

Alderan executes renegotiated option at Detroit Project

HIGHLIGHTS

- Alderan executes renegotiated option agreement over four Miller-Myer leases at Detroit project, Utah, USA.
- Retained leases under renegotiated Miller-Myer option are close to Detroit's Chargeability Stem and Skarn anomalies which Alderan plans to drill in 2022.
- Alderan is executing its strategy of rapidly exploring option areas and retaining only those portions which are prospective.

Alderan Resources Limited (ASX: AL8) (**Alderan** or the **Company**) is pleased to announce the execution of a renegotiated option agreement with George Miller and Ron Myers (**Miller-Myers**) at the Company's Detroit Project, located in the Drum Mountains region of western Utah. The agreement covers four patented mining claims totalling 68.56 acres (27.7ha) and replaces the agreement with Miller-Myers covering 60 patented claims totalling 1010 acres (44.5ha) which Alderan announced in its ASX release dated 11 February 2021¹.

Alderan Managing Director Scott Caithness said: "Successfully renegotiating the Miller-Myer option at Detroit has enabled Alderan to retain a strategic tenement holding around the Chargeability Stem and Skarn anomalies, which are important targets for future drilling, while relinquishing areas with less prospectivity.

"Reducing the Miller-Myer option area aligns with Alderan's strategy of rapidly exploring tenements held under option and then retaining only those portions deemed prospective. Also and most importantly, this enables Alderan to maximise its expenditure on in-ground exploration at Detroit where the Company is currently focused on the high potential Drum and Mizpah oxide gold deposits. In line with this strategy, we have also withdrawn from the Valley Crossroads project so that we can focus on Detroit."

Miller-Myer Option

The reduced area covered by the new Miller-Myer option agreement is the result of exploration carried out by Alderan over the Detroit district in Q4, 2021 (see Figure 1).² This exploration highlighted a number of coincident IP and magnetic geophysical anomalies with associated anomalous copper and gold geochemistry in soils and rocks which were drill tested as part of the prospect prioritisation. The Chargeability Stem and Skarn targets, which sit on the margins of the Miller-Myer leases, were not drilled in this programme and remain unexplored.

The **Chargeability Stem** target is a funnel-shaped high amplitude (>40 milliseconds) chargeability anomaly which extends to more than 500m below surface (see Figures 2 & 3). It is interpreted to be a sulphide-rich feeder zone in the core of the Basin Complex with potential for gold and copper mineralisation.

The **Skarn** anomaly is a high amplitude 80 millisecond chargeability anomaly on the margin of skarn developed at the contact between limestones and calcareous clastics of the favourable host Tatow unit and quartzites of the Lower Pioche Formation.

The key terms of the renegotiated Miller-Myer option are:

Patented Mining Claims

MS5901: Monte Cristo, Good Templar & Wounded Wolf

MS5904: Ely Mine

¹Refer Alderan ASX announcement dated 11 February 2021 for further information.

²Refer Alderan ASX announcements dated 15 October 2021, 12 November 2021, 8 December 2021, 30 December 2021 for further information.

Acreage

MS5901: 49.68 acres (20.1 hectares)

MS5904: 18.88 acres (7.6 hectares)

Three-Year Option

Closing: US\$ 50,000

1st Anniversary: US\$ 50,000

2nd Anniversary: US\$ 70,000

3rd Anniversary: US\$172,800

Total Payment: US\$342,800

- All payments are non-refundable.
- No commitment to make payments, but a requirement to keep the option in good standing annually.

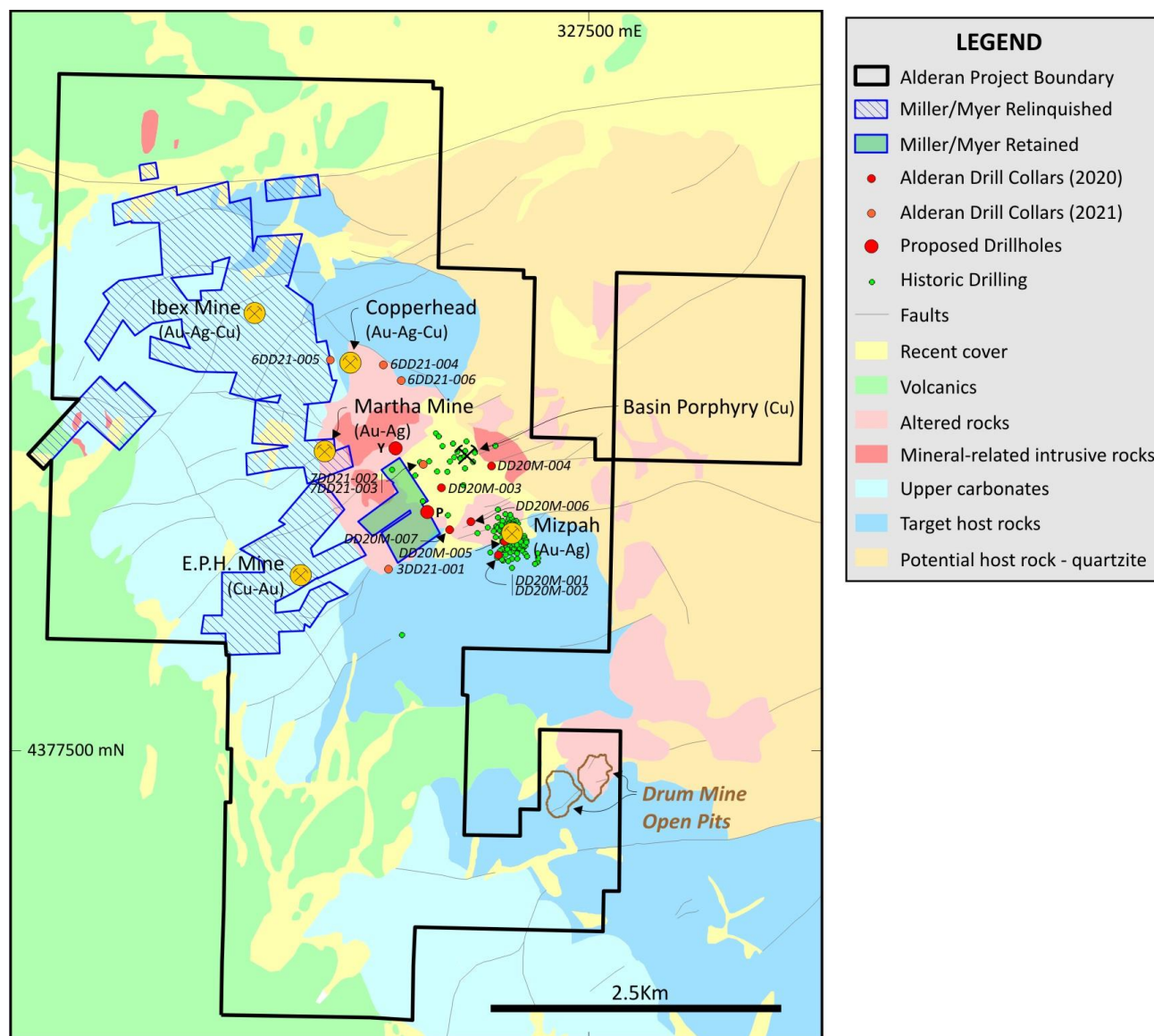


Figure 1: Alderan's Detroit tenement showing the relinquished and retained Miller-Myer option areas and the location of the planned holes Y and P to test the Chargeability Stem and Skarn targets respectively.

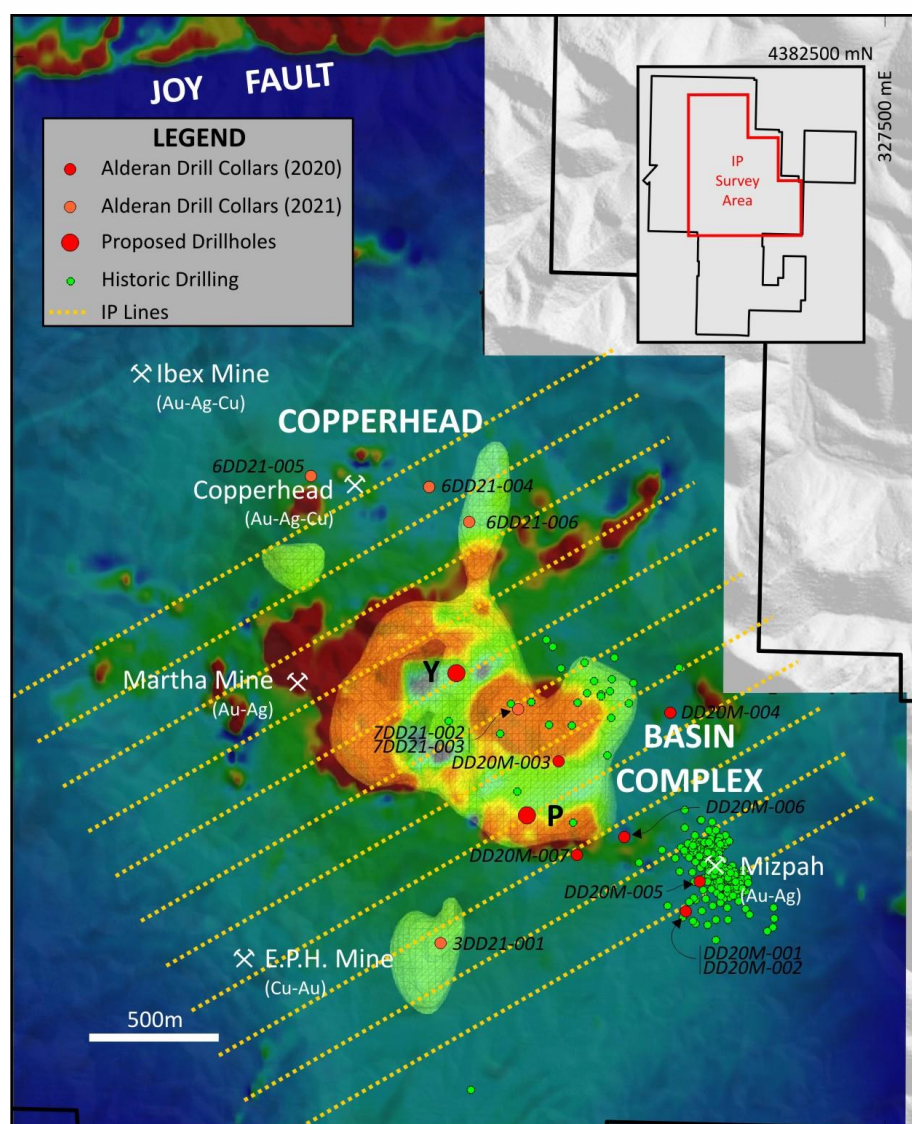


Figure 2: Plan of Detroit project Basin Complex modelled chargeability anomaly (>40 milliseconds).

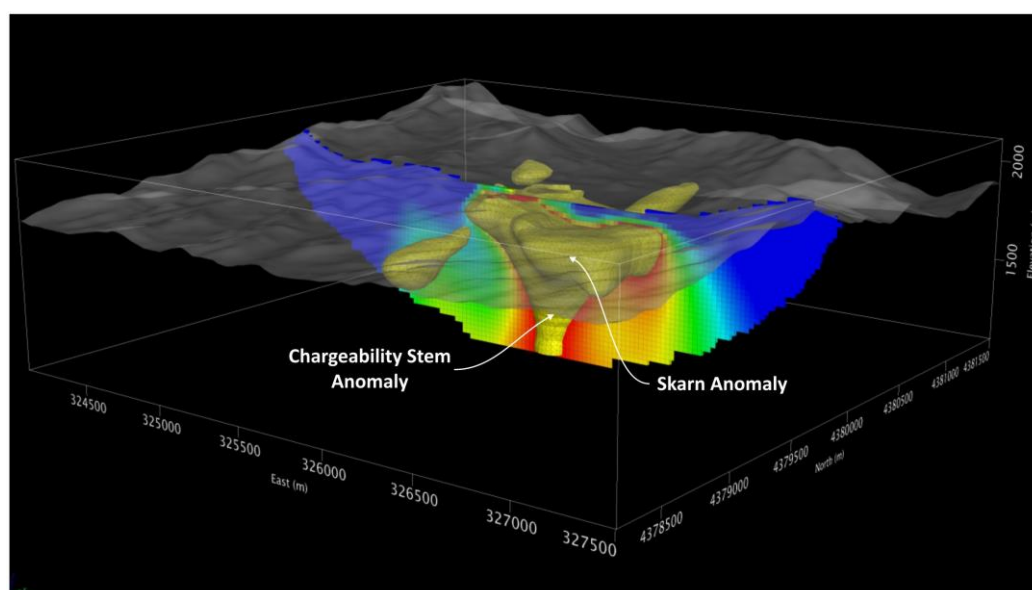


Figure 3: Detroit project Basin Complex model chargeability isosurface (>40 milliseconds) highlighting the Chargeability Stem and Skarn targets; view to Northwest.

Valley Crossroads Option

Alderan has advised Tamra Mining Company LLC of its withdrawal from the option agreement covering the Valley Crossroads project area. Alderan released the terms of the Valley Crossroads option agreement in its ASX announcement dated 16 April 2020.³

Work undertaken by Alderan included reviewing all historical drilling and sampling data, re-processing, modelling and interpreting aeromagnetic data and drilling three diamond holes at the Black Rock prospect which did not intersect significant mineralisation.⁴

Detroit Project

The Detroit Project is one of four Alderan projects in Utah, USA. It lies within the Detroit Mining District, approximately 175km southwest of Salt Lake City, and contains numerous historical copper, gold and manganese mines (see Figure 4). The district has been explored for copper and gold in the past by major mining companies such as Anaconda Copper, Kennecott, Newmont, BHP and Freeport-McMoRan but no one company was able to build a significant contiguous land position to enable district-wide modern exploration. The United States Geological Survey (USGS) has also explored the area, sampling extensive mineralised jasperoids.

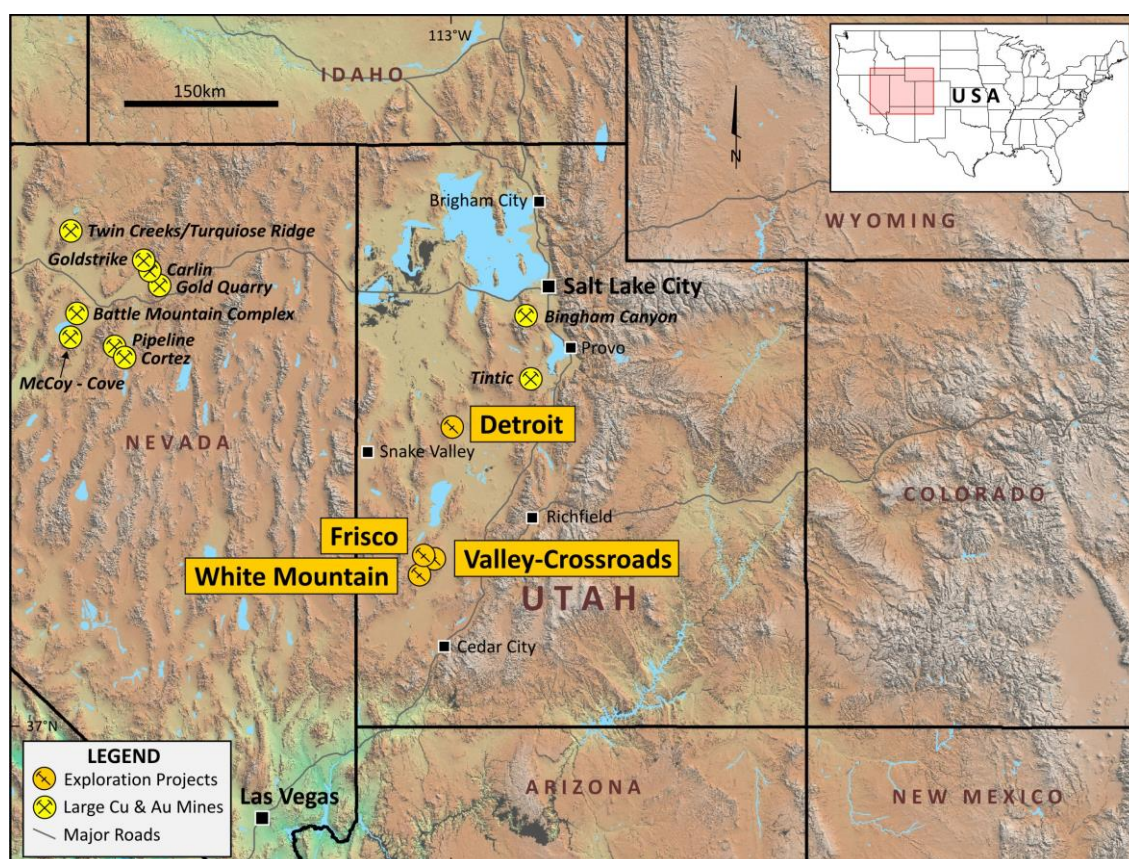


Figure 4: Alderan Resources project locations in western Utah.

ENDS

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

³Refer Alderan ASX announcement dated 16 April 2020 for further information.

⁴Refer Alderan ASX announcements dated 12 January 2021 and 11 June 2021 for further information.

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The information in this announcement that relates to historical exploration results were reported by the Company in accordance with listing rule 5.7 on 16 April 2020, 12 January 2021, 11 February 2021, 11 June 2021, 15 October 2021, 12 November 2021, 8 December 2021 and 30 December 2021. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement.