

# RIU EXPLORERS CONFERENCE

February 2020



## The Wilcherry Gold Project 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 director 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.*

# Corporate Overview

## Capital Structure and Shareholders

### CAPITAL STRUCTURE

<b>Shares on Issue</b>	<b>154.0 M</b>
<b>Mkt Cap @ \$0.11</b>	<b>\$16.9 M</b>
<b>Cash @ 31 Dec 2019</b>	<b>\$ 1.4 M</b>
<b>Listed Investments</b>	<b>\$ 0.2 M</b>
<b>Enterprise Value</b>	<b>\$15.3 M</b>
<b>Options</b>	<b>12.4 M</b>

### MAJOR HOLDERS

<b>Abbotsleigh</b>	<b>68.2 %</b>
<b>Sandon Capital</b>	<b>10.7 %</b>
<b>Top 20 holders</b>	<b>90.7 %</b>

### 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**

Director

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

#### **Kevin Malaxos**

Managing Director

Mining engineer with 30+ years open pit and U/G mining and project management. Previously roles include Maximus Resources, Centrex Metals, Mt Gibson Iron, Byrnescut 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

# ADVANCED GOLD PROJECT

## Progressing Weednanna Towards Production



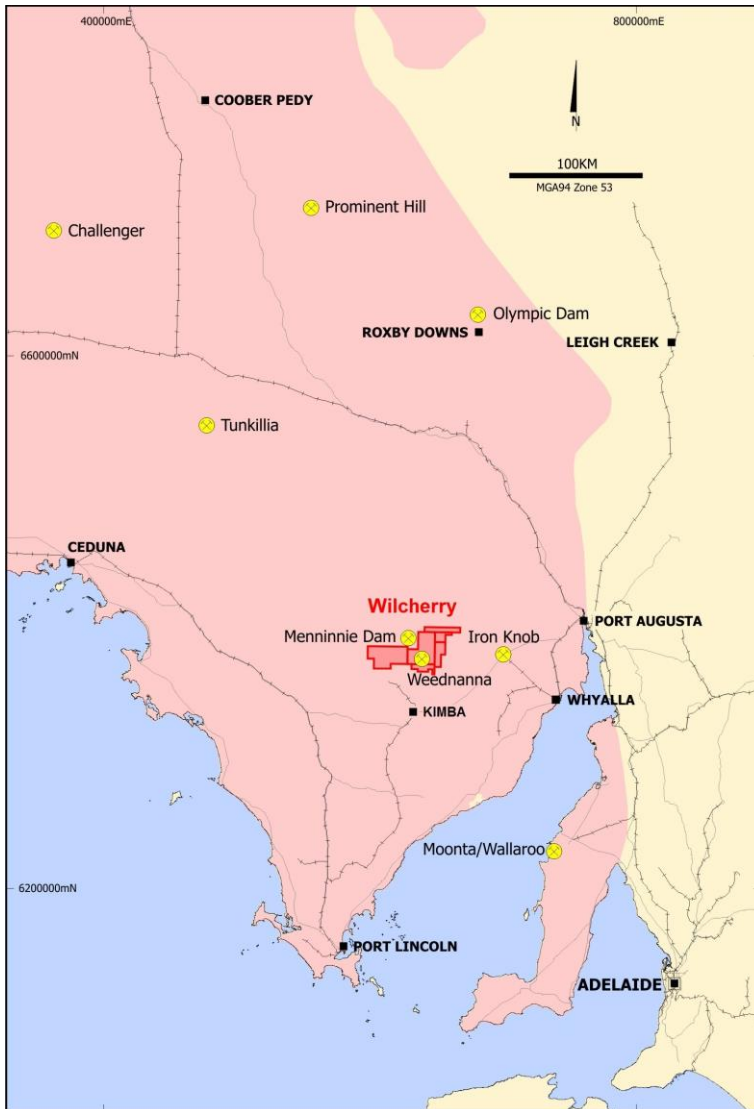
- High Grade, Shallow Gold System - 181,000 oz @ 5.1 g/t gold (49% Indicated Resources)
- Scoping Study<sup>1</sup> very positive and supports a new 250,000 tpa gold plant on site
- Independent Technical Report<sup>2</sup> valued Weednanna at \$22.9M
- Further drilling planned to increase Indicated portion 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

# Wilcherry Project

## Location



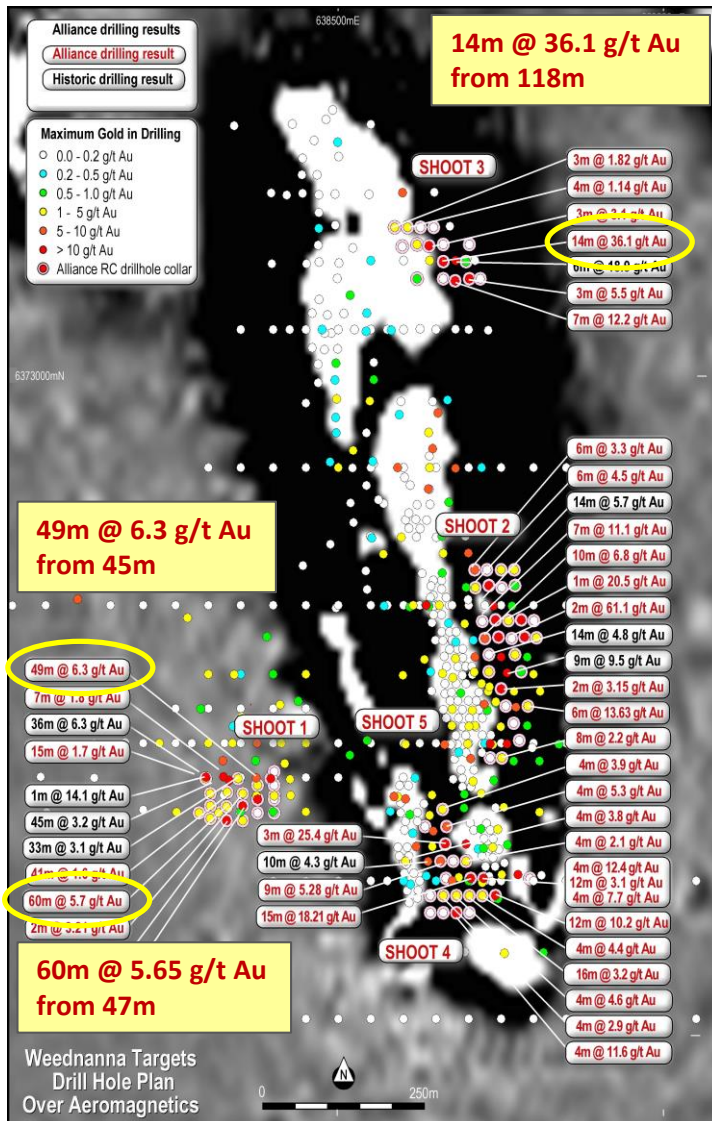
- Located in the Gawler Craton, northern Eyre Peninsula, 40 km north of township of Kimba
- Alliance (100%)
- Alliance owns an 80 person accommodation village on leasehold land in Kimba which will service construction workforce



Kimba accommodation village

# Weednanna Gold Deposit

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



## ➤ Bonanza High Grade Gold Shoots<sup>1</sup>:

- 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 2, 3, and 4 with further work conducted on Shoot 1 (68%)

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% Fe<sup>2</sup> (incl. 11.2 Mt @ 41.97% Fe at Weednanna)
- Iron ore price currently US\$85/t<sup>3</sup>

2. Ironclad Mining Ltd Annual Report 2014

3. NYMEX traded 62% Fe Ore Price US\$92 (31 Jan 20); 1 AUD 0.677 USD (31 Jan 20) = A\$126.87/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
<b>Above Pit Shells (\$2,000 AUD) &gt;0.5 g/t gold</b>			
Indicated	488,000	3.8	59,000
Inferred	209,000	2.8	19,000
<b>Sub-Total</b>	<b>697,000</b>	<b>3.5</b>	<b>78,000</b>
<b>Below Pit Shells (\$2,000 AUD) &gt;2.0 g/t gold - Underground Potential</b>			
Indicated	102,000	8.8	29,000
Inferred	298,000	7.8	74,000
<b>Sub-Total</b>	<b>400,000</b>	<b>8.0</b>	<b>103,000</b>
<b>Total - Open Pit &amp; Underground Potential (Reported Mineral Resource)</b>			
Indicated	590,000	4.6	88,000
Inferred	507,000	5.7	93,000
<b>TOTAL</b>	<b>1,097,000</b>	<b>5.1</b>	<b>181,000</b>

← 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

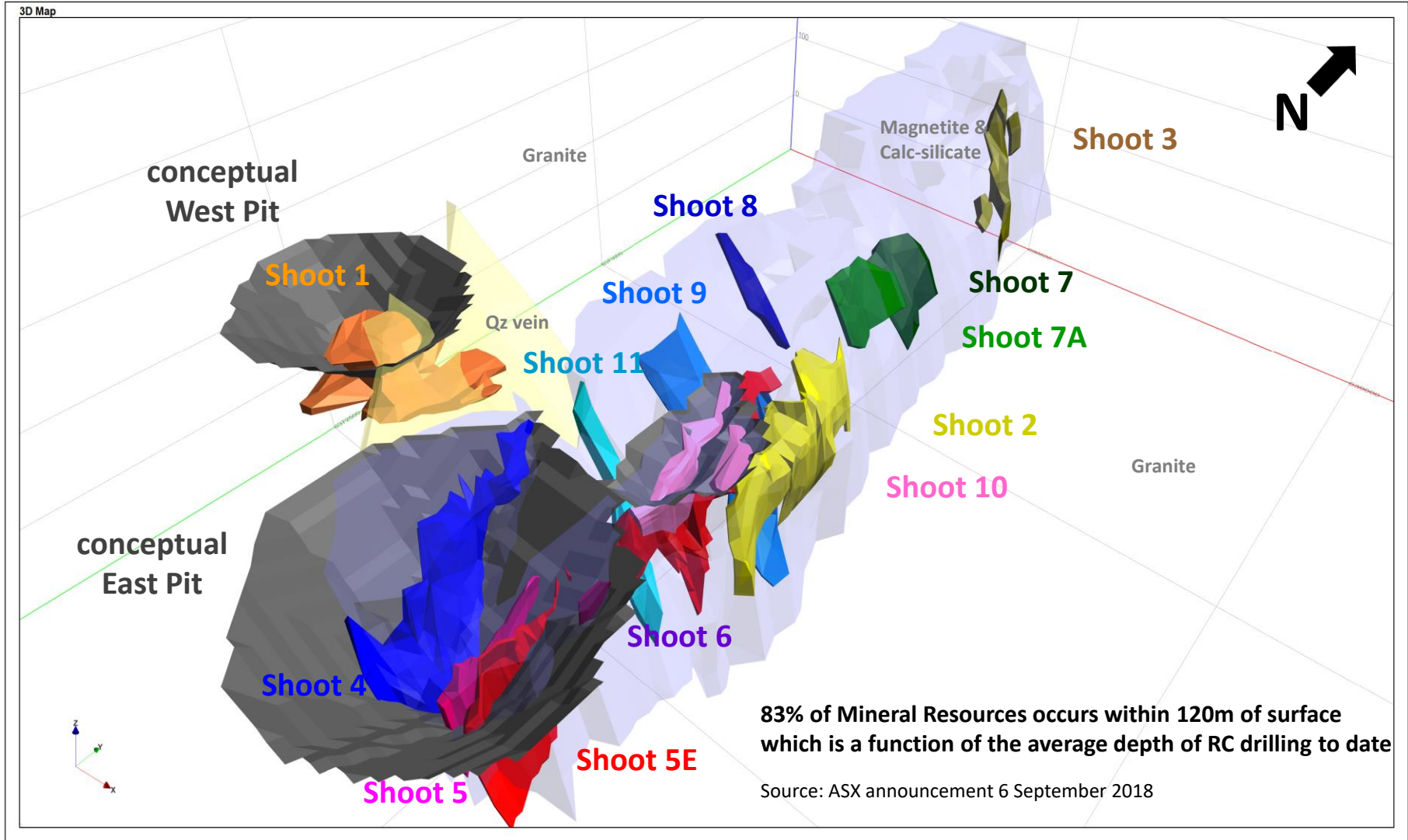
- ***A robust deposit with outstanding grades, economic potential and upside***
- ***Delivered < 2 years after project entry***

Source: ASX announcement 6 September 2018

Alliance is not aware of any new information or data that materially affects the above information included in this presentation and all material assumptions and technical parameters underpinning the above mentioned Mineral Resource Estimate continue to apply and have not materially changed

# Weednanna Gold Deposit

## 3D Geological Model



3D view down to northwest

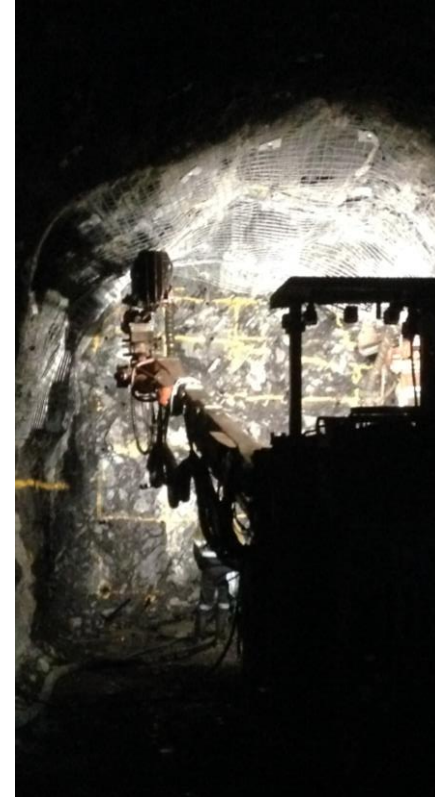


# Weednanna Gold Deposit

## Scoping Study Outcomes

### ➤ Independent Scoping Study (Mining One)<sup>1, 2</sup>

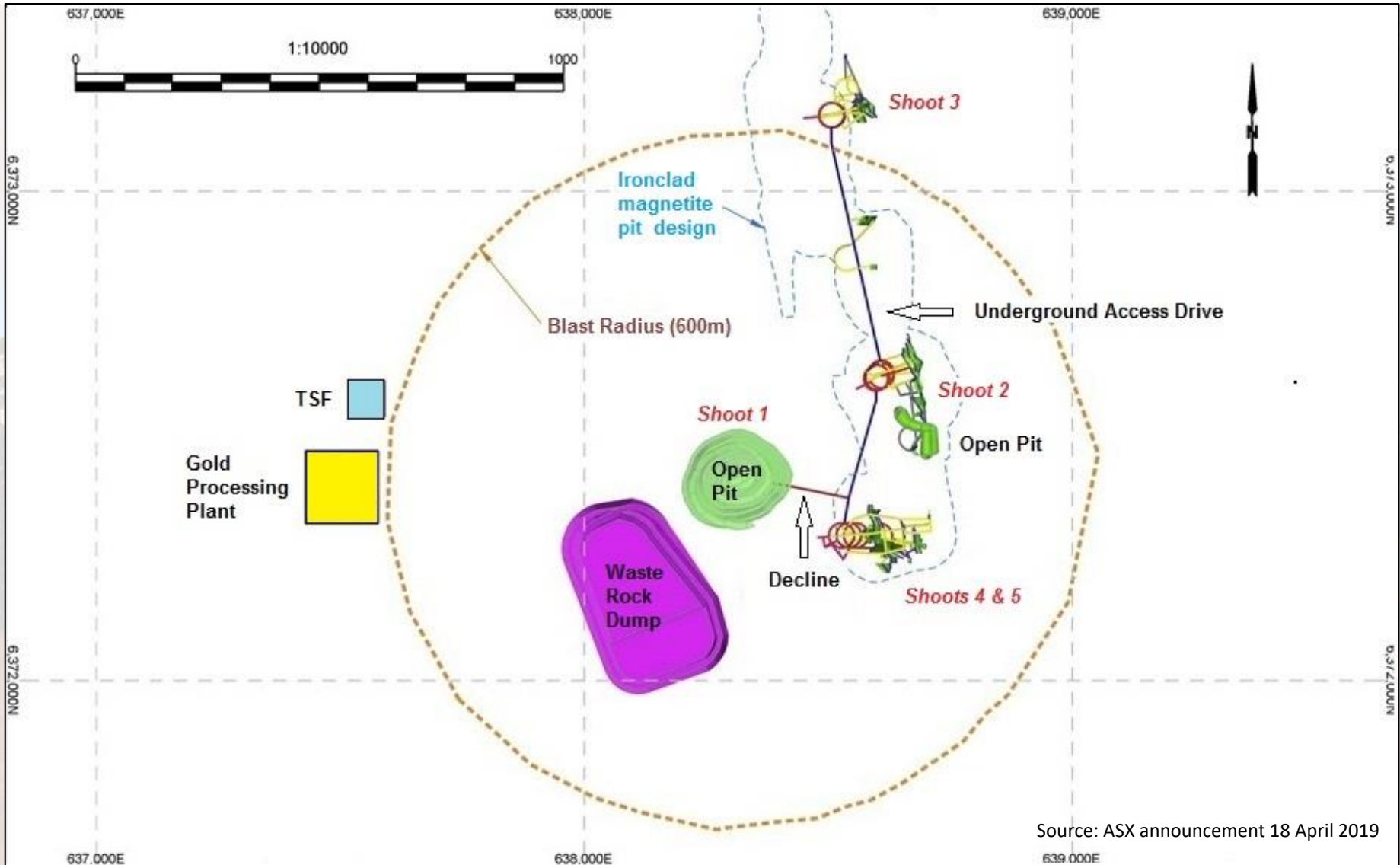
- ***Study positive and supports new 250 ktpa gold plant on site***
- **Based on 49% Indicated and 51% Inferred resources<sup>3</sup>**
- **Using gold price of A\$1,700/oz**
- **Total capital ~\$44 million**
  - New 250,000 tpa processing facility & TSF ~\$36 m
  - Open pit pre-strip ~\$8 m
- **Open 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. All material assumptions underpinning the above mentioned financial information continue to apply and have not materially changed  
3. 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

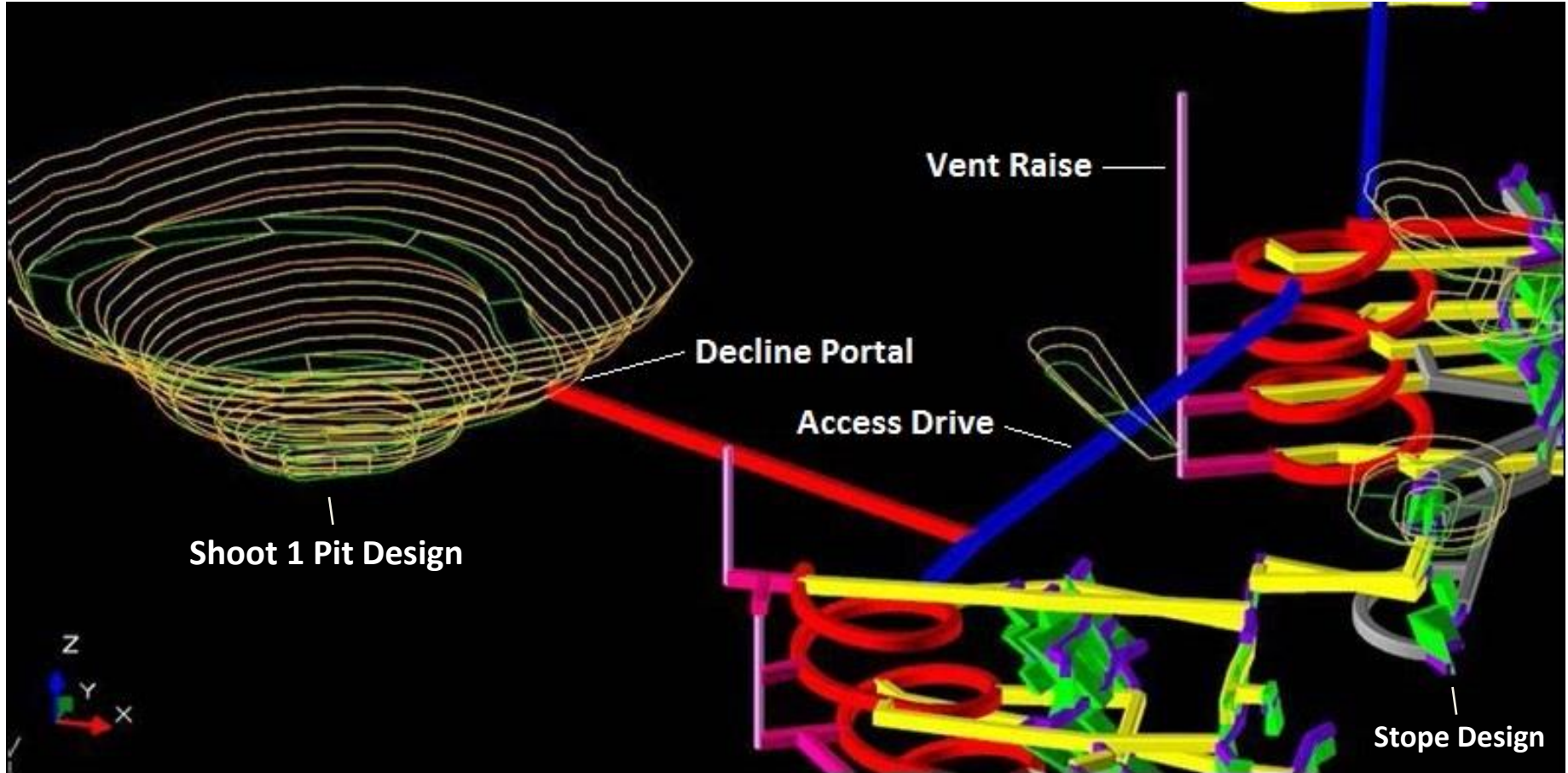
## Scoping Study – General Site Layout



Source: ASX announcement 18 April 2019

# Weednanna Gold Deposit

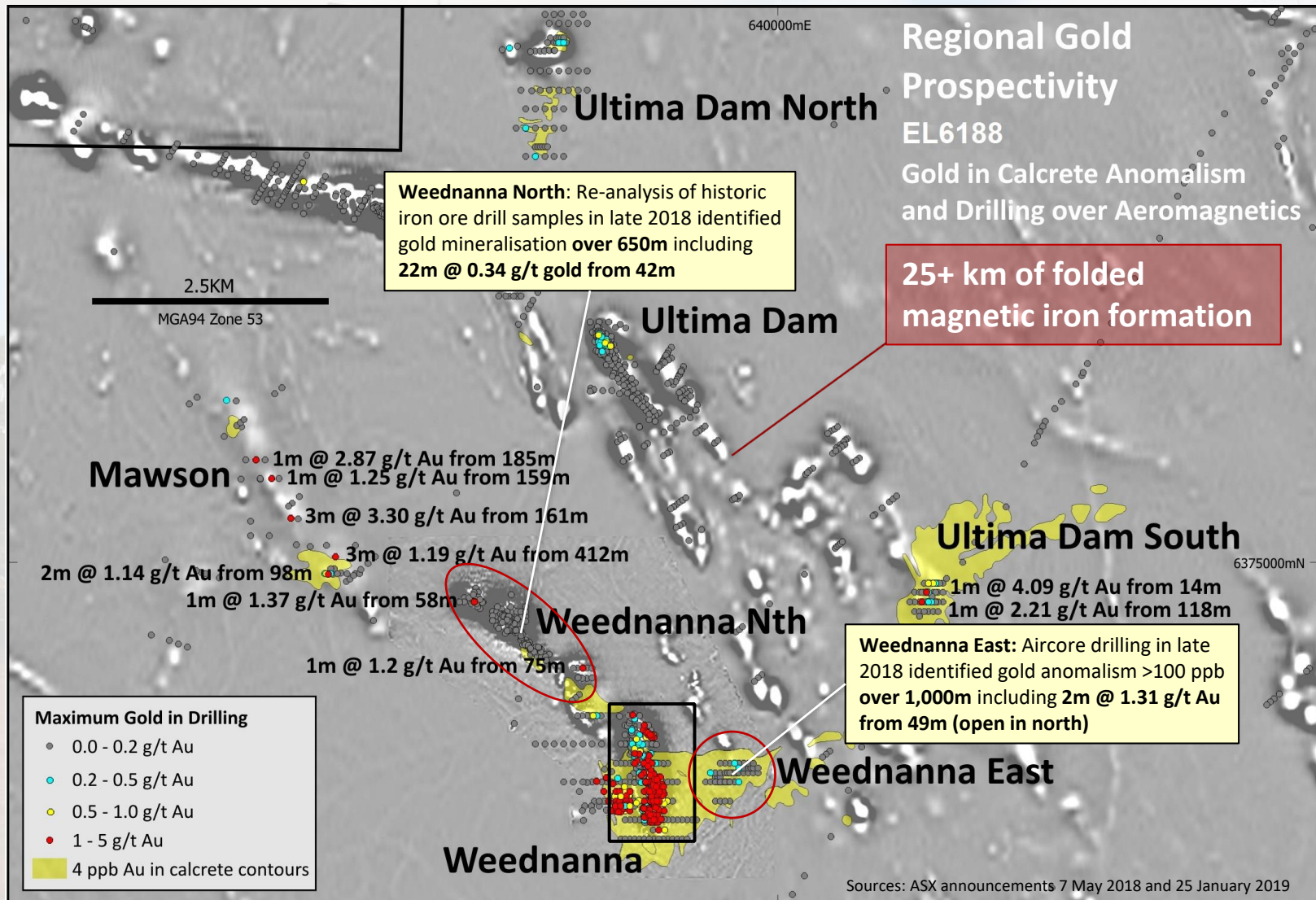
## Scoping Study – Open Pit and Underground Mining Areas



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)

## ➤ CONTINUE PRE-FEASIBILITY STUDY WORKS

- Metallurgical testwork (1H 2020)
- Update existing baseline environmental studies (1H 2020)
- Regulatory approvals & project delivery schedule (2H 2020)

## ➤ CONTINUE REGIONAL GOLD EXPLORATION (2020/21)

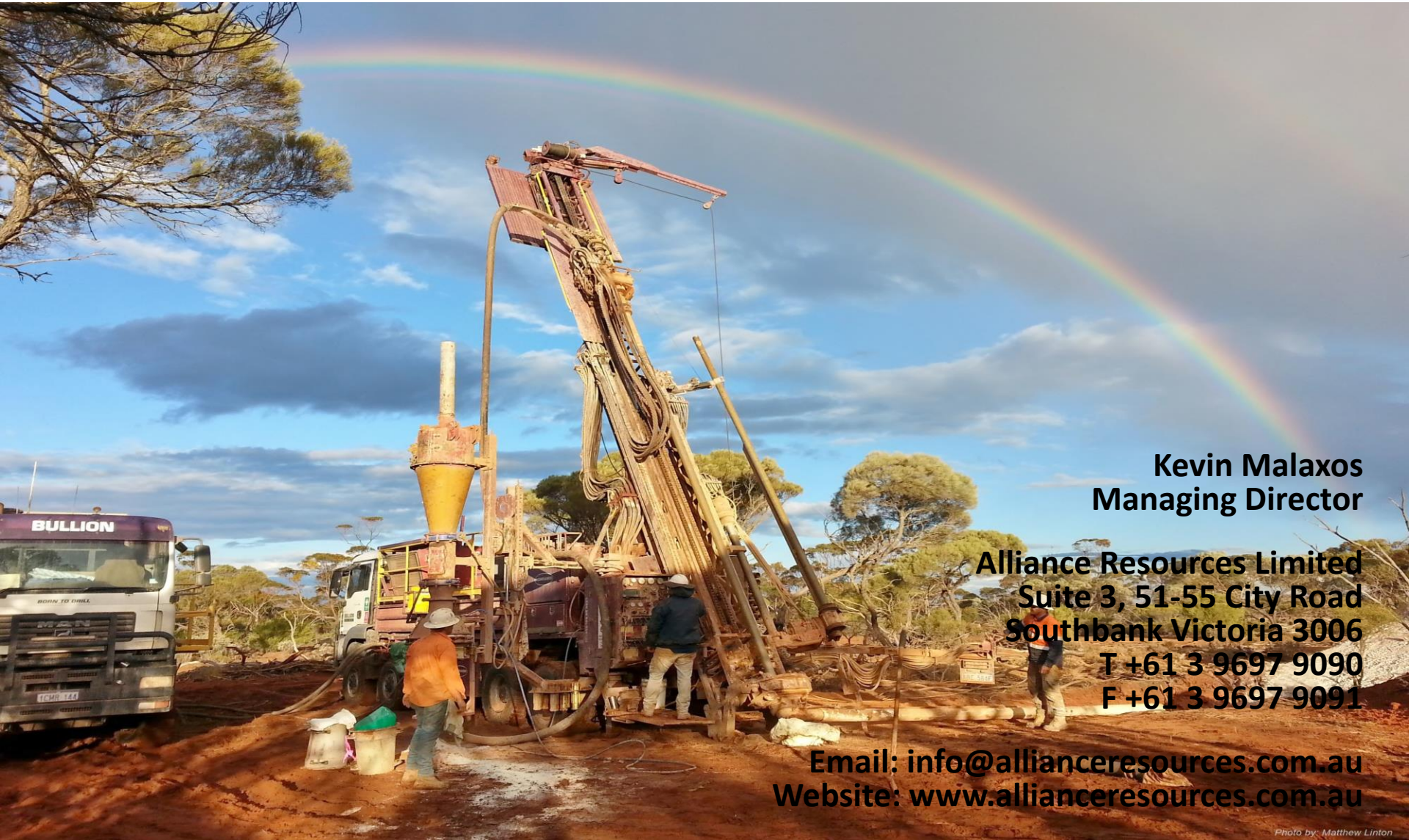
- Define limits of Weednanna East gold in regolith anomaly
- Conceptual structural targeting using aeromagnetics
- Better define and assess surface geochemical targets
- Continue review of historic drilling data
- Drill test priority target areas

## ➤ REVIEW IRON ORE POTENTIAL (2020)



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

# Contact Details



**Kevin Malaxos**  
Managing Director

**Alliance Resources Limited**  
Suite 3, 51-55 City Road  
Southbank Victoria 3006  
T +61 3 9697 9090  
F +61 3 9697 9091

Email: [info@allianceresources.com.au](mailto:info@allianceresources.com.au)  
Website: [www.allianceresources.com.au](http://www.allianceresources.com.au)

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