

23 March 2017

OPTION EXPIRY

Dear Option Holder,

Alara Resources Limited (Company) provides notice that the final date for exercising the Company's \$0.02, 30 April 2017 listed options is 5:00pm WST on 30 April 2017 (Options). The exercise price is \$0.02 (two cents) per Option. Option holders will be issued with one new fully paid ordinary share in the Company for each Option exercised.

Options not exercised by 5:00pm WST 30 April 2017 will expire. Quotation of the Options will cease at the close of trading on Tuesday, 25 April 2017. Failure to exercise the Option will result in the forfeiture of any rights that the Option holder may have in relation to the ordinary shares.

To convert your Options to ordinary shares (Option Exercise) please complete the Option Exercise form attached and forward with your payment to:

By post:

Alara Resources Limited
C/- Advanced Share Registry
PO Box 1156
NEDLANDS WA 6909

Or deliver to:

Alara Resources Limited
C/- Advanced Share Registry
110 Stirling Highway
Nedlands WA 6009

Cheques should be made payable to Alara Resources Limited. Receipt for payment will not be forwarded.

During the three month preceding the date of this notice the highest sale price and the lowest sale price of ordinary shares in Alara Resources Limited was \$0.022 on 8 and 9 February and 9, 10 and 13 March 2017 and \$0.016 on 23, 26, 27 and 28 December 2016 and 6, 9, 10 and 18 January 2017 respectively. The latest available market sale price on the ASX before the date of this notice was \$0.017 on 22 March 2017.

If you wish to clarify any taxation consequences relating to the exercise of Options, please consult your solicitor, accountant or professional advisor.

Yours sincerely,

Justin Richard
Managing Director