Alliance Aviation Services Limited

Investor Presentation

Capital Raising

11 June 2020

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This Presentation has been prepared in relation to:

- a placement of new fully paid ordinary shares in Alliance (**New Shares**) to institutional investors and certain existing institutional shareholders under section 708A of the Corporations Act 2001 (Cth) (**Corporations Act**) as modified by ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (**Placement**); and

- an offer of New Shares to eligible Alliance shareholders in Australia and New Zealand under a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**SPP**),

(the Placement and SPP together, the **Equity Raising** or **Offer**).

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Important Notices and Disclaimer (cont'd)

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This Presentation contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Alliance, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Important Notices and Disclaimer (cont'd)

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Alliance's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Alliance, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Presentation. The forward-looking statements are based on information available to Alliance as at the date of this Presentation. Except as required by law or regulation (including the ASX Listing Rules), none of Alliance, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Disclaimer

Ord Minnett Limited (ABN 86 002 733 048) is acting as lead manager and underwriter to the Placement (the **Lead Manager**). A summary of the key terms of the underwriting agreement between Alliance and the Lead Manager is provided in Appendix C.

To the maximum extent permitted by law, Alliance and the Lead Manager and their respective related bodies corporate and affiliates, and their respective officers, directors, employees, agents and advisers: (i) disclaim all responsibility and liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) for any loss arising from this Presentation or reliance on anything contained in or omitted from it or otherwise arising in connection with this Presentation; (ii) disclaim any obligations or undertaking to release any updates or revision to the information in this Presentation to reflect any change in expectations or assumptions;(iii) do not make any representation or warranty, express or implied, as to the accuracy, reliability, completeness of the information in this Presentation or that this Presentation contains all material information about Alliance or that a prospective investor or purchaser may require in evaluating a possible investment in Alliance or acquisition of shares in Alliance, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and (iv) disclaim any fiduciary relationship between them and the recipients of this Presentation or the participants in the Placement. No recommendation is made as to whether any person should participate in the Placement.

You acknowledge and agree that determination of eligibility of investors for the purposes of the Equity Raising is determined by reference to a number of matters, including legal requirements and the discretion of Alliance and the Lead Manager and each of Alliance and the Lead Manager disclaim any duty or liability (including for negligence) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

You acknowledge and agree that Alliance is required by the terms of the ASX Class Waiver Decision – Temporary Extra Placement Capacity dated 23 April 2020 to announce to the market reasonable details of the approach it took in identifying investors to participate in the Placement and how it determined their respective allocations in the Placement, and Alliance must within 5 business days of completing the Placement supply to ASIC and ASX (but not for public release) an allocation spreadsheet showing full details of the persons to whom the Placement was allocated, including the name, existing holding, number of New Shares they applied for or were offered in the Placement and the number of New Shares they were allocated in the Placement (including any zero allocations) and this will necessitate disclosing your application and allocation.

You acknowledge and agree that your existing holding will be estimated by reference to Alliance's beneficial register on 3 June 2020 which shows historical holdings as at that date and is not up to date. There will be no verification or reconciliation of the holdings as shown in the historical beneficial register and accordingly this may not truly reflect your actual holding. Alliance and the Lead Manager do not have any obligation to reconcile assumed holdings (eg for recent trading or swap positions) when determining allocations nor do they have any obligation to allocate pro rata on the basis of existing shareholdings. If you do not reside in a permitted offer jurisdiction you will not be able to participate in the Placement. Alliance and the Lead Manager disclaim any duty or liability (including for negligence) in respect of the determination of your allocation using your assumed holdings.

You further acknowledge and agree that allocations are at the sole discretion of the Lead Manager and/or Alliance. The Lead Manager and Alliance disclaim any duty or liability (including for negligence) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law. Furthermore, the Lead Manager and Alliance reserve the right to change the timetable in their absolute discretion including by closing the Placement bookbuild early or extending the Placement bookbuild closing time (generally or for particular investor(s)) in their absolute discretion (but have no obligation to do so), without recourse to them or notice to you. Furthermore, communications that a transaction is "covered" (i.e. aggregate demand indications exceed the amount of the shares offered) are not an assurance that the transaction will be fully distributed.

Tasmania Fire Service

Chairman's Letter

Thank you for taking the time to consider an investment in Alliance.

Alliance is headquartered in Brisbane and for the past 18 years has been servicing regional Australia. Our core business of providing an essential service to the major mining companies by flying their employees and contractors to and from work, safely and on-time, has underpinned the Company's growth over the years. We have the best operational performance of any airline in Australia, supported by a national footprint of crew and engineering bases. Alliance owns a fleet of 44 aircraft, of which 41 are operational with an additional leased aircraft making up the current operating fleet of 42. Pleasingly, we are profitable. This is largely as a result of our robust business model, which includes long term contracted revenue streams[1] and a low operating cost base. These factors enable our management team to be nimble and entrepreneurial, a culture of which I am proud to lead.

In these unprecedented times, our company has risen to the challenges and continued to provide our clients with exceptional services. Alliance pioneered measures to address COVID-19, many of which have been adopted across the Australian aviation sector. We believe we are one of the few airlines globally that has remained profitable during the period of COVID-19 restrictions. As stated in Alliance's most recent trading update released to ASX on 20 May 2020, the COVID-19 pandemic has presented Alliance with opportunities to expand its operations. While other airlines are concerned with solvency and a myriad of other issues, our company is in a unique position to look for opportunities. Alliance proposes to undertake a 25% Placement and SPP to obtain funds required to take advantage of these opportunities.

Our board and management have jealously guarded our strong balance sheet, which has become more important in these uncertain times.

We look forward to your continued support.

Yours sincerely

Steve Padgett OAM

[1] Some of Alliance's revenue contracts contain termination for convenience provisions that may be exercised by the customer with or without an exit payment

Executive Summary

Equity Raising	• Alliance is seeking to raise funds for growth through an up to ~$121.9 million equity raising (**Equity Raising** or **Offer**) via a:
	    • ~$91.9 million fully underwritten institutional placement (**Placement**); and
	    • Up to $30.0 million non-underwritten share purchase plan (**Share Purchase Plan** or **SPP**).[1]
	• The Placement will be conducted at $2.95 per Placement Share.

Trading update and outlook	• Alliance expects to report a Profit Before Tax for FY20 in excess of $40 million. • Demand for ad-hoc charter services as a replacement to regular public transport (**RPT**) services is expected to continue at heightened levels through FY21. • Increased services for resource sector clients in response to COVID-19 risk mitigation measures is expected to continue through FY21. • Contracted inbound tourism services have been suspended and are not expected to return to normal levels until at least FY22. • Wet lease arrangements with Virgin Australia have been suspended and Alliance expects these services to resume at minimal levels in late FY21.
Potential opportunities	• Alliance is well-positioned to benefit from expected changes in Australia's aviation sector. These changes are anticipated to have a positive impact on Alliance, which will include an increase in flying across Alliance's network. • The grounding of airline fleets globally presents opportunities for Alliance to expand its fleet by purchasing aircraft to satisfy demand and enhance Alliance's capabilities.
Investment highlights	• Diversified revenue streams • Existing national footprint • Superior operating excellence • Company-owned fleet suitable for the next ~10 years[2] • Repeat contract business – resource sector clients • Strong management team and Board governance • Strong cash generation and robust Balance Sheet • Ability to expand fleet (size and type) • Proven ability to react quickly and successfully to customer demands (new routes, changing environments)

1. Full details of the SPP are contained in the SPP offer booklet, which will be sent to eligible shareholders in due course. As the SPP is not underwritten, the SPP may raise more or less than this amount. If the SPP raises more than $30 million, Alliance may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than $30 million. If Alliance decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Alliance's requirements, the scale back will be applied on a pro rata basis to shareholdings of participating eligible shareholders at the record date of the SPP.
2. Other than one aircraft which is leased.

Contents

1. PROFILE OF ALLIANCE

Alliance Aviation

18 years
of operation

98%
Aust & NZ owned

$66.4M
FY19 EBITDA

95%
OTP

42
Aircraft in service

Alliance Aviation Services Limited (“Alliance” or the “Company”) was founded in 2002, after it acquired the operating assets (including aircraft) from Flight West Airlines. Alliance owns 44 aircraft of which 41 are in operational service, with an additional leased aircraft making the total operational fleet 42.

Alliance's head office has been based in Brisbane since 2002 and the Company employs in excess of 550 people across Australia. The Company focuses on three key performance indicators – **safety, on-time performance and financial sustainability.**

Alliance was listed on the ASX in 2011 and has a current market capitalisation of $395.2 million[1] with low leverage.

Since the Company’s inception, it has been profitable for all but one year where it was required to record a non-cash impairment. The Company expects to report a record pre-tax profit in excess of $40 million for FY20, in part due to its ability to respond quickly and effectively to client requests as shown during the COVID-19 pandemic.

[1] As at 10 June 2020 closing price

Company Snapshot

CURRENT CAPITALISATION

(A$ in millions, unless stated otherwise)		
Current Share price at 10 June 2020[1]		$3.10
Shares outstanding (m)		127.5
Market capitalisation		**395.2**
(+) Short Term Debt		21.2
(+) Long term debt		54.8
(-) Cash & cash equivalents		(12.1)
Enterprise Value		**459.1**
	June 19A	**June 20E**
EV/EBITDA	6.9x	5.9x

[1]Share price as at 10 June 2020 close

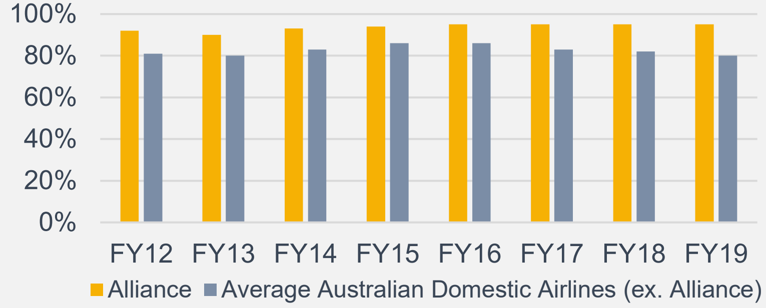
Source: Bloomberg, Catapult Partners analysis, FY20E EBITDA Broker Consensus

SHARE PRICE (Last 12 Months)

Source: Bloomberg as at 10 June 2020

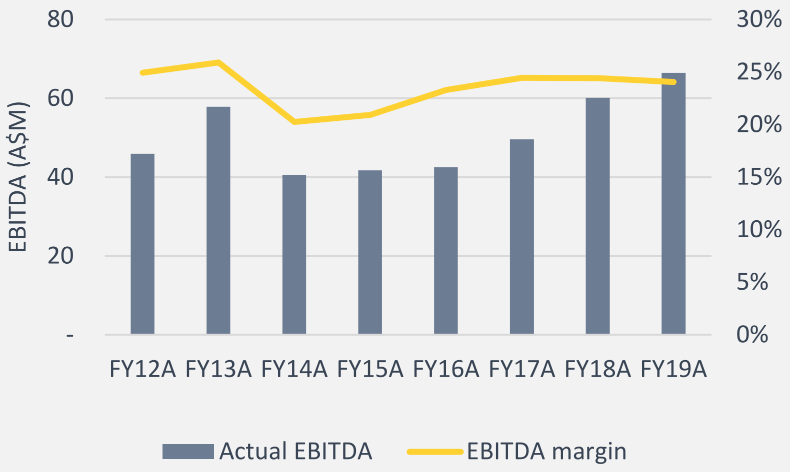
ON TIME PERFORMANCE COMPARISON

Alliance's OTP record is one of its major differentiating factors and a key driver of its exceptional track record of contract renewals. Alliance's average OTP was higher than each individual Australian airline operator's over the past eight years.



Source: Department of Infrastructure, Domestic airline on time performance Annual Reports, Company Data.

EBITDA (AUDM) Summary (FY12 – FY19A)



COVID-19 risk mitigation

Management took immediate steps to mitigate risk and preserve cash in response to COVID-19

Workforce	• Recruitment freeze implemented. • Work hours of administration staff were reduced where possible. • Crew and engineering staff were encouraged to take annual leave. • Redundancies were made in response to change in business activities. • Management performance incentive scheme was suspended and subsequently cancelled.
Operating costs	• Freeze on non-essential expenditure including travel, contractors and entertainment.
Capital expenditure	• Only essential capital expenditure to be completed. • Non-essential capital expenditure to be deferred.
Dividend	• Interim dividend was cancelled.
Services	• RPT services were reduced while ensuring that our communities were still connected. Three out of the six services per week are underwritten by the Federal Government's Regional Airline Network Support Program. • Following the suspension of the Virgin Australia Wet Lease Agreement, Alliance replaced Virgin Australia wet lease hours with additional flying across resource sector clients and new charter services.

Five Revenue Streams

The Company provides an essential service to several sectors, generating revenue through five core service offerings:

Contract Revenue | Wet Lease | RPT Revenue | Charter Revenue | Aviation Services

1 Contract Revenue (Core Business)

Long-term contract flying

- Alliance holds multi-year contracts with several leading mining operators around Australia (including acting as the largest aviation supplier to BHP), as well as major tourism operators (eg. JTB, Tauck Inc).

2 Wet Lease

Operating Alliance aircraft for other carriers

- Wet lease involves operating Alliance aircraft on behalf of other carriers, including Virgin Australia[1] and Qantas.

3 RPT Revenue

Regular public transport services to regional ports

- Regular public transport services to regional Australian airports (primarily sold under a Virgin Australia codeshare agreement[1])

4 Charter Revenue

Short-term income from ad-hoc requests

- Alliance provides ad hoc flights servicing tourism, corporate, entertainment, sporting, education and government clients.
- Providing capacity to non-client resource sector companies.

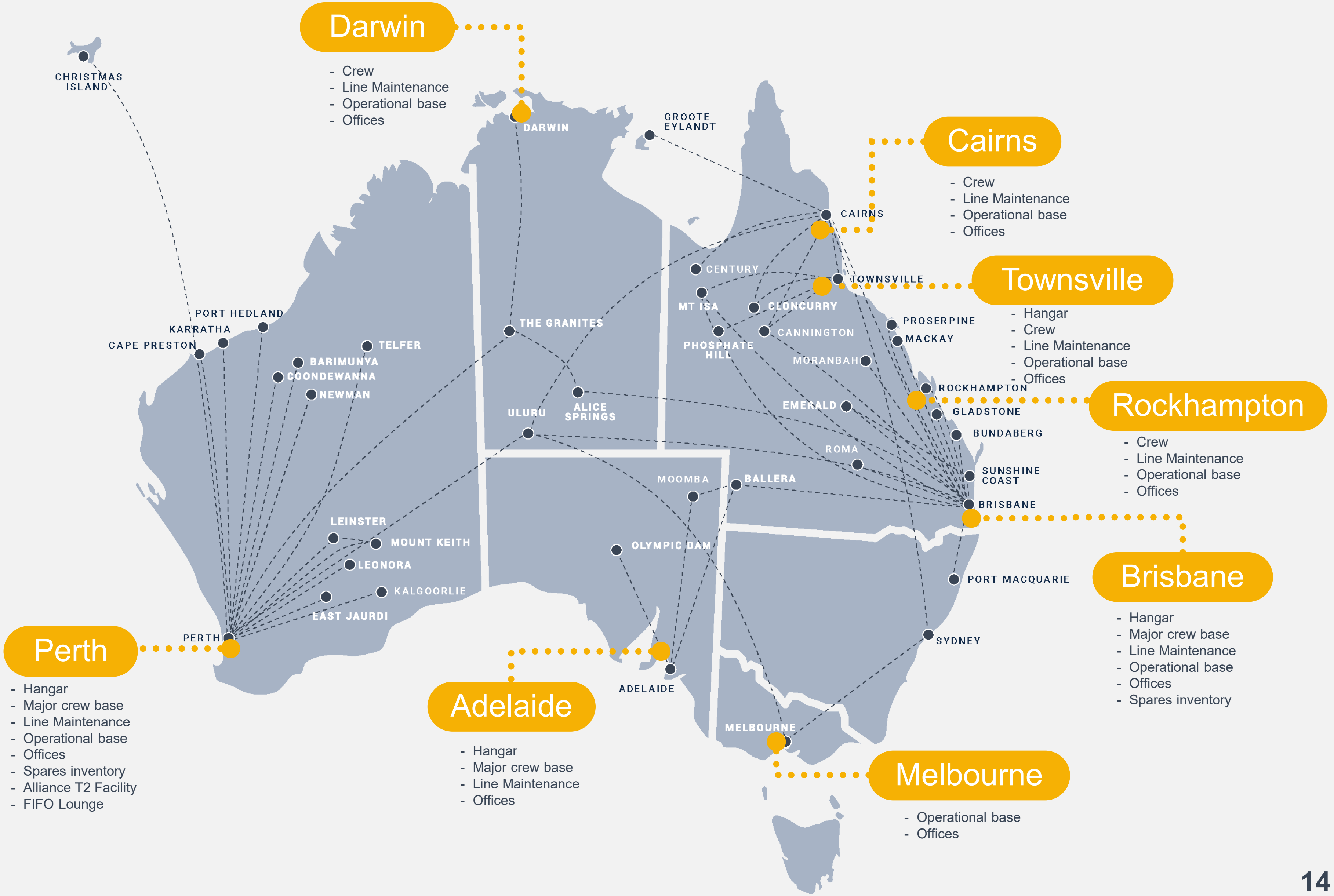
5 Aviation Services

Allied aviation services

- Complementary services including leasing engines, aerodrome management and part and aircraft sales.

1. Currently suspended due to Virgin Australia being in voluntary administration.

Existing National Footprint



Operational Excellence

95% OTP

Alliance Airlines consistently achieved 95% on time performance over the past 12 months.

CURRENT FLEET

Fokker 100
100 Seat Jet Aircraft - 24 in service
(2 in storage)

Fokker 70
80 Seat Jet Aircraft - 13[1] in service
(1 in storage)

Fokker 50
50 Seat Turbo-Prop Aircraft – 5 in service

SAFETY CERTIFICATIONS

WINGMAN

Wyvern Wingman Certification

IATA | IOSA IATA OPERATIONAL SAFETY AUDIT

Renewing IOSA certification in FY20

BARS BASIC AVIATION RISK STANDARD GOLD FLIGHT SAFETY FOUNDATION

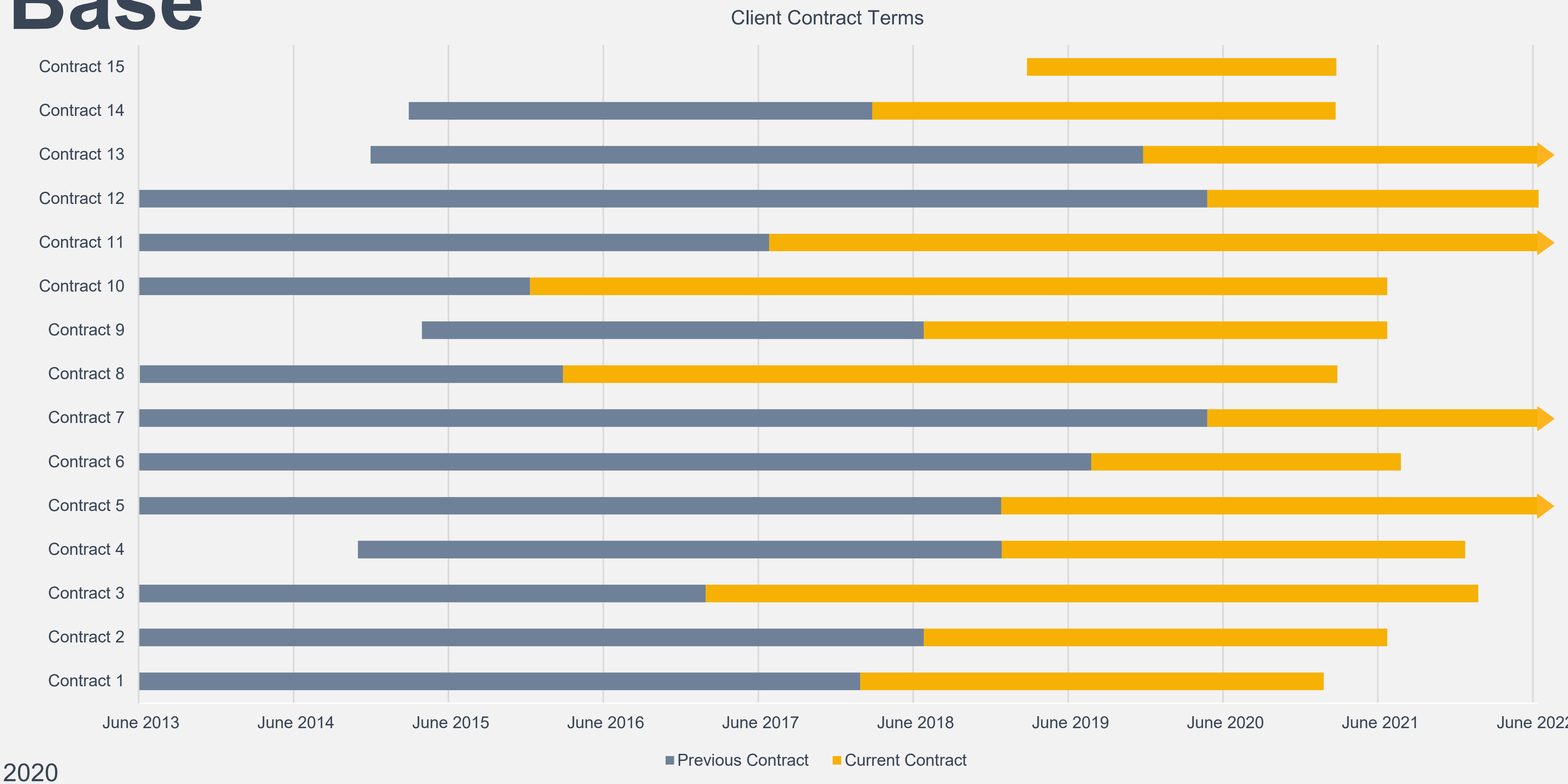
BARS Gold Standard has been maintained

1. Including one leased aircraft

Stable Contract Client Base

Alliance has an excellent track record of being able to renew contracts due to strong client relationships and its proven ability to deliver safe and on-time services.

The average contract life over Alliance's history is 12.1 years.



Regional Capability

Alliance has a superior operating performance for regional Australia routes

Jet versus Turbo prop

- Alliance operates predominately jet aircraft in its FIFO and regional operations. Jets provide a superior customer experience over turboprops.

Capacity

- Alliance jets have either 80 or 100 seat configurations which are very well suited to regional routes.
- Larger 180 plus seat capacity aircraft cannot land at a number of regional aerodromes.

Superior operational performance

- Alliance on-time performance was 95% in 2019, compared to 79% average for other Australian operators. This is attributable to an experienced management team, appropriate fleet size and extensive parts inventory.

Low Unit Cost Operator

- Alliance has been profitable because it has low operating leverage enabling tighter cost control and an ability to respond to revenue movements. It owns its fleet[1] and its employee costs are based on productivity rather than seniority.
- Other carriers tend to lease their fleets and base remuneration on seniority with little incentive for staff to be productive.

AQZ Bases

- Alliance has crew and engineering bases in nearly every Australian capital city and a number of regional ports being Townsville, Cairns and Rockhampton. This is a notably greater regional presence than other Australian operators.

Experience

- A very experienced management team with long tenures with both Alliance and the aviation sector.
- Providing regional air services for over 18 years.
- Prior to the Virgin Australia administration, Alliance was the wet lease provider for several regional Queensland routes.

1. Other than one aircraft which is leased.

Board of Directors
with unparalleled aviation sector experience

STEVE PADGETT OAM
Non-executive Chairman
Years with Alliance: 18 years
Years in aviation sector: 50+ years

SCOTT MCMILLAN
Managing Director
Years with Alliance: 18 years
Years in aviation sector: 33 years

LEE SCHOFIELD
Executive Director and CEO
Years with Alliance: 8 years
Years in aviation sector: 15 years

DAVID CROMBIE AM
Non-executive Director
Years with Alliance: 8+ years
Years in aviation sector: 8+ years

PETER HOUSDEN
Non-executive Director
Years with Alliance: 8+ years
Years in aviation sector: 8+ years

2. BUSINESS UPDATE

Business Update

Alliance expects to report a Profit Before Tax in excess of $40 million as announced on 20 May 2020. This is 46% above the previous consensus (~$27.5m). This is testament to Alliance's robust business model and ability to meet customer needs, even through these unprecedented times.

- Alliance pioneered COVID-19 response measures that have now been adopted broadly across the Australian aviation sector.
- Increases in flight schedules of contracted clients and the addition of new resource sector clients.
- Inbound tourism services have been suspended for the foreseeable future and are not expected to resume in full until at least FY22.

- Wet lease arrangements with Virgin Australia were suspended on 23 March 2020 and Alliance does not expect any wet lease activity for the remainder of FY20, and limited demand in FY21.

- Prior to COVID-19 the volume of RPT services operated by Alliance was relatively small. Alliance is proud that it has been able to maintain uninterrupted services from Brisbane to both Gladstone and Bundaberg. Services from Brisbane to Port Macquarie remain suspended given the interstate border restrictions.

- There has been a substantial increase in demand for Charter operations subsequent to the COVID-19 outbreak, driven by a combination of social distancing requirements and lack of availability of scheduled flights by other operators.
- Alliance expects this heightened level of revenue will continue through FY21.

- Aviation Services revenue has a direct correlation to flight activity in the global aviation market. Given the softness in the current market, Alliance expects that the 2HFY20 revenue from Aviation Services to be marginally less than the first half.

Growth Opportunities

Well-positioned to adapt and respond to changed environment	• COVID-19 continues to have a significant impact on the domestic and global aviation sector, which Alliance expects to result in a new operating and competitive environment for existing operators and any potential new sector participants. • Alliance believes it is well-positioned to adapt and respond to the challenges arising from these changes. This is particularly because the capacity, range, aerodrome accessibility and other features of Alliance's aircraft provide an optimum combination of features for the regional services being demanded by Alliance's existing and new customers. • Alliance's focus on contract flying, diverse business revenue streams and ability to react quickly to the changing aviation environment means it is now in an enviable position and is looking to invest for future growth.

IDENTIFIED GROWTH OPPORTUNITIES

Providing additional services to Alliance's existing customers	• In recent times, a number of Alliance's existing customers have requested that Alliance provide additional services in response to COVID-19 related changes to air travel. • Alliance considers that this increased demand from its existing customers may continue beyond the pandemic as critical industries reassess their risk profiles and potentially seek additional charter services.

Growth Opportunities (cont'd)

Providing services to new customers, including potential engagement over the longer term	• As a result of COVID-19, Alliance has received a number of requests for services from new customers (including resource sector companies, domestic tourism operators, tourism boards and regional councils). • While these new customers are currently engaged on short term contracts, Alliance's management team is focused on securing these customers over the longer term, which presents an opportunity for Alliance to grow its market share of the aviation sector.
Continuing to provide wet lease services	• Alliance regards itself as being well-positioned to continue to operate regional air services on behalf of other Australian carriers under wet leasing arrangements.
Fleet expansion	• The grounding of airline fleets globally due to COVID-19 also presents significant opportunities for Alliance to expand its fleet by purchasing aircraft in order to take advantage of the growth opportunities described above.
Continuing to monitor the market	• Alliance continues to monitor the market for other potential growth initiatives that may be suitable for Alliance and consistent with its growth strategy and business model.

3. DETAILS OF THE OFFER

Details of the Offer

Offer Structure	• Up to ~$121.9 million equity raising (**Equity Raising** or **Offer**) via a:
	  • ~$91.9 million fully underwritten institutional placement (**Placement**); and
	  • Up to ~$30.0 million non-underwritten share purchase plan (**Share Purchase Plan** or **SPP**).[1]
	• Approximately 31.1 million New Shares to be issued under the Placement, representing approximately 24.4% of existing Alliance shares on issue (**Placement Shares**).[2].
	• It is intended that eligible institutional shareholders who bid for an amount of Placement Shares less than or equal to their 'pro rata' share[3] of Placement Shares will be allocated their full bid on a best endeavours basis.

Placement Pricing	• The Placement will be conducted at $2.95 per Placement Share (**Placement Price**), representing a 5% discount to the last traded price of $3.10 per share on 10 June 2020
Placement Bookbuild	• The Placement will be conducted by way of bookbuild process on 11 June 2020.
Underwriting	• The Placement is fully underwritten by Ord Minnett Limited. The SPP is not underwritten.
Share Purchase Plan	• Eligible shareholders in Australia and New Zealand will have the opportunity to apply for up to $30,000 of New Shares (**SPP Shares**) free of any brokerage, commission and transaction costs, and subject to scale back in accordance with the policy set out in the SPP offer booklet. • The SPP opens on 19 June 2020 and is expected to close at 5.00pm (Brisbane time), 9 July 2020.

SPP Pricing	• The price of SPP Shares will be the lower of:
	  • The Placement Price; and
	  • A 2.0% discount (rounded to the nearest cent) to the 5-day VWAP of Alliance shares up to, and including, the closing date of the SPP (expected to be 9 July 2020).

Ranking	• New Shares issued under the Equity Raising will rank equally with Alliance's existing ordinary shares from their respective issue dates.
Use of proceeds	• Funds raised will be used to invest in growth initiatives, which Alliance anticipates to be predominantly in the form of acquisition of additional aircraft, and to further strengthen its already robust balance sheet.

1. Full details of the SPP are contained in the SPP offer booklet, which will be sent to eligible shareholders in due course. As the SPP is not underwritten, the SPP may raise more or less than this amount. If the SPP raises more than $30 million, Alliance may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than $30 million. If Alliance decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Alliance's requirements, the scale back will be applied on a pro rata basis to shareholdings of participating eligible shareholders at the record date of the SPP.
2. Pursuant to the terms of the ASX Class Waiver Decision - Temporary Extra Placement Capacity dated 23 April 2020.
3. For further details regarding the allocation policy for the Placement, please see footnotes 2 and 3 of the ASX announcement released today (11 June 2020) in connection with the Equity Raising.

Equity Raising Sources and Uses

Sources	A$ million
Equity raising[1]	91.9
Total	**91.9**

Uses	A$ million
Fleet expansion	90.0
Transaction costs	1.9
Total	**91.9**

1 Excludes funds raised through the non-underwritten SPP. Funds raised via the SPP will be applied for future growth initiatives.

Pro forma balance sheet

A$ million	31 December 2019 (unaudited)[1]	Impact of Equity Raising[2]	31 December 2019 pro-forma[3]
Assets			
Cash	12.1	90.0	102.1
Other current assets	98.5		98.5
Non-current assets	222.8		222.8
Total Assets	**333.5**	**90.0**	**423.5**
Current & Non-current Borrowings	76.0		76.0
Other current liabilities	52.3		52.3
Other non-current liabilities	32.2		32.2
Total Liabilities	**160.5**		**160.5**
Net Assets	**172.9**	**90.0**	**262.9**
Equity	**172.9**	**90.0**	**262.9**

1 Extracted from the 31 December 2019 half year accounts which were subject to review.
2 Excludes any shares issued or funds raised through the non-underwritten SPP.
3 Pro forma adjustments of $91.9 million funds raised through the underwritten Placement (excludes any shares issued or funds raised through the non-underwritten SPP) and transaction costs of the Placement of $1.9 million.

Offer timetable

Event[1]	Date
SPP record date	7.00pm (Brisbane time), Wednesday, 10 June 2020
ASX trading halt Placement and SPP announced to ASX Placement bookbuild	Thursday, 11 June 2020
Results of Placement announced to ASX Trading halt lifted and commencement of normal trading resumes on ASX	Friday, 12 June 2020
Settlement of Placement Shares	Wednesday, 17 June 2020
Allotment and normal trading of Placement Shares commences	Thursday, 18 June 2020
SPP offer opens SPP offer booklet despatched to eligible shareholders	Friday, 19 June 2020
SPP offer closes	5.00pm (Brisbane time), Thursday, 9 July 2020
SPP results announced to ASX	Tuesday, 14 July 2020
SPP shares issued	Monday, 20 July 2020
Normal trading of SPP shares commences	Tuesday, 21 July 2020
Holding statements despatched	Wednesday, 22 July 2020

1. Dates are indicative only and subject to change without notice.

APPENDIX A.
KEY RISKS

Key Risks

This section includes details of the key risks attaching to an investment in shares in Alliance. These risks may affect the future operating and financial performance of Alliance and the value of Alliance shares. The key risks are not set out in any particular order. Before deciding whether to invest in Alliance shares, you should consider whether such an investment is suitable for you having regard to publicly available information (including this Presentation), your personal circumstances and following consultation with a financial or other professional adviser. Additional risks and uncertainties that Alliance is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect Alliance's operating and financial performance. In particular, investors should note that the unprecedented uncertainties and risks created by the COVID-19 pandemic could materially change the risk profile of Alliance and its subsidiaries (the **Group**) at any point after the date of this Presentation and adversely impact the financial position and prospects of the Group in the future.

You should note that the occurrence or consequences of many of the risks described in this section are partially or completely outside the control of Alliance, its directors and senior management. Further, you should note that this section focuses on the potential key risks and does not purport to list every risk that Alliance may have now or in the future. It is also important to note that there can be no guarantee that Alliance will achieve its stated objectives or that any forward looking statements or forecasts contained in this presentation will be realised or otherwise eventuate. All potential investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described in this section, and have regard to their own investment objectives, financial circumstances and taxation position.

1. KEY BUSINESS RISKS

a) COVID-19

Alliance is continuing to monitor the actual and potential impact of COVID-19 on the overall business of the Group and the broader economy. Given the high degree of uncertainty surrounding the extent and duration of COVID-19, it is not currently possible to assess the full impact of COVID-19 on the Group's business or the economy generally.

The majority of the Group's business is classified as an 'essential service' for the purposes of government restrictions to control the spread of COVID-19. This classification has allowed the fly-in, fly out (**FIFO**) operations of the business to continue with minimal disruption. As a result of COVID-19, the Group's wet lease operations have been suspended indefinitely and regular public transport operations have been scaled back to a minimal schedule, however the resulting spare capacity has been re-directed to existing and new FIFO clients.

A new wave of infections, prolonged period of social distancing, quarantines, travel restrictions, work stoppages, health authority actions, lockdowns and other related measures within Australia, or an escalation of existing measures, may directly and indirectly impact a number of aspects of the Group's business and the aviation industry and its participants generally. In particular, this may have a material adverse impact on the Group's ability to:

- perform its obligations under its FIFO and other contracts;
- maintain its revenue, particularly from customers affected by COVID-19 that may seek to reduce their flight schedules;

Key Risks (cont'd)

- maintain adequate cash flows and manage liquidity;
- maintain customer engagement and communication;
- maintain productivity levels of staff;
- protect the health (both mental and physical), safety and security of staff, particularly those considered to be at higher risk of contracting COVID-19 (for example due to underlying medical conditions or those in direct contact with passengers); and
- comply with requirements under its debt financing arrangements and its regulatory framework.

These effects would be amplified if the Group's business ceases to be classified as an 'essential service'. Such a change in classification would materially reduce the Group's revenue, materially increase credit risk and funding requirements in relation to working capital and could, if prolonged, materially reduce the Group's long term business performance and profitability.

While the Group has put control measures in place to minimise the risk of COVID-19 transmission on its aircraft and in its offices, including temperature testing, additional cleaning processes and social distancing, there is still a risk of staff being diagnosed with COVID-19, or being exposed to persons (including passengers) who have been diagnosed with COVID-19. This may result in reductions in available staff for work, due to staff taking sick leave, self-isolating or otherwise being unwilling to operate flights or enter the office. Inadequate staff numbers may affect the Group's ability to operate flights and otherwise satisfy its contractual obligations to customers, which would have an adverse effect on the Group's profitability and reputation.

It is not yet known to what extent the COVID-19 pandemic will continue to disrupt domestic and international economic activity. The impact of the pandemic on the broader economy may affect activity in the aviation and mining industries generally, including the activity levels of the Group's customers, and may have an adverse effect on the Group's long term business performance and profitability.

b) A reduction in the level of mining activity

The Group's key FIFO customers are concentrated in the mining and energy sector. The level of activity in the these sectors is principally affected by the prevailing or predicted future commodity prices and demand from the buyers of Australia's mining and energy commodities (such as China) and Government policy. A number of other factors, including economic growth, inflation and exchange rates, and the impacts of COVID-19 also affect, or may affect, the sector. This means that a reduction in the level of activity in this sector caused by a reduction in demand from countries such as China or a reduction in global economic activity may negatively influence the demand for the Group's services.

c) An accident or incident may occur

The Group's activities involve the operation of aircraft and other heavy machinery, with resulting risk to both property and personnel. If an accident or incident occurs that results in serious injury or death, damage to property, contamination of the environment or business interruption, this may have a material adverse effect on the Group's operations, reputation and ability to win future tenders.

Key Risks (cont'd)

d) Increased competition from new and existing competitors may cause Alliance's competitive position to deteriorate

The sector in which Alliance operates is subject to competition based on factors including price, range of fleet offering, fleet availability and quality of services. Alliance faces competition from competitors who may have different price, quality and operational structures to those of Alliance. Existing competitors and new entrants may schedule services that compete with Alliance's services. Increased competition could result in price reductions, loss of a revenue contract, under-utilisation of personnel or equipment, reduced operating margins and loss of sector share, particularly if Alliance fails to respond effectively to that competitive activity or its response is delayed.

e) Alliance may lose a key customer

Alliance derives a majority of its revenue from a number of key customers. In particular, it derived 25% of its revenue in FY2019 from entities within the BHP Billiton group, through a number of contracts with separate legal entities across multiple independent projects. The loss or impairment of any of these relationships may adversely impact the Group's revenue and profitability.

In addition, Alliance's FIFO contracts contain termination provisions, under which customers generally have the right to terminate these contracts for convenience by giving varying notice periods. Some contracts require customers to make an exit payment to Alliance if they elect to terminate for convenience, while others contain provisions that allow customers to terminate for convenience without an exit payment. If one or more of Alliance's customers elect to terminate any such contract for convenience, it would adversely impact the Group's profitability as exit payments do not equal lost revenue and profit.

f) Cybersecurity and reliance on information technology systems

Alliance utilises information technology and communications (**ITC**) systems throughout the operational and support functions of the business, many of which are hosted by third parties. ITC system transactional processes and associated data are relied on extensively for internal and external purposes including:

- maintenance – planning, fleet records, engineering tasks, inventory & logistics and compliance oversight;
- flight operations – performance planning, airport data and flight crew compliance management;
- airports – reservations, check-in, load control and freight information; and
- network operations – flight dispatch, flight following, rostering, charter planning, scheduling, network oversight and security.

Key Risks (cont'd)

The Group's ITC systems (including those provided by third parties) may be adversely affected by factors including damage, equipment faults, power failure, computer viruses, misuse by employees or contractors, external malicious interventions such as hacking and social engineering, fire or natural disasters/extreme weather events or the current COVID-19 restrictions. There is also a risk that ITC arrangements with third parties could be terminated, potentially on short notice, which could result in Alliance experiencing a disruption to its business and adversely impact Alliance's financial performance.

With expanding information privacy and security regulations, and an increasingly hostile cyber environment, Alliance recognises information privacy and cyber security as an increasing risk. Any breach by Alliance of privacy and security regulations could expose Alliance to penalties (including financial penalties), which could adversely affect Alliance financial position or cause reputational harm.

g) Employees may take industrial action

Although Alliance understands there is no current planned industrial action, there is a risk that employees could take industrial action which could disrupt operations, or make compensation or working condition demands that would increase operating expenses.

There may also be increased union engagement on issues relevant to employees in connection with COVID-19. If this were to occur for an extended period of time, it may impact the Group's financial performance.

h) Alliance's fleet may experience mechanical problems or spare parts may be unavailable

Alliance currently operates a fleet of aircraft that are no longer in production. While Alliance holds an extensive inventory of spare parts, there is a risk that aircraft may be temporarily grounded due to the unavailability of required spare parts. Mechanical problems may also cause aircraft to be temporarily grounded. If events of this type were to occur, depending on their severity, they may adversely impact the ability of Alliance to conduct its business.

i) There are a limited number of available Fokker aircraft to expand the Alliance fleet

Alliance currently operates a fleet of Fokker 50, Fokker 70LR and Fokker 100 aircraft that are no longer in production. Alliance can therefore only acquire second hand Fokker aircraft. Vendors are typically airlines changing their aircraft type. There are a limited number of Fokker aircraft available globally and there can be no assurance that Alliance can acquire additional Fokker aircraft as required. In such a circumstance, Alliance would therefore be required to acquire a different type of aircraft to meet increased customer demand, which may result in increased costs.

If Alliance decides to expand its fleet by acquiring a different type of aircraft, it would also need to retrain its pilots, crew and in-house maintenance staff who may not be familiar with the mechanics and operation of the new aircraft type(s). This training would require an investment of time and money, which may adversely affect Alliance's short term financial performance. Alliance may also experience unforeseen costs or delays as a result of the change in aircraft type, which may adversely affect Alliance's ability to conduct its business.

Key Risks (cont'd)

j) Political, legislative or regulatory intervention

Alliance is required to comply with a range of laws and regulations that relate to the areas of aviation, employment, occupational health and safety and taxation, amongst others.

The Australian aviation industry is subject to extensive regulation. CASA is the independent statutory authority responsible for certification of aircraft, licensing of operators, approval of support activities, conduct of safety surveillance and enforcement of safety standards and rules. In the fulfilment of this role, CASA conducts regular quality assurances and licensing audits of Alliance to ensure compliance with applicable standards and rules.

CASA has the power to refuse to grant or to revoke, Alliance's Certificate of Approval or Air Operator's Certificate. In addition, CASA can order the grounding of any or all of its fleet if Alliance breaches a condition of the relevant Air Operator's Certificate. A decision by CASA to ground any or all of Alliance's fleet, to revoke Alliance's Certificate of Approval or Air Operator's Certificate, to revoke Alliance's certification to purchase specialist components or to take any other regulatory action concerning Alliance's aircraft or operations, could have a material adverse effect on Alliance's future financial performance and position. If CASA takes regulatory action, this may also trigger contractual rights for Alliance's key customers to terminate their contractual arrangements with Alliance. In the absence of serious and imminent risks to safety, CASA cannot take any regulatory action without following a "show cause" procedure that allows Alliance the opportunity to respond before any action is taken.

The pilots and engineers employed by Alliance must be registered with, and certificated by, CASA. The failure of key employees to obtain or renew CASA licenses and certifications may have a material adverse effect on Alliance's future financial performance and position.

Future changes to other relevant laws, regulations or standards not specifically referred to above could also materially adversely affect Alliance's ability to conduct operations.

k) Alliance may be exposed to risks associated with climate change regulation

It is broadly expected that international and domestic regulation of climate change issues will increase over time and will likely involve increasing costs applied to greenhouse gas emissions or limits on such emissions. Climate change regulation in Australia and in other countries and regions may limit the Group's operational flexibility and increase its costs. The risks associated with climate change regulation could have a material adverse effect on the Group's financial performance and financial condition.

l) Alliance is exposed to certain risks against which it does not insure, and may have difficulty obtaining insurance on acceptable terms or at all

The availability of insurance is fundamental to airline operations. Any inability on the part of Alliance to access insurance for its general operations or specific assets poses a risk to the nature and extent of its operations.

The aviation insurance policies effected by Alliance are consistent with normal industry practice and, in line with industry practice, Alliance leaves some business risks uninsured including loss of profit/loss of revenue and the costs associated with mechanical breakdown. Insurance cover is typically not available for these types of losses and where it can be purchased, it is considered to be too expensive.

Key Risks (cont'd)

If an event were to occur for which the Group is not insured, the Group may not be able to recover the related loss. In addition, while Alliance believes its current insurance reflects industry practice, the amount of such coverage may be inadequate to cover losses incurred in connection with incidents involving aircraft.

There is a risk that aviation insurers may increase their premiums or reduce the availability of insurance coverage if events such as terrorist attacks, hijackings or airline accidents or incidents occur. Alliance's insurance premiums are fixed for the next 12 months, so are not at risk of increase due to COVID-19 during this period.

m) Damage to reputation

The Group currently enjoys a strong reputation within its industry for safety, reliability and on-time performance. The Group is reliant on its reputation for the preservation of its existing customer base, securing contract extensions and winning new contracts. If the Group were to suffer damage to its reputation as a result of an action or omission by the Group or by a person affiliated with the Group, this may negatively influence demand for the Group's services.

n) Inability to pass on costs to customers

Alliance's FIFO contracts generally contain price adjustment clauses, which enable Alliance to pass on variations in certain costs such as inflation, foreign exchange and fuel to customers on a periodic basis. Alliance may not be able to pass on such costs immediately, they may not be fully recoverable and not all costs are covered by these adjustment clauses. There is also a risk that Alliance may need to meet certain unforeseen costs itself.

o) The Group may breach debt covenants if performance declines

The Group has various covenants under its debt facilities. Factors such as a decline in the Group's operational and financial performance could lead to a breach of its banking covenants. If a breach occurs, the Group's financiers may seek to exercise enforcement rights under the debt facilities, including requiring immediate repayment. Such adverse events would limit the Group's flexibility in planning for or reacting to downturns in its business.

p) Counterparties may not meet their obligations

Third parties, such as airports, landlords, suppliers, contractors and other counterparties may not be willing or able to perform their obligations to Alliance. If one or more key airports, landlords, suppliers, contractors or other counterparties default on their obligations to Alliance or encounter financial difficulties, this would have an adverse impact on Alliance's operations and profitability.

Key Risks (cont'd)

q) Availability and costs of airport facilities may change

The Group leases a range of airport facilities, including offices, aprons, aircraft hangars and aircraft parking bays.

Alliance is exposed to increases in airport, transit and landing fees, along with changes in air security policies, air traffic security costs and airport common use infrastructure upgrades. Many of Australia's airports are privatised, and airport operators hold significant power in negotiating prices for airport services with airlines under the Australian government's approach to price monitoring. The inability of the Group to lease, acquire or access airport facilities as required on reasonable terms to support its operations, for example due to significant increases in these costs and charges, could have a material adverse effect on the Group's financial performance.

r) Alliance's employment costs may increase

Alliance currently has a number of individual workplace agreements, collective agreements and enterprise agreements in place covering its employees. These agreements set out the terms and conditions of employment of pilots, flight attendants and engineers employed by Alliance. As these agreements expire, Alliance seeks to negotiate and put in place replacement agreements. If the agreements are renewed on less favourable terms to Alliance, its financial performance will be negatively impacted.

s) The Group is exposed to currency fluctuations

The Group has transactional currency risks arising from receivables and payables in currencies other than the Group's functional currency, being the Australian dollar. The currencies giving rise to this risk are primarily US dollars and the Euro. Should the Australian dollar weaken, the impact on these transactions is that they will cost more, requiring additional funding by Alliance. Where possible, the risk is managed by forecasting and structuring of receipt and payment timings, including invoicing clients in US dollars and Euros. The impact of this fluctuation is also partially mitigated by the fact that foreign exchange capital costs are generally included in the cost pass-through clauses that are typically contained in Alliance's FIFO contracts.

t) The Group may be unable to fund capital expenditure

The Group's operating and financial performance will be partly reliant on sufficient funding being available to meet the capital expenditure requirements of the business. The Group has a number of debt facilities with financial institutions which expire in January 2022, and may need to be refinanced. The Group may also seek to raise additional debt finance or new equity in the future to continue to grow its business. If the Group is unable to raise capital, or can only raise capital on unfavourable terms, this would limit the Group's ability to expand and remain competitive.

u) Interest rates may increase

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. Increases in interest rates may also affect the level of customer demand. Accordingly, an increase in interest rates may adversely affect the Group, including its financial performance, cash flow, distributions, growth prospects and Share price.

Key Risks (cont'd)

v) The Group may be exposed to credit risk

Credit risk for the Group arises from cash and cash equivalents, held to maturity investments, favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. While the Group seeks to manage credit risk by assessing the credit quality of counterparties by taking into account their financial position, past experience, credit rating and other factors, there is still a risk that individual receivables are deemed uncollectible or impaired. Any write offs or provisions for impairment that are required in connection with such receivables may adversely affect the financial performance of the Group.

w) Investigations, disputes and litigation

The Group may, from time to time, be subject to regulatory reviews, audits and investigations which divert management's attention away from the Group's operations and may be costly. There is a risk that enforcement action may follow any such review and that such activities also adversely affect Alliance's reputation.

Exposure to disputes or litigation with third parties such as customers, regulators (for example, the ACCC), employees, business associates, suppliers (including as to the terms of supply arrangements), or contract counterparties (including in the context of business or share acquisition agreements) could negatively impact on Alliance's financial performance through increased costs, settlement payments, concessions made in contract negotiations, damages payments and reputational damage.

x) Loss of key personnel

The success of Alliance depends, to a significant extent, upon the performance and expertise of key staff and Alliance's ability to attract and retain skilled employees. Alliance's ability to meet its labour needs while controlling costs associated with hiring and training new employees is subject to external factors such as unemployment rates, prevailing wage legislation and changing demographics. Additionally, if social distancing measures designed to slow the spread of COVID-19 (including further outbreaks) continue to be enforced or encouraged, it may become challenging to retain required levels of staff in public-facing roles, for example aircraft crew. If Alliance is not able to attract and retain skilled employees, this may have a material adverse effect on Alliance's business operations and financial performance.

y) Dividends

The payment of dividends in respect of Alliance's shares is impacted by several factors, including Alliance's profitability, retained earnings, availability to frank dividends, capital requirements and free cash flow. Any future dividends will be determined by Alliance's board having regard to these factors, among others. There is no guarantee that any dividend will be paid by Alliance, or if paid, paid at historical levels. From time to time, Alliance's board may also cancel previously announced dividends.

Key Risks (cont'd)

z) Taxation

Any change to Australian taxation laws (or their interpretation) including the current rate of company income tax or to the rates of indirect taxes could materially impact Alliance's financial performance.

The taxation treatment adopted by Alliance may require an interpretation of the relevant taxation laws and Alliance may be the subject of information requests or audit activities by tax authorities in relation to the adopted treatment.

Any change to the current rates of income tax applying to shareholders, whether they are individuals, trusts or companies may impact on shareholder returns. An investment in shares involves tax considerations that differ for each investor. Investors are encouraged to seek professional tax advice in connection with any investment in Alliance.

aa) Accounting

Changes in accounting or financial reporting standards may adversely impact the reported financial performance of Alliance.

2. GENERAL RISKS

a) Risks associated with an investment in shares

There are general risks associated with investments in equity capital. The trading price of shares may fluctuate with movements in equity capital markets in Australia and internationally. Generally applicable factors which may affect the market price of shares over which Alliance and Alliance's directors have no control include:

- General movements in Australian and international stock markets;
- Investor sentiment;
- Australian and international economic conditions and outlook;
- Changes in interest rates and the rate of inflation;
- Change in government regulation and policies;
- Announcement of new technologies; and
- Geopolitical stability, including international hostilities and acts of terrorism.

Key Risks (cont'd)

No assurances can be given that the New Shares offered under the Placement or the SPP will trade at or above the issue price. None of Alliance, its directors or any other person guarantees the market performance of the New Shares.

There have been significant fluctuations and volatility in the prices of equity securities in recent months, which may have been caused by general rather than company-specific factors, including the general state of the economy, the response to the COVID-19 pandemic, investor uncertainty, geopolitical instability, and global hostilities and tensions. In particular, the COVID-19 pandemic has resulted in significant market falls and volatility both in Australia and overseas, including in the prices of equity securities. As detailed above, there continues to exist considerable uncertainty as to the further impact of COVID-19 on the Australian and global economy and share markets including in relation to travel restrictions and the impact on the economy and share markets. Any of these events and resulting fluctuations may materially adversely impact the market price of Alliance shares.

b) Equity raising dilution risks

If shareholders do not participate in the SPP or the Placement then their percentage shareholding in Alliance will be diluted as a result of the issue of New Shares under the Offer. Even if a shareholder does apply for the maximum number of New Shares under the SPP, their percentage shareholding in Alliance may be diluted by the Placement and may also be diluted by the SPP either as a result of scale-back or because participation is limited to a fixed amount and that amount may be less than the amount that a particular shareholder would be able to apply for if they were entitled to participate in the Offer on a pro rata basis relative to their existing shareholding.

APPENDIX B. INTERNATIONAL OFFER RESTRICTIONS

International Offer Restrictions

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

APPENDIX C. UNDERWRITING AGREEMENT SUMMARY

Alliance AIRLINES

Underwriting Agreement Summary

Ord Minnett Limited (ABN 86 002 733 048) is acting as bookrunner, lead manager and underwriter of the Placement. Alliance has entered into an underwriting agreement with the Lead Manager in respect of the Placement (**Underwriting Agreement**).

The Underwriting Agreement contains representations and warranties and indemnities in favour of the Lead Manager.

A Lead Manager may, on or before 10.00am on the allotment date (expected to be Thursday, 18 June 2020) terminate its obligations under the Underwriting Agreement on the occurrence of the following events:

- a statement in certain documents and publications in respect of the Placement (**Offer Documents**) is or becomes false, misleading or deceptive or is likely to mislead or deceive (including by omission), or contains any statement of opinion or belief which is not truly and honestly held, or lacks reasonable grounds, or includes a forward looking statement which is, or is likely to become, incapable of being satisfied;
- an event specified in the timetable for the Placement is delayed by more than 1 business day (other than where the delay has been agreed between Alliance and the Lead Manager in writing with each party acting reasonably);
- Alliance alters its capital structure (other than as contemplated in the Underwriting Agreement) or constitution without the prior consent of the Lead Manager;
- a change in the board of directors or chief financial officer of Alliance occurs or is announced;
- ASIC issues proceedings or commences any inquiry or investigation in relation to the Equity Raising (or any part of it);
- the ASX makes any official statement to Alliance that existing shares in Alliance will be suspended from trading or quotation or Alliance will be removed from the official list;
- unconditional approval to the quotation of all of the Placement Shares (or approval conditional only on customary conditions which are acceptable to the Lead Manager, acting reasonably) is refused or not given before 9.30am on the settlement date, or if granted, the approval is subsequently withdrawn or, qualified (other than by customary conditions which are acceptable to the Lead Manager, acting reasonably);
- any regulatory body commences any public action against an officer of Alliance in his or her capacity as an officer of Alliance or an officer of Alliance is charged with an indictable offence or is disqualified from managing a corporation under the Corporations Act; or
- there is an application to any government or any governmental or regulatory body (including, without limitation, the Takeovers Panel) for an order, declaration (including, in relation to the Takeovers Panel, of unacceptable circumstances) or other remedy, or any government or any governmental or regulatory body makes an adverse declaration or order or publically indicates an intention to commence any inquiry or investigation, in each case in connection with the Equity Raising (or any part of it) or any agreement entered into in respect of the Equity Raising (or any part of it);
- at any time the S&P/ASX 200 Index falls to a level that is 90% or less of the level as at the close of trading on the trading day immediately prior to the date of the Underwriting Agreement;

Underwriting Agreement Summary (cont'd)

If any of the following events occur on or before 10.00am on the allotment date, the Lead Manager may terminate its obligations under the Underwriting Agreement if any of the following events has, or is likely to have, a material adverse effect on the marketing, settlement or success of the Placement, or on the ability of the Lead Manager to market, promote or settle the Placement, or the likely trading price of the Placement Shares, or where the event will, or is likely to, give rise to a liability of the Lead Manager or one or more of its affiliates contravening, or being considered to be involved in, a contravention of, any applicable law:

- Alliance is in breach of the Underwriting Agreement or any of Alliance's representations or warranties in the Underwriting Agreement is not true or correct when made or taken to be made;
- there is an adverse change, in the financial position, results, condition, operation or prospects of Alliance as a whole other than as disclosed by Alliance to the ASX before the date of the Underwriting Agreement or in Alliance's ASX announcements released in connection with the Placement;
- ASIC threatens to issue proceedings or commence any inquiry or investigation in relation to the Placement;
- any regulatory body announces that it intends to commence a public action against an officer of Alliance in his or her capacity as an officer of Alliance;
- any government or any governmental or regulatory body issues, or threatens to issue, proceedings or commences any inquiry or investigation into Alliance or the Placement;
- there is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any government authority which makes it illegal for the Lead Manager to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the Placement;
- hostilities not presently existing commence or a major escalation in existing hostilities occurs (in both cases, whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, Japan or the People's Republic of China, or a major terrorist act is perpetrated on any of those countries;
- there is introduced or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State or Territory authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement); or
- any of the following occurs:
  - a general moratorium on commercial banking activities in Australia, the United States of America, the United Kingdom or Singapore is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;
  - trading in all securities quoted or listed on the ASX, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for more than one day on which that exchange is open for trading (**Trading Day**) or a substantial part of one Trading Day (excluding where electronic trading on the ASX, the London Stock Exchange or the New York Stock Exchange is permitted by the relevant market operator); or
  - there is any adverse change or disruption to the political conditions or financial markets of Australia, New Zealand, the United States of America, the United Kingdom, Japan or the People's Republic of China or any change involving a prospective adverse change in national or international political, economic or financial conditions.

Underwriting Agreement Summary (cont’d)

If the Lead Manager terminates its obligations under the Underwriting Agreement, the Lead Manager will not be obliged to perform any of its obligations that remain to be performed. Termination of the Underwriting Agreement could have an adverse impact on the amount of proceeds raised under the Placement. In these circumstances, Alliance would need to utilise alternative funding options to achieve its objectives as described in this Presentation.

Alliance
Supporting Australians affected
by breast cancer
VH-NUU