

Brisbane Resources Roundup

17 October 2019



The Wilcherry Gold Camp A Growing High Grade, Shallow Gold System



Cautionary & Competent Persons Statements

Cautionary and Forward Looking Statements

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Competent Person’s Statement

The information in this report that relates to the Exploration Results is based on information compiled by Mr Anthony Gray and Mr Stephen Johnston. Mr Gray is a Member of the Australian Institute of Geoscientists and is a part-time contractor to Alliance Resources Ltd. Mr Johnston is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of Alliance Resources Ltd. Mr Gray and Mr Johnston have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Gray and Mr Johnston consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Takeover Offer Closed

On 19 August 2019, Alliance received an off-market takeover bid by Gandel Metals Pty Ltd ('Bidder' or 'GM') to acquire all of the shares in Alliance at an offer price of \$0.14 per share.

As required by the Corporations Act, a copy of Alliance's Target's Statement was lodged with ASIC and sent to the Bidder on 10 September 2019. The Statement is accompanied by an Independent Expert's Report, including an Independent Technical Report.

The Independent Expert declared the offer to be fair and reasonable.

Alliance's independent directors recommended that shareholders accept the offer in the absence of a superior offer.

On 30 September 2019, the Bidder advised of an automatic extension of the Offer period to 14 October 2019 pursuant to section 624(2) of the Corporations Act 2001 (Cth) as a result of the Bidder's voting power in Alliance increasing to more than 50%.

The offer closed on 14 October 2019.

As at 14 October 2019, GM and its holding company, Abbotsleigh Proprietary Limited ('Abbotsleigh'), have holdings and acceptances totalling 68.21% in Alliance.

The top 3 shareholders own approximately 83% of Alliance.

ADVANCED GOLD PROJECT

Progressing Weednanna Towards Production



- High Grade, Shallow Gold System - 181,000 oz @ 5.1 g/t gold (49% Indicated Resources)
- Scoping Study¹ very positive and supports a new 250,000 tpa gold plant on site
- Independent Technical Report² valued Weednanna at \$22.9M
- Further drilling planned to increase Indicated portion of resources to support Feas. Study
- Significant exploration upside at Weednanna and surrounds (Wilcherry Gold Camp)

1. Source: ASX announcement 18 April 2019

2. Source: ASX announcement 10 September 2019

Corporate Overview

Capital Structure and Shareholders

CAPITAL STRUCTURE

| | |
|--------------------|----------|
| Shares on Issue | 154.0 M |
| Mkt Cap @ \$0.12 | \$18.5 M |
| Cash @ 30 Sep 2019 | \$ 2.6 M |
| Listed Investments | \$ 0.4 M |
| Enterprise Value | \$15.5 M |
| Options | 5.4 M |

MAJOR HOLDERS

| | |
|------------------|--------|
| Abbotsleigh / GM | 68.2 % |
| Sandon Capital | 10.7 % |
| Top 20 holders | ~ 88 % |

BOARD & EXECUTIVE MANAGEMENT

Ian Gandel

Chairman

Mining entrepreneur with 25+ years in the exploration and mining industry.
Non-Executive Chairman, Alkane Resources Ltd

Tony Lethlean

Director

25+ years in underground mining, stockbroking and project finance, including CIBC World Markets.
Non-Executive Director, Alkane Resources Ltd

Steve Johnston

Managing Director
(outgoing)

38 years in exploration, mining, project management & corporate administration. Previous roles include Exco, Croesus, Metana and Metals Exploration

Kevin Malaxos

Managing Director
(incoming 1 Dec 2019)

Mining engineer with 30+ years in mining industry. Currently MD of Maximus Resources Ltd. Previous roles include Centrex, Mt Gibson Iron, Byrnecut Mining and WMC Resources.

Bob Tolliday

CFO & Co. Secretary

Chartered Accountant with 30+ years in accounting, audit, corporate finance, including with KPMG and Pitcher Partners

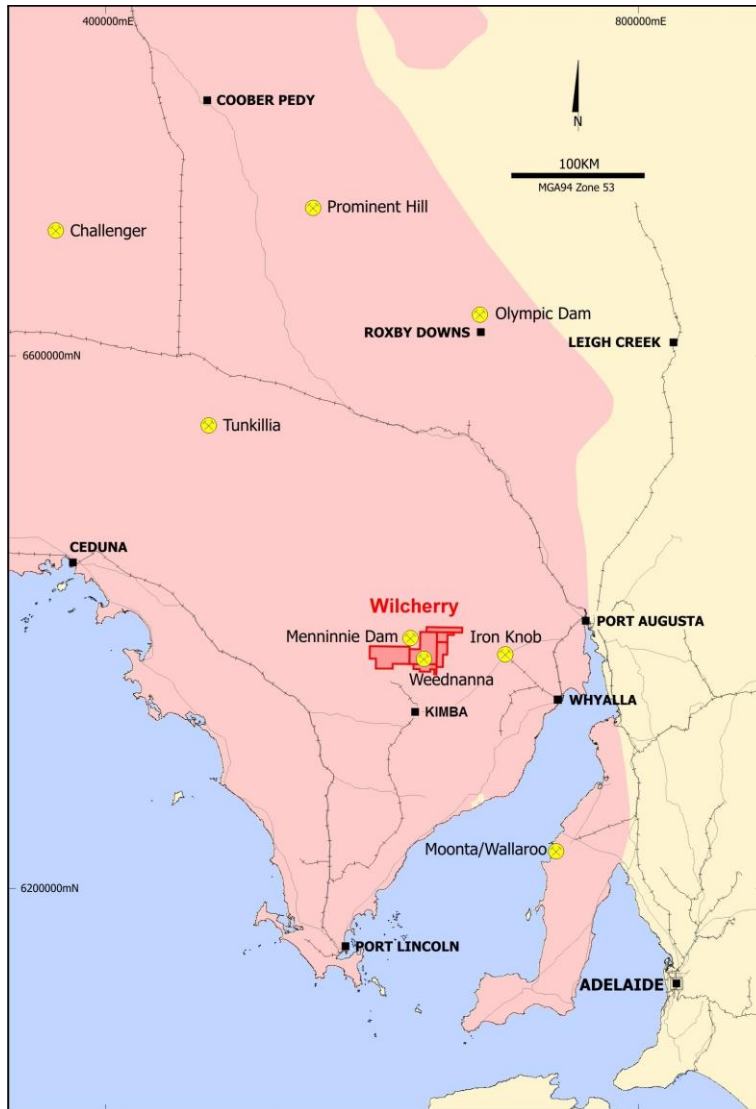
Anthony Gray

Exploration Manager

20+ years in exploration and mining geology. Previous roles with WMC, Barra Resources, Breakaway Resources and Octagonal Resources

Wilcherry Project

Location



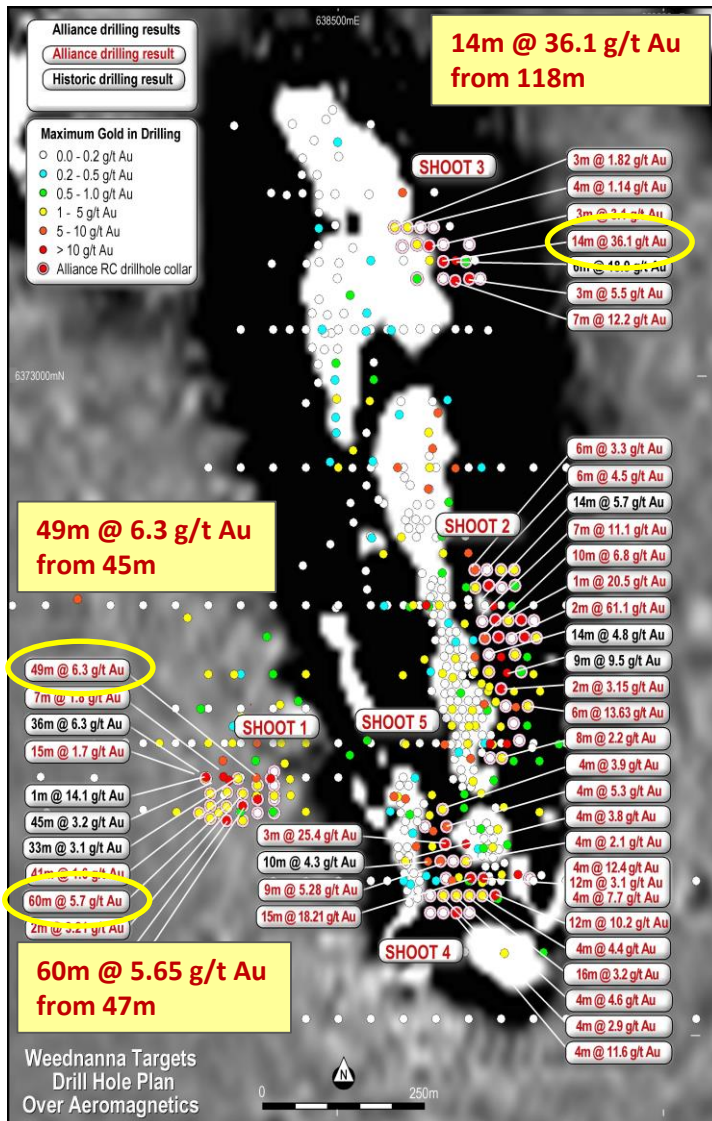
- Located in the Gawler Craton, northern Eyre Peninsula, 40 km north of township of Kimba
- Alliance (100%)
- Alliance owns an 80 person accommodation village on leasehold land in Kimba which will house plant construction workforce



Kimba accommodation village

Weednanna Gold Deposit

Gold is the focus, but there is also magnetite (iron)...



➤ Bonanza High Grade Gold Shoots¹:

- 60m @ 5.7 g/t Au (Shoot 1)
- 14m @ 36.1 g/t Au (Shoot 3)
- 15m @ 18.2 g/t Au (Shoot 4)
- 20m @ 12.4 g/t Au (Shoot 5)
- 7m @ 16.6 g/t Au (Shoot 7)

- Majority of shoots open and potential for new shoots
- Metallurgical recovery >90% for Shoots 1, 2, 3, and 4

1. Alliance ASX announcements 3 April 2017, 10 April 2017, 28 August 2017, 30 November 2017, 17 January 2018, 4 April 2018, 16 July 2018, 29 November 2018 and 8 July 2019

➤ Weednanna is also a magnetite (iron) deposit

- Weednanna and adjacent iron deposits were subject of mining studies by Ironclad, 2012-2014
- Tenement resources total 224 Mt @ 28.8% Fe² (incl. 11.2 Mt @ 41.97% Fe at Weednanna)
- Iron ore price currently US\$92/t³

2. Ironclad Mining Ltd Annual Report 2014

3. NYMEX traded 62% Fe Ore Price US\$92 (15 Oct 19); 1 AUD 0.677 USD (15 Oct 19) = A\$135.75/t

Weednanna Gold Deposit

Mineral Resource Estimate

The maiden Mineral Resource Estimate is classified as Indicated and Inferred in accordance with the JORC Code 2012 Edition, as follows:

| Classification | Tonnes | Grade | Ounces |
|---|------------------|------------|----------------|
| Above Pit Shells (\$2,000 AUD) >0.5 g/t gold | | | |
| Indicated | 488,000 | 3.8 | 59,000 |
| Inferred | 209,000 | 2.8 | 19,000 |
| Sub-Total | 697,000 | 3.5 | 78,000 |
| Below Pit Shells (\$2,000 AUD) >2.0 g/t gold - Underground Potential | | | |
| Indicated | 102,000 | 8.8 | 29,000 |
| Inferred | 298,000 | 7.8 | 74,000 |
| Sub-Total | 400,000 | 8.0 | 103,000 |
| Total - Open Pit & Underground Potential (Reported Mineral Resource) | | | |
| Indicated | 590,000 | 4.6 | 88,000 |
| Inferred | 507,000 | 5.7 | 93,000 |
| TOTAL | 1,097,000 | 5.1 | 181,000 |

← 8 g/t gold below pits

The reported Mineral Resource is that proportion of gold contained within \$2,000 AUD pit shells >0.5 g/t gold and underground potential >2.0 g/t gold

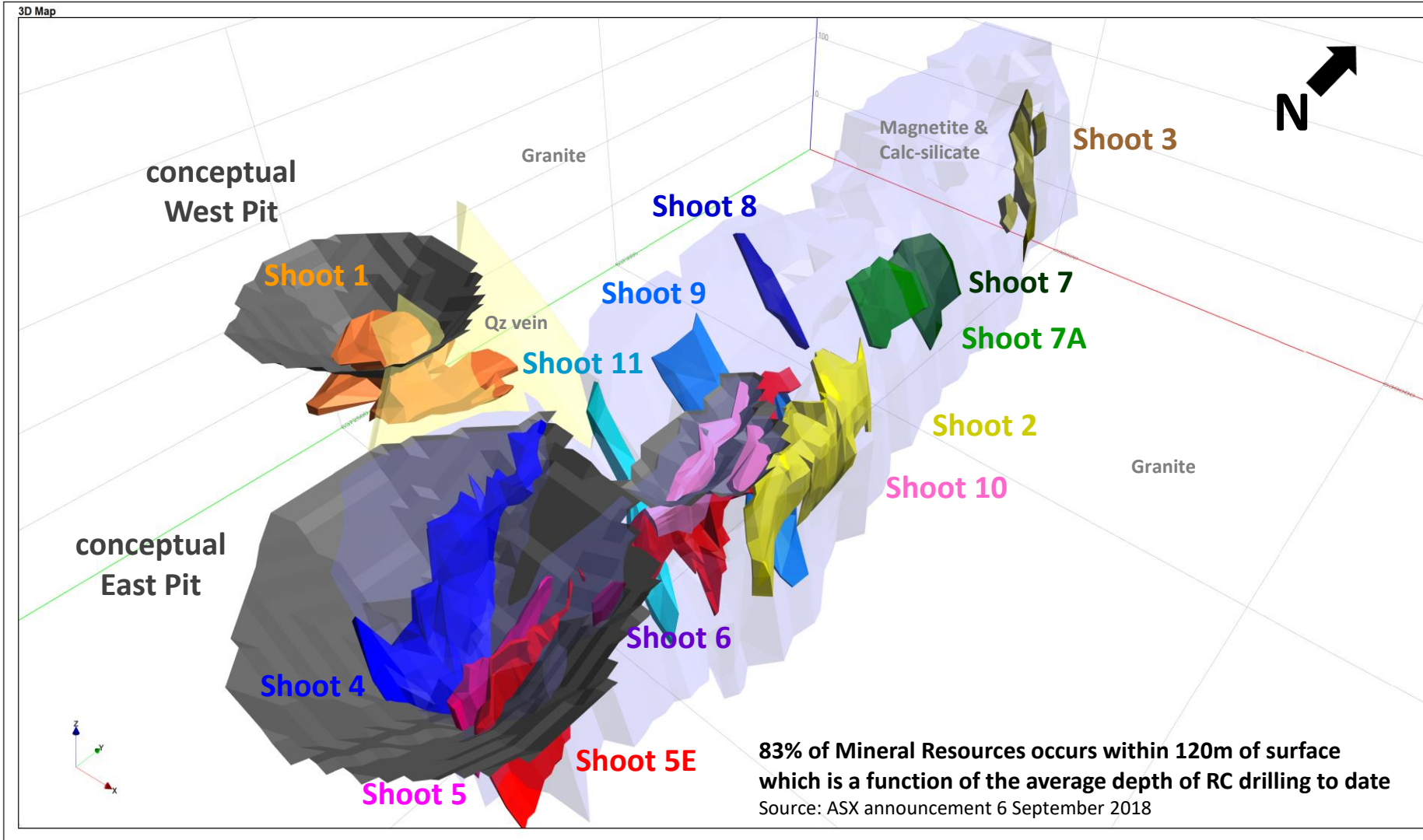
Optimisations were also run for \$1,600 AUD and \$1,800 AUD pit shells at the same open pit and underground cut-off grades, resulting in only a 4.5% and 0.5% reduction in contained gold, respectively

- ***A robust deposit with outstanding grades, economic potential and upside***
- ***Delivered < 2 years after project entry***

Source: ASX announcement 6 September 2018

Weednanna Gold Deposit

3D Geological Model



3D view down to northwest

Weednanna Gold Deposit

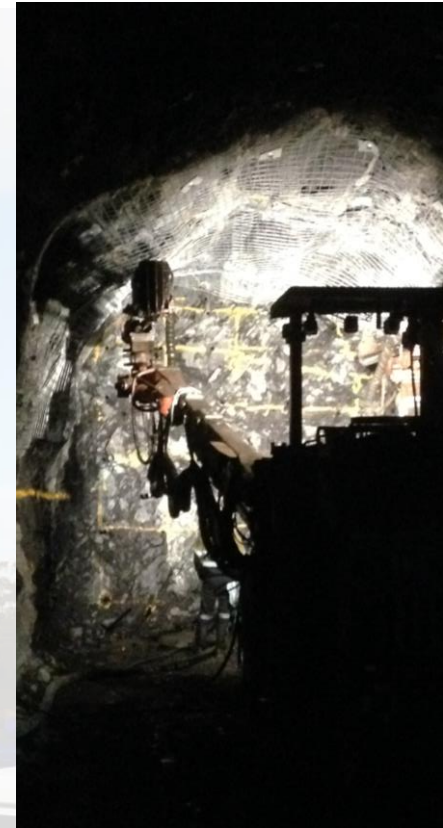
Scoping Study Outcomes

➤ Independent Scoping Study (Mining One)¹

- ***Study positive and supports new 250 ktpa gold plant on site***
- **Based on 49% Indicated and 51% Inferred resources²**
- **Total capital ~\$44 million**
 - New 250,000 tpa processing facility & TSF ~\$36 m
 - Open pit pre-strip ~\$8 m
- **Open pit followed by underground development**
- The outcome has allowed Alliance to commence further drilling:
 - to extend the mineral resources, and
 - to infill the mineral resources in order to increase the ratio of indicated to Inferred mineral resources

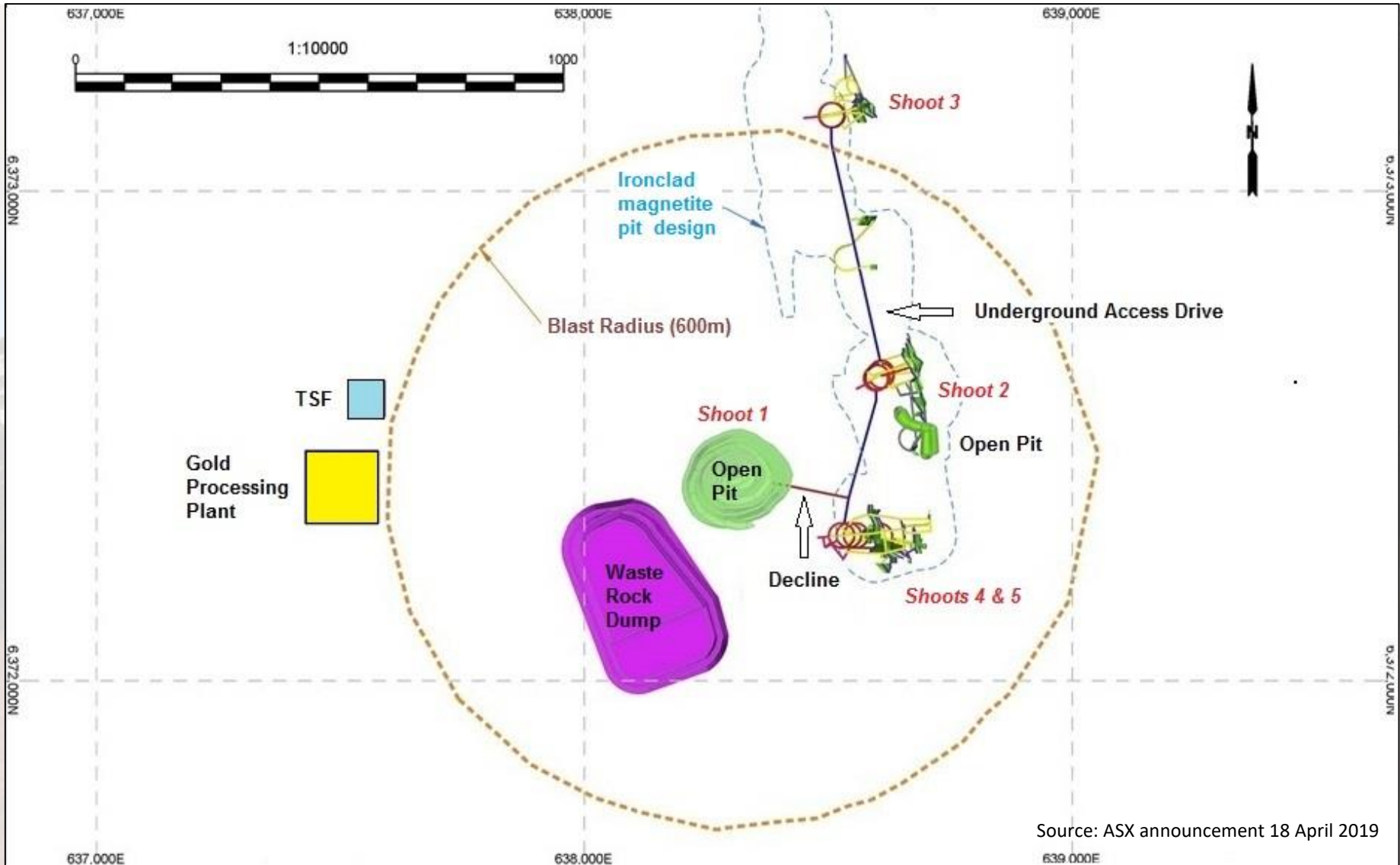
1. Source: ASX announcement 18 April 2019

2. ASX Listing Rules do not permit disclosure of production targets and financial forecasts where inferred mineral resources are a determining factor in project viability



Weednanna Gold Deposit

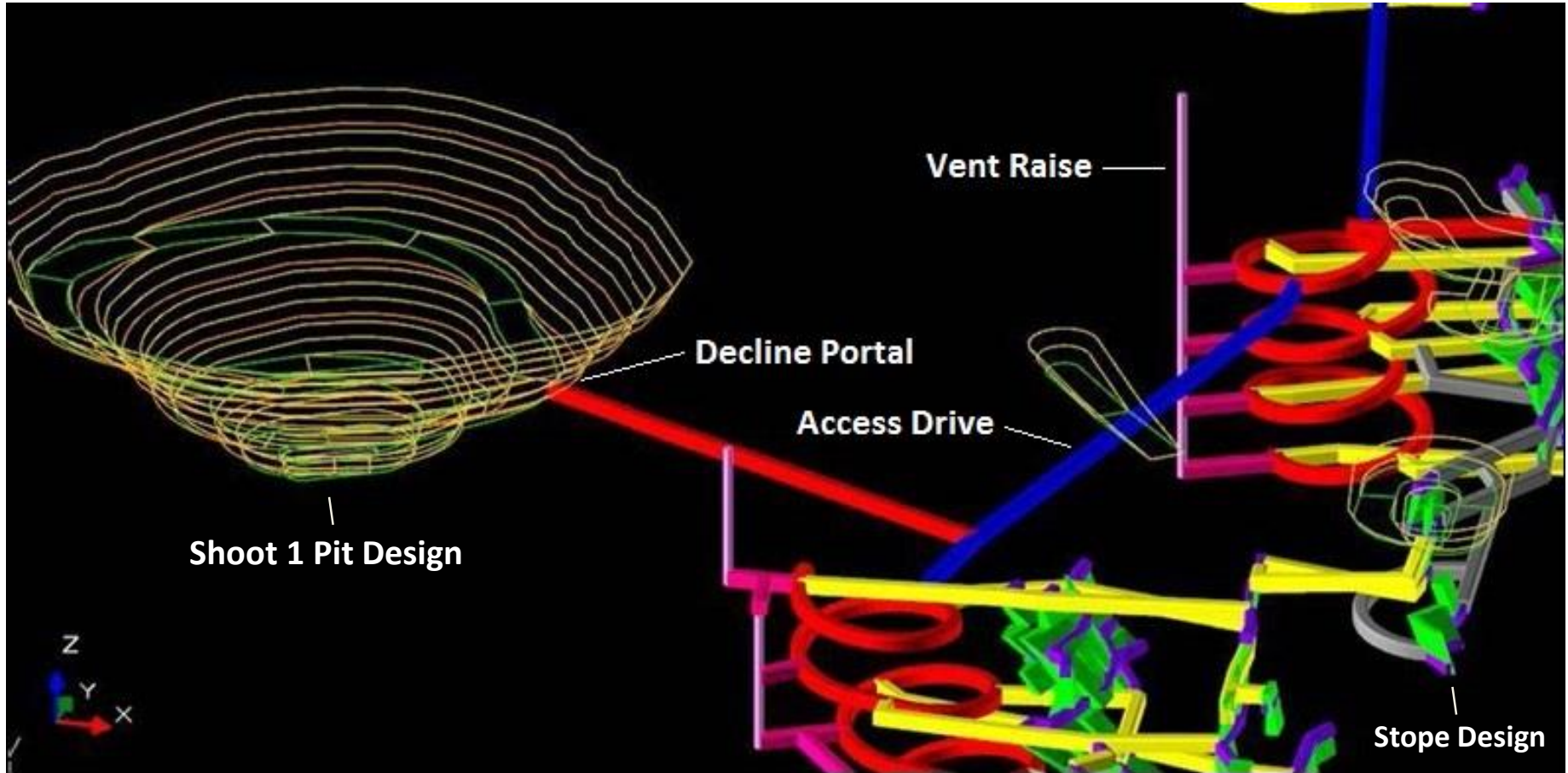
Scoping Study – General Site Layout



Source: ASX announcement 18 April 2019

Weednanna Gold Deposit

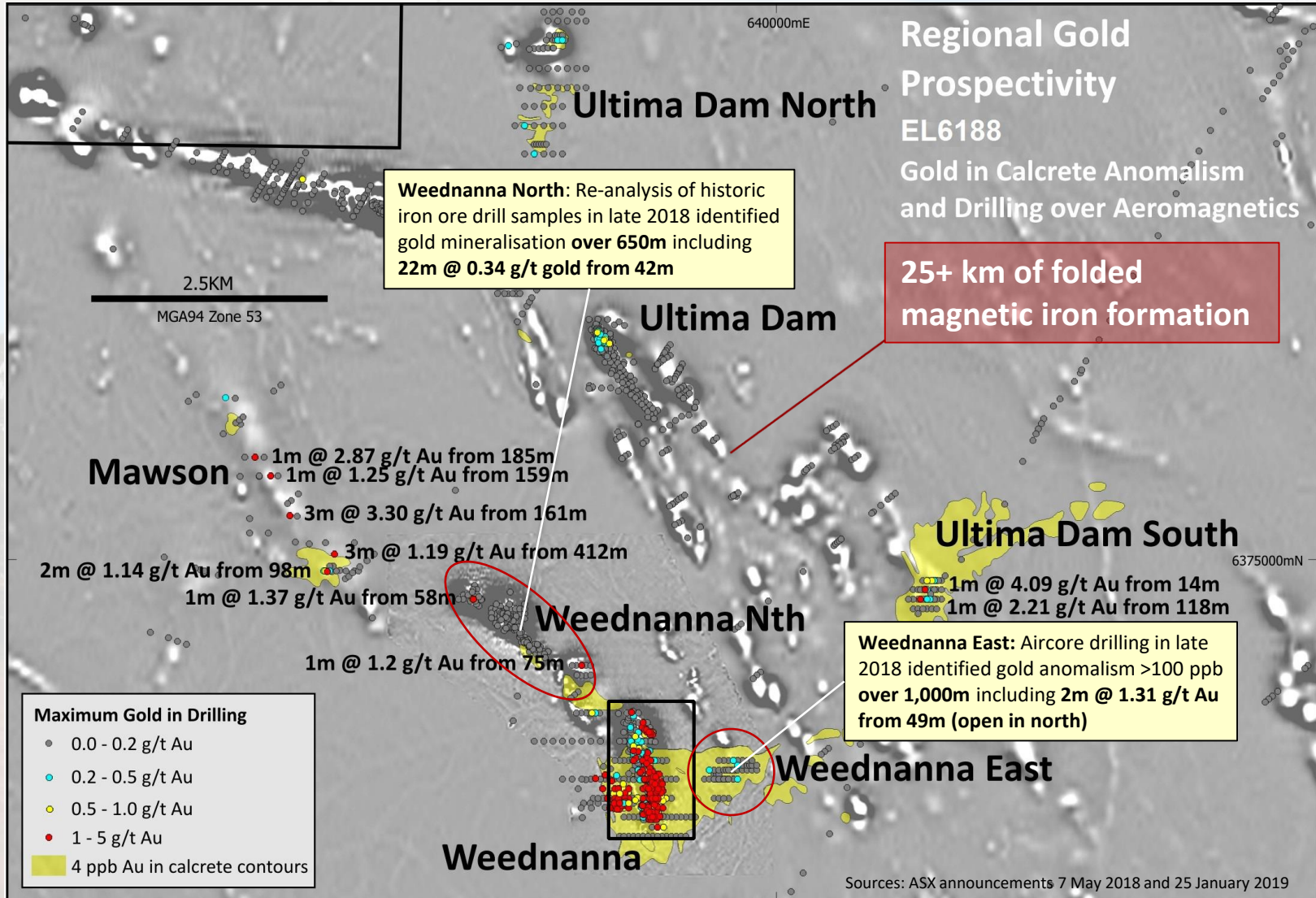
Scoping Study – Open Pit and Underground Mining Areas



Source: ASX announcement 18 April 2019

Near-Regional Gold Potential

Wilcherry Gold Camp – gold in iron skarns

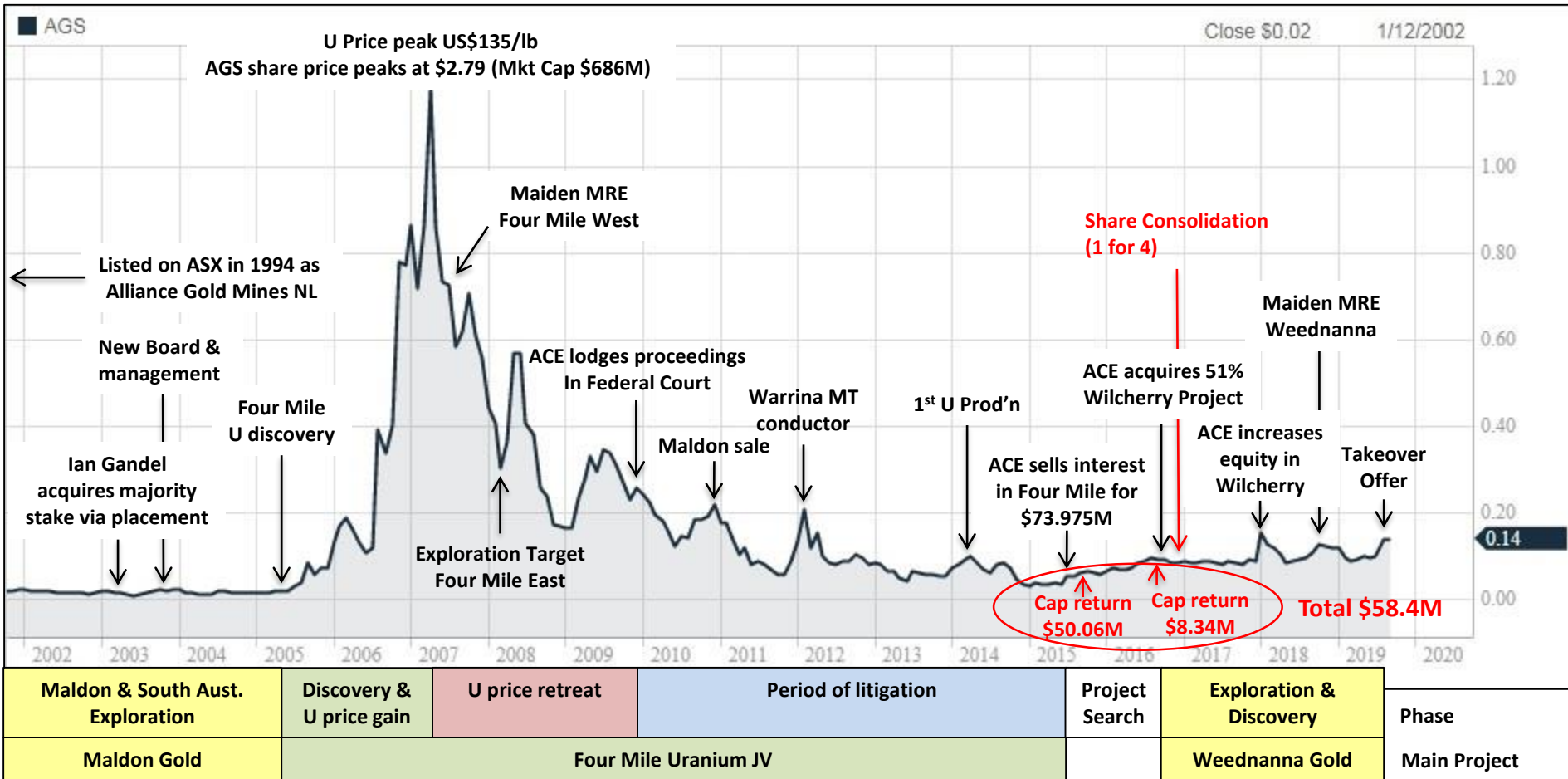


- **CONTINUE WEEDNANNA GOLD EXPLORATION**
 - Infill and extend known mineralisation
 - Revise mineral resource estimate (H1 2020)
- **COMMENCE PRE-FEASIBILITY STUDY WORKS**
 - Metallurgical testwork (2H 2019)
 - Update existing baseline environmental studies (2H 2019)
 - Regulatory approvals & project delivery schedule (2H 2020)
- **CONTINUE REGIONAL GOLD EXPLORATION (from 2020)**
 - Define limits of Weednanna East gold in regolith anomaly
 - Conceptual structural targeting using aeromagnetics
 - Better define and assess surface geochemical targets
 - Continue review of historic drilling data
 - Drill test priority target areas



“GOAL – BUILD A PROFITABLE GOLD MINE IN THE KIMBA DISTRICT”

HISTORY OF AGS



Contact Details



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