

Alderan Resources expands Frisco Project

19 July 2017

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Board and Management

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Non-executive Chairman

Christopher Wanless
Chief Executive Officer

Donald Smith
Director & Chief Operating Officer

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Highlights

- Agreement to acquire the remaining 50.5% interest in seven claims ("Imperial Claims") within the Accrington Prospect
- Imperial Claims cover extensive outcropping copper-zinc bearing skarn
- Highlights of historical drilling⁺ on the Imperial Claims include:

36.6m @ 1.23% Cu, 0.6% Zn (from 0m* to end of hole)

26.8m @ 1.40% Cu (from 0m*)

26.8m @ 1.01% Cu (from 12m* to end of hole)

41.5m @ 0.94% Cu, 0.39% Zn (from 0m* to end of hole)

⁺ these drilling results are "historical" and "foreign" and were initially released in 1967 by the Bear Creek Mining Company; they are not able to be fully reported in accordance with the JORC Code. Further discussion is provided below.

- 118 further claims secured covering historic mines and base and precious metal occurrences at the northern end of the Frisco System
- Project scale geophysical survey underway with a 10,000m drill program scheduled to start in early August

Copper explorer Alderan Resources Ltd ("Alderan") is pleased to announce the expansion of its holdings over the Frisco Project located in Utah, USA, through the acquisition of a third-party interest in the Imperial Claims, and the lease and staking of 118 further claims.

The Frisco Project is a large mineralised porphyry system that occurs across an area of approximately 7km by 4km. Historical mining activities focused on extensive outcropping breccia pipes (Cactus) and skarns (Accrington/Horn) (Figure 3) associated with an underlying porphyry system recently identified by Alderan at Cactus Canyon.



Figure 1 Outcropping Cu-Zn-Au-Ag skarn, Imperial Claims

Agreement to acquire 50.5% interest in the Imperial Claims

Alderan has entered into an agreement with Shoshone Silver/Gold Mining Company to acquire a 50.5% interest in the Imperial Claims. Alderan already holds rights to explore and mine on these claims through the Horn Lease Agreement with Horn Silver Mines Inc, which holds the remaining 49.5% interest. The acquisition will result in Alderan holding 100% of the mineral rights over these claims, subject to a net smelter royalty to the landholder. These claims comprise of a group of seven patented claims within the Accrington Prospect and cover the historical Imperial Copper Mine, and extensive outcropping copper-zinc skarns (see Figures 2 & 5).



Figure 2: Outcropping Cu-Zn-Au-Ag skarn at Imperial, SE side of syncline.

Mineralisation within the Imperial Claims is hosted within meta-sediments of the Imperial syncline, an asymmetrical fold with steep dips of bedding on its NW side and shallower dips. Drilling by Bear Creek revealed a continuation of mineralisation to depth largely following the stratigraphic layering of the Imperial syncline. Alderan has further identified strong Cu-Zn-Au-Ag anomalism on the south-east side of the syncline where the same mineralised strata from the Imperial area crops out (Figure 3). This suggests a potentially much larger interconnected mineralised system than identified through historical exploration work. The Imperial Claims therefore complement the larger Accrington skarn system and will provide a high priority exploration target for Alderan going forward.

The Imperial Copper Mine produced modest amounts of copper between approximately 1908-1910 from four adits, which were from 30m to 420m long. In 1967, Bear Creek Mining Company drilled three core holes and 17 percussion holes (Figure 4). Highlights of historical drilling include:

- 36.6m @ 1.23% Cu, 0.6% Zn (from 0m* to end of hole);
- 26.8m @ 1.40% Cu (from 0m*);
- 26.8m @ 1.01% Cu (from 12m* to end of hole); and
- 41.5m @ 0.94% Cu, 0.39% Zn (from 0m* to end of hole).

*Percussion holes were conducted from underground adits (refer to Figure 4).

Refer to Table 1 for full drilling results. These drilling results are “historical ” and “foreign” and were initially released in 1967 by the Bear Creek Mining Company; they are not able to be fully reported in accordance with the JORC Code. A Competent Person has not been able to undertake sufficient work to report the historical and foreign exploration results in accordance with the JORC Code.

Alderan has not independently validated the the Bear Creek Mining Company's Exploration Results. The data presented is considered to be an accurate representation of the available data, and nothing has come to the attention of the Company to cause it to question the accuracy or reliability of the historical results. It is uncertain that following evaluation and/or further exploration work that these historical and foreign exploration results will

able to be reported under the JORC Code 2012, or used in Mineral Resources or Ore Reserves in accordance with the JORC Code.

A discussion of the reliability of the historical Bear Creek results, in a JORC Code Table 1 context is provided in Appendix 1. Details (and a summary) of the planned evaluation and exploration work to verify the historical drilling have been outlined in the Company's ASX announcement on June 28 2017 "High impact exploration program commences to unlock the world class potential at Frisco".

Alderan recently confirmed the location and nature of historical mine workings, the geological setting and mineralisation in the field. All available historical data on the area has been digitised, georeferenced and made accessible in a digital database used for interpretation. This work has allowed the Company to confirm the location of historical drilling, to verify the nature and setting of the mineralised skarns that were intersected in the historical drilling and supported the decision to acquire the Imperial claims.

The Imperial Claims form part of the recently commenced project-scale induced polarisation survey as announced on 28 June 2017, with follow-up electromagnetic lines over the prospect. Drilling is expected to begin at Accrington in October/ November 2017 starting first in the Washington area before moving to Imperial in early 2018, once all data is collected, interpreted and priority-ranked targets are developed.

Key terms of the Imperial acquisition are:

- Payment of \$120,000 (USD) on satisfaction of the closing conditions, \$120,000 (USD) on the anniversary of the closing date of the agreement and the balance of \$350,000 (USD) on the second anniversary of the closing date of the agreement; and
- Shoshone hold the right to a 1.25% net smelter royalty on the Imperial Claims; however Alderan may extinguish this royalty by paying the consideration in full by 31 December 2018.

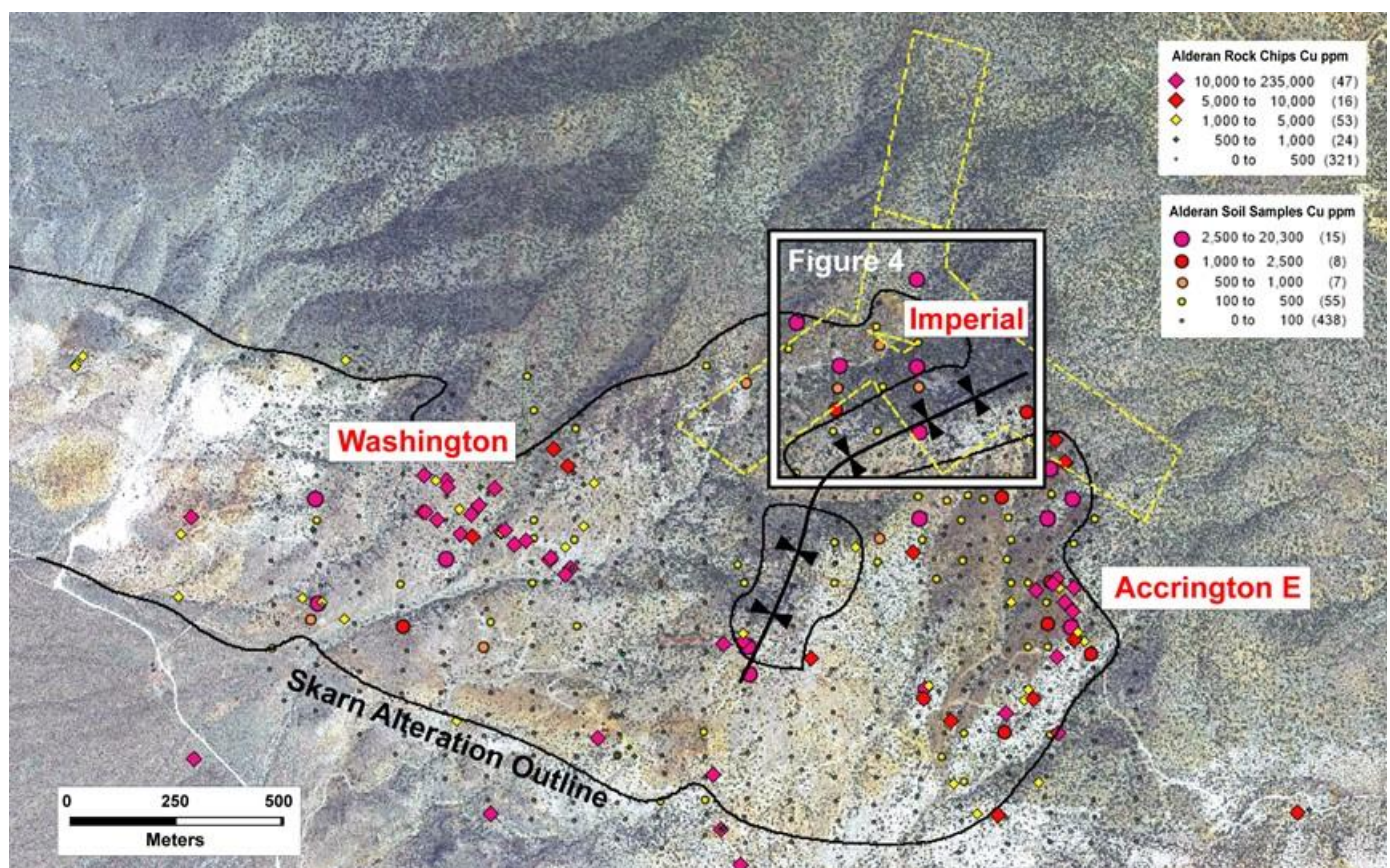


Figure 3 Overview map of the Accrington Skarn Project showing the Imperial Claims (yellow dashed lines), prospect names, skarn alteration outline, rock chip (squares) and soil (circles) geochemical samples collected by Alderan. Note the continuation of mineralisation on surface from Imperial towards Accrington E.

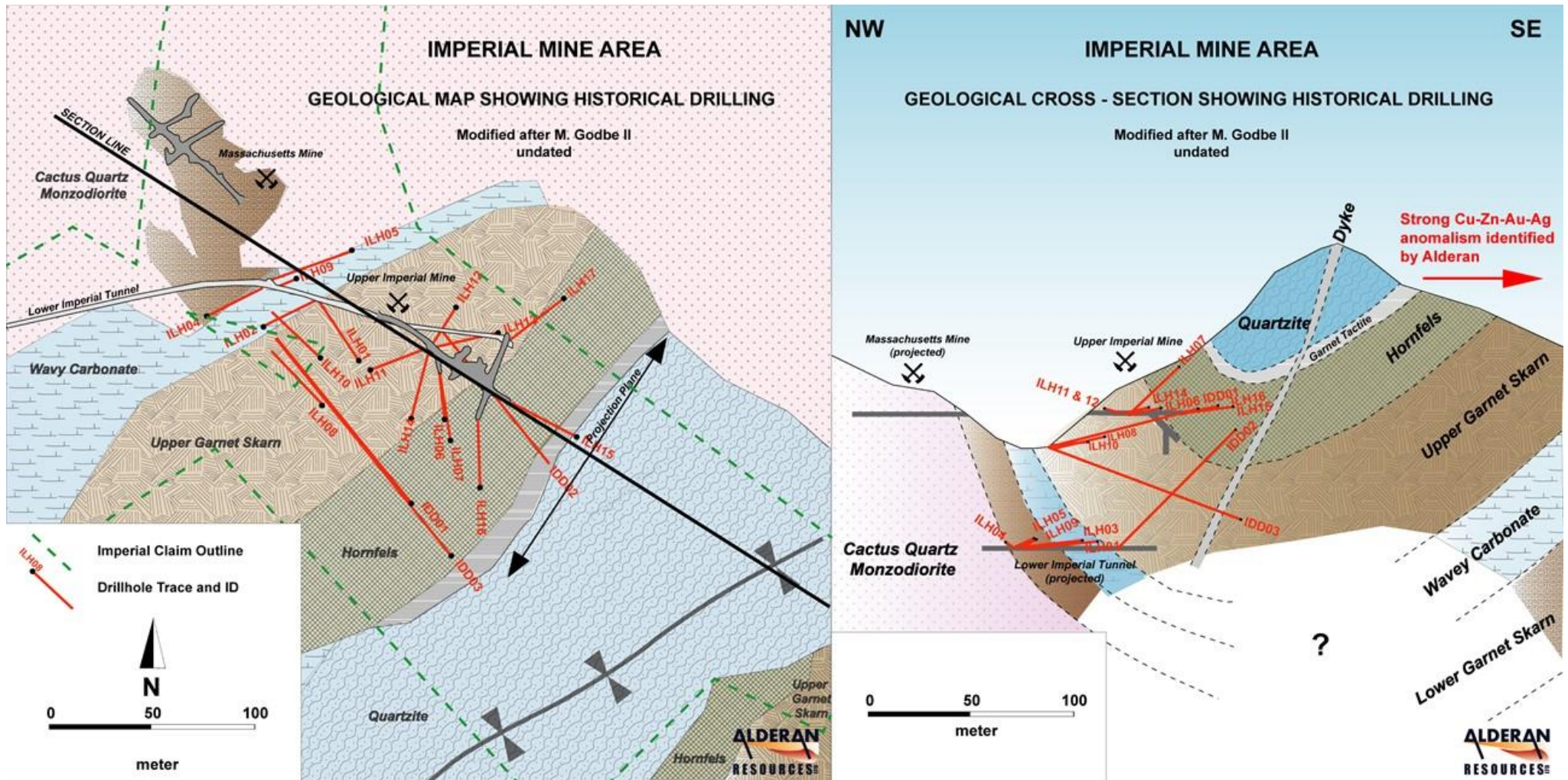


Figure 4: Overview map (left) and cross section (right) of the Imperial Mine Area showing location of mine workings, historical drilling and the overall geological setting of the Imperial Skarn which occurs within a syncline (modified after GODBE, undated). See Table 1 on page 8 for downhole intersections. Historical drilling is restricted to the north-west side of the syncline; however, Alderaan has identified significant geochemical surface anomalism for Cu-Zn-Au-Ag within skarn altered sediments on the south-east side as well (Figure 3).



Figure 5 Cu-Zn-Au-Ag skarn, Imperial Mine



Figure 6: Cu-Zn-Au-Ag ore-dump at the Massachusetts Mine. Refer to Figure 4 for location

Lease entered into over 44 patented claims (“Northern Carbonate Lease”)

Alderan, through its wholly owned subsidiary, Volantis Resources Corp (“Volantis”), has entered into a lease agreement with the owners of 44 patented claims which abut the Frisco Project to the north. Patented claims are privately owned land where the mineral rights are held by the private landowner. The agreement grants Volantis the right to explore for and mine minerals on the property. These claims cover almost predominantly carbonate sequences and include several historical workings such as the Indian Queen lead-zinc-silver mine.

The Company considers these claims to be prospective for skarn-hosted copper-zinc-lead-silver-gold and carbonate-hosted gold-silver deposits. Within airborne magnetic and radiometric data collected by Alderan, the Northern Carbonate Leases show a distinct magnetic high associated with surface alteration and outcropping mineralisation, interpreted to be a magnetite-rich part of a skarn at depth, similar to the magnetic signatures at Accrington, where Cu-Zn-Au-Ag bearing magnetite skarn has been mapped within a comparable magnetic high.

The Northern Carbonate Leases present a high priority exploration target for Alderan going forward. The company plans to perform detailed mapping, geochemical sampling and an electromagnetic survey over the area covered by the Northern Carbonate Lease in order to identify priority targets for drilling.

Key terms of the lease agreement include:

- An initial and annual advance royalty fee of \$10,000 USD per year for the first five (5) years of the lease;
- The right (held by Volantis) to extend the lease by further ten year periods up to the sixty-fifth anniversary, subject to the continuing payment of the advance royalty payments which increase for each additional ten year term (an average of \$30,000 USD per annum for the first 10 year extension and \$40,000 USD per annum for each subsequent 10 year extension);
- Following the sixty fifth anniversary the lease may be further extended provided the average royalty during the preceding 10 year term is in excess of \$70,000 USD per annum;
- A net smelter royalty* of 3% to the landowner, with Volantis holding options to purchase 1/3 of the royalty (thereby reducing it to 2%) for the amount of \$1,500,000 USD;
- A right of first offer (held by Volantis) in the event that the Lessor desires to sell their interest in the property and lease; and
- Minimum expenditure commitments of \$15,000 USD in the first year of the lease, rising to \$50,000 for the fifty year of the lease.

* no royalties are payable to the State or Federal Government on the patented claims.

74 unpatented claims staked by Alderan

Alderan, through its subsidiary, Volantis, has recently completed the staking and registration of an additional 74 unpatented claims. Unpatented claims are administered by the Federal Bureau of Land Management. Alderan’s rights to explore for minerals on these claims was granted on registration of these claims subject to normal permitting procedures for ground-disturbing activities.

These new claims cover potential extensions of the Frisco mineral system to the north and north-west, predominantly over carbonate sequences, increasing the potential for skarn development. Several documented historical base and precious metal occurrences and workings are known on the areas covered by the new claims.

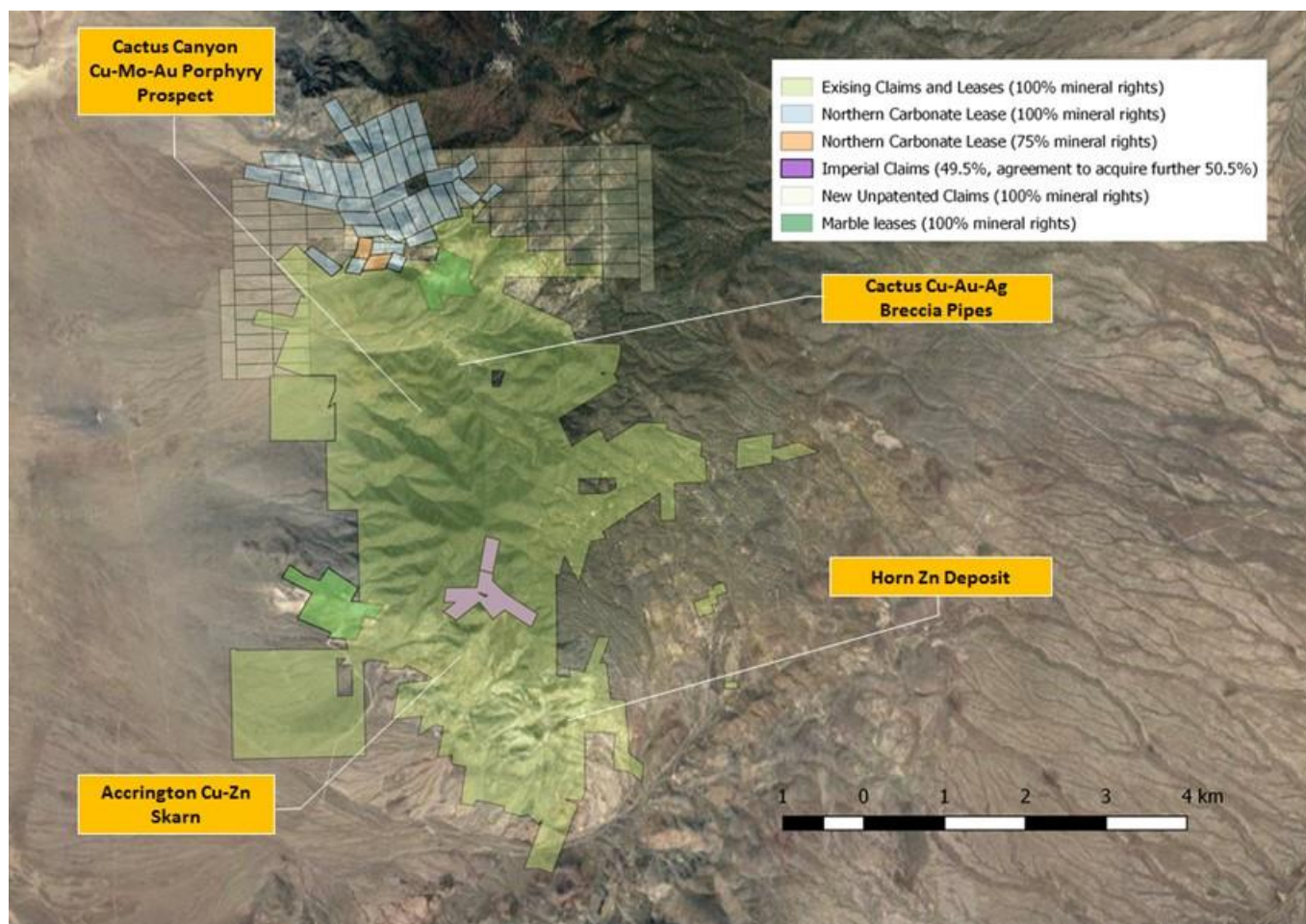


Figure 7 Frisco Project - Tenure Map

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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. Modelling of magnetic survey data demonstrates that these pipes are likely connected at depth;
- 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 intrusions. Work undertaken by the Company has confirmed the presence of a mineralised porphyry system beneath and adjacent to the Cactus breccia pipes.

Hole ID	Type	Easting	Northing	Altitude (m)	Depth (m)	From (m)	To (m)	Interval	Cu (%)	Zn (%)
IDD-1	Diamond	300107	4259654	2194	119	0	15.24	15.24	0.52	0.30
IDD-1			and			39.62	57.91	18.29	0.44	0.42
IDD-2	Diamond	300199	4259654	2121	128	6.1	65.84	59.74	0.59	0.22
IDD-3	Diamond	300107	4259654	2194	157	0	28.96	28.96	0.46	0.40
IDD-3			and			38.1	123.44	85.34	0.30	0.46
ILH-01	Percussion	300135	4259676	2121	38	12.19	17.07	4.88	0.37	0.12
ILH-01			and			24.38	29.26	4.88	0.39	0.10
ILH-04	Percussion	300107	4259686	2121	32	0	2.44	2.44	0.40	0.01
ILH-04			and			24.38	31.7	7.32	0.44	0.03
ILH-06	Percussion	300199	4259654	2121	22	4.88	7.32	2.44	0.49	0.01
ILH-07	Percussion	300199	4259654	2121	56	4.88	9.75	4.87	0.39	0.02
ILH-07			and			24.38	43.89	19.51	0.35	0.04
ILH-07			and			51.21	56.08	4.87	0.38	0.14
ILH-08	Percussion	300107	4259654	2194	41	0	41.45	41.45	0.94	0.39
ILH-09	Percussion	300109	4259684	2196	7	0	2.44	2.44	0.56	0.33
ILH-10	Percussion	300114	4259676	2196	32	12.19	31.7	19.51	0.44	0.54
ILH-11	Percussion	300191	4259649	2218	29	4.88	29.26	24.38	0.85	0.25
ILH-12	Percussion	300191	4259649	2218	22	0	21.95	21.95	0.78	0.09
ILH-13	Percussion	300191	4259649	2218	32	0	26.82	26.82	1.40	0.13
ILH-14	Percussion	300191	4259649	2218	37	0	36.58	36.58	1.23	0.60
ILH-15	Percussion	300226	4259620	2218	39	0	7.32	7.32	0.44	0.42
ILH-15			and			12.19	39.01	26.82	1.01	0.21
ILH-16	Percussion	300206	4259613	2218	38	7.32	17.07	9.75	0.42	0.19
ILH-17	Percussion	300226	4259653	2218	37	0	12.19	12.19	0.99	0.02

Table 1: Historical drilling results at the Imperial Mine by Bear Creek Mining Company, 1967 (0.3% Cu cut-off)

APPENDIX 1

JORC Code, 2012 Edition – Table 1 Report Imperial and Accrington Prospect

Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<p><u>Rock chip sampling by Alderan:</u></p> <ul style="list-style-type: none"> Rock chip samples taken of fresh rock from outcrop or float Representative sample size of >500g to 1kg per sample Mineralisation pre-sampling determined in outcrop by visual mapping on the base of oxidation and alteration minerals (ie malachite for copper, skarn alteration, etc) <p>Sampling of drillholes</p> <ul style="list-style-type: none"> Composite rock chip samples of historic drillholes were taken at varying intervals No description of sampling procedures and/or QAQC checks is known to Alderan
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<p>Historical drilling:</p> <ul style="list-style-type: none"> Bear Creek: Diamond core and percussion hammer No hole/hammer/core size specifications are given in available documents
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> Core recovery rates not recorded historically. Observations by Alderan of Amex Drillholes 520-1 - 520-4 within Alderan's Cactus project showed good core recovery, in comparable host rocks to those drilled at Imperial. No information available on percussion drilling recoveries. Apart from a presumption of applying good drilling practice it is not known what measures were taken to maximise sample recovery historically Relationship between sample recovery and grade cannot be determined.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> Geotechnical logging is absent in historical drillholes. No detailed geological logging data is known to Alderan; drillholes were not relogged by Alderan

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Photographs of drillcore do not exist to Alderan's knowledge
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> Historical core preparation is unknown. Historical sample nature, quality and appropriateness unknown. Historical sampling does not include reported quality control procedures. <p>Rock chip sampling by Alderan</p> <ul style="list-style-type: none"> Samples were crushed and pulverised at ALS Laboratories/ Elko, Nevada using PREP-31 sample preparation code
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<p>Rock chip sampling by Alderan:</p> <ul style="list-style-type: none"> Duplicates were used by Alderan on every 20th sample during grid based soil/ rock chip sampling and acceptable levels of repeatability reached 48 Element Package by Four Acid and ICP-AES/ICP-MS method used for analysis (ALS code ME-MS61) Gold assayed by fire assay and AAS using 50g nominal sample weight (ALS code Au-AA24) ZN-OG62 used for re-assay of zinc once zinc in samples exceeded the upper detection limit of method ME-MS61 (10,000ppm) PB-OG62 used for re-assay of lead once lead in samples exceeded the upper detection limit of method ME-MS61(10,000ppm) CU-OG62 used for re-assay of copper once copper in samples exceeded the upper detection limit of method ME-MS61(10,000ppm) All pulps for the rock chip and soil samples taken by Alderan were received back by Alderan and are safely stored <p>Historical drilling:</p> <ul style="list-style-type: none"> Nature, quality and appropriateness of assaying and laboratory procedures are unknown for historical sampling. Standards and blanks were usually not used historically, no information is available to Alderan on QAQC procedures used historically.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> Verification of significant intersections by independent or alternative company personnel for historical drilling is not possible as the drill hole samples no longer exist

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Hole have not been twinned Historical data cannot be used for mineral resource estimation due to the varying sources of data, inability to field check control samples and physically examine exposures. Original assay sheets as received from the designated laboratory are available for rock chips and soil/ rock chip samples, but not for historical drilling, hence not all historical data can be confirmed. Any sampling and assay data within the Aldera Resources database is supported by an electronic pdf-file copy of the original information. Depths in historical drill holes are stated in feet and were converted into metric units using a conversion of 1 feet = 0.3048 m. <p>Rock chip sampling by Aldera:</p> <ul style="list-style-type: none"> Assay data files and laboratory certificates have been kept in their original form for all Aldera samples. Assay data was entered into an electronic database keeping its original form and values without manipulation No adjustments to assay data was done
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> The accuracy of historical drillhole location is variable. Some coordinate information was taken from historical reports and drill logs, while others were located by georeferencing historical maps of variable quality. The locations were refined using aerial imagery and, where possible, field verification carried out by Aldera Resources. The location of coordinate points is fit for purpose in announcing historical exploration results. Mine workings were located in the field using a handheld GPS, by aerial imagery and using Utah state's mine inventory database - a minority of mine workings were located using geo-referenced historical maps. All known plans and sections were re-georeferenced to WGS84 UTMZ12 (metric). This was conducted using numerous known baseline coordinates - in particular shafts with several different handheld GPS receivers for East and North and Lidar for elevation. The surface expressions of underground workings digitized from georeferencing are within ~5m accuracy and considered moderately to highly reliable. Grid systems are subordinate and usually located using geo-referenced historical maps. Quality and adequacy of topographic control is very good with the Accrington and Imperial prospect contained within state cm accurate Lidar datasets.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> Data spacing of historical sampling data is variable. Drill holes are shown in the plans in the main report Data is insufficient for Mineral Resource Estimation at this stage. <p>Rock chip sampling by Alderan:</p> <ul style="list-style-type: none"> Soil/rock chip samples were taken along 100x50m nominal grid spacing, 50x50m over outcropping mineralisation/skarn, within a nominal 12m sampling radius. Duplicates were taken at every 20th sample.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> As the detailed geological geometry of the deposit is yet to be confirmed by drilling, sample bias is unknown. On a larger scale the Imperial Deposit is located within an asymmetric synclinal trough with steep dips on its NW and shallower dips of bedding on its SE side. Skarn development largely follows the predefined stratigraphic layering and structural setting, and is best developed in carbonate-rich units, less well developed in carbonate poor units. Large-scale structural geology varies over the whole Accrington Prospect
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<p>Rock chip sampling by Alderan:</p> <ul style="list-style-type: none"> Chain of custody enforced by Alderan for all rock and soil samples taken by the company <p>Historical drilling:</p> <ul style="list-style-type: none"> No information available to the drill hole samples collected by Bear Ck Mining Co
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No known audits of historical results .

Section 2 - Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Frisco Prospect comprises 275 patented and 252 unpatented claims, which are governed by the Horn, Cactus and Northern Carbonate lease agreements entered into with the private landowner, Horn Silver Mines Inc. The Horn and Cactus lease agreements grant Alderan with all rights to access the property and to explore for and mine minerals, subject to a retained royalty of 3% to the landholder. Alderan holds options to reduce the royalty to 1% and to purchase the 231 patented claims. The Northern Carbonate Lease grants Alderan with all rights to access the property and to explore for and mine minerals, subject to a retained royalty of 3% to the landholder. Alderan holds options to reduce the royalty to 1% and to purchase the 231 patented claims. Alderan was in full compliance with both lease agreements and all claims were in good standing at the time of reporting.

Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> A large amount of historical exploration has been carried out by numerous different parties. Data has been acquired, digitized where indicated, and interpreted by Alderan.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Porphyry style mineralised district with several expressions of mineralisation at surface, such as breccia pipes, skarns, structurally-hosted mineralisation, and manto style mineralised zones, including outcropping porphyries. Part of the larger Laramide mineralising event. Overprinted by Basin and Range tectonics.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<p>Historical drilling:</p> <ul style="list-style-type: none"> A tabulation of all historical drilling results is provided in Table 1 on page 9 of this Announcement. These drilling results are “historical ” and “foreign” and were initially released in 1967 by the Bear Creek Mining Company; they are not able to be fully reported in accordance with the JORC Code. Further discussion is provided below A tabulation containing Hole ID, Easting, Northing, Altitude, downhole length is given in Table 1 of the above report Dip and azimuth of drillholes is known to Alderan but not tabulated above as both not considered material for the purpose of this report and does not detract from its understanding It is uncertain that following evaluation and/or further exploration work that these historical and foreign exploration results will able to be reported under the JORC Code 2012, or used in Mineral Resources or Ore Reserves in accordance with the JORC Code.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> A tabulation of all historical drilling results is provided in Table 1 on page 9 of this Announcement. These drilling results are “historical ” and “foreign” and were initially released in 1967 by the Bear Creek Mining Company; they are not able to be fully reported in accordance with the JORC Code. Further discussion is provided below No cut off grades were used for surface assays, no cut offs are reported for historical drilling No metal equivalents were used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’). 	<p>Historical drilling:</p> <ul style="list-style-type: none"> Detailed knowledge of the mineralization geometry is not yet known. Downhole lengths are reported.

Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<p>Historical drilling:</p> <ul style="list-style-type: none"> • Appropriate maps, sections and tabulations of intercepts are included in the report above
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • Maps, sections and tabulations presented show all data available to Alderan
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> • Details of other exploration results are recorded in the Independent Geologist's Report, contained in the Prospectus, and include • Regional geological context of the Imperial and Northern carbonate claims • Regional magnetic maps for the project area • Detailed geochemical summary maps for the Accrington skarn for Copper, Zinc, Lead, Gold and Silver
Further work	<ul style="list-style-type: none"> • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> • Details of intended exploration activities are mentioned in the report above and also recorded in the Independent Geologist's Report, contained in the Prospectus.