

Additional disclosure regarding Drum drill data review

Alderan Resources Limited (ASX: AL8) (**Alderan** or the **Company**) would like to provide the following additional information in relation to its ASX announcement titled *Alderan drill data review highlights Drum's gold potential* released on 18 November 2021.

As announced on 18 November 2021, Alderan used historical drill hole information and assays to develop a 3D model of the gold distribution at Drum. This model suggests that Drum has exploration potential peripheral to the historical pits for approximately 1.2 - 1.5 million tonnes of remnant mineralisation at a grade of approximately 1.1 - 1.4g/t gold (approximately 42,000 - 67,000 ounces). It should be noted that this exploration potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource. The historic drilling information was first disclosed to the market on 18 November 2021 and the Company confirms that it is not aware of any new information or data that materially affects the information in the market announcement.

The procedure for estimating the exploration potential at Drum was as follows:

1. The drillholes database consisting of 12,287 x 1.5m long sample composites encompassing the mineralisation and waste intervals has been compiled and the gold grades transformed into the geostatistical grade indicators.
2. Eleven indicators have been created (0.05, 0.1, 0.2, 0.3, 0.4, 0.5, 0.7, 1.0, 1.5, 2.0, 4.0) and their spatial continuities modelled using the 3D variography analysis.
3. Sample grades have been estimated into 10x10x2m blocks using the Multiple Indicator Kriging technique. Given the distances between drillholes vary in a range approximately 15-20 x 15-20m in the pit area and 60-80 x 80-90m outside, the chosen size of the blocks, 10x10x2m, is suitable for geostatistical modelling of the grade distribution.
4. The generated block model provides a basis for assessing approximate grade and tonnage of mineralisation remaining outside the Drum pits and represents Alderan's estimate of exploration potential.

The approximate grade and tonnage range of the exploration potential was inferred as follows:

1. Initially the average grade of the blocks located outside of the pit was estimated using 0.5g/t gold as the blocks lower cut off. The obtained average was then decreased and increased by approximately 15% to produce an approximate range of the target's average grade.
2. Tonnage was estimated by assigning the default tonnage factor of 2.7 t/m³ to all blocks falling outside of the pit and the lower margin of the target's tonnage range was inferred by decreasing the total tonnage of the blocks by approximately 15%. The upper margin of the range was obtained applying more conservative value, approximately 10%.

In order to test the exploration potential, Alderan intends to include in-pit bench rock sampling to confirm the presence of remnant mineralisation plus structural and geological mapping to identify high potential structural zones in favourable stratigraphy. A magnetic geophysical survey will also be carried out to assist with the structural and geological mapping and interpretation. An induced polarization geophysical survey will be considered depending on the results of the earlier work. This work is planned to be completed in Q1, 2022.

Drill site selection and permitting will then be undertaken to allow Alderan the option to extend the current Detroit drilling programme to Drum towards the end of Q1 2022, dependent on further results.

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

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The information contained in this announcement that relates to the exploration target is based on, and fairly reflects, information compiled by Dr Marat Abzalov, who is a Fellow of the Australian Institute of Mining and Metallurgy. Dr Abzalov is a consultant to Alderan and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Abzalov consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. Dr Abzalov holds securities in the Company.