

Alara Resources Limited A.B.N. 27 122 892 719 Level 11, 216 St Georges Tce, Perth WA 6000, Australia

PO Box 1227 West Perth WA 6872 Telephone | +61 8 9322 3383 Facsimile | +968 2449 2491

Web | www.alararesources.com Email | cosec@alararesources.com

ASX/MEDIA RELEASE

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COMPANY UPDATES

Perth: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) is pleased to report payment of the environmental permit fee and performance bank guarantee for the Al Hadeetha Copper-Gold Project ('the Project') have been submitted to the Ministry of Environment and Climate Affairs in Oman.

Environmental Permit

After announcing a maiden Ore Reserve estimate for the Project's Washihi deposit in December last year¹, the Company has been working to convert a section of the 39km² Washihi exploration licence area, to a mining licence so that commercial mining activities may commence.

Last month the Company reported it had submitted a further revised Environmental Impact Assessment ('EIA') for the Project to the Ministry of Environment and Climate Affairs ('MECA'). The Company did this through a MECA-accredited, Oman-based environmental consultancy firm.

Earlier this week, MECA requested payment of the environmental permit fee and submission of a performance bank guarantee for the Project. The performance bank guarantee (arranged through the Company's JV Partner) and permit fee have now been submitted to MECA, with a further update anticipated next week.

The Company is encouraged to see new MECA regulations, requiring MECA to respond to EIA submissions within a 30-day period, being successfully implemented within MECA. Such developments bode well for further foreign investment into Oman's mining sector.

Mining Conferences

The focus on mining by governments in the Middle East and North Africa continues to strengthen. A significant number of Mining Ministries were represented at the MENA Mining Conference in Dubai earlier this month. Their message included many new initiatives being implemented to attract further investment into the mining sector e.g. digital portals that provide more transparent tracking of mining applications, royalty / tax incentives, and regulatory frameworks to help facilitate more rapid and sustainable development of mining projects.

The second annual mining investment conference was also held in Muscat, Oman the following week. Government and Industry participants from within Oman and surrounding regions attended the conference. Alara's Managing Director delivered a presentation on the Al Hadeetha Copper Gold Project and the growing demand for copper domestically and globally.



¹ Refer Alara's ASX Announcement dated 15 December 2016.



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With copper prices up almost 40% and other developments over the past twelve months², there has been keen interest in the Project stimulating discussions around investment opportunities at both projects and parent company level.

Saudi Arabia

Earlier this week, Alara's lawyers attended a hearing before the Board of Grievances³. The parties were informed that no judgement would be given on that day, and another court date was scheduled for the end of the year. On this occasion, the later court date was given to provide the judge further time to consider the matter.

Last month, Alara participated in an Australian business delegation to Saudi Arabia lead by the Hon Keith Pitt MP, Assistant Minister for Trade, Tourism and Investment. The delegation met with Saudi government ministers, Saudi Arabian Mining Company Ma'aden, and other key government and industry bodies with interests in the mining sector.

H.E. Khalid Al Falih, Minister of Energy, Industry and Mineral Resources of Saudi Arabia and chairman of Saudi Aramco, is scheduled to address the International Mining and Resources Conference in Melbourne later this month.

For further information, please contact:

Justin Richard **T** | +968 2449 1162

Managing Director E | jrichard@alararesources.com

Ian Gregory T | +61 8 9322 3383

Company Secretary E | cosec@alararesources.com

About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian minerals exploration company with a portfolio of projects in Saudi Arabia and Oman. Alara has completed a Definitive Feasibility Study on the Khnaiguiyah Zinc-Copper Project in Saudi Arabia, an Advanced Scoping Study on the Daris and Washihi, Mullaq and Al Ajal exploration licences in Oman and a Feasibility Study for the Al Hadeetha Copper Gold Project, Washihi ore reserve. The Company is transitioning to establish itself as a base and precious metals mine development and production company. For more information, please visit: www.alararesources.com .

³ For further background, refer page 3 of Alara's ASX Announcement dated 23 May 2016.



² Refer Alara's ASX Announcements dated 19 September 2016, 15 December 2016 and 24 January 2017.