

ASX/MEDIA RELEASE

Thursday, 13 March 2014

Investor Roadshow March 2014 Presentation - Addendum

Perth: Alara Resources Limited (ASX: AUQ) (**Alara**) refers to its ASX market announcement of 4 March 2014¹ containing a copy of an Investor Roadshow Presentation reporting on, amongst other matters:

- the JORC Reserves (Proved and Probable) of 26.08Mt at 3.3% Zn and 0.24% Cu at Alara's flagship Khnaiguiyah Zinc-Copper Project in Saudi Arabia;
- the JORC Measured and Indicated Resources of 204,024t at 2.65% Cu and 0.43g/t Au at Alara's Daris Copper-Gold Project in Oman; and
- the preliminary outcomes of an Options Analysis Study undertaken on the development options for the Washihi and Daris Copper-Gold Projects in Oman.

The Company refers to Table 1 of Alara's JORC Statement (below) for details of the individual components of Proved and Probable Ore Reserves at Khnaiguiyah.

For completeness, Tables 2, 3 and 4 also contains a summary of the JORC Mineral Resources at Khnaiguiyah.

The Company refers to Table 6 for details of the individual components of Measured and Indicated Mineral Resources (sulphides and oxides) at Daris.

For completeness, Table 5 also contains the JORC Indicated and Inferred Mineral Resources at Washihi in Oman.

The Company notes that the information in these JORC Ore Reserve and Mineral Resource tables were prepared and first disclosed under the JORC Code 2004. These estimates have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since they were last reported.

The Company notes that the JORC Ore Reserve table for the Khnaiguiyah Project, and JORC Mineral Resource tables for the Khnaiguiyah, Washihi and Daris Projects were previously reported in Alara's announcements, most recently in the [December 2013 Quarterly Report](#) released on ASX on 31 January 2014.

The Company notes the following matters in relation to the Options Analysis Study for Washihi and Daris:

- Alara is finalising an updated Scoping Study for a 1.0Mtpa and 0.5Mtpa plant throughput which contemplates heavy media separation (**HMS**) in the flow sheet.
- As a consequence of various new and alternative Daris/Washihi Project development options coming to light, an Options Analysis Study was initiated to assess these options in a relative or like for like basis – this is in addition/parallel to the updated Scoping Study.

¹ Refer Alara's ASX market announcement dated 4 March 2014: [Investor Roadshow Presentation - March 2014](#)

- Six development options or scenarios are being considered in the Options Analysis Study:
 - (1) 1Mtpa conventional floatation circuit;
 - (2) HMS plant followed by a 1Mtpa conventional flotation circuit;
 - (3) HMS plant followed by a 0.5Mtpa conventional flotation circuit;
 - (4) Off-site toll treatment option;
 - (5) On-site heap conventional leach option of Daris oxides; and
 - (6) Continuous Vat Leach option of Daris oxides.
- Each development option are being evaluated on the following basis:
 - Risk Profile;
 - Timing to execute the option to cash flow stage;
 - Value (NPV, IRR, EBITDA, Payback Period etc.);
 - Practicality and probability of success;
 - Capital cost and/or up-front funding requirements;
 - Option fit for Alara (cost, timing, complexity etc.); and
 - Outline of the next steps to progress each option.
- The outcomes from the Options Analysis Study will guide the work to be completed in the Scoping Study.
- The preliminary outcomes of the Options Analysis Study referred to on Slide 24 of the Investor Roadshow Presentation:
 - Are based on a desk-top comparative review of options using benchmark data and assumptions from other similar projects;
 - Are underpinned largely by JORC classified Mineral Resources of Measured, Indicated and Inferred categories (refer Tables 5 and 6 in the JORC Statements below) and partially by exploration targets; and
 - As such, are based on relatively low-level technical and economic assessments which are not sufficient 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.
- Pursuant to ASX Listing Rules 5.16 and 5.17, the reporting of forecast financial information derived from production targets requires the disclosure of, amongst other matters, all material assumptions on which the forecast financial information and production target is based, the relevant proportions of each category of JORC Mineral Resources and exploration targets underpinning the production target and the implications for the forecast financial information of not including the exploration target in the production target.
- The Company is not yet in a position to provide the required disclosures under Listing Rules 5.16 and 5.17 and accordingly, Slide 24 of the Investor Roadshow Presentation is retracted. The Company cautions investors in relation to using this information as the basis for making investment decisions in relation to the Company's shares.
- The Company will release further details concerning the Options Analysis Study, including the material assumptions on which the outcomes of each option/scenario is based and the matters required to be disclosed under Listing Rules 5.16 and 5.17, when the study has been finalised.

– ENDS –

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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: www.alararesources.com.

JORC Statements

Khnaiguiyah Zinc-Copper Project (Saudi Arabia)

Table 1 - Khnaiguiyah JORC Ore Reserves²

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

Table 2 - Khnaiguiyah JORC Measured and Indicated Resource - Zinc (Domain 1) and Zinc/Copper (Domain 2)³

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

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

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.

² Refer Alara's ASX market announcement dated 18 April 2013: [Maiden JORC Ore Reserves – Khnaiguiyah Zinc-Copper Project](#)

³ 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](#)

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

Table 5 - Washihi JORC Mineral Resources⁴

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

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

The information in these JORC 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.

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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](#)

JORC Competent Persons Statement

- (1) 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.
- (2) 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.
- (3) 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) and other Exploration Results 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.