the SPP will rank equally in all respects with existing fully paid ordinary shares in the Company. Shareholder approval is not required for the SPP.

An SPP Booklet with further details of the SPP will be dispatched to Eligible Shareholders in the coming days.

Martin McFarlane
Managing Director

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