

Alderan commences drilling at Mizpah oxide gold deposit, Utah, USA

HIGHLIGHTS

- Alderan commences 20-hole (~2,000m) drilling programme at Mizpah oxide gold deposit, Utah, USA.
- Initial holes targeting high-grade near-surface oxide gold mineralization.
- Historical (1984-89) high grade intersections which typically sit within thicker, lower grade gold mineralised zones include:
 - **7.6m @ 2.4g/t Au** from 19.8m downhole (MZ-104)
 - **10.7m @ 2.2g/t Au** from surface (MZ-49)
 - **9.2m @ 2.1g/t Au** from 6.1m downhole (MZ-87-32)
 - **10.7m @ 2.0g/t Au** from 3.1m downhole (MZ-87-048)
 - **13.7m @ 1.7g/t Au** from 30.5m downhole with last assay 9.1g/t Au (MZ-87-52)
- Alderan's step-out diamond drill hole 350m northwest of the historically outlined Mizpah intersected **69m @ 0.18g/t Au** indicating the mineralised system could be much larger than past work indicates.
- Mizpah lies in the same geology 2km north of the Drum oxide gold deposit where intersections included **6.6m @ 2.5g/t Au** within **17.8m @ 1.7g/t Au** in Alderan verification drilling completed in April 2022.
- Initial assays are expected early in Q4, 2022.



Figure 1: Reverse circulation drilling rig setting up to commence drilling hole 3MZRC22-001 at Mizpah.

Alderan Resources Limited (ASX: AL8, OTC: ALDRF) (**Alderan** or the **Company**) is pleased to announce it has commenced its planned 20 hole (~2,000m) reverse circulation drilling programme at Mizpah oxide gold deposit at its Detroit project in the Drum Mountains region of western Utah, USA. The programme's initial focus will be confirming high-grade near-surface oxide gold mineralisation.

Mizpah is located only 2km north of the historical Drum oxide gold mine which Alderan successfully drilled in H1, 2022 with all verification holes intersecting gold including **6.6m @ 2.5g/t Au** within **17.8m @ 1.7g/t Au** in hole 9DD22-003.¹ Mizpah, which was drilled in the 1980s, sits in the same rocks as Drum but unlike the historical mine, it was never developed into a mining operation hence gold mineralisation remains from surface.

Historical drilling results include 40 holes which have a final assay grading more than 0.5g/t Au and 20 of these holes have last assays grading more than 1.0g/t Au. The highest final assay down a historical hole is 9.1g/t Au in hole MZ-87-52.²

Alderan's historical drill hole constrained modelling of the Mizpah's deposit indicates exploration potential for approximately 40-100Koz of gold grading at approximately 0.4-0.8g/t Au, however the deposit is open down dip to the southwest and along strike to the north and south. It should be noted that this exploration potential quantity and grade is conceptual in nature and 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.

Alderan drillholes DD-MZ-20-006 and 3DDMZ-001 which intersected 83m @ 0.41g/t Au and 69.5m @ 0.18g/t Au respectively are located 190m and 350m to the west-northwest of the deposit and indicate that Mizpah's mineralising system is significantly larger than historically outlined.³

A selection of high-grade, near-surface historical drill hole intersections at Mizpah include:

- **7.6m @ 2.4g/t Au** from 19.8m downhole (MZ-104)
- **10.7m @ 2.2g/t Au** within **15.2m @ 1.6g/t Au** from surface (MZ-049)
- **9.2m @ 2.1g/t Au** within **22.9m @ 1.0g/t Au** from 3.0m downhole (MZ-87-32)
- **10.7m @ 2.0g/t Au** within **16.8m @ 1.4g/t Au** from 3.1m downhole (MZ-87-048)
- **13.7m @ 1.7g/t Au** within **29.0m @ 0.9g/t Au** from 15.2m downhole with last assay 9.1g/t Au (MZ-87-52)
- **10.7m @ 1.7g/t Au** within **18.3m @ 1.2 g/t Au** from surface (MZ-17)
- **12.2m @ 1.7g/t Au** from surface (MZ-093).

Alderan Managing Director Scott Caithness said: *"Mizpah is an undeveloped oxide gold deposit with mineralisation open from surface and dipping gently at approximately 20° to the southwest. It sits in the same rock units as the historical Drum gold mine which lies only 2km to the south and produced 125,000 oz of gold in the 1980s. Historical Mizpah holes end in grades up to 9.1g/t gold, primary gold potential has never been tested and Alderan's drilling suggests that the mineralised system is much larger."*

"Securing the reverse circulation rig for the Mizpah drilling programme is a great result as it will enable Alderan to rapidly and cost effectively delineate the gold mineralisation. Drilling aims to intersect near-surface, high-grade oxide mineralisation before testing for deeper down dip extensions. Following the lessons learned from our recent drilling at Drum, Alderan also plans to drill a number of angled holes aimed at testing structures which have potential to host high gold grades."

"Samples will be submitted for analysis throughout the programme with initial gold assays expected in early Q4, 2022."

¹ Refer Alderan ASX announcements dated 5 April 2022 for further information.

² Refer Alderan ASX announcements dated 24 August 2021 for further information.

³ Refer Alderan ASX announcements dated 25 May 2022 for further information.

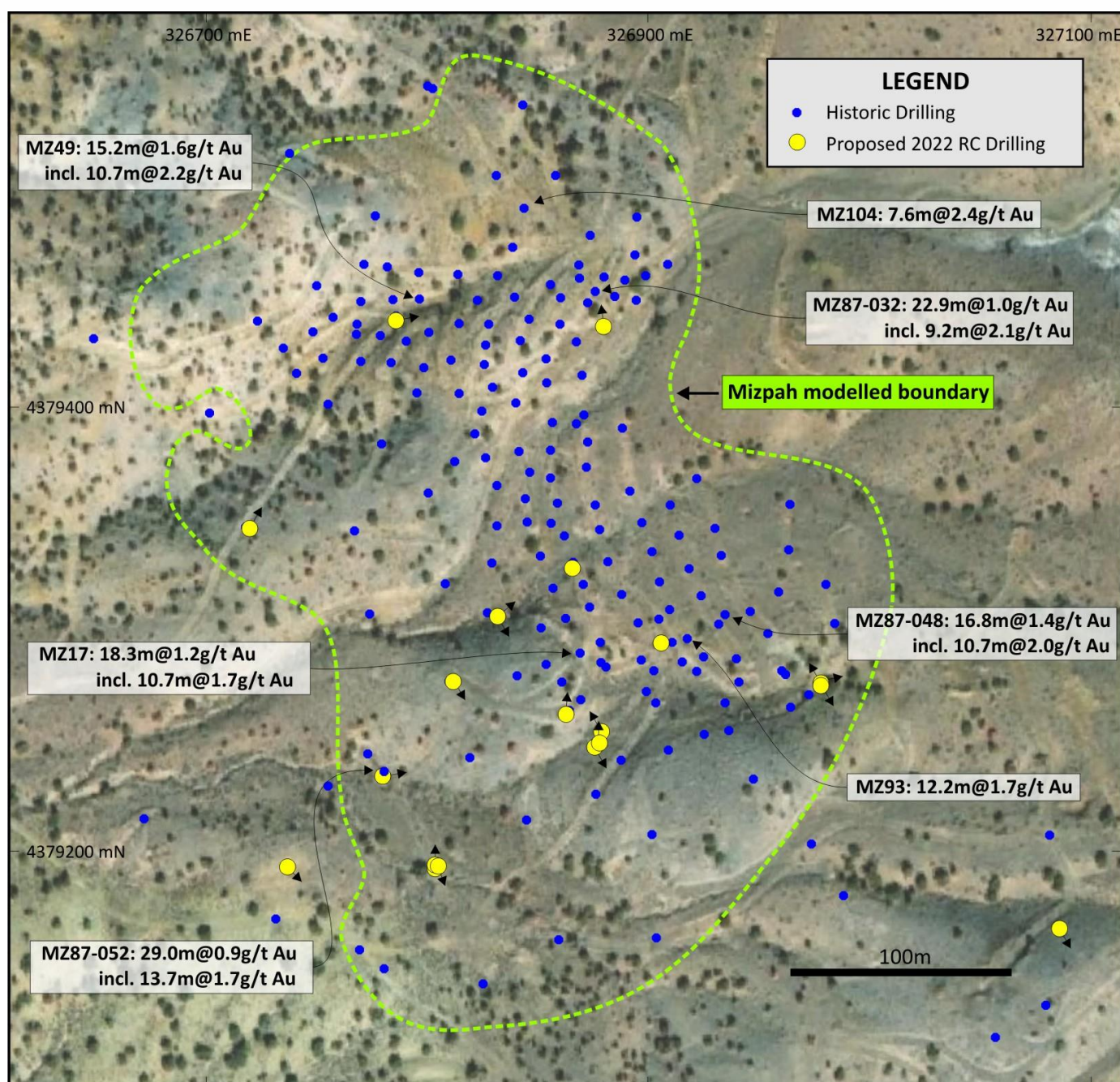


Figure 2: Mizpah block model outline based on historical drill data, selected near surface high grade historical drill intercepts and Alderan's proposed holes. The Mizpah mineralisation dips at ~20° to the southwest from surface and is open to the west, north and south.

Next Steps

Alderan's Mizpah drilling programme is expected to be completed in September with all holes logged and samples submitted to the laboratory for gold analysis. Results are expected early in Q4, 2022.

In addition to the drilling, Alderan has planned early 'sighter' metallurgical test work to obtain an indication of gold metallurgical recoveries and infill soil sampling at Detroit to better define the gold in soil anomalies identified from the broadly spaced 200m x 40m sampling programme completed in 2021.⁴ This sampling will be carried out following the completion of the Mizpah drilling.

⁴ Refer Alderan ASX announcements dated 27 June 2022 for further information.

Detroit Project

The Detroit Project is one of four Alderan projects (Figure 3) 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. 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.

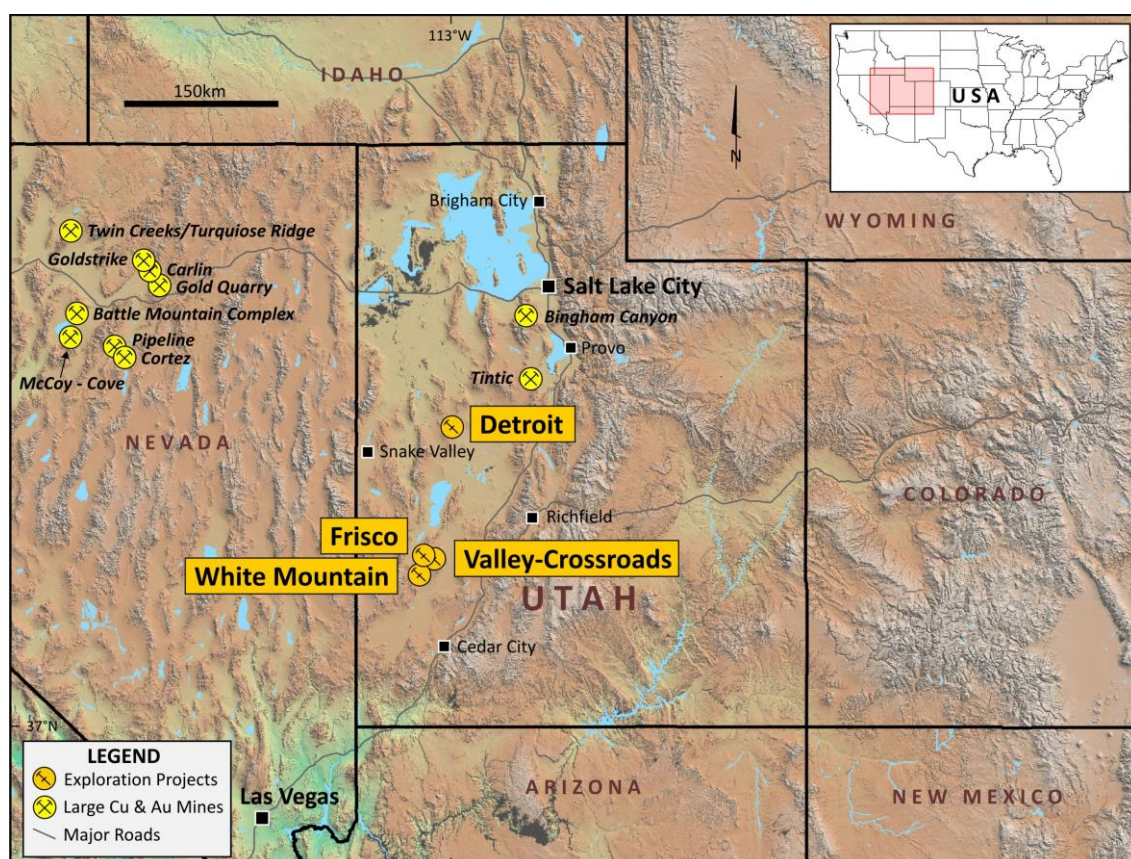


Figure 3: Alderan Resources project locations in western Utah.

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

Scott Caithness

Managing Director

mailto: scott@alderanresources.com.au

Competent Persons Statement

The information contained in this announcement that relates to the exploration potential for the Mizpah oxide gold deposit 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.

The information in this announcement that relates to historical exploration results were first reported by the Company in accordance with listing rule 5.7 on 24 August 2021, 25 May 2022, 5 April 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 original announcements.