

2 February 2022

Alliance Resources Limited to raise up to \$3.38 million in non-renounceable rights issue

Alliance Resources Limited ACN 063 293 336 (ASX:AGS) (**Company**) is pleased to announce a non-renounceable rights issue entitling shareholders to subscribe for one new share for every eight shares held on the record date of 7 February 2022 (**Record Date**) at an issue price of \$0.13 per share to raise up to approximately \$3.38 million (before costs) (**Entitlement Offer**).

The issue price of \$0.13 per share represents a 16.13% discount to the closing price on 1 February 2022, and a 19.65% discount to the 30 trading days volume weighted average price up to and including 28 January 2022.

The Entitlement Offer includes a shortfall facility under which Eligible Shareholders that have taken up their full entitlement under the Entitlement Offer can apply to take up additional New Shares in excess of their pro rata entitlement (up to a cap of 50% of their entitlement). Applications under the shortfall facility will only be considered to the extent there is a shortfall under the Entitlement Offer.

The funds raised from the Entitlement Offer will be applied to exploration drilling, feasibility study work, offer costs and working capital.

Eligible shareholders

Existing shareholders with a registered address in Australia and New Zealand (**Eligible Shareholders**) will have the opportunity to participate in the Entitlement Offer. The Entitlement Offer will be made to registered Eligible Shareholders at 7.00pm (Melbourne time) on the Record Date (being 7 February 2022).

If the Entitlement Offer is fully subscribed, approximately 26 million New Shares (subject to rounding and assuming no options are exercised before the Record Date) will be issued.

Indicative timetable

An indicative timetable of key dates in relation to the Entitlement Offer is as follows:

	Event	Date – 2022
1.	Lodgment of Offer Document with ASX	Wednesday, 2 February
2.	Notice of Entitlement Offer sent to option holders	Wednesday, 2 February
3.	Ex-date	Friday, 4 February
4.	Record Date	Monday, 7 February

	Event	Date – 2022
5.	Entitlement Offer Opening Date	Thursday, 10 February
6.	Entitlement Offer Closing Date	Friday, 25 February
7.	New Shares quoted on a deferred settlement basis	Monday, 28 February
8.	Allotment and issue of New Shares	Friday, 4 March

The above table is indicative only and all dates may be subject to change.

Subject to the ASX Listing Rules the Company's directors reserve the right to extend the Closing Date for the Entitlement Offer at their discretion. Should this occur, the extension would have a consequential effect on the anticipated date of issue of the New Shares.

The Entitlement Offer is being made without a prospectus pursuant to section 708AA of the *Corporations Act 2001* (Cth). The Offer Document will be lodged with the ASX on 2 February 2022. The Offer Document, which includes a personalised application form, will be sent to Eligible Shareholders on 10 February 2022. Eligible Shareholders should consider the Offer Document carefully before deciding whether to participate in the Entitlement Offer.

If you have any questions, you should seek advice from your stockbroker, accountant or other independent and appropriately licenced professional adviser. For further information about the Entitlement Offer you can call the Company on +61 3 9697 9090 at any time between 8:30am and 5:00pm (AEDT), Monday to Friday.

As the office may be unattended due to Covid-19 issues if your call is unanswered please leave a message, including your contact number, and the Company will return your call as soon as possible.

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 45 km north of the township of Kimba, South Australia.

The Mineral Resource estimate for the Weednanna Gold Deposit, part of the Wilcherry Project, is 1.106 Mt grading 4.3 g/t gold for 152,000 oz gold (classified 85% Measured & Indicated and 15% Inferred). Refer to

ASX announcement dated 9 November 2020 for details concerning the Mineral Resource and the Competent Persons consent. The maiden iron resource for the Weednanna project was announced on 19 November 2020 and totals 1.15 Mt grading 59.4% Fe (classified as 65% Measured & Indicated and 35% Inferred). Refer to ASX announcement dated 19 November 2020 for details concerning the Mineral Resource and the Competent Persons consent. There is potential to increase the size of these Mineral Resources with further drilling.

Alliance is not aware of any new information or data that materially affects the information included in the above-mentioned announcements. All material assumptions and technical parameters underpinning the above-mentioned Mineral Resource estimates continue to apply and have not materially changed.

An independent scoping study reported a positive outcome and supports a new, 250,000 tpa gold processing plant at Weednanna. Total indicative capital cost is approximately \$44 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.

Detailed Engineering design and Mine design studies have commenced to produce Detailed Feasibility Study (DFS) level designs and cost estimates for the gold processing plant and proposed open pit and underground mining operations.

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