



# **Resource Developer Transitioning to Mine Builder and Operator**



ASX: AUQ

**PHILIP HOPKINS, MANAGING DIRECTOR  
INVESTOR ROADSHOW  
SYDNEY & MELBOURNE  
JUNE 2014**

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## COMPETENT PERSONS' STATEMENTS

*The information in this report that relates to Ore Reserves in relation to the Khnaiguiyah Zinc-Copper Project (Saudi Arabia) was compiled by Mr Geoff Davidson, who is a Fellow of the Australian 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 given his consent to the inclusion in the report 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 report 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 information compiled 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 consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this report 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 Washihi Copper-Gold Project (Oman) and the Daris Copper-Gold Project (Oman) is based on information compiled 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 consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## **Corporate focus ...**

**“To develop and operate a world class Zinc mine in a 10 year high Zinc metal price “up cycle” while progressing a high potential Copper-Gold prospect to a Definitive Feasibility Study as rapidly as practical.”**



# Company Overview

## Stock (AUQ)

### Issued Capital

– Ordinary Shares (1) 242M

– Unlisted Options (1) 36M

Share Price (1) \$0.06

**Market Cap. (1) \$14.5M**

Cash (2) \$4.9M

Debt Nil

### Directors' Shareholdings (1)

Chairman Ian Williams 0.1M

MD Philip Hopkins 2.0M

Director John Hopkins 0.2M

### Top Shareholders (2)

Acorn Capital 9.5%

Northcape Capital 9.2%

Antares Capital Partners 6.8%

### External Valuations

Petra Capital \$0.54

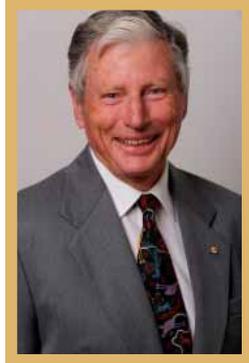
Stantons International Securities Pending



(1) as at 13 June 2014

(2) as at 31 March 2014

Source: ASX - 12 Month Chart



**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; P.Eng; 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.
- > 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.



**John Watkins**  
**Chief Financial Officer**

- > Highly credentialed and experienced mining industry executive with commercial and geoscience qualifications
- > Over 30 years of Australian and international resources industry experience at both corporate and operational level.
- > Former roles with Mirabela Nickel, Kula Gold, Endeavour Silver Corp and Barrick Gold / Placer Dome.



**Elle Macdonald**  
**Corporate Affairs Manager**

- > Highly experienced corporate administrator
- > Over 30 years' experience including Company Secretarial and ASX compliance, legal, marketing and investor relations, human resources, policies and procedure implementation, and staff development.
- > Former roles in military, media, indigenous affairs, education, manufacturing, legal, finance and investment..



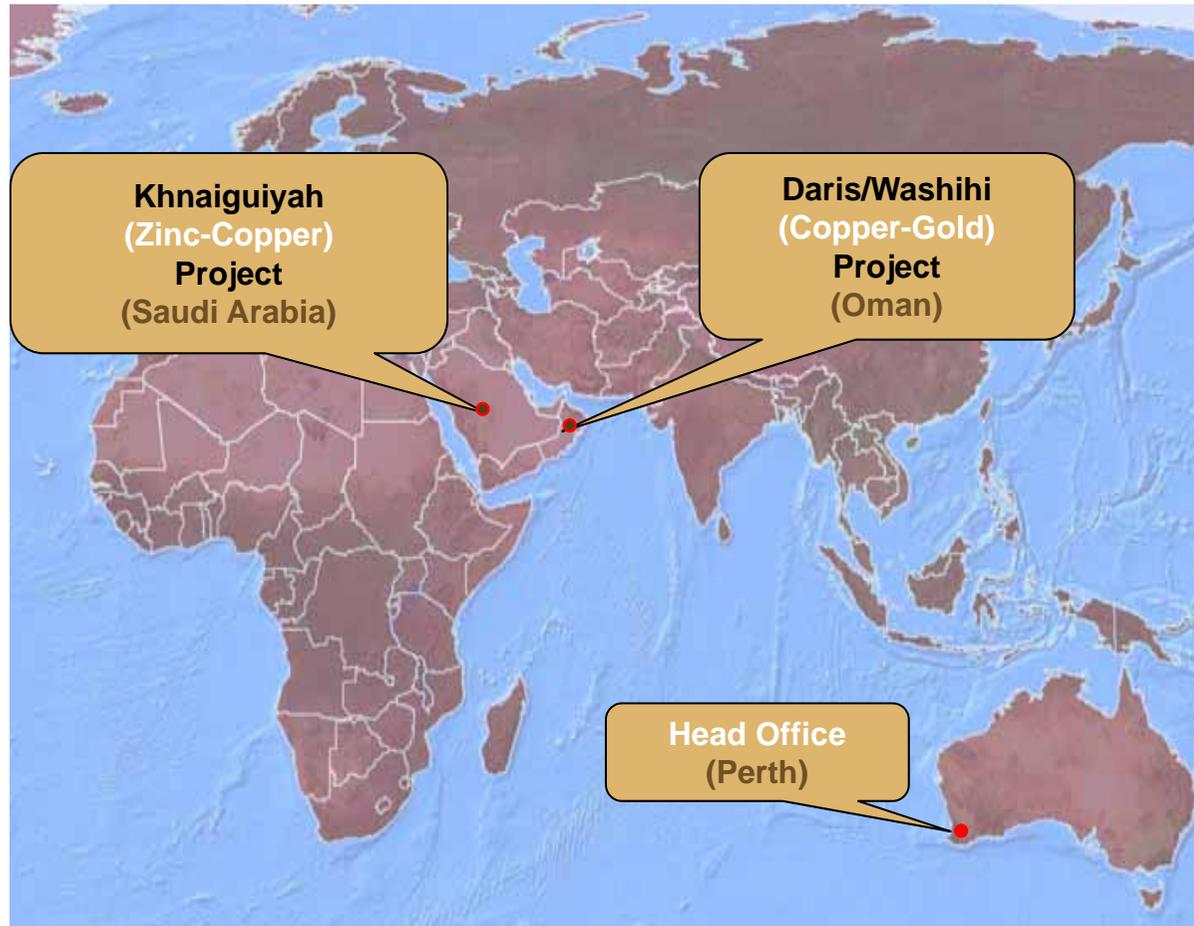
**Justin Richard**  
**Country Manager Saudi Arabia & Oman**

- > Accomplished corporate lawyer and business manager (based in Riyadh, KSA).
- > Over 20 years' experience in commercial and contracts management, EPC and EPCM contracts, construction law and business management.
- > Former roles with UGL Ltd, Bateman Engineering, Minter Ellison and Irrigate Australia.

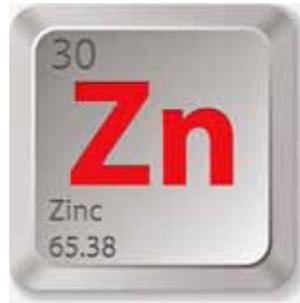


**Victor Ho**  
**Company Secretary**

- > Lawyer and Company Secretary
- > Over 15 years' experience with various publicly listed companies as a Director and Company Secretary.
- > Extensive experience in public company administration, corporations law, ASX compliance and shareholder relations.



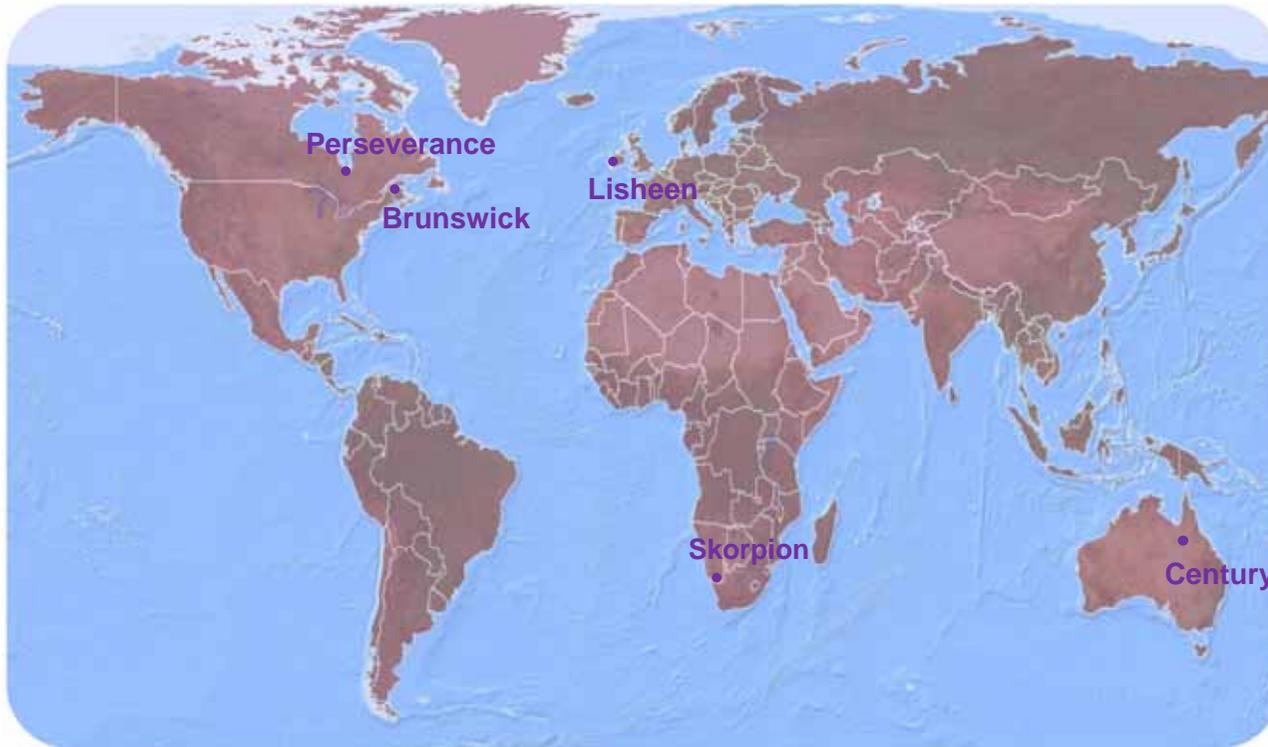
Project	Resources	Ownership	Location	Status
Khnaiguiyah	Zinc-Copper	50%	Saudi Arabia	Finance
Washihi	Copper-Gold	70%	Oman	Scoping Study
Daris	Copper-Gold	50% (70% option)		



# Zinc Cycle & Saudi Zinc Project

- > **Zinc market entered into supply deficit in 2013**
- > **Zinc market deficits are forecast for the next 5-7 years**
- > **1.69Mt or 11.3% of global 2013 Zinc production forecast to drop off by 2017**
- > **Only 0.89Mt or 6.5% of new Zinc supply forecast to commence by 2017**
- > **Analysts are forecasting sharp increases in Zinc price within two years (*refer slide 11*)**
- > **Khnaiguiyah Project is conservatively modelled using a Zinc price of \$1.05 USD/lb**
- > **Khnaiguiyah Project is scheduled to commence production in 2018 when Zinc prices are forecast to be in the peak price range**
- > **Prior Zinc deficit started in 2003 and by 2006 the Zinc price was +\$2.00/lb**

## MAJOR ZINC MINE CLOSURES (2013-2016)

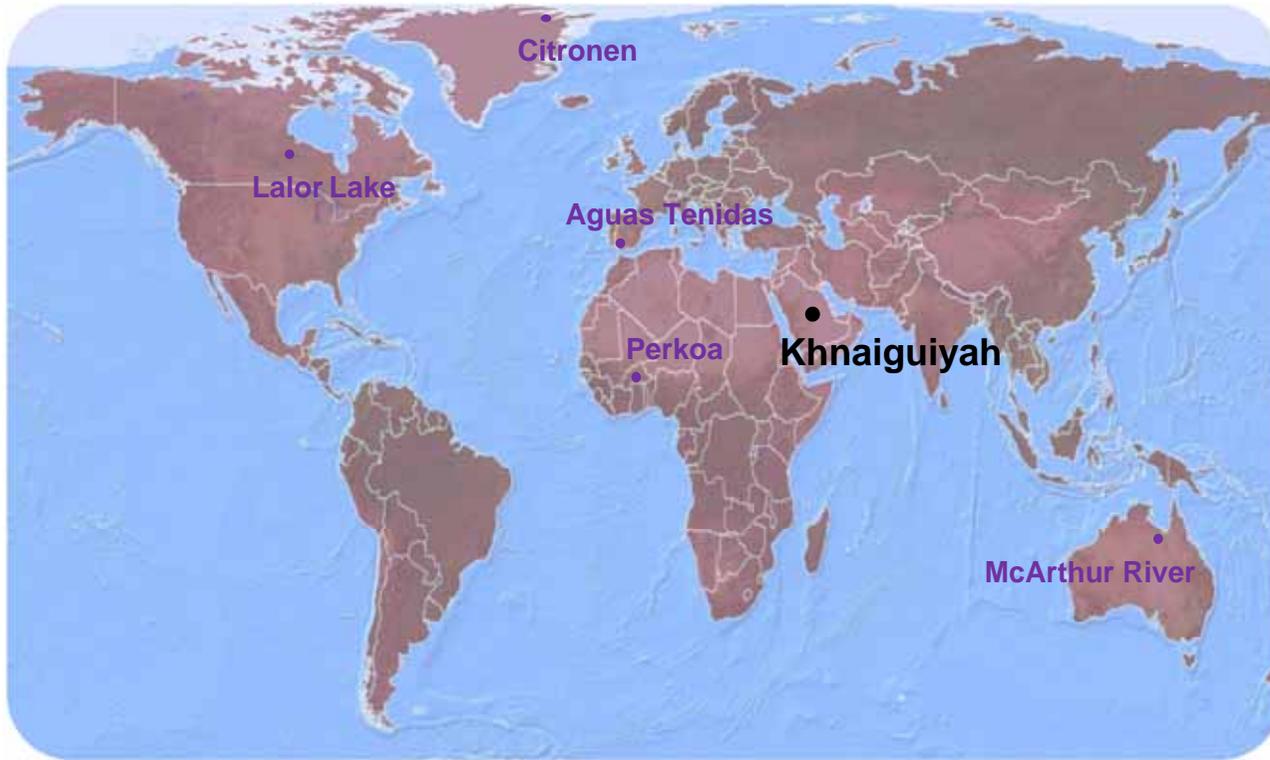


Mine	Annual Production
Century	500 kT
Brunswick	200 kT
Lisheen	167 kT
Skorpion	162 kT
Perseverance	128 kT
Others	540 kT
<b>TOTAL</b>	<b>1,697 kT</b>

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

*Proactive Investors*

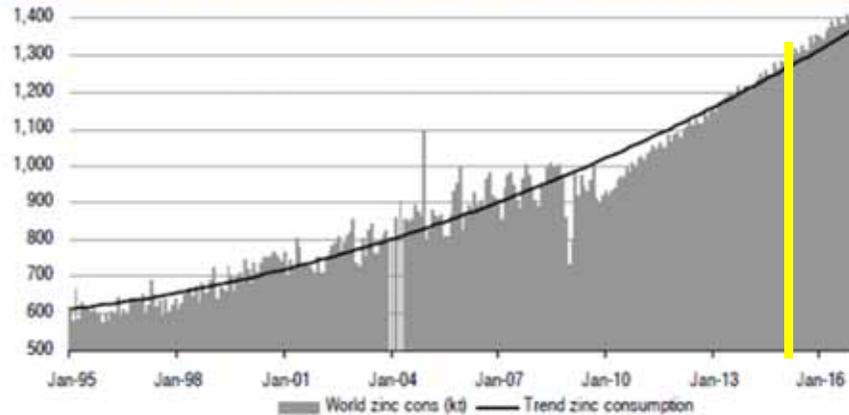
## ZINC NEWCOMERS & EXPANSIONS (2013-2017)



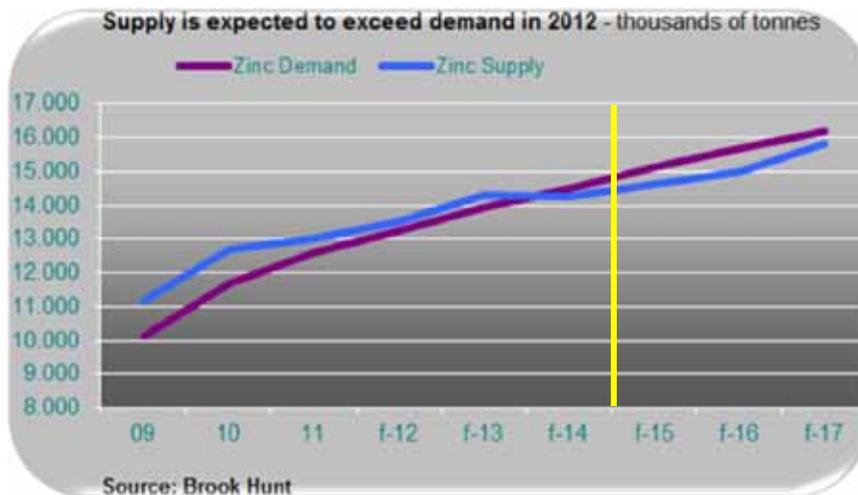
Mine	Year	Annual Production
<b>NEW MINE</b>		
Dugald River	2017	200 kT
Perkoa	2013	90 kT
Lalor Lake	2014	40 kT
Citronen	2015	185 kT
<b>Khnaiguiyah</b>	<b>2017</b>	<b>80 kT</b>
<b>EXPANSIONS</b>		
McArthur River	2016	230 kT
Aguas Ténidas	2016	65 kT
<b>TOTAL</b>		<b>890 kT</b>

## Think zinc! . . . The new iron ore?

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



Source: WBMS, Credit Suisse estimates



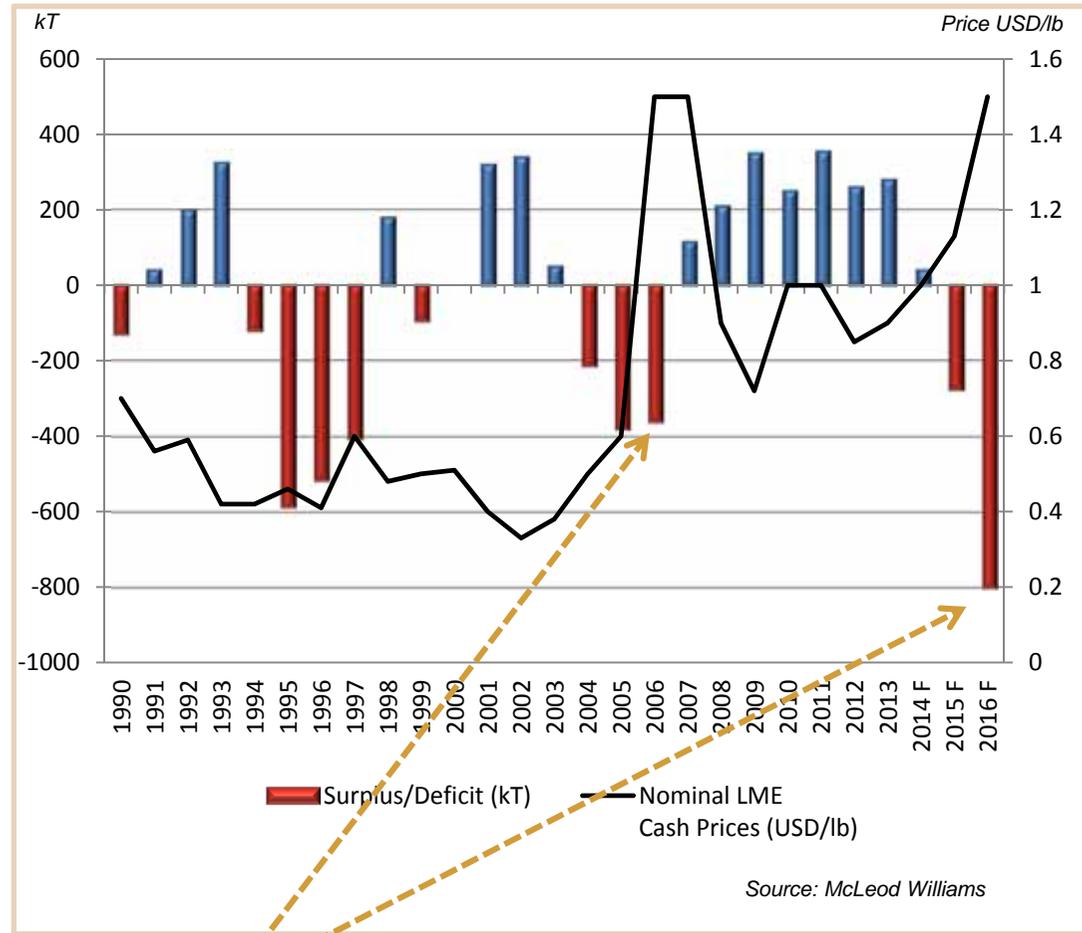
Source: Brook Hunt

— June 2014

## ZINC DEMAND VS DEFICIT

- 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

- > **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)
- > **Future JV Equity Arrangement:** Formal agreement to move to 60:40 (Alara: Manajem)

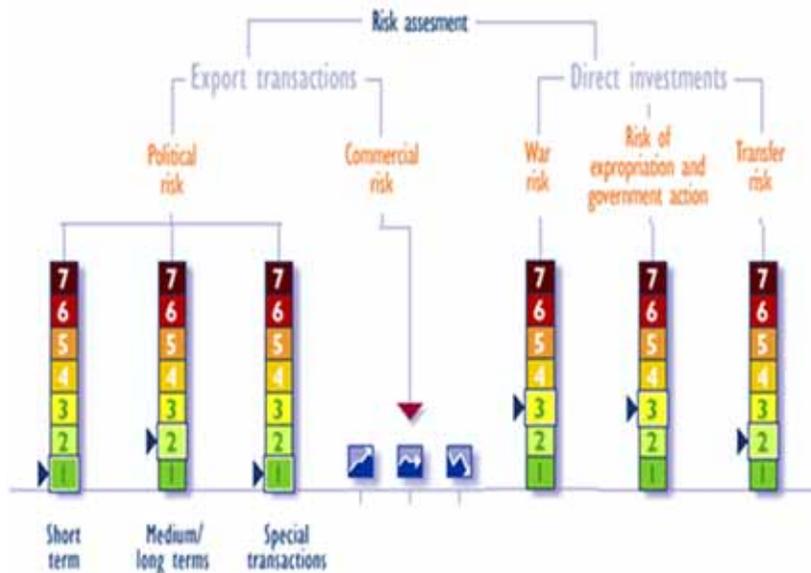
Manajem (established in 2004) comprises a group of engineers and businessmen experienced in the industrial, construction and engineering fields:

- Chairman & GM **Engr. Mohammad Abdullah Nasser Al-Hatlani** (24.67% shareholder) founder and owner of Delta Consulting Group, Metals Corners Holding Co., Naga Metals Co., and Nassaf Metals Co.
- Deputy Chairman, CEO & CFO **Mr Nasser Ali Sulaiman Al Agel** (33.33% shareholder) founder and owner of Metals Corners Holding Co., Naga Metals Co., and Nassaf Metals Co.
- Board member **Engr. Mohammad Hussain Al Assaf** (33.33% shareholder) founder and owner of Andas Telecommunication Est., Rick Trading Est., and Indipco Ductile Pipes Co.
- Board member **Engr. Abdul Rahman Al-Hatlani** (8.67% shareholder) partner in Delta Consulting Group – Brother of the Chairman (above) – together they hold 33.3%

- > March 2014 - signed Heads of Agreement ('HoA') amending the Khnaiguiyah Zinc-Copper Project JV arrangement from 50:50 equity to 60:40
- > HoA currently delayed due to a lack of compliance with the HoA by Manajem (*announced 4 June 2014*)
- > HRH Prince Abdullah bin Mosaad bin Abdulaziz Al Saud, acting in his agreed role of escrow agent and HoA facilitator, has indicated to Manajem that it is required to comply with the next step on the HoA 'Road Map', namely providing a letter to the Saudi Arabian Deputy Ministry for Mineral Resources ('DMMR') requesting the transfer of the Khnaiguiyah Mining Licence ('ML') to KMC
- > Manajem has failed to advance the transfer of the ML and has issued further payment timing demands that are outside the terms of the HoA and are therefore unacceptable to Alara
- > **Alara remains committed to the HoA/Project and is defining a number of viable options and alternatives to progress beyond the current delay and to move the Project forward**



- > 1970's BRGM 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
- > \$9.5B Mining hub announced (Feb 2014)
- > Constructing financial hubs in 6 major cities
- > Shipping ports to Europe and South East Asia
- > Sealed roads and low cost land transport



Source: Belgian Export Credit Agency Saudi Arabia risk assessment

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

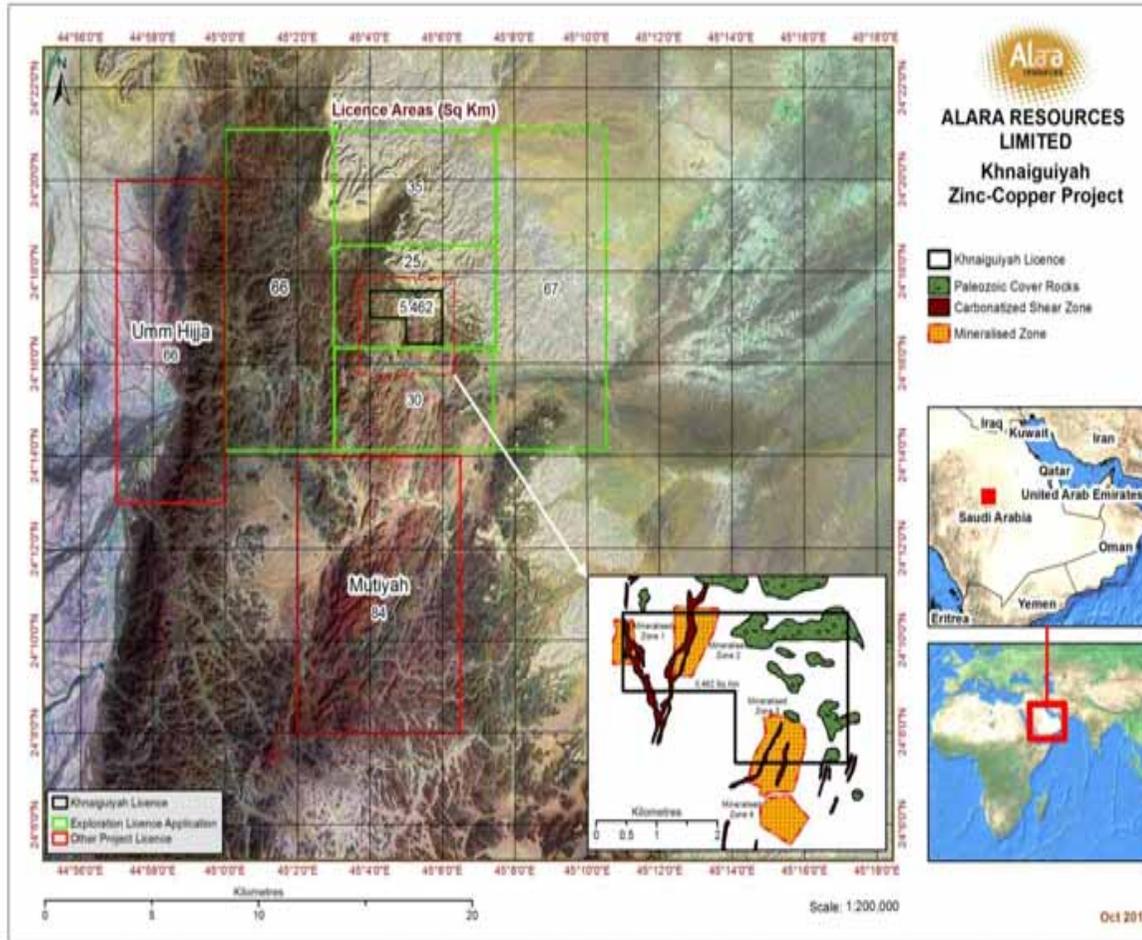
- > 2014 Saudi mining budget – SAR\$228B (~AU\$70B)
- > Saudi government focus
  - i. Petroleum
  - ii. Mining
  - iii. Financial services
- > Corporate tax – 20%
- > Personal tax – nil (staff)
- > Royalties – nil
- > Saudi Investment Development Fund (SIDF) up to 75% funding (low rates <4%)
- > Off-set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

\* World Bank Rating



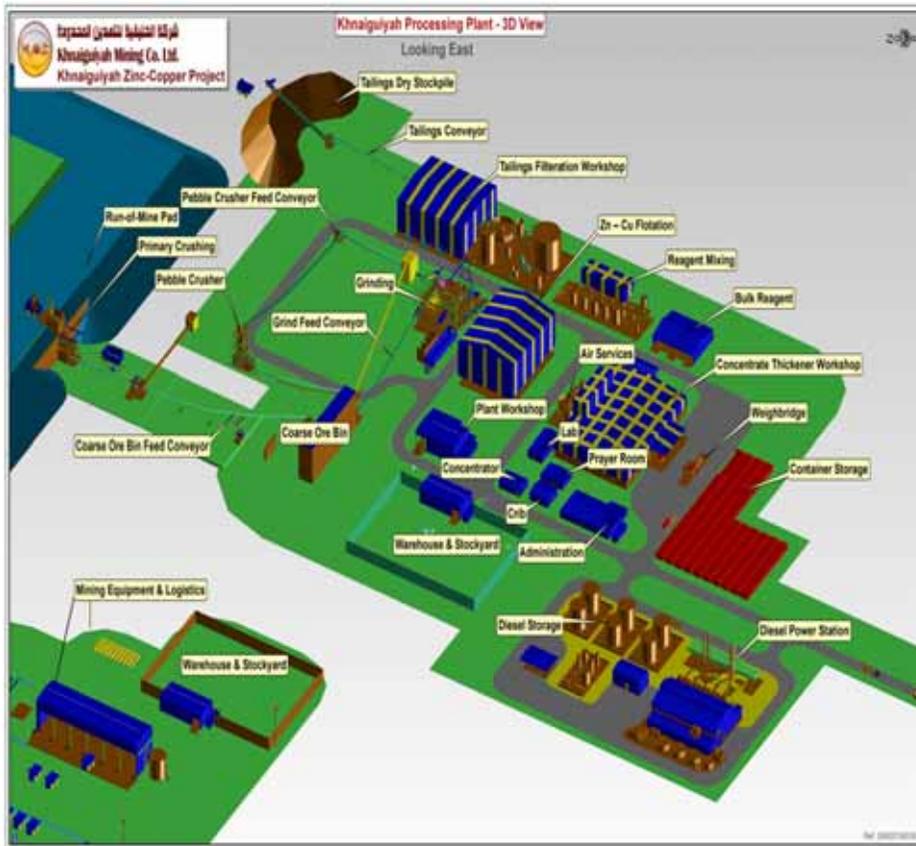
- > **Joint Venture agreement to move:**
  - > **Alara to 60%**
  - > **Manajem to 40%**
- > **170km SW of Riyadh – Capital city**
- > **Reserves of 26.08Mt at 3.3% Zn & 0.24% Cu\*.**
- > **Resource note\*:**
  - > **Zone 2 - Zn rich = 5.48% Zn**
  - > **Zone 3 – Cu rich = 0.64% Cu**
- > **Base case 2 Mtpa process plant throughput for a 13 year mine life**
- > **Robust DFS - in finance stage**
- > **Material project upside being defined**

\* Refer to Table 1 of Alara's JORC Statement (Slide 36) for details of the individual components of Proved and Probable Ore Reserves for Khnaiguiyah



The Khnaiguiyah Zinc-Copper Project covers around 225km<sup>2</sup> and comprises:

- > A Mining Licence
- > Five Exploration Licences (under application)



## PRODUCTION HIGHLIGHTS

- > **Zinc & Copper concentrates produced**
- > **Average production @ 2Mtpa throughput years 1 - 7**
  - > **80 ktpa Zn**
  - > **5.8 ktpa Cu**
- > **Peak production year 4**
  - > **99 kt Zn**
  - > **8.3 kt Cu**
- > **Low cash costs of US\$0.46/lb for years 1-7**
- > **Upside potential given plant rated at 2.4 Mtpa**
- > **Top 10 Zinc mines world wide at full production (assumes HMS is successful)**

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



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

## FINANCIAL HIGHLIGHTS

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

- **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)

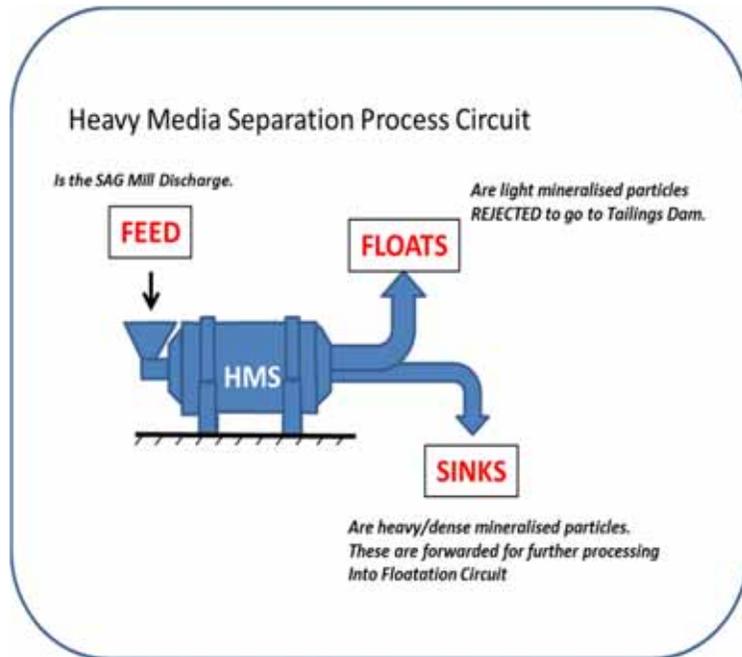
\* Treatment Costs and Refining Costs

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  
\$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



- > **Capex <\$15M**
- > **Opex ~\$1.00-1.25/tonne feed**
- > **Coarse feed crush @ ~6.5mm diameter**
- > **Removes the “light” silica based rock (minor metal)**
- > **Can potentially increase feed grade to:**
  - > **+6.0% Zn from reserve grade of 3.3% Zn**
  - > **+0.4% Cu from reserve grade of 0.24% Cu**
- > **Options include:**
  - I. **increase metal production significantly or**
  - II. **maintain current planned output at lower capex**
- > **Significant earnings, cashflow and NPV upside potential**
- > **Further testwork underway - report due in July**

**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 (\$3,506/tonne, +51%)

Glencore @ US\$1.59 - \$1.81/lb (\$3,500–4,000/tonne,+51–72%)

CRU @ ~US\$1.95/lb (\$4,300/tonne, +86%)

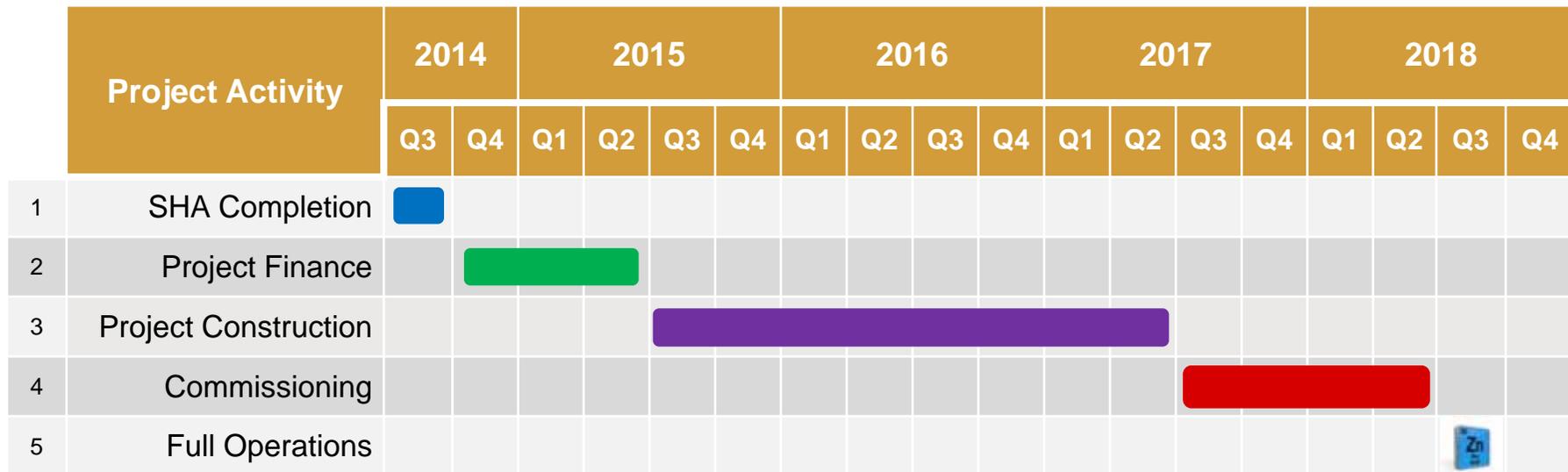


- > **Located adjacent to 4 lane national highway**
- > **Located on national power grid**
- > **Forecast positive Zinc price cycle**
- > **Early off-take/smelter funding possible**
- > **Strong financial options in Saudi Arabia**
- > **Government has mining as one of 3 economic pillars**
- > **Simple/traditional Zn & Cu sulphide flotation circuit**
- > **Zn and Cu concentrates have minimal deleterious elements**
- > **Shipping access to both Europe and Middle East**
- > **Low total cash costs**
- > **All three mineralised zones remain open at depth and along strike**



- > **AMAK (Al Masane) - 1.5 Mtpa Zn/Cu mine built in 2010 and operating for 4 years**
- > **Capex based on EPC “turnkey” quote**
- > **Al Masane EPC company bid on Khnaiguiyah Project**
- > **Potential to build in < 2 years**
- > **SIDF finance process target ~9 months to finance**
- > **Strong market for EPC firms**
- > **Strong market for Project Directors**
- > **Strong market for Owner’s Teams**
- > **New mining code (2004) promotes the industry**
- > **Alternate water sources being defined (area of opportunity)**
- > **Strong Company focus on risk mitigation given many mine projects run over cost and/or overtime**

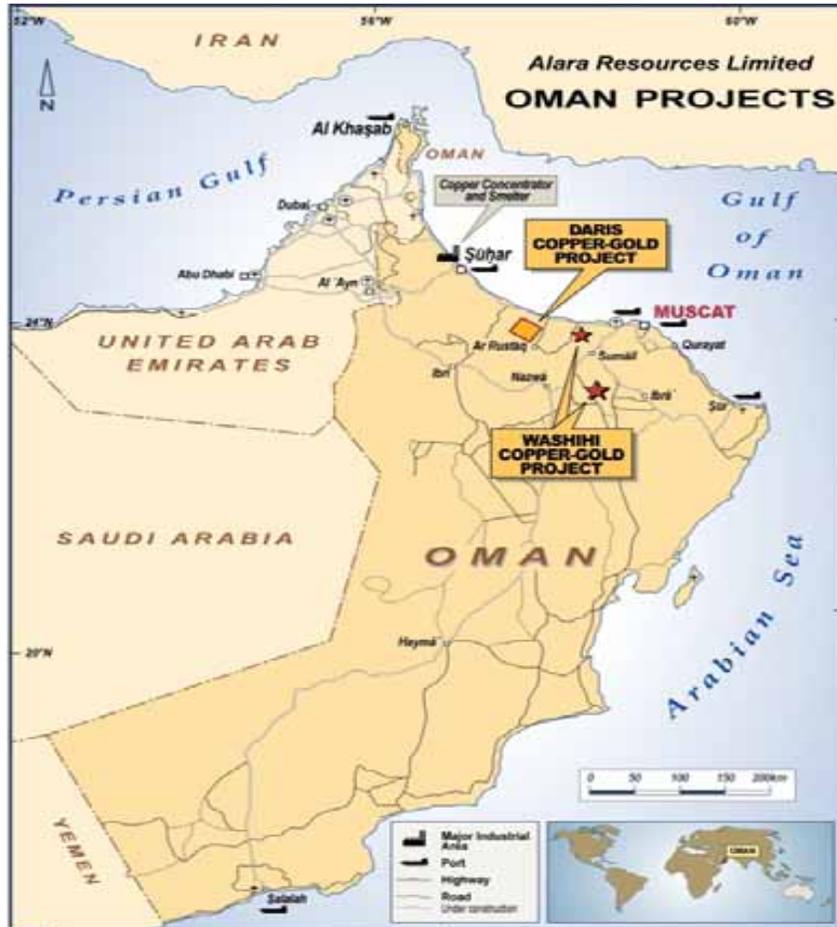
## Indicative Development Timeline



# ADVANCING THE PROJECT PIPELINE - OMAN



## Daris/Washihi Project



## Daris (50% - option to go to 70%)

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

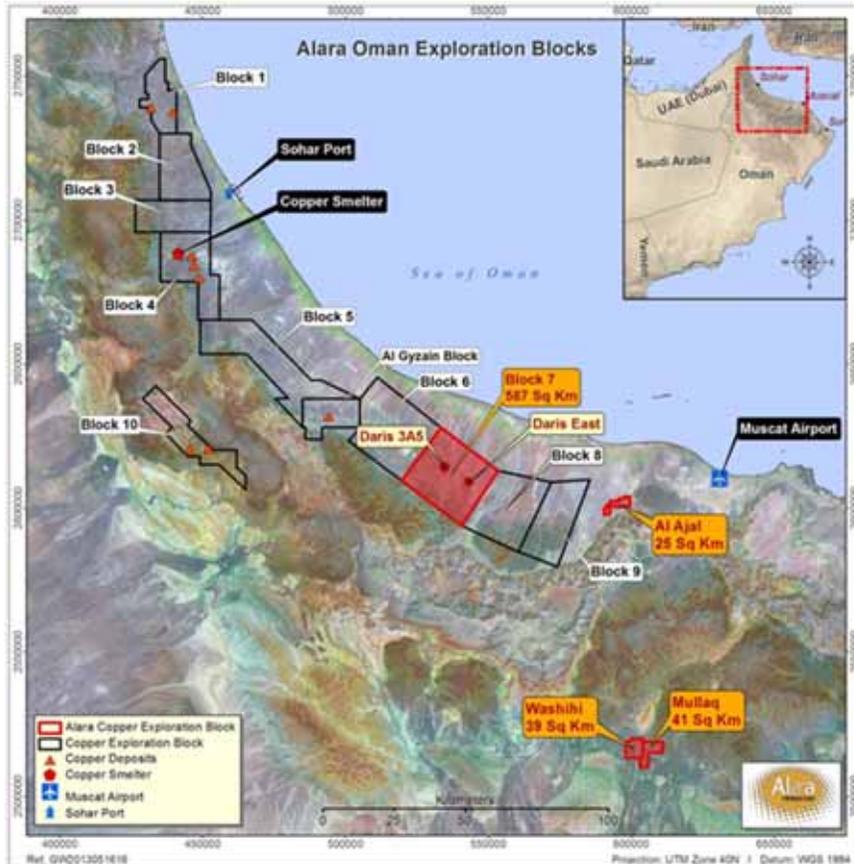
## Washihi (70%)

- > 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 (refer 13 June 2014 ASX announcement)
- > Upgraded Scoping Study to be completed end of July
- > Positive preliminary evaluation
  - > Optionality under review
  - > Way forward to be defined by end of July

\* Refer to Alara's JORC Statement (Slide 37)



## Six Development Options Evaluated

1. Conventional flotation circuit
2. Heavy media separation followed by smaller scale conventional flotation circuit
3. Heavy media separation followed by larger scale (x2) conventional flotation circuit
4. Off-site ore toll treatment
5. Heap leach of Daris oxide ore
6. Continuous Vat Leach (CVL) of Daris oxide ore

All options returned positive economic outcomes with Options #2 and #3 being the most attractive

Options #2 and #3 have progressed into an upgraded Scoping Study (due for completion July 2014)

# SUMMARY



## Way Forward

- **Resolve current HoA delays – key priority**
- **Pre-construction finance – DFS optimisation, Owner’s Team etc**
- **Project Director selected**
- **EPC company identified and contract finalised**
- **Project finance – SIDF & “Gap” finance**
- **Construction commences (mid 2015)**
- **Finalise way forward for Daris/Washihi Project in Oman.**
- **Expand Company capability and team in support of these 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 with clear and defined strategy for next steps
- ✓ **Right Time**  
Market well placed for assembling EPC and Owner's Team
- ✓ **Right Location & Fiscal Regime**  
Saudi Arabia strongly in support of mining and new projects
- ✓ **Right Approach**  
New JV equity arrangement in Saudi Arabia – Project ready!
- ✓ **Right In-Country Support**  
HRH Prince Abdullah a key relationship
- ✓ **Ability to Expand and Diversify**  
Oman growing in options and value

## 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 <sup>1</sup>**

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
<b>Total (All Pits)</b>	<b>17.73</b>	<b>3.4</b>	<b>0.29</b>	<b>8.35</b>	<b>3.1</b>	<b>0.13</b>	<b>26.08</b>	<b>3.3</b>	<b>0.24</b>

<sup>1</sup> 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) <sup>2</sup>**

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
<b>Measured and Indicated</b>		<b>1, 2 and 3</b>	<b>25.32</b>	<b>4.03</b>	<b>0.17</b>	<b>1.5</b>

<sup>2</sup> 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
<b>Measured and Indicated</b>		<b>1, 2 and 3</b>	<b>8.53</b>	<b>0.64</b>	<b>0</b>

**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 <sup>3</sup>**

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

<sup>3</sup> 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
<b>Sulphides</b>	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
<b>Oxides</b>	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

# Alara

# Resources

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