

ALDERAN CONSOLIDATES LAND POSITION IN UTAH'S DRUM MOUNTAINS, EXPANDING DETROIT PROJECT

HIGHLIGHTS

- Alderan moves to consolidate its land position in the Drum Mountains, Utah, executing three property deals to extend its Detroit Project to 24.7 km²
- Drum Mountains' prospectivity has attracted such majors as Anaconda Copper, Newmont, BHP and Freeport-McMoRan, but no one company has been able to build a contiguous land position until now
- Analysis of historical data and Alderan's field mapping and rock-chip sampling has confirmed the mineral potential of the Drum Mountains, which host the Detroit Project
- Previous rock-chip sampling results show highly anomalous gold in structurally controlled jasperoids over 25km²
- Multi-element analysis and geological mapping support multiple mineralised events
- No contiguous modern exploration completed over the Drum Mountains, due to fragmented previous ownership
- Alderan's review of results continues with plans for IP and magnetic surveys and interpretation and analysis of historical results to define targets for drilling during the next 90 days.

Alderan Resources Limited (ASX: AL8) (**Alderan** or the **Company**) is pleased to announce it has expanded its land position in Utah's Drum Mountains surrounding its Detroit Project after executing three property deals. Alderan's total land position in the Drum Mountains is now to 24.7 km².

These land deals give Alderan major project consolidation in the eastern Great Basin in Utah, in a major mineralised magmatic arc. Drum Mountains' prospectivity has attracted such majors as Anaconda Copper, Newmont, BHP and Freeport-McMoRan, but no one company has been able to build a contiguous land position. Contiguous district-wide exploration is now possible for the first time. The land acquired has extensive mineralised jasperoids which been sampled by the United States Geological survey.

Alderan's Detroit Project is one of two projects the company is earning up to 70% interest through an agreement with Tamra Mining LLC. Alderan recently completed first-pass drilling at the Mizpah prospect at Detroit, with results imminent.

Its consolidation at Detroit becomes its second major mining district consolidation, with the first at its Frisco Project, also in Utah. Frisco is subject to a joint venture with Rio Tinto subsidiary Kennecott Exploration, which is earning up to 70% by spending US\$30m on exploration.

Alderan Managing Director Peter Williams said: *"We have long been convinced of the prospectivity of the Drum Mountains, but there has been minimal exploration due to previous fragmented ownership. We have worked hard over 9 months to secure a greater land position in the Drum Mountains and are excited by our review of previous exploration as well as results from our own due diligence."*

"With this land position now secure, we look forward to building a greater understanding through further continuous surveying and interpretation of results which will allow us to plan drilling in this area during 3Q 2021, presently scheduled to start late June 2021, which will complement the work we've already undertaken at the Mizpah prospect. Our exploration team has been onsite for the last week making preparation for the upcoming exploration program. We are in an excellent position to move swiftly through to discovery now, and develop the project far more efficiently and effectively."

Introduction

The Detroit Mining Project is in the Drum Mountains, located about 56km northwest of Delta, Utah, which host a range of mineralisation styles, including skarn, porphyry and Carlin like gold mineralisation. Location of the range and adjacent areas is shown below (Figure 1). The area has had very limited previous exploration, due to complex small-scale ground holdings.

222

Ken Krahulec

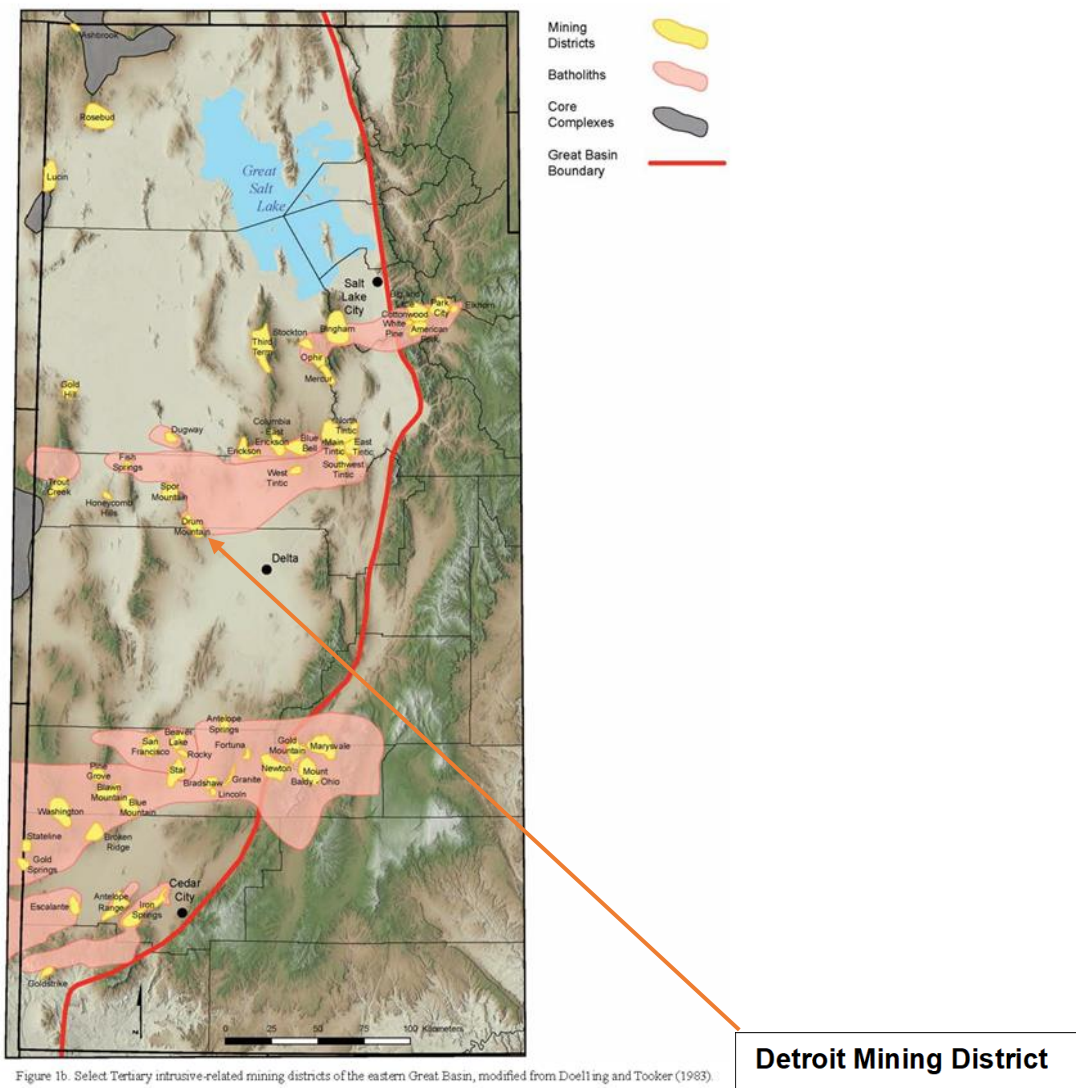


Figure 1: Detroit Project Locality Map. Pink marks the interpreted and mapped Eocene Magmatic arcs. Yellow marks the select intrusive-related mining districts.

Ground consolidation

Alderan has completed several strategic land deals, which for the first time, provide contiguous ground holding over the most prospective portions of the Drum Mountains, such that Alderan now controls 24.7 km².

Key terms of these agreements include:

1. Agreement with Drum Mountain Mineral Properties LLC (DMMP):

- Option to Joint Venture two (2) State of Utah Metalliferous Leases and 12 unpatented mining claims totaling 1,018 acres;
- US\$40,000 on close;
- \$500,000 in exploration expenditures in Year 1;
- 55% for \$3M in exploration expenditure in 3 Years;
- Upon Volantis (100% owned Alderan subsidiary) completing expenditures to earn 55%, DMMP will have a one-time option to contribute at 45%. If the option is not exercised, Volantis may earn 70%;
- 70% for an additional \$2M in 5 Years; and
- 1% NSR if a party's interest is reduced to less than 10%.

2. Agreement with Hartshorn Claim Group:

- Option to Purchase four (4) patented claims (fee land) totaling 55 acres;
- 3-year term;
- US\$15,000 on close, plus reimbursement of 2020 taxes;
- Annual payments (respective years, US\$15k, US\$15k and US\$30k); and
- Purchase price \$200,000 in 3 years plus a 2% NSR with 1% purchasable for US\$200k.

3. Agreement with George Miller / Ron Myers Patented claims:

- Option to Purchase 60 patented claims (fee land) totaling 1,010 acres;
- 1 year term;
- US\$300,000 on close and quarterly payments of US\$50,000; and
- Purchase price \$4,550,000 in 12 months

All Vendors noted above are unrelated parties to the Company.

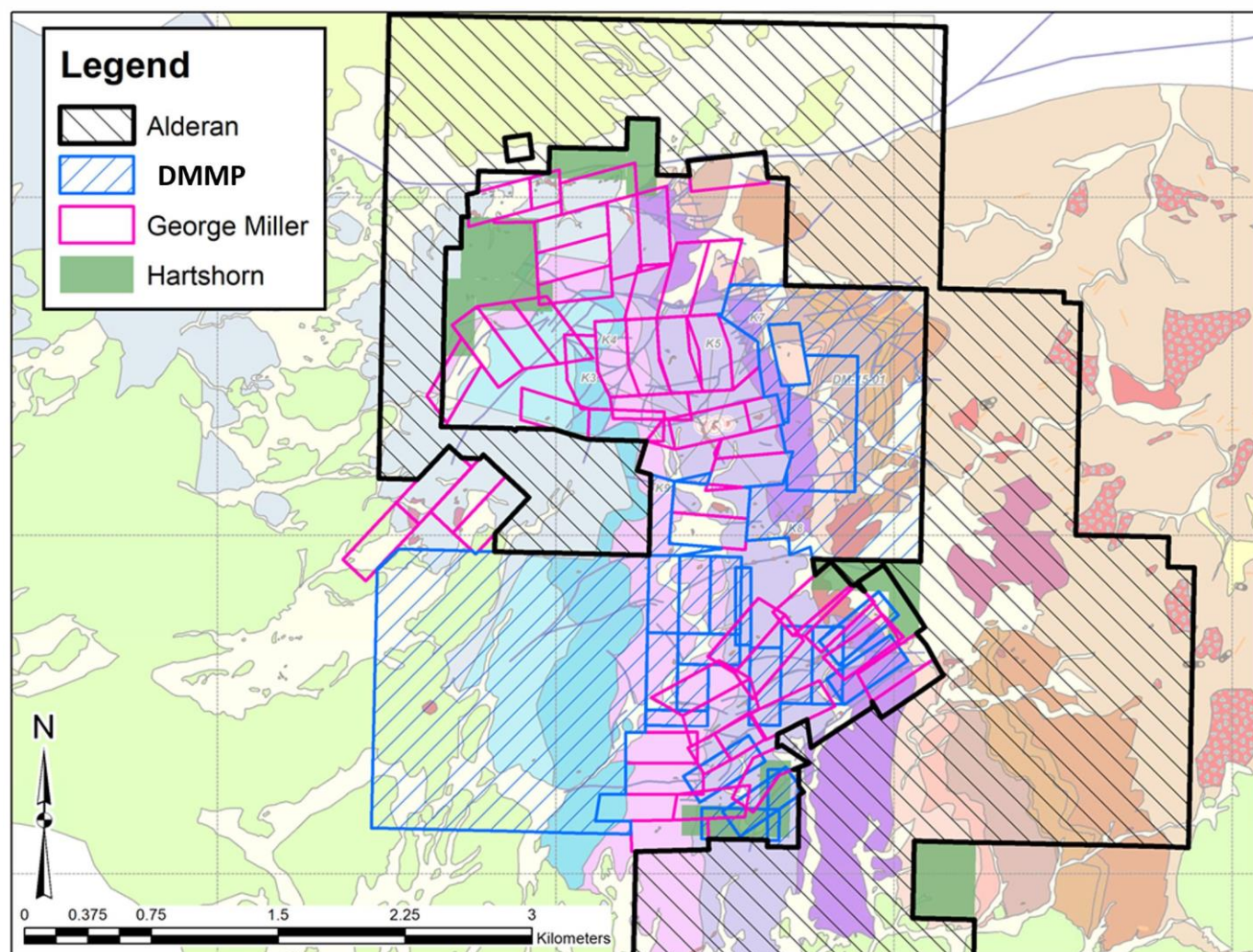


Figure 2: Simplified geology map, showing Alderan's ground (change from Volantis), and new ground acquisitions. Pink and purple areas are considered to be the reactive/prospective stratigraphy. Importantly, Alderan moves to tie up 6km strike length of the gently west dipping reactive stratigraphy.

Exploration plans

Alderan's review of results is continuing onsite. In addition, the Company plans to complete the following as soon as possible:

- Complete 3D Induced Polarisation survey;
- Complete detailed 3D magnetic survey and interpretation;
- Integrate geology, rock chip sampling, BLEGS, and interpretations from its first steps to define a drill program; and
- Commence a drill program.

Geological background

Alderan reviewed previous exploration in the Drum Mountains, external to its Tamra JV ground holdings, and conducted a first-pass due diligence program which included geological mapping and rock-chip sampling.

Historically from 1904 to 1917, gold-copper deposits at the Ibez, Copperhead, Keystone, and E.P.H. mines are said (refer Butler, Loughlin, and Heikes, 1920, p. 464) to have produced gold and copper ores¹. Most of the deposits are associated with lenses of massive yellowish-brown jasperoid that have replaced the limestone at

irregular intervals along faults. Gold, and the copper minerals malachite, azurite, chrysocolla, chalcopryrite, and chalcocite, together with abundant pyrite are sporadically distributed along fissures and fractures within the silicified zones, the dikes, or the adjoining wallrocks. Butler, Loughlin, and Heikes (1920, p. 463) reported a carload of gold ore shipped in 1882 contained 14% bismuth.

The widespread occurrence of auriferous Jasperoids has been of great interest since the 1960's due to their association with Carlin style Gold deposits^{3,4,5,6,7}. Sampling by the USGS in 1968-1969 has recorded gold over approximately 15km², primarily to the west of the Tamra JV ground⁴. The range of gold values exhibited in this sampling program is similar as that reported for sampling of the Jasperoids adjacent the Carlin Open Pit (1 to 6 gpt Au), and which was of critical significance to the discovery of Carlin Gold Deposit³. Analysis of the metal zonation from geological mapping and previous work showed a zonation which can be interpreted as supporting multiple mineralising events.

The Company intends to provide shareholders additional communications within the next 2-3 weeks, in the form of ASX announcements on the technical aspects of the project, as well as a roadshow in Eastern and Western Australia, subject to COVID-19 related protocols.

ENDS

This announcement was authorised for release by the Board of Alderan Resources Limited.

ALDERAN RESOURCES LIMITED

ABN: 55 165 079 201

Suite 23, 513 Hay Street, Subiaco, 6008, WA

www.alderanresources.com.au

For further information:

e:info@alderanresources.com.au

p: +61 8 6143 6711

Peter Williams

Managing Director

info@alderanresources.com.au

References:

1. Crittenden, M. D., Jr., Straczek, J. A., and Roberts, R. J., 1961, Manganese deposits in the Drum Mountains, Juab and Millard Counties, Utah. <https://pubs.usgs.gov/bul/1082h/report.pdf>
2. <http://geology.byu.edu/Home/sites/default/files/dommer.pdf>
3. <http://www.portergeo.com.au/database/mineinfo.asp?mineid=mn063> {Describes the exploration history, geology and resources of Carlin Gold Deposit}
4. McCarthy, J. H., Learned Jr., R. E., Botbol J. M., Lovering T. G., J. R. Watterson, and R. L. Turner 1969, Gold-Bearing Jasperoid in the Drum Mountains Juab and Millard Counties Utah, GEOLOGICAL SURVEY CIRCULAR 623, USGS Publication. <https://pubs.usgs.gov/circ/1969/0623/report.pdf>
5. Lovering, T. G., Lakin, H. W., and Hubert, A. E., 1968, Concentration and minor element association of gold in ore-related jasperoid samples, in Geological Survey research 1968: USGS
6. Lovering, T. G., and Hamilton, J. C., 1962, Criteria for the recognition of jasperoid associated with sulfide ore, in Short papers in geology and hydrology: U.S. Geol. Survey Prof. Paper 450-C, p. C9-C11.
7. Nelson, C. E., 1990, Comparative geochemistry of jasperoids from Carlin-type gold deposits of the western United States, Journal of Geochemical Exploration Volume 36, Issues 1-3, Pages 171-195
8. <https://geology.com/usgs/ree-geology/>
9. Butler, B. S., Loughlin, G. F., and Heikes, V. C., 1920, Ore deposits of Utah: U.S. Geol. Survey Prof. Paper 111, p. 463-465