

Progress on Acquisition of Minas Gerais Lithium Projects, Brazil

HIGHLIGHTS

- Field inspections by Alderan's Managing Director of the Parabolic Lithium Projects located in the 'Lithium Valley' district of Minas Gerais state is underway
- Acquisition legal due diligence in Brazil on the Projects is on track to be completed by mid-October 2023
- Shareholder meeting to approve Acquisition on track to be held in early November 2023

Alderan Resources Limited (ASX: AL8) (Alderan or the **Company**) is pleased to provide a market update on progress following its announcement of the execution of a binding share sale agreement to acquire 100% of the issued capital in Parabolic Lithium Pty Ltd (**Parabolic**) which has the right to acquire a 100% interest in seven lithium exploration projects (together, the **Projects**) in the mineral resource rich state of Minas Gerais, Brazil (**Acquisition**) on 20th September 2023.

Activities Post Agreement Execution

Key Alderan activities following the execution of the share sale agreement to acquire Parabolic include:

1. **Project site visits are underway.** Alderan's Managing Director departed on the 3rd of October for a two week trip to the Project areas. The reconnaissance field inspections will be led by a geologist from the Parabolic team with key aims being to confirm the geology, inspect areas of artisanal mining plus identify pegmatites and potential lithium mineralisation. The inspections will also enable design of a fast tracked exploration programme.
2. **Legal due diligence in Brazil** is on track following the appointment by Alderan of Brazilian legal firm FFA Legal with completion expected in mid-October, 2023.
3. **Release of the Notice of Meeting to seek shareholder approval for the acquisition of Parabolic** is imminent. The shareholder meeting is expected to be held in early November, 2023.

Brazil Projects Background

The Projects consist of 24 granted exploration licences (472km²) in seven (7) project areas: Curral de Dentro, Minas Novas, Carai, Catuji, Itaipe, Itambacuri and Governador Valadares (see Figure 1). The Projects are all located in and immediately to the south of the district known as '**Lithium Valley**' in the Eastern Lithium Belt of Eastern Brazil.

Lithium deposits currently being mined in Minas Gerais include Companhia Brasileira De Lítio's (**CBL**) Mina da Cachoeira underground mine which has stated production capacity of 42,000t per annum of 5.5% Li₂O spodumene concentrate, AMG Brazil's Mibra lithium-tantalum-niobium-tin mine which has capacity to

produce 130,000t lithium concentrate per annum and Sigma Lithium Corporation's recently commissioned Grota do Cirilo operation which is ramping up 270,000t per annum of lithium concentrate.^{1,2}

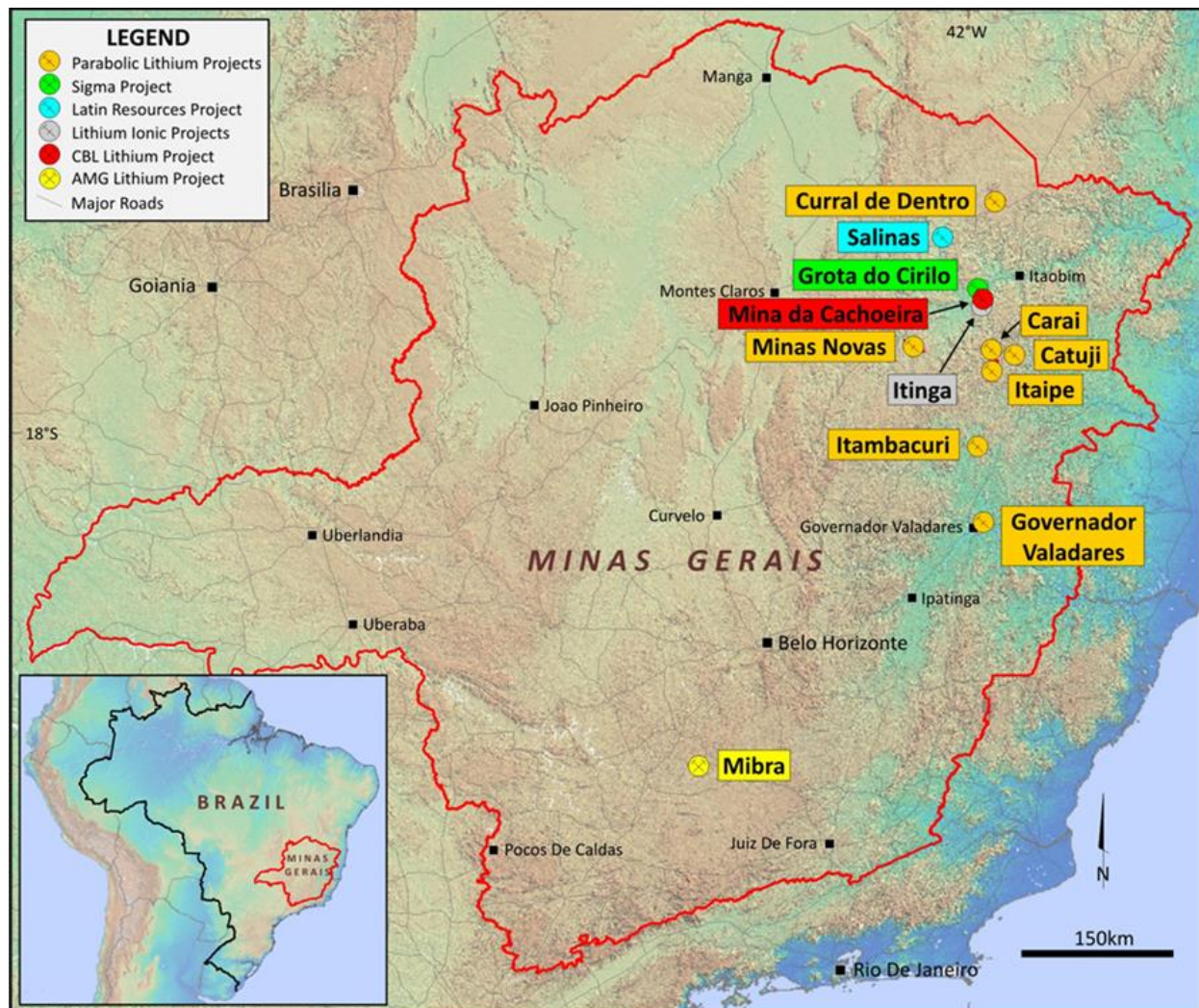


Figure 1: Parabolic Lithium's project locations in Minas Gerais State plus lithium mines and deposits within Brazil's Eastern Lithium Belt.

Recent lithium discoveries in Lithium Valley include Sigma Lithium Corporation's (NASDAQ: SGML; TSX: SGML) Grota do Cirilo project, Latin Resources Ltd's (ASX: LRS) Salinas Project and Lithium Ionic Corporation's Itinga Project (see Figure 2). Resources are outlined in Table 1. Other companies actively exploring in the district include Atlas Lithium Corporation (NASDAQ: ATLX) which has the Neves project and OzAurum Resources Ltd (ASX: OZM) which is exploring the Linopolis Jaime project.

¹ [Mining Unit – CBL Companhia Brasileira de Lítio \(cblitio.com.br\)](http://Mining Unit – CBL Companhia Brasileira de Lítio (cblitio.com.br))

² [Resources \(amqlithium.com\)](http://Resources (amqlithium.com))

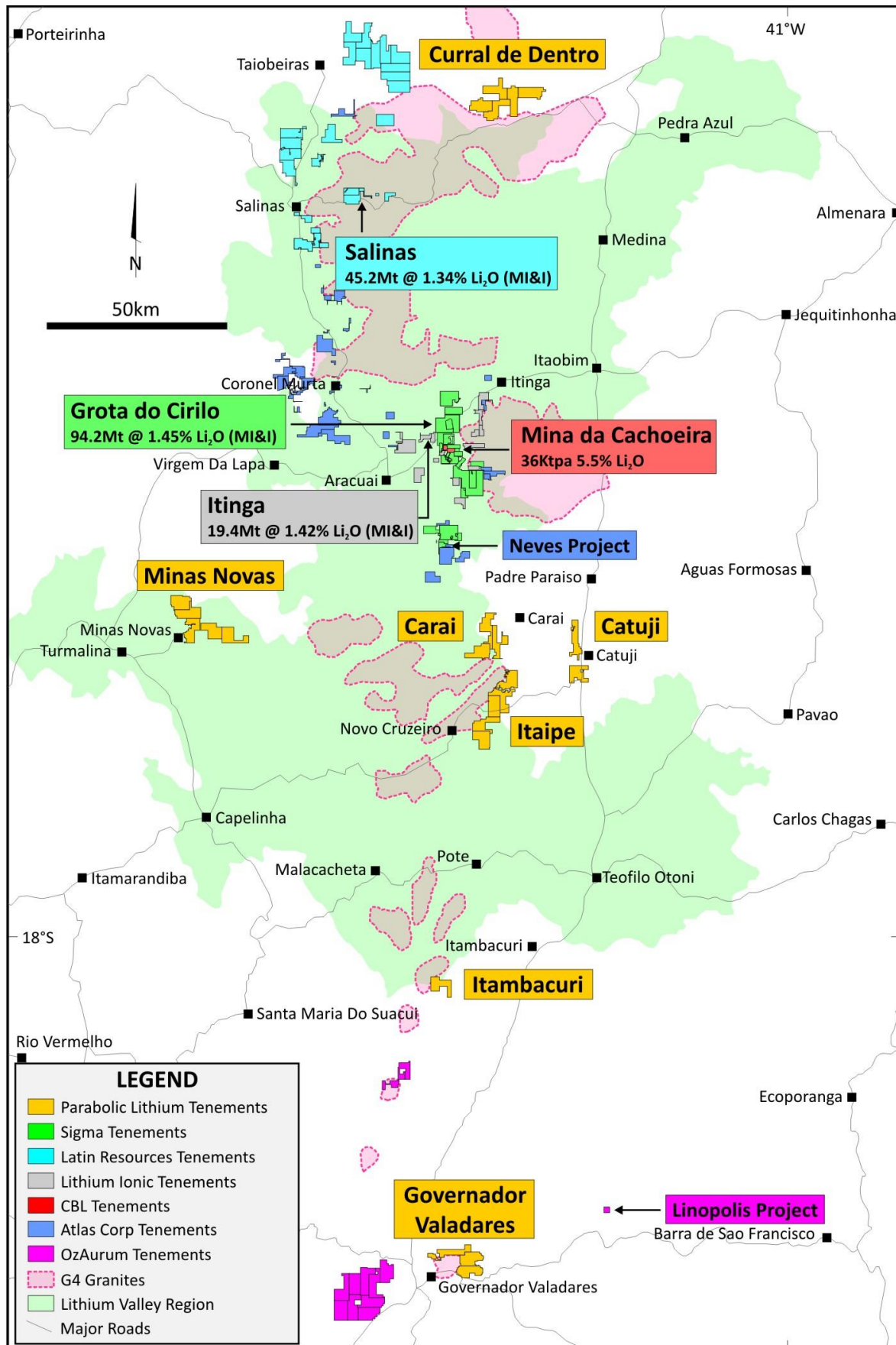


Figure 2: Location plan of Parabolic's projects plus the Grota do Cirilo, Salinas, Itinga and Mina do Cachoeira lithium projects and G4 granites in the Lithium Valley region of Minas Gerais.

Table 1: Lithium deposits and exploration projects in Lithium Valley, Minas Gerais.

Company	Discovery	Tenement Holding
Sigma Lithium Corp ³ (NASDAQ: SGML; TSX: SGML)	Grota do Cirilo Resource (NI43-101): M&I 77.0Mt @ 1.43% Li ₂ O plus Inf 8.5Mt @ 1.43% Li ₂ O Ramping up Phase 1 production to 270Ktpa	~200km ²
Latin Resources Limited ⁴ (ASX: LRS)	Salinas Resource (JORC): MI&I 45.2Mt @ 1.34% Li ₂ O Preliminary economic assessment underway	~380km ²
Lithium Ionic Corp ⁵ (TSX.V: LTH)	Itinga Resource (NI43-101): M&I 7.57Mt @ 1.4% Li ₂ O plus Inf 11.86Mt @ 1.44% Li ₂ O Expansion and definition drilling underway	~142km ²
Atlas Lithium Corp ⁶ (NASDAQ: ATLX)	20 pegmatite outcrops identified Neves project drill intersections include: <ul style="list-style-type: none"> • 21.75m @ 2.12% Li₂O from 7.0m depth (DHAB-185) • 25.0m @ 1.82% Li₂O from 7.0m depth (DHAB-160) • 95.2m @ 1.46% Li₂O from 97.9m depth (DHAB-104) 	~240km ²
OzAurum Resources Limited ⁷ (ASX: OZM)	Binding term sheet to acquire Linopolis Jaime Li project which contains over 20 LCT bearing pegmatites mined intermittently for tantalite, beryl, tourmaline, brasilianite & feldspar Spodumene grades of up to 7.36% Li ₂ O in rocks with an average spodumene grade of 6.94% Li ₂ O confirmed within a +7m wide spodumene zone	Linopolis 2.4km ² plus exploration permit applications ~197km ²

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

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³ Refer to NI43-101 technical report dated 12 June 2023 ([Sigma-Lithium-Amended-and-Restated-Technical-Report-June-2023-JUNE-12-FINAL-pre-market.pdf](https://www.investi.com.au/api/announcements/lrs/deefd35a-3b8.pdf) (sigmalithiumresources.com))

⁴ Refer ASX announcement dated 20 June 2023 at <https://www.investi.com.au/api/announcements/lrs/deefd35a-3b8.pdf>

⁵ Refer to Lithium Ionic announcement dated 27 June 2023 ([Lithium Ionic - News](https://www.lithiumionic.com.au/news))

⁶ Refer to Atlas Lithium announcements dated 13 July 2023 ([1689249600-173391.pdf](https://www.atlas-lithium.com/1689249600-173391.pdf) (atlas-lithium.com)), 13 May 2023 ([Atlas Lithium Intersects 1.47% Li₂O over 95.2 Meters - Atlas Lithium Corporation](https://www.atlas-lithium.com/atlas-lithium-intersects-1.47%li2o-over-95.2-meters-atlas-lithium-corporation) (atlas-lithium.com)) & 10 Jul 2023 ([Atlas Lithium Intersects 3.34% Li₂O over 7 Meters and 1.82% Li₂O over 25 Meters at Its Neves Project in Brazil's Lithium Valley - Atlas Lithium Corporation](https://www.atlas-lithium.com/atlas-lithium-intersects-3.34%li2o-over-7-meters-and-1.82%li2o-over-25-meters-at-its-neves-project-in-brazil-s-lithium-valley-atlas-lithium-corporation) (atlas-lithium.com))

⁷ Refer to OzAurum announcements dated 15 September 2023 ([efa74fcb6c50367e79786bfc8e2a273a](https://www.sharelinktechnologies.com/efa74fcb6c50367e79786bfc8e2a273a) (sharelinktechnologies.com)) & 27 September 2023 ([eb213a9bc6e4138657a058b5e2f131ed](https://www.sharelinktechnologies.com/eb213a9bc6e4138657a058b5e2f131ed) (sharelinktechnologies.com))

About Alderan Resources Limited

Alderan Resources specialises in critical and precious metal exploration.⁸ In addition to the acquisition of seven (7) lithium projects in Minas Gerais, Brazil (AL8 ASX announcement dated 20th October, 2023) the Company has projects in Utah, USA (Frisco, Detroit, White Mountain), with tenements held either directly or through option agreements via Alderan's USA subsidiaries, Volantis Resources Corp and Valyrian Resources Corp (see Figure 3). Alderan's objective is to rapidly discover, delineate and develop critical metal and gold deposits for mining. The Company's project portfolio has high potential for discovery as it lies in under-explored geological belts with similar geology to neighbouring mining districts. Our exploration plans also include reviewing new opportunities to secure and upgrade our pipeline of projects.

For more information please visit: <https://alderanresources.com.au/>

Competent Persons Statement

The information contained in this announcement that relates to geology is based on, and fairly reflects, information compiled by Mr Scott Caithness, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Caithness is the Managing Director of 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'. Mr Caithness consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. Mr Caithness holds securities in the Company.

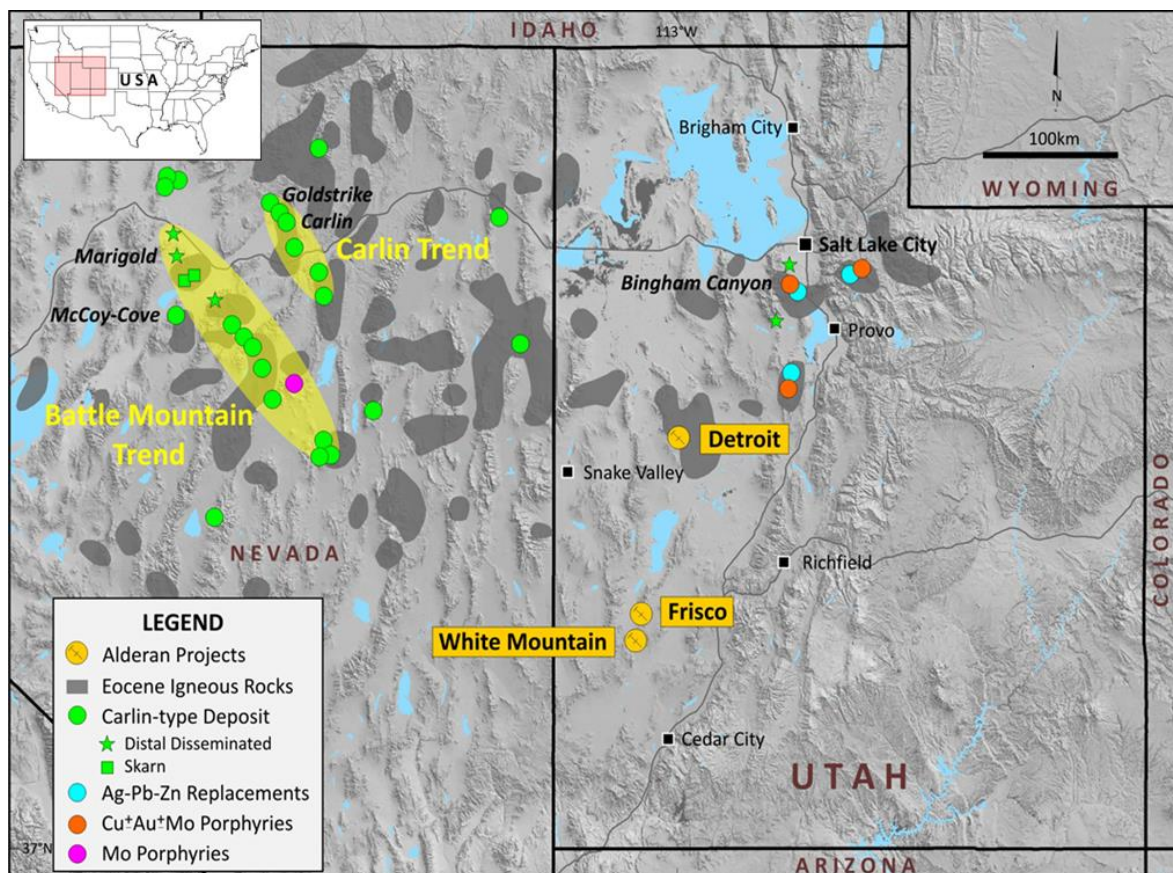


Figure 3: Alderan Resources project locations in Utah, USA.

⁸<https://www.energy.gov/cmm/what-are-critical-materials-and-critical-minerals>