

Rio Tinto subsidiary Kennecott commences drilling at Frisco

Alderan Resources Limited (ASX: AL8, "Alderan" or "the Company") is pleased to provide an update on exploration on its Frisco copper/gold/silver project in Utah, USA, where Kennecott Exploration, a subsidiary of Rio Tinto plc, is earning up to 70% interest through exploration expenditure on the project.

During the March 2020 quarter, Kennecott conducted field visits to assess ground conditions and determine logistics and safety requirements to support an initial drill program. Kennecott spent several weeks reviewing selected drill holes to understand the geology and planned an initial diamond drill program to follow up high-grade intersections at the Cactus Breccia and Accrington Skarn targets, as well as a deeper hole testing the Reciprocity IP Anomaly.

Kennecott and Alderan's subsidiary Volantis Resources Corp. worked closely with the Utah Division of Oil, Gas, and Mining to permit near term drilling activities. A total of 15 previously permitted drill sites have been removed from Volantis' existing permits and moved into a permit under Kennecott.

On 16 May 2020, Kennecott commenced an initial four-hole 2,000m drill program to test targets at the Cactus Breccias, Accrington Skarn and Reciprocity areas which includes:

- At the Cactus Breccias, a hole is planned to test for possible continuity between the Cactus and Comet Breccias.
- At Accrington Skarn, a hole is planned to test an approximately 50m step-out from significant historic intercepts and to help determine continuity in the area.
- At the Reciprocity target, a deeper hole is planned to test the IP anomaly where, based on Kennecott remodelling of geophysical data, a previous hole drilled by Volantis may have been terminated before reaching the anomaly depth.

Further drilling will be dependent on results of the initial program.

This drill program forms part of the first earn-in stage for Kennecott's option to acquire a 55% project interest in Frisco by spending a total of US\$6 million of expenditure. Kennecott will earn 70% of the project by completing three stages which will total US\$30 million exploration expenditure.

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

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