

Drilling commences to test large copper skarn and porphyry targets at Frisco

HIGHLIGHTS

- Drilling has commenced at the Company's flagship Accrington and Perseverance copper prospects which are part of the the Frisco Project located in Utah, USA
- The first drill hole, ALIM001, will start in outcropping copper / zinc / silver / gold bearing skarns, before testing for further copper bearing skarns at depth and the deeper 2.5 km diameter Perseverance porphyry prospect
- Drilling will subsequently systematically test thick outcropping copper bearing skarns between the Imperial Mine and Accrington East across an initial area of approximately 700m by 300m
- It is anticipated that a second drill rig will commence in July with first assay results expected by late July



Figure 1: Photograph of the diamond drill rig at the Imperial Mine with outcropping copper skarn in the foreground.

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Peter Geerdts | Chief Geologist
John Schloderer | Exploration Manager

MARKET DATA

ASX Code: AL8
Share Price: \$0.59
Shares on Issue: 112,963,908
Options on Issue: 19,257,454

Frisco Project – Perseverance and Accrington targets set for drilling

Alderan Resources Limited (ASX: AL8) is pleased to announce that a 7000m drill program has commenced at Accrington and Perseverance, part of the Company's Frisco Project, located in Utah, USA.

The first drill hole of the program, ALIM001, is set to test the outcropping copper / zinc / silver / gold bearing skarns at Imperial as well as testing for further copper bearing skarns at depth and the deeper Perseverance porphyry copper prospect. ALIM001 will be drilled to over 1000m depth. Subsequent drill holes will begin to systematically test the thick copper bearing skarns to a depth of between 300-500m across an area of approximately 700m by up to 300m. Other skarn-related prospects at Washington and along the Reciprocity zone will be assessed later in the program.

Despite the widespread historical mining activity and surface mineralisation at Accrington, this forthcoming drill program represents the first drill program at Accrington since the 1960's and first ever drill test of the large Perseverance porphyry prospect which was recently identified by Alderan.

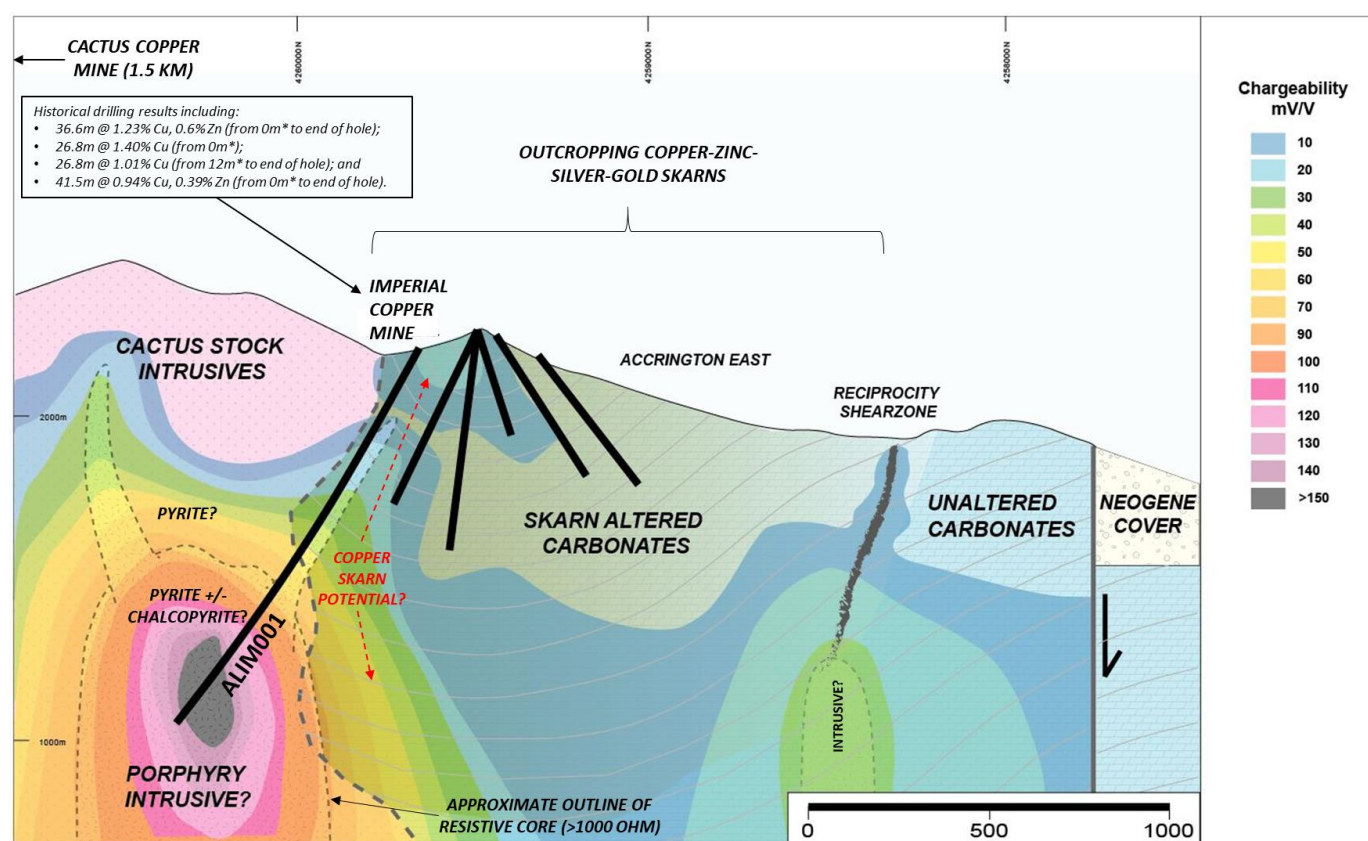


Figure 2: Cross section of the 3D inversion model for IP chargeability showing interpreted geology, conceptual drill hole locations and the location of the Perseverance porphyry copper prospect beneath and adjacent to Imperial Mine¹.

¹ Refer to ASX Announcement on 21 December 2017

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Previous exploration at Accrington in 1969 only tested a small area of the outcropping copper-bearing skarns. Highlights of historical drilling² include:

- 36.6m @ 1.23% Cu, 0.6% Zn (from 0m* to end of hole);
- 26.8m @ 1.40% Cu (from 0m*);
- 26.8m @ 1.01% Cu (from 12m* to end of hole); and
- 41.5m @ 0.94% Cu, 0.39% Zn (from 0m* to end of hole).

*Percussion holes conducted from underground adits.

The Accrington prospect is a large zoned skarn system exhibiting distal retrograde marble and wollastonite rich horizons to more proximal prograde higher temperature garnet and magnetite rich skarn across a total area of 2.8 km long by up to 1.5km wide. Mineralisation is found on surface throughout the skarn identified by Alderan's prospect scale geochemical sampling campaign. Dozens of historical workings and pits occur throughout the skarn. Mineralisation is lead-zinc-silver-gold dominant in more distal, retrograde parts of the skarn, becoming more copper-gold rich within the prograde garnet and magnetite skarns at the Imperial Mine and Accrington East areas. Porphyry dykes are common throughout Accrington, with some containing visible copper oxides.

The Perseverance prospect is a 2.5km diameter chargeability anomaly interpreted to be the expression of a large copper bearing porphyry intrusion sitting beneath and adjacent to significant outcropping skarn at Accrington and breccia hosted mineralisation and along the Cactus Corridor. The strongest chargeability is coincident with a distinct domal resistivity anomaly (>1000 Ohm-m) possibly representing an intrusive body.

The emplacement of large possibly mineralised intrusives into the extensive sequence of carbonates (>1000m thick) at Frisco may have also led to the development of further copper bearing skarns at depth, similar to the thick outcropping copper-zinc-silver-gold skarns at surface from Imperial to Accrington East. Porphyry copper mineral systems can develop extensive base and precious metal skarns. Examples of large porphyry copper systems that also host extensive base and precious metal skarns include Grasberg/Ertsberg (Kuching Liar skarn, 221 Mt @ 1.57 g/t Au, 1.42% Cu), Antamina (1.440 Gt @ 0.85% Cu, 0.14% Zn) and Bingham Canyon where over 7mt of copper and 9m oz of gold were produced from adjoining skarns.

References to mineral resources and historical production do not in any way guarantee that Alderan will have similar success or any success in delineating a JORC compliant mineral resource on the Frisco Project.

² Refer to ASX Announcement on 19 July 2017 for details and associated JORC disclosure

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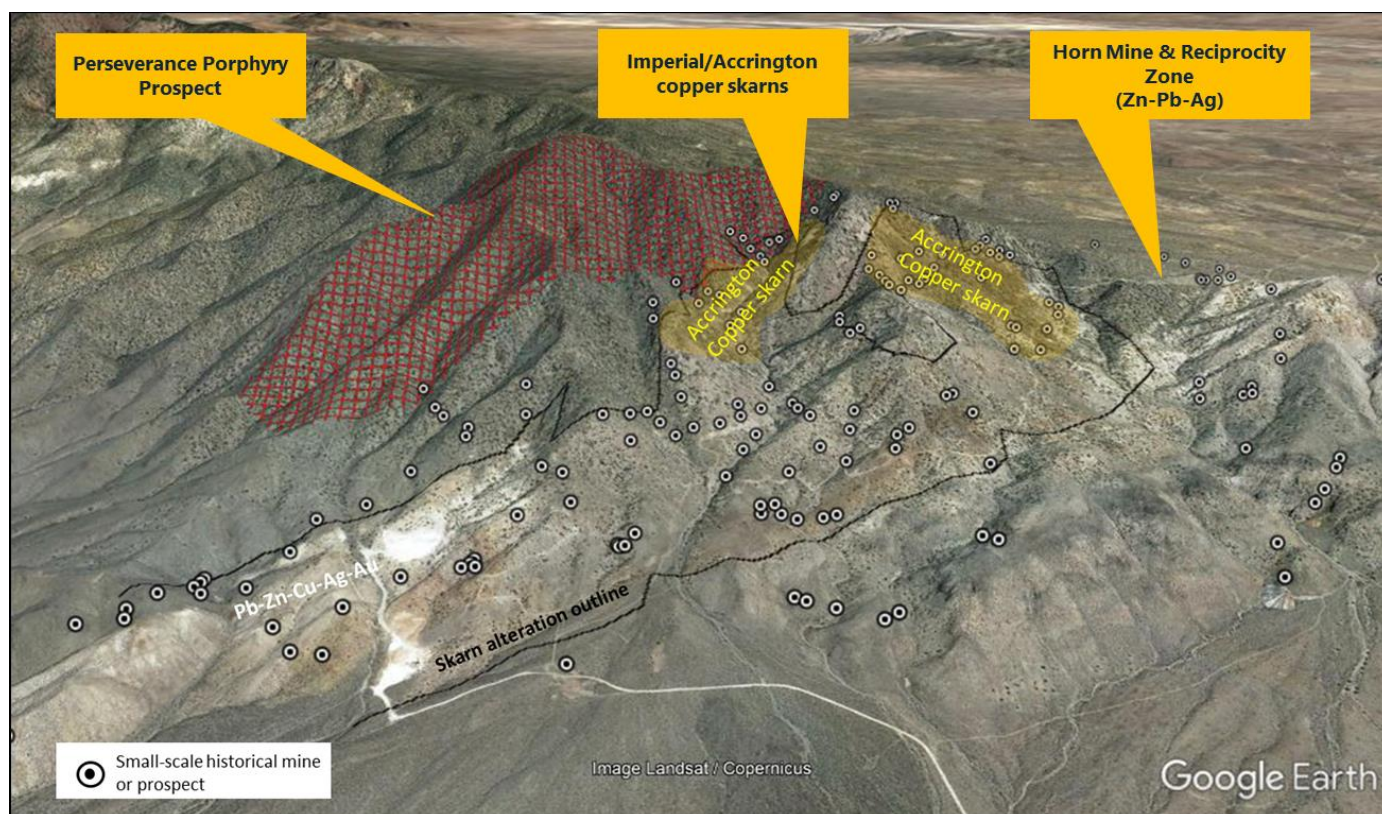


Figure 3: Oblique aerial view looking to the north-east across Accrington, with outcropping copper bearing skarns highlighted and the large Perseverance 50 mV/V chargeability shell shown projected to surface. The drilling area at Accrington includes the Imperial and Accrington East prospects. Other prospects within the skarn include Washington (Zn/Pb/Ag) and Reciprocity (Au/Ag/Zn/Pb/Cu) which will be assessed for later drilling.

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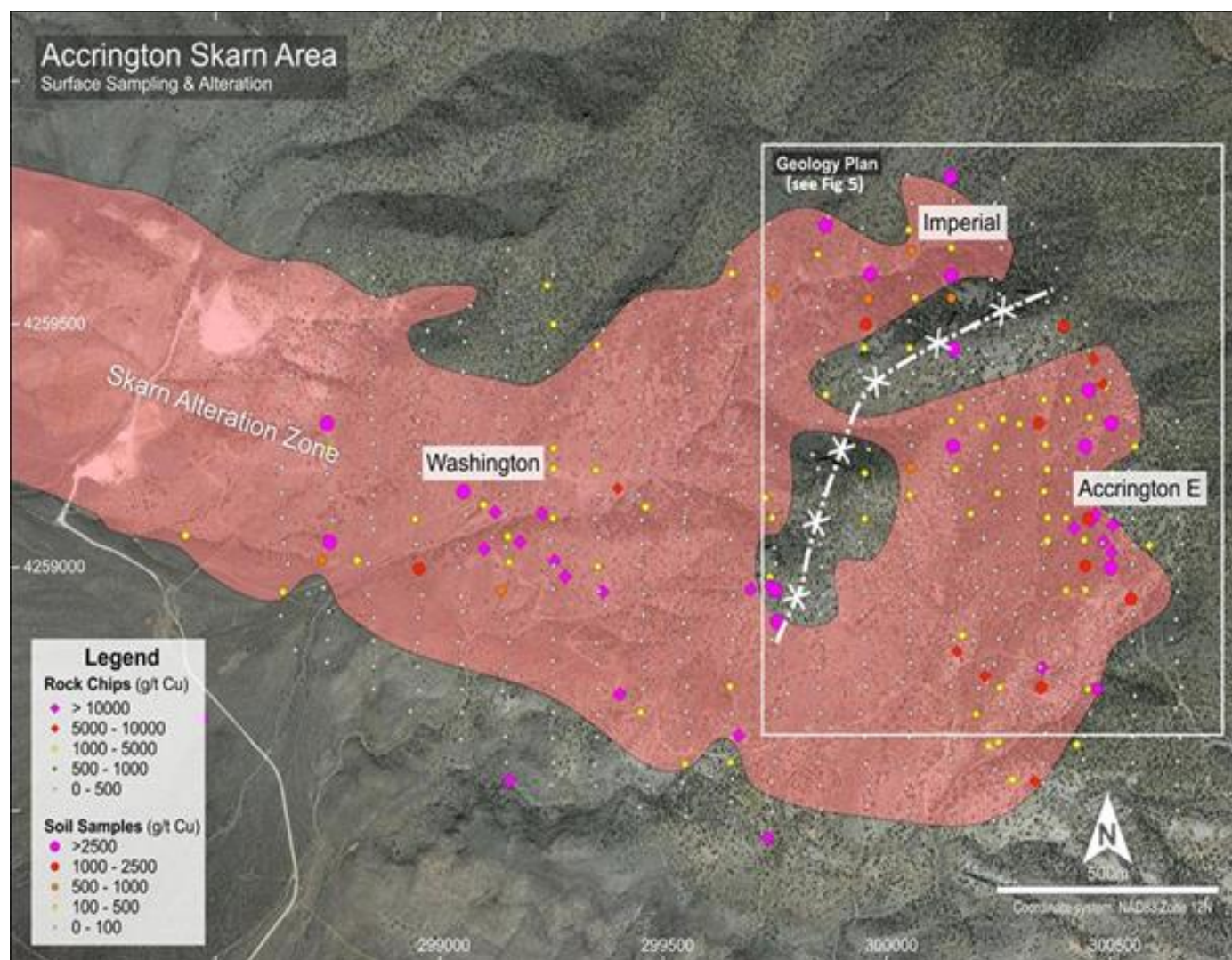


Figure 4: Accrington Skarn Area showing prospect names, skarn alteration outline, rock chip (squares) and soil (circles) geochemical samples collected by Alderan. The geology and rock chip geochemistry of the inset area is shown in Fig 5 with a cross section in Fig 6³.

³ For further details of exploration results, please refer to the Prospectus published on 8 June 2017

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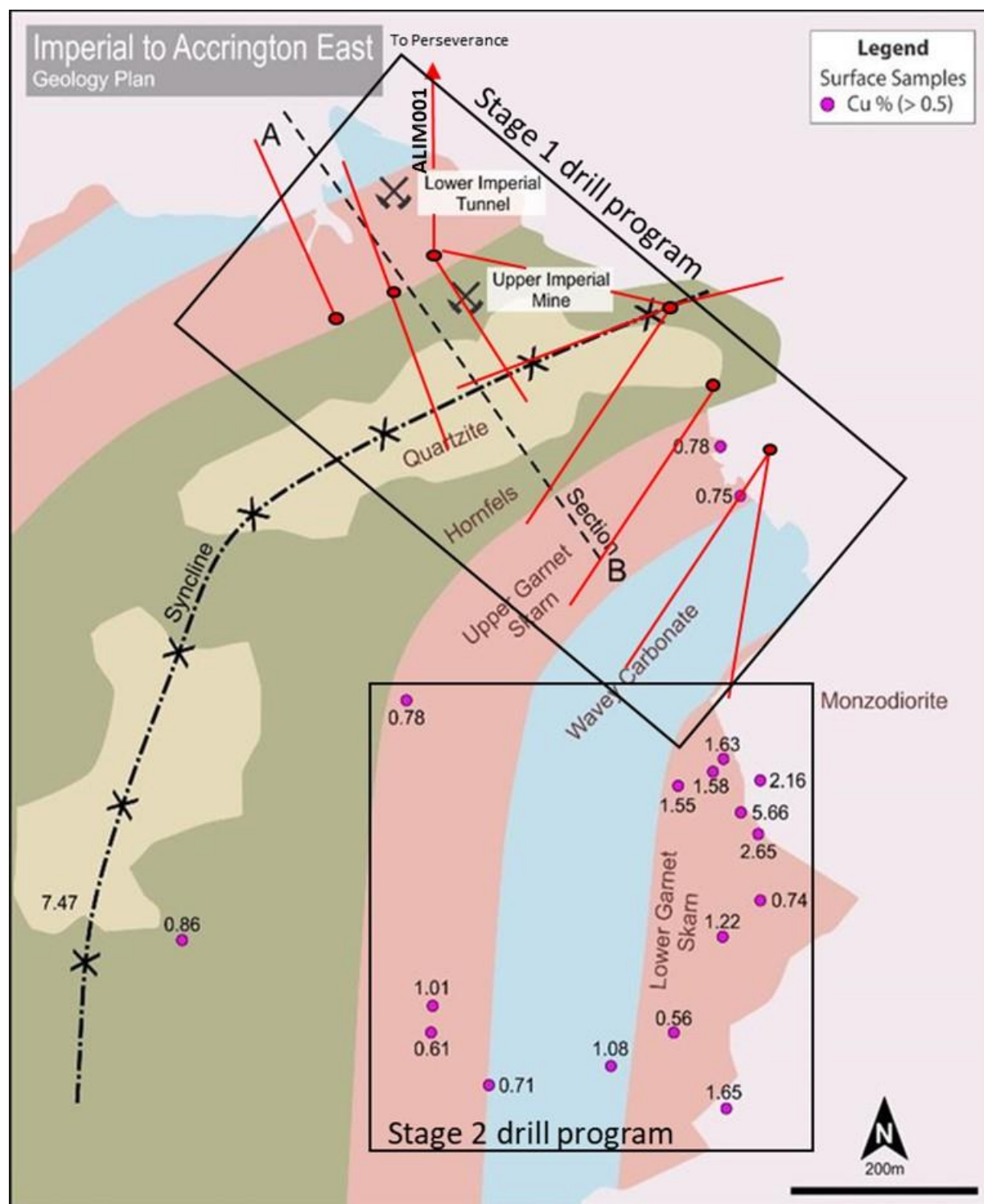


Figure 5: Geological plan of the Imperial to Accrington East Skarn Area also showing Alderan rock sample results and the location of the cross section in Fig 5. The area is interpreted to be a large gentle syncline with similar rocks outcropping at Imperial and Accrington East⁴.

⁴ For further details of exploration results, please refer to the Prospectus published on 8 June 2017

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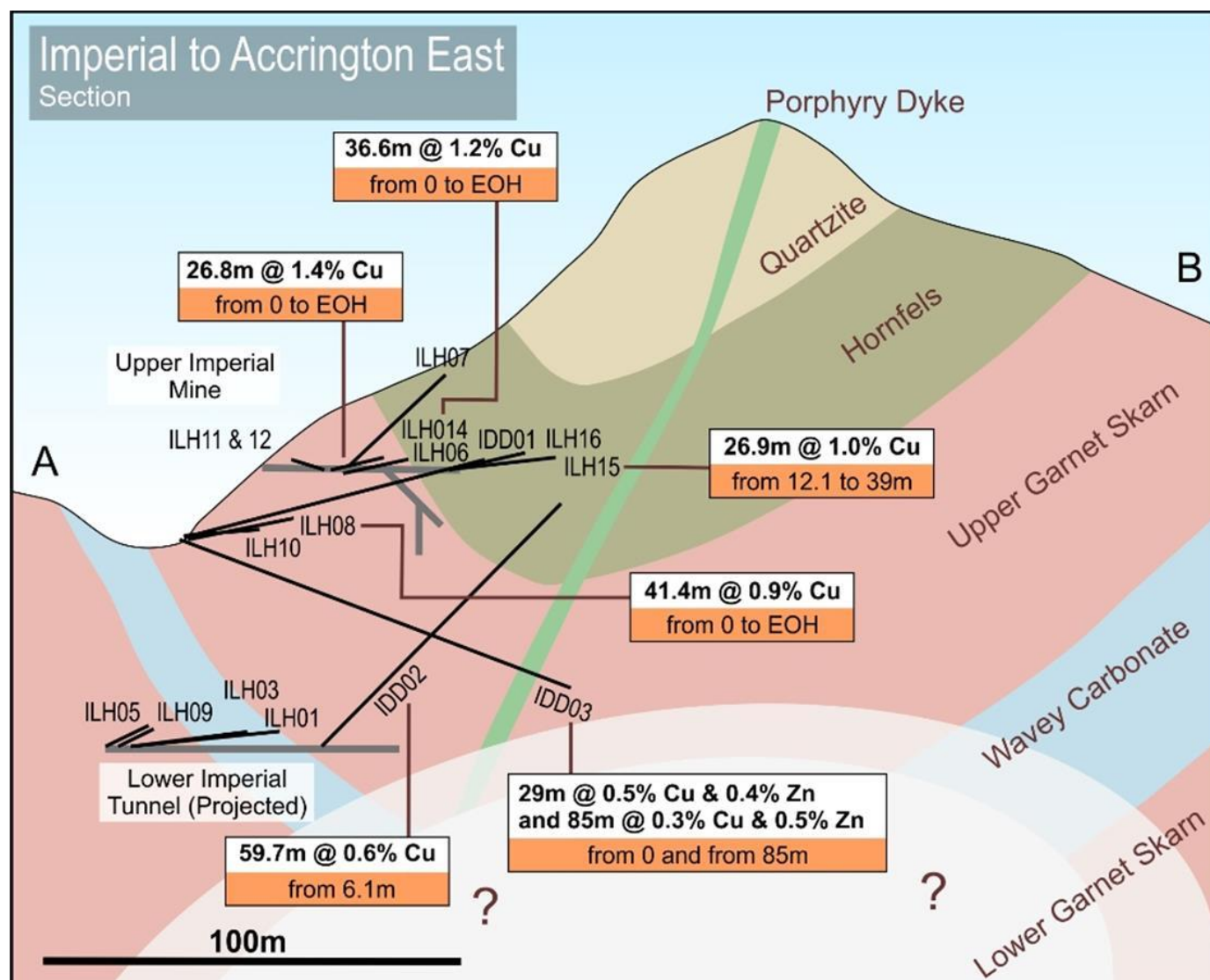


Figure 6: Interpreted cross section of the Imperial to Accrington East Skarn Area showing historical drill results in the Imperial area. Skarn mineralisation is interpreted to be caused by the deeper Perseverance porphyry mineral system, immediately adjacent to the North and North-West of the skarn

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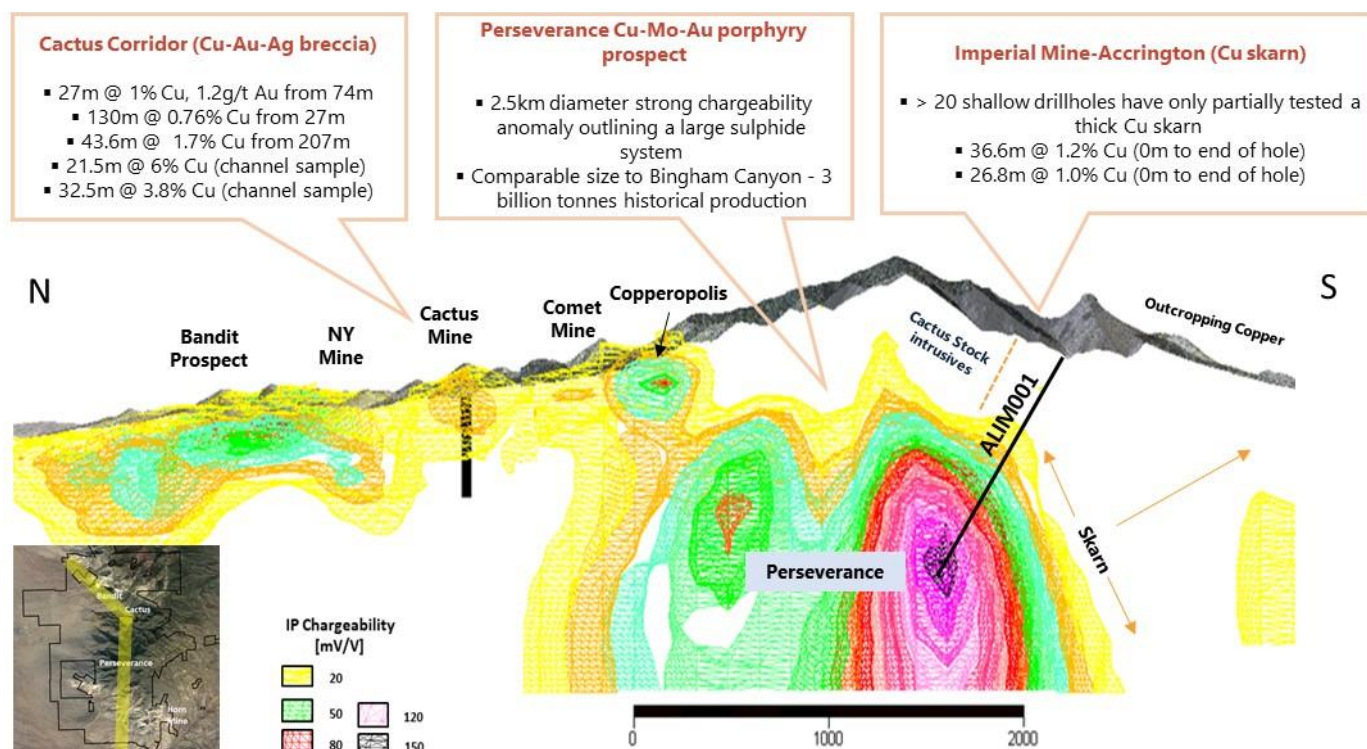


Figure 7: Cross section of the 3D inversion model for chargeability showing historical mining and exploration activity and planned hole ALIM001.

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**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 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".

Forward Looking Statement

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Alderan Resources Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

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