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Al Wash-hi Majaza Copper Concentrate Project Commissioning and Production Timeline Update

Key Highlights

- Dry, wet and hot commissioning activities at the Al Wash-hi Majaza Copper-Concentrate Production Plant commenced in November 2023 are ongoing.
- A manufacturing defect in the high speed (HS) couplings of the SAG Mill has caused a delay and is being resolved by the supplier.
- Commissioning dates for blowers and filters on the production plant were re-scheduled due to yearend holidays for the commissioning engineers.
- Power was connected to the plant in November 2023 after clearance of government processes.
- Hot commissioning of the entire plant with initial feed of zero/low grade copper ore, followed by quality copper ore leading to production of copper concentrate is expected in February 2024.

Progress on Commissioning Activities

| Plant Section | Dry | Wet | Hot | Remarks | | | |
|--------------------------------|---------------|---------------|---------------|--------------------------------|--|--|--|
| | Commissioning | Commissioning | Commissioning | | | | |
| Crushing & COSP Section | | | | | | | |
| Rock breaker | ✓ | ✓ | ~ | Equipment ready for operation | | | |
| Apron feeder | ✓ | ✓ | ✓ | Equipment ready for operation | | | |
| Primary crusher | ✓ | ✓ | ✓ | Equipment ready for operation | | | |
| Dust suppression system | ✓ | ✓ | ~ | System ready for operation | | | |
| Stockpile and pan feeders | ✓ | ✓ | ✓ | System ready for operation | | | |
| Belt Conveyor to feed crusher | ✓ | ✓ | ✓ | Equipment ready for operation | | | |
| Grinding Section | | | | | | | |
| Belt Conveyor to Feed SAG mill | ✓ | ✓ | - | Ready for hot commissioning | | | |
| SAG mill | ✓ | × | X | Alignment issues rectification | | | |
| | | | | in progress | | | |
| Primary cyclone feed pump | ✓ | ✓ | - | Ready for hot commissioning | | | |
| Ball mill | ✓ | - | - | Ready for wet commissioning | | | |
| | | Water System | | | | | |
| Cooling tower | ✓ | ✓ | ✓ | Equipment ready for operation | | | |
| Seal water system | ✓ | ✓ | ✓ | System ready for operation | | | |
| Process water & fresh water | ✓ | ✓ | ✓ | System ready for operation | | | |
| Air System | | | | | | | |
| Compressor (plant & | NA | ✓ | ✓ | Equipment ready for operation | | | |
| instrument air) | | | | | | | |
| Blower system | ✓ | ✓ | ✓ | Ready for operation | | | |
| Flotation Section | | | | | | | |
| Rougher - pump agitator & | ✓ | ✓ | - | Ready for hot commissioning | | | |
| rotor | | | | | | | |





| Plant Section | Dry Commissioning | Wet Commissioning | Hot Commissioning | Remarks |
|---|----------------------|----------------------|----------------------|------------------------------------|
| SMD | ✓ | ✓ | - | Ready for hot commissioning |
| Cleaner - pump agitator & rotor | ✓ | ~ | - | Ready for hot commissioning |
| | | Reagent Area | | |
| Reagent tank, agitator & pump | ~ | ~ | - | Ready for hot commissioning |
| Flocculant preparation & transfer | ~ | ~ | - | Ready for hot commissioning |
| | Co | ncentrate Dewater | ing | |
| Concentrate thickener, underflow pump | ~ | ~ | - | Ready for hot commissioning |
| Feeding tank - agitator | ✓ | ✓ | - | Ready for hot commissioning |
| Feeding VFD pump | ✓ | × | - | Ready for wet commissioning |
| Filter press | ✓ | × | × | PLC programming job under progress |
| | | Tailing Dewatering |] | |
| 18m thickener-rake, underflow pump | ✓ | ~ | - | Ready for hot commissioning |
| Feeding tank-agitator | ✓ | ✓ | - | Ready for hot commissioning |
| Filter feeding VFD pump | ✓ | | - | Ready for wet commissioning |
| Filter press | ~ | × | × | PLC programming job under progress |
| Conveyor - 4,5 & 6 (tailing disposal conveyors) | ✓ | ✓ | - | Ready for hot commissioning |

Images: Al Wash-hi Majaza Production Plant, January 2024





Commissioning Challenges

The project timeline has been revised due to manufacturing defects in a component critical to completion of plant commissioning. During SAG mill commissioning a manufacturing error in the high speed couplings was observed.

The supplier is currently manufacturing a new set of HS couplings. The new parts are expected to be ready by 20 January 2024. The supplier will deliver the replacements to site by air freight.

Completion of commissioning has also been affected by the extended non-availability of some key commissioning engineers from Europe for equipment such as blowers and filters, due to year-end holidays. Although the initial scheduled production timeline commencement date (15 December 2023) would have avoided this issue, a delay in the power connection caused the timeline to extend through year end.

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Revised Timelines

With the exception of the areas highlighted above, commissioning procedures for majority of plant sections have been completed, as detailed in the Commissioning Progress Update table above. These sections are ready to receive ore feed during hot commissioning. Hot commissioning of the entire plant is expected to commence in February 2024, with an initial feed of zero/low grade copper ore, followed by quality copper ore, preparatory to production of copper-concentrate.

Glossary

- Dry commissioning: Dry commissioning tests and procedures are those where process or safe
 chemicals are not introduced to the plant. Examples of these activities include interlock and
 emergency shutdown tests, control system sequence checks and potentially initial running of major
 motors and/or equipment and ancillary systems.
- **Wet commissioning**: Wet commissioning tests involve introducing water or solvents into the systems and sub-systems.
- **Hot commissioning**: Under hot commissioning, design process fluids are introduced into the systems and sub-systems. Equipment is placed in operation in conjunction with control systems.

END

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About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian-based precious and base metals explorer and developer.

Alara is currently focused on developing the Al Wash-hi Majaza Copper-Gold project in Oman, where it is in the process of constructing copper-gold mining and processing facilities. The Company is also continuing exploration activities at its other Oman projects, the Block 7 exploration licence under the Daris JV and the Mullaq and Al Ajal exploration licences under the Al Hadeetha JV.

Alara's mission is to become a mid-tier minerals producer which will deliver maximum shareholder value through profitable growth driven by low-cost, sustainable operations.

To learn more, please visit: www.alararesources.com.

