

ASX/MEDIA RELEASE

Wednesday, 10 June 2020

MARKET UPDATE

Alara Resources Limited (ASX:AUQ) (**Alara** or the **Company**) provides this update in response to shareholder queries regarding the impact of COVID-19 on the Company's activities in Oman.

Oman has reported over 13,000 cases, 67 deaths and 2,845 recoveries. Over the past week, 500 to 1000 new cases per day have been reported.

Government officials in Oman have now resumed work, with 50% attendance in government offices starting May 31. Lockdown measures across Muscat, which were in place since early April, have now been lifted. Other protective measures, such as wearing face masks in public remain in place.

The Muscat Airport remains closed for incoming passenger flights, with limited outbound chartered flights. Aside from those working on site, a majority of staff continue to work from home. There are no COVID-19 cases reported for Alara staff, including its JV entities.

Work at the Al Hadeetha Project site continued throughout Ramadan, including night shift. Over 2000m of drill core has been recovered. Core samples are being prepared for further metallurgical test work and will assist with detailed design of the plant. Potential for further optimisation of copper recoveries may also be investigated.

The advance payment made under a 2017 off-take agreement between an Alara-controlled entity and commodities trader Statdrome Pte Ltd has been returned in full. Under the retired agreement, Statdrome advanced US\$1.2 million on account of its future entitlement to payments for copper concentrate to be delivered.

Global demand for copper concentrates remains strong. Copper imports by China, the world's largest importer, were up 22.5% on last year at the end of April. Finding buyers for copper does not present a challenge for the Company.

ENDS

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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.