

29 January 2018

ASX Code: AGS

ALLIANCE INCREASES INTEREST IN WILCHERRY PROJECT TO 67.35%

The Board of Directors of Alliance Resources Limited advises that wholly owned subsidiary Alliance Craton Explorer Pty Ltd (ACE) has increased its interest in the Wilcherry Project Joint Venture (WPJV) Exploration Area to 67.35% at 31 December 2017. Trafford Resources Pty Ltd (Trafford), a wholly owned subsidiary of Tyranna Resources Limited (ASX: TYX) has diluted its interest in the WPJV Exploration Area to 32.65%.

As previously announced, Trafford elected not to contribute to the WPJV approved Programme and Budget for the period 1 July 2017 to 30 June 2018 (FY2018 P&B) totalling ~\$3.7 million, including administration and overheads.

The current change in interests is a result of ACE sole funding expenditure for the quarter ended 31 December 2017.

ACE's interest in the WPJV Exploration Area is expected to increase to 77.5% by 30 June 2018, from sole funding the FY2018 P&B expenditure.

Further RC drilling is planned at Weednanna in the second half of February to test the limits of the high-grade gold zone at Target 4 and to test a new gold target area using the geological model and knowledge gained to date.

For and on behalf of the Board.

Steve Johnston
Managing Director

Peter Taylor
Investor Relations
0412 036 231
peter@nwrcommunications.com.au

About Alliance

Alliance Resources Ltd is an Australian gold and base metals exploration company with projects in South Australia and Western Australia.