

December 2019 Quarterly Activities Report

COMPANY ACTIVITIES

- Earn-in and Joint Venture Agreement executed with Kennecott Exploration Company, a member company of the Rio Tinto Group
- IP survey at the White Mountain project planned
- Operating expenditures were significantly reduced while the Company evaluated new acquisition opportunities

Alderan Resources Limited (ASX: AL8) (“Alderan” or “the Company”) is pleased to report on its activities for the Quarter ending 31 December 2019.

Kennecott Earn-in and Joint Venture for Frisco

As announced on 18 November 2019, Alderan executed a strategically important agreement for the earn-in and joint venture over its Frisco Project with Kennecott Exploration Company, a member of the Rio Tinto Group.

The earn-in agreement provides Kennecott the option to sole fund a three-stage earn-in totalling US\$30 million for up to an undivided 70% interest. Kennecott also has the right to elect to form a joint venture at any time following the satisfaction of the initial earn-in stage as previously detailed.

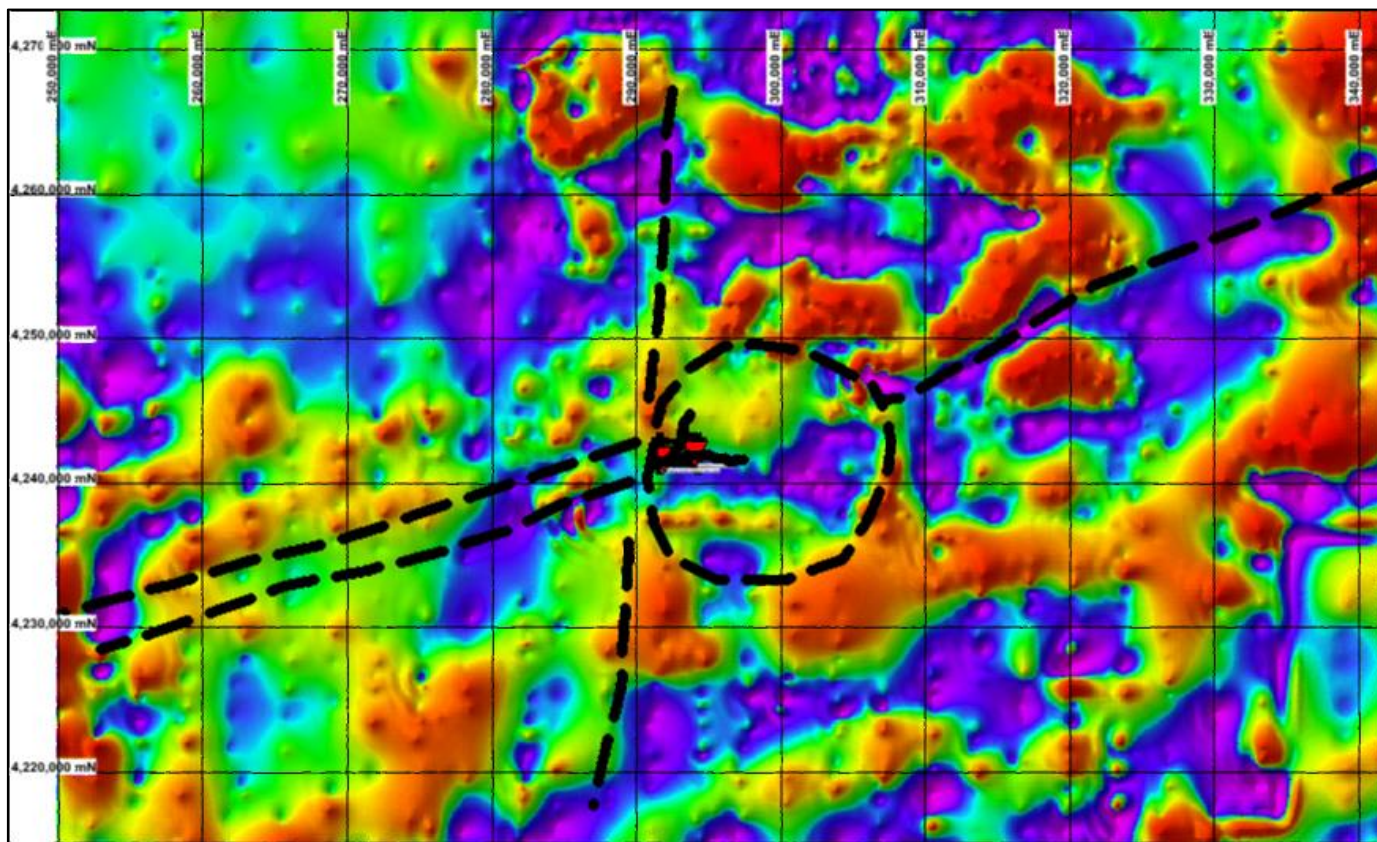
Kennecott is required to maintain the Frisco project in good standing and meet all required annual claim and lease fees, which removes project maintenance costs from Alderan.

On-going Exploration and Planned Work on Alderan Properties

Alderan has field reviewed the regional setting and project scale geology. White Mountain Project sits on a crustal scale ENE striking structure, and occurs on a western edge of a 15 kilometer diameter circular feature defined best in the regional aeromagnetics. The epithermal system is characterised by:

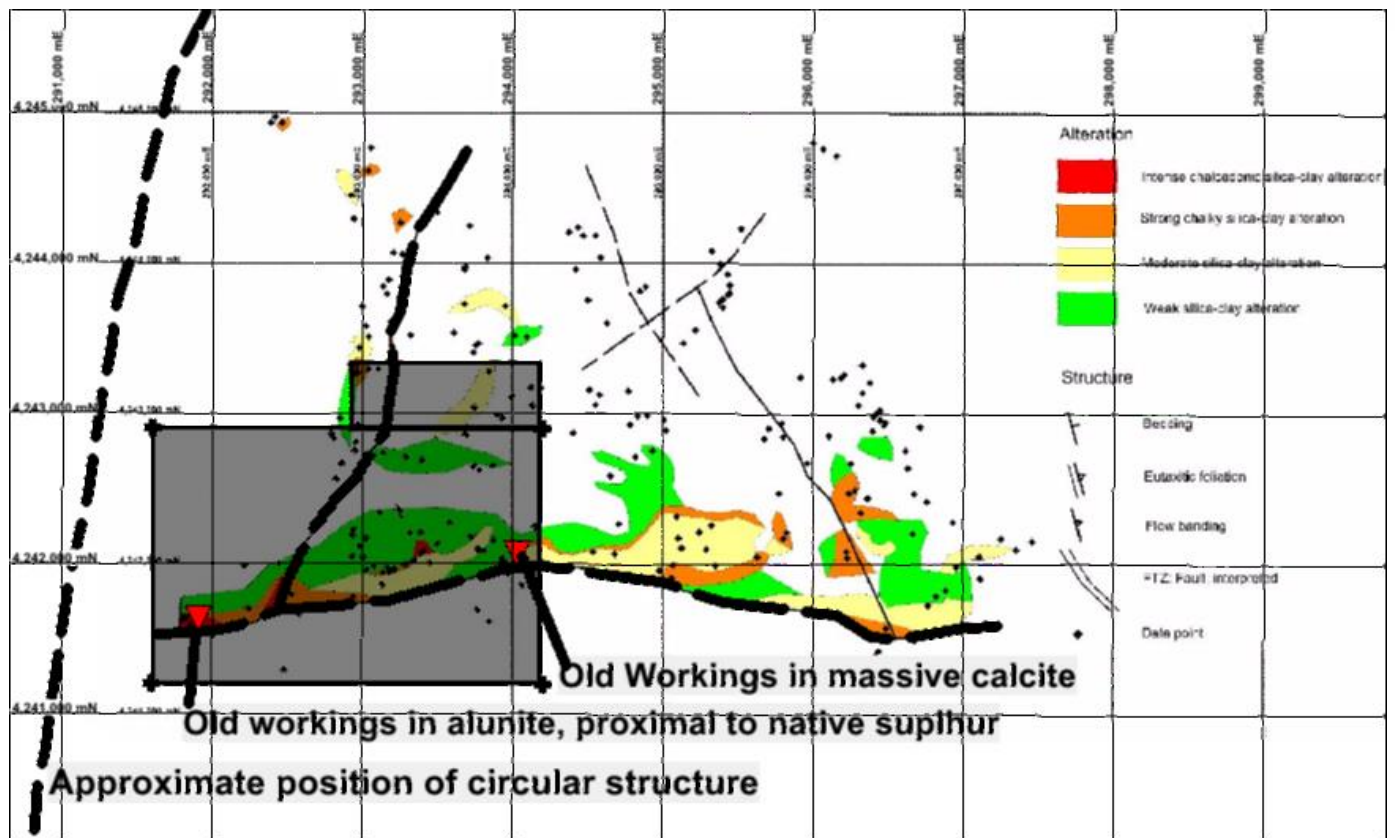
- approximately 5km strike length of sinter terrace development, with associated development of chalcedony, native sulphur, alunite and massive calcite;
- The upper level is a preserved epithermal system and similar styles of mineralisation at this level show subdued Au at surface;
- However low level Au Ag anomalism in sampling at surface nearby is encouraging;
- Significant dimensions of mapped structure provides space for commercial quantities of mineralisation; and
- Intersection of major NS and ENE structures coincides with the most intense alteration.

Alderan is targeting narrow vein target (structure) OR larger bulk tonnage if permeable units exist within boiling zone.

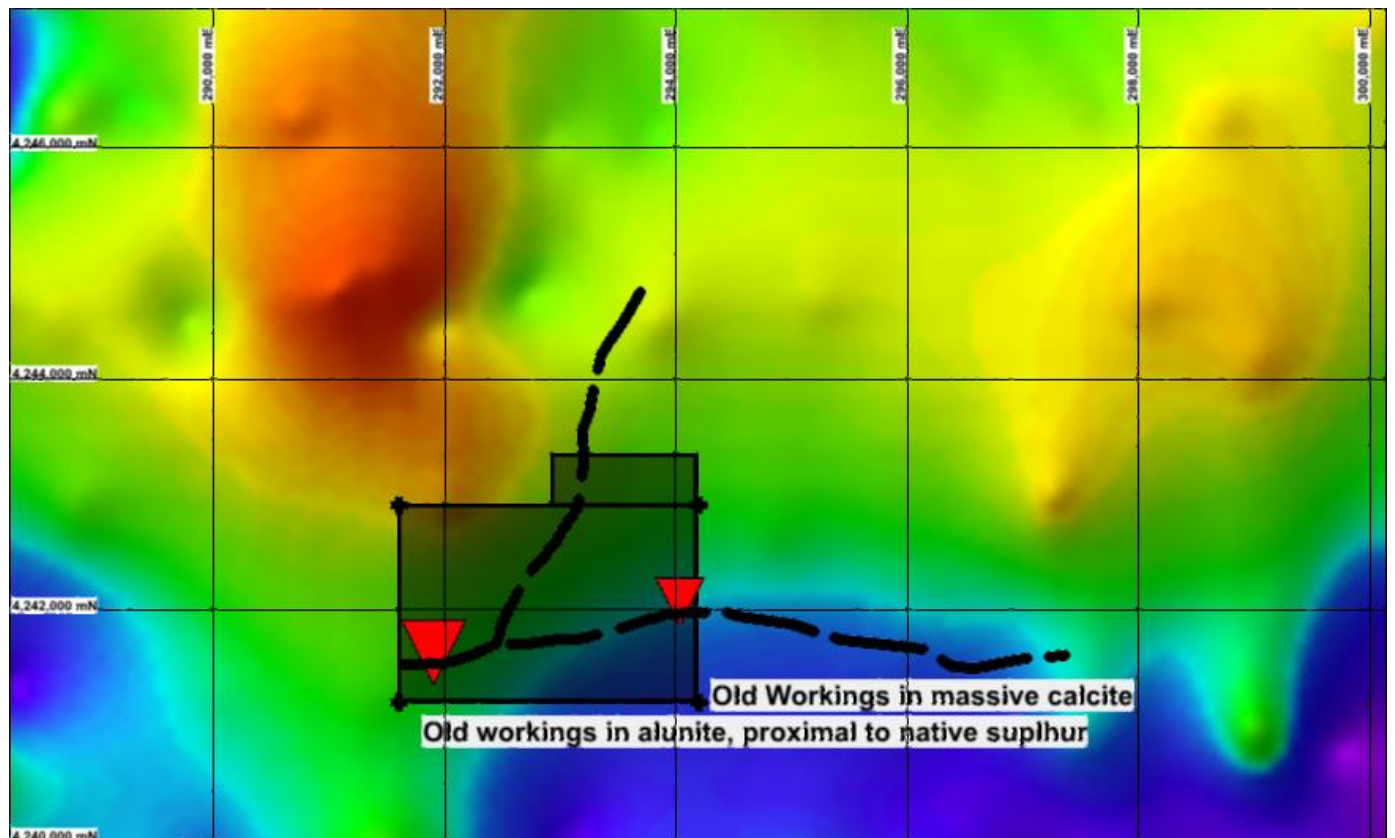


Above image of the regional aeromagnetics, showing major ENE trending crustal scale structure (black dashed), and the main circular structural feature. White mountain occurs on the intersection of the western edge of the circular feature, and the major crustal structure.

Alderan will now complete an IP survey for the next quarter, over the most intensely altered portion of the project, to define low sulphidation Au-Ag drill targets.



Above geological map of the White Mountain Prospect, showing intensely chalcedonic-silic-clay alteration (red), to lesser altered silic-clay (green).



Above image showing main structural elements at White Mountain (thick black dashed line), on image of the regional aeromagnetics (reduced at the pole, first vertical derivative). Old workings and geological notes are shown in the red triangles. The proposed deep looking spectral IP survey will be completed in the shaded rectangular areas.

Business Development

Alderan has been actively evaluating other copper and gold opportunities and targets in the western USA.

Cost Reduction Program

As announced in the prior quarterly report, the Company continued to reduce its overhead costs to preserve its cash reserves. Cash outflows from operations (excluding exploration expenditure) in the current quarter was reduced by approximately 50% compared to the previous quarter.

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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.