

ASX/MEDIA RELEASE

Tuesday, 28 July 2020

APPOINTMENT OF NEW MANAGING DIRECTOR

PERTH: Alara Resources Limited (ASX: AUQ) (**Alara** or **Company**) announces the appointment of a new Managing Director and provides an update relating to the Al Hadeetha Copper Project in Oman.

New Managing Director

The Company is pleased to announce that Mr Atmavireswar Sthapak has been appointed Managing Director, with effect on 27 July 2020.

Mr Sthapak (MAusIMM) is an exploration geologist by profession with over 25 years global mining industry experience. Prior to working with Alara, he spent ten years with Rio Tinto and received the prestigious Rio Tinto Discovery Award.

Mr Sthapak first started working for the Company in 2011, leading geological exploration campaigns in Oman. Later, after outgoing Managing Director Mr Richard was appointed to that role in 2015, Mr Sthapak joined the Alara Board. He has been part of the Company's succession plan since that time.

Having worked closely with Mr Sthapak throughout his term as Managing Director, Mr Richard and the Company consider Mr Sthapak well prepared to take the reigns as Alara moves into its next phase of development i.e. completion of its 1mtpa copper processing plant¹ at the Al Hadeetha Project site in Oman.

Mr Sthapak's remuneration will remain at its present level in the interim pending a Board review, being a base salary of \$281,600² per annum plus allowances of \$32,200 per annum – a total of \$313,800 per annum.

Alara wishes to thank Mr Richard for his service as Managing Director and recognises the Company's achievement of key milestones during his tenure, including: execution of Project Finance and Equity Investment agreements totalling more than AUD\$84m; the Al Hadeetha Feasibility Study and Maiden JORC Reserve and Alara becoming the first international JV Company to be awarded a Copper Mining Licence in Oman.

As a significant shareholder in the Company, Mr Richard remains committed to Alara's future success and will be working with Mr Sthapak in an advisory role to ensure a smooth handover and continuity of Alara's strategic initiatives in the Middle East region.

Project Updates

Oman airport remains closed and movement between governorates is restricted. Oman currently has over 70,000 COVID-19 cases and has introduced a curfew as part of its new lockdown measures.

Despite these conditions, the Alara team remain safe and well and are continuing work with necessary precautions. Restrictions prevent new construction teams entering the Sultanate, however Alara's drilling teams, already in country, have completed over 3200m of drilling and 19

¹ Alara's ASX Announcement dated 24 January 2017 contains the information required by ASX Listing Rule (LR) 5.16 regarding the stated production target. All material assumptions underpinning the production target as announced on that date continue to apply and have not materially changed.

² Benefits are stated here in AUD equivalent amounts.

new boreholes at the Al Hadeetha Project Site. This has provided fresh core samples which have now been shipped for testing. The results will be incorporated into the Project's detailed engineering design.

Project Management Consultant Progesys has been instructed to recommence work this month. New engineering and mining service agreements have also been prepared for execution and are planned for announcement later this quarter.

Copper prices have continued to rise in recent months, rebounding from a low US\$4617/t in March to a high of US\$6545/t earlier this month. These signs, along with gold at ~US\$1900/oz see project financials remaining strong and first production scheduled for Q1 2022.

Mr Avigyan Bera has been appointed CEO for Al Hadeetha Resources LLC and will be working from his home in India until such time that the airport reopens.

ENDS

This announcement is authorised by:

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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