

Alara
Resources



Resource Developer to Mine Builder and Operator

PHILIP HOPKINS, MANAGING DIRECTOR & CEO
MENA 2014
DUBAI, UNITED ARAB EMIRATES
21 OCTOBER 2014



Company Overview
Zinc Market & Forecast
Saudi Arabia Project Overview
Oman Project Highlights
Company Summary



Ian Williams, AO

Chairman

BE (Elec), FAusIMM, FIEAust

- > Over 40 years' experience in mining and resources.
- > Previous management roles with Hamersley Iron, Rio Tinto, Century Zinc and Pasminco.
- > Order of Australia for services to indigenous communities.



Philip Hopkins

Managing Director

BSc (Mining Engineering); MBA; PEng; MAusIMM; MCIM

- > Over 30 years' experience in mining and resources leadership, senior operational and project roles with BHP, Placer Dome, Falconbridge and Cominco.
- > International experience in Canada, Papua New Guinea, South Africa, Brazil and Australia



John Hopkins

Non-Executive Director

LLB; FAICD

- > Over 30 years' experience in legal and mining.
- > involved in the financing and development of numerous resources projects in Australia, Africa, Asia, Europe and North America
- > Has been a Director of more than 20 public listed companies (Australia, UK and Canada)
- > Chairman ASX listed Wolf Minerals and Universal Coal.

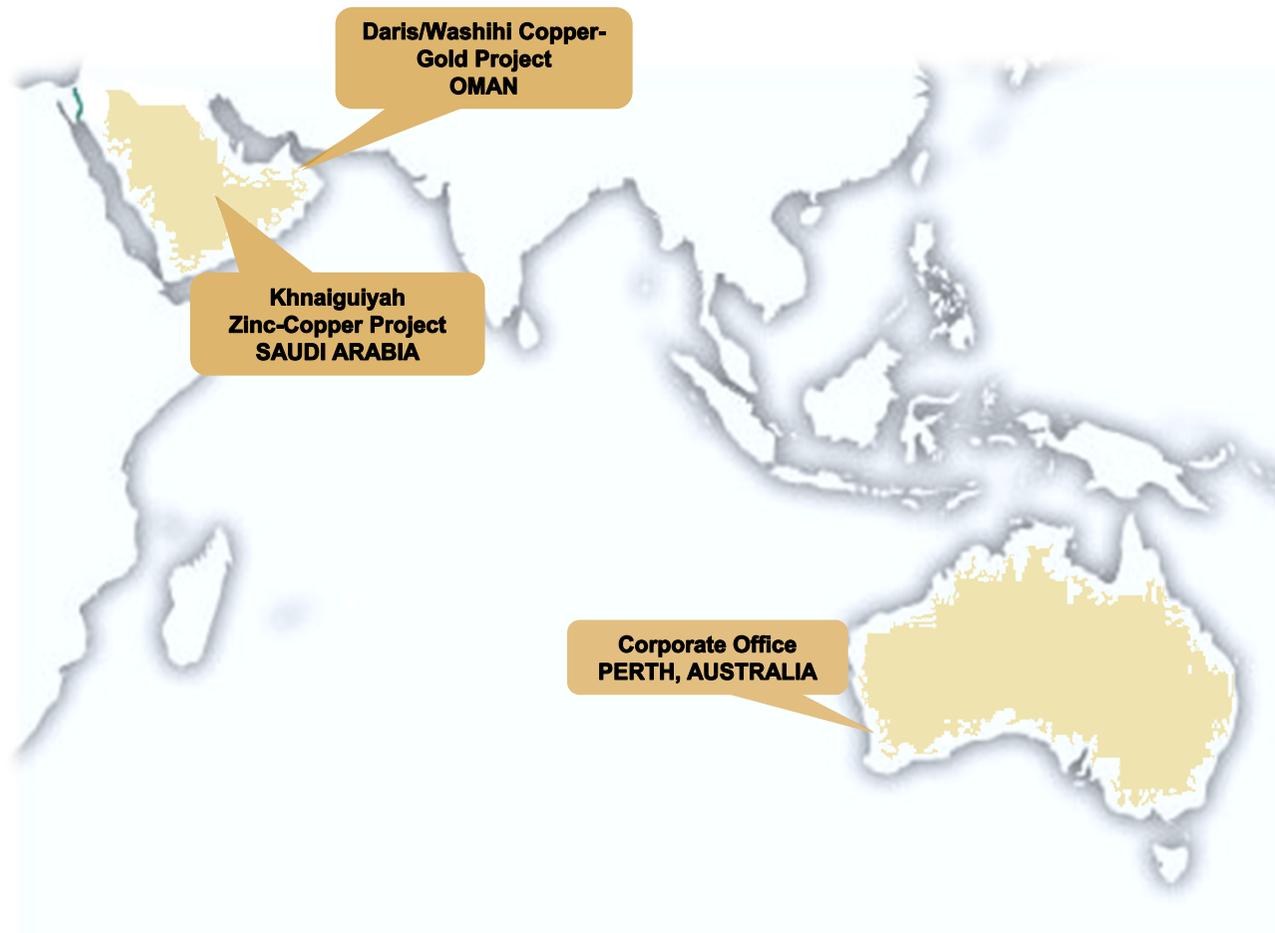


HRH Prince Abdullah bin Mosaad bin Abdulaziz Al Saud

Non-Executive Director

BEng.(Industrial)(Hons); MEng

- > Over 25 years' experience in business and sports management
- > Highly regarded Saudi Arabian and International businessman
- > Chairman of The Saudi Paper Manufacturing Company.



Project	Resources	Ownership	Location	Status
Khnaiguiyah	Zinc-Copper	50%	Saudi Arabia	Positive completed DFS
Washihi	Copper-Gold	70%	Oman	Deposits analysed as single Project
Daris	Copper-Gold	50% (70% option)		Ready to identify next steps



Zinc Cycle & Saudi Zinc Project



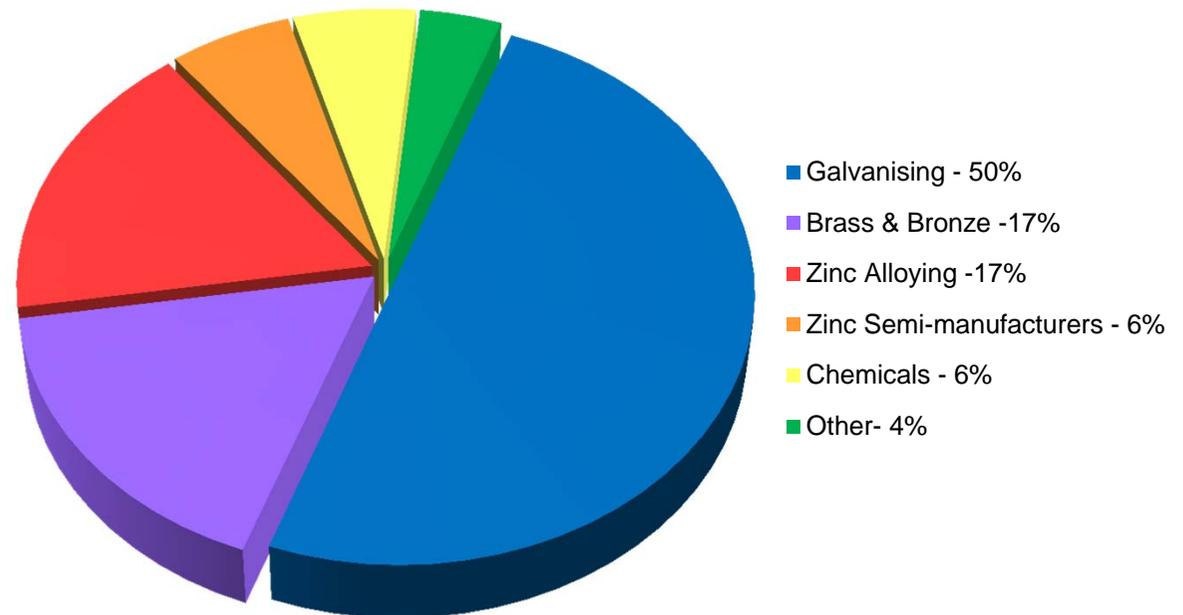
HOW IS THE WORLD USING ZINC

50% of Zinc is used in galvanising, which is in turn used in:

- Construction
- Vehicle manufacturing
- Roofing

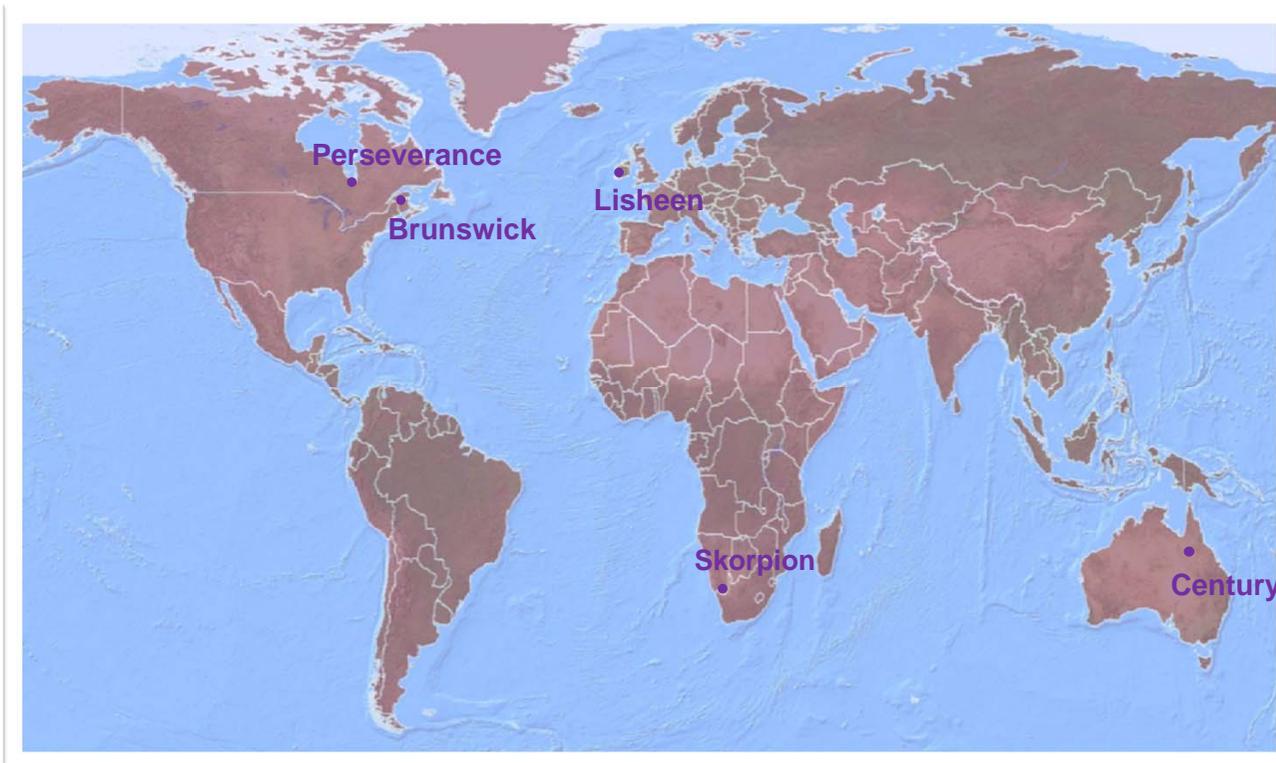
The remainder is used in:

- Bronze & Brass
- Alloying
- Manufacturing
- Chemicals



Source: ILZSG

MAJOR ZINC MINE CLOSURES (2013-2017)

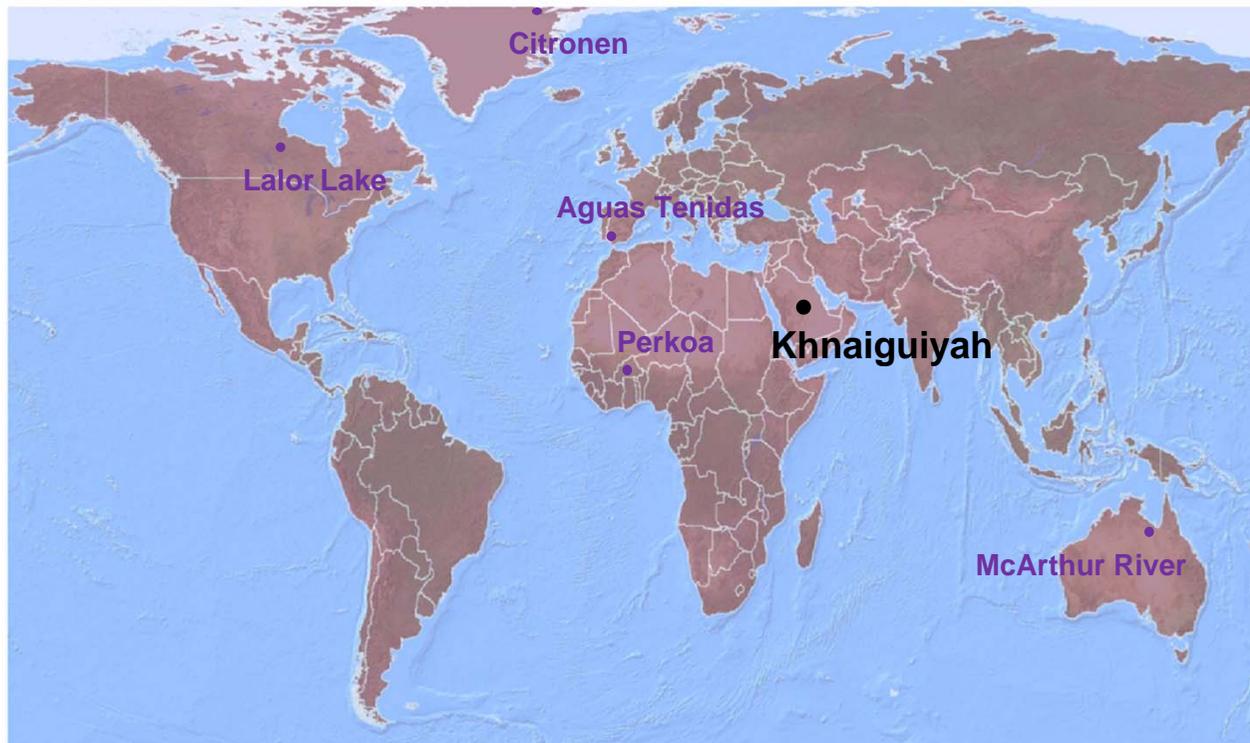


Mine	Annual Production
Century	500 kT
Brunswick	200 kT
Lisheen	167 kT
Skorpion	162 kT
Perseverance	128 kT
Others	540 kT
TOTAL	1,697 kT

“11.3 % of current world Zinc production in 2012 will close in the next two years”

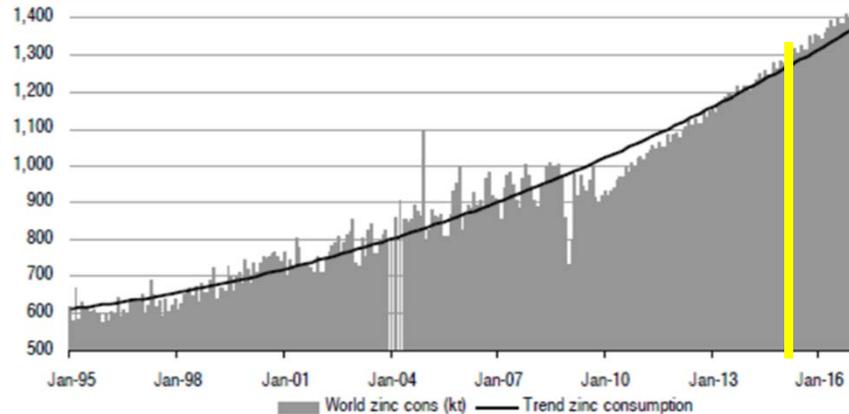
Proactive Investors

ZINC NEWCOMERS & EXPANSIONS (2013-2017)

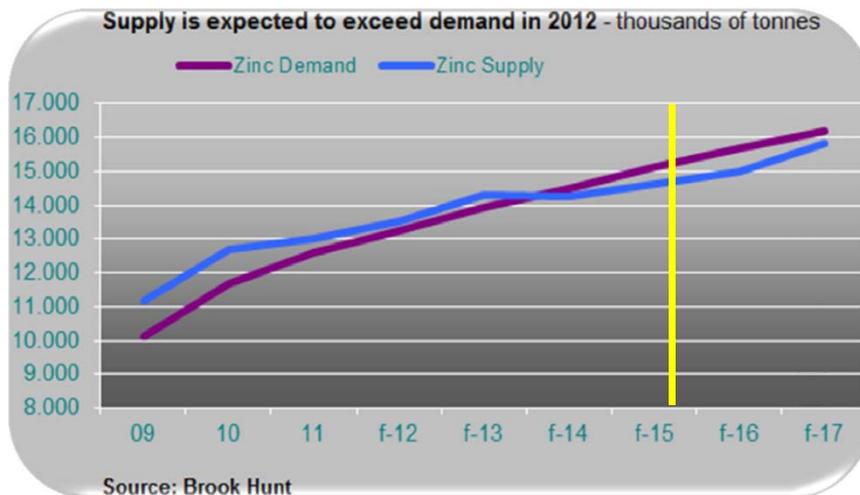


Mine	Year	Annual Production
NEW MINE		
Dugald River	2017	200 kT
Perkoa	2013	90 kT
Lalor Lake	2014	40 kT
Citronen	2015	185 kT
Khnaiguiyah	2017	80 kT
EXPANSIONS		
McArthur River	2016	230 kT
Aguas Tenidas	2016	65 kT
TOTAL		890 kT

Figure 1: Global zinc demand return to normality and trend to 2016E



Source: WBMS, Credit Suisse estimates

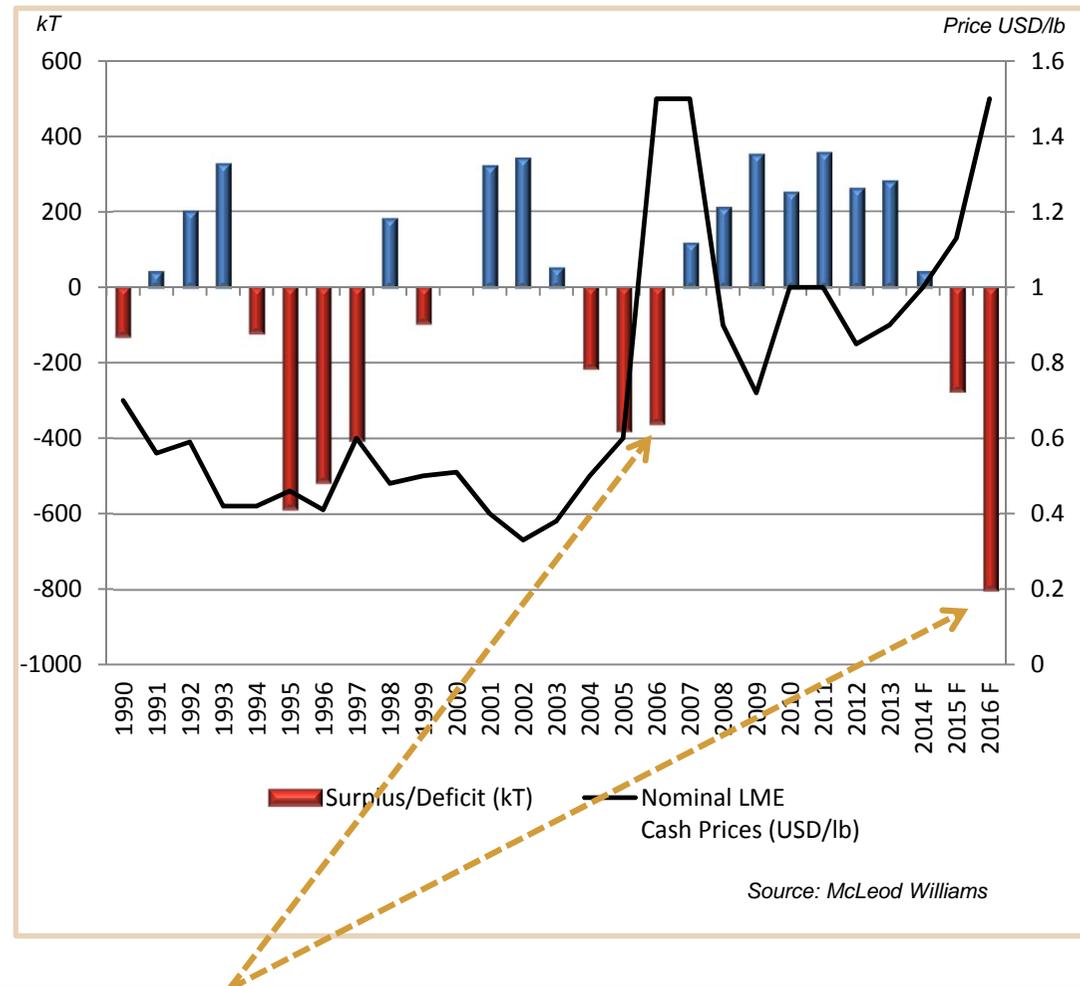


Source: Brook Hunt

— Oct 2014

- Zinc demand has increased steadily from prior to 1995
- Zinc demand does not include possible emerging uses:
 - Fertiliser (estimated 500kt/year)
 - Continuous galvanizing (estimated 400kt/year)

- > Previous market deficits resulted in Zinc price rising to >US\$2.00/lb (2006)
- > Brook Hunt forecasts Zinc to rise to US\$1.24/lb this year and climb steadily thereafter
- > Wood McKenzie forecasts average Zinc price of US\$1.59/lb 2016-18
- > Glencore predicts US\$1.59 – \$1.81/lb in the next 3 years

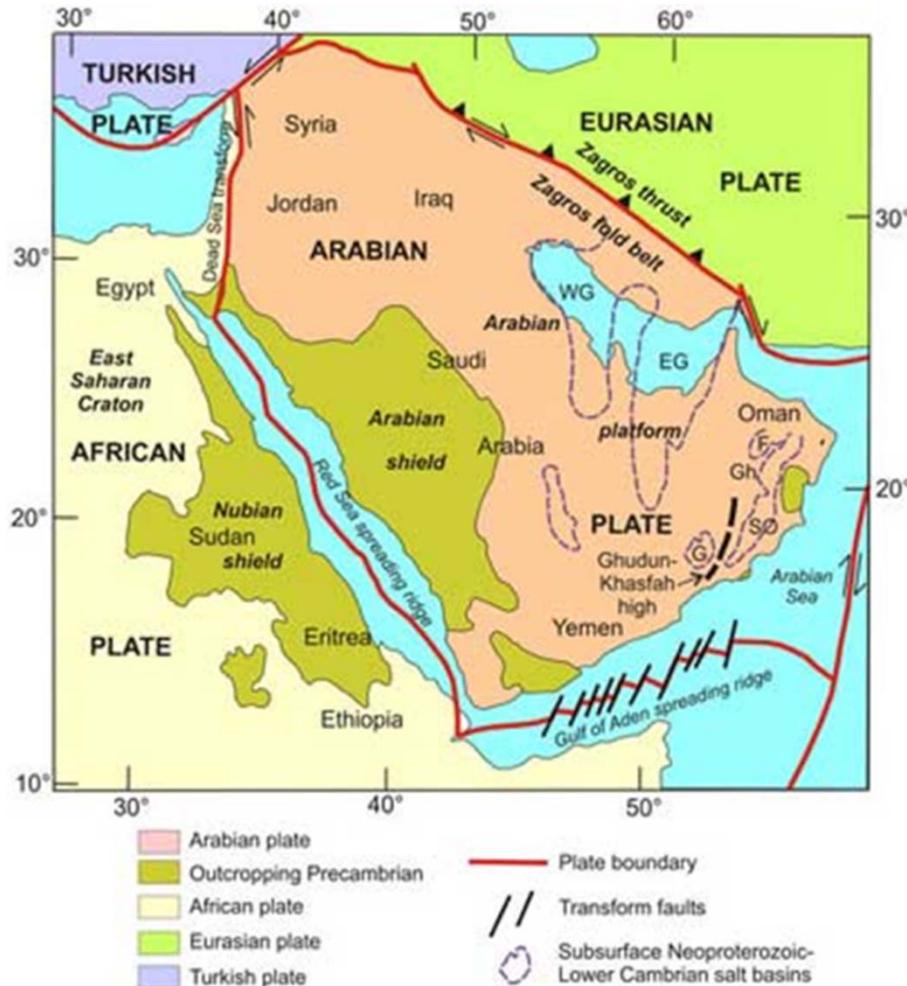


Zinc deficit in 2006 (\$2.00/lb) was ½ the forecasted deficit for 2016/17

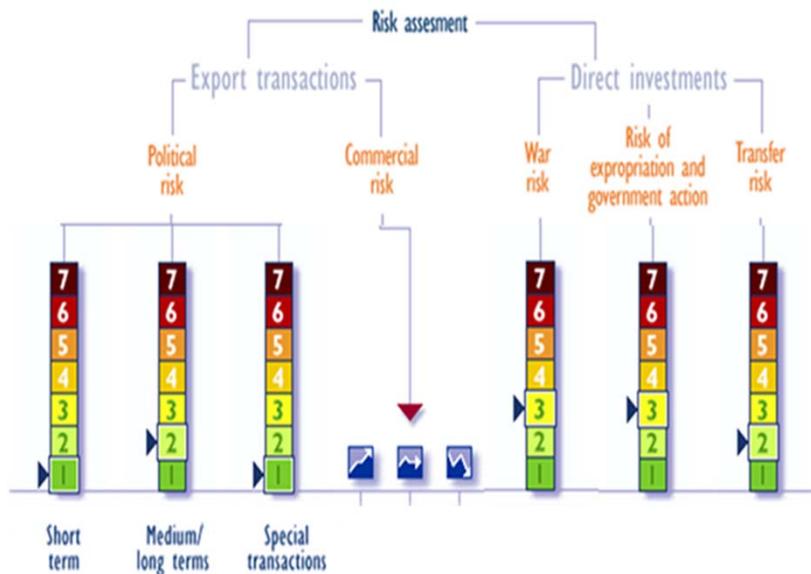
SAUDI ARABIA



Khnaiguiyah Zinc-Copper Project



- > 1970's BRGM (*Bureau de Recherches Géologiques et Minières*) review – 5,300 deposits (Saudi Geological Survey)
- > Deputy Ministry of Mineral Resources (DMMR) +4,000 maps
- > New mining code 2004 – ease of operation
- > Resource Potential in the Arabian Shield
 - i. 40 fully identified resources
 - ii. 15 ready to progress
 - iii. 9 operational mines only at this time
- > Shipping ports to Europe and South East Asia
- > Sealed roads and low cost land transport
- > \$9.5B Mining hub announced (Feb 2014)
- > Mining is one of three Government pillars



Source: Belgian Export Credit Agency Saudi Arabia risk assessment

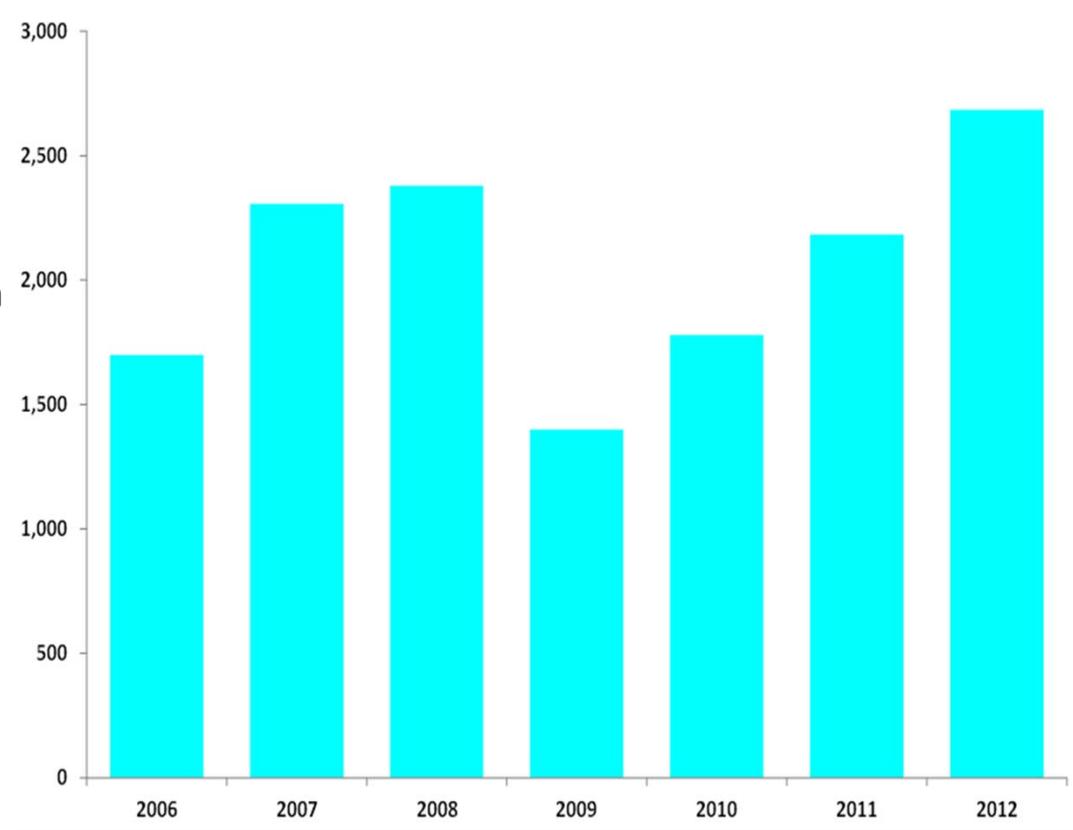
**Saudi Arabia rated as
low risk investment forum**

- > 2014 Saudi mining budget – SAR\$228B (~AU\$70B)
- > Saudi government focus
 - i. Petroleum
 - ii. Financial services
 - iii. Mining
- > Tax – Corporate 20% (personal – nil)
- > Royalties – nil
- > Saudi Industrial Development Fund (SIDF) up to 75% funding (low rates <4%)
- > Off-set funding potential
- > Ownership – 100% permitted
- > Profits & Capital – 100% repatriation
- > Import duties - nil for mining (5% other)
- > Tenure certainty – exploration to mining
- > Fuel – \$US0.13/litre
- > Member G20; Member WTO (2005)
- > #2 in Middle East for business – #26 world *

* World Bank Rating

Value of SIDF Approved Loans 2006-2012 (US\$M)

- > KPMG has indicated that the Project would suit KSA Zone 3 (ie. Maximum level) funding
- > SIDF provides loans up to 75% for industrial and mining development in Saudi Arabia
- > SIDF has advanced over US\$28 billion since its inception (1974)
- > SIDF advanced US\$2.7 billion in 2012, US\$2.2B in 2011, including financing of Al Masane Copper-Zinc Project (US\$88 million)



Source: www.sidf.gov.sa

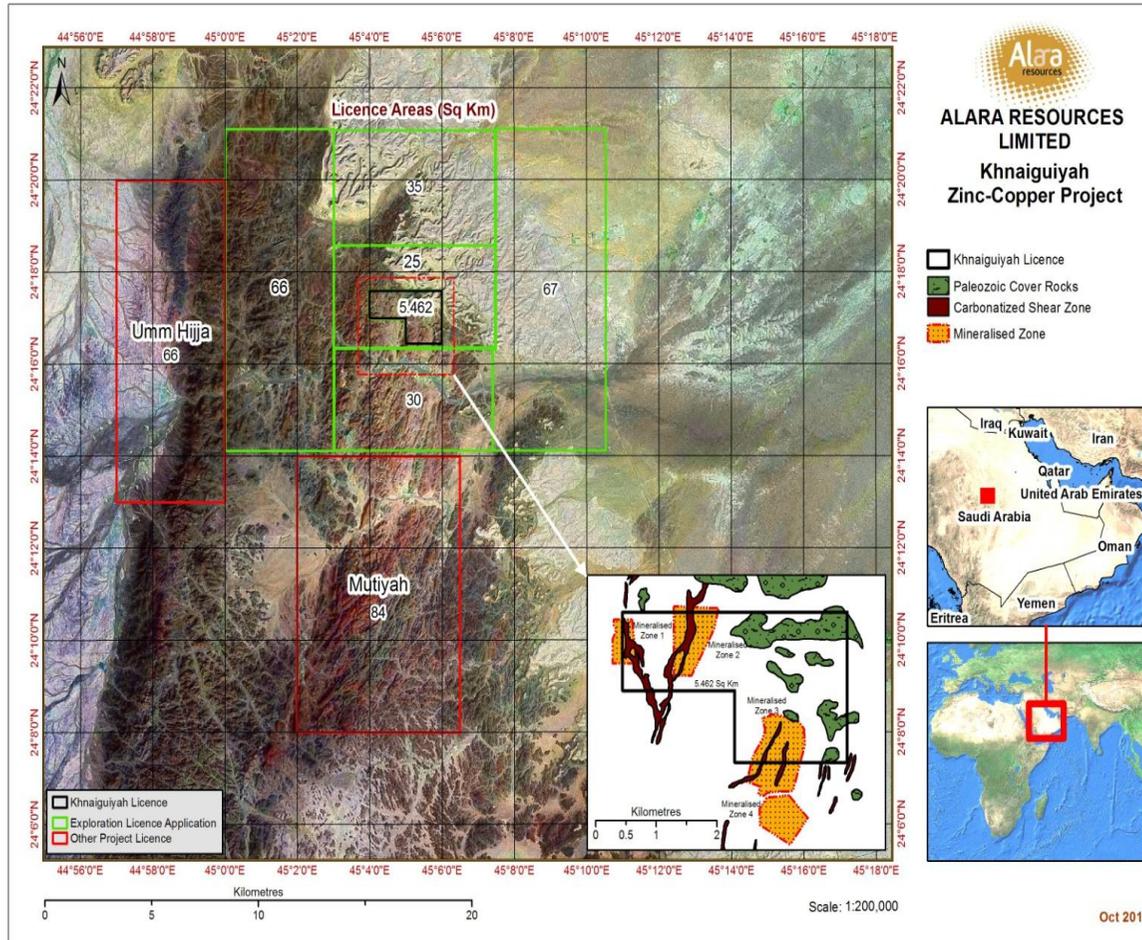


- > 170km SW of Riyadh – Capital city
- > Reserves - 26.08Mt at 3.3% Zn & 0.24% Cu*
- > Resources – Measured & Indicated**:

 - > Domains 1 & 2 Zn rich 25.32Mt @ 4.03% Zn
 - > Domain 3 Cu rich 8.53Mt @ 0.64% Cu

- > Base case 2 Mtpa process plant throughput for a 13 year mine life
- > Robust DFS – prepared to enter finance/construction
- > Material project upside being defined

- Refer to Table 1 of Alara's JORC Statement (Slide 34) for details of the individual components of Proved and Probable Ore Reserves for the Khnaiguiyah Project
- Refer to Tables 2 and 3 of Alara's JORC Statement (Slide 34) for details of the individual components of Zones 2 and 3 Measured & Indicated Resource for the Khnaiguiyah Project



The Khnaiguiyah Zinc-Copper Project covers around 225km² and comprises:

- > A Mining Licence
- > 2 Exploration Licences (granted, pending renewal)
- > 5 Exploration Licences (under application)



- > **Joint Venture ('JV') Partners:** United Arabian Mining Company LLC (Manajem), privately owned Saudi Arabian mining company
- > **JV Company:** Khnaiguiyah Mining Company LLC (KMC)
- > **Current JV Equity Arrangement:** 50:50 (Alara: Manajem)
- > **New JV Equity Arrangement:** HoA to move to 60:40 (Alara: Manajem)

Project is currently stalled due to impasse with JV partners

Exploring alternatives to progress the Project

- **Total CAPEX (incl. of contingency and owner’s costs)** **US\$257 million**

- **Production**
 - 1,410,000t Zn concentrate
(775,000t of zinc metal)**
 - 210,000t Cu concentrate
(52,000t of copper metal) Life of Mine (LOM)**

- **First 7 years of full production average**
 - 79,750t Zn concentrate**
 - 5,750t Cu concentrate**

- **Peak production year 4**
 - 99,000t Zn concentrate**
 - 8,250t Cu concentrate**

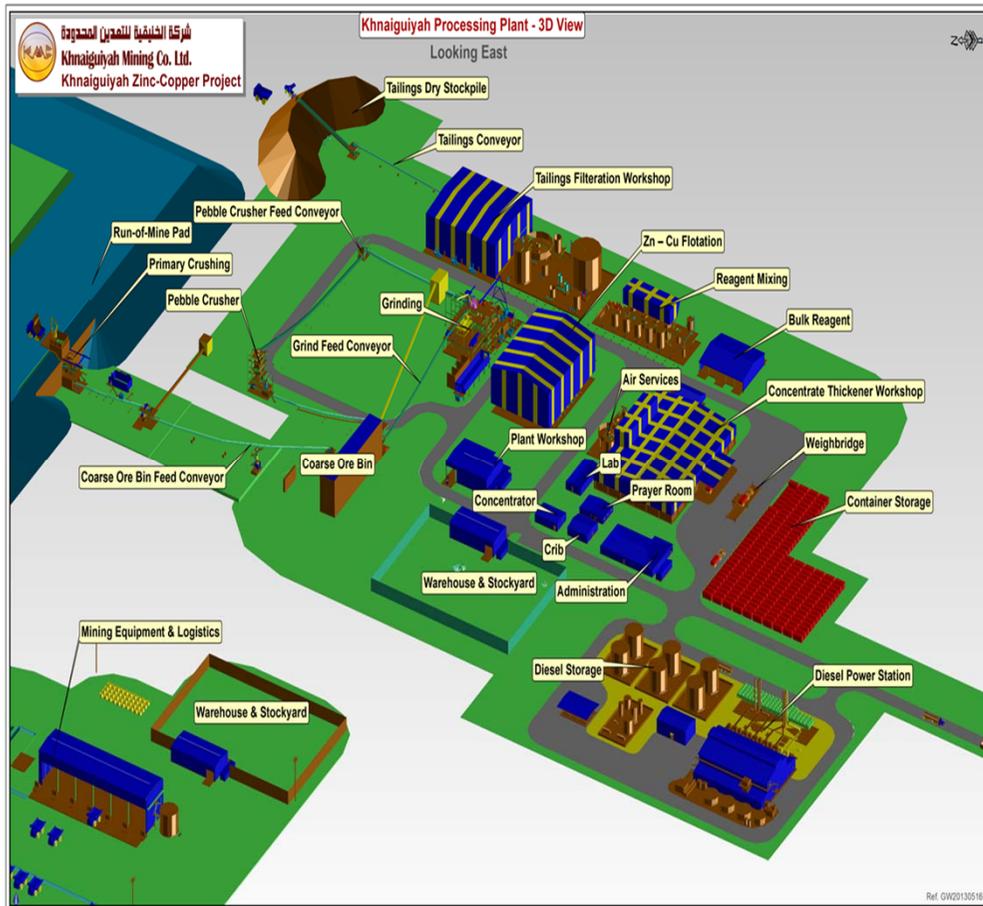
- **Average production** **Years 1-7**
 - 80 ktpa Zn**
 - 5.8 ktpa Cu**

- **Project revenue** **A\$2,074 million (LOM)**

- **First full year Zn production** **2017/18**

- **Costs forecast (after copper credits)**
 - 2nd quartile of cash cost**
 - Cu costs forecast in bottom quartile**

Refer Alara’s ASX market announcement dated 30 April 2013 and entitled “[Positive Definitive Feasibility Study Confirms Khnaiguiyah Project as Technically and Financially Robust.](#)” All material assumptions underpinning the Khnaiguiyah DFS continue to apply and have not materially changed.



- > Stockpiled oxide cap could augment metal production from year 2 onward
- > Geology in all three pits is open north/south & at depth
- > Plant designed for 2.4 Mtpa – process stockpiles earlier
- > Preliminary Heavy Media Separation (HMS) testing successful – plant intensity could increase potentially by 80-100%
- > Modular plant design easily expandable
- > One of Top 10 Zinc mines worldwide at full production (assumes HMS is successful)



Zinc price used = US\$ 1.05/lb
Forecasts range from
US\$ 1.59 - ~\$US 2.00/lb

> Project revenue:	A\$2,074M
> Project operating costs :	A\$1,201M
> EBITDA:	A\$873M
> Capex:	US\$257M
> Cash flow (post Capex and Tax):	A\$467M
> Project NPV:	A\$170M
> IRR:	23%
> Weighted Avg cost of capital:	9.1%
> Payback:	2.8 years
> Cash costs (with Cu credits):	US\$0.46/lb

- Assumptions:
 - Zinc price US\$2,315/t (US\$1.05/lb)
 - Copper price US\$6,114/t (US\$2.77/lb)
 - Zinc TC/RCs* US\$180/t (A\$:US\$ = 0.90)

** Treatment Costs and Refining Costs*

All material assumptions underpinning the DFS continue to apply and have not materially changed.

Potential Capex Reductions: \$10-12M Change SAG mill to cone crushers
\$10M Bulk concentrate shipping
\$40-60M Smaller plant – Heavy Media Separation (HMS)
\$3M Mine camp redesign
\$63-85M

Potential Opex Reduction: \$9-12M Power to the crushing circuit – LOM saving
\$10M Reduced grinding media due to HMS – LOM savings
\$15M Local water source – LOM savings
\$34-37M

Further upside for review: Possible opportunity for coarser grind size (not costed above)
Process plant nameplate capacity is 2.4Mtpa
May be able to process additional feed via low grade stockpiles
Site preparation cut and fill may be reduced

Debt Finance: Project modelled with discount factor of 9.1%

Additional Finance: Off-take/Smelter contract finance
Leasing finance
Royalties
Streaming – Cu
EPC vendor's credit

Zinc Price: DFS uses \$1.05/lb Zinc (\$2,315/tonne)

External Zn Price Forecasts:

- > *Wood Mackenzie* - US\$1.59/lb 2016-18 (\$3,506/tonne, +51%)
- > *Glencore* - US\$1.59 - \$1.81/lb in the next 3 years (\$3,500–4,000/tonne, +51– 72%)
- > *Brook Hunt* - US\$1.24/lb this year and climb thereafter (\$2,732/tonne, +18%)



- > Alternate water sources being defined (area of opportunity)
- > New mining code (2004) promotes mining industry
- > Capex based on “turnkey” EPC quote
- > Appraised AMAK (Al Masane)
- > 1.5 Mtpa Zn/Cu mine built in 2010 and operating for 4 years
- > Al Masane EPC company bid on Khnaiguiyah Project
- > Potential to build in < 2 years
- > Strong market for EPC firms
- > Strong market for Project Directors
- > Strong market for Owner’s Teams

Strong Company focus on risk mitigation given many mine projects run over cost and/or overtime



- > **Adjacent to sealed 4 lane national highway**
- > **On national power grid**
- > **Shipping access to both Europe and Middle East**
- > **Forecast positive Zn price cycle**
- > **Early off-take/smelter funding possible**
- > **Strong financing options within Saudi Arabia**
- > **Mining one of country's 3 economic pillars**
- > **Simple/traditional Zn & Cu sulphide flotation circuit**
- > **Low total cash costs**
- > **Zn and Cu concentrates have minimal deleterious elements**
- > **All three mineralised zones remain open – depth/along strike**

- **Secure ML and progress the project**
- **Commence Community and Government Relations Plans**
- **Identify and finalise off-take arrangements**
- **Appoint Project Director**
- **Appoint Owner's Team**
- **Expand Company capability and team in support of these Projects**
- **Secure next stage of licences and permits to commence construction**
- **Complete DFS optimisation work**
- **Tender and allocate EPC contract**

Indicative Development

Project Activity	2014	2015				2016				2017				2018				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1 Secure Licences	█																	
2 Project Finance			█															
3 Project Construction						█												
4 Commissioning													█					
5 Full Operations																		

- ✓ **Right Location & Fiscal Regime**
Saudi Arabia strongly in support of mining and new projects
- ✓ **Right Metal**
Robust **Zinc** project in positive **Zinc** cycle
- ✓ **Right ore body**
Additional mineralisation and potential resource extensions
- ✓ **Right Team**
Restructured Board and Management Team in place
- ✓ **Right Time**
Market well placed for assembling EPC and Owner's Team
- ✓ **Right Approach**
Focused on low risk approach – build the operation on time and cost
- ✓ **Right In-Country Support**
Government legislation and key stakeholder support for the Project

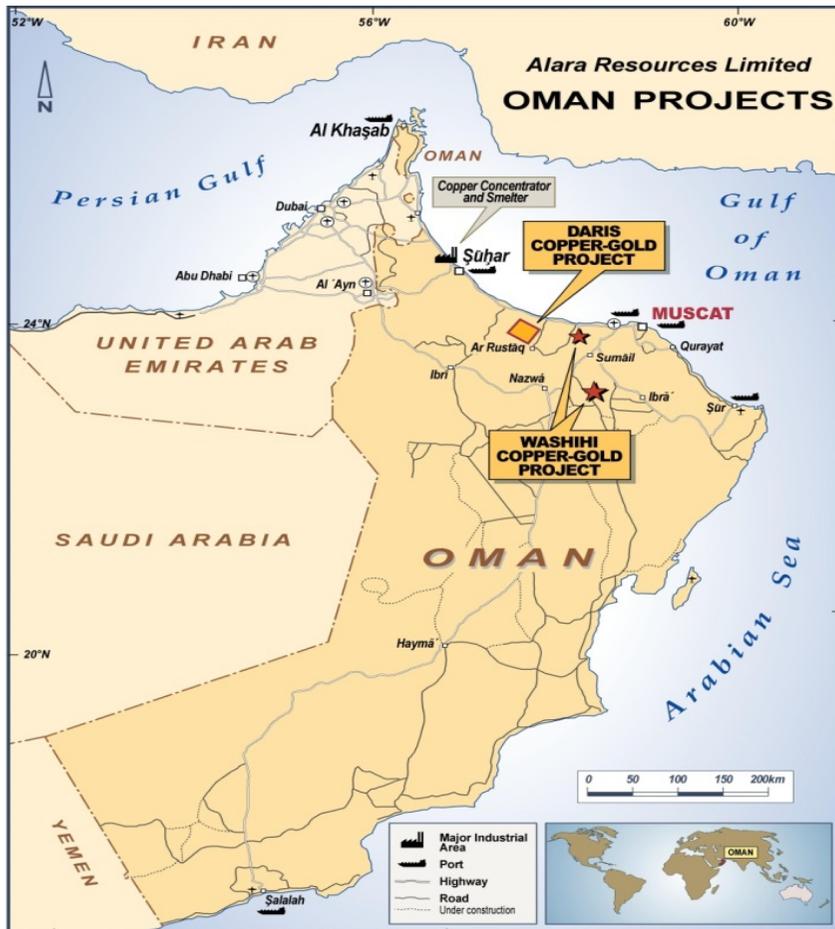
Status Summary

- > **2 Mtpa Zn/Cu Project in a 10 year Zn price cycle!**
- > **Robust Definitive Feasibility Study (DFS) completed in April 2013**
- > **Outlined and studied material upsides to the DFS/Project**
- > **JV partner has not transferred ML to JV company**
- > **Project has been “idle” for +18 months**
- > **Alara is working on having ML issues progressed**
- > **In a Zone 3 area – high priority for new projects and employment**
- > **Located in a designated “Government Mining Area” !**

ADVANCING THE PROJECT PIPELINE - OMAN



Daris/Washihi Project



Daris (50% - option to move to 70%)

- > 150 km west of Muscat
- > Measured and Indicated Resources of 0.24Mt at 2.4% Cu*

Washihi (70%)

- > 160km south east of Daris
- > Indicated Resource of 6.84Mt at 0.9% Cu & 0.17g/t Au*
- > Mineralisation remains open
- > Largest Copper resource in Oman

The Road Ahead

- > Options Analysis completed
- > Advanced Scoping Study (Study) completed
(see slides 31 & 32)
- > Positive preliminary evaluation
 - > Optionality under review
 - > Way forward to be defined by end of July

* Refer to Alara's JORC Statement (Slide 35)

Study* - Options Evaluated

- **3 Development options evaluated:**
 1. **'Base Case'** 0.5Mtpa conventional flotation plant (post HMS) from mining inventory sourced from existing JORC Mineral Resources at Washihi and Daris-East deposits;
 2. **'Enhanced Base Case'** 0.5Mtpa conventional flotation plant (post HMS), based on slight increase (2.3%) in mining inventory sourced from high grade early stage prospect within Mullaq exploration licence; and
 3. **'Target Case'** larger scale flotation plant (post HMS), based on a more substantial increase (x2) in mining inventory sourced from Exploration Targets across the Washihi and Daris deposits.

** For further information on the outcomes of the Advanced Scoping Study and the Exploration Targets identified for the Daris/Washihi Project, refer to Alara's ASX announcement dated 14 Oct 14 and titled "[Oman Project Update: Positive Advanced Scoping Study Outcomes](#)". The Study is based on low level technical and economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Study will be realised. All material assumptions underpinning the Study continue to apply and have not materially changed.*

Study Outcomes

Base Case:

- > US\$40M NPV
- > 18% IRR
- > US\$96M capex
- > 5.3 year pay-back
- > US\$514M LOM revenues (from 74,747t Cu and 38,088oz Au LOM production)
- > US\$289 LOM Opex (at US\$3,870/t Cu recovered)

Financial Model assumes:

- > 8% discount rate
- > US\$7,000/t Copper price and US\$1,300/oz Gold price
- > 100% ownership
- > Inclusive of taxes and royalties

Enhanced Base Case

- > US\$52M NPV
- > 20% IRR
- > US\$96M capex
- > 4.5 year pay-back
- > US\$544M LOM revenues (from 79,683t Cu and 37,151oz Au LOM production)
- > US\$303M LOM Opex (at US\$3,801/t Cu recovered)

Target Case:

Economics more attractive again but this information has not been disclosed per ASX requirements.

Opportunity to leverage Daris/Washihi Project's value through:

- > further systematic exploration,
- > upgraded resource definition
- > increase the mining inventory to improve the overall NPV/capex ratio, strengthen the IRR, reduce the pay-back period and extend the LOM.

There is a lower level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production target (under the Advanced Scoping Study) will be realised. The potential quantity and grade of an Exploration Target is conceptual in nature, there has been insufficient exploration to determine a JORC Mineral Resource and there is no certainty that further exploration work will result in the determination of JORC Mineral Resources or that the production target (under the Advanced Scoping Study) will be realised.

- > **2 Mtpa Robust Zinc/Copper project in Saudi Arabia**
 - Ready to finance and move toward construction
 - Impasse with JV partner (partner holds MLs)
 - No work or movement on the Project in 18 months



- > **0.5 – 1.0 Open Copper/Gold project in Oman**
 - Ready to enter DFS or other commercial approach
 - Positive relationship with JV partners
 - Actively exploring and progressing the most appropriate options for the Project

Khnaiguiyah Zinc-Copper Project (Saudi Arabia)

The information in these JORC Reserve and Resource tables was prepared and first disclosed under the JORC Code 2004.

It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Table 1: Khnaiguiyah JORC Ore Reserves ¹

Mineralised Zone	Proved			Probable			Proved + Probable		
	Mt	Zn%	Cu%	Mt	Zn%	Cu%	Mt	Zn%	Cu%
1	0.78	4.2	0.23	1.07	4.3	0.25	1.85	4.3	0.24
2	8.75	2.6	0.32	1.2	3.8	0.44	9.95	2.7	0.34
3	8.21	4.1	0.27	6.08	2.7	0.05	14.28	3.5	0.17
Total (All Pits)	17.73	3.4	0.29	8.35	3.1	0.13	26.08	3.3	0.24

¹ Refer Alara's ASX market announcement dated 18 April 2013: [Maiden JORC Ore Reserves – Khnaiguiyah Zinc-Copper Project](#)

Table 2: Khnaiguiyah JORC Measured and Indicated Resource – Zinc (Domain 1) and Zinc-Copper (Domain 2) ²

JORC Resource	Domain	Mineralised Zone	Tonnes (Mt)	Zinc %	Copper %	Zn Cut-off (%)
Measured	1 and 2	1, 2	9.65	3.37	0.16	1.5
		3	6.37	5.28	0.25	1.5
Indicated		1, 2	3.12	4.45	0.3	1.5
		3	6.18	3.55	0.05	1.5
Measured and Indicated		1, 2 and 3	25.32	4.03	0.17	1.5

² Refer ASX market announcements dated 21 February 2012: [Maiden JORC Resource – Khnaiguiyah Zinc-Copper Project](#), dated 12 October 2012: [JORC Resource Upgrade for Khnaiguiyah Zinc-Copper Project](#) and dated 30 October 2012: [JORC Resource Upgrade and Update for Khnaiguiyah Zinc-Copper Project](#)

Table 3: Khnaiguiyah JORC Measured and Indicated Resource – Copper (Domain 3)

JORC Resource	Domain	Mineralised Zone	Tonnes (Mt)	Copper %	Cu Cut-off (%)
Measured	3	1, 2	4.7	0.72	0
		3	1.07	0.63	0
Indicated		1, 2	1.59	0.54	0
		3	1.16	0.43	0
Measured and Indicated		1, 2 and 3	8.53	0.64	0

Table 4: Khnaiguiyah JORC Inferred Resource – Zinc (Domain 1) and Zinc-Copper (Domain 2)

JORC Resource	Domain	Mineralised Zone	Tonnes (Mt)	Zinc %	Copper %	Zn Cut-off (%)
Inferred	1 and 2	4	4.32	2.9	0.03	1.5

Washihi-Mullaq-AI Ajal Copper-Gold Project (Oman)

The information in these JORC Reserve and Resource tables was prepared and first disclosed under the JORC Code 2004.

It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Table 5: Washihi JORC Mineral Resources ³

Cu % Cut-off	Indicated Resource			Inferred Resource		
	Tonnes (Million)	Copper (Cu) %	Gold (Au) g/t	Tonnes (Million)	Copper (Cu) %	Gold (Au) g/t
0	7.16	0.87	0.17	7.77	0.67	0.2
0.25	6.84	0.9	0.17	7.27	0.71	0.2
0.5	5.66	1.01	0.18	5	0.85	0.21
0.75	4.04	1.17	0.18	2.57	1.07	0.23
1	2.39	1.37	0.2	1.24	1.31	0.27

³ Refer Alara's ASX market announcement dated 16 July 2013: [Upgrade to JORC Resource at Washihi Copper-Gold Project in Oman Providing Strategic Options for the Asset](#)

Daris Copper-Gold Project (Oman)

Table 6: Daris-East JORC Mineral Resources

Ore type	Cut-off grade Cu%	Measured			Indicated			Measured and Indicated			Inferred		
		Tonnes	Cu%	Gold (Au) g/t	Tonnes	Cu%	Gold (Au) g/t	Tonnes	Cu%	Gold (Au) g/t	Tonnes	Cu %	Gold (Au) g/t
Sulphides	0.5	129,155	2.48	0.23	110,870	2.24	0.51	240,024	2.37	0.43	30,566	2.25	0.55
Oxides	0.5	96,526	0.77	0.03	86,839	0.66	0.14	183,365	0.72	0.08	1,712	0.61	0.97

FORWARD LOOKING STATEMENTS

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COMPETENT PERSONS' STATEMENTS

The information in this presentation that relates to Ore Reserves in relation to the Khnaiguiyah Zinc-Copper Project (Saudi Arabia) is based on, and fairly represents, information and supporting documentation prepared by Mr Geoff Davidson, who is a Fellow of the Australasian Institute of Mining and Metallurgy and a consultant to Khnaiguiyah Mining Company LLC (KMC). Mr Davidson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code, 2004 edition). In assessing the appropriateness of the Ore Reserve estimate, Mr Davidson has relied on various reports, from both internal and external sources, in either draft or final version, which form part of or contribute to the Khnaiguiyah Project Detailed Feasibility Study. These reports are understood to be compiled by persons considered by KMC to be competent in the field on which they have reported. Mr Davidson has approved and given his consent to the inclusion in the announcement of the matters based on his information in the form and context in which it appears. Refer also to Table 5 (Estimation and Reporting of Khnaiguiyah JORC Ore Reserve Statement) of the JORC Code Competent Person Statements in Alara Resources Limited's ASX market announcement dated 18 April 2013: [Maiden JORC Ore Reserves – Khnaiguiyah Zinc-Copper Project](#) for further information in relation to the Ore Reserve estimate for the Khnaiguiyah Project.

The information in this presentation that relates to Zinc and Copper Mineral Resources within Mineralised Zone 3 in relation to the Khnaiguiyah Zinc-Copper Project (Saudi Arabia) is based on, and fairly represents, information and supporting documentation prepared by Mr Daniel Guibal, an employee of SRK Consulting (Australasia) Pty Ltd, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Guibal has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code, 2004 edition. Mr Guibal approves and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to Zinc and Copper Mineral Resources within Mineralised Zones 1, 2 and 4 in relation to the Khnaiguiyah Zinc-Copper Project (Saudi Arabia), Mineral Resources in relation to the Daris/Washihi Copper-Gold Project (Oman) and other Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Ravindra Sharma, who is a Chartered Professional Member of The Australasian Institute of Mining and Metallurgy and Registered Member of The Society for Mining, Metallurgy and Exploration. Mr Sharma was a principal consultant to Alara Resources Limited. Mr Sharma has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code, 2004 edition. Mr Sharma approves and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to Exploration Targets in relation to the Washihi Copper-Gold Project (Oman) and the Daris Copper-Gold Project (Oman) is based on, and fairly represents, information and supporting documentation prepared by Mr Philip Hopkins, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hopkins is the Managing Director of Alara Resources Limited. Mr Hopkins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code, 2012 edition. Mr Hopkins approves and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears."

OMAN ADVANCED SCOPING STUDY – JORC CODE and ASX COMPLIANCE

Alara confirms that all material assumptions underpinning the (production targets and forecast financial information derived from production targets) under the Daris/Washihi Advanced Scoping Study (refer Alara's ASX announcement dated 14 Oct 14 and titled "[Oman Project Update: Positive Advanced Scoping Study Outcomes](#)") continue to apply and have not materially changed. The Study is based on low level technical and economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Study will be realised. The mining inventory under the Study is partly based on Inferred Resources (42.3% under the Base Case and 41.3% under the Enhanced Base Case) and an Exploration Target (2.3% under the Enhanced Base Case). The mining process schedule assumes the following approximate relative sequence – in Years 1 and 2 (Washihi Indicated Resource and Mullaq Exploration Target), Years 3 and 4 (Washihi Indicated and Inferred Resources), Year 5 (Washihi Indicated and Inferred Resources and Daris-East Indicated and Inferred Resources), Year 6 (Washihi Indicated and Inferred Resources) and Years 7 to 9 (Washihi Inferred Resources, included stockpiled material after Year 7). There is a lower level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production target (under the Study) will be realised. The potential quantity and grade of an Exploration Target is conceptual in nature, there has been insufficient exploration to determine a JORC Mineral Resource and there is no certainty that further exploration work will result in the determination of JORC Mineral Resources or that the production target (under the Study) will be realised.

Resource Developer to Mine Builder and Operator

ABN: 27 122 892 719



ASX Code: AUQ

Level 3, 35 Havelock Street, West Perth WA 6005
Telephone +61 8 6323 5900 | Facsimile +61 8 6323 5999
info@alararesources.com | www.alararesources.com