

June 2019 Quarterly Activities Report

COMPANY ACTIVITIES

- During the Quarter, Alderan Resources Limited (“the Company” or “Alderan”) announced a capital raising of \$1.6 million through a private equity placement at 3.2 cents per share, which is to be undertaken in two tranches. All relevant issues were approved at a shareholder meeting on 19 July.
- Two highly experienced Explorationists and Directors, Mr Peter Williams and Dr Marat Abzalov were appointed to the Board of the Company.
- The new exploration team has completed limited field mapping, sampling and ground magnetic surveys on several of the best Alderan prospects in SW Utah including Accrington (skarn mineralisation), Cactus (tourmaline breccia related copper-gold-silver), Cactus Canyon (porphyry copper potential), Copper King (magnetite skarn) and White Mountain (epithermal system).
- In addition a fundamental review of all geological/geochemical data and recent geophysical surveys is in progress with particular emphasis on Alderan’s airborne magnetic survey and the very large induced polarisation survey completed in 2017.
- The plan is currently to drill the best targets generated, with a planned starting date of September.

Alderan Resources Limited (ASX: AL8) is pleased to report on its activities for the quarter ending 30 June 2019.

\$1.6M Raised by Placement

Alderan Resources Limited announced a capital raising of \$1.6 million through a private equity placement at 3.2 cents per share, to be undertaken in two tranches.

The upfront tranche utilised the Company’s placement capacity and was issued to a combination of existing and new sophisticated shareholders.

Further the Company is to issue free attaching options to all placement investors on the basis of one option for every two placement shares, at an exercise price of \$0.10 and expiring 36 months from grant date. The issue of the free attaching options were subject to shareholder approval and will coincide with the issue of the second tranche placement shares. These were approved at a shareholder meeting on 19 July.

The second placement tranche of \$563,128.74 for 17,597,773 shares (and 8,798,887 free attaching options) will also be offered to Directors on the same terms, which was also approved by shareholders on 19 July, and are expected to be issued in the coming days.

Funds raised from the placement will be applied to further exploration in the Frisco area including proposed drilling in the Cactus/Accrington areas and in other areas as determined by the current review by the new exploration team.

New Directors Appointed

Alderan appointed of highly experienced explorationists and Directors, Mr Peter Williams and Dr Marat Abzalov to the Board of the Company.

Mr Williams was formerly Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed novel high powered 3 component 3D TEM applications that led to the discovery of over 75,000t of nickel at the Victor Long Nickel Underground Mine in Kambalda. Peter has extensive experience in West Africa where he was the vendor of Gryphon Minerals' Banfora Gold Project, was involved in the project generation of Papillion's Mali projects and was a founding director of Ampella Mining Ltd. Peter played a key-role in the discovery of numerous IOCG (Iron Oxide Copper Gold) mineralised systems in South Australia.

Peter was a co-founder of the International Resource Sector Intelligence company, Intierra, and was a co-founder of the first dedicated hard rock mineral seismic company in the world, HiSeis.

Dr Abzalov is a geologist with 35 years of experience holding a PhD degree in Geology obtained through the study of nickel deposits in Russia and Fennoscandia. In his diverse geological career with the projects encompassing five continents, different commodities and deposit types he has fulfilled various roles in research, exploration and mining geology, including senior management positions at WMC Resources (Geology Manager – Projects) and Rio Tinto (Exploration Manager – New Opportunities, Eurasia).

Dr Abzalov has managed and consulted on a wide range of exploration and mining project studies from green-field exploration to bankable feasibility and using his innovative approach of geostatistically assisted 3D structural modelling, has led WMC Resources to successful resource growth at Olympic Dam and Cliffs deposits. He was also instrumental in the discovery of uranium resources in Jordan.

His expertise and technical skills have been acknowledged in the industry with the awarding to him in 2015 by SAIMM the Dani Krige's Gold Medal and his monograph "Applied Mining Geology", published in 2016, has increasingly become the preferred technical guide for exploration and mining geology specialists.

Mr Brett Tucker resigned as non-executive Director and continues as Company Secretary.

On-going Exploration and Planned Work on Alderan Properties

The new exploration team, led by Peter and Marat, has completed limited field mapping, sampling and ground magnetic surveys on several of the best Alderan prospects, which are all located in SW Utah. The favoured areas for further work and possible early drilling are:

- Accrington – Copper-gold mineralisation in magnetite-rich skarn covering both the Accrington East and Imperial Mine areas which has high grade potential.
- Cactus – The area around the old Cactus Mine contains several tourmaline breccia bodies containing copper-gold-silver mineralisation.
- Cactus Canyon – Geophysical signatures and rock units intersected in previous shallow drilling indicate that there is porphyry copper and molybdenum potential in the Cactus

Canyon area. An extensive ground magnetic survey is being completed, to aid identification and definition of the geometry of these systems

- Copper King – Shallow outcropping magnetite/copper mineralisation indicate the presence of a magnetite skarn body that is being followed up with ground magnetics.
- White Mountain – This area contains a large scale, outcropping epithermal system showing many attributes of a large, fully preserved epithermal gold/ silver system. Sinter terraces, large zones of chalcedony/quartz and argillite/alunite alteration over approximately 5km by 2km at surface indicate an upper level setting of the system with the potential of a larger hydrothermal system preserved at depth. Alunite has been historically mined in large quantities in the area.
- The northern Low-Magnetic anomaly area which is characterised by presence of silicified marbles that host Cu-Zn mineralisation distributed along the northern contact of the Cactus granodiorite stock. The area contains numerous historic mine workings which will be studied in more detail in the next months.

In addition a fundamental review of all geological/geochemical data and recent geophysical surveys is in progress with particular emphasis on Alderan's airborne magnetic survey and the very large 3D induced polarisation survey completed in 2017. A number of other mineralised prospects were also inspected in the field.

The plan is currently to drill the best targets generated in this phase of work, with a planned starting date of September.

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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.