

Alara Resources Limited A.B.N. 27 122 892 719

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ASX/MEDIA RELEASE

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Research & Development Tax Incentive Scheme Refund

Perth: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) is pleased to advise that it has received a refund of \$1.64 million under the Federal Government's Research and Development (**R&D**) Tax Incentive Scheme (**Scheme**).

Under the Scheme, Alara was entitled to a cash refund of 45 cents per dollar spent on eligible R&D expenditure. Alara's claim relates to costs incurred in relation to the Definitive Feasibility Study undertaken on the Khnaiguiyah Zinc-Copper Project for the 2013 financial year.

Alara received a refund of \$2.75 million (net of associated application fees) in September 2013 in respect of eligible R&D expenditure incurred for the 2012 financial year.

This further R&D Scheme refund (of \$1.64 million) will supplement Alara's existing cash reserves of \$4.47 million (as at 31 December 2013) and will assist with the Company's working capital requirements as it progresses the Khnaiguiyah Zinc-Copper Project in Saudi Arabia through its finance phase and optimises the way forward on its Daris/Washihi Project in Oman.

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About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian-based minerals exploration and mine development company with a diverse portfolio of projects in Saudi Arabia and Oman. Alara has recently completed a Definitive Feasibility Study (DFS) on its flagship Khnaiguiyah Zinc-Copper Project in Saudi Arabia and a Scoping Study (SS) on its Daris/Washihi Copper-Gold Projects in Oman. The Company is now transitioning towards establishing itself as an emerging base and precious metals mine development and production company.

For more information, please visit: <u>www.alararesources.com</u>.

