31 August 2020

ALLIANCE RESOURCES LTD

ASX: AGS

ABN: 38 063 293 336

Market Cap: $36.5M @ $0.205

Shares on issue: 178,300,080

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Projects:

Wilcherry, SA (100%): gold, iron, base metals, graphite

Nepean, WA (100%): nickel-gold

Kalgoorlie Sth, WA (100%): nickel-gold

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IRON DRILLING RESULTS

Weednanna Deposit

Weednanna project drill samples collected between 2017 and 2020 originally analysed for gold re-analysed for iron.

Significant iron assay results include:

- **17m @ 57.3 % Fe from 8m in 18WDRC032**
- **15m @ 61.2 % Fe from 31m in 18WDRC062**
- **26m @ 63.1 % Fe from 19m in 18WDRC066**
- **19m @ 63.6 % Fe from 14m in 19WDRC009**
- **17m @ 57.1 % Fe from 19m in 19WDRC011**
- **10m @ 62.2 % Fe from 92m in 19WDRC054**
- **17m @ 62.1 % Fe from 19m in 19WDRC061**
- **33m @ 61.6 % Fe from 12m in 19WDRC076**
- **15m @ 59.8 % Fe from 105m in 19WDRC086**
- **12m @ 57.1 % Fe from 14m in 20WDRC005**
- **16m @ 57.5 % Fe from 40m in 20WDRC026**
- **11m @ 60.3 % Fe from 125m in 20WDRC029**
- **15m @ 63.8 % Fe from 29m in 20WDRC030**
- **13m @ 60.5 % Fe from 17m in 20WDRC033**
- **25m @ 58.3 % Fe from 17m in 20WDRC043**
- **12m @ 62.6 % Fe from 16m in 20WDRC044**
- **28m @ 61.0 % Fe from 28m in 20WDRC051**
- **36m @ 56.8 % Fe from 22m in 20WDRC052**
- **33m @ 58.5 % Fe from 23m in 20WDRC056**
- **16m @ 58.1 % Fe from 188m in 20WDRC072**

Gold at the Weednanna Deposit occurs adjacent to, and on the margins of ironstone and magnetite-rich skarn.

High-grade direct shipping iron ore (DSO) has the potential to improve the economics of mining gold at the Weednanna Deposit.

Assay results will support an updated iron mineral resource estimate and feasibility studies.

Alliance Resources Ltd (Alliance) is pleased to announce iron assay results from the RC and diamond drilling programs completed between 2017 and 2020 at the Weednanna gold-iron Deposit, 40 km north of Kimba on the Eyre Peninsula, South Australia.

Since 2017 Alliance has drilled 363 RC holes and 5 diamond holes, totalling 50,281 metres, at the Weednanna Deposit to test for economic concentrations of gold.

Gold at the Weednanna Deposit is located adjacent to, and on the margins of, ironstone and magnetite-rich skarn that was previously prepared for development by Ironclad Mining Limited (Ironclad) between 2008 and 2014.

An iron mineral resource estimate for the Weednanna Deposit was reported by Ironclad in its 2014 Annual Report of 11.2 Mt grading 41.97 % Fe (Table A).

Alliance is currently updating the geological model for the Weednanna Deposit utilising the additional drilling information acquired since 2017 and a new iron mineral resource estimate will be calculated during September 2020 using the iron assay results presented in this announcement.

The updated mineral resource estimate will focus on high-grade direct shipping iron ore (DSO) with the cut-off grade significantly higher than the 25% Fe cut-off previously used by Ironclad. This will likely result in a lower tonnage of higher-grade iron ore for feasibility study assessment.

Table A: Weednanna Deposit Iron Mineral Resource Statement (Ironclad Mining Limited 2014 Annual Report)

Classification	Tonnes (million)	Fe %	Al_2O_3 %	SiO_2 %	S %	P %	LOI %
Measured	2.3	45.76	4.75	16.07	0.41	0.03	4.75
Indicated	7.9	40.35	5.1	19.11	0.45	0.03	4.95
Inferred	1.0	46.1	5.34	14.89	0.36	0.03	3.95
TOTAL	**11.2**	**41.97**	**5.05**	**18.11**	**0.43**	**0.03**	**4.82**

Summary of mineral resource above 25% Fe cut-off grade, Ironclad May 2013.

Discussion

The Weednanna gold-iron Deposit was discovered by Acacia Resources in 1997 when drilling intersected sporadic gold mineralisation hosted in calc-silicate and magnetite skarn.

Since that time, the deposit has been assessed by several explorers for gold and iron.

Prior to Alliance acquiring the Wilcherry Project, Ironclad was working towards developing the Weednanna Iron Deposit as part of a larger iron ore mining operation designed to produce DSO and magnetite concentrate. The iron mineral resource estimated for the Weednanna Iron Deposit in 2013 was 11.2 Mt grading 41.97 % Fe (Table A).

Between February 2017 and March 2018 Alliance drilled 92 RC holes, totalling 14,341 metres, at the Weednanna Deposit to test for economic concentrations of gold.

In September 2018, Alliance announced a maiden gold mineral resource estimate for the Weednanna Deposit of 1.097 Mt grading 5.1 g/t gold for 181,000 oz gold (classified 49% Indicated and 51% Inferred) (ASX announcement dated 6 September 2018).

An independent scoping study assessing the commercial viability of the project, including construction of a new 250 ktpa gold plant at Weednanna, was positive and indicated an initial capital cost of approximately $44 million, including an open pit pre-strip of approximately $8 million (ASX announcement dated 18 April 2019).

Following the maiden gold mineral resource estimate and positive scoping study, Alliance has drilled a further 271 RC holes and 5 diamond holes, totalling 35,940 metres, to increase the size and geological confidence in the Weednanna gold mineral resource. An updated mineral resource estimate is planned to be completed and released to the market in September 2020.

Between 2017 and 2019, Alliance's exploration drilling at Weednanna focussed on assessing the commercial viability of establishing a gold mining operation and therefore did not routinely analyse the ironstone and magnetite skarn for iron. During 2020, Alliance began selectively re-analysing the gold drilling sample pulps

associated with ironstone and magnetite skarn for an extended iron ore suite of elements and compounds consisting of Fe, SiO_2, Al_2O_3, CaO, MgO, MnO, P, S, K_2O, Na_2O, TiO_2, Cu, Ni, Co, Cr, Pb, Zn, As, Sn, Sr, Zr, Ba, V, Cl and LOI. Where possible 1m split samples were selected, but where not possible, 4m composite scoop samples were re-analysed. During 2020, Alliance has been routinely submitting 1m split drill samples that intersect ironstone and magnetite skarn for the iron ore suite of elements listed above.

A total of 2,332 drill sample pulps from the 2017 to 2019 drilling programs have been re-analysed for iron, covering 4,663 metres of drilling, and during the 2020 drilling programs a further 2,746 1m split samples have also been analysed for iron. Most of the Alliance drilling occurs within the boundary of the previous iron mineral resource estimate.

Drill collar plans and cross-sections may be found in Figures 1 to 7 and intersections >55 % iron are detailed in Table B.

Significant iron assay results greater than 600 %*m Fe include:

- 17m @ 57.3 % Fe from 8m in 18WDRC032,
- 15m @ 61.2 % Fe from 31m in 18WDRC062,
- 26m @ 63.1 % Fe from 19m in 18WDRC066,
- 19m @ 63.6 % Fe from 14m in 19WDRC009,
- 17m @ 57.1 % Fe from 19m in 19WDRC011,
- 10m @ 62.2 % Fe from 92m in 19WDRC054,
- 17m @ 62.1 % Fe from 19m in 19WDRC061,
- 33m @ 61.6 % Fe from 12m in 19WDRC076,
- 15m @ 59.8 % Fe from 105m in 19WDRC086,
- 12m @ 57.1 % Fe from 14m in 20WDRC005,
- 12m @ 55.5 % Fe from 10m in 20WDRC008,
- 16m @ 57.5 % Fe from 40m in 20WDRC026,
- 11m @ 60.3 % Fe from 125m in 20WDRC029,
- 15m @ 63.8 % Fe from 29m in 20WDRC030,
- 13m @ 60.5 % Fe from 17m in 20WDRC033,
- 25m @ 58.3 % Fe from 17m in 20WDRC043,
- 12m @ 62.6 % Fe from 16m in 20WDRC044,
- 28m @ 61.0 % Fe from 28m in 20WDRC051,
- 36m @ 56.8 % Fe from 22m in 20WDRC052,
- 33m @ 58.5 % Fe from 23m in 20WDRC056,
- 11m @ 55.1 % Fe from 110m in 20WDRC062, and
- 16m @ 58.1 % Fe from 188m in 20WDRC072.

These iron intersections are concentrated in the central, southern area of the deposit where broad zones of magnetite skarn occur near-surface and are weathered to ironstone. The weathering process increases the iron content of magnetite skarn and produces potential DSO that can be mined, crushed, screened and transported with significantly less capital investment than required to construct a gold processing facility.

If the updated iron mineral resource estimate and feasibility studies support it, a staged investment and mining plan is proposed whereby open pit mining of high grade, low impurity iron DSO can be stockpiled onsite and made available to generate revenue at the appropriate time. Gold mineralisation would be stockpiled during this initial mining period and be available for processing as soon as the gold processing facility is constructed.

Initial mining of iron in the central area of the Weednanna Deposit may present several gold development opportunities that were not considered in the 2019 scoping study. These include:

- Low-grade gold within the iron open pit becomes available for mining,

- Improved economics for mining low-grade gold adjacent to the iron open pit as a potential open pit cut back,
- Underground gold can be accessed from a decline developed off the iron open pit (instead of a planned open pit at Shoot 1) reducing initial decline capital development costs and providing access to higher grade gold areas of the deposit earlier in the mine plan, and
- Shoot 1 may be mined from underground removing the requirement for an $8 million pre-strip as indicated in the 2019 scoping study.

Current and Future Work

Alliance has commenced baseline environmental studies at the Weednanna Deposit to support a future mining lease application.

Metallurgical studies on gold mineralisation from the Weednanna Deposit are near completion to optimise the ore processing flowsheet for the deposit.

Updated gold and iron mineral resource estimates for the Weednanna Deposit will be completed during September. This work will provide for the commencement of feasibility study level assessment of the commercial viability of the deposits.

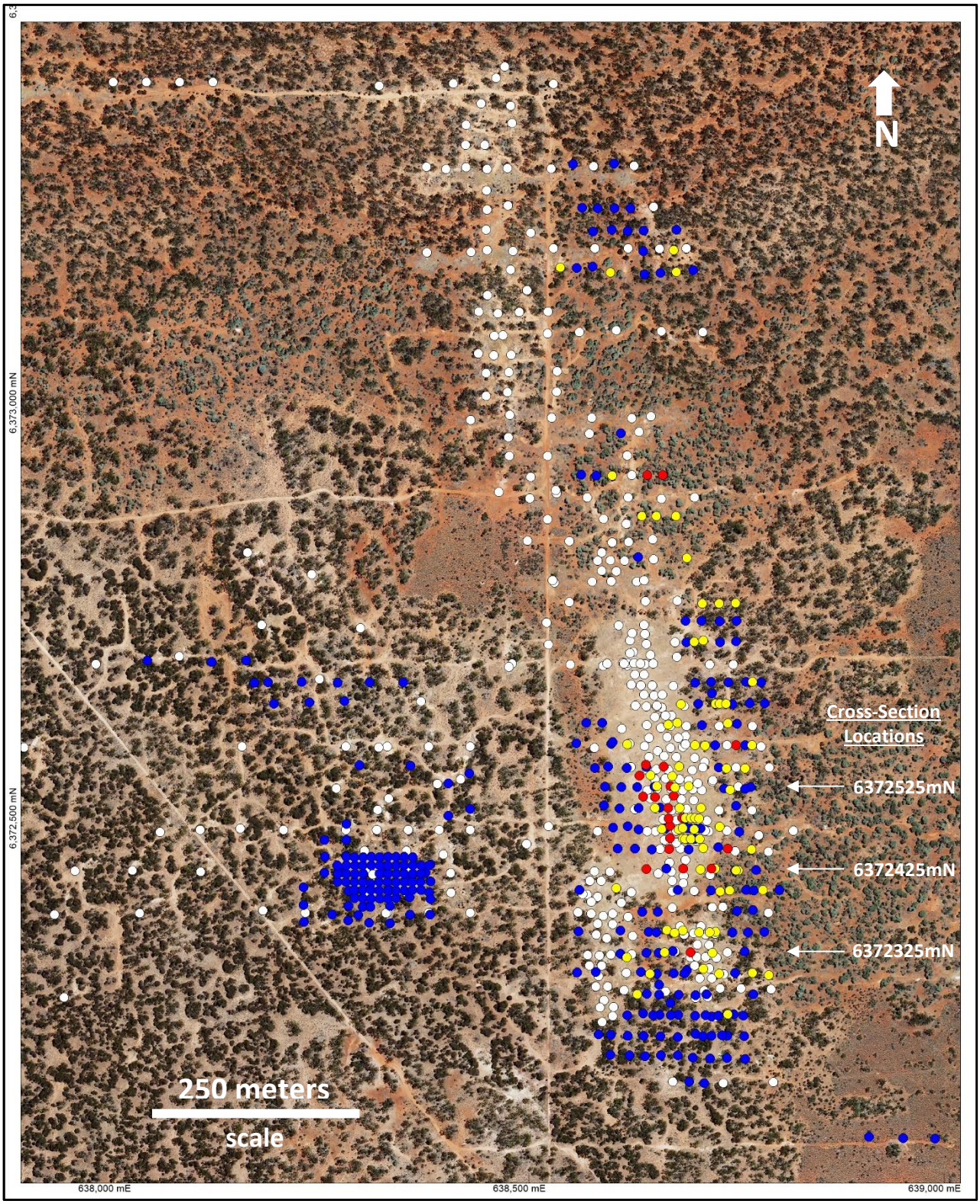

Figure 1. Weednanna drill hole location plan on an aerial photograph with the distribution of iron assay results discussed in this report

Legend -
White dots: historic RC and diamond holes used in May 2013 iron mineral resource estimate
Blue dots: RC and diamond holes drilled by Alliance (2017-2020) and not analysed for Fe or with no results >55 % Fe
*Yellow dots: RC and diamond holes drilled by Alliance (2017-2020) with 55 – 600 %*m Fe*
*Red dots: RC and diamond holes drilled by Alliance (2017-2020) with >600 %*m Fe*

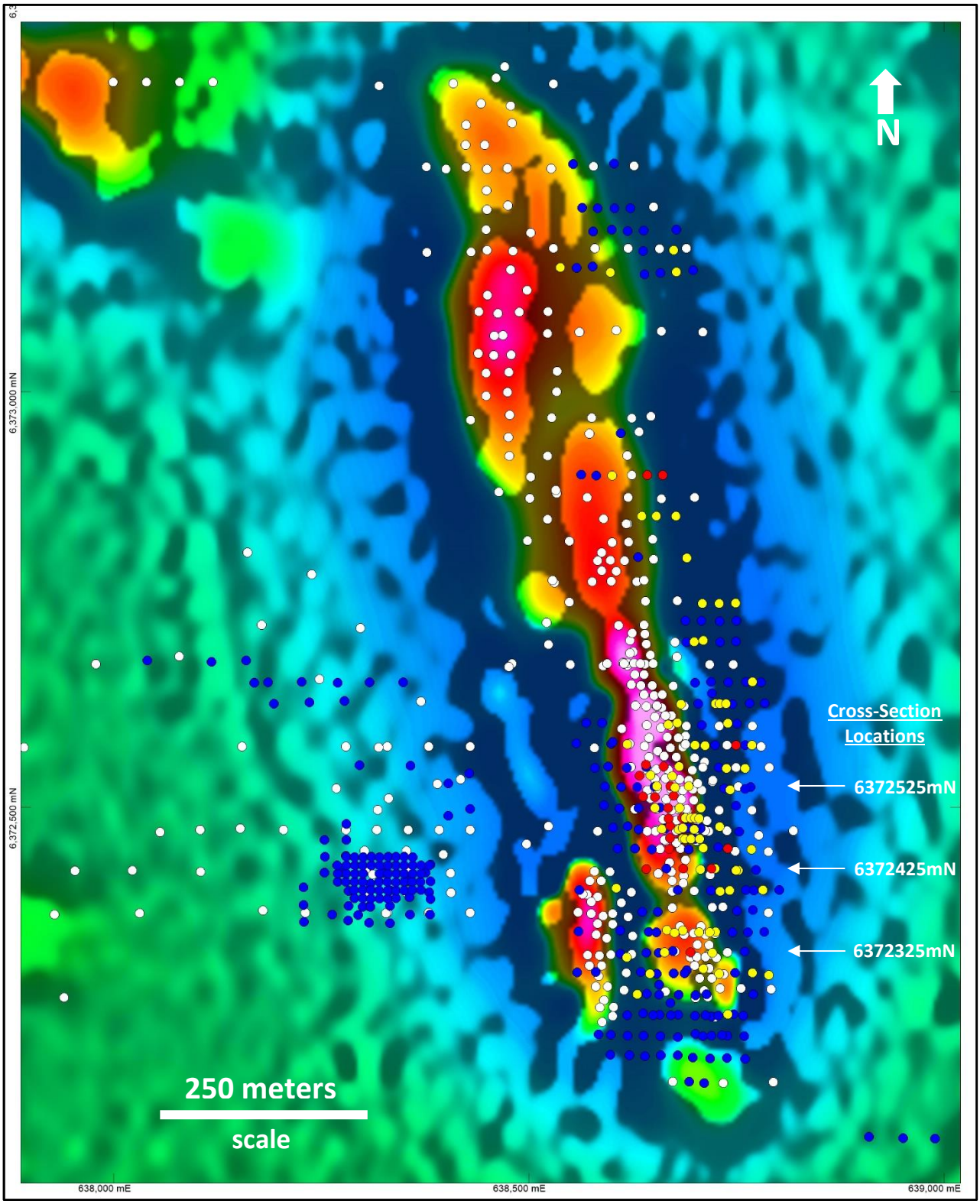

Figure 2. Weednanna drill hole location plan on an aeromagnetic image with the distribution of iron assay results discussed in this report

[Note: hot colours represent high magnetism caused by ironstone and magnetite skarn]

Legend -
White dots: historic RC and diamond holes used in May 2013 iron mineral resource estimate
Blue dots: RC and diamond holes drilled by Alliance (2017-2020) and not analysed for Fe or with no results >55 % Fe
*Yellow dots: RC and diamond holes drilled by Alliance (2017-2020) with 55 – 600 %*m Fe*
*Red dots: RC and diamond holes drilled by Alliance (2017-2020) with >600 %*m Fe*

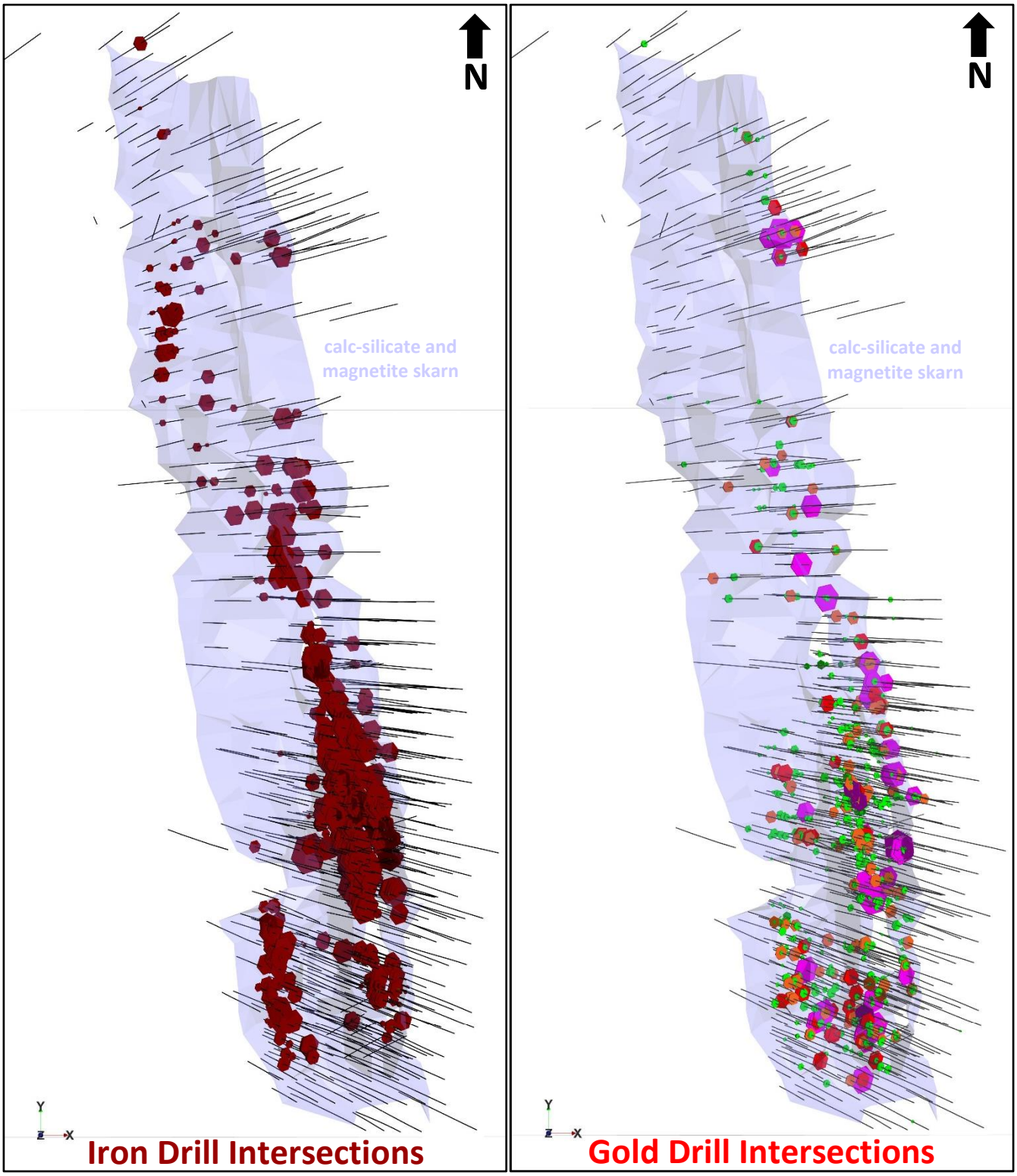

Figure 3. Weednanna 3D plan views of iron and gold intersections (size of dot represents grade of assay result)

Legend-

Iron drill intersections
Brown dots: > 55 % Fe

Gold drill intersections
Green dots: 1-5 g/t Au
Orange dots: 5-10 g/t Au
Red dots: 10-20 g/t Au
Magenta dots: > 20 g/t Au

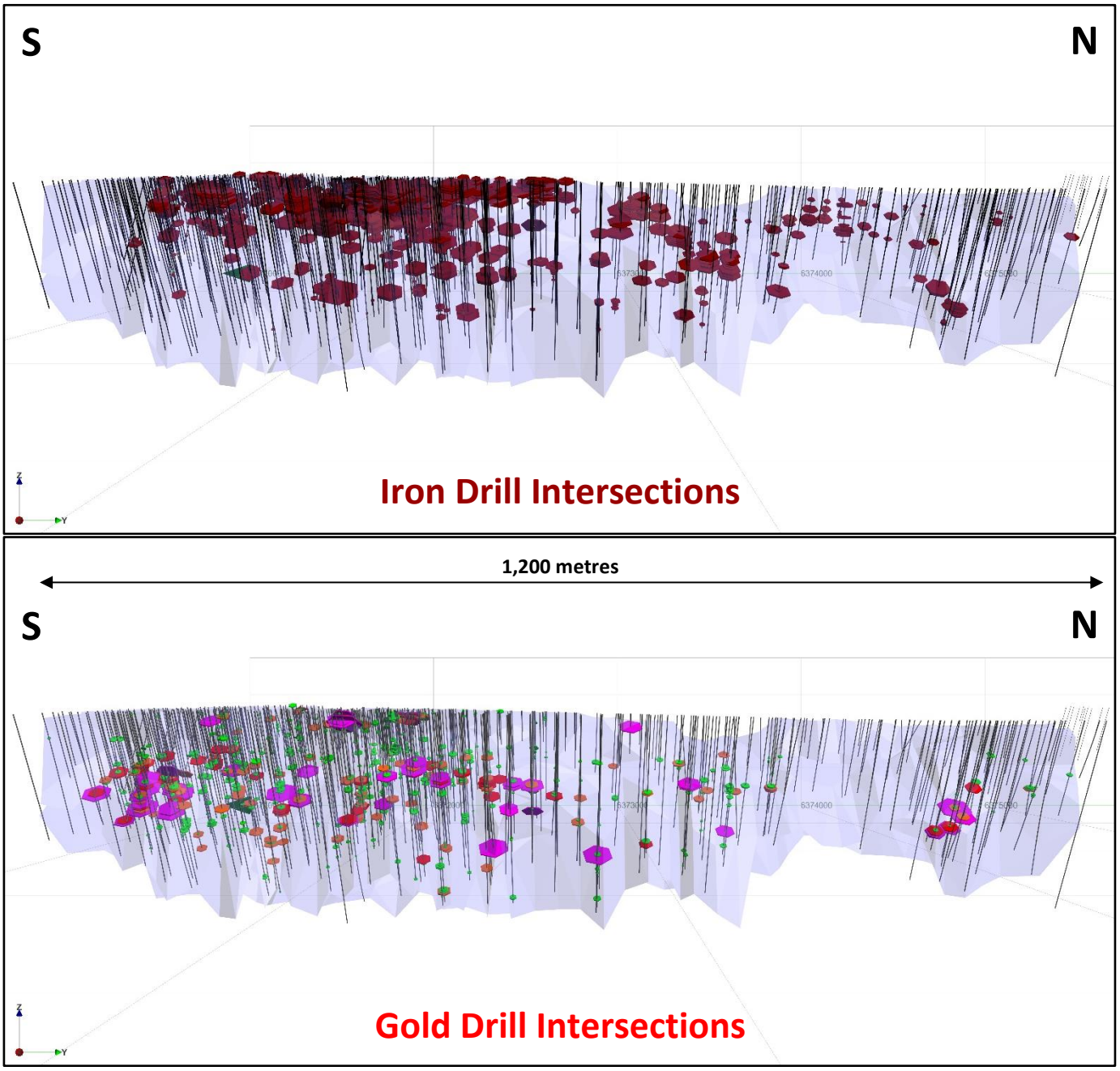

Figure 4. Weednanna 3D long-section views of iron and gold intersections (size of dot represents grade of assay result)

Legend-

Iron drill intersections
Brown dots: > 55 % Fe

Gold drill intersections
Green dots: 1-5 g/t Au
Orange dots: 5-10 g/t Au
Red dots: 10-20 g/t Au
Magenta dots: > 20 g/t Au

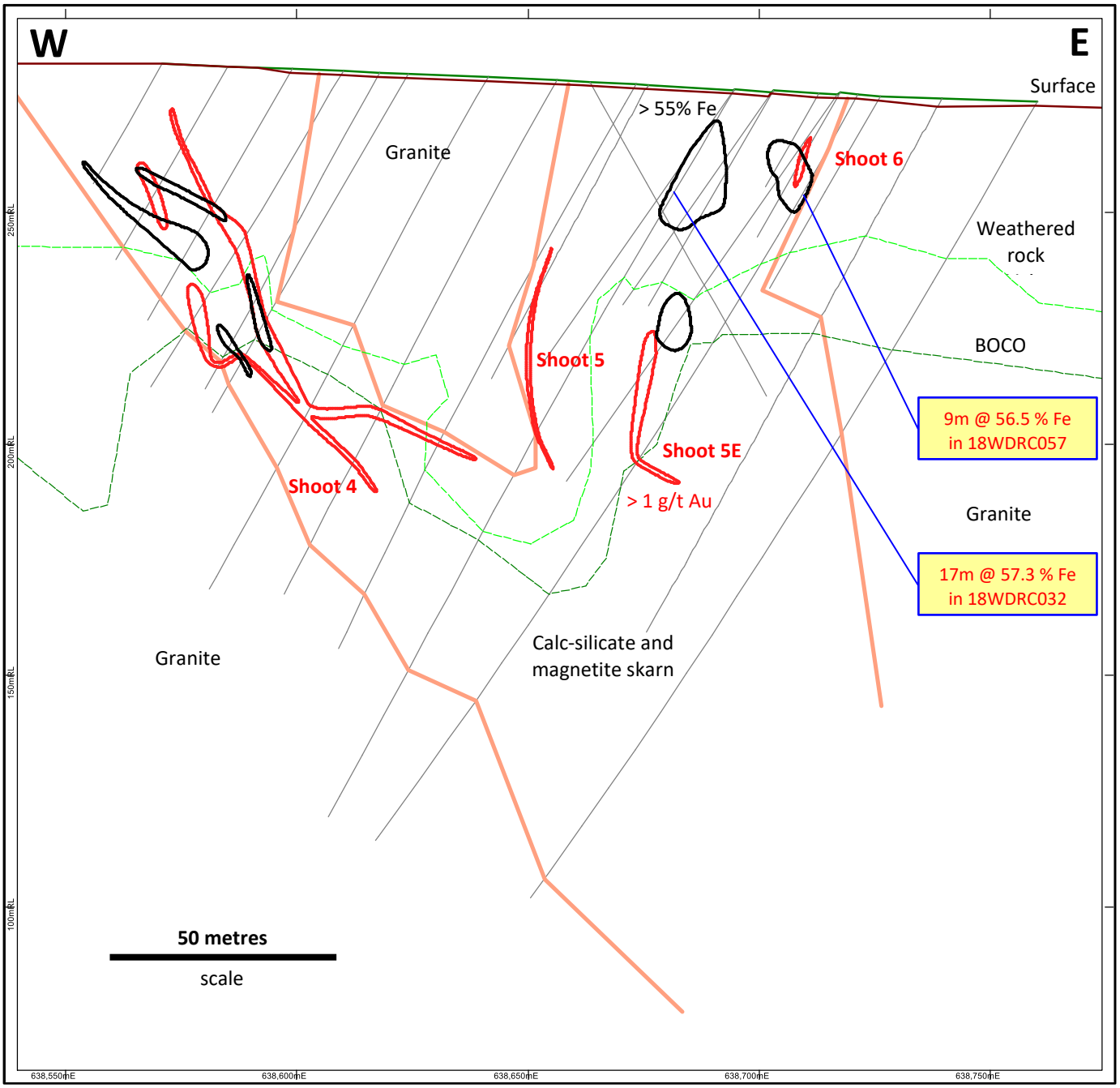

Figure 5. 6372325mN Cross-Section with iron and gold drilling results

[Refer to Figures 1 and 2 for cross-section location. Significant drill intersections in this report highlighted.]

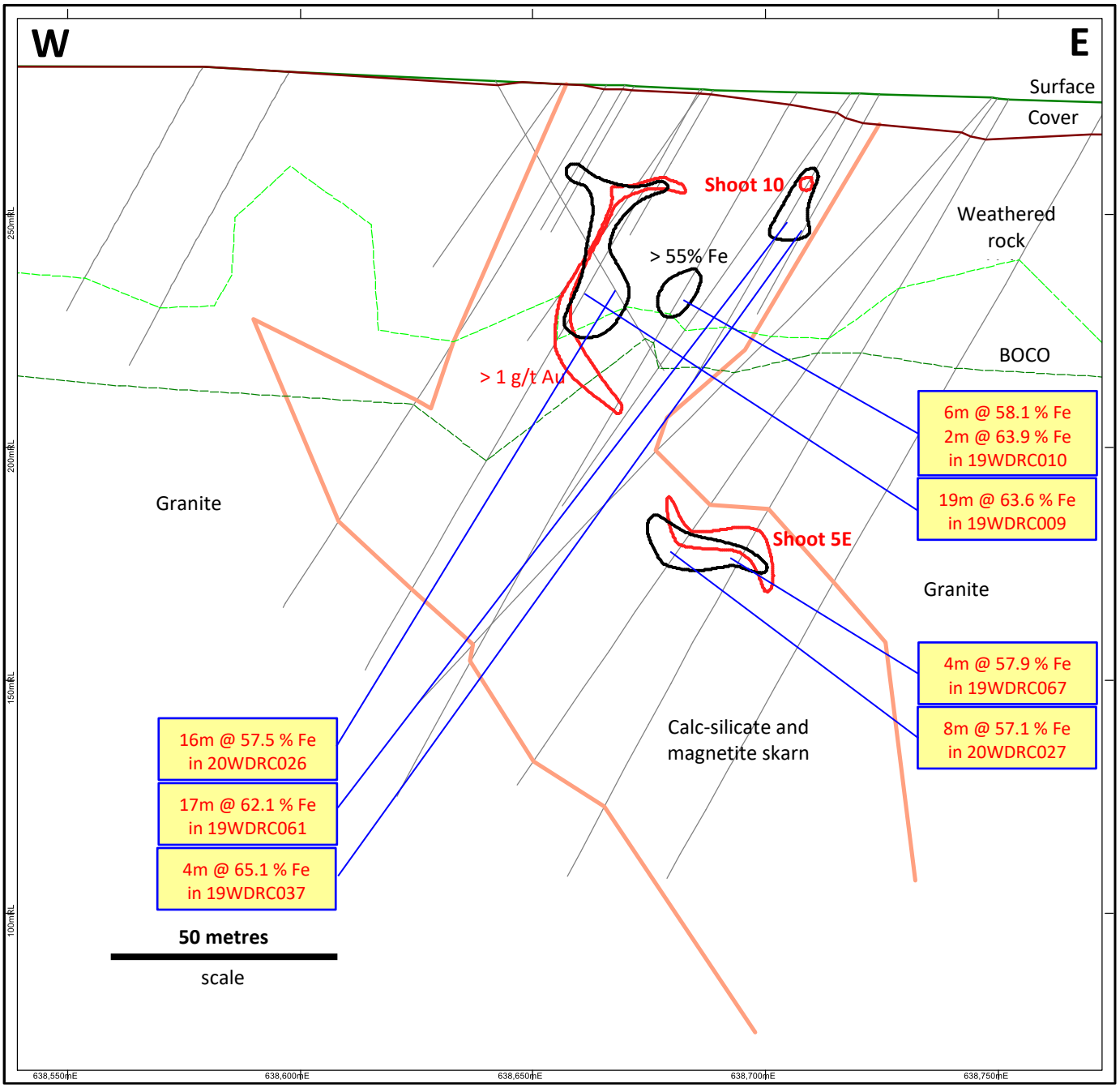

Figure 6. 6372425mN Cross-Section with iron and gold drilling results

[Refer to Figures 1 and 2 for cross-section location. Significant drill intersections in this report highlighted.]

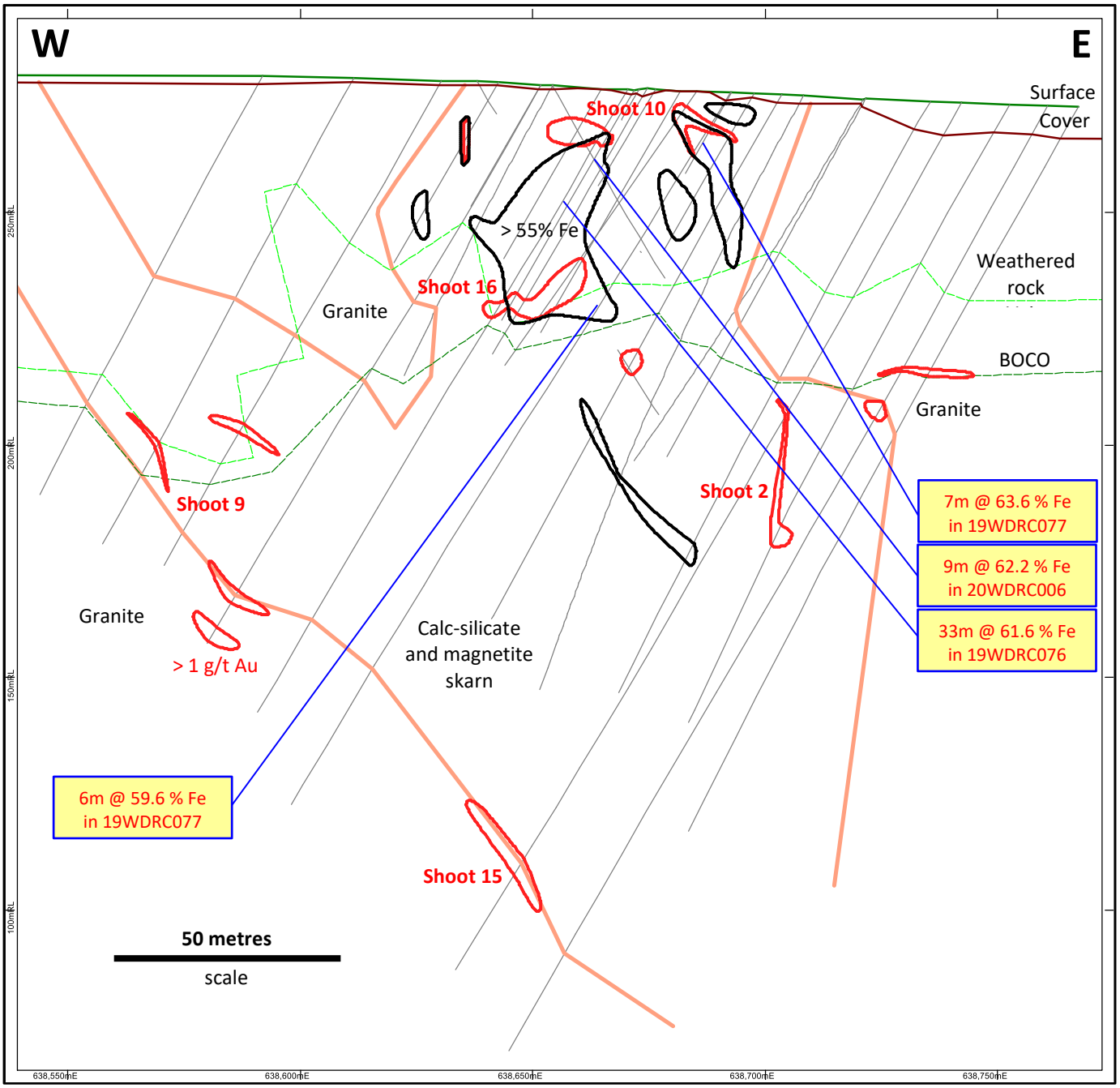

Figure 7. 6372525mN Cross-Section with iron and gold drilling results

[Refer to Figures 1 and 2 for cross-section location. Significant drill intersections in this report highlighted.]

Table B: Weednanna Iron Intercepts >55 % Fe (intercepts >600 %*m Fe highlighted)

Hole ID	East_MGA	North_MGA	RL (m)	Azimuth	Dip	EOH	From (m)	To (m)	Interval (m)	Fe (%)
17WDRC007	638712.3	6372574.4	274.7	271.4	-61.4	120	110	112	2	60.28
17WDRC011	638724.7	6372624.4	273.0	270.0	-60.8	150	94	98	4	58.05
and							100	101	1	56.20
17WDRC015	638710.2	6372700.6	271.8	267.6	-62.6	150	100	103	3	59.35
and							108	113	5	55.71
and							115	116	1	55.58
and							118	120	2	55.72
17WDRC018	638674.3	6373170.8	264.8	264.1	-61.6	190	157	159	2	55.92
17WDRC019	638598.3	6373144.0	264.9	268.4	-61.4	130	114	115	1	55.08
and							128	129	1	60.75
17WDRC021	638678.0	6373144.4	265.0	276.2	-61.0	210	154	157	3	57.26
and							162	164	2	57.59
18WDRC015	638709.9	6372450.6	275.9	271.1	-59.9	180	48	52	4	58.81
18WDRC027	638740.0	6372250.6	273.9	270.9	-59.6	180	72	79	7	56.07
18WDRC030	638710.3	6372305.6	275.7	272.5	-59.5	180	39	40	1	57.84
and							53	54	1	60.24
18WDRC032	638694.6	6372325.4	276.7	271.0	-60.0	180	8	25	17	57.25
and							29	32	3	55.56
18WDRC033	638666.1	6372352.3	278.5	271.4	-59.9	150	118	120	2	55.63
18WDRC034	638685.2	6372351.7	277.5	271.5	-60.0	180	67	69	2	60.82
and							71	72	1	60.60
18WDRC035	638605.2	6372402.3	281.2	270.2	-60.4	96	56	58	2	57.01
18WDRC057	638721.2	6372324.8	275.5	271.3	-61.6	192	20	29	9	56.45
18WDRC058	638705.0	6372349.2	276.5	271.9	-60.6	186	49	51	2	59.55
and							61	63	2	55.83
and							129	130	1	63.69
18WDRC060	638668.2	6372599.5	276.4	271.1	-60.2	161	4	12	8	56.87
and							25	26	1	65.12
18WDRC062	638662.3	6372548.6	277.0	270.8	-61.3	162	31	46	15	61.15
18WDRC063	638681.0	6372548.7	276.2	274.0	-61.1	174	21	24	3	62.01
and							50	52	2	63.63
18WDRC065	638652.1	6372498.8	277.7	269.7	-61.1	144	48	52	4	61.90
18WDRC066	638668.2	6372498.8	277.0	269.8	-60.2	150	19	45	26	63.07
and							103	104	1	56.97
18WDRC067	638707.6	6372499.0	275.6	269.0	-60.3	180	28	36	8	62.44
and							48	52	4	62.70
and							78	79	1	55.18
19WDDH004	638720.6	6372637.3	272.9	263.8	-60.1	111.4	83.9	94.4	10.5	55.25
19WDRC001	638729.5	6372299.6	274.8	268.9	-60.0	180	32	36	4	56.92
and							40	44	4	55.06
19WDRC004	638725.2	6372349.8	275.6	271.4	-61.1	192	101	102	1	57.24
19WDRC007	638742.0	6372399.8	275.5	271.8	-60.2	198	126	128	2	60.47
19WDRC009	638685.9	6372426.0	277.0	270.1	-61.2	144	24	28	4	57.61
							40	59	19	63.58
19WDRC010	638706.7	6372425.1	276.4	271.4	-60.2	174	44	50	6	58.08
and							54	56	2	63.94
and							76	77	1	62.17
19WDRC011	638669.2	6372449.7	277.5	269.8	-60.0	108	19	36	17	57.05
19WDRC012	638660.3	6372473.7	277.7	270.5	-58.9	138	52	56	4	60.47
19WDRC013	638680.4	6372473.2	276.9	267.8	-59.9	156	21	28	7	62.83
and							33	36	3	59.57
and							44	48	4	58.45
and							52	57	5	55.31
19WDRC014	638699.3	6372473.0	275.9	267.4	-60.0	102	72	74	2	61.90
19WDRC020	638617.9	6372319.0	280.1	270.6	-60.5	78	55	57	2	60.01
and							66	68	2	57.96
19WDRC031	638769.2	6372300.7	273.4	270.6	-61.3	222	89	90	1	56.45
19WDRC037	638724.4	6372425.9	275.9	272.5	-61.0	54	32	36	4	65.07
and							48	52	4	59.36
19WDRC038	638768.4	6372449.0	274.0	271.2	-59.8	228	152	156	4	55.69
19WDRC051	638653.8	6372850.8	270.4	270.8	-62.7	216	92	93	1	60.10
and							191	192	1	55.81
19WDRC053	638600.5	6372899.5	269.5	269.7	-62.0	162	72	74	2	64.72
19WDRC054	638642.8	6372899.9	269.2	269.3	-62.0	192	92	102	10	62.23
19WDRC056	638538.0	6373149.9	265.0	273.2	-59.6	138	80	83	3	58.70
and							85	86	1	58.86
19WDRC061	638720.1	6372425.8	276.1	270.0	-60.0	72	19	36	17	62.06
19WDRC062	638788.9	6372297.7	272.6	273.1	-60.1	210	112	116	4	55.66
and							139	140	1	60.16
19WDRC065	638781.8	6372400.3	274.0	270.0	-59.9	210	176	177	1	56.12
19WDRC067	638752.1	6372423.9	274.9	272.5	-60.7	192	112	116	4	57.87
19WDRC076	638670.5	6372525.2	276.5	273.0	-59.8	156	12	45	33	61.62
and							49	50	1	57.22
and							51	52	1	57.11

Table B continued: Weednanna Iron Intercepts >55 % Fe (intercepts >600 %*m Fe highlighted)

Hole ID	East_MGA	North_MGA	RL (m)	Azimuth	Dip	EOH	From (m)	To (m)	Interval (m)	Fe (%)
19WDRC077	638692.6	6372525.4	275.8	269.0	-58.5	180	3	6	3	55.13
and							9	16	7	63.62
and							22	24	2	62.61
and							27	28	1	65.01
and							51	57	6	59.62
and							86	87	1	58.73
19WDRC081	638618.8	6372575.9	278.1	272.3	-59.9	88	71	72	1	57.62
19WDRC082	638690.3	6372800.1	270.5	271.6	-60.4	195	107	108	1	62.24
19WDRC083	638636.1	6372850.3	270.4	270.1	-60.9	192	84	85	1	59.43
and							88	90	2	56.29
and							176	179	3	63.18
19WDRC084	638677.2	6372850.5	270.1	270.2	-60.7	222	106	109	3	58.93
19WDRC086	638661.1	6372899.6	268.9	268.9	-60.5	204	99	101	2	61.38
and							105	120	15	59.82
20WDRC005	638652.0	6372512.3	277.6	89.7	-60.7	42	14	26	12	57.09
20WDRC006	638654.2	6372525.5	277.3	91.2	-60.5	48	9	10	1	60.87
and							14	23	9	62.21
20WDRC007	638646.4	6372538.7	277.5	90.3	-60.9	48	12	14	2	59.25
and							21	27	6	55.80
20WDRC008	638641.3	6372551.0	277.7	91.3	-60.3	30	10	22	12	55.47
20WDRC015	638630.8	6372274.5	278.4	90.7	-61.3	96	65	66	1	56.81
20WDRC017	638646.1	6372299.5	278.4	91.3	-60.7	84	73	74	1	56.02
20WDRC018	638663.3	6372325.4	278.2	93.1	-60.8	78	37	39	2	59.61
and							59	60	1	58.13
20WDRC020	638675.9	6372348.9	277.8	271.0	-59.3	162	43	44	1	55.81
and							123	124	1	56.45
20WDRC021	638718.0	6372349.1	275.9	270.6	-56.5	162	24	29	5	61.07
and							63	70	7	61.44
and							75	76	1	55.28
and							81	86	5	60.36
and							133	134	1	55.51
20WDRC023	638730.6	6372398.8	275.9	271.4	-60.7	168	35	40	5	61.59
20WDRC026	638641.9	6372425.4	278.8	92.8	-60.8	72	40	56	16	57.46
20WDRC027	638749.8	6372424.1	275.1	269.6	-55.0	180	115	123	8	57.13
20WDRC029	638739.5	6372450.3	275.0	272.6	-60.4	192	120	121	1	58.61
and							125	136	11	60.25
20WDRC030	638669.9	6372477.4	277.2	268.5	-60.5	103	29	44	15	63.78
20WDRC031	638729.9	6372476.4	274.9	271.2	-60.8	174	83	84	1	57.56
and							86	87	1	63.28
20WDRC032	638681.4	6372499.0	276.6	268.1	-61.3	160	50	58	8	63.69
and							69	70	1	58.85
20WDRC033	638670.3	6372462.7	277.4	271.0	-59.3	30	9	10	1	58.14
and							13	14	1	62.06
and							17	30	13	60.48
incl.							20	30	10	63.83
20WDRC034	638685.6	6372462.3	276.5	88.2	-59.5	48	28	36	8	65.17
20WDRC035	638688.2	6372461.7	276.4	271.1	-60.1	48	3	4	1	56.02
and							10	12	2	57.29
and							26	36	10	55.88
incl.							26	31	5	64.19
and							40	41	1	64.17
and							46	48	2	64.41
20WDRC037	638695.3	6372461.7	276.3	90.8	-60.8	36	21	22	1	60.03
20WDRC039	638705.7	6372461.5	275.9	91.8	-60.4	24	6	8	2	56.22
20WDRC041	638685.6	6372474.7	276.6	91.9	-59.4	48	22	24	2	59.90
and							27	28	1	56.59
20WDRC043	638668.7	6372486.6	277.2	270.9	-59.2	42	17	42	25	58.25
incl.							29	42	13	63.89
20WDRC044	638685.0	6372487.1	276.5	90.7	-61.1	48	16	28	12	62.64
20WDRC046	638688.9	6372486.9	276.4	90.0	-59.5	42	10	11	1	56.97
and							16	17	1	57.10
20WDRC047	638695.4	6372487.0	276.1	90.9	-59.4	36	9	10	1	57.71
20WDRC048	638700.5	6372486.7	275.8	90.2	-59.6	30	4	6	2	61.97
20WDRC049	638705.1	6372486.5	275.7	90.2	-59.6	24	2	3	1	55.59
20WDRC051	638638.0	6372512.6	278.2	91.5	-59.2	66	9	11	2	57.79
and							28	56	28	60.95
20WDRC052	638674.6	6372514.0	276.7	270.3	-60.0	66	22	58	36	56.78
20WDRC053	638676.4	6372523.4	276.5	270.8	-59.0	24	20	24	4	65.70
20WDRC054	638742.3	6372520.7	273.7	271.1	-60.8	216	95	96	1	56.33
and							100	104	4	55.29
20WDRC056	638633.2	6372537.9	278.1	90.3	-59.7	84	23	56	33	58.50
and							73	75	2	55.59

Table B continued: Weednanna Iron Intercepts >55 % Fe (intercepts >600 %*m Fe highlighted)

Hole ID	East_MGA	North_MGA	RL (m)	Azimuth	Dip	EOH	From (m)	To (m)	Interval (m)	Fe (%)
20WDRC057	638672.9	6372537.3	276.6	273.3	-60.3	66	32	38	6	64.06
and							48	54	6	57.11
and							63	66	3	53.16
20WDRC058	638738.2	6372546.6	273.6	270.6	-60.5	216	104	105	1	57.42
and							109	110	1	55.82
and							123	124	1	55.06
and							135	143	8	59.53
20WDRC059	638760.4	6372546.9	272.9	269.9	-60.5	216	121	123	2	55.71
and							133	134	1	56.84
and							137	139	2	56.20
20WDRC060	638700.1	6372574.4	275.4	270.3	-61.1	180	66	67	1	55.40
and							75	82	7	60.32
and							94	95	1	56.15
20WDRC062	638749.4	6372574.9	272.8	271.2	-60.3	203	105	107	2	58.25
and							110	121	11	55.08
and							168	169	1	57.24
20WDRC063	638769.0	6372574.8	272.4	269.4	-60.3	240	154	157	3	57.81
and							168	169	1	58.90
20WDRC064	638679.1	6372601.4	275.7	270.2	-59.3	108	56	57	1	57.65
and							90	93	3	63.15
20WDRC065	638739.6	6372600.9	272.9	269.4	-60.1	216	90	91	1	56.27
and							101	104	3	55.51
and							167	172	5	60.16
20WDRC066	638683.5	6372624.2	274.9	269.8	-60.8	186	168	172	4	61.54
20WDRC067	638730.0	6372624.6	272.8	269.2	-60.4	228	87	92	5	60.34
and							124	127	3	55.47
and							172	173	1	55.16
and							187	188	1	58.84
and							198	203	5	56.79
20WDRC068	638737.4	6372624.6	272.6	270.3	-60.1	216	92	93	1	63.30
and							172	178	6	55.34
and							193	194	1	55.04
and							202	209	7	58.61
20WDRC070	638699.2	6372699.3	272.2	270.2	-62.3	240	81	82	1	57.07
and							121	123	2	59.24
20WDRC071	638709.2	6372745.3	271.1	270.6	-59.5	252	106	110	4	59.01
and							126	133	7	55.26
and							204	205	1	56.57
20WDRC072	638729.1	6372745.4	270.8	269.1	-59.4	264	131	140	9	60.58
and							142	143	1	55.25
and							184	185	1	55.38
and							188	204	16	58.10
20WDRC073	638749.1	6372745.8	270.2	269.4	-60.5	276	222	229	7	59.00

This announcement has been authorised for release by the Board.

Kevin Malaxos
Managing Director

About Alliance

Alliance Resources Ltd is an Australian gold and base metals exploration company with 100% owned projects in South Australia and Western Australia.

The Company's flagship project is the Wilcherry Project, located within the southern part of the Gawler Craton, approximately 40 km north of the township of Kimba, South Australia.

The maiden gold Mineral Resource estimate for the Weednanna Deposit, part of the Wilcherry Project, is 1.097 Mt grading 5.1 g/t gold for 181,000 oz gold (classified 49% Indicated and 51% Inferred). Refer to ASX announcement dated 6 September 2018 for details concerning the Mineral Resource and the Competent Persons consent. Alliance is not aware of any new information or data that materially affects the information included in the above- mentioned announcement. All material assumptions and technical parameters underpinning the above-mentioned Mineral Resource estimate continue to apply and have not materially changed.

An independent scoping study is positive and supports a new, 250 ktpa gold plant at Weednanna. Total indicative capital cost is approximately $44 million, including an open pit pre-strip of approximately $8 million. Refer to ASX announcement dated 18 April 2019 for details concerning the scoping study including the above-mentioned financial information. All material assumptions underpinning the above-mentioned financial information continue to apply and have not materially changed.

There is potential to increase the size of this Mineral Resource with further drilling.

Alliance also owns an 80 person camp located on leased land in the township of Kimba and which will be utilised during construction.

Competent Person

The information in this report that relates to the Exploration Results is based on information compiled by Mr Anthony Gray. Mr Gray is a Member of the Australian Institute of Geoscientists and is a part-time contractor to Alliance Resources Ltd. Mr Gray has 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 consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Section 1 – Sampling Techniques and Data		
Criteria	**JORC Code explanation**	**Commentary**
Sampling techniques	*Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	363 reverse circulation (RC) and 5 diamond holes, for 50,281 metres, have been drilled by Alliance since 2017 and are discussed in this report. Weednanna drill hole naming convention is: ddWDttnnn where dd = last two digits of the year, tt = Drilling Method, and nnn = hole number. Drilling Method codes are: DH = diamond hole, RC = RC hole. Sample type for RC holes is drill cuttings. Sample type for diamond holes is HQ sized drill core.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Industry standard practice has been applied on site to ensure sample representivity. The laboratories have applied appropriate QA-QC to sample preparation and appropriate calibration/QA-QC to analytical instruments.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'	RC drilling was used to obtain 1m samples from which approximately 3kg was pulverised to produce a 10g charge for XRF analysis. Diamond core was cut using fillet, 1/4 or 1/2 core as appropriate to obtain 0.1 to 1.5m samples (average ~1m) from which ~3kg was pulverised to produce a 10g charge for XRF analysis.
Drilling techniques	*Drill type (eg. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (eg. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	Reverse circulation drilling was completed using a face sampling percussion hammer with a 5¾ " bit. Diamond drilling was completed using HQ sized core.
Drill sample recovery	*Method recording and assessing core and chip sample recoveries and results assessed.*	Sample recovery and quality is logged for RC holes. Lost core in diamond holes is recorded during geological logging.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Ground conditions at Weednanna for drilling are generally good. RC drilling is undertaken using auxiliary compressors and boosters to keep the hole dry and maximise sample lift. Diamond holes were drilled using rotory mud pre-collars and triple tube to ensure good sample recovery of poorly or semi-consolidated rock.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	There is no observable relationship between sample recovery and grade.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Samples were logged by a geologist for recovery, weathering, moisture, colour, lithology, alteration, texture, mineralogy and mineralisation. During 2010 five diamond holes were drilled at Weednanna for geotechnical analysis to support an iron open pit. A further nine existing diamond holes were also geotechnically logged. In 2010 geotechnical definitive feasibility studies were completed based on pit shells up to 150m deep. This report was independently reviewed in 2012 and confirmed a comprehensive analysis process had been completed. In 2019 Alliance drilled five diamond holes that were also been geotechnically logged to support mining studies.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Sample logging is both qualitative (e.g. colour) and quantitative (eg. % mineral present) in nature depending on the feature being logged.
	The total length and percentage of the relevant intersections logged.	All holes were logged from start to finish.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Diamond core was cut with a diamond saw to produce fillet, 1/4, or 1/2 core samples as appropriate for the core size and length sampled to obtain ~3kg for analysis. Half core sampling is the preferred technique over ~1m intervals for HQ sized core.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	One metre RC samples were split on the drilling rig using a cone splitter to produce approximately 3kg sub-samples for submission to the analytical laboratory.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation was carried out by Bureau Veritas Laboratory in Adelaide as described above.
	Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples.	Approximately 6% of analysed samples were in the form of standards, blanks or duplicates.

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	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	The sampling method described above ensured representivity of the in-situ material.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	All samples were analysed by Bureau Veritas in Adelaide for an extended iron ore suite (XF100) using XRF determination. The multi-element suite consisted of Fe, SiO_2, Al_2O_3, CaO, MgO, MnO, P, S, K_2O, Na_2O, TiO_2, Cu, Ni, Co, Cr, Pb, Zn, As, Sn, Sr, Zr, Ba, V, Cl and LOI. XRF is the standard analysis technique used by the iron ore industry and is considered to measure total iron.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their deviation, etc.	Not applicable.
	Nature of quality control procedures adopted (eg. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.	All Bureau Veritas Minerals laboratories work to documented procedures in accordance ISO 9001 Quality Management Systems. A nominal one in twenty (5%) of all samples are analysed in duplicate. In addition, re-splits if required are also analysed to determine the precision of the sample preparation and analytical procedures. Blanks and reference materials are randomly inserted into every rack of samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Alternative company staff have verified the significant results that are listed in this report.
	The use of twinned holes.	Not applicable.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Each sample bag was labelled with a unique sample number assigned at the point of sampling in the field. Sample numbers are used to match analyses from the laboratory to the in-house database containing downhole drill hole data.
	Discuss any adjustment to assay data.	No assay data has been adjusted.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other location used in Mineral Resource estimation.*	Drill hole collars have been surveyed by a registered surveyor. Horizontal and vertical accuracy is +/- 25cm. All holes have been accurately down hole surveyed using a gyroscope.
	Specification of the grid system used.	GDA2020, MGA Zone 53.
	Quality and adequacy of topographic control.	Quality as described above. Topographic control is adequate.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Data spacing is listed in Table B in the body of the report.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The data spacing and distribution is considered sufficient to establish geological and grade continuity appropriate for a Measured, Indicated, or Inferred Mineral Resource estimate (depending on drill hole spacing).
	Whether sample compositing has been applied.	Where possible 1m split samples were analysed. In some cases for the 2017-2019 RC drilling 1m split sample pulps were not available and 4m composite scoop samples were analysed. Only 31 samples that comprise the assay results in Table B are derived from 4m composite scoop samples.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The drilling was completed using predominantly 60° east and west dipping drill holes with the objective of achieving unbiased sampling of the mineralised shoots.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The relationship between the drilling orientation and the orientation of the mineralised shoots is not considered to have introduced any material sampling bias.
Sample security	*The measures taken to ensure sample security.*	RC and diamond sub-samples are stored on-site prior to being transported to the laboratory for analysis. Sample pulps are returned to the Company and stored in a secure location. All diamond drilling core is stored in secure location by the Company.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews have been undertaken.

Section 2 – Reporting of Exploration Results		
Criteria	**JORC Code explanation**	**Commentary**

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Criteria	**JORC Code explanation**	**Commentary**
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Weednanna Deposit is part of the Wilcherry Project (Project), comprising EL's 5875, 5931, 6072, 6188, 6379 and 6475, owned by Alliance (100%). The Project is located within the Gawler Craton in the northern Eyre Peninsula, South Australia. There is a royalty of 2% of the NSR payable to Aquila Resources Ltd.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing and there are no known impediments to obtaining a licence to operate in the area.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	The area has been explored since the 1970's by companies including Pan Continental Mining, Asarco, Murumba Minerals, Shell Co. of Australia Ltd (later Acacia Resources Ltd), WMC Resources Ltd, Anglogold Australia Ltd, Aquila Resources Ltd, Trafford Resources Ltd, Ironclad Mining Ltd (later Tyranna Resources Ltd). RC and diamond drilling has been completed at Weednanna by the following exploration companies- • 1997-1998: Acacia Resources • 1999: Acacia Resources and Anglogold • 2000: Anglogold • 2002: Aquila Resources • 2006: Trafford Resources • 2007: Ironclad Mining and Trafford Resources • 2008-2010: Ironclad Mining • 2012-2017: Ironclad Mining and Trafford Resources • 2017-present: Alliance
Geology	*Deposit type, geological setting and style of mineralisation.*	The geology at Weednanna is characterised by a north striking and moderate to steep east-dipping unit of Paleo-Proterozoic Hutchinson Group sediments, consisting of marl and dolomite with lesser sandstone and minor basalt, which have been metamorphosed under upper-amphibolite facies conditions and altered to produce interleaving calc-silicate and magnetite skarn with lesser gneiss and minor amphibolite. This altered meta-sedimentary package is bounded to the east and west by Archaean Sleaford Complex granite and gneiss. The Archaean rocks appear to truncate the meta-sediments at depth at the northern and southern ends of the deposit, with the meta-sediments extending below current drilling in the central area of the deposit. A keel of north-striking weathered granite of uncertain age occurs near-surface within the Hutchinson Group sediments along most of the deposit area. Pink potassium feldspar-rich granites, potentially of the Hiltaba Granite suite, intrude the Sleaford Complex on the eastern side of the deposit area and minor later stage granites cut the metasedimentary package. Iron mineralisation occurs within Paleo-Proterozoic Hutchinson Group meta-sediments as primary magnetite formed by skarn alteration of dolomite, and as secondary hematite, ilmenite, and goethite derived from weathered of magnetite. Gold mineralisation occurs within both the Archaean Sleaford Complex granite and gneiss and Paleo-Proterozoic Hutchinson Group meta-sediments and overprints the Hiltaba associated skarn alteration. Gold was deposited in favourable structural and lithological areas as the host rocks have cooled. Due to the high regional metamorphic temperate during gold emplacement, shoots are relatively discrete and high grade.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar;* • *elevation or RL (reduced Level - elevation above sea level in metres) of the drill hole collar;* • *dip and azimuth of the hole;* • *down hole length and interception depth;* • *hole length.*	Refer to Table B in the body of this report for the location of all drill holes containing > 55 % Fe. Figures 1 and 2 in the body of this report illustrate the location of all holes drilled between 2017 and 2020 and analysed for iron relative to historic drilling. Drill locations are colour coded to discriminate between historic holes, 2017-2020 holes with no assay results > 55 % Fe, and 2017-2020 holes with assay results > 55 % Fe that are listed in Table B. Figures 3 and 4 in the body of this report illustrate the location of all iron results in drilling > 55 % Fe.

Section 2 – Reporting of Exploration Results		
Criteria	**JORC Code explanation**	**Commentary**
	If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	*In reporting Exploration results, weighting averaging techniques, maximum and/or minimum grade truncation (eg. cutting of high grades) and cut-off grades are usually material and should be stated.*	The results are weighted averages by sample length. No high grade cuts have been applied. Results are reported for all intersections of iron greater than 55 % Fe. The mineralised intervals are listed in Table B in the body of the announcement.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregation should be shown in detail.	Lengths of low-grade results have been incorporated where the adjacent higher grade results are of sufficient tenor such that the weighted average remains close to or above the lower cut-off grades.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents are reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg. 'down hole length, true width not known').*	The iron mineralisation at Weednanna varies greatly in geometry due to the skarn-style of mineralisation and remobilisation by weathering. The interpretation of the geometry of these shoots is shown in the figures in the body of this report. Assay results are reported as down hole lengths because the true width is not always known.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to figures in the body of the announcement.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The results reported in Table B represent all significant assay results averaging greater than 55 % Fe.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density; groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Iron processing methods considered at Weednanna by Ironclad Mining include direct shipping ore (DSO), gravity separation (GS), and dry magnetic separation (DMS). Extensive testwork was completed to determine grade recovery relationships for the DMS and GS processing methods to feasibility study level. Gold metallurgical test work by Alliance at the Weednanna Deposit is nearing completion. This test work has revealed that gold at Weednanna is fine grained and evenly distributed across all size fractions. The mineralisation contains minor deleterious elements and is not refractory across most of the deposit. At Shoot 1 a mild-refractory component of ore appears to be associated with elevated arsenopyrite. Good gold recoveries in excess of 85-90% should be achievable for most of the deposit by processing through a conventional cyanide leach circuit, however recoveries from Shoot 1 ore may be lower. Alliance and previous explorers have compiled a comprehensive density database for the Wilcherry Project. This database consists of more than 15,000 measurements collected across all rock types relevant for a Mineral Resource Estimate. The water table at Weednanna is between approximately 40-50 vertical metres depth.
Further work	*The nature and scale of planned further work (eg. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Refer to main body of announcement.