

31 January 2019

ALLIANCE RESOURCES LTD

ASX: AGS

ABN: 38 063 293 336

Market Cap: \$11.5M @ \$0.11

Shares on issue: 104,293,923

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Projects:

Wilcherry JV, SA (right to acquire 100%): gold and base metals

Gundockerta Sth, WA (100%): gold-nickel

Nepean South, WA (100%): gold-nickel

Share Registry:

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ALLIANCE TO ACQUIRE 100% OF WILCHERRY PROJECT

Alliance Resources Ltd (Alliance) is pleased to announce that Alliance and 100% owned subsidiary Alliance Craton Explorer Pty Ltd (ACE) have entered into an agreement with Tyranna Resources Ltd and subsidiary Trafford Resources Pty Ltd (Trafford) for ACE to acquire the following:

- Trafford's remaining interest (approximately 18.59%) in the Wilcherry Project (Project), and
- An 80 person camp on leasehold land located in the township of Kimba, South Australia

for a total consideration of \$1.5 million cash, payable to Trafford as follows:

- Payment of an Initial Deposit of \$350,000 within 2 business days of execution;
- Payment of the Second Deposit of \$400,000 on or before 30 days after payment of the Initial Deposit;
- Payment of \$750,000 on Completion, which is governed by conditions precedent, including statutory consents.

The agreement provides Alliance with 100% ownership of the Project, which includes the high-grade Weednanna Gold Deposit where a mining and processing scoping study is in progress.

It also eliminates the administrative burden and costs associated with the joint venture and will streamline the future statutory approvals required at the time a Mining Lease Proposal is submitted in respect of the Weednanna gold deposit.

For further information on Alliance Resources Ltd please visit the Company's website at www.allianceresources.com.au or contact:

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About Alliance

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

The Company's flagship project is the Wilcherry Project JV (right to acquire 100%), located within the southern part of the Gawler Craton in the northern Eyre Peninsula of South Australia.

On 6 September 2018, Alliance announced a maiden Mineral Resource estimate for the Weednanna Gold Deposit of 1.097 Mt grading 5.1 g/t gold for 181,000 oz gold.