



## Announcement Summary

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**Entity name**

ALARA RESOURCES LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Friday May 8, 2020

**The Proposed issue is:**

A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

<b>ASX +Security Code</b>	<b>+Security Description</b>	<b>Maximum Number of +securities to be issued</b>
AUQ	ORDINARY FULLY PAID	5,868,726

**Proposed +issue date**

Monday May 11, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

ALARA RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

27122892719

**1.3 ASX issuer code**

AUQ

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Friday May 8, 2020

**1.6 The Proposed issue is:**

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

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Part 7A - Conditions

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**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 7B - Issue details

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

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**ASX +Security Code and Description**

AUQ : ORDINARY FULLY PAID

**Maximum Number of +securities proposed to be issued**

5,868,726

**Purpose of the issue**

The issue is connected with a contract between controlled entity Al Hadeetha Resources LLC (AHRL) and Progesys International LLC (PIL) the parent of the subscriber for the shares, under which PIL provides project management to AHRL for development of mining/processing infrastructure for a proposed copper-gold mine in Oman (PMC Contract). The PMC Contract requires AHRL to arrange for the Company to issue the Shares. This is to give PIL an incentive to meet milestones under the PMC contract.

**Offer price details for retail security holders**

**In what currency is the cash consideration being paid?**

USD - US Dollar

**What is the issue price per +security?**

USD 0.02590



**AUD equivalent to Offer Price amount per +security**

0.039722

**FX rate (in format AUD 1.00 / primary currency rate):**

AUD 1.00

**FX rate (in format AUD rate/primary currency rate) Primary Currency rate**

USD 0.65259000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

**Oversubscription & Scale back details**

**May a scale back be applied to this event?**

No

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Part 7C - Timetable

**7C.1 Proposed +issue date**

Monday May 11, 2020

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Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?**

No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

No

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

Yes

**7D.1c ( i ) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?**

5,868,726



**7D.1c ( ii ) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate**

The Company is issuing the shares in connection with the entry by its controlled entity Al Hadeetha Resources LLC (AHRL) into a contract with Progesys International LLC (PIL) a related company of the company to which the shares are to be issued under which PIL provides project management consultancy services to AHRL in connection with its development of mining and processing infrastructure for a proposed copper-gold mine in the Sultanate of Oman (PMC Contract). It is a term of the PMC Contract that AHRL arrange for the Company to issue the Shares. This is intended to give PIL an incentive to meet key milestones under the PMC contract.

**7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?**

No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

Yes

**7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow**

5,868,726 ORD. These shares will be subject to a holding lock (which is deemed to be voluntary escrow under the Listing Rules). The holding lock will be released on substantial completion of the mining and processing infrastructure for the Company's proposed Al Hadeetha copper-gold mine in Oman, expected to occur within the second half of calendar 2021.

Part 7E - Fees and expenses

**7E.1 Will there be a lead manager or broker to the proposed issue?**

No

**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

Nil.

Part 7F - Further Information

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

Nil.

