

June 2018 Quarterly Activities Report

HIGHLIGHTS

- Alderan commences drilling to test the large Perseverance porphyry copper prospect with initial results due in August
- Second drill rig set to commence following the completion of the Upper Imperial Road which will allow drill-testing of a large sequence of copper bearing skarns at Accrington
- Extensive copper mineralisation revealed on road cuttings and drill pads along the Upper Imperial Road
- \$380,000 to be raised through the exercise of options by Directors and Management of Alderan.

Alderan Resources Limited (ASX: AL8) is pleased to report on its activities for the quarter ended 30 June 2018.

Drilling at Perseverance Underway

During the quarter the Company commenced drilling the first ever drill hole to test the large Perseverance porphyry prospect. Perseverance is a large 2.5km diameter strong chargeability anomaly with associated domal-shaped resistivity features, possibly representing one or more mineralised porphyry intrusions. The untested Perseverance prospect sits within the highly prospective San Francisco Mining District, host to numerous historical copper-gold and lead-zinc-silver mines.

Drilling of this hole, ALIM003, is currently in progress following initial technical difficulties experienced by the Company's contractor which led to the abandonment of ALIM001. The first drill hole ALIM001 encountered technical difficulties when the hole continued to lift at an unacceptable rate which the Company's contractor was unable to rectify. If continued, the drill hole may have overshot the Perseverance target. The Company therefore advised the Contractor to re-commence the drill hole, now called ALIM003, from a different drill pad.

ALIM003 is to be drilled to a depth of at least 1000m. It is expected that ALIM003 will reach the Perseverance target in coming days and will be completed within the next 2 weeks. Chargeability associated with Perseverance is expected to represent pyrite potentially associated with a pyrite-chalcopyrite stockwork zone. High chargeability further corresponds spatially with a domal-shaped, more resistive body modelled at depth, likely indicating a younger, possibly porphyritic intrusive phase intruding into surrounding Cactus Stock Monzonite.

Second Drill Rig Set to Commence at Accrington

As announced on 30 July 2018 a second drill contractor (Major Drilling) has been engaged to accelerate drilling on the high priority Accrington copper skarns.

BOARD AND MANAGEMENT

Nicolaus Heinen | *Non-executive Chairman*
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Bruno Hegner | *Director & Chief Operating Officer*
Tom Eadie | *Non-executive Director*
Brett Tucker | *Company Secretary*
Peter Geerdts | *Chief Geologist*
John Schloderer | *Exploration Manager*

MARKET DATA

ASX Code: AL8
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Shares on Issue: 112,963,908
Options on Issue: 20,707,454

Work has recently been completed on the Upper Imperial Road, which allows the Company to site drill rigs on top of the outcropping, thick copper bearing skarns at Accrington and allow the effective testing of the full mineralised stratigraphic sequence of skarns. Historical drilling was restricted to lower roads at the Imperial Mine where these skarns could only be partially tested. Figures 4 and 5 illustrate the planned drill holes from drill pad HIP002, which is sited on top of a synform and will allow the Company to drill the full sequence of mineralisation of this stratiform deposit.

Drilling along the Upper Imperial Road will allow the Company to test an area of approximately 700m by up to 300m to a depth of between 300-500m. Copper mineralisation is outcropping and appears to be strongest within favourable carbonate units which may have a true thickness of approximately 50-100m within only the upper exposed copper bearing units. Mapping at Accrington indicates the entire carbonate sequence may be up to 1000m thick, which indicates significant potential for further mineralisation at depth. Numerous intrusions into the carbonate sequence suggest that the thickness and localisation of mineralised skarns may vary across Accrington.

The prospectivity of this area is illustrated by extensive outcropping copper-bearing skarns at Accrington East in particular, some of which were intersected during the building of the Upper Imperial Road, which exposed a fresh outcrop of at least 50m of variably mineralised, stratiform skarn, with copper mineralisation indicated by malachite staining and chalcopyrite (as previously announced to the ASX on 13 July 2018). The whole length of the outcrop has been sampled for assay with results expected in August.

CORPORATE

Completion of Placement

In April 2018 the Company completed a placement to sophisticated and professional investors to raise \$3 million, with funds applied to the ongoing high impact drilling program at Accrington.

Exercise of Options to Raise \$380,000

Directors and Senior Management of the Company have committed and provided notice to exercise 1,615,000 options at various exercise prices to raise a total of \$380,000.

Of the shares to be issued on exercise of options, 1,545,000 shares will be subject to ongoing ASX escrow to June 2019.

These options were granted under the Company's Long Term Incentive Plan and no shareholder approval is required in connection with the issue of the shares on exercise of the options.

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Figure 1: Roadworks and drill pads nearing completion. At least seven drill holes for up to 3000m are planned from drill pads HIP002-HIP004 along the Upper Accrington road as part of an overall 7000m program.



Figure 2: Photograph of the diamond drill rig at the Imperial Mine with outcropping copper skarn in the foreground.

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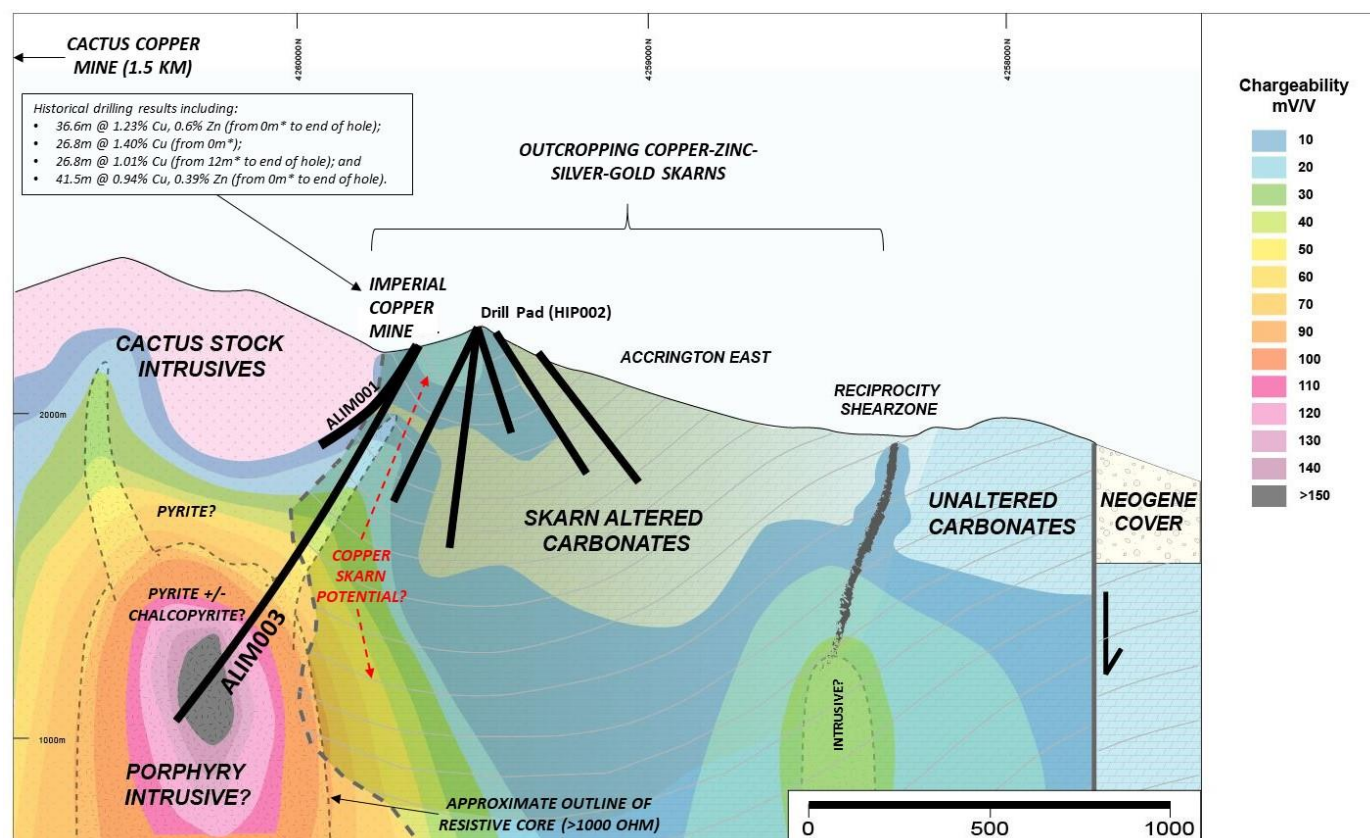


Figure 3: Cross section of the 3D inversion model for IP chargeability showing interpreted geology, conceptual drill hole locations and the location of the Perseverance porphyry copper prospect beneath and adjacent to Imperial Mine (refer to ASX announcement dated 21 December 2017).

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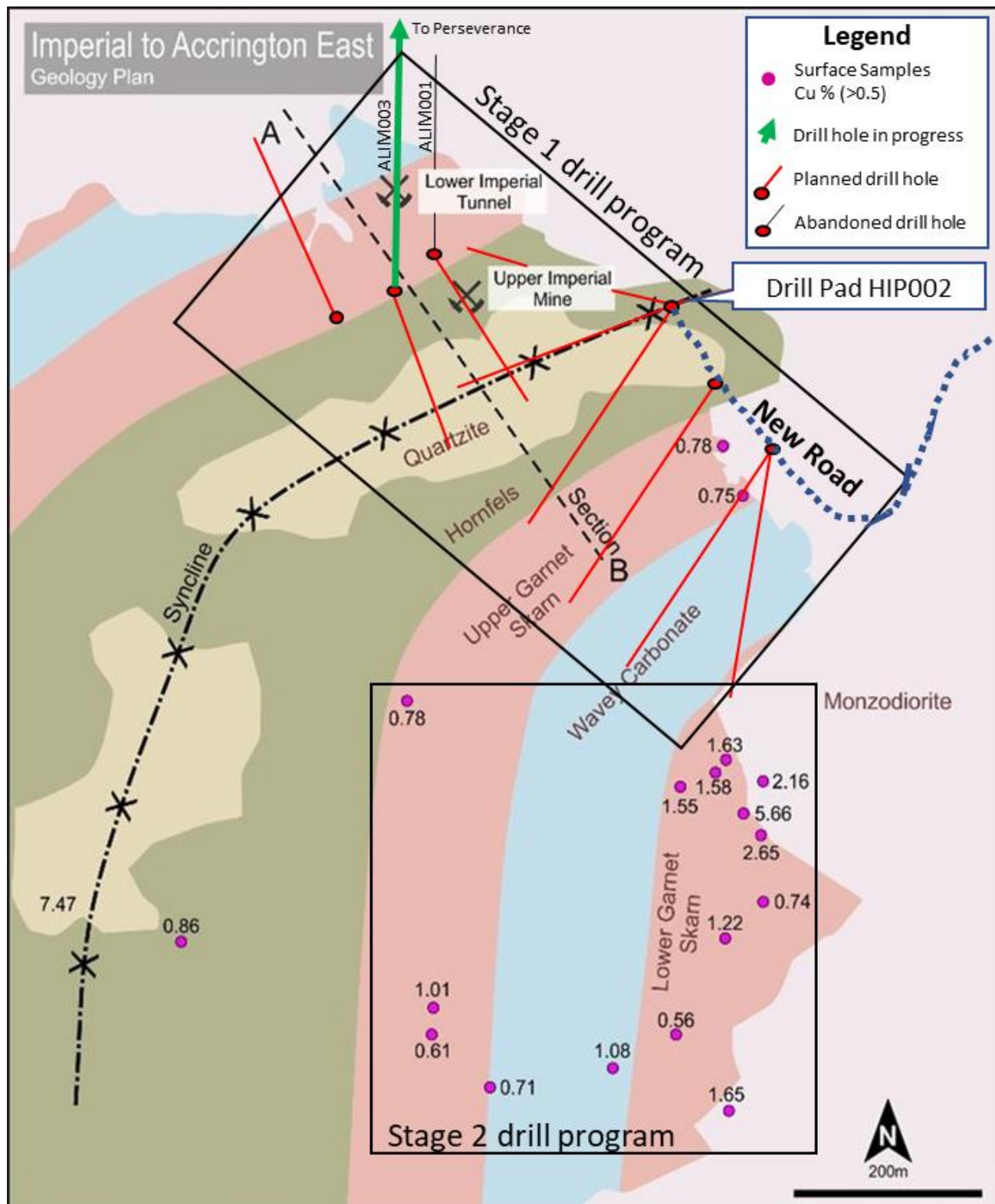


Figure 4: Geological plan of the Imperial to Accrington East Skarn Area also showing Alderan rock sample results and the location of the cross section in Fig 5. The area is interpreted to be a large gentle syncline with similar rocks outcropping at Imperial and Accrington East¹.

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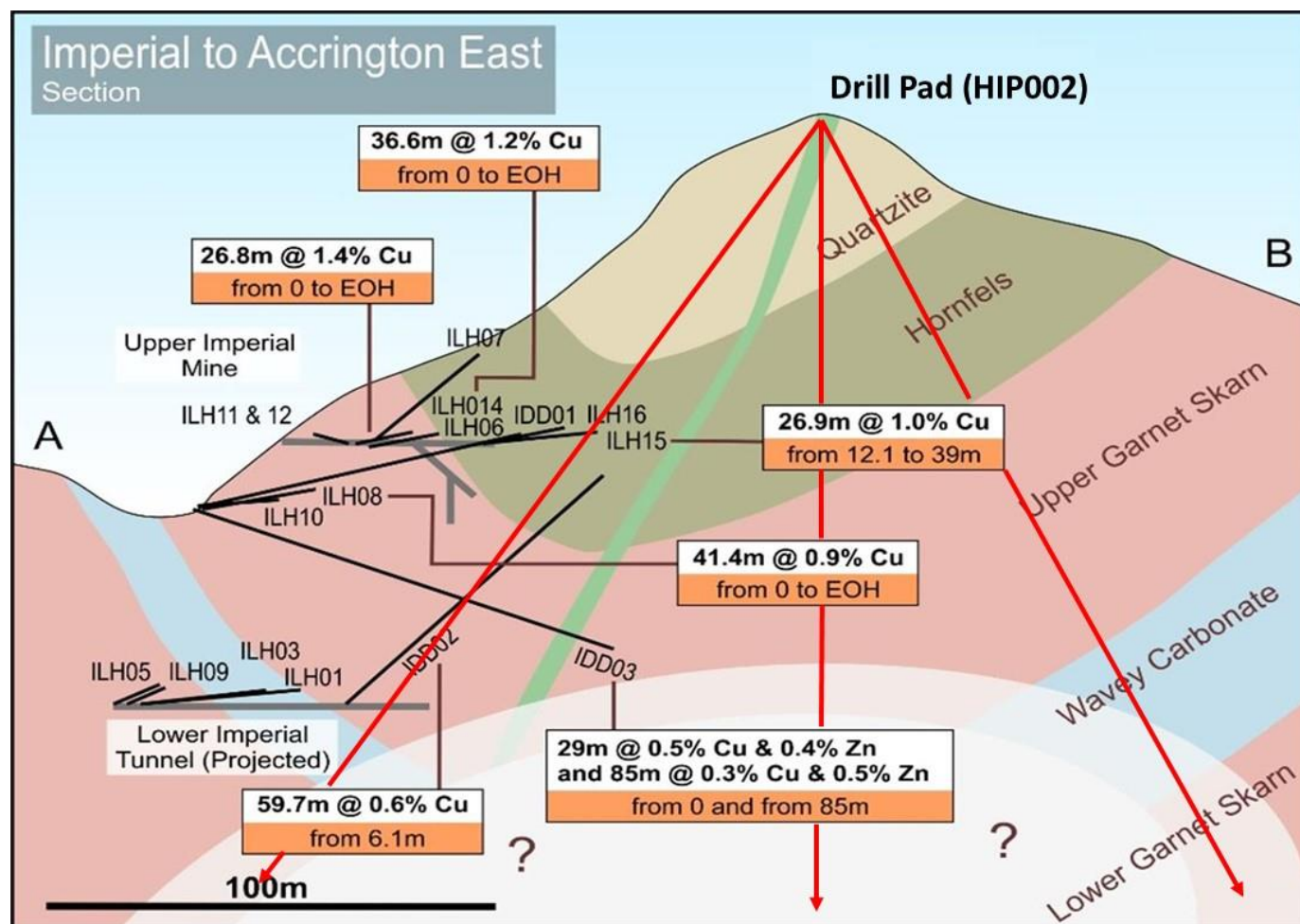


Figure 5: Interpreted cross section of the Imperial to Accrington East Skarn Area showing selected drill results in the Imperial area. The skarn mineralisation is interpreted to be caused by the mineralising effects of a porphyry intrusion.

¹ For further details of exploration results, please refer to the Prospectus published on 8 June 2017

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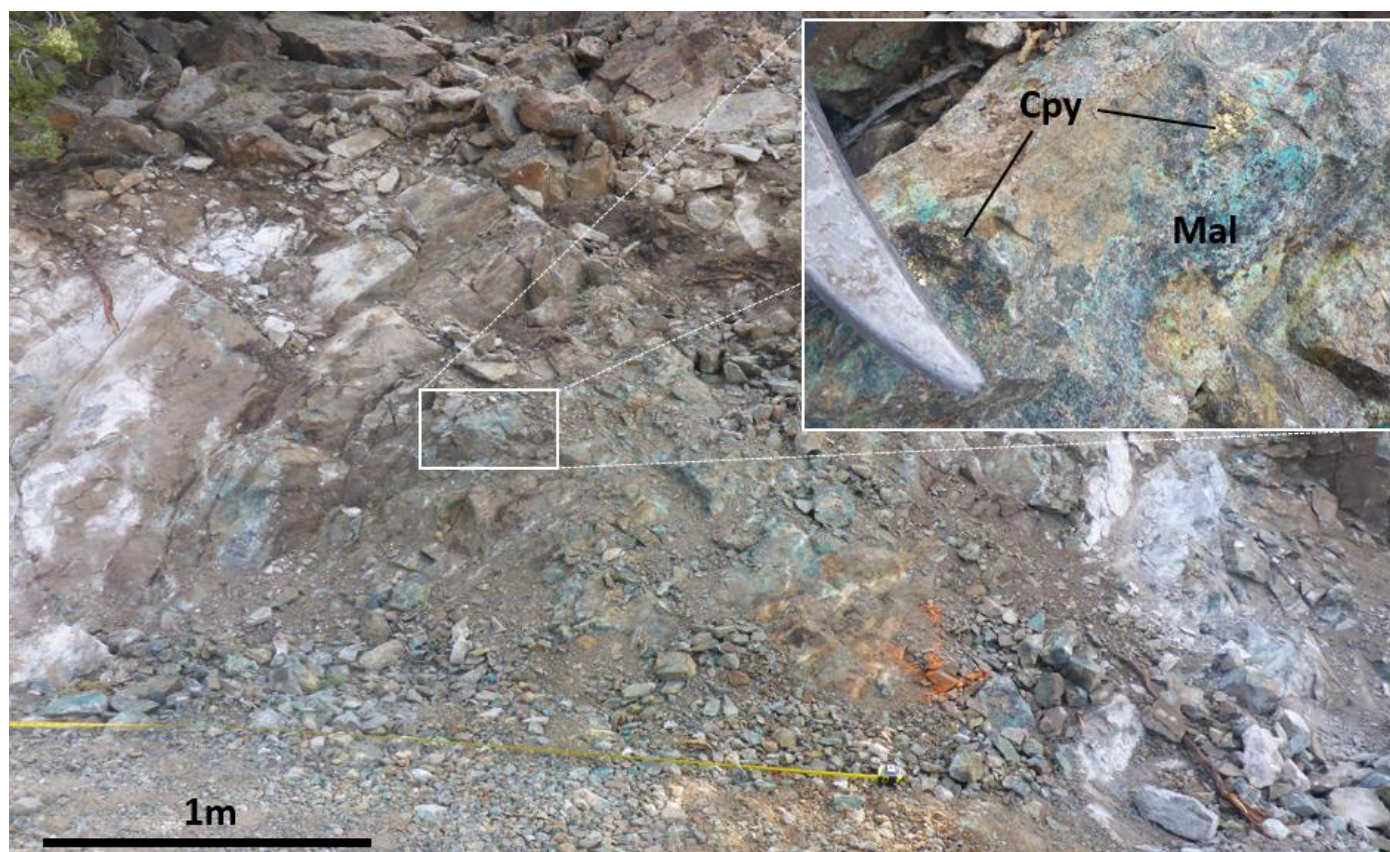


Figure 6: Malachite, iron-oxide staining and chalcopyrite within brown garnet skarn along the new Upper Accrington Road.

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ALDERAN RESOURCES LIMITED

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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".

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. ;
- 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) and Accrington prospect which is coincident with a large induced polarisation anomaly (Perseverance porphyry Cu-Au prospect).

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