

ASX/MEDIA RELEASE

Wednesday, 26 September 2018

PROJECT UPDATES

PERTH: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) reports on project developments in Oman.

Project Finance

The Company has received term sheets from financiers for project finance on the Al Hadeetha Copper Project (**Project**). Lenders and their specific terms remain confidential but are in line with previous management expectations. Due diligence reviews and other preliminaries have been completed. The Company is advised that final approval is now pending.

Engineering, Procurement and Construction Contracts

Contract terms have been finalised and agreed for all key Project engineering, procurement and construction contracts. While preliminary works are underway, management has opted not to proceed with the award of major contracts until final approval of Project finance is completed.

South West Pinnacle Joint Venture

The Company refers to its previous announcement regarding a new joint venture with South West Pinnacle Exploration Limited. The new joint venture is considered an arm's length transaction; however, shareholder approval may still be sought at the Company's AGM.

The proposed joint venture has submitted a bid to provide drilling services for a major mineral development project in Oman and two new drill rigs have been ordered.

Other Project Developments

An exploration program for Block 8 has also been submitted to the Public Authority for Mining (**PAM**). PAM has also requested project presentations on the Company's other JV exploration licences. Further updates will be issued in due course.

Collaboration across different projects is advancing with key potential project partners in Oman.

ENDS

For further information, please contact:

Justin Richard **T** | +968 2449 1162
Managing Director **E** | jrichard@alararesources.com

Stephen Gethin **T** | +61 8 9240 4211
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 the Middle East. Alara has completed Bankable Feasibility Studies for the Al Hadeetha Copper Project in Oman and the Khnaiguiyah Zinc-Copper Project in Saudi Arabia and an Advanced Scoping Study on the Daris Copper-Gold Project in Oman. In June 2018, Al Hadeetha Resources became the first international joint venture company to be awarded a copper mining licence in the Sultanate of Oman. The Company is now establishing itself a mine developer and producer of base and precious metals. For more information, please visit: www.alararesources.com