

ASX/MEDIA RELEASE

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SAUDI COURT JUDGEMENT ISSUED

Perth: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) reports the legal case commenced by United Arabian Mining Company (**Manajem**) against Alara has been dismissed.

The Company refers to its previous announcements regarding a 'financial claim' brought before the Board of Grievances in 2014 by Alara's former Saudi joint venture partner Manajem.

A Saudi judge has now dismissed all claims in the case in a verbal judgement, with a written judgement to follow, according to a report by the Company's legal counsel in Saudi Arabia.

This development is recognised as a positive step forward in what has been a painstaking endeavour to advance the Khnaiguiyah Zinc-Copper Project (**Khnaiguiyah Project**).

Alara spent three years and upwards of US\$23 million producing a Bankable Feasibility Study for the Khnaiguiyah Project.

In addition to clearing financial claims, it is hoped the judgement may also help clear the way for the Khnaiguiyah Mining Licence to be reissued and the Khnaiguiyah Project to proceed.

Alara has also received an offer to purchase Alara Saudi Operations Pty Ltd. While not material in comparison to Alara's main business in Oman, details of the offer are commercially sensitive and cannot be disclosed at this time. If the deal is completed, it is anticipated that Alara would maintain a role in the Khnaiguiyah Project and a continuing interest in its future success.

While the court judgement was a welcome decision, it does not change Alara's main focus on developing its copper projects in Oman, including construction of the Al Hadeetha Copper Project 1mpta¹ processing plant at the Al Washihi - Mazzaza mining licence site.

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About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian minerals exploration company with a portfolio of projects in the Middle East. Alara has completed Bankable Feasibility Studies for the Al Hadeetha Copper Project in Oman and the Khnaiguiyah Zinc-Copper Project in Saudi Arabia and an Advanced Scoping Study on the Daris Copper-Gold Project in Oman. In June 2018, Al Hadeetha Resources became the first international joint venture company to be awarded a copper mining licence in the Sultanate of Oman. The Company is now establishing itself a mine developer and producer of base and precious metals. For more information, please visit: www.alararesources.com.

¹ Refer Alara's ASX Announcement dated 24 January 2017. That announcement contains 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.