

Alara Resources Limited A.B.N. 27 122 892 719

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ASX/MEDIA RELEASE

Wednesday, 3 February 2015

APPOINTMENT OF EXECUTIVE DIRECTOR

Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) is pleased to announce the appointment of Mr. Atmavireshwar Sthapak as an Executive Director of the Company. Mr Sthapak was appointed Non-Executive Director in September 2015 and has now moved into an executive role with his primary focus being the Company's Al Hadeetha and Daris copper-gold projects in Oman.

Mr. Sthapak has more than 22 years' experience as a multi commodity exploration geologist, manager and operator and has extensive multinational experience in resource exploration and mining project feasibility studies. Soon after joining Alara's Oman operations in 2011, he led Alara's in-country exploration activity which resulted in the discovery of one of Oman's single largest copper deposits at Washihi (2012-13). Mr. Sthapak has previously held various technical and senior management roles with Rio Tinto including Project Director and member of the Rio Tinto's Global Diamonds Senior Leadership team. He was Awarded 'Discoverer of the Year' by Rio Tinto in 2010. Mr. Sthapak holds BSc & M.Tech, App Geo and Earth Sciences.

A summary of the substantive terms of Mr Sthapak's employment agreement with the Company are set out below.

Summary of substantive terms relating to appointment of Mr Atmavireshwar Sthapak as an executive director of the Company:

Term: Fixed Remuneration: Other Expat Allowances:	The appointment is ongoing from January 2016 with no fixed term. 50,400 Omani Riyal per annum (including salary and expatriate housing allowance). Reimbursement of medical insurance costs up to OMR495 per annum, annual return airfare for two, plus leave entitlements as per Omani labour law.
Short Term Incentive:	 Separate bonuses totalling up to 28,000 OMR (or ~55% of Fixed Remuneration), each bonus being payable upon achieving certain key milestones in 2016, namely: Commencement of mining operations on Al Hadeetha project after successful completion of feasibility study and mining licence; Maiden sale of copper concentrate from ore mined at Daris project after grant of mining licence; Securing Al Hadeetha project finance on appropriate terms; Prescribed conditions whereby Alara's increases its current JORC resources in Oman by more than 40%.
Termination Provisions:	One month notice by either party. Nil, in the case of serious misconduct. End of service payment as per Omani labour law i.e. two weeks salary per year of service for the first three years, then one month salary for each year thereafter.





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The reduction in fixed remuneration (compared to prior years) and increased STI reflect a move toward more performance based incentives which focus on increasing the underlying value of Alara's assets and achievement of key project milestones.

For further information, please contact:

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About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian-based 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 Al Hadeetha Copper-Gold Projects in Oman and is currently completing a Feasibility Study on the Al Hadeetha Project (formerly known as the Washihi project), in which the Company holds a 70% interest. The Company is transitioning towards establishing itself as an emerging base and precious metals mine development and production company. For more information, please visit: www.alararesources.com.

