



Announcement Summary

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

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
AUQ	ORDINARY FULLY PAID	9,884,170

Proposed +issue date

Friday December 31, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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

Part 7A - Conditions

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

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

ASX +Security Code and Description

AUQ : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

9,884,170

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

AUD 1.00

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

Part 7C - Timetable

7C.1 Proposed +issue date

Friday December 31, 2021

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?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

9,884,170

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)?

No

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

9,884,170 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

The proposed issue date stated in this 3B is the last date in the period in which it is expected the shares will be issued, as the issue date is not yet firm. The shares are to be issued on completion of Milestone 16 under a contract between Alara Resources Limited controlled entity Al Hadeetha Resources LLC (AHRL) and Progesys International LLC (PIL) ; a related company of the company to which the shares are to be issued ; under which PIL will provide project management consultancy services to AHRL in connection with AHRL's development of mining and processing infrastructure for a proposed copper-gold mine in the Sultanate of Oman. Milestone 16 is expected to occur in the second half of calendar 2021. A further 3B will be issued when the issue date is firm.