

ASX Code: AUQ

DIRECTORS AND EXECUTIVES

Stephen Gethin
Non-Executive Chairman

Atmavireshwar Sthapak
Managing Director

Vikas Jain
Non-Executive Director

Sanjeev Kumar
Non-Executive Director

Devaki Khimji
Non-Executive Director

Farrokh Masani
Alternate Director for
Devaki Khimji

Dinesh Aggarwal
Company Secretary and Chief
Financial Officer

Alara Resources Limited
Suite 1.02, 110 Erindale Road,
Balcatta, Western Australia 6021

T +61 8 9240 4211
E info@alararesources.com
www.alararesources.com

Key Highlights

Commissioning of Alara's Al Wash-hi – Majaza Copper-Gold processing plant in Oman has commenced since the end of the December Quarter. Production of first saleable grade copper concentrate is on track for the current quarter.

- Hot commissioning of the copper concentrator plant completed in February with basaltic rock feed to the crusher.
- Alara JV in Oman receives grant of Exploration and Mining Concession over Block 22-B through bidding.
- Tailing filter press teething issues being resolved.

Al Wash-hi Majaza Production Plant, January 2024



Hot commissioning commencement at Wash-hi Majaza – Feb 2024



Wash-hi Majaza Copper-Gold Project – Oman

(Alara – 51%; Al Hadeetha Investments LLC – 30%; Al Tasnim Infrastructure Services LLC - 19%)

Copper Concentrator Plant Commissioning

The final commissioning stage – hot commissioning – involved feeding basaltic rock to the crusher with onward conveyance to the grinding circuit through SAG and ball mills, followed by cyclonic movement to the downstream floatation circuit. Through adjustment of the dart valves in the flotation circuits concentrate and tailings were generated at different times and both the concentrate and tailing dewatering circuits were tested with a full load of materials. The flotation cells were fed with blower air. The entire operation was switched from manual to remote operation through programmable logic controllers.

Post commissioning, low-grade copper ore was initially being fed to the plant to produce low-grade copper concentrate, with the ore feed grade increasing over initial weeks of operation until sale-grade concentrate is produced.

The tailing filter press, although operational, has not performed to its design capacity, slowing the ramp-up phase of the plant. Engineers are working on the problem. Improvements in the performance of the filter press have been achieved and a full resolution of the issue is expected.

Images: Concentrate Cake Discharged from Filter Press (snapshot from video)

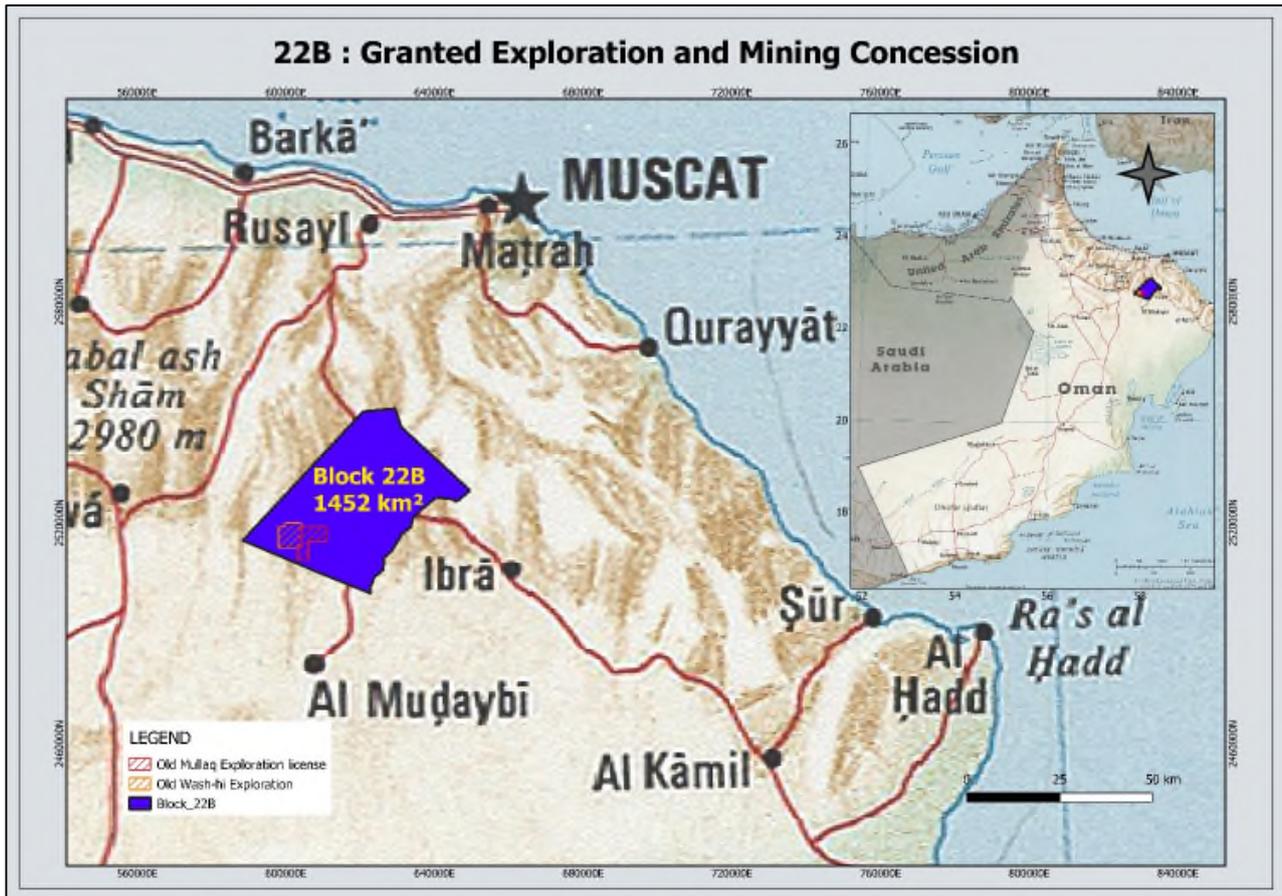


[The remainder of this page is intentionally blank]

New Wash-hi and Mullaq Exploration Permit – Oman

The Omani Ministry of Energy and Minerals granted an Alara JV company an additional 1452 km² of exploration ground titled “Block 22-B” and invited the JV to negotiate and execute an Exploration and Mining Concession Agreement covering this area (**Concession Agreement**). The map below shows the area of Block 22-B.

Map 1 – Block 22-B location



On execution of the Concession Agreement, the Omani Government will grant the JV the exclusive right to explore, appraise, develop and mine designated minerals within Block 22-B. The Concession Agreement will comprise an initial two-year Exploration Phase followed by an Exploitation Phase extending up to 15 years. Extensions of both phases may be considered for reasonable justification. The Concession Agreement will detail the obligations of the concession holder and the Government and address issues such as minerals covered, royalties and taxes.

Significantly, the Ministry approved combining former Blocks 22-A and 22-B, renaming the combined Block as 22-B. The combination of two blocks into one means the newly consolidated Block includes exploration licenses previously granted to Al Hadeetha Resources LLC (**AHRL**) in which Alara holds a 51% interest.

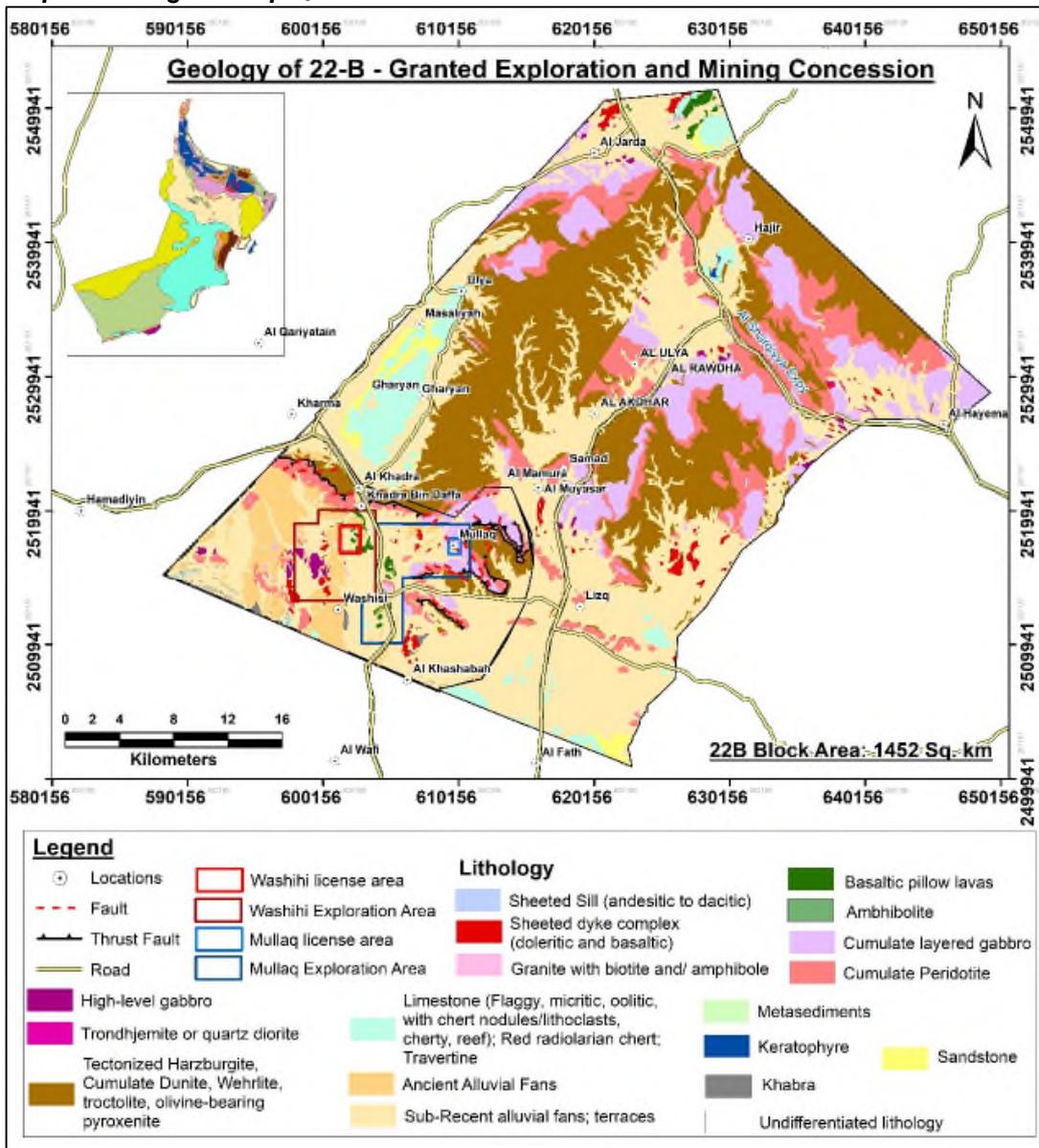
The remainder of Block 22-B will be held by a new JV company being formed in which Alara will hold 27.5%. Alara's other partners in the JV will be its two existing partners in AHRL, Al Naba Group and Al Tasnim Group

(each also holding 27.5%) with the remaining 17.5% to be held by South West Pinnacle, an existing Alara JV Partner in Alara Resources LLC, an Omani mining services company.

Brief geological description of Block 22-B:

Nearly 20% of the area in the southern and central-north and along the north-western margin of Block 22-B is occupied by recent alluvial sands interspaced by dry river channels, known as wadis. More than two-thirds of the area in the northern half of Block 22-B is mountainous, with low NNE-SSW to NNW-SSE trending hills. The Company’s existing Washi-hi copper-gold deposit and an ancient Mullaq copper mine are located in the south-western corner of the Block. The geological characteristics of Block 22-B overlaid with existing exploration licenses are shown in Map 2, below.

Map2 – Geological Map of Block 22-B



The Company's existing Wash-hi project (covering an area of 39 km²) and Mullaq project (covering an area of 41 km²) fall entirely within Block 22-B. Importantly, areas already explored by Alara constitute a substantial part of the upper-crustal rocks of Block 22-B. This is significant as the Semail Ophiolite upper-crustal rocks are considered to contain nearly all the VMS-type base metal prospects in Oman.

Geologically, the mountainous areas of Block 22-B include the Semail Nappe. The Semail Nappe is now recognized as a Cretaceous ophiolite, exposing the world's best-preserved section of upper mantle, lower-oceanic crust and upper-oceanic crust. The Semail Nappe (the Semail Ophiolite) covers almost the entire area of Block 22-B (excepting some pre-Ophiolitic sedimentary rocks in the north-western section) and exposes the upper-mantle section, lower-crustal rocks and upper-crustal rocks of the ophiolite sequence, with the upper-crustal rocks mainly being covered by alluvium.

There are reports of several old copper workings in the north-western section of the Block, old gold and chromium workings in the northern section and a small number of old iron workings in the western section. In general, the upper-oceanic crust of the Semail Ophiolite is known to host copper and gold deposits, whereas the lower-crustal parts and the upper mantle sections are known to host some chromite deposits with minor incidences of PGE mineralization.

There is no assurance that any new mineralisation will be discovered in Block 22-B in economically mineable quantities.

Daris Copper-Gold Project – Oman

(Alara – 50%: Al Tamman Trading Establishment LLC – 50% of Daris Resources LLC (DRL))

The Daris project comprises two high-grade copper deposits within the 587km² exploration license, which includes two mining license applications covering 4.5km². This project fits well with Alara's preferred "hub and spoke" model, which provides for processing of Daris ore at the Wash-hi–Majaza copper concentration plant under construction.

The Daris East Mining License application, which covers an area that includes measured, indicated and inferred JORC copper resources¹, was opposed by the Ministry of Housing due to its proximity to recently allotted land.

Review of a petition supporting the application lodged by Daris is now underway at the Ministry of Energy and Minerals and survey work has been proposed to resolve the objection from the Ministry.

The Daris 3A5 Mining License application is progressing with the Government.

Awtad Copper-Gold Project – Oman

(Awtad Copper LLC: Alara 10% with an earn-in right up to 70%+; Local shareholders 90%)

The Awtad Project comprises an area of approximately 497 km² (Block 8) and is located immediately adjacent to the Block 7 (Daris Copper-Gold Project). Exploration previously undertaken at this project includes:

- 86-line kilometres of airborne VTEM, 14-line kilometres of ground IP, 169-line kilometres of ground magnetics and 202-line kilometres of high-resolution ground magnetics.
- 76 RAB drill holes totalling 1,747m and 11 core drill holes totalling 299m.

¹ The Company has disclosed full details of these resources to investors on various occasions in a form which complies with the 2012 edition of the JORC Code. See, for example, the Company's 2019 Annual Report to shareholders, pp 14-45 and 72-73.

- Drilling results (including some undertaken across the Al Mansur Prospect) were low grade in general and inconclusive.

Previous exploration identified anomalies worthy of further exploration. The fact that prospective geological formations within the license area are under cover of alluvial and aeolian deposits enhances the chances of further copper mineralisation.

Detailed work plans have been submitted to the Ministry of Energy and Minerals for renewal of the exploration license, which currently remains pending.

Mineral Tenements

The current status of all mineral tenements and applications for the Daris and Awtad Projects are presented in the table below:

Block Name	License Owner	Alara JV Interest	Area	Exploration License			Mining Licenses within EL		
				Grant Date	Expiry Date	Status	Area	Application Date	Status
Block 7	Al Tamman Trading and Est. LLC	50%	587km ²	Nov-09	Feb-16	Active ²	Daris 3A5 & East	Resubmitted 2018	Pending
Block 8	Awtad Resources LLC	10% (earn in to 70%)	497km ²	Nov-09	Oct-13	Renewal pending	NA	NA	NA

Expenditure Summaries

Mining Tenements

During the quarter, the consolidated entity incurred expenditure of \$6.88 million on mining production and development activities.

Mining exploration

During the quarter, the consolidated entity incurred expenditure of \$Nil on mining exploration activities.

Related Party Payments

Directors Remuneration

During the quarter, the consolidated entity made payments totalling \$144,000 to related parties, as disclosed in item 6.1 in the Company's Appendix 5B, being for Directors' remuneration. No other payment was made to any related party or the associate of a related party.

Expected Developments June 2024 Quarter

Expected developments in the current quarter include:

- Sale of first copper concentrate production from the Project.
- Execution of Concession Agreement with Omani Ministry of Energy and Minerals for Block 22-B and commencement of exploration program.

Tenement Status

Oman Copper-Gold Projects

Alara has joint venture interests in five copper-gold deposits located within five Exploration Licenses in Oman extending over 1,200km².

The Al Wash-hi–Majaza/Mullaq³ prospects are located approximately 160km south-southwest of Muscat (the capital of Oman) and the Al Ajal Prospect is located about 65km southwest of the capital. The Daris Copper-Gold Project⁴ is located approximately 150km west of Muscat. Both projects are located close to high-quality bitumen roads.

Wash-hi–Majaza Copper-Gold Project

The current status of all licenses/applications for this project is presented in the table below:

License Name	License Owner	Alara JV Interest	Area	Date of Grant	Status Mining Area	Date Applied/ Status
Wash-hi – Majaza ML 10003075	Al Hadeetha Resources LLC	51%	39km ²	Jan-08	Active 3km ²	2013 Active
Mullaq	Al Hadeetha Resources LLC	51%	41km ²	Oct-09	Active 1km ²	Jan 2013 Pending
Al Ajal	Al Hadeetha Resources LLC	51%	25km ²	Jan-08	Active 1.5km ²	Jan 2013 Pending

Daris and Awtad Copper-Gold Projects

The current status of all licenses/applications for this project is presented in the table below:

License Name	License Owner	Alara JV Interest	Area	Date of Grant	Status	Mining Area	Date Applied	Status
Block 7	Al Tamman Trading and Est. LLC	50% (earn up to 70%)	587km ²	Nov-09	Active*	Daris 3A5 Resubmitted		Pending
Block 8	Awtad Resources LLC	10% (earn in to 70%)	597km ²	Nov-09	Renewal	NA	NA	Pending

* Pursuant to Ministerial decree (38/2013) which declares that the exploration license ends when its duration ends, unless the licensee has submitted an application for a mining license, in which case the duration for the exploration license extends until the date that a determination is made on the mining application.

Additional Tenement Information

Mining tenement disposals and acquisitions

The consolidated entity did not acquire or dispose of any interest in any mineral tenement during the quarter.

Farm in and farm-out agreements

The consolidated entity did not enter or terminate any farm-in or farm-out agreement during the quarter. The consolidated entity holds its percentage interests in the mineral tenements disclosed under the heading Daris and Awtad Copper-Gold Projects under farm-in agreements with the respective License Owners disclosed there.

Disclaimer

This report contains ‘forward-looking statements’ and ‘forward-looking information’, including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral resources, and studies. Often, but not always, forward-looking information can be identified by the use of words such as ‘plans’, ‘expects’, ‘is expected’, ‘is expecting’, ‘budget’, ‘scheduled’, ‘estimates’, ‘forecasts’, ‘intends’, ‘anticipates’, ‘believes’ or variations (including negative variations) of such words and phrases, or state that certain actions, events or results ‘may’, ‘could’, ‘would’, ‘might’, or ‘will’ be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results.

The purpose of forward-looking information is to provide readers with information about management’s expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Alara and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of gold and copper, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Alara believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Alara does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

This announcement is authorised by:

Atmavireshwar Sthapak **T** | +968 2449 1162
Managing Director **E** | avsthapak@alararesources.com

Dinesh Aggarwal **T** | +61 8 9240 4211
Company Secretary **E** | cosec@alararesources.com

Media Enquiries

Branka Narancic **T** | +61 437 190 010
The Market Herald **E** | branka.narancic@themarketherald.com.au



About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian-based precious and base metals explorer and developer.

Alara is currently focused on operating the recently completed 1Mtpa² Al Wash-hi Majaza copper concentrate and gold mine in Oman. The Company is also continuing exploration activities at its other Oman projects, the Block 7 exploration licence under the Daris JV and the Mullaq and Al Ajal exploration licences under the Al Hadeetha JV.

Alara's mission is to become a mid-tier minerals producer which will deliver maximum shareholder value through profitable growth driven by low-cost, sustainable operations.

To learn more, please visit: www.alararesources.com

² Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study Results initial announcement), 24 January 2017 (Definitive Feasibility Study update), 28 June 2018 (Project Net Present Value update) and 29 March and 7 April 2021 (Project Net Present Value NPV update) contain the information required by ASX Listing Rule 5.1.6 regarding the stated production target. All material assumptions underpinning the production target as announced on those dates continue to apply and have not materially changed, except to the extent that a relevant assumption in an earlier announcement referred to above has been updated by an assumption in a later announcement referred to.

