September 2017 Quarterly Activities Report

31 October 2017

Market Data

ASX Code: AL8
Share Price: $2.04 (30 Oct 2017)
Shares on Issue: 107,963,908
Options on Issue: 17,657,454

Board and Management

Nicolaus Heinen
Non-executive Chairman

Christopher Wanless
Chief Executive Officer

Bruno Hegner
Executive Director

Tom Eadie
Non-executive Director

Brett Tucker
Company Secretary

Peter Geerdts
Chief Geologist

Alderan Resources Limited

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Highlights

- 10,000m drill program commenced at Alderan's Frisco Copper Project, Utah, USA focusing on the Cactus Corridor incorporating the Cactus, Comet and New Years mines
- Drilling at the Cactus Mine has confirmed extensive copper mineralisation within and surrounding historic workings with ALCA002 intersecting chalcopyrite/pyrite mineralisation from 148m to the current depth of 236m. Drilling of ALCA002 is continuing. Assay results are expected early December
- Preliminary results from an Induced Polarisation ("IP") survey show a large IP - anomaly coincident with a circular magnetic anomaly, phyllic surface alteration, outcropping malachite mineralisation and geochemical surface copper anomalism at the Cactus Canyon porphyry copper prospect
- Final IP results, which will also cover the Accrington prospect, are expected to be received by mid-November
- Alderan reviewed historical channel sampling within the Cactus Mine. Highlights of historical channel sampling include:
    - 21.5m @ 6.1% Cu
    - 32.5m @ 3.8% Cu
    - 34.1m @ 2.7% Cu
    - 32.2m @ 2.4% Cu
    - 40.5m @ 1.8% Cu
    - 83m @ 1.2% Cu
- An independent expert review confirmed a multi-phase mineralised porphyry system at Cactus Canyon
- Bruno Hegner appointed as Executive Director and Vice President of US subsidiaries. Mr Hegner was previously the Managing Director of Major Copper Projects at Rio Tinto and Vice President of Resolution Copper Company

Copper explorer Alderan Resources Ltd ("Alderan") is pleased to report on its activites for the quarter ended 30 September 2017.

Alderan's Frisco project in Utah, USA is a large mineralised porphyry district that occurs over an area of approximately 7km by 4km. Despite a long and widespread mining history at Frisco, fragmented ownership of mining claims inhibited project-wide exploration in the past.

Historical mining activities focused on extensive outcropping breccia pipes (Cactus) and skarns (Accrington/Horn) associated with an underlying porphyry system recently identified by Alderan at Cactus Canyon.

Following its listing in June 2017, Alderan expanded its holdings at Frisco through the acquisition of a third-party interest in the Imperial Claims, and the lease and staking of 118 further claims.

Commencement of Initial Drilling

In late September, Alderan announced it had commenced a 10,000m+ diamond drilling program at the historical Cactus Mine, which sits within a 1000m by up to 400m wide mineralised corridor that hosts several additional historical mines including the Comet and New Years mines.

At least two individual mineralisation events are suggested within this corridor with mineralisation hosted in quartz-tourmaline-pyrite-chalcopyrite breccia pipes (associated with a low magnetic geophysical signal) and in between the pipes (with a higher magnetic geophysical signal) where a magnetite-chalcopyrite association was identified, intepreted to be caused by an earlier mineralising event.

The current drilling program aims to:

a) test the extent of mineralisation remaining within the mine;
b) test the continuity of mineralisation between the Cactus, Comet and New Years mines;
c) establish the grade and precious metal content of mineralisation;
d) establish an initial JORC 2012 compliant resource within the Cactus Corridor;
e) provide further geological information on the style(s) of mineralisation present; and
f) identify vectors to mineralisation within the underlying Cactus Canyon porphyry target.

Subsequent to the end fo the quarter, hole ALCA002 was drilled from the same pad location as ALCA001 to test for mineralisation below in the lower levels of the Cactus Mine (see Figure 3). Pyrite/chalcopyrite mineralisation is noted from 148m to current depth of 236m. Both suphide veins, and quartz-tourmaline-pyrite-chalcopyrite breccia styles of mineralisation are present (see Figure 1 and 2).

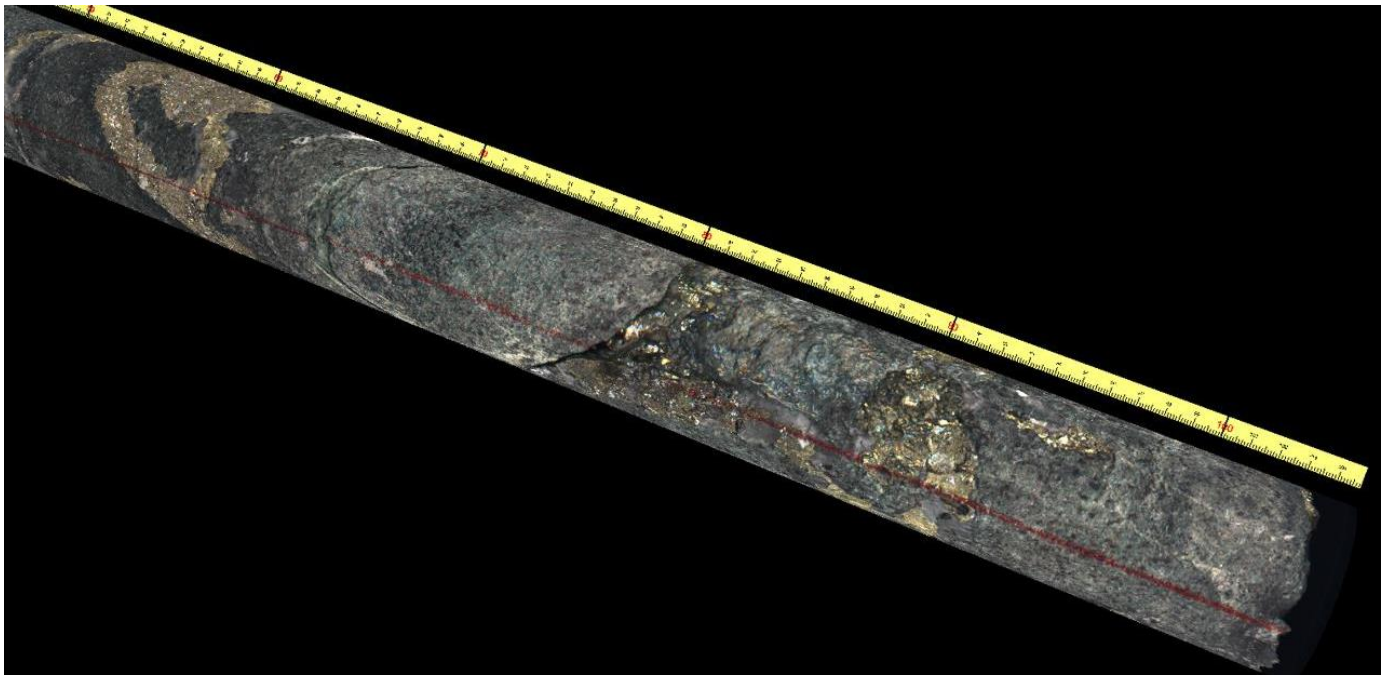

Figure 1: Drillcore intercept from ALCA002 (227.69m to 228.19m) showing chalcopyrite/pyrite mineralisation within a chlorite altered quartz-tourmaline breccia zone in a wider zone of weakly potassic altered monzonite.

The first hole, ALCA001, was completed to a depth of 206m, having intersected mineralisation within the vicinity of historical workings from 77m to 107m with stopes intersected between 84.9m and 94.4m and from 100.5m to 107.1m. Due to drilling difficulties the hole was terminated short of the proposed depth (250m) at 208.68m within weakly to moderately magnetite veined and altered Cactus (Stock) Monzonite.

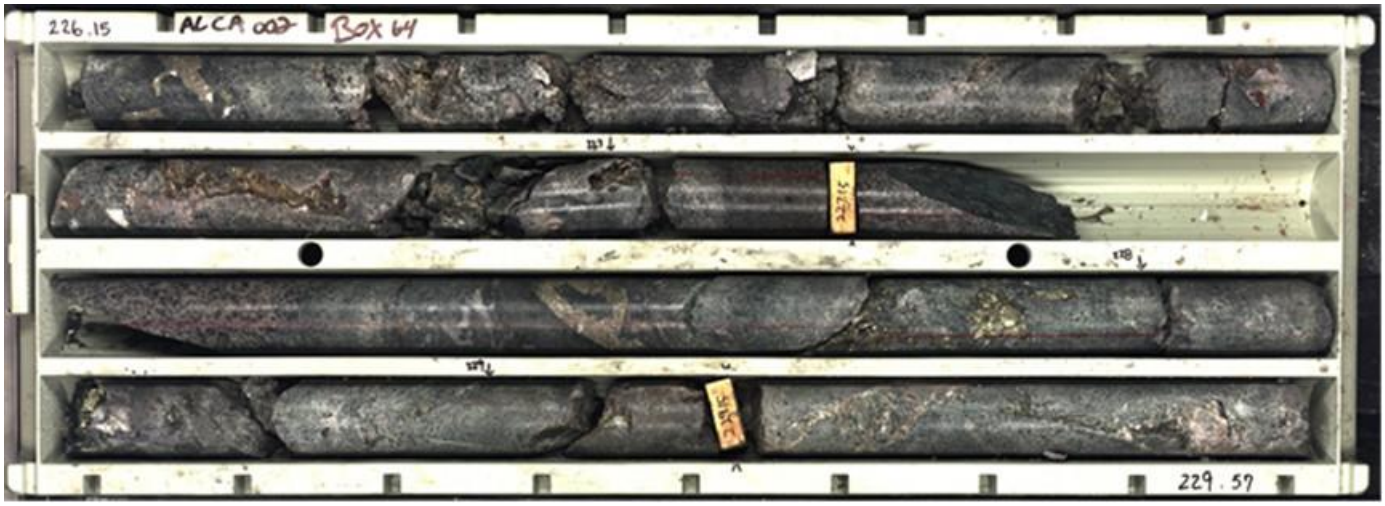

Figure 2: Photo of drill core from ALCA002 (226.15m to 229.57m).

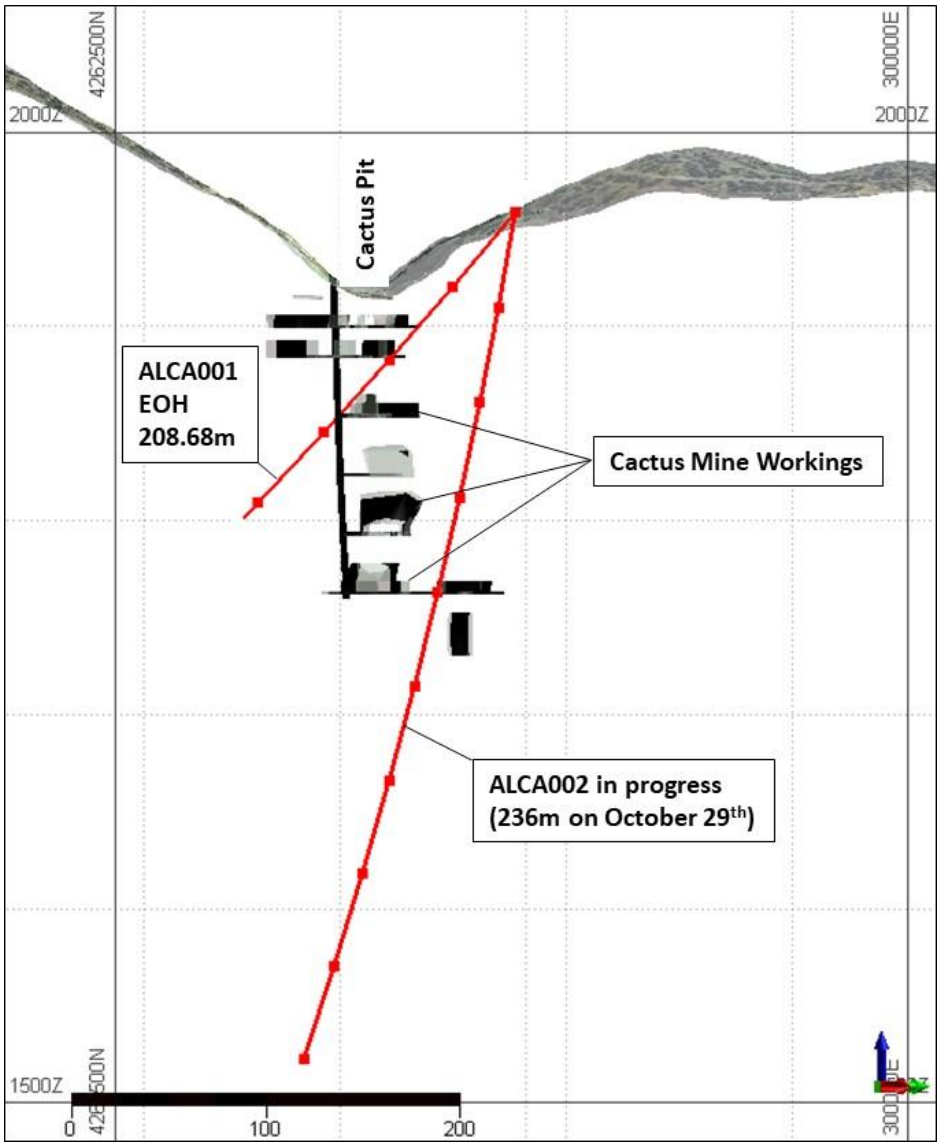

Figure 3: Cross Section showing the current hole ALCA001 and ALCA002.

IP and EM survey

In late June, geophysics crews started an induced polarisation ("IP") and electromagnetic ("EM") survey at Frisco. Alderan engaged Dias Geophysics to conduct a high definition IP survey over the entire Frisco Project (24.77km^2), and a trial EM survey over the Accrington copper-zinc skarn prospect.

The IP survey was designed to complement existing datasets and to assist in the definition of current and new targets. In August, the Company extended its geophysical survey, which was already underway, to cover the newly-acquired leases and claims north of Cactus, including areas of historical mining activity which are prospective for carbonate hosted base and precious metals.

Preliminary results from the IP survey, (ASX Announcement, 12 September 2017) show several anomalies consistent with a large mineralised porphyry system at the Cactus Canyon prospect. Analysis and processing of the data has shown a large chargeability shell wrapping around a central higher resistivity anomaly. This could represent an intrusive porphyry body with a pyrite - rich outer propyllitic alteration shell topped by strongly chargeable phyllic alteration surrounding a central, resistive core.

The Cactus Canyon prospect is associated with extensive outcropping phyllic alteration, mineralised breccia, porphyry style distal copper bearing veining, copper bearing porphyry dykes and a large 1000m by up to 400m structural zone of copper mineralisation incorporating the Cactus, Comet and New Years mines. Mineralisation in these mines is hosted in tourmaline-pyrite-chalcopyrite breccia pipes. A chalcopyrite-magnetite association has been identified between the breccia pipes – possibly representing an earlier mineralising event overprinted by breccia emplacement.

Historical underground sampling at Cactus Mine

During the quarter, Alderan reported that its ongoing work had confirmed the location of historical channel sampling undertaken by Rosario Exploration Company ("Rosario") in 1968-69 at the Cactus Mine. This work included locating historical mine workings, levels and drill holes. All data collected on the area was subsequently digitised, georeferenced and made accessible in a digital database.

Channel sampling was conducted by Rosario across all accessible levels and areas of the mine confirming extensive areas of mineralisation across all sampled areas. Significantly higher-grade mineralisation occurs outside of the low magnetic breccia bodies increasing confidence that mineralisation may extend to and in between the Comet mine/breccia pipe and to the New Years pipe for a combined strike length of 1000m. No gold or silver assays were undertaken for any of the historical samples by Rosario Exploration Company despite the historical production of gold and silver from the mine.

Results from this work, previously announced in the ASX announcement dated 21 August 2017, included:

- 21.5m @ 6.1% Cu
- 32.5m @ 3.8% Cu
- 34.1m @ 2.7% Cu
- 32.2m @ 2.4% Cu
- 40.5m @ 1.8% Cu
- 83m @ 1.2% Cu.

Alderan has not independently validated the Rosario Exploration Company exploration results. The data presented is considered an accurate representation of the available data, and nothing has come to the attention of the Company to cause it to question the accuracy or reliability of the historical results. It is uncertain that following evaluation and/or further exploration work that these historical and foreign exploration results will able to be reported under the JORC Code 2012, or used in Mineral Resources or Ore Reserves in accordance with the JORC Code.

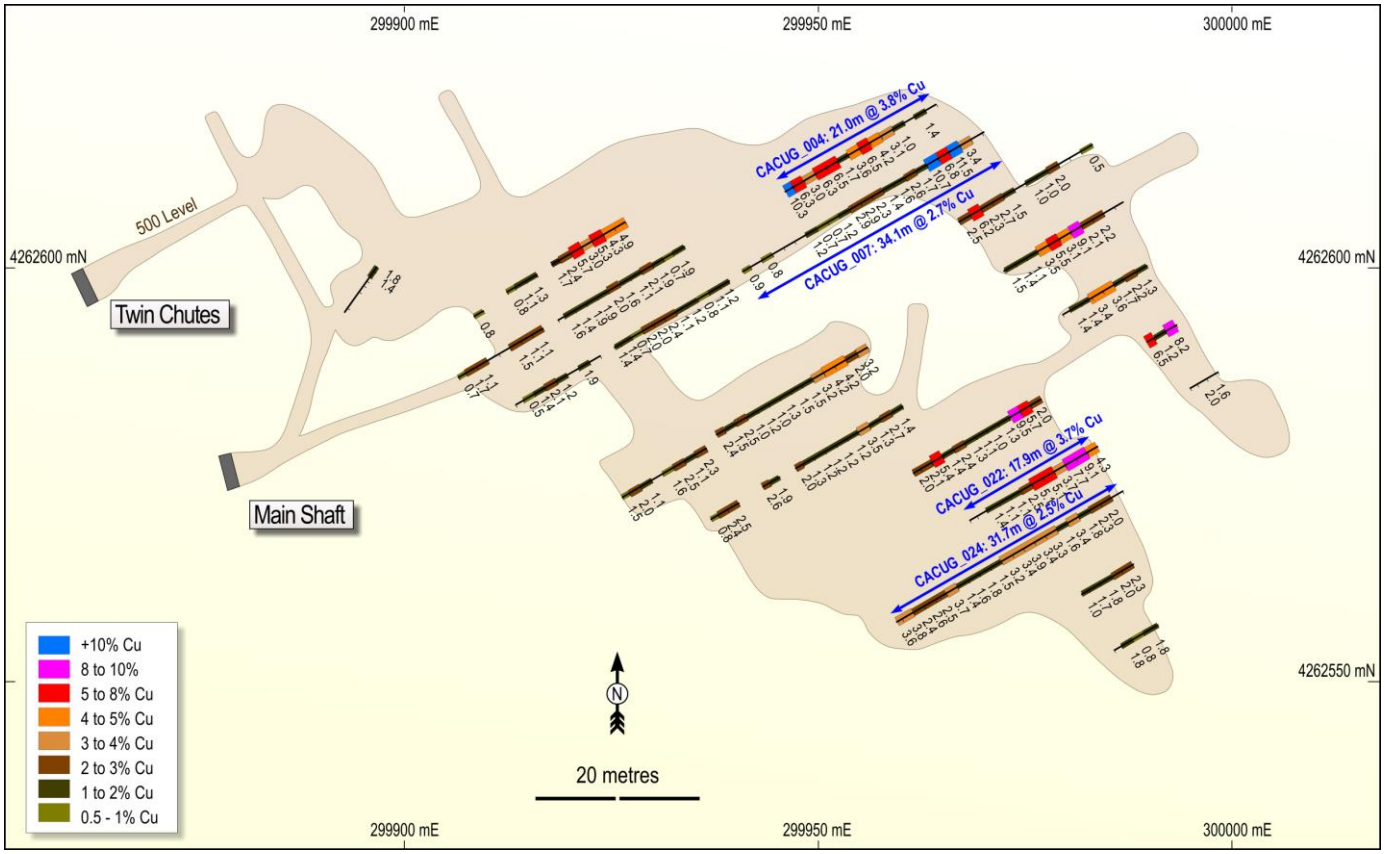

Figure 4: Channel sample results from level 500, Cactus Mine, taken by Rosario Exploration Company, 1968 - 69

Independent Review

An independent geological review was conducted by Corbett Geological Services Pty Ltd on the Frisco Project. Key conclusions included:

- Confirmation of a multiphaseand preserved porphyry system at Cactus Canyon.
- Identification of phyllic alteration associated with a zone of brown colouration in satellite photos, typical of what might be expected in a phyllic alteration overprint upon hostrocks above a blind porphyry intrusion. This zone manifests in the geophysical data as coincident mottled magnetite destruction and a positive chargeability anomaly associated with the high pyrite content.
- The identification of D veins associated with surficial phyllic alteration, sheeted porphyry quartz veins of the B style characterised by a central line of chalcopyrite and hosted within monzodiorite, identified on the Comet mine dump - typical of the targeted porphyry mineralisation, here as wall rock hosted marginal to the speculated porphyry.
- The likelihood of the massive monzodiorite being an ideal host which will fracture well to facilitate any speculated porphyry and associated stockwork quartz veins.

CORPORATE

Executive Director and CEO Remuneration

On 6 October, Alderan advised it had entered into an Executive Services Agreement with Director Christopher Wanless to provide full-time Executive Director and Chief Executive Officer services, effective from 1 October 2017.

This Executive Services Agreement replaced the original consulting agreement between the Company and DM Bergbau GMBH dated 23 March 2017, under which DM Bergbau provided the services of Christopher Wanless in the position of Executive Director and Chief Executive Officer on a part-time basis.

The key terms of the agreement are primarily the same as the original agreement.

Appointment of Bruno Hegner and Resignation of Donald Smith

Subsequent to the end of the quarter, the Company announced the appointment of Frank “Bruno” Hegner as Executive Director of Alderan and Vice-President of its 100%-owned US subsidiary Volantis Resources Corp.

Mr Hegner will lead US operations, focusing on exploration of the Company’s Frisco Copper Project in Utah. His appointment follows the resignation of Donald Smith.

Mr Hegner has more than 25 years of experience as a corporate manager and executive. His previous roles include Rio Tinto’s Managing Director of Major Copper Projects, based in Salt Lake City, and Vice-President/General Manager of Resolution Copper Company in Phoenix, Arizona.

More recently, Mr Hegner was Managing Partner of his own consultancy, which included him serving as President and Director of TSX-V-listed company Discovery Harbour Resources. He also worked as an attorney at one of Utah’s top law firms.

Mr Hegner, who is based in Utah, has significant experience in the management and development of major copper projects in the USA including land titles, permitting, acquisitions, governmental relations, cost management, project management and operations including overseeing teams of more than 300 employees.

Release of shares from escrow

In accordance with ASX Listing Rule 3.10A, Alderan advised that 694,365 fully paid ordinary shares were due to be released from escrow on 27 September 2017.

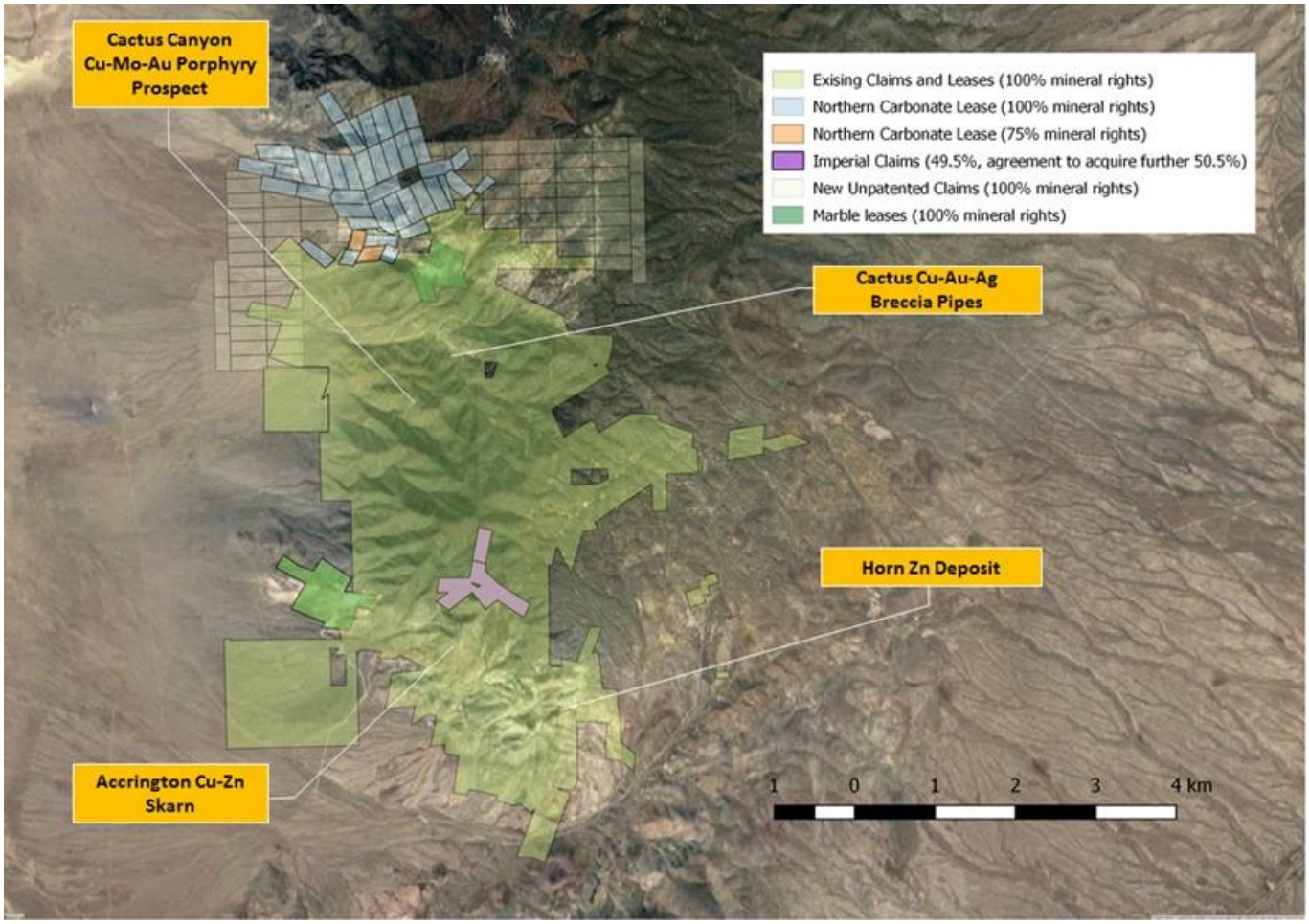

Figure 5: Frisco Project - Tenure Map

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Interested investors and shareholders are encouraged to subscribe to the Company's social media channels using the links below:

Competent Persons Statement

The information in this presentation that relates to exploration targets, exploration results, mineral resources or ore reserves is based on information compiled by Peter Geerdts, a competent person who is a member of the Australian Institute of Geoscientists (AIG). Peter Geerdts is the Chief Geologist of Alderan Resources Limited. Peter Geerdts has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code (JORC Code). Peter Geerdts consents to the inclusion of this information in the form and context in which it appears.

Mr Geerdts confirms that that the information provided in this announcement provided under ASX Listing Rules Chapter 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the proposed exploration programmes that relate to this “material mining project”.

About Alderan Resources Limited

Alderan is a copper explorer with a focus on the Frisco Project, located in Utah, United States of America. The Frisco Project encompasses an area of significant historical mining activity with numerous old mines and workings across an area of approximately 7km by 4km. These include:

- the Cactus copper-gold-silver deposit and breccia pipe, one of several mineralised breccia pipes over an area of approximately 1000 m by up to 400 m. Modelling of magnetic survey data demonstrates that these pipes are likely connected at depth;
- the Accrington copper-zinc-silver-gold skarn, which hosts extensive mineralisation across an area of 1.8 km by 1.2 km; and
- the Horn zinc deposit, a historical lead-silver mine, which contains significant amounts of unmined high grade zinc.

The Company believes that these three deposits are genetically related to, and were formed contemporaneously with, underlying mineralised (copper-molybdenum-gold) porphyry intrusions. Work undertaken by the Company has confirmed the presence of a mineralised porphyry system beneath and adjacent to the Cactus breccia pipes (Cactus Canyon prospect) which is coincident with a large circular magnetic anomaly and a large induced polarisation anomaly. The Accrington prospect is also considered to be related to a large underlying mineralised (copper-molybdenum-gold) porphyry.