



Alara Resources Limited
A.B.N. 27 122 892 719
Level 14, The Forrest Centre
221 St Georges Terrace
Perth Western Australia 6000

Telephone | +61 8 9214 9787
Facsimile | +61 8 9322 1515

Web | www.alararesources.com
Email | info@alararesources.com

ASX/MEDIA RELEASE

25 October 2012

Completion of \$7.875 Million Capital Raising

Perth: Australian-based minerals exploration and development company Alara Resources Limited (ASX: AUQ) (**Alara**) is pleased to confirm that it has completed a capital raising to professional and institutional investors of \$7.875 million through a placement of 31.5 million shares at \$0.25 per share (**Placement**). The Placement was managed by Petra Capital Pty Ltd (**Petra Capital**).

Settlement is expected to be completed on 30 October 2012 with shares expected to be issued on 31 October 2012.

The Placement shares are within the Company's 15% placement capacity under ASX Listing Rule 7.1.

The funds raised under the Placement will be applied principally towards the costs of development of the Company's flagship Khnaiguiyah Zinc-Copper Project in Saudi Arabia and exploration, evaluation and development of the Company's resource projects in Oman. The balance of the funds, together with the Company's existing cash and liquid investments, will be applied towards the Company's other projects and for general working capital purposes.

– ENDS –

For further information, please contact:

Shanker Madan
Managing Director
T | +61 8 9214 9787
E | smadan@alararesources.com

About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian-based minerals exploration and development company with a diverse portfolio of projects in Saudi Arabia and Oman.

With a strong pipeline of advanced and early stage projects, Alara is moving towards establishing itself as an emerging base and precious metals development company.