

Kennecott Exploration plans additional exploration at Alderan's Frisco Project

HIGHLIGHTS

- In preparation for 2021, Kennecott Exploration (KEX) has commenced cultural surveys and permitting for 23 new drill pads at Alderan's Frisco Cu/Au/Ag project in Utah, USA.
- During 3Q20 KEX completed their One Million Dollar expenditure commitment under the terms of the Option to Joint Venture Agreement dated 15 November 2019.
- KEX completed nine drill holes to date, assay results are pending.
- KEX's first hole SAWM-001 returned 66m @ 1% Cu, 0.33 g/t Au, 4.2 g/t Ag, and 37 ppm M; including 33m @ 1.9% Cu, 0.65 g/t Au, 7.1 g/t Ag from 252m; within 74m @ 1.1 % Cu, 0.35 g/t Au, 4.5 g/t Ag.
- KEX is earning up to 70% interest in the Frisco Project through three stages totalling US\$30 million exploration expenditure.

Alderan Resources Limited (ASX: AL8) (**Alderan** or the **Company**) is pleased to announce that Rio Tinto's subsidiary Kennecott Exploration Company (**KEX**) has satisfied its One Million Dollar (US\$1,000,000) expenditure commitment during the third quarter of 2020. These expenditures were a combination of property payments and direct exploration expenditures.

Since April, KEX completed nine holes testing the mineral potential of the Cactus and Horn Leases. While assay results are still pending for most holes, SAWM-001¹ intersected mineralised breccia from 219m to 285m with an average grade of a 66m section of 1% Cu, 0.33 g/t Au, 4.2 g/t Ag and 37 ppm Mo. This includes a higher grade interval from 252m to 285m with an average grade of 1.9% Cu, 0.65 g/t Au, 7.1 g/t Ag and 68 ppm Mo. The information is extracted from the ASX announcement, *Rio Tinto hits 33m at 1.9% Copper and 0.65 gpt Gold in Maiden Drill Hole at Cactus Canyon*, dated 19 August 2020. The Competent Person is Dr. Marat Z. Abzalov. This release can be viewed in its entirety at www.alderanresources.com.au. Additional assay results will be announced as they become available.

KEX also reports that it is currently permitting an additional 23 drill pads at Frisco. Tetra Tech was contracted to conduct cultural surveys for 33 proposed new drill sites and associated trails on claims subject to the Option Agreement. Field activities were completed in August 2020 and a total of 23 proposed sites have been submitted to the BLM and/or UDOGM. See Figure 1.

Further drilling at Frisco will be subject to approval of 2021 exploration budgets by KEX.

Peter Williams, Managing Director of Alderan commented, "*KEX's decision to expand from the original drilling program is based on recognition of a high prospectivity of the Cactus Stock area for commercially significant Cu-Au mineralisation that was confirmed by the recent KEX drilling results as announced on 19 August 2020 and 22 September 2020*".

¹ Refer ASX announcements dated 19 August 2020 and 22 September 2020.

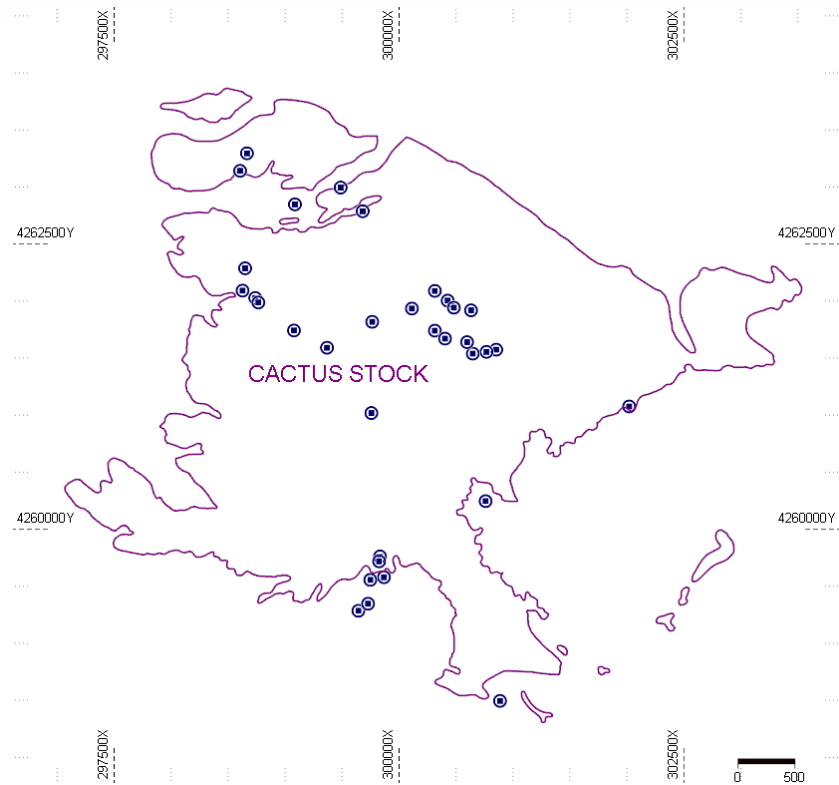


Figure 1: Location of the additional 33 drillholes proposed by KEX for phase-2 of exploration.

The area hosts Cu-Au breccia pipes, and Cu-Au (+/- Zn, +/- Ag) bearing skarns, both of which were subject to small-scale mining in the different periods of the 19th and 20th century. Broad distribution of the Cu and Zn lithogeochemical anomalies confirm prospectivity of the area for commercially significant Cu-Au bearing skarns, including the magnetite endo-skarns that have not been explored in the previous programmes (Figure 4). The area was also explored for Cu-porphyry mineralisation by the previous owners and is considered prospective for the Cu-porphyries by Alderan geologists.

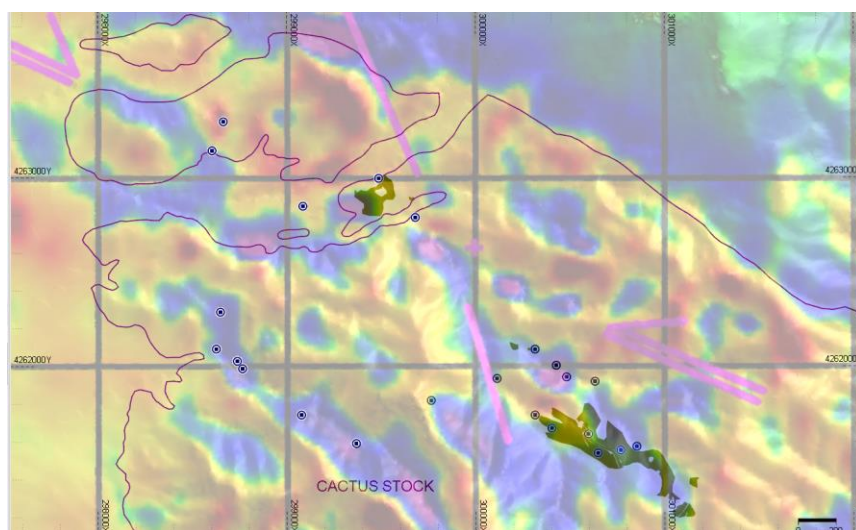


Figure 2. Airborne magnetic anomalies (Refer ASX announcement dated 28 June 2017) of northern part of the Cactus granodiorite stock that hosts Cu-bearing breccia-pipes. Dark blue to purple denote the mag-low anomalies, the dark green fields are the areas where advanced argillic alteration has been inferred from the Asters data. The new exploration drillholes proposed as Phase-2 drilling of KEX are shown as the black symbols.

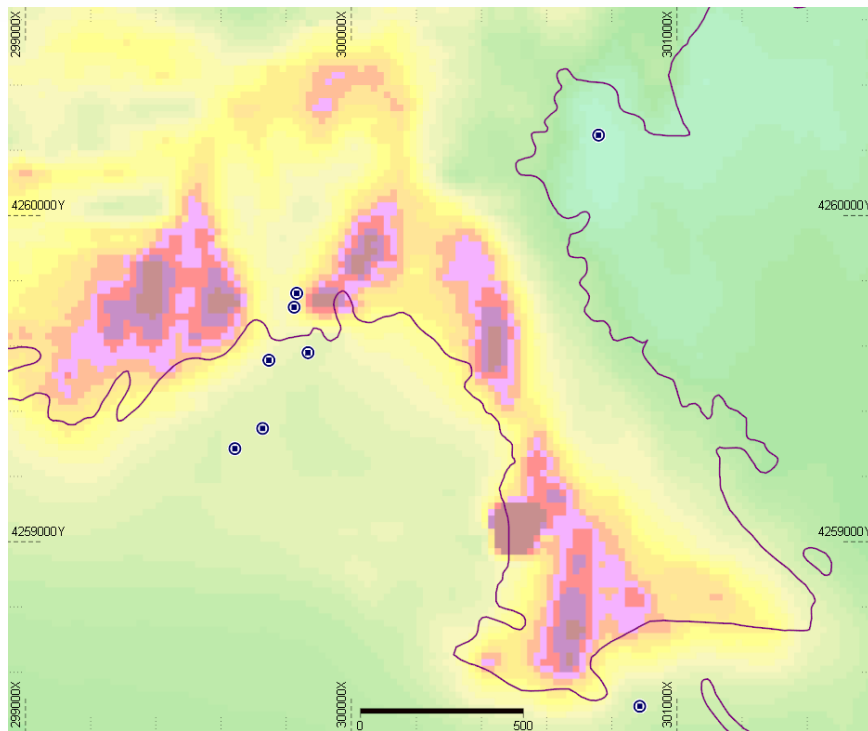


Figure 3. Airborne magnetic anomalies (Refer ASX announcement dated 28 June 2017) of southern part of the Cactus granodiorite stock that hosts Cu-Au bearing skarns. Red to magenta colours denote the mag-high anomalies. The new exploration drillholes proposed as Phase 2 drilling of KEX are shown as the black symbols.

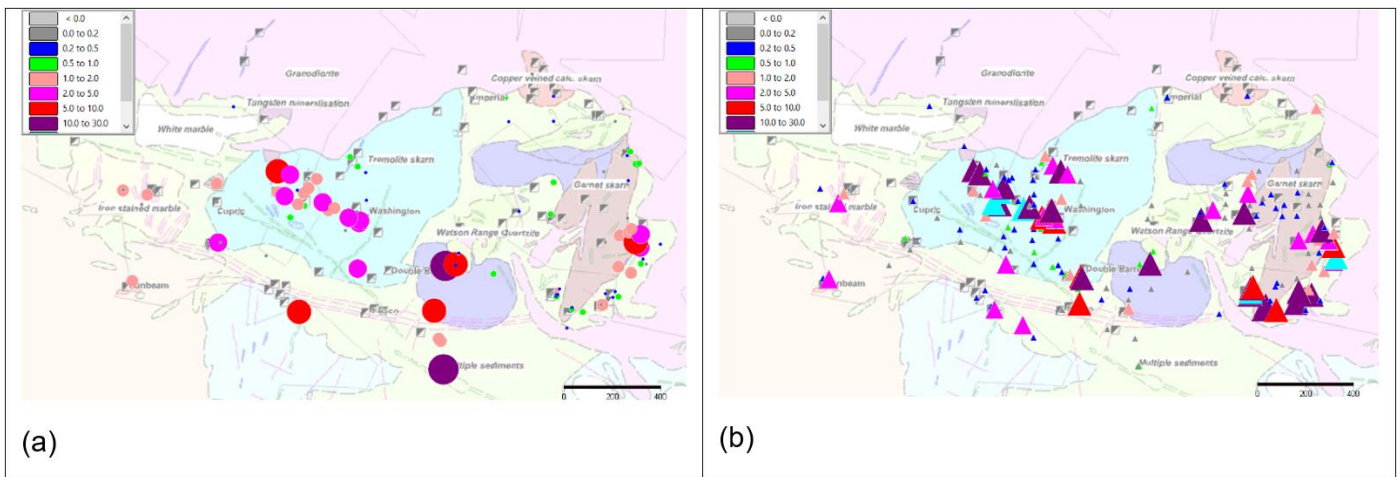


Figure 4. Lithogeochemical samples distributed along the southern contact of the Cactus Stock: (a) Cu%; (b) Zn% (b) (Refer ASX announcement dated 12 September 2017).

This announcement was authorised for release by the Board of Alderan Resources Limited.

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The information in this announcement that relates to historical exploration results for the Frisco Project were initially reported to the ASX on 22 September 2020, 19 August 2020, 12 September 2017 and 28 June 2017. The Company is not aware of any new information or data that materially affects the information included in the relevant announcements. The Company confirms the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcement.