

## Alderan expands holdings over adjoining mineral districts

### HIGHLIGHTS

- Alderan significantly expands its holdings in the Frisco region, Beaver County, Utah, which the Company believes holds potential for several major copper discoveries
- New holdings are in the nearby Star Range, Elephant Canyon, Beaver Lake Mountain and Bradshaw mineral districts which host dozens of historical base and precious metal mines which are likely related to underlying porphyry mineral systems
- All new projects, including the Frisco Project, occur within the under-explored Pioche-Marysville Igneous Belt which is similar to the Bingham Igneous Belt located 300km to the north, which hosts the world-class Bingham Canyon copper-gold mine
- Alderan's expansion of holdings follows Bingham Canyon operator Kennecott (Rio Tinto) staking 320 lode claims adjoining the Frisco Project, and increasing third-party interest and activities in the region
- Alderan remains focused on advancing the Frisco Project with drilling to commence on the Accrington and Perseverance prospects in June, and will investigate alternative funding strategies for these new projects that are beneficial to Alderan shareholders.

### Alderan secures further claims and leases within the Frisco region

Alderan Resources Limited (ASX: AL8) is pleased to announce it has significantly expanded its mineral rights in the Milford region close to its Frisco Project in Utah, USA by staking more than 719 new mineral claims and securing a State Mineral Lease. The Company has also signed an exclusivity agreement with Horn Silver Mines Inc over an additional 402 claims.

This follows increased interest in the region with Rio Tinto (Kennecott) staking a large number of claims adjoining the Frisco Project in 2017. Tamra Mining LLC, backed by the Indonesian conglomerate, Lippo Group, has also restarted operations at its nearby copper mines.

Alderan's new claims cover historically mined mineral districts with extensive skarn, breccia and epithermal mineralisation that are each likely to be related to a larger porphyry mineral system similar to Frisco.

The historical mining districts at Star Range/Elephant Canyon, Bradshaw, Northern Beaver Lake Mountains and the Star Range and the Company's flagship project, Frisco, are located within the Pioche-Marysville Igneous Belt, which the Company believes is a vastly under-explored mineral district with potential for multiple copper-gold porphyry discoveries. Additional copper skarn and breccia and porphyry related copper-molybdenum deposits/prospects are also reported 20-25km to the east of the Frisco Project at the OK Mine and Mary B deposit including the large (>40mt) Valley copper-skarn deposit.

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#### MARKET DATA

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The Pioche-Marysville Igneous Belt is one of three Tertiary-age volcanic/igneous belts in Utah known to host porphyry copper-gold mineralisation, the other two being the Tintic Belt, host to the Southwest Tintic porphyry deposit (>400mt @ 0.33% Cu<sup>1</sup>) and the Bingham Canyon Belt, host to the world-class Bingham Canyon copper-gold mine (>3bt of historical production). Significantly, the Pioche-Marysville Igneous Belt is much larger than the Bingham and Tintic Belts and hosts numerous intrusive centres displaying abundant historical mining activity and mineralisation styles typical of porphyry mineral systems, all of which are under-explored.

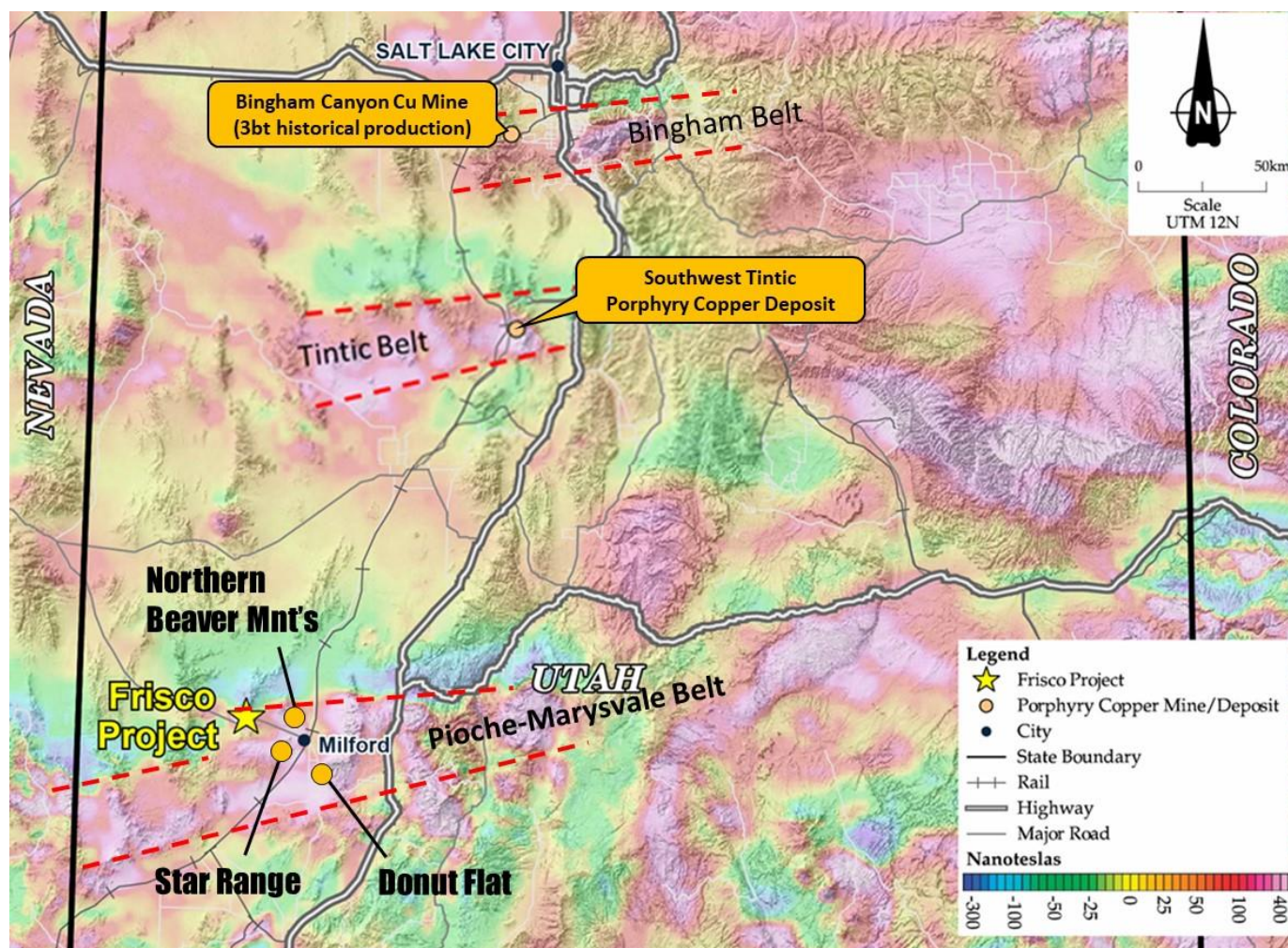


Figure 1: Alderan's new projects and the Frisco Project are located within the underexplored Pioche-Marysville Igneous Belt, the largest of three igneous-magmatic belts in Utah known to host porphyry copper-gold mineralisation.

## Elephant Canyon and Star Range

The Elephant Canyon and Star Range claims are located 20-25km east/southeast of the Frisco Project and cover a large area of historical workings and small-scale mines within the Star Range Mineral District associated with Tertiary intrusives and sedimentary sequences. Deposit styles

<sup>1</sup> R

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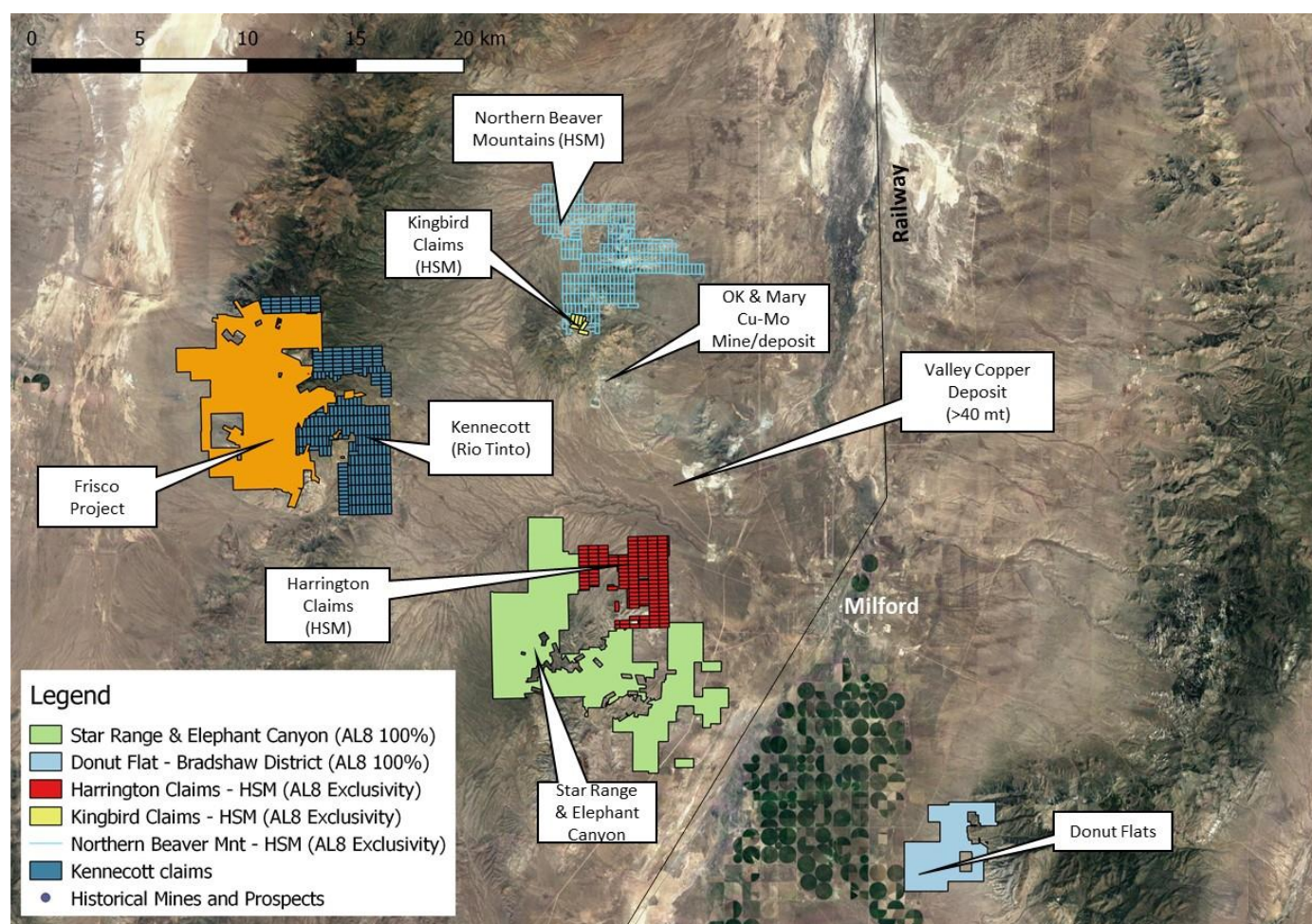
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within the area are carbonate replacement or manto-style base metals (Pb-Zn-Ag), epithermal gold-silver, copper-magnetite skarn or breccia hosted base or precious metals deposits.

Very little modern exploration has taken place in the area apart from sporadic work over small parts of the region. Similar to the Frisco area, historical exploration has been hampered by a lack of contiguous titles over what is likely a single or several large porphyry mineral systems.

The Company's claims cover numerous historical prospects and small-scale mines, hosted within sedimentary and Tertiary-aged intrusives, and also areas of alluvial cover where regional magnetic data indicates further intrusives may be present at depth.



*Figure 2: Tenement map showing the location of Alderan's recently secured project areas (Claims owned by Kennecott (Rio Tinto) are shown, however other third party claims and leases are not shown).*

## Donut Flats (Bradshaw Mineral District)

The Donut Flats prospect is located 40km southeast of the Frisco Project and forms part of the Lincoln and Bradshaw Mining Districts. The majority of historical mining activity took place off the Company's claims within adjoining carbonates, in particular at the Cave and Lincoln base metal

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mines where lead-zinc-silver dominant mineralisation was mined from manto-style, carbonate replacement and skarn deposits.

The Company's claims cover the Donut Flat and Bonanza Ridge prospects. Historical exploration at Donut Flats included a ground-based magnetic and induced polarisation survey which identified a circular magnetic high anomaly surrounded by a magnetic low ring (the "Donut Flat" porphyry prospect) up to 1.5km in diameter<sup>2</sup>. Donut Flat occurs in an area of alluvial cover with peripheral copper-magnetite skarn mineralisation and is interpreted as a possible mineralised porphyry intrusive prospective for copper-molybdenum-gold mineralisation. Additional magnetic high anomalies located surrounding the Donut Flat prospect offer further potential for copper-magnetite skarn-hosted mineralisation.

The Donut Flat project also encompasses the Bonanza Ridge targets where historical sampling encountered high-grade mineralisation associated with outcropping copper and gold-rich skarns.

### **Northern Beaver Lake Mountains (Kingbird Claims)**

The Beaver Lake mining district is located 15-20km east of the Frisco Project. Historical mining activity has occurred in this area since the early 1900s, with sporadic underground mining for base metals from 1902 until the mid 1950s.

Since 1998, mining activity has focused on the OK copper-molybdenum mine and copper skarn deposits within the southern Beaver Lake Mountains and the adjacent Rocky Range. Recently, Tamra Mining LLC, majority-owned by the large Indonesian conglomerate Lippo Group, restarted copper mining operations following the acquisition of assets from the previous operator.

While operations in recent years have focused on copper skarns, historical exploration identified widespread copper-molybdenum mineralisation within what is possibly a large porphyry copper-molybdenum system in the vicinity of the OK mine (Wray 2013). Historical drill hole CDOK 94-06 intersected copper-molybdenum mineralisation within granodiorite from surface to 1430ft and quartz monzonite with disseminated chalcopyrite from 1430ft (436m) to 2472ft (753m). The area also hosts the large undeveloped Valley copper skarn deposit south-west of the Rocky Range at depths in excess of 300m.

The Northern Beaver Lake Mountain project is north of the Tamra Mining operations and has seen very little mining or mineral exploration activities. Several small-scale historical mines and mineral occurrences can be found within Tertiary-aged intrusive and volcanic rocks or sedimentary units. Alderan considers the area prospective for porphyry copper-style mineralisation and associated deposit styles including copper skarns or carbonate-hosted base and precious metal deposits.

<sup>2</sup> Technical Report on the Cave Mine Project, N43-101, McCandless, 2012.

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## Details of Claims and Leases

Alderan and related entities secured the claims or leases by direct application, apart from the claims subject to the exclusivity agreement with Horn Silver Mines Inc, with Alderan holding 100% of the mineral rights. All claims, including Alderan's relevant interest, are shown in Table 1 below.

The majority of claims are unpatented claims, being mineral claims on Federal land. In addition, Alderan has applied for and secured State Mineral Lease number 53495.

*Table 1: List of claims secured by direct application or exclusivity*

| Project Area              | Details of Claims                  | Ownership or Contractual Rights                   |
|---------------------------|------------------------------------|---------------------------------------------------|
| Star Range                | 288 unpatented claims (SR1-SR288)  | Alderan (100%)                                    |
|                           | 140 unpatented claims (HR1-140)    | Exclusivity agreement with Horn Silver Mines Inc. |
|                           | State Mineral Lease 53495          | Alderan (100%)                                    |
| Elephant Canyon           | 288 unpatented claims (EC1-EC288)  | Alderan (100%)                                    |
| Donut Flats               | 143 unpatented claims (CM1-143)    | Alderan (100%)                                    |
| Northern Beaver Mountains | 262 unpatented claims (NRR1-262)   | Exclusivity agreement with Horn Silver Mines Inc. |
|                           | 7 patented claims (Kingbird Group) | Exclusivity agreement with Horn Silver Mines Inc. |

## Details of Agreements

Alderan has entered into a memorandum of understanding and exclusivity agreement ("MOU") with Horn Silver Mines Inc. ("HSM"), in respect to 402 claims held by HSM in the Frisco region. Key terms of the MOU are:

- Alderan to pay an amount of US\$20,000 to have the exclusive right until 15 July 2018, or a later date as agreed in writing, to enter into a transaction with HSM on the Harrington and Northern Beaver Mountains claims; and
- Alderan is to conduct an initial data and geological review of the Harrington and Northern Beaver Mountains claims.

The Harrington and Northern Beaver Mountains claims comprise of 402 claims covering interpreted intrusive centers with numerous historical mines and mineral occurrences.

## Exploration plans and funding for new projects

Alderan remains committed to progressing the Frisco project and understands that the Accrington, Perseverance and Cactus Corridor prospects each represent large exploration targets requiring dedicated and focused funding and personnel. Alderan is planning to commence drilling high priority targets at Accrington and Perseverance in June.

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As such, the Board of Alderan is considering alternative funding mechanisms or strategies to unlock the potential of the new project areas for the benefit of Alderan shareholders including, if warranted, a possible spin-off and initial public offering.

Alderan looks forward to progressively updating investors in coming weeks on developments with respect to these exciting new projects.

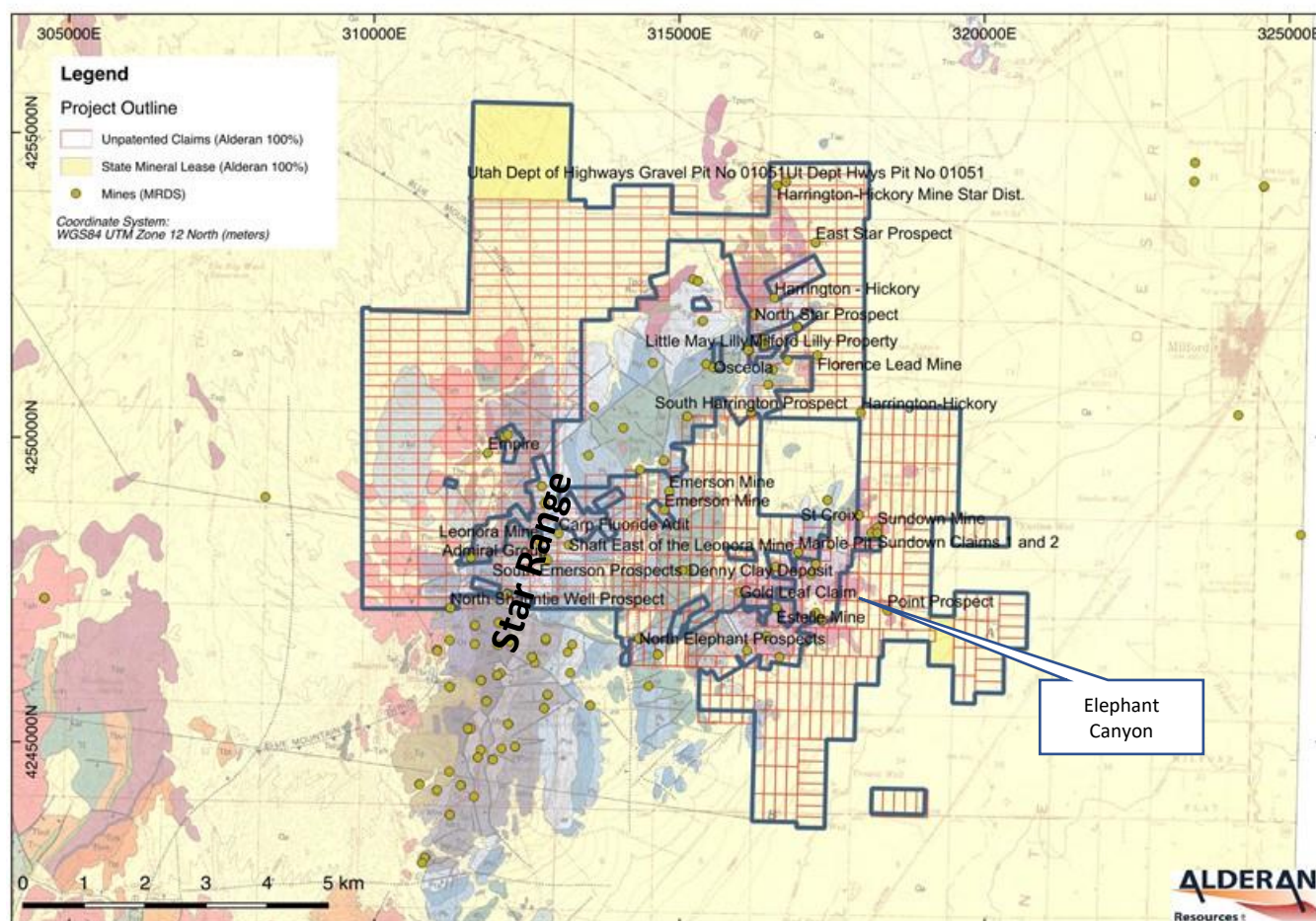


Figure 3: Star Range and Elephant Canyon claims and project area showing historical mines.

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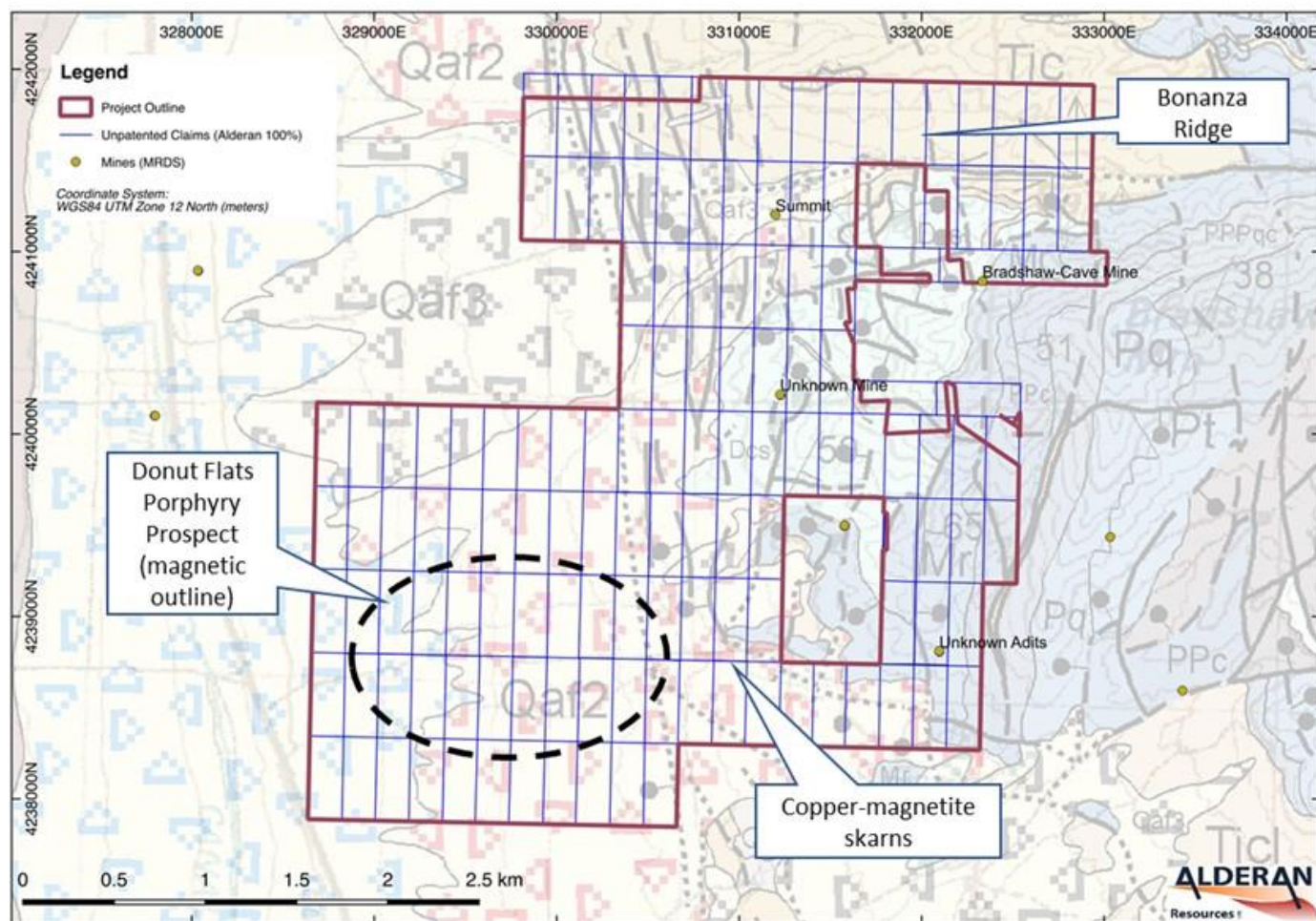


Figure 4: Donut Flats (Bradshaw Mineral District) claims and project area showing the outline of a circular magnetic anomaly lying beneath shallow cover adjacent to outcropping copper-magnetite skarns.

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Interested investors and shareholders are encouraged to subscribe to the Company's social media channels using the links below:

**Competent Persons Statement**

The information in this presentation that relates to exploration targets, exploration results, mineral resources or ore reserves is based on information compiled by Peter Geerdts, a competent person who is a member of the Australian Institute of Geoscientists (AIG). Peter Geerdts is the Chief Geologist of Alderan Resources Limited. Peter Geerdts has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code (JORC Code). Peter Geerdts consents to the inclusion of this information in the form and context in which it appears.

Mr Geerdts confirms that the information provided in this announcement provided under ASX Listing Rules Chapter 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the proposed exploration programmes that relate to this "material mining project".

**About Alderan Resources Limited**

Alderan is a copper explorer with a focus on the Frisco Project, located in Utah, United States of America. The Frisco Project encompasses an area of significant historical mining activity with numerous old mines and workings across an area of approximately 7km by 4km. These include:

- the Cactus copper-gold-silver deposit and breccia pipe, one of several mineralised breccia pipes over an area of approximately 1000 m by up to 400 m.
- the Accrington copper-zinc-silver-gold skarn, which hosts extensive mineralisation across an area of 1.8 km by 1.2 km; and
- the Horn zinc deposit, a historical lead-silver mine, which contains significant amounts of unmined high grade zinc.

The Company believes that these three deposits are genetically related to, and were formed contemporaneously with, underlying mineralised (copper-molybdenum-gold) porphyry intrusion(s). Work undertaken by the Company has identified a

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likely large mineralised porphyry system beneath and adjacent to the Accrington skarn associated with a 2-3 km diameter chargeability anomaly (Perseverance Prospect).

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