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ASX/MEDIA RELEASE

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ACTIVITY UPDATE

PERTH: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) reports activity updates as the Company edges closer to obtaining a mining licence for its Al Hadeetha Copper-Gold Project in Oman.

OMAN

Alara and its JV Partner recently met with Tanfeedh¹ and ministerial representatives to discuss the Al Hadeetha Copper Project (the "Project"). The Project history was shared, including project benefits and current status of the Project mining licence application. Tanfeedh aims to ensure economically viable projects in key growth areas (including mining) receive necessary government support in a timely manner, and is committed to assisting with follow up and facilitating more streamlined government and private sector interactions.

An agreement between Oman Mining Company ("OMCo"), Minerals Development Oman and investment firm EXO was signed this week. The agreement frames a \$100m investment into exploration and development of copper and gold reserves in mining OMCo's Block 10². With around 150 ancient copper sites in Oman, including ancient copper mines located within Alara's four JV exploration licences, this is another positive step toward establishing the mining sector as a pillar of the Sultanate's economy, with potential flow on benefits for the Project.

Ministry of Water Resources

Alara and its JV partners are actively following up issuance of the Project mining licence with relevant authorities. As previously reported, the approval process included no objections from multiple government Ministries.

Local Public Relations Officers have reported approval from the Ministry of Water Resources is the final approval to be granted. The Ministry of Water Resources' local office previously completed a site visit and gave its consent, before forwarding it the Ministry's main office in Muscat. An earlier change of name for the JV Company (from Pilatus



¹ The Omani government agency named National Programme for Enhancing Economic Diversification (aka 'Tanfeedh') has been created to ensure the Sultanate diversifies its economy by targeting five key industries identified as growth sectors, including mining.

² See http://www.omanobserver.om/gold-sweeten-yanqul-copper-deal/



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Resources LLC to Al Hadeetha Resources LLC) resulted in the main office treating the matter as a new application, without consideration of the Environmental Impact Assessment and other reports previously submitted.

Groundwater and flood management studies (along with a relevant section from the Environmental Impact Assessment) were hand delivered to the Ministry of Water Resources' main office this week, highlighting the fact that process water would be delivered to site via a STP pipeline and not extracted through bore wells. Assurances were given that approval should only take a day or two once the Ministry was satisfied there would be no material adverse impact to water resources. At the same time, Project benefits, including a new STP to service the local community, were also explained.

Environmental Permit Conditions

As noted in the last Company update, a groundwater baseline survey report was submitted to the Ministry of Environment and Climate Affairs ("MECA") via the new Invest Easy portal. The submission was made in accordance with standard conditions of the Environmental Permit issued last November. The Company anticipates receiving MECA's response next week, including MECA's acceptance of the proposed water diversion channel and/or other measures to avoid material adverse impact on seasonal water-flows near the site.

Exploration Battery Metals

Further to the last Company update, an exploration licence application for a new area has been submitted to the Public Authority of Mining.

SAUDI ARABIA

The Priority Project Office ("PPO") is a government initiative empowered by HRH Mohammed Bin Salman, Crown Prince of Saudi Arabia in his capacity as President of Council for Economic and Development Affairs (CEDA). The PPO was established to assist selected private sector projects that face implementation difficulties and provide them with needed support, as an authorised escalation entity, to obtain fast-track government approvals.

In response to recent communication from the PPO, Alara is working through the qualification, validation and escalation process. The Company has not been provided with a time frame and does not anticipate providing further updates throughout the process until an outcome is reached or a material development occurs.

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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.

