

ALDERAN SIGNS BINDING OPTION AGREEMENTS OVER VALLEY AND DRUM PROJECTS

HIGHLIGHTS

- Alderan has signed binding Option agreements with Tamra Mining Company LLC over two highly prospective copper/gold/molybdenum projects in Utah
- Alderan continues expert review and integration of geological data and prepares for detailed mapping program immediately following the end of international travel restrictions

Introduction

Alderan Resources Limited (ASX: AL8) ("Alderan" or "the Company") is pleased to advise that it has entered binding option agreements with Tamra Mining Company LLC ("Tamra") to earn-in to the highly prospective Drum and Valley/CrossRoads gold and copper projects located in Utah, USA, as previously detailed on 25 March 2020.

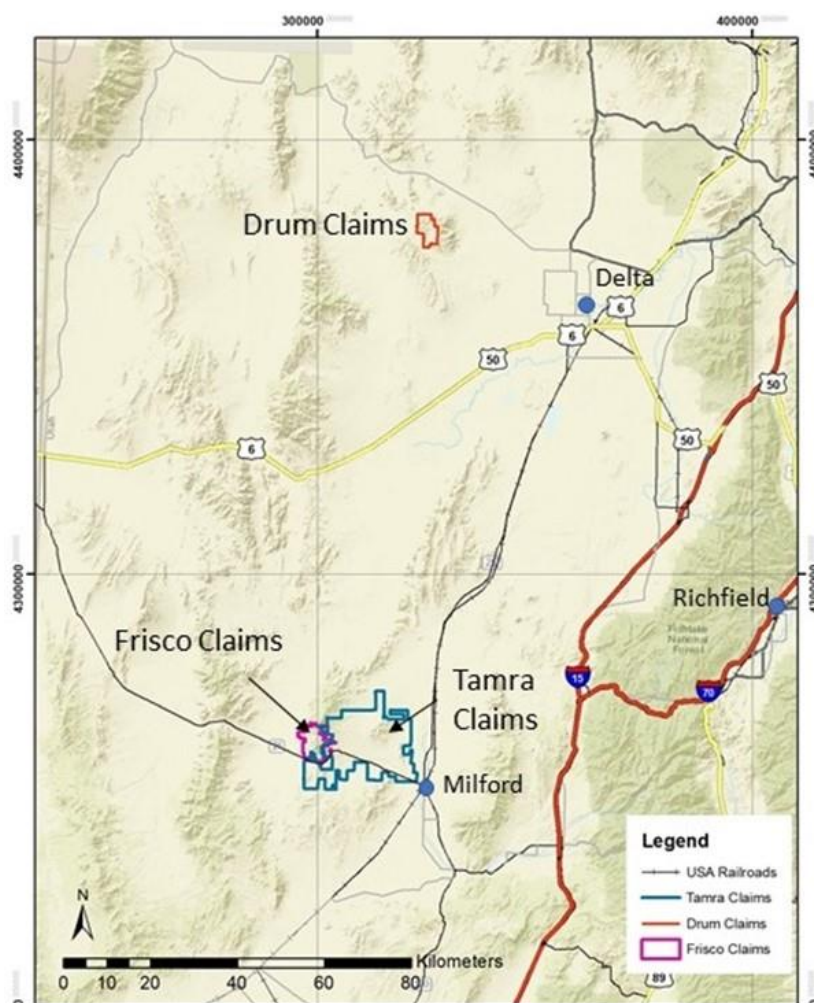


Figure 1: Regional topographic map showing positions of the Tamra, Drum and Frisco projects (Alderan JV with Kennecott/Rio) relative to main infrastructure.

The Option Agreements provide Alderan the option, but not the obligation (except for the Initial Program), to earn-in up to a 70% interest in each project over a five year period, with the initial program / earn-in for each project as follows:-

- **Valley / Crossroads Project** – commitment to an Initial Program of US\$1,000,000 within one year before Alderan may earn a 51% interest in the Project by solely funding an additional US\$4,000,000 on or before the 3rd anniversary of the Option Agreement (“First Earn-In”)
- **Drum Project** - commitment to an Initial Program of US\$250,000 within one year before Alderan may earn a 55% interest in the Project by solely funding US\$2,000,000 (including the Initial Program’s US\$250,000) on or before the 3rd anniversary of the Option Agreement (“First Earn-In”); and

After Alderan completes the First Earn-In, the parties shall form a Joint Venture for further development of the project. The terms of the joint venture will be on typical terms for this type of arrangement.

Alderan has until June 21, 2020 to demonstrate sufficient funding in the amount of US\$1,250,000 to complete the Initial Program for Valley/Crossroads and Drum. In the event Alderan is unable to demonstrate the funding requirements, the Option Agreements terminate.

Exploration Program

Alderan is now preparing for an initial exploration program on each project including a complete review of previous exploration work as well as acquisition of high resolution spectral satellite data to integrate into a map of the geology, alteration and structure.

The Company then plans to visit site, when it is appropriate to do so given the current travel restrictions, in order to undertake a geological, geochemical and geophysical mapping program with a view towards defining and executing a drill program within 6 months.

Project Summaries

Valley/Crossroads/OK Project

The Valley/Crossroads Projects lie in the Beaver Lake and Rocky Range mining districts, Beaver County, Utah, that have been the location of sporadic, predominantly shallow exploration and copper and gold mining activities for over a century. **The projects are on-trend with Alderan’s Frisco Project.**

The Projects host two distinct targets/styles, the **high grade skarn and the lower grade porphyry copper-gold-molybdenum styles**. There are multiple prospects. Refer to the announcement on 25 March 2020 for further detail on the project.

Drum Project

Drum is a well-mineralised gold-copper exploration project in an underexplored district. Exploration ground has, and is extremely tightly held in the area and Alderan believes that it has obtained the core of the gold mineralisation and possibly a porphyry copper system. Several of the biggest gold producers in the US have attempted to obtain key blocks of ground in this area because of its similarity to the new model represented by the Long Canyon Gold Mine across the border in Nevada. The jasperoidal sediment-hosted nature of the mineralisation in the Drum area, and the similar age of the rock units, make the Long Canyon Mine a very good analogue for the Drum area.

The Drum Project lies 35 miles northwest of Delta, Utah, in Millard and Juab counties (see Figure 1). Mining began in the 1870's in the Detroit Mining district and it hosted several producing copper/gold mines including the Drum Gold Mine which operated in the 1980s.

Refer to the announcement on 25 March 2020 for further detail on the project.

ENDS

This announcement was authorised for release by the Board of Alderan Resources Limited.

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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.