

ASX/MEDIA RELEASE

Monday, 18 May 2015

TERMINATION OF SMALL HOLING SHARE SALE FACILITY AND REINSTATEMENT OF SMALL HOLDINGS

Perth: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) refers to the Small Holding Share Sale Facility initiated in September 2014¹ in respect of small parcel shareholdings (also sometimes referred to as 'unmarketable parcels'²) valued at \$500 or less.

A Notice of Intention to Sell and accompanying Share Retention Form was despatched to relevant shareholders (holding a 'small holding' of shares as at the 1 September 2014 Record Date) on 3 September 2014.¹

At the end of the requisite notice period (16 October 2014), there were a total of ~1,250 shareholders holding an aggregate ~2 million shares to be sold under the facility.

Pursuant to the Company's Constitution³, this facility has a prescribed minimum sale price based on the Company share price preceding the date of the abovementioned notice.

The Company has not been able to sell these aggregated shares to date as the Alara share price has been trading below the prescribed minimum sale price.

As such, the Company has determined to terminate the Small Holding Share Sale Facility.

All affected shareholders will have their shareholdings reinstated and will receive updated holding statements to confirm this within the next month.

– ENDS –

For further information, please contact:

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About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian-based minerals exploration and mine development company with a portfolio of projects in Saudi Arabia and Oman. Alara has completed a [Definitive Feasibility Study](#) (DFS) on its Khnaiguiyah Zinc-Copper Project in Saudi Arabia, an [Advanced Scoping Study](#) on its Daris/Washihi Copper-Gold Projects in Oman and an [Updated Advanced Scoping Study](#) on its Washihi Project. The Company is now transitioning towards establishing itself as an emerging base and precious metals mine development and production company. For more information, please visit: www.alararesources.com.

1 Refer to Alara's ASX market announcement of 3 September 2014 entitled "[Small Holding Share Sale Facility](#)".

2 While the term "unmarketable parcel" is commonly used to describe a shareholding worth \$500 or less, the holder of such a parcel of shares is still permitted to sell them on-market on the ASX.

3 Clause 152 of the Company's Constitution