

ASX/MEDIA RELEASE

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AL HADEETHA RESOURCES EXECUTES EUR 60M INVESTMENT AGREEMENT

PERTH: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) is pleased to announce that Al Hadeetha Resources LLC has entered a 60 million Euro Investment Agreement with SAMA Global Investment, headquartered in Doha, Qatar.

Under the agreement:

- SAMA will invest EUR 60 million (~AUD 96 million) into Al Hadeetha Resources LLC (**Al Hadeetha**) for development of the Washihi-Mazzaza Copper Project (the **Project**) repayable by Al Hadeetha;
- The investment will be applied principally to fund construction of mine-site infrastructure for a 1mtpa copper processing plant¹ at the Project;
- Al Hadeetha may also utilise the investment funds to develop other projects as mutually agreed;
- An establishment fee of EUR 1 million (~AUD 1.6 million) will be paid to SAMA;
- The investment is to be secured over Al Hadeetha's mining licence and related assets;
- The Investment Agreement does not include an option for SAMA to convert the investment to equity in any entity; and
- Following a 24-month grace period, Al Hadeetha will pay a fee (in quarterly instalments) equal to 1.5% p.a. of the total investment amount over a six-year term (i.e. an eight-year total term).

According to SAMA: *"The cornerstone of SAMA's investment framework is its ability to see and seize opportunities and introduce future initiatives for its portfolio companies with the end view of improving overall value of these companies".*

Alara Chairman James Phipps said:

"Execution of this Investment Agreement with Qatar's SAMA Global is a major milestone for Alara and reflects the inherent value of the Washhi-Mazzaza Copper Project and the strength of the Company's joint venture relationship in Oman. Execution of Alara's strategy to develop and expand its project portfolio beyond Washhi-Mazzaza will also be strengthened by the SAMA investment."

Alara Managing Director, Justin Richard commented:

"The SAMA Investment Agreement was not the only finance offered to Al Hadeetha. In addition to favourable finance terms, the SAMA deal also provides for investment into Al Hadeetha's other projects, including Mullaq and Al Ajal, which can be developed around the proposed Washihi-Mazzaza copper processing plant. We expect the relationship with banks and other financiers to be further strengthened by the SAMA Investment Agreement, with other finance options still under consideration for targeted project development opportunities."

ENDS

