

ASX/MEDIA RELEASE
Friday, 11 May 2018

GOVERNMENT APPROVALS CONFIRMED FOR AL HADEETHA COPPER PROJECT

PERTH: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) is pleased to report that all eight (8) Government approvals for mining at the Al Hadeetha Copper Project have been received by the Public Authority for Mining in Oman.

Licence to be issued, some early-works commenced

Further to the recent Tanfeedh mining labs, the Company received confirmation that all eight Government approvals have been received and the Public Authority for Mining is in the process of issuing Al Hadeetha Resources LLC ('**AHRL**') a mining licence.

Some licencing conditions may still be discussed, but confirmation correspondence gives no indication that major delays are to be expected. AHRL is proceeding with ancillary work to set up a new core yard and storage facilities near the site.

Two EPC bidders have been shortlisted. AHRL is ready to issue the EPC contract as soon as final agreement is reached.

The Company and its joint venture partner are also finalising financing terms based on LOIs renewed last year.

The Al Hadeetha Copper Project¹ is underpinned by construction of a 1 Mtpa copper concentration plant over an initial 10-year mine life. The Project is set to become the next producer of copper concentrate in the Sultanate of Oman, with several other copper projects² following closely. This increase in copper activity is reflective of the Sultanate's economic diversification strategy, combined with higher copper prices supported by increased electrification and growing global supply deficits.

The history of copper production in the eastern Arabian Peninsula (present day Oman) dates back millennia. The region was one of the biggest producers and exporters of copper for centuries during the Islamic Period. Today, copper is again set to play an important role in the Sultanate's growing economy.

ENDS

¹ Refer Alara's ASX Announcement dated 24 January 2017. That announcement contains the information required by ASX Listing Rule 5.16 regarding the stated production target. All material assumptions underpinning the production target as announced on that date continue to apply and have not materially changed.

² Mawarid Mining, Mining Development Oman, Exo Mining, Savannah Resources, Oman Mining Company and others are all engaged in exploration /development of copper projects in Oman, in addition to the five copper exploration licences which Alara has been working on.

