

## June 2022 Quarterly Activities Report

Alderan Resources Limited (ASX: AL8) (**Alderan** or the **Company**) reports on its activities for the Quarter ending 30 June 2022.

### HIGHLIGHTS

#### *Detroit Project*

- Eight diamond drill holes for 868.6m completed at the Drum oxide gold deposit with assays received at Alderan's Detroit Project in Utah, USA.
- Holes targeted verification of modelled remnant oxide gold mineralisation - all verification holes intersected +1.0g/t gold mineralisation consistent with historical holes drilled 30-35 years ago. Mineralisation remains open below the East and West Pits and down dip. Intersections include:
  - 9DD22-001: **6.3m @ 2.9g/t Au** within **16.2m @ 1.0g/t Au** below north end of East Pit;
  - 9DD22-003: **6.5m @ 2.5g/t Au** within **17.8m @ 1.7g/t Au** below south end of East Pit;
  - 9DD22-004: **6.1m @ 2.3g/t Au** from surface at mined north end of West Pit;
  - 9DD22-005: **3.2m @ 2.0g/t Au** from surface at mined north end of West Pit;
  - 9DD22-006: **3.1m @ 1.1g/t Au** from surface at mined south end of West Pit;
  - 9DD22-007: **15.9m @ 0.42g/t Au** (waste dump) & **5.9m @ 1.2g/t Au** 150m down dip of West Pit.
- Potential for gold mineralisation in waste dump material highlighted by hole 9DD22-007 intersecting **15.9m @ 0.42g/t Au** from surface.
- Mineralised intersections assay 1-2g/t Au which is consistent with Drum's historical mined grade of 1.1-1.2g/t Au and the mineralisation has a shallow dip of 20-30° to the SW which is consistent with the modelled historical drill holes.
- One step-out diamond drill hole completed 350m northwest of the Mizpah oxide gold prospect to a depth of 164.9m intersected **69m @ 0.18g/t Au** – suggests that the mineralised system could be significantly larger than past work indicates.
- Alderan secures option over 'Drum North' between the Drum and Mizpah gold deposits at Detroit, giving it uninterrupted tenement covering 6.5km strike of the highly prospective Drum and Mizpah host stratigraphy.
- Alderan has identified three anomalous gold in soil zones over 3km in favourable host stratigraphy.
- Alderan executes renegotiated option agreement over four Miller-Myer leases at Detroit, close to Detroit's Chargeability Stem and Skarn anomalies which Alderan plans to drill in 2022.
- Alderan's planned exploration at Detroit in Q3, 2022 includes reverse circulation drilling, infill soil sampling and geophysical surveying.

#### CORPORATE

- Alderan receives commitments to raise \$1.3 million (before costs) via a two tranche Placement to accelerate exploration at its Detroit Project, USA and for working capital.
- Alderan Directors subscribe for additional \$150,000 worth of shares, subject to shareholder approval.
- Option Rights Issue for existing shareholders planned for September 2022.

**Alderan Managing Director Scott Caithness said:**

*“Alderan made significant progress on its exploration at Detroit during the quarter. We successfully completed a 1,033m diamond drilling program at our flagship Detroit Gold Project. Drill hole assays confirmed high grade oxide gold mineralisation left behind when mining ceased, providing confidence in our modelling of historical drill data. Importantly, the holes also confirmed that the mineralisation remains open.*

*“Alderan secured a mining exploration agreement over the highly prospective 230-acre Drum North area which bridges the gap between our tenement over Drum and our tenement further north which covers the Mizpah gold deposit. This gives the Company 6.5km of the highly prospective stratigraphy which hosts both Drum and Mizpah.*

*“Assay results for soil samples collected over the Detroit area highlighted two new gold targets to the north and south of Mizpah. The Midway anomaly lies between Drum and Mizpah immediately to the north of the Drum North tenement boundary while the Basin Main anomaly is approximately 800m north of Mizpah.*

*“Subsequent to the end of the quarter, we received firm commitments for a \$1.3 million placement to be completed in two tranches to allow us to advance our exploration at Detroit. This received strong demand from new and existing investors, for which we are grateful, and we look forward to moving ahead with our plans for RC drilling at Detroit.*

*“We plan to continue to execute our strategy of rapidly exploring the Detroit project area and retaining only those portions which are prospective. Work planned in the second half of the year includes reverse circulation drilling and infill soil sampling and geophysical surveying at Detroit.”*

**Detroit Project****Maiden drilling at Drum oxide gold deposit successfully completed**

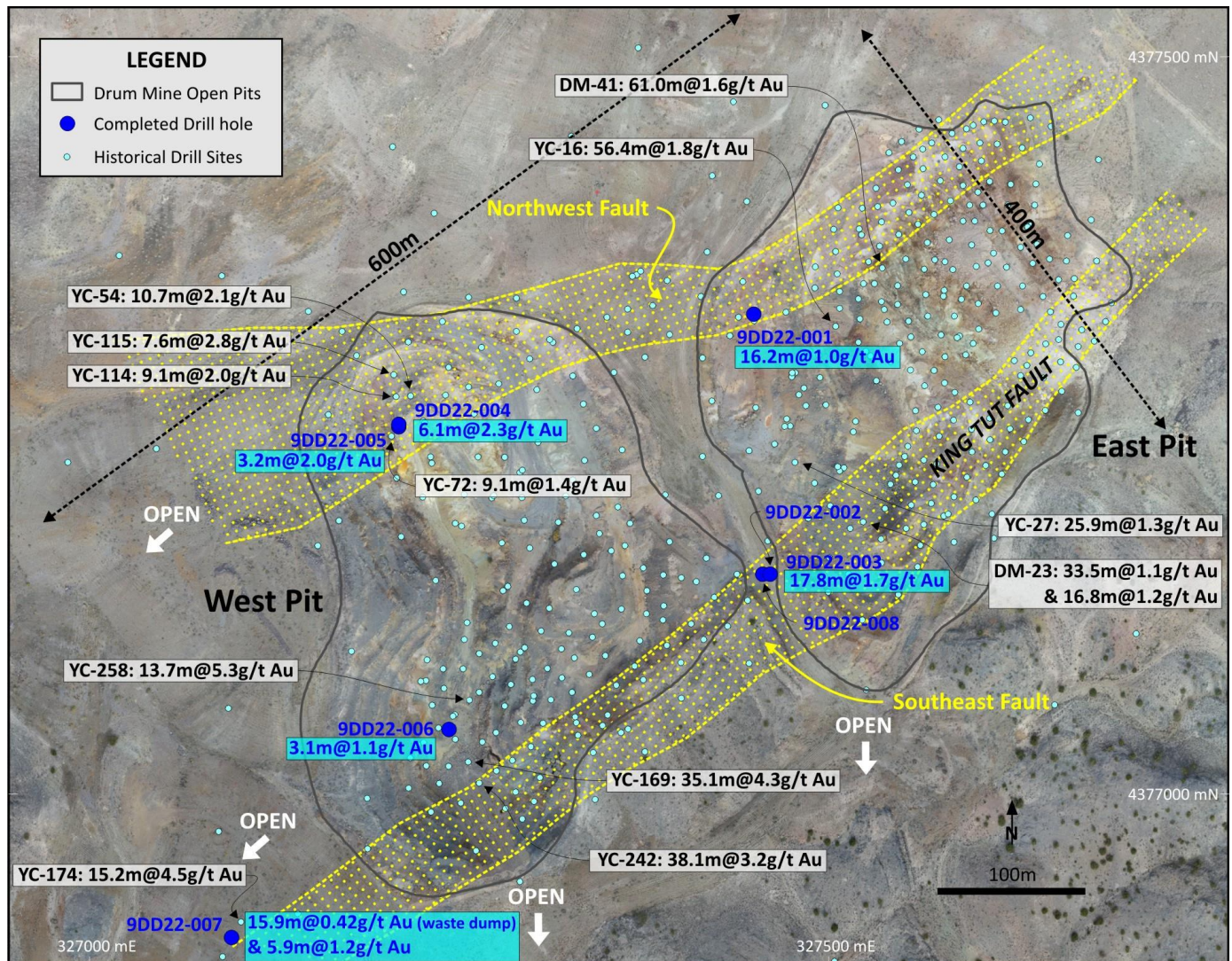
**Figure 1:** Drum gold mine – East Pit

In April, Alderan successfully completed its 1,033m diamond drilling programme at its flagship Detroit Project in the Drum Mountains region of western Utah, USA<sup>1</sup>. The programme consisted of eight holes (868.6m) at the historical Drum oxide gold mine and one hole (164.9m) at the Mizpah oxide gold prospect, 2km north of Drum, and aimed to verify and extend remnant oxide mineralisation at both prospects.

<sup>1</sup> Refer Alderan ASX announcement dated 28 April 2022 for further information.

## Drum Drilling

Drum oxide gold mine produced 125,000oz gold between 1984-89, however until Alderan commenced exploration in late 2021, it had seen no modern exploration since mining ceased<sup>2</sup>. Alderan drilled a total of 868.6m in eight diamond holes at Drum (see Figure 2), designed primarily to test for remnant oxide gold mineralisation left behind when mining ceased in 1989 plus indicate whether potential exists for down-dip extensions to the mineralised horizons. This remnant mineralisation was modelled from historical drill hole data collected by Western States Minerals and Jumbo Mining between 1982-89.



**Figure 2:** Drum open pits showing Alderan and significant historical drill hole intersections within the 400m by 600m open corridor bound by the Northwest Fault and the King Tut Fault in the southeast.

Historical data indicates that the gold mineralisation at Drum primarily occurs in two stratigraphic horizons, the lower Tatow unit and the upper Chisholm Formation within a northeast-southwest trending structural corridor bound by two steeply dipping faults. Both the Tatow and Chisholm units consist of fine-grained calcareous shales, siltstones and carbonates and are separated by the massive and un-mineralised Howell Limestone. All units dip gently at ~20° to the southwest and strike roughly north-south.

Alderan's holes at Drum targeted either the Tatow unit which was the prime source of historical ore in the East Pit or the Chisholm unit, the historical ore host in the West Pit. Holes were drilled at the northern and southern

<sup>2</sup>Krahulec, K.: "Sedimentary Rock-Hosted Gold and Silver Deposits of the Northeastern Basin and Range, Utah"; Utah Geological Survey; Jan 2011

ends of both pits and 150m down dip to the southwest of the West Pit boundary. Assays were received for all holes during the quarter.

A summary of each hole is outlined below.

#### **9DD22-001**

Hole 9DD22-001 was drilled to 117.95m to test for remnant gold mineralisation in the zone surrounding historical hole YC-16 on the western side of Drum's East Pit which intersected **56.4m @ 1.8g/t Au** from 44.2m downhole in the Tatow unit which hosts historical ore in the East Pit (see Figure 3)<sup>3</sup>. Alderan modelling of historical drill data indicated that 10-20m of gold mineralisation at the bottom of the YC-16 remained below Drum's pit bottom including sample grades up to 7.1g/t Au.

Gold-only assays for 20 samples ranging in length from 0.5-2.15m between 57.0-78.3m downhole have been received. The hole intersected a thick oxide zone of **16.15m @ 1.04g/t Au** from 60.04m downhole which included:

- **6.3m @ 2.9g/t Au** from 65.9m downhole;
- **1.5m grading 5.6g/t Au** from 70.7m downhole; and
- Highest grade assays included **6.01g/t Au** (0.61m), **5.23g/t Au** (0.92m) and **3.4g/t Au** (1.13m).

The hole verified Alderan's modelling of historical drill data and confirmed that potential exists for a significant thickness of high-grade oxide gold mineralisation in the Tatow unit at the northern end of the East Pit.

#### **9DD22-002**

Hole abandoned at 28.95m - hole 9DD22-003 is the re-drill.

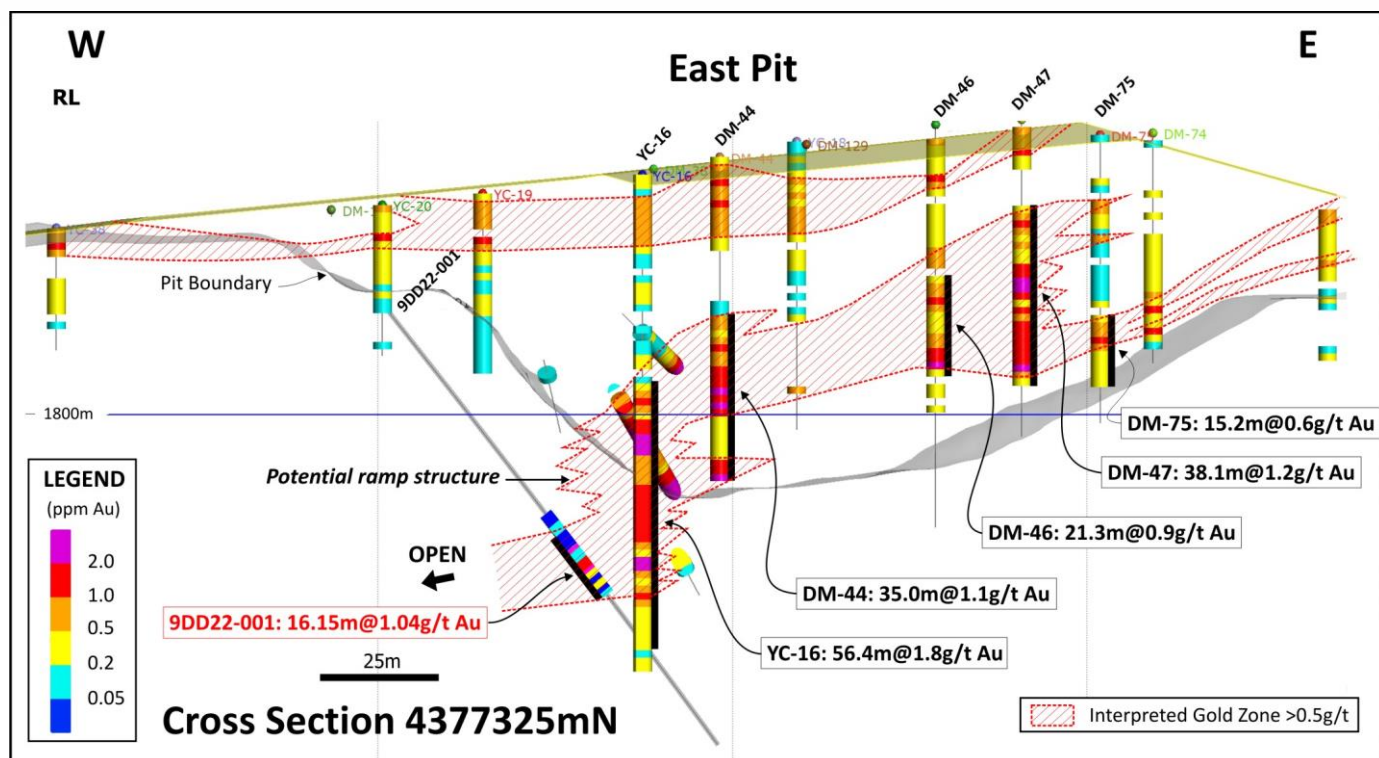
#### **9DD22-003**

Hole 9DD22-003 was drilled to 145.24m to test for remnant gold mineralisation in the Tatow unit below the southern end of the East Pit where Alderan modelling indicated a 10-20m zone of oxide mineralisation grading +1.0g/t Au remained below the pit bottom (see Figure 4)<sup>4</sup>. Historical holes in the immediate vicinity of the hole include YC-24, DM-23 and DM-24 which intersected 12.2m @ 1.1g/t Au from 30.5m downhole, 16.8m @ 1.2g/t Au from 79.2m downhole and 22.9m @ 1.2g/t Au from 47.2m downhole with its final assay 1.9g/t Au respectively. DM-12 which intersected 67m @ 0.9g/t Au from surface with last assay 2.8g/t Au lies approximately 15m off-section to the south.

Gold-only assays for 30 samples ranging in length from 0.47-2.42m between 85.95-123.0m down the hole (61-87m below surface given the hole's -45° drilling dip angle) have been received. The hole intersected a thick, oxide zone of **17.77m grading 1.70g/t Au** from 88.0m downhole (includes a 0.76m cavity interval grading 0.0g/t Au) which included:

<sup>3</sup>Refer Alderan ASX announcement dated 25 February 2022 for further information.

<sup>4</sup>Refer Alderan ASX announcement dated 5 April 2022 for further information.



**Figure 3:** Drum E-W section through northern end of East Pit showing 9DD22-001 intersection. The hole verifies intersections in surrounding historical holes and suggests that the mineralisation extends down dip to the SW. Due to the thickness and grade of the historical hole YC-16 intersection, it is interpreted to traverse a ramp structure - a step in the mineralised horizon.

- **6.57m grading 2.48g/t Au** from 99.2m downhole;
- **3.19m grading 3.54g/t Au** from 101.01m downhole; and
- Highest grade assays of **4.13g/t Au** (1.48m), **3.91g/t Au** (0.48m) and **3.33g/t Au** (0.51m).

The hole again verified Alderan's modelling of historical drill data and confirmed that potential exists for significant thicknesses of high-grade oxide gold mineralisation at the southern end of the East Pit. Also, the geological logging suggests that the mineralisation occurs dominantly in quartzites that sit stratigraphically below the Tatow unit. This opens the possibility that the gold can extend well below the historically mined Tatow horizon.

### 9DD22-004

Hole 9DD22-004 is located at the northern end of the West Pit. It was drilled at a -45° dip angle to the north to a depth of 47.85m to test the Chisholm Formation towards the interpreted steeply dipping northeast trending fault which defines the northern boundary of the structural corridor hosting the Drum deposit<sup>5</sup>. Historical holes in the vicinity include YC-114 and YC-115 which intersected 9.1m @ 2.0g/t Au from 48.8m downhole and 7.6m @ 2.8g/t Au from 42.7m downhole respectively.

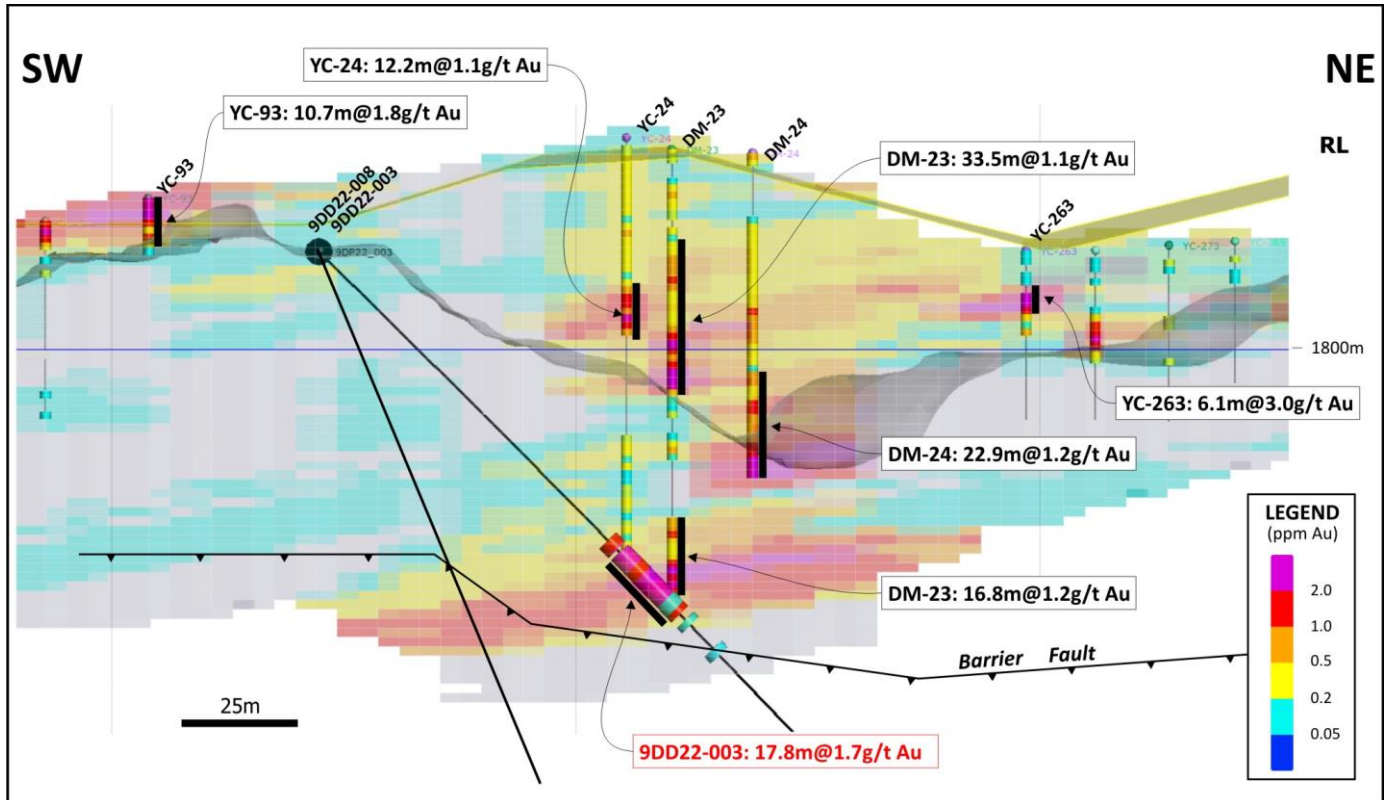
The hole intersected prospective Chisholm Formation siltstones and shales from surface to 32.6m before traversing Howell Limestone to its final depth. The Chisholm is typically altered and oxidized where silty and locally brecciated.

The hole intersected **6.08m @ 2.31g/t Au** from surface, which successfully verified the historical drillholes. The highest-grade assay was **7.17g/t Au** over 1.61m at the top of the hole. Chisholm Formation siltstones and shales were traversed from surface to 32.6m followed by Howell Limestone to the final depth. The Chisholm is typically altered and oxidized where silty and locally brecciated.

<sup>5</sup>Refer Alderan ASX announcement dated 11 May 2022 for further information.

### 9DD22-005

Hole 9DD22-005 was drilled vertically from the same collar location in the West Pit as hole 9DD22-004. It targeted a deep test of the northeast trending fault which is interpreted to dip southeast and mark the northern boundary of the structural corridor which hosts Drum. Modelling of neighbouring historical holes YC-114 and YC-127 suggest potential exists for mineralisation in Chisholm Formation at the top of the hole.



**Figure 4:** Drum section showing holes 9DD22-003 and 9DD22-008 on the block model of mineralisation built from historical drill holes. A NE-SW trending barrier fault which dips 70°-80° NW within the King Tut Fault zone has been interpreted between the two holes with hole 9DD22-008 drilling into the weakly mineralised footwall of the fault. The area between the holes is structurally complex and requires further drilling.

The hole traversed prospective oxidised and argillic altered Chisholm Formation shales and siltstones from surface to a depth of 18.8m before entering primarily fresh, unaltered Howell Formation Limestone to the final depth of 134.74m. The hole did not traverse a major structural zone.

The hole intersected **3.2m @ 2.0g/t Au** from surface, which again successfully verifies neighbouring historical holes given that 9DD22-005 was collared within the historically mined Chisholm Formation. The hole traversed oxidised and argillic altered Chisholm Formation shales and siltstones from surface to a depth of 18.8m before entering primarily fresh, unaltered Howell Formation Limestone to the final depth of 134.74m. The hole did not traverse the major structural zone which is now interpreted to dip sub-vertically however it did verify a shallow dip for the mineralised unit, in the range of 20°-30° to the southwest.

The results for holes 9DD22-004 and 9DD22-005 at Drum confirm that remnant high-grade Chisholm Formation oxide gold mineralisation remains below the West Pit. The holes intersected gold grades consistent with neighbouring historical holes and while the intersections were shorter than in historical holes, 9DD22-004 and 9DD22-005 were collared within a mined area of the Chisholm Formation in the West Pit.

### 9DD22-006

Hole 9DD22-006 was designed to intersect the Chisholm Formation and Tatow unit close to the northeast trending King Tut fault which defines the southern boundary of the Drum deposit corridor at the southern end of

the West Pit<sup>6</sup>. The hole was drilled from the bottom of the West Pit at an azimuth of 135° and dip of -60° and traversed below historical hole YC-169 which intersected 35m @ 4.3g/t from 25.9m downhole to the end of the hole at 61m. No West Pit historical drilling extended into the lower Tatow unit which was the ore host in the East Pit.

The hole traversed Chisholm Formation shales and siltstones to a depth of 38.6m followed by Howell Limestone to 126m and then the prospective Tatow unit to the end of the hole at 159.41m. The Tatow consists of oxidised shale, sandy carbonate, and limestone.

Alderan's hole intersected **3.1m @ 1.1g/t Au** in Chisholm Formation from 2.7m below the surface of the pit bottom. Chisholm Formation shales and siltstones were traversed downhole to a depth of 38.6m followed by Howell Limestone to 126m and then the Tatow unit, the mineralisation host in the East Pit, to the end of hole at 159.41m. The Tatow consists of oxidised shale, sandy carbonate, and limestone. The hole did not drill through the Lower Tatow to reach the Pioche quartzite which hosts the mineralisation in hole 9DD22-003 in the East Pit.

#### **9DD22-007**

Hole 9DD22-007 is located 150m down-dip to the southwest of the West Pit boundary and was designed as a verification of historical hole YC-174 which intersected 15.2m @ 4.5g/t Au from 73.2m downhole including 6.1m @ 10.3g/t Au in Chisholm Formation. The hole was abandoned at a depth of 109.45m, 11m short of its planned depth, due to rods being lost at the bottom of the hole.

The hole traversed massive fresh limestones to a depth of 100.6m before entering the oxidised and altered Chisholm formation shales and mudstones. Based on the depth drilled, the hole has entered the targeted zone however logging suggests that it may not have reached the lower mineralised portion of the Chisholm Formation before being abandoned. Alderan's plan is to re-enter and extend the hole when drilling re-commences in August.

The hole intersected two zones of mineralisation, **15.85m @ 0.42g/t Au** in waste dump material from surface and **5.86m @ 1.18g/t Au** from 100.6m downhole. The waste dump intersection highlights the possibility that significant gold may occur in mine waste dumps surrounding the open pits while the deeper intersection, although not fully traversing the targeted Chisholm host unit, confirms that oxide gold mineralisation extends at least 150m down dip from the West Pit.

#### **9DD22-008**

Hole 9DD22-008, drilled at a dip angle of -60° from the same location as 9DD22-003, was designed to test for extensions to the mineralisation intersected in 9DD22-003 approximately 30m down dip (see Figure 4).

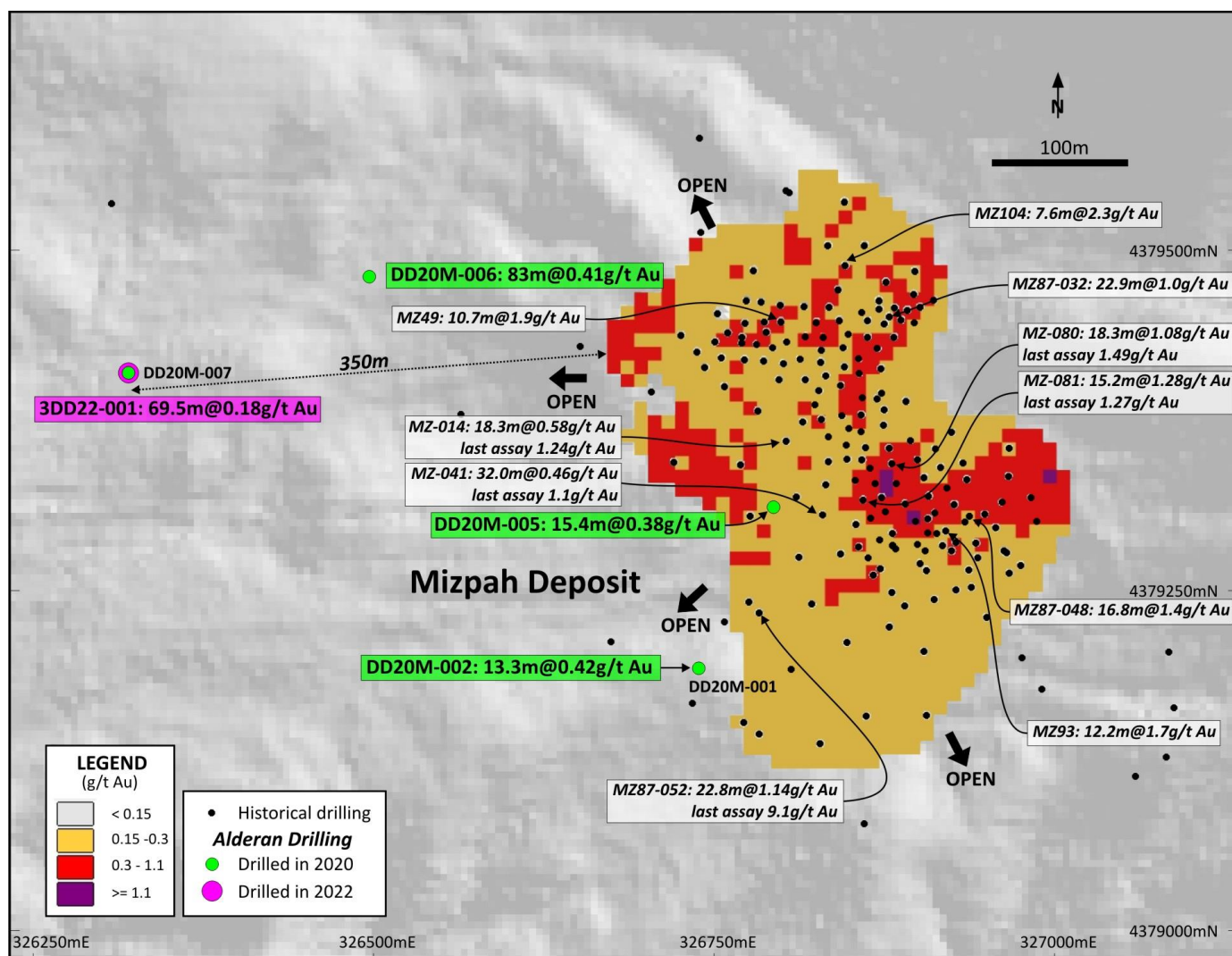
The hole traversed fresh limestone to 60.6m before entering dominantly oxidised Tatow unit calcareous sediments. Lower Pioche unit sandstones and phyllites are logged from 106.2m to the end of the hole at 125.5m.

No significant gold was intersected down the hole which traversed fresh limestone to 60.6m before entering dominantly oxidised Tatow unit calcareous sediments followed by Lower Pioche unit sandstones and phyllites from 106.2m to the end of the hole at 125.5m. It is interpreted that a NE-SW trending fault cuts between holes 9DD22-003 and 9DD22-008 with the later drilled into the footwall zone which is not mineralised. Further drilling, including holes cutting across the King Tut fault zone, is required to better understand the structure and distribution of gold mineralisation in this area.

#### **Mizpah drill hole suggests significantly larger mineralised system**

Mizpah hole 3DD22-001 drilled to a depth of 164.89m was designed as a bold 190m down dip step-out from Alderan's 2020-hole DD20M-006 which intersected 83m @ 0.41g/t Au from 35.8m downhole (includes 6.9m @ 1.98g/t Au; see Figure 5). The hole was drilled to the northeast at a down-dip angle of -60° and is approximately 350m from the Mizpah deposit outlined by drilling in the mid-1980s. It was collared on the same site as Alderan hole DD20M-007 which drilled to the north at -60° dip angle in 2020 and intersected 11.75m @ 0.17g/t Au.

<sup>6</sup>Refer Alderan ASX announcement dated 25 May 2022 for further information.



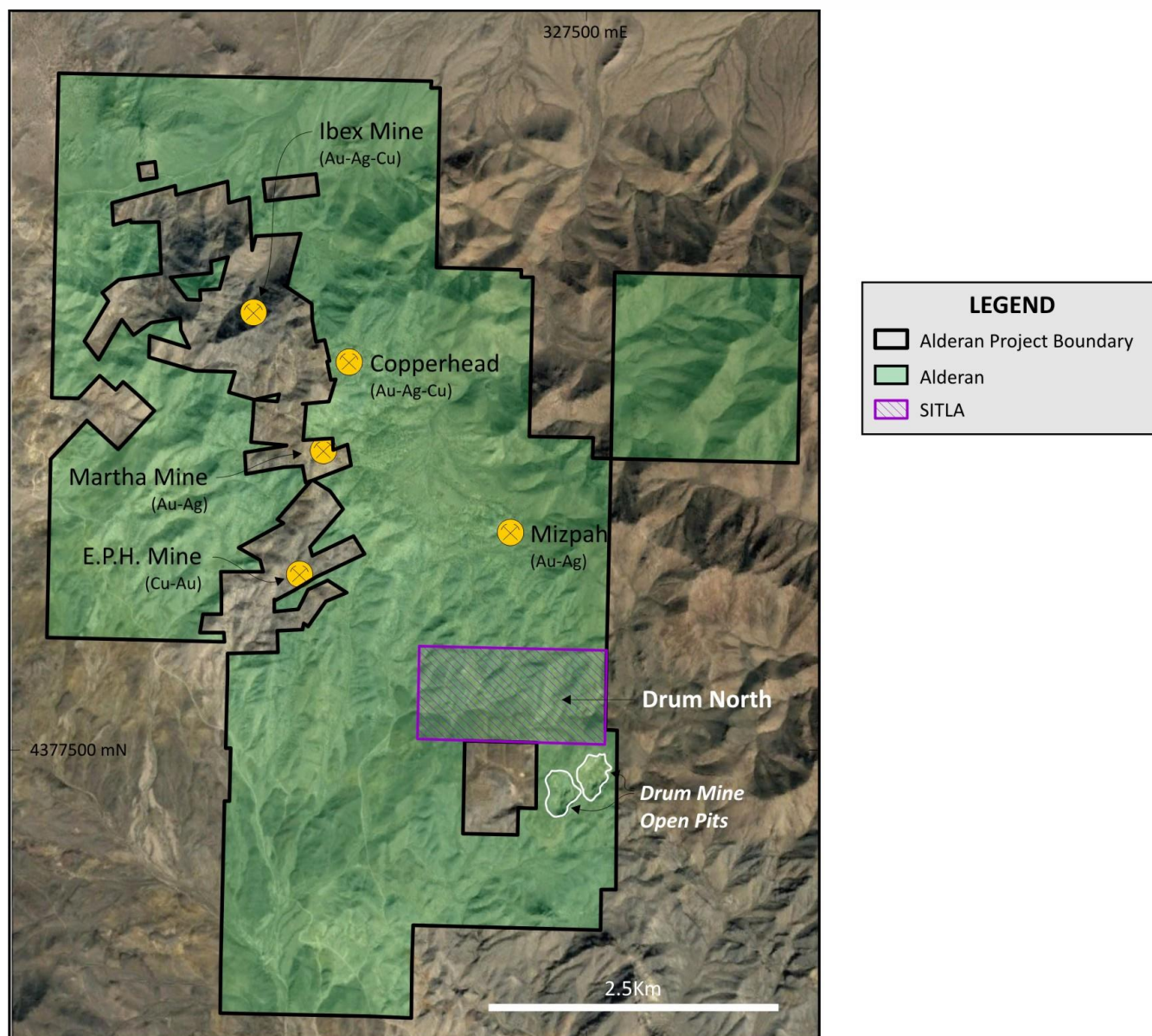
**Figure 5:** Mizpah deposit model showing location of significant historical and Alderan drill intersections including 3DD22-001 which intersected 69.6m @ 0.18g/t Au 350m down dip of the modelled deposit.

Gold assays received for 3DD22-001 are highly anomalous and suggest that the Mizpah gold mineralised system could be significantly larger than that modelled from historical drilling. Assays range up to 0.98g/t Au within an intercept of 69.5m grading 0.18g/t Au from 87.48m downhole (includes 5m @ 0.77g/t Au). Alderan's modelling of historical drilling indicates that Mizpah currently has a north-south strike length of approximately 350m and down dip width of 200m. The deposit is open along strike to the north and south and hole 3DD22-001 suggests that the gold mineralisation could extend for a further 350m down dip.

### Highly prospective Drum North area secured

In June, Alderan secured a mining exploration agreement with option to lease with the State of Utah School and Institutional Trust Lands Administration (**SITLA**) over 230 acres of land north of the historical Drum gold mine (**Drum North**) (see Figure 6)<sup>7</sup>. This Drum North area bridges the gap between Alderan's tenement over Drum and its tenement further north which covers the historically defined Mizpah gold deposit. Alderan now has an uninterrupted 6.5km strike length of highly prospective stratigraphy which hosts both the Drum and Mizpah oxide gold deposits.

<sup>7</sup>Refer Alderan ASX announcement dated 27 June 2022 for further information.



*Figure 6: Alderan's Detroit tenement showing the Drum North option lease area.*

The key terms of the mining exploration agreement with option to lease Drum North with SITLA are:

**Area**

T15S, R10W, SLB&M, Millard County.  
Northern half of Section 7.

**Acreage**

230 acres (93 hectares).

**Three-Year Option**

- US\$200,000 work commitment:
  - Year 1 - \$40,000
  - Year 2 - \$60,000
  - Year 3 - \$100,000
- Annual fee of US\$1.00/acre (US\$230 per annum).

- Annual progress report.

#### **Annual Rental and Production Royalty**

- 10-year lease primary term following completion of work commitments and exercising of option.
- US\$2.00/acre annual lease rental (US\$460 per annum).
- 4% gross value royalty (2% royalty if patented federal mining claims are converted to SITLA lease).

#### **Detroit soil sampling identifies new anomalies**

In 2021, Alderan collected 1,768 C-horizon soil samples every 40m along 200m and 400m spaced lines at Detroit. While the soils are not strongly developed due to the cold, arid and rugged environment which has resulted in sampling gaps, there are a number of high order discrete anomalies, spot high samples and anomalies associated with old mine workings such as Copperhead and Martha Mine.

Three high priority anomalies have been identified; Midway, Mizpah and Basin Main, using a cutoff of 0.025ppm Au (see Figure 7). The Midway anomaly sits between the Drum and Mizpah deposits only 200m north of the northern boundary of the Drum North lease. Midway has high order gold in soil assays which range from 0.034 - 0.189ppm Au and sit within a broader 240m anomalous zone along the line.

The additional soil anomalies include the Mizpah deposit, 1km north of the Drum North lease boundary, and the Basin Main gold anomaly which is located a further 800m north of Mizpah. Mizpah, as expected, is highlighted by a 500m long gold anomalous zone along a soil line with assays in the range of 0.038 - 0.155ppm Au. Lower order anomalous gold is evident on the line 200m to the north.

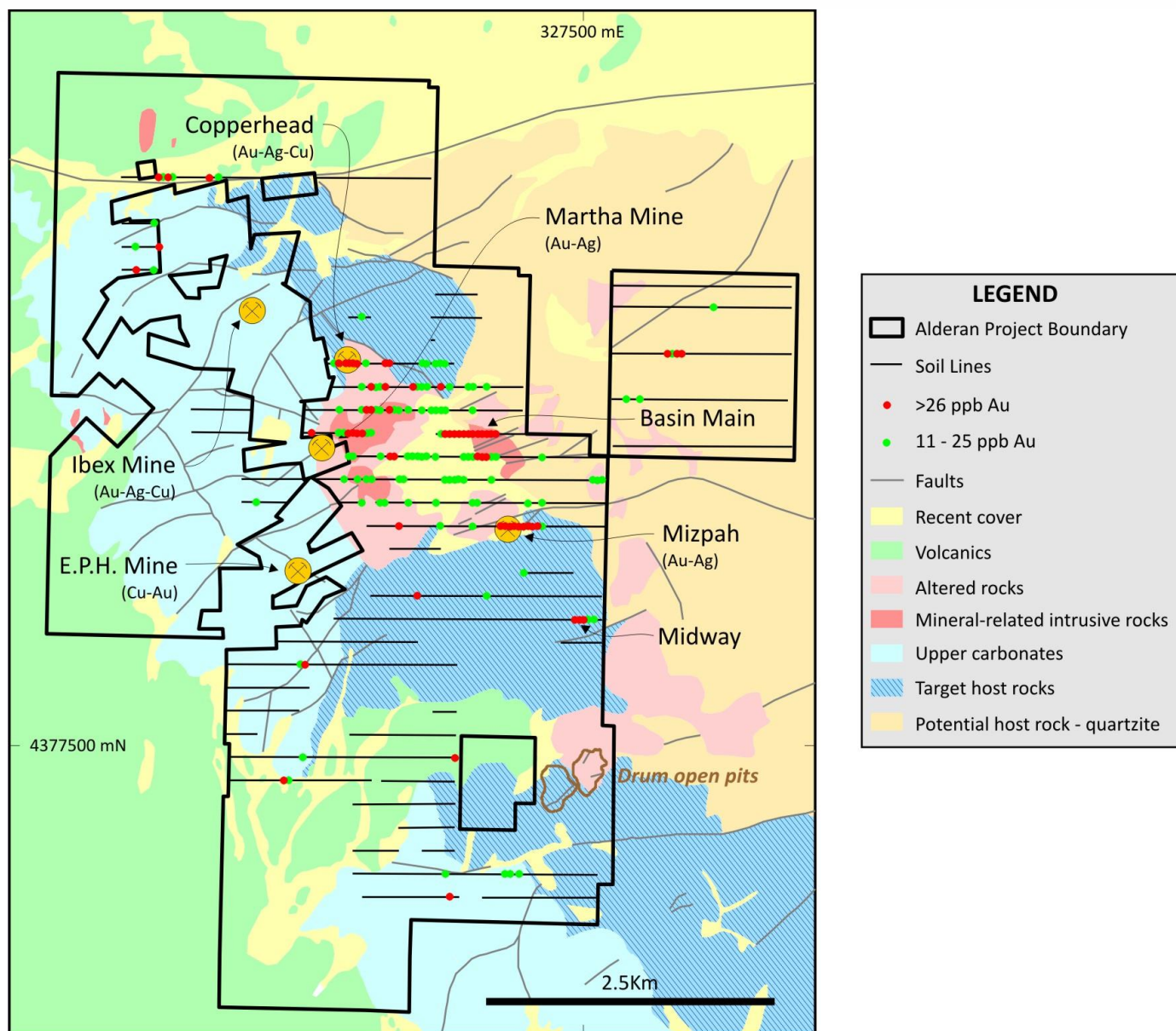
The Basin Main gold anomaly, which occurs over two lines, is the most prominent anomaly in the soil survey. It consists of a 480m long zone with grades ranging from 0.02 - 0.322ppm Au on its northern line and a 400m long zone with grades of 0.023 - 0.042ppm Au over a 160m zone on the line 200m to the south.

The Midway, Mizpah and Basin Main anomalies occur in the targeted host stratigraphy which hosts Drum and reaffirm the potential for the discovery of a series of oxide and primary gold deposits stretching over 3km of strike length from Drum in the south to the Basin Main gold anomaly in the north.

#### **Detroit Next Steps**

Alderan's work programme at Detroit will focus on follow up reverse circulation drilling at Mizpah and Drum and infill grid soil sampling at Drum North and in the areas where anomalous gold has already been identified to outline the full extent of the anomalies. Permitting for drilling at Mizpah is expected early in Q3, 2022 while at Drum, which is on Federal land, an environmental assessment is required prior to permitting new drill sites. This is expected to take until Q2, 2022.

The soil sampling and Mizpah drilling is planned to commence in Q3, 2022 with results expected in Q4, 2022.



**Figure 7: Detroit geology and gold in soil anomalies.**

## Frisko Project

In June, Rio Tinto subsidiary Kennecott Exploration Company (**KEX** or **Kennecott**) commenced drilling on the Copper Gulch prospect at Alderan's Frisko Project in Utah, USA<sup>8</sup>.

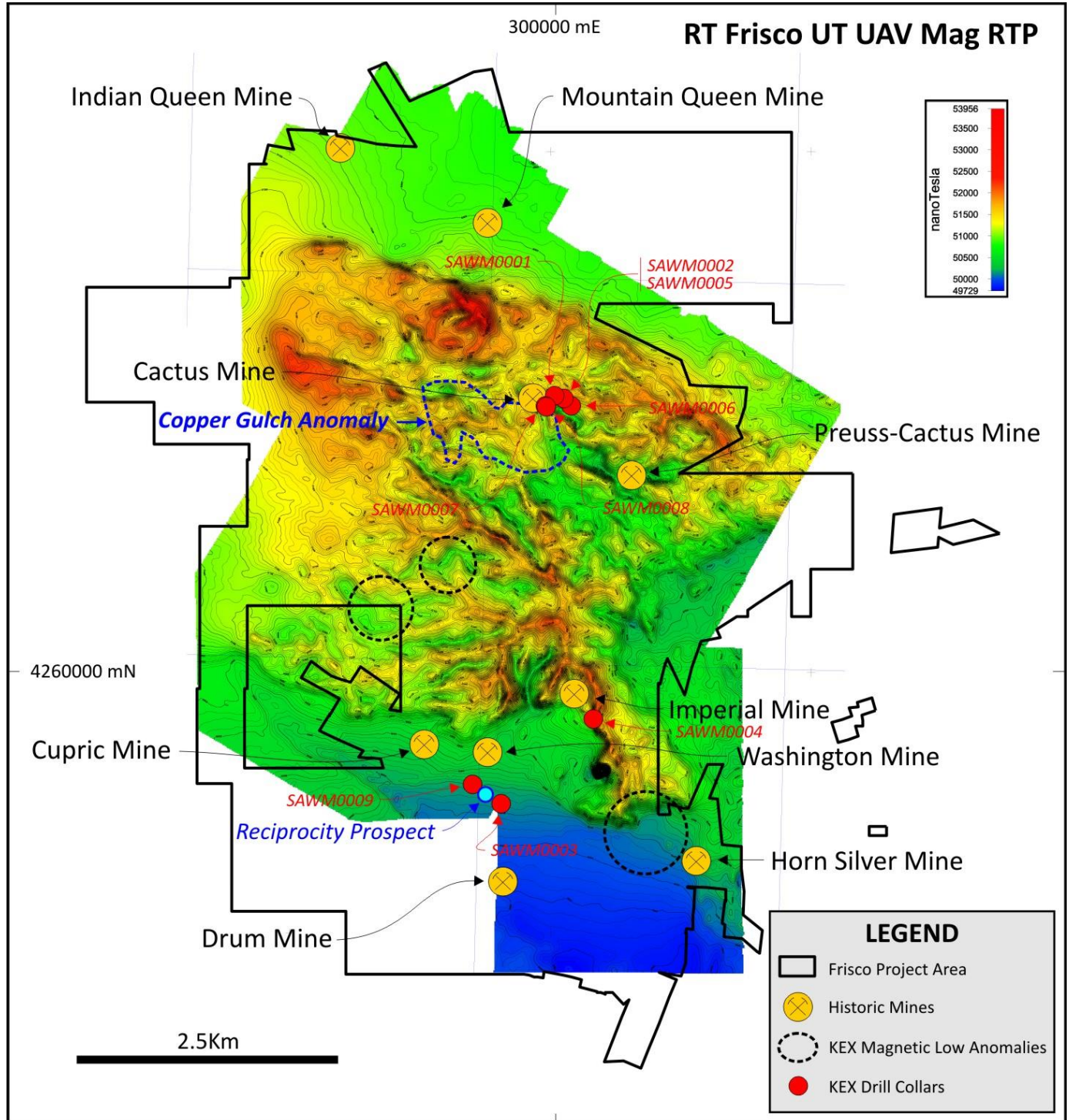
Copper Gulch is a 1,500m long by 500m wide magnetic and copper geochemistry anomaly which lies approximately 500m southwest of the historical Cactus copper mine. Past KEX and Alderan drilling at Cactus includes intersections of 41m @ 1.9% Cu, 0.62g/t Au and 32m @ 1.2% Cu, 0.3g/t Au in tourmaline breccias.

KEX identified the Copper Gulch target following processing and modelling drone (UAV) magnetic data collected over the Frisko project in 2021. The drone survey aimed to identify new magnetic targets and provide better resolution of existing targets (see Figures 8 & 9).

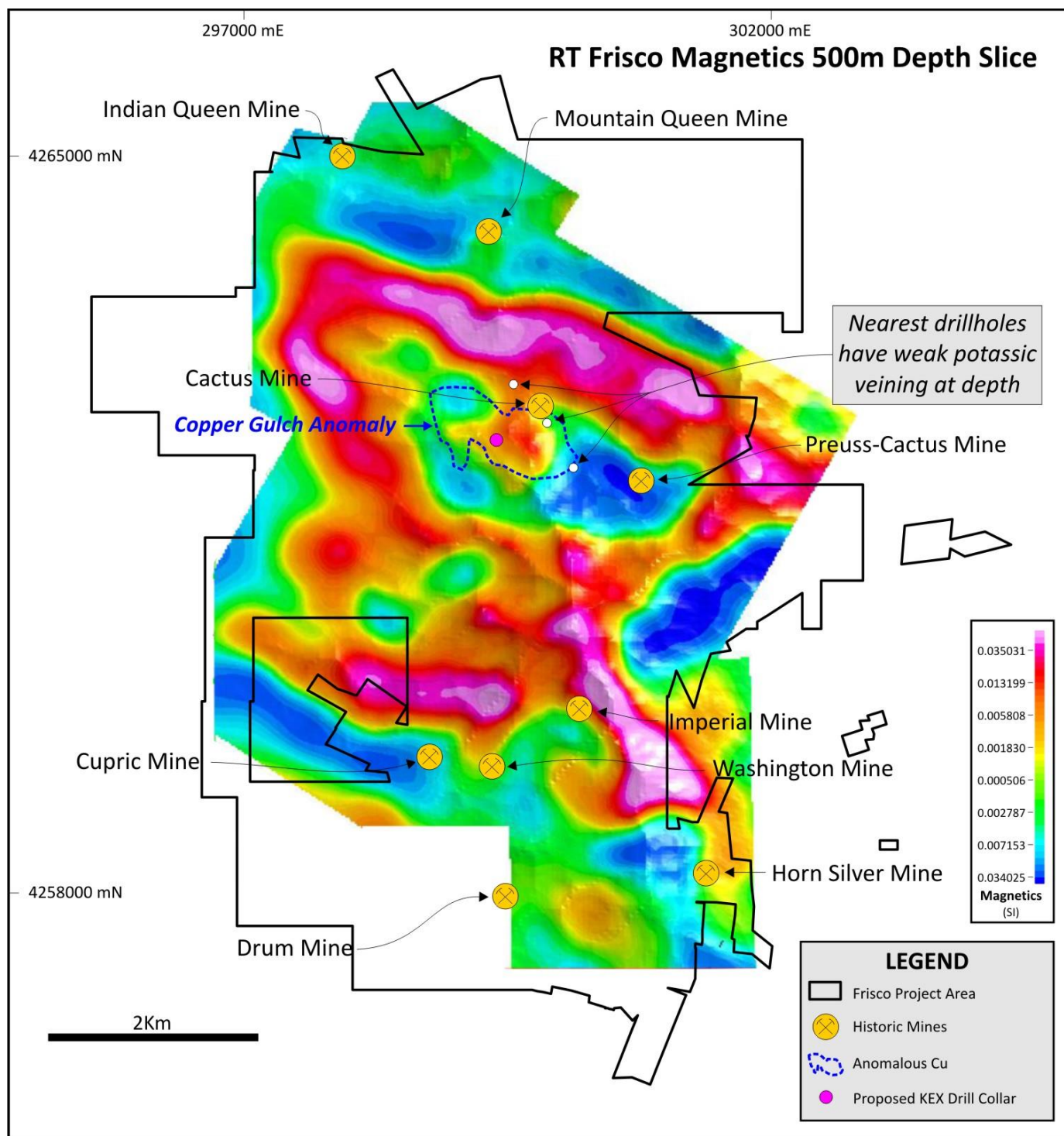
KEX has planned one hole to a depth of 500m to test the magnetic anomaly, with potential for a second hole pending positive results. KEX's first hole is expected to be completed in July with assays likely by early Q4, 2022. KEX will await the results of the drillhole before deciding on whether a follow-up hole is warranted.

<sup>8</sup>Refer Alderan ASX announcement dated 6 June 2022 for further information.

Frisco is the subject of an option agreement between KEX and Alderan's 100% subsidiary Volantis Resources Corp. KEX can earn up to a 70% interest in Frisco by spending US\$30 million in three stages over 10 years.



**Figure 8:** Frisco reduced to pole magnetics image highlighting the anomalous copper zone outlining the Copper Gulch target to the southwest of Cactus.



**Figure 9:** Depth slice 500m from surface of the Frisco magnetics highlighting the Copper Gulch target which is defined by a magnetic high and coincident anomalous copper zone.

### Valley Crossroads Project

Alderan advised Tamra Mining Company LLC of its withdrawal from the option agreement covering the Valley Crossroads project area during the quarter. Work undertaken by Alderan on the Valley Crossroads option area 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. Alderan released the terms of the Valley Crossroads option agreement in its ASX announcement dated 16 April 2020.

## Corporate

### Share Placement and Options Rights Issue

Subsequent to quarter end on 20 July 2022, Alderan announced it had received firm commitments to raise approximately \$1.3 million (before costs) to accelerate exploration at its Detroit project.

Alderan will issue 133.7 million new shares to sophisticated and professional investors at a price of \$0.01 per share together with a free attaching option exercisable at \$0.016 each and expiring three (3) years from date of issue on the basis of one (1) Option for every two (2) shares issued. The Company will apply to have the Placement options quoted and tradeable on the ASX.

In addition, subject to shareholder approval, Alderan Directors will participate in the Placement for an additional \$150,000.

Alderan will use proceeds of the Placement to advance exploration activities at its copper-gold projects in Utah, USA, specifically a reverse circulation drilling program at the Detroit project, and for working capital purposes. The Company is also committed to assessing new opportunities in the USA to further strengthen its project portfolio.

Alderan also intends to complete a non-renounceable rights issue of Options following the General Meeting expected to be held in August 2022 (**Rights Issue**). The Rights Issue Options will be on the same terms and conditions as the Placement options (i.e. exercisable at \$0.016 each and expiring three years from the date of issue).

Existing shareholders will have the right to subscribe for one (1) Option for every two (2) shares held on the record date (which is to be determined) at an issue price of \$0.001 per Option. As with the Placement Options, the Company will apply to have the Rights Issue Options quoted and tradeable on the ASX. The Rights Issue will be made under a prospectus, which will detail the terms of the Rights Issue and its timetable. The lodgement of the Prospectus is expected to occur shortly after the General Meeting to be held in August 2022.

### Renegotiated option at Detroit Project

In June, Alderan announced that it had executed a renegotiated option agreement with George Miller and Ron Myers (Miller-Myers) at the Detroit Project<sup>9</sup>. 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 2011.

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 10). 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 11 & 12). 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.

<sup>9</sup>Refer Alderan ASX announcement dated 3 June 2022 for further information.

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

**Patented Mining Claims**

MS5901: Monte Cristo, Good Templar & Wounded Wolf

MS5904: Ely Mine

**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

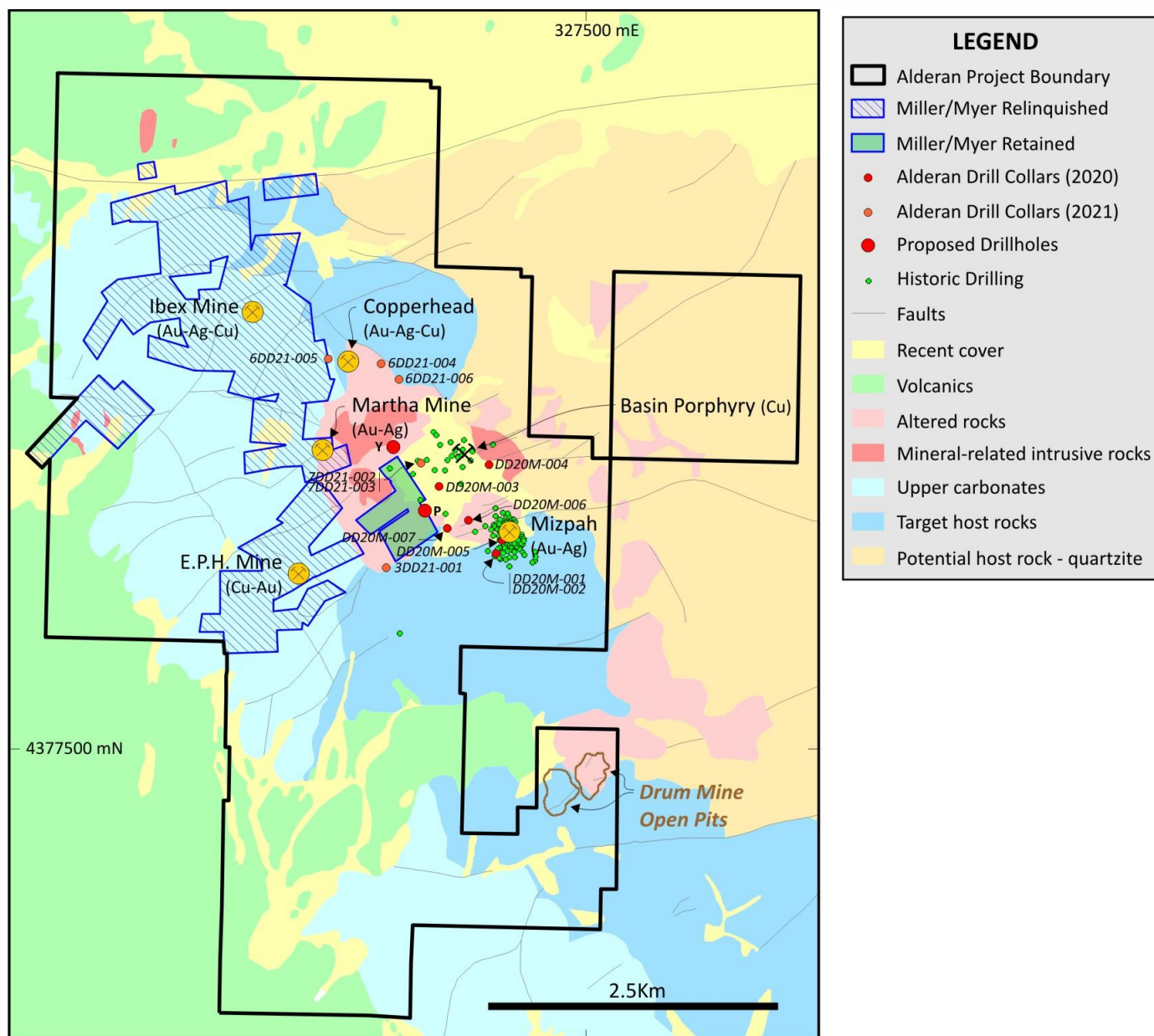
3rd Anniversary: US\$172,800

Total Payment: US\$342,800

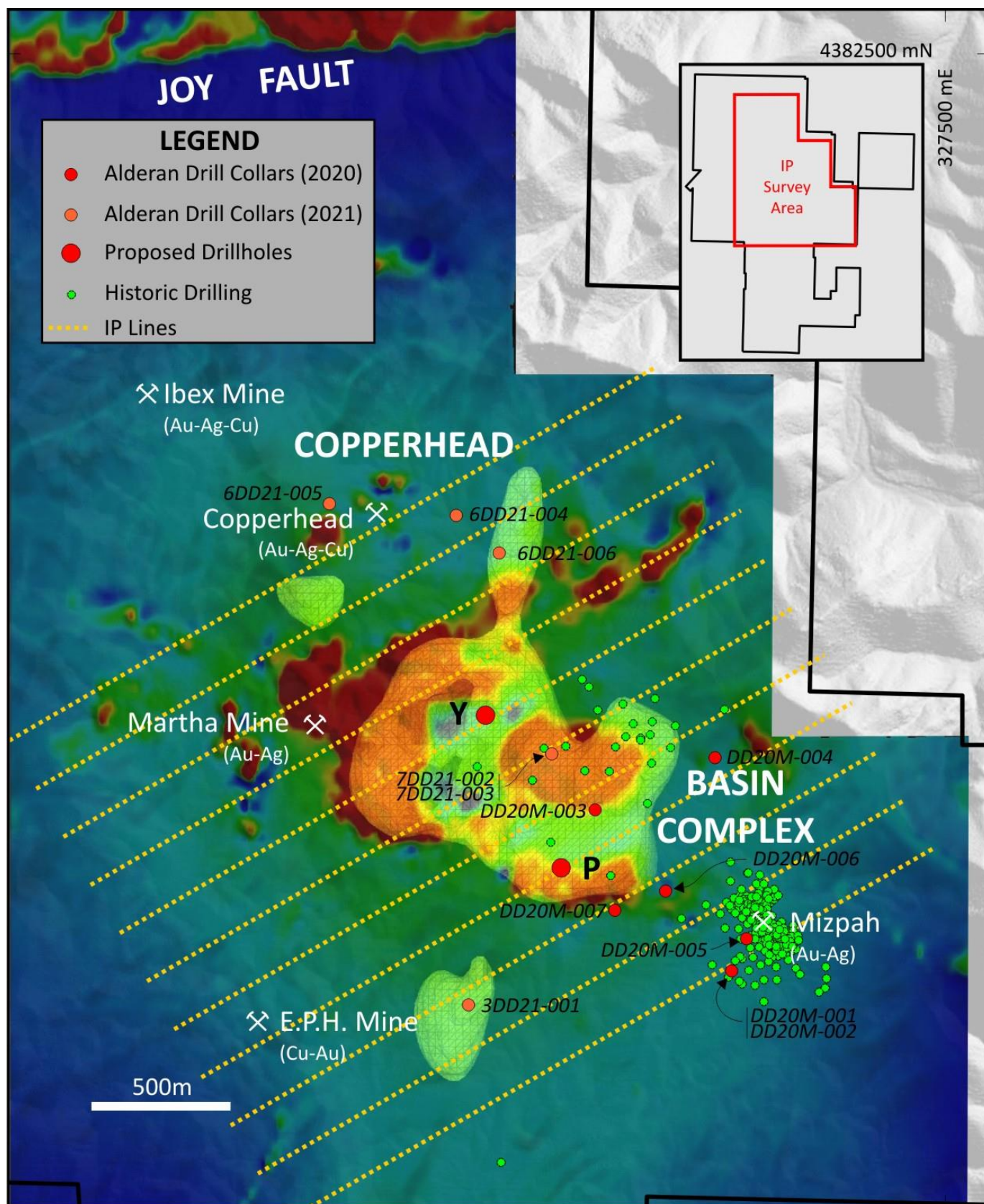
All payments are non-refundable. No commitment to make payments, but a requirement to keep the option in good standing annually.

The successful renegotiation of the Miller-Myer option enables 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.

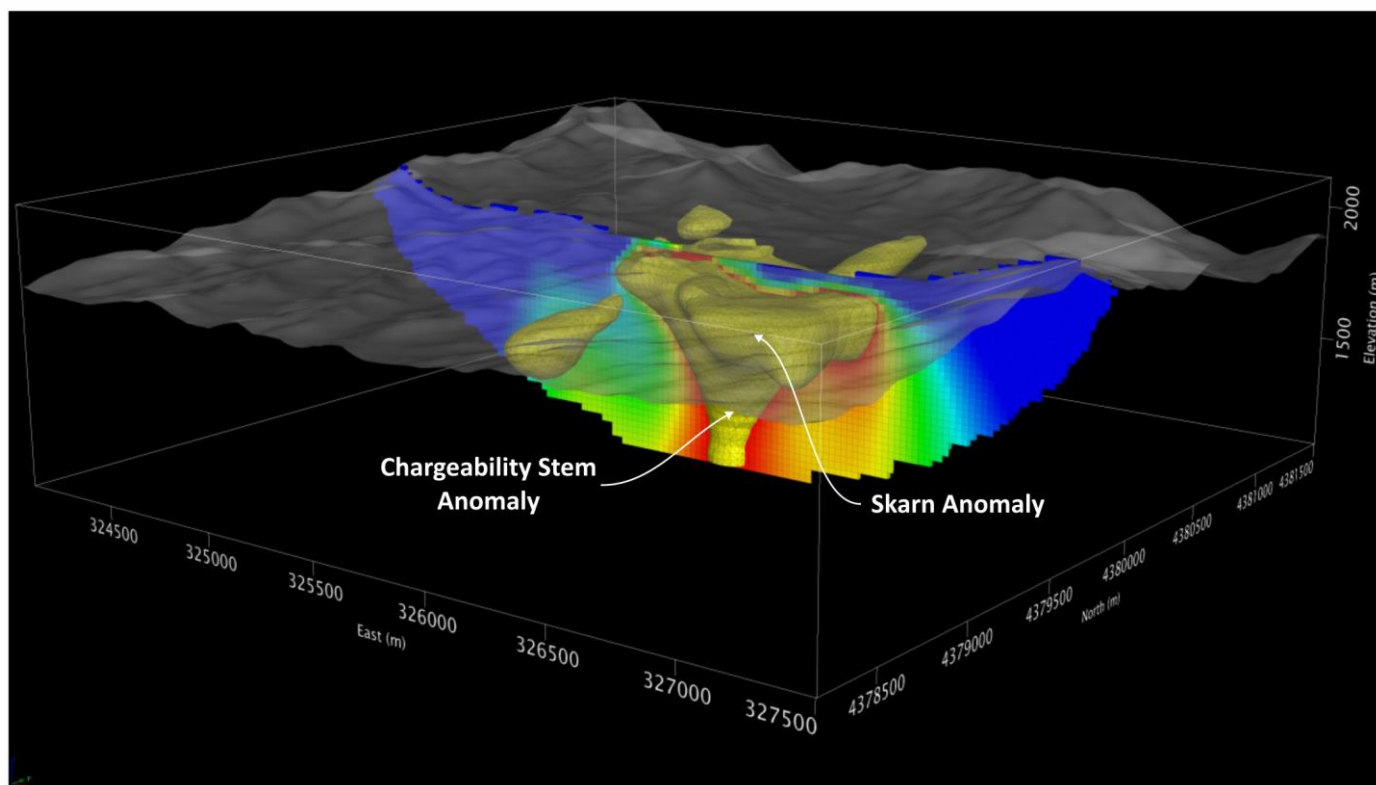
The reduction of the Miller-Myer option area aligns with Alderan's strategy of rapidly exploring tenements held under option and then retaining only those portions deemed prospective, enabling Alderan to maximise its expenditure on in-ground exploration at Detroit where the Company is currently focused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



**Figure 10:** 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 11:** Plan of Detroit project Basin Complex modelled magnetic (red) and chargeability (green) anomalies (>40 milliseconds).



**Figure 12:** Detroit project Basin Complex model chargeability isosurface (>40 milliseconds) highlighting the Chargeability Stem and Skarn targets; view to Northwest.

## Appendix 5B Disclosures

In line with its obligations under ASX Listing Rule 5.3.5, the Company notes that the payments to related parties of the Company, as disclosed in the Appendix 5B (Quarterly Cashflow Report) for the period ended 30 June 2022, pertain to payments to executive directors for salary and non-executive director fees (including superannuation).

During the quarter ended 30 June 2022, the Company spent approximately \$0.68 million on project and exploration activities relating to its projects in Utah and \$70,000 on tenement acquisition costs. At the Detroit Mining project, Alderan completed its significant drilling program during the quarter with the Company incurring drilling and assay costs all associated with this program. The expenditure represents direct costs associated with these activities as well as capitalised wages which can be directly attributable to the exploration activities.

The Company also incurred approximately \$70,000 (US\$50,000) in acquisition costs which related to the payment in relation to the renegotiated option agreement over four Miller/Myer leases at the Detroit Mining project.

## Changes in Claims/Tenements During the Quarter

In accordance with its obligations under ASX Listing Rule 5.3.3, the Company has provided a list of claims held at 30 June 2022 at Appendix A. There were no changes to claims held during the quarter ended 30 June 2022.

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

**ALDERAN RESOURCES LIMITED**

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Scott Caithness

Managing Director

mailto: [scott@alderanresources.com.au](mailto:scott@alderanresources.com.au)**Competent Persons Statement**

The information in this announcement that relates to historical exploration results were reported by the Company in accordance with listing rule 5.7 on 25 February 2022, 5 April 2022, 28 April 2022, 11 May 2022, 25 May 2022, 3 June 2022, 6 June 2022, and 27 June 2022. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement.

**Appendix A - Details of Mining Tenements Held at 30 June 2022**
**Unpatented Mining Claims - Volantis Resources Corp (Held under JV with Kennecott Exploration)**

Claim Name	Serial No.	Beaver Co Document No.
AW 1	437250	264029
AW 2	437251	264030
AW 3	437252	264031
AW 4	437253	264032
AW 5	437254	264033
AW 6	437255	264034
AW 7	437256	264035
AW 8	437257	264036
AW 9	437258	264037
AW 10	437259	264038
AW 11	437260	264039
AW 12	437261	264040
AW 13	437262	264041
AW 14	437263	264042
AW 15	437264	264043
AW 16	437265	264044
AW 17	437266	264045
AW 18	437267	264046
AW 19	437268	264047
AW 20	437269	264048
AW 21	437270	264049
AW 22	437271	264050
AW 23	437272	264051
AW 24	437273	264052
AW 25	437274	264053
AW 26	437275	264054
AW 27	437276	264055
AW 28	437277	264056
AW 29	437278	264057
AW 30	437279	264058
AW 31	437280	264059
CT 1	426677	258648
CT 2	426678	258649
CT 3	426679	258650
CT 4	426680	258651

CT 5	426681	258652
CT 6	426682	258653
CT 7	426683	258654
CT 8	426684	258655
CT 9	426685	258656
CT 10	426686	258657
CT 11	426687	258658
CT 12	426688	258659
CT 13	426689	258660
CT 14	426690	258661
CT 15	426691	258662
CT 16	426692	258663
CT 17	426693	258664
CT 18	426694	258665
CT 19	426695	258666
CT 20	426696	258667
CT 21	426697	258668
CT 22	426698	258669
CT 23	426699	258670
CT 24	426700	258671
CT 25	426701	258672
CT 26	426702	258673
CT 27	426703	258674
CT 28	426704	258675
CT 29	426705	258676
CT 30	426706	258677
CT 33	426709	258680
CT 34	426710	258681

CT 35	426711	258682
CT 36	426712	258683
CT 37	426713	258684
CT 38	426714	258685
CT 39	426715	258686
CT 40	426716	258687
CT 41	426717	258688
CT 42	426718	258689
CT 43	426719	258690
CT 44	426720	258691
CT 45	426721	258692
CT 46	426722	258693
SF 82	426723	258694
CT 47	426967	258845
CT 48	426968	258846
CT 49	426969	258847
CT 50	426970	258848
CT 51	426971	258849
CT 52	426972	258850
CT 53	426973	258851
CT 54	426974	258852
CT 55	426975	258853
CT 56	426976	258854
CT 57	426977	258855
CT 58	426978	258856
CT 59	426979	258857
CT 60	426980	258858
CT 61	426981	258859
CT 62	426982	258860
CT 63	426983	258861
CT 64	426984	258862
CT 65	426985	258863
CT 66	426986	258864
CT 67	426987	258865
CT 68	426988	258866
CT 69	426989	258867
CT 70	426990	258868
CT 71	426991	258869
CT 72	426992	258870
CT 73	426993	258871
CT 74	426994	258872
CT 75	426995	258873
CT 76	426996	258874
CT 77	426997	258875
CT 101	434804	261072
CT 102	434805	261073
CT 103	434806	261074
CT 104	434807	261075
CT 105	434808	261076
CT 106	434809	261077
CT 107	434810	261078
CT 108	434811	261079
CT 109	434812	261080
CT 110	434813	261081
CT 111	434814	261082
CT 112	434815	261083
CT 113	434816	261084
CT 114	434817	261085
CT 115	434818	261086
CT 116	434819	261087
CT 117	434820	261088
CT 118	434821	261089
CT 119	434822	261090
CT 120	434823	261091
CT 121	434824	261092
CT 122	434825	261093
CT 123	434826	261094
CT 124	434827	261095
CT 125	434828	261096
CT 126	434829	261097

CT 127	434830	261098
CT 128	434831	261099
CT 129	434832	261100
CT 130	434833	261101
CT 131	434834	261102
CT 132	434835	261103
NW 101	434836	261104
NW 102	434837	261105
NW 103	434838	261106
NW 104	434839	261107
NW 105	434840	261108
NW 106	434841	261109
NW 107	434842	261110
NW 108	434843	261111
NW 109	434844	261112
NW 110	434845	261113
NW 111	434846	261114
NW 112	434847	261115
NW 113	434848	261116
NW 114	434849	261117
NW 115	434850	261118
NW 116	434851	261119
NW 117	434852	261120
NW 118	434853	261121
NW 119	434854	261122
NW 120	434855	261123
NW 121	434856	261124
NW 122	434857	261125
NW 123	434858	261126
NW 124	434859	261127
NW 125	434860	261128
NW 126	434861	261129
NW 127	434862	261130
NW 128	434863	261131
NW 129	434864	261132
NW 130	434865	261133
NW 131	434866	261134
NW 132	434867	261135
NW 133	434868	261136
NW 134	434869	261137
NW 135	434870	261138
NW 136	434871	261139
NW 137	434872	261140
NW 138	434873	261141
NW 139	434874	261142
NW 141	434875	261143
NW 142	434876	261144
LIR 31	434877	261145
NW 1	428552	259870
NW 2	428553	259871
NW 3	428554	259872
NW 4	428555	259873
NW 5	428556	259874
NW 6	428557	259875
NW 7	428558	259876
NW 8	428559	259877
NW 9	428560	259878
NW 10	428561	259879
NW 11	428562	259880
NW 12	428563	259881
NW 13	428564	259882
NW 14	428565	259883
NW 15	428566	259884
NW 16	428567	259885
CT 78	428568	259886
SF 82	428569	259887
SF 83	428570	259888
SF 84	428571	259889
SF 85	428572	259890
NW 17	435319	261331

NW 18	435320	261332
SF 1	426435	258176
SF 2	426436	258177
SF 3	426437	258178
SF 4	426438	258179
SF 5	426439	258180
SF 6	426440	258181
SF 7	426441	258182
SF 8	426442	258183
SF 9	426443	258184
SF 10	426444	258185
SF 11	426445	258186
SF 12	426446	258187
SF 13	426447	258188
SF 14	426448	258189
SF 15	426449	258190
SF 16	426450	258191
SF 17	426451	258192
SF 18	426452	258193
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SF 20	426454	258195
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SF 25	426459	258200
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SF 27	426461	258202
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SF 32	426467	258273
SF 33	426468	258274
SF 34	426469	258275
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SF 36	426471	258277
SF 37	426472	258278
SF 38	426473	258279
SF 39	426474	258280
SF 40	426475	258281
SF 41	426476	258282
SF 42	426477	258283
SF 43	426478	258284
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SF 45	426480	258286
SF 46	426481	258287
SF 47	426482	258288
SF 48	426483	258289
SF 49	426484	258290
SF 50	426485	258291
SF 51	426486	258292
SF 52	426487	258293
SF 53	426488	258294
SF 54	426489	258295
SF 55	426490	258296
SF 56	426491	258297
SF 57	426492	258298
SF 58	426493	258299
SF 59	426494	258300
SF 60	426495	258301
SF 61	426496	258302
SF 62	426497	258303
SF 63	426498	258304
SF 64	426499	258305
SF 65	426500	258306
SF 66	426501	258307
SF 67	426502	258308
SF 69	426503	258309
SF 70	426504	258310

SF 71	426505	258311
SF 72	426506	258312
SF 73	426507	258313
SF 74	426508	258314
SF 75	426509	258315
SF 76	426510	258316
SF 77	426511	258317
SF 78	426512	258318
SF 79	426513	258319
SF 80	426514	258320
SF 81	426515	258321
WC 1	437525	264251
WC 2	437526	264252
WC 3	437527	264253
WC 4	437528	264254
WC 5	437529	264255
WC 6	437530	264256
WC 7	437531	264257
WC 8	437532	264258
WC 9	437533	264259
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WC 26	437550	264276
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WC 28	437552	264278
WC 29	437553	264279
WC 30	437554	264280
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WC 35	437559	264285
WC 36	437560	264286
WC 37	437561	264287
WC 38	437562	264288
WC 39	437563	264289
WC 40	437564	264290
WC 41	437565	264291
WC 42	437566	264292
WC 43	437567	264293
WC 44	437568	264294
WC 45	437569	264295
WC 46	437570	264296
WC 47	437571	264297
WC 48	437572	264298
WC 49	437573	264299
WC 50	437574	264300
WC 51	437575	264301
WC 52	437576	264302
WC 53	437577	264303
WC 54	437578	264304
WC 55	437579	264305
WC 56	437580	264306
WC 57	437581	264307
WC 58	437582	264308

**Unpatented Mining Claims - Valyrian Resources Corp**

Claim Name	Serial No.	Beaver Co Document No.
BR 1	446780	270617
BR 2	446781	270618
BR 3	446782	270619
BR 4	446783	270620
BR 5	446784	270621
BR 6	446785	270622
BR 7	446786	270623
BR 8	446787	270624
BR 9	446788	270625
BR 10	446789	270626
BR 11	446790	270627
BR 12	446791	270628
BR 13	446792	270629
BR 14	446793	270630
BR 15	446794	270631
BR 16	446795	270632
BR 17	446796	270633
BR 18	446797	270634
BR 19	446798	270635
BR 20	446799	270636
BR 21	446800	270637
BR 22	446801	270638
BR 23	446802	270639
BR 24	446803	270640
BR 25	446804	270641
BR 26	446805	270642
BR 27	446806	270643
BR 28	446807	270644
BR 29	446808	270645
BR 30	446809	270646
BR 31	446810	270647
BR 32	446811	270648
BR 33	446812	270649
BR 34	446813	270650
BR 35	446814	270651
BR 36	446815	270652
BR 37	446816	270653
BR 38	446817	270654
BR 39	446818	270655
BR 40	446819	270656
BR 41	446820	270657
BR 42	446821	270658
BR 43	446822	270659
BR 44	446823	270660
BR 45	446824	270661
BR 46	446825	270662
BR 47	446826	270663
BR 48	446827	270664
BR 49	446828	270665
BR 50	446829	270666
BR 51	446830	270667
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BR 53	446832	270669
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BR 55	446834	270671
BR 56	446835	270672
BR 57	446836	270673
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BR 61	446840	270677
BR 62	446841	270678
BR 63	446842	270679
BR 64	446843	270680
BR 65	446844	270681
BR 66	446845	270682
BR 67	446846	270683

BR 68	446847	270684
BR 69	446848	270685
BR 70	446849	270686
BR 71	446850	270687
BR 72	446851	270688
BR 73	446852	270689
BR 74	446853	270690
BR 75	446854	270691
BR 76	446855	270692
BR 77	446856	270693
BR 78	446857	270694
BR 79	446858	270695
BR 80	446859	270696
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BR 90	446869	270706
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BR 92	446871	270708
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BR 96	446875	270712
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BR 99	446878	270715
ND 1	446879	270716
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ND 11	446889	270726
ND 12	446890	270727
ND 13	446891	270728
ND 14	446892	270729
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ND 21	446899	270736
ND 22	446900	270737
ND 23	446901	270738
ND 24	446902	270739
ND 25	446903	270740
ND 26	446904	270741
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ND 28	446906	270743
ND 29	446907	270744
ND 30	446908	270745
ND 31	446909	270746
ND 32	446910	270747
ND 33	446911	270748
ND 34	446912	270749
ND 35	446913	270750
ND 36	446914	270751
ND 37	446915	270752
ND 38	446916	270753

ND 39	446917	270754
ND 40	446918	270755
ND 41	446919	270756
ND 42	446920	270757
ND 43	446921	270758
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ND 45	446923	270760
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ND 52	446930	270767
ND 53	446931	270768
ND 54	446932	270769
ND 55	446933	270770
ND 56	446934	270771
ND 57	446935	270772
ND 58	446936	270773
ND 59	446937	270774
ND 60	446938	270775
ND 61	446939	270776
ND 62	446940	270777
ND 63	446941	270778
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ND 66	446944	270781
ND 67	446945	270782
ND 68	446946	270783
ND 69	446947	270784
ND 70	446948	270785
ND 71	446949	270786
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ND 74	446952	270789
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ND 76	446954	270791
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ND 79	446957	270794
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ND 81	446959	270796
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ND 83	446961	270798
ND 84	446962	270799
ND 85	446963	270800
ND 86	446964	270801
ND 87	446965	270802
ND 88	446966	270803
ND 89	446967	270804

LP 1	UMC 447645	272099
LP 2	UMC 447646	272100
LP 3	UMC 447647	272101
LP 4	UMC 447648	272102
LP 5	UMC 447649	272103
LP 6	UMC 447650	272104
LP 7	UMC 447651	272105
LP 8	UMC 447652	272106
LP 9	UMC 447653	272107
LP 10	UMC 447654	272108
LP 11	UMC 447655	272109
LP 12	UMC 447656	272110
LP 13	UMC 447657	272111
LP 14	UMC 447658	272112
LP 15	UMC 447659	272113
LP 16	UMC 447660	272114
LP 17	UMC 447661	272115
LP 18	UMC 447662	272116

LP 19	UMC 447663	272117
LP 20	UMC 447664	272118
LP 21	UMC 447665	272119
LP 22	UMC 447666	272120
LP 23	UMC 447667	272121
LP 24	UMC 447668	272122
LP 25	UMC 447669	272123
LP 26	UMC 447670	272124
LP 27	UMC 447671	272125
LP 28	UMC 447672	272126
LP 29	UMC 447673	272127
LP 30	UMC 447674	272128

**White Mountain Group - - Valyrian Resources Corp**

<b>Claim Name</b>	<b>Serial No.</b>	<b>Beaver Co. Document No.</b>
WM 1	UMC 442729	267521
WM 2	UMC 442730	267522
WM 3	UMC 442731	267523
WM 4	UMC 442732	267524
WM 5	UMC 442733	267525
WM 6	UMC 442734	267526
WM 7	UMC 442735	267527
WM 8	UMC 442736	267528
WM 9	UMC 442737	267529
WM 10	UMC 442738	267530
WM 11	UMC 442739	267531
WM 12	UMC 442740	267532
WM 13	UMC 442741	267533
WM 14	UMC 442742	267534
WM 15	UMC 442743	267535
WM 16	UMC 442744	267536
WM 17	UMC 442745	267537
WM 18	UMC 442746	267538
WM 19	UMC 442747	267539
WM 20	UMC 442748	267540
WM 21	UMC 442749	267541
WM 22	UMC 442750	267542
WM 23	UMC 443915	267930
WM 24	UMC 443916	267931
WM 25	UMC 443917	267932
WM 26	UMC 443918	267933
WM 27	UMC 443919	267934
WM 28	UMC 443920	267935
WM 29	UMC 443921	267936
WM 30	UMC 443922	267937
WM 31	UMC 443923	267938
WM 32	UMC 443924	267939
WM 33	UMC 443925	267940
WM 34	UMC 443926	267941
WM 35	UMC 443927	267942
WM 36	UMC 443928	267943
WM 37	UMC 443929	267944
WM 38	UMC 443930	267945
WM 39	UMC 443931	267946
WM 40	UMC 443932	267947
WM 41	UMC 443933	267948
WM 42	UMC 443934	267949
WM 43	UMC 443935	267950
WM 44	UMC 443936	267951
WM 45	UMC 443937	267952
WM 46	UMC 443938	267953
WM 47	UMC 443939	267954
WM 48	UMC 443940	267955
WM 49	UMC 443941	267956
WM 50	UMC 443942	267957
WM 51	UMC 443943	267958
WM 52	UMC 443944	267959
WM 53	UMC 443945	267960
WM 54	UMC 443946	267961

WM 55	UMC 443947	267962
WM 56	UMC 443948	267963
WM 57	UMC 443949	267964
WM 58	UMC 443950	267965
WM 59	UMC 443951	267966
WM 60	UMC 443952	267967
WM 61	UMC 443953	267968
WM 62	UMC 443954	267969
WM 63	UMC 443955	267970
WM 64	UMC 443956	267971
WM 65	UMC 443957	267972
WM 66	UMC 443958	267973
WM 67	UMC 443959	267974
WM 68	UMC 443960	267975
WM 69	UMC 443961	267976
WM 70	UMC 443962	267977
WM 71	UMC 443963	267978
WM 72	UMC 443964	267979
WM 73	UMC 443965	267980
WM 74	UMC 443966	267981
WM 75	UMC 443967	267982
WM 76	UMC 443968	267983
WM 77	UMC 443969	267984
WM 78	UMC 443970	267985
WM 79	UMC 443971	267986
WM 80	UMC 443972	267987
WM 81	UMC 443973	267988
WM 82	UMC 443974	267989
WM 83	UMC 443975	267990
WM 84	UMC 443976	267991
WM 85	UMC 443977	267992
WM 86	UMC 443978	267993
WM 87	UMC 443979	267994
WM 88	UMC 443980	267995
WM 89	UMC 443981	267996
WM 90	UMC 443982	267997
WM 91	UMC 443983	267998
WM 92	UMC 443984	267999
WM 93	UMC 443985	276800
WM 94	UMC 443986	276801
WM 95	UMC 443987	276802

**Utah State Lease for Metalliferous Minerals (ML53495)**

Lessee	Effective Date	Term	Rent	Premises	Acres
Valyrian Resources Corp.	16 June 2022	10	USD\$1 per acre	N1/2 Section 7, T15S, R10W	250.00

**Utah State Lease for Metalliferous Minerals (ML54069 OBA)**

Lessee	Effective Date	Term	Rent	Premises	Acres
Valyrian Resources Corp.	10 March 2021	10	USD\$1 per acre per year	Sec 32: T14S, R10W,	640.00

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Alderan Resources Limited

ABN

55 165 079 201

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(107)	(622)
	(e) administration and corporate costs	(90)	(575)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	10
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(196)</b>	<b>(1,187)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(70)	(276)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(675)	(3,839)
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Advanced royalty payment)*	140	4
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(605)</b>	<b>(4,111)</b>

\* This inflow of \$140k was the receipt of the advanced royalty payment (US\$100k) from Kennecott Exploration Company for the Cactus Lease. The US\$100k was on-paid by Alderan to Horn Silver Mines Inc during July 2022.

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	5,106
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(360)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>4,746</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,047	792
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(196)	(1,187)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(605)	(4,111)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	4,746
4.5	Effect of movement in exchange rates on cash held	9	15
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>255</b>	<b>255</b>

*\*On 20 July 2022, Alderan Resources Ltd announced a \$1.34 million (before costs) two-tranche share placement at a price of \$0.01 per share with an additional \$0.15 million subscribed for by Directors, which is subject to shareholder approval. It is expected that funds from Tranche 1 (\$1.06 million) will be received on 27 July 2022. Funds from Tranche 2 and Director participation (totalling \$0.43 million) are subject to shareholder approval with the General Meeting expected to be held in late August 2022. As such, no funds from this capital raising are included in the cash and cash equivalents balance as at 30 June 2022.*

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	255	1,047
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>255</b>	<b>1,047</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	103
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

**Description of payments to related parties:**

*Payment of salaries to executive Directors, non-executive Director fees, and superannuation.*

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	<b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(196)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(675)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(871)
8.4	Cash and cash equivalents at quarter end (item 4.6)	255
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	255
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.3
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<b>Answer:</b> As noted in the Quarterly Activities Report, the Company undertook a substantial drilling program at its Detroit Project, which completed during April 2022. The Company therefore expects to have a lower level of net operating cash flows for the next quarter. In any case, the Company will continue to review ongoing activities and has the ability to adjust expenditure according to available funding, if necessary.	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

**Answer:** Yes, on 20 July 2022 the Company announced a two-tranche Placement of approximately \$1.3m (before costs) with an additional \$0.15 million subscribed for by Directors, which is subject to shareholder approval. It is expected that funds from Tranche 1 (\$1.06 million) will be received on 27 July 2022. Funds from Tranche 2 and Director participation (totalling \$0.43 million) are subject to shareholder approval with the General Meeting expected to be held in late August 2022. In addition, the Company will continue to monitor its available cash levels and can reduce its operating and exploration expenditure going forward, if needed.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

**Answer:** Yes, the Company expects to continue its operations and exploration activities. These ongoing activities will be reviewed and adjusted according to available funding.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **27 July 2022**

Authorised by: **By the Board**  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.