



4 March 2011

Manager Announcements
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir,

PRESENTATION

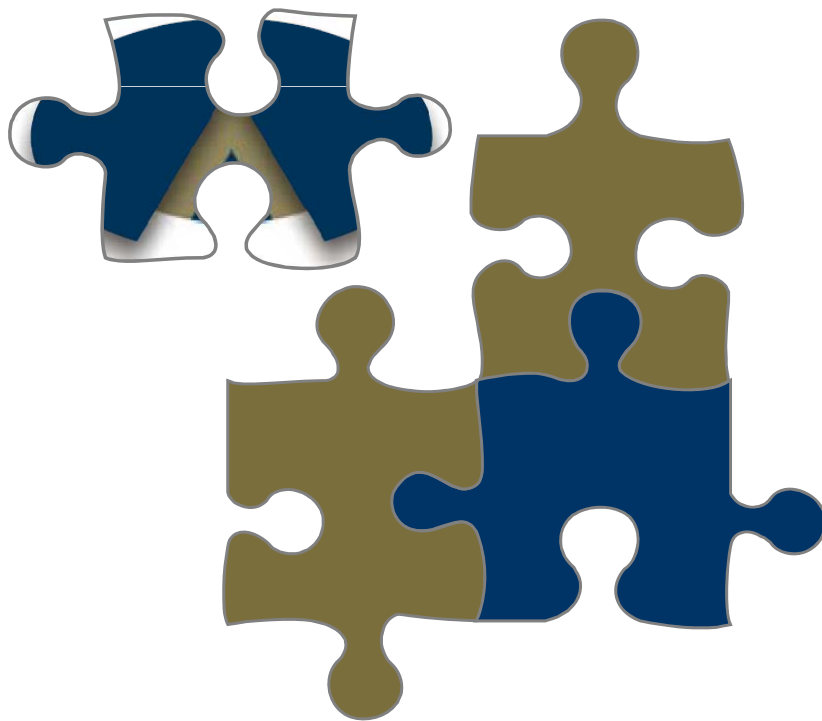
Attached is a copy of the Company's updated corporate presentation.

A copy of this presentation will also be available on the Company's website www.alkane.com.au.

Yours faithfully,
for **ALKANE RESOURCES LTD**

D I Chalmers
Managing Director

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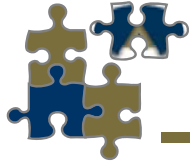


...putting the pieces together



Corporate Presentation

March 2011

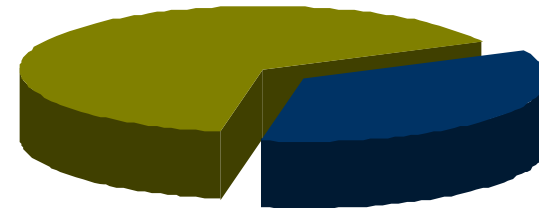


Corporate snapshot



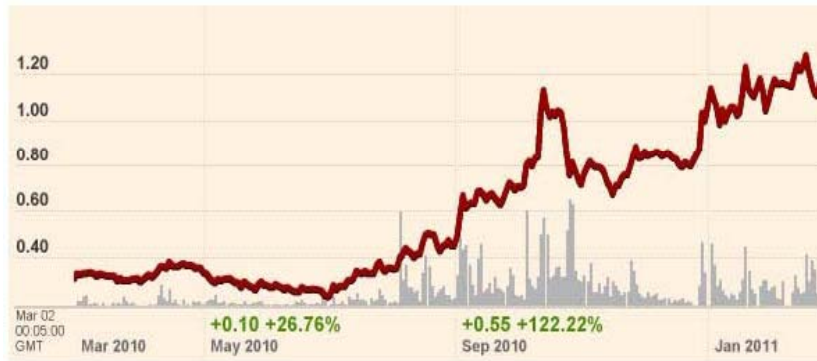
Exchanges	ASX: ALK OTCQX: ANLKY
Share Price (2 March 2011)	A\$1.18
Shares	269m
Fully Diluted Market Cap	~A\$315m
Cash (at 28 February 2010)	~A\$22.2m
No debt	
12 Month High / Low	A\$1.32/ \$0.23

Shareholder profile*



■ Retail	Top 20	~60%
■ Institutions	Directors & Management	3%
	Abbotsleigh (Gandel Metals)	26%

*at 30 June 2010

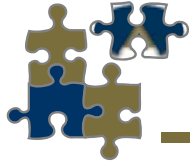


Source: FT

Directors & Management

J. S. F. Dunlop	Chairman
D. I. Chalmers	Managing Director
A. D. Lethlean	Non-Executive Director
I. J. Gandel	Non-Executive Director
L.A. Colless	CFO Joint Secretary
K.E. Brown	Joint Secretary
T W Ransted	Chief Geologist
M D Sutherland	General Manager NSW

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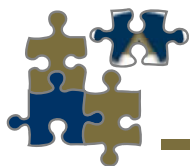


DZP Location



**Central West
New South Wales**





Business Strategy



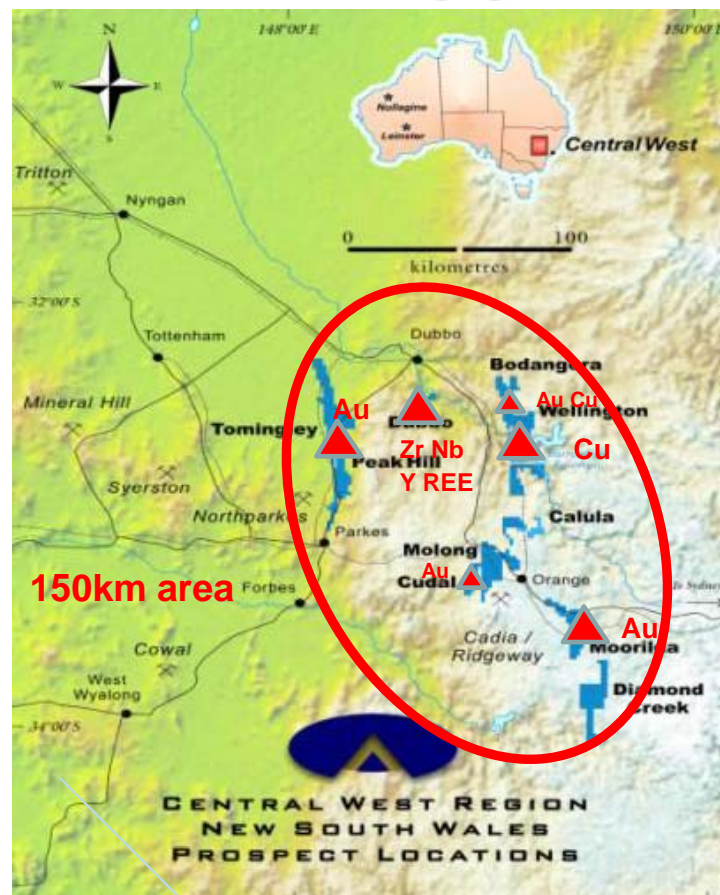
Multi commodity explorer and miner, focussed in the Central West of New South Wales, Australia

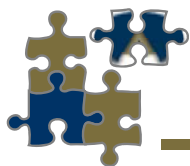
Dubbo Zirconia Project – world class resource of zirconium, hafnium, niobium, tantalum, yttrium and rare earths

**Gold production from Peak Hill mine 1996 – 2005.
New gold development planned at Tomingley based upon 800,000 oz resource**

**Major gold discovery at McPhillamys (~3 million oz)
Joint Venture with Newmont**

Develop multiple operations within tight geographic area over next five years





Dubbo Zirconia Project

Zirconium, niobium, yttrium, rare earth elements

Definitive Feasibility Study

TZ Minerals International Pty Ltd

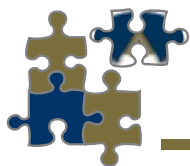
Study managers: *Steve Gilman and Gavin Diener*

Marketing: *Alister MacDonald (TCMS) and Dudley Kingsnorth (IMCOA)*

DPP Operations: *ANSTO Minerals Group Bob Ring, Doug Collier, Karin Soldenoff, Des Levins, Adrian Manis, Chris Griffiths, Peter Fletcher, Prakash Rajalingam*

Environmental Assessment: *R W Corkery & Co Pty Ltd*



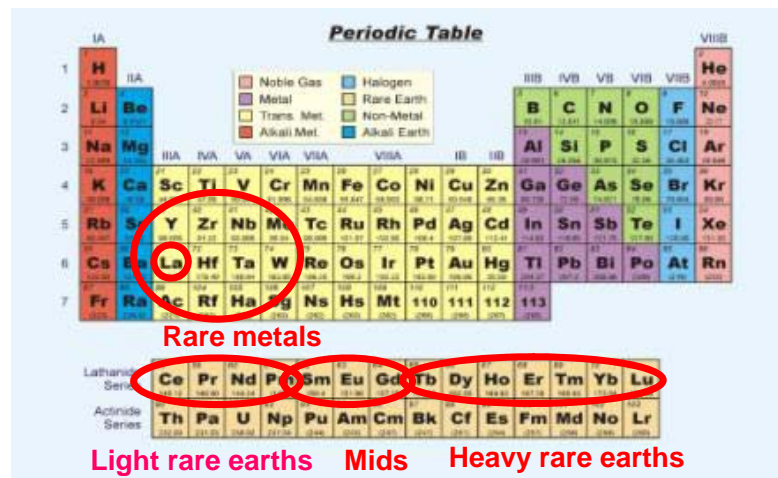


Rare Metals - Rare Earths



Rare Metals – Rare Earths

- China produces 90% of world downstream zirconium chemicals
- China currently produces 95% of world REE output
- China is limiting the export of raw rare earths materials
- Brazil produces 90% of world niobium

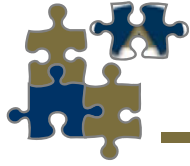


Yttrium "powered" compact fluoro light

- ◆ **Green technology** is dependent on *rare metals and rare earths*
- ◆ **Increased demand** also driven by **changes in legislation**
- ◆ China has dominant position

...not so rare, but increasingly valuable





Dubbo Zirconia Project Location



Dubbo region pop 80,000

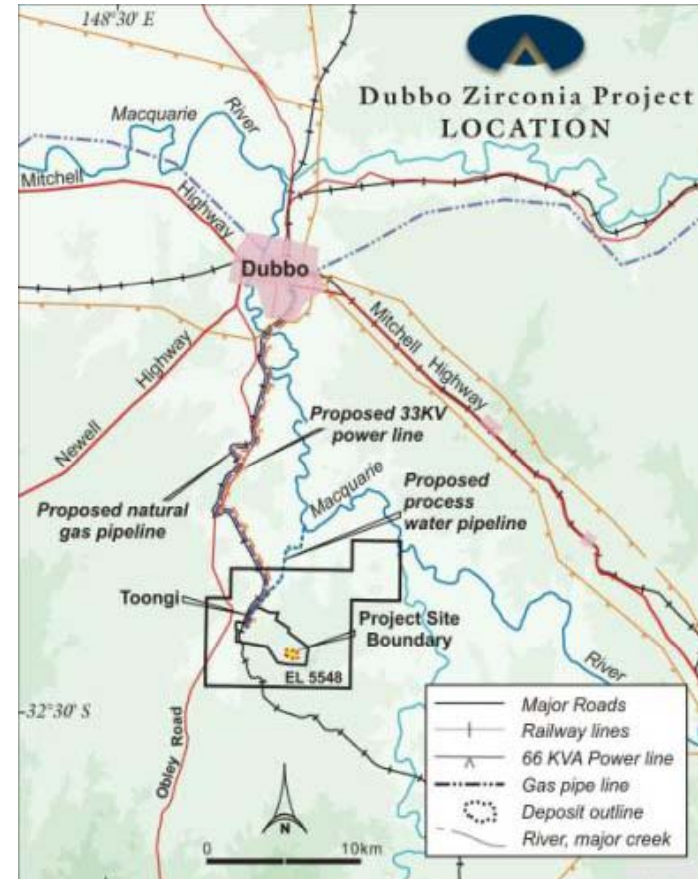
State power grid

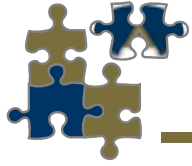
State gas grid

Major mixed agriculture

Transport hub

Substantial light industry





DZP Resources



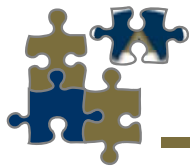
Measured Resource 0 - 55 metres	:	35.7 million tonnes grading 1.96% ZrO ₂ , 0.04% HfO ₂ , 0.46% Nb ₂ O ₅ , 0.03% Ta ₂ O ₅ , 0.14% Y ₂ O ₃ , 0.75% REO and 0.014% U ₃ O ₈
Inferred Resource 55 - 100 metres	:	37.5 million tonnes at similar grades
TOTAL	:	73.2 million tonnes

Major world resource of zirconium, hafnium, niobium, tantalum, yttrium and rare earth elements

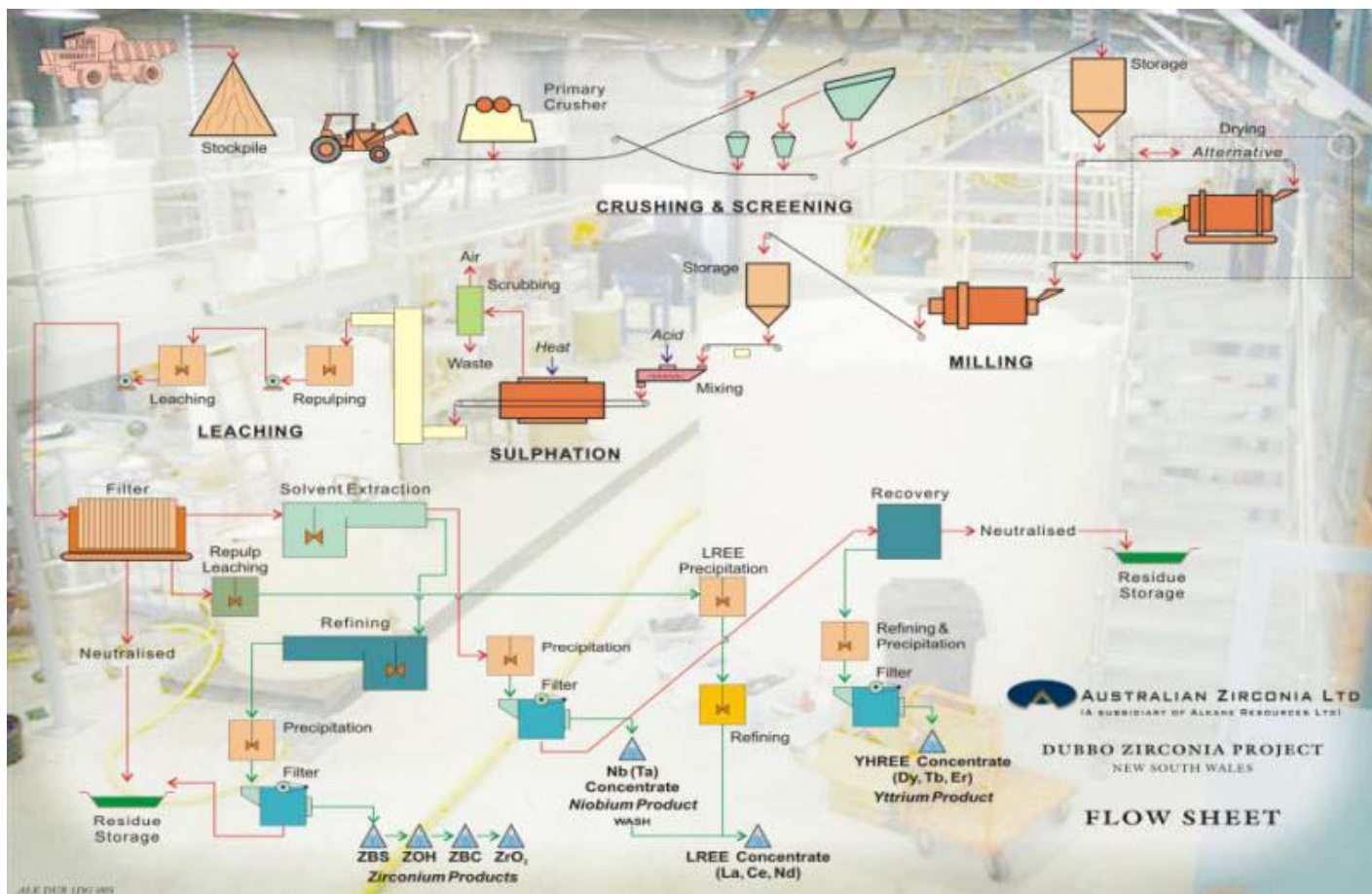
The ore is not classified as a radioactive deposit, and production of uranium is currently prohibited in NSW



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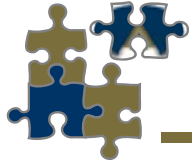


DZP Flow Sheet



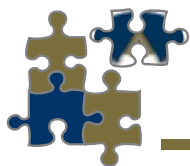
ALX DZP 1201 005

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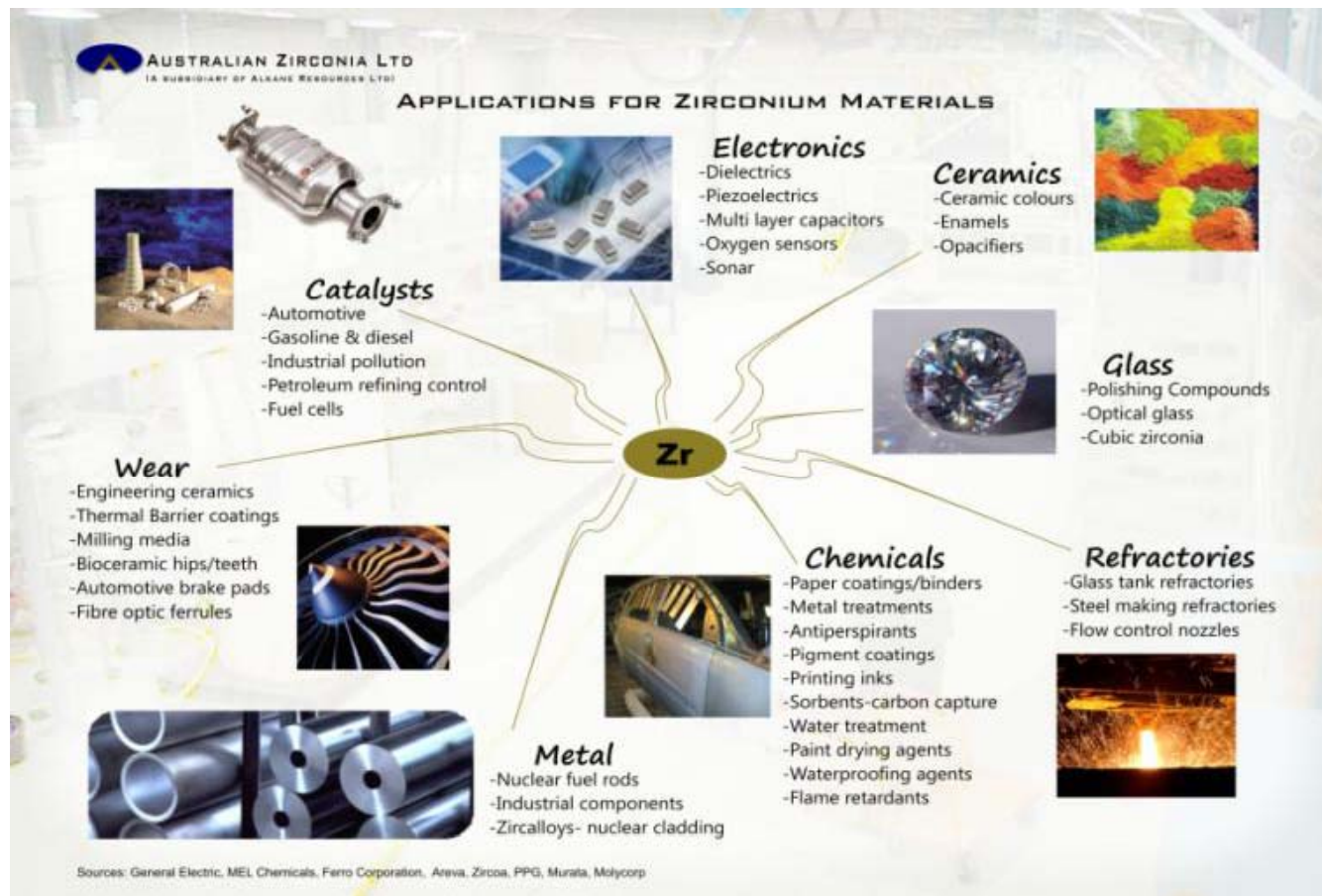


DZP Demonstration Pilot Plant

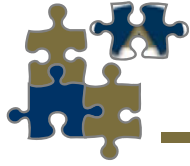




Zirconium Applications



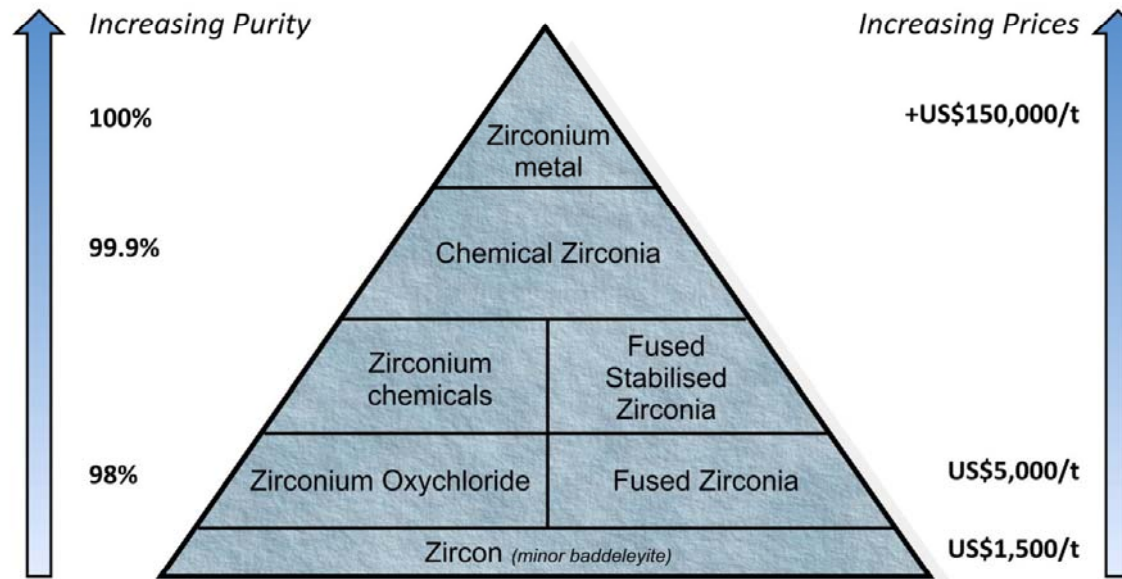
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Zirconium Industry

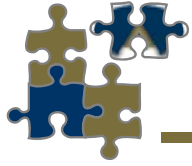


ZIRCONIUM MATERIALS PYRAMID



Zircon	Zirconium silicate $ZrSiO_4$	Primary Zr mineral source	Value
2010	1.4 million tonnes	~US\$1.6 billion	→ US\$2B
Zirconium products	Zirconia ZrO_2, Zirconium chemicals, Zr metal		
2010	120,000 tonnes	~US\$0.7 billion	→ US\$1B

Source: TCMS



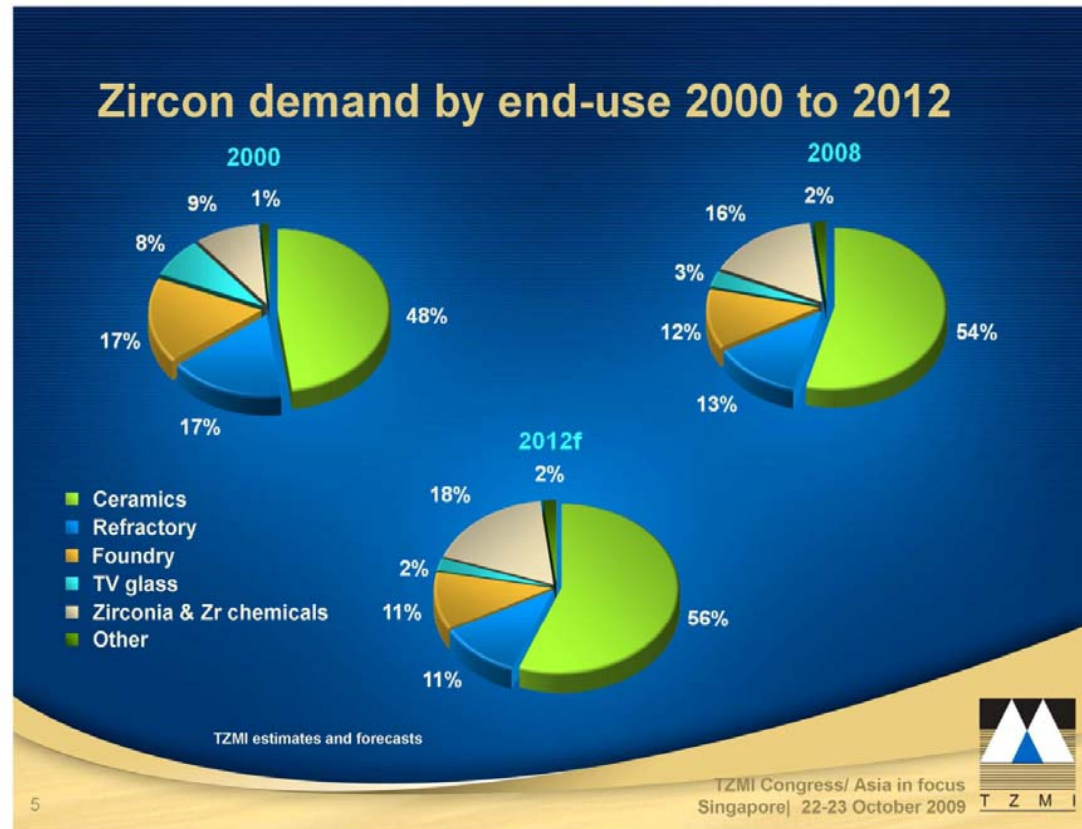
Zircon Usage

Zircon provides the feedstock for the zirconium industry

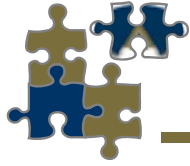


2012 Global consumption estimate 1,400,000tpa

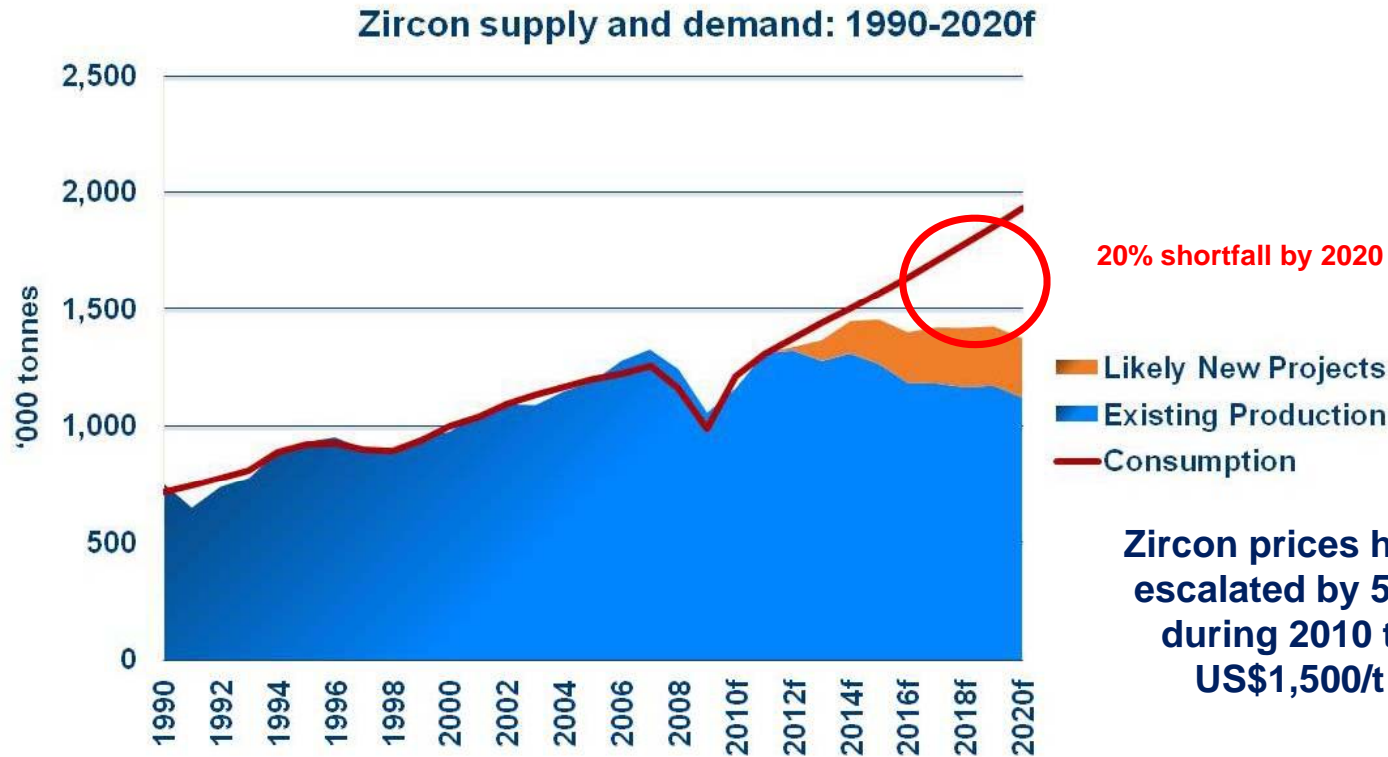
18% = 250,000t zircon for zirconia and zirconium chemicals



Source: TZMI



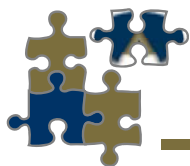
Zircon Supply Demand Price



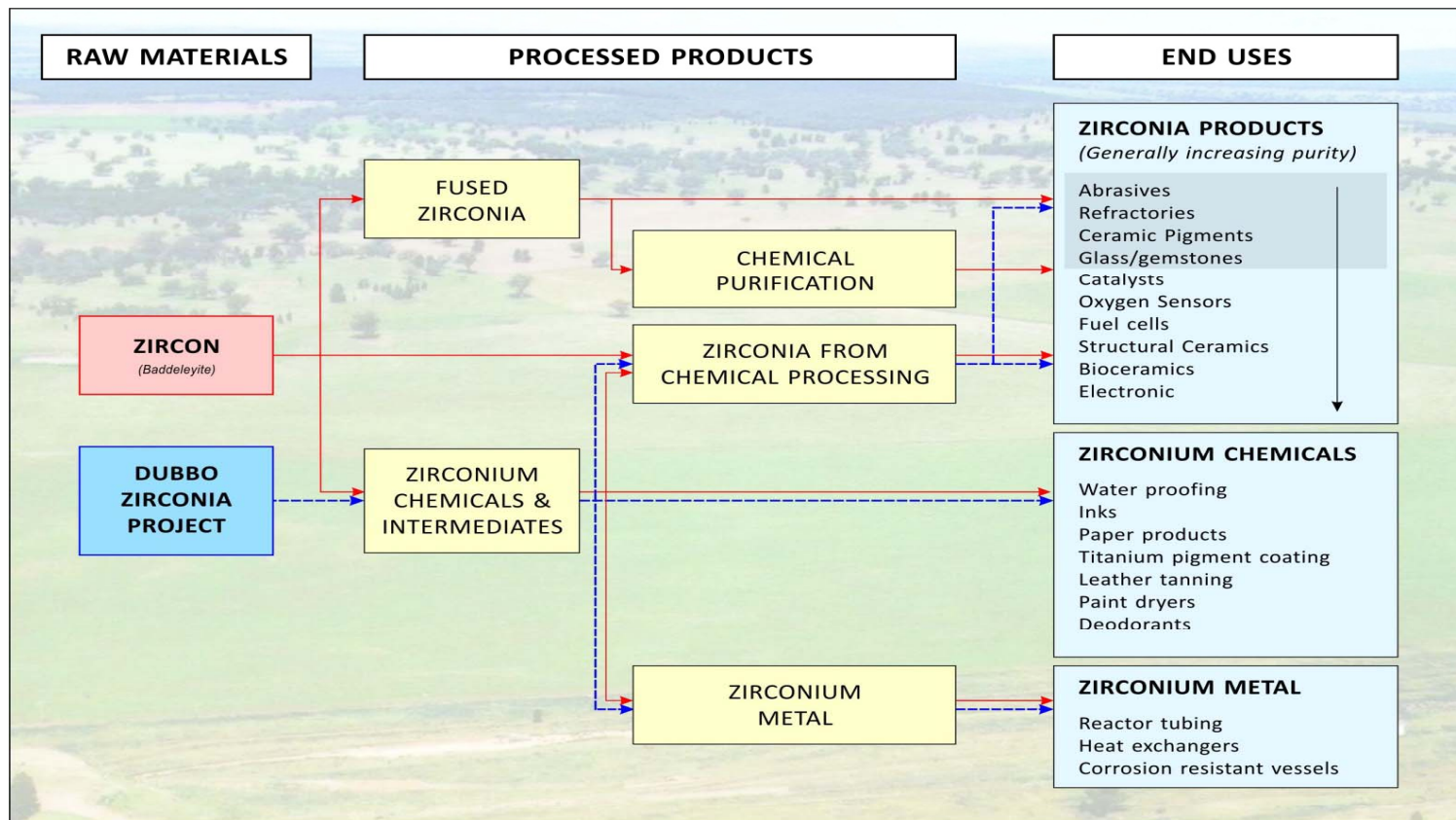
Zircon prices have escalated by 50% during 2010 to US\$1,500/t

Zircon price and supply will have a major impact on the cost and availability of zirconium chemicals, zirconia and zirconium metal. China has declared zirconium a strategic metal.

Source: TZMI

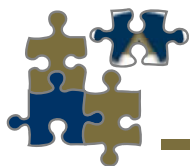


Downstream Zirconium Industry



China supplies about 90% of the world's downstream zirconium products

Source: TZMI / TCMS

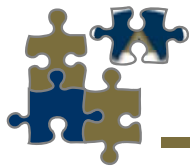


DZP Zircon - Zirconium Chemicals Pricing



Product	ZrO ₂	Q2 2010 US\$/T	Q1 2011 US\$/T
Zircon (miner/trader) (100% ZrO ₂ basis)	65% 100%	\$900-1150 (\$1,440-1,840)	\$1,500-2,100 (\$2,400-3,360)
ZOC (zirconium oxychloride) (100% ZrO ₂ basis)	36% 100%	\$1,350-1,450 (\$3,750-4,027)	\$2,300-2,600 (\$6,389-7,222)
ZBS (zirconium basic sulphate) (100% ZrO ₂ basis)	33% 100%	\$1,770 (\$5,364)	\$3,000 (\$9,090)
ZBC (zirconium basic carbonate) (100% ZrO ₂ basis)	40% 100%	\$2,100 (\$5,250)	\$3,400 (\$8,500)
Fused Zirconia	98.5%	\$2,900-3,100	\$4,100-4,400
Chemical Zirconia	99.5%	\$4,300-4,400	\$7,250-7,500
Chemical Zirconia	99.9%	\$5,300-5,500	\$8,500-10,500

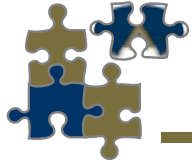
Source: TCMS



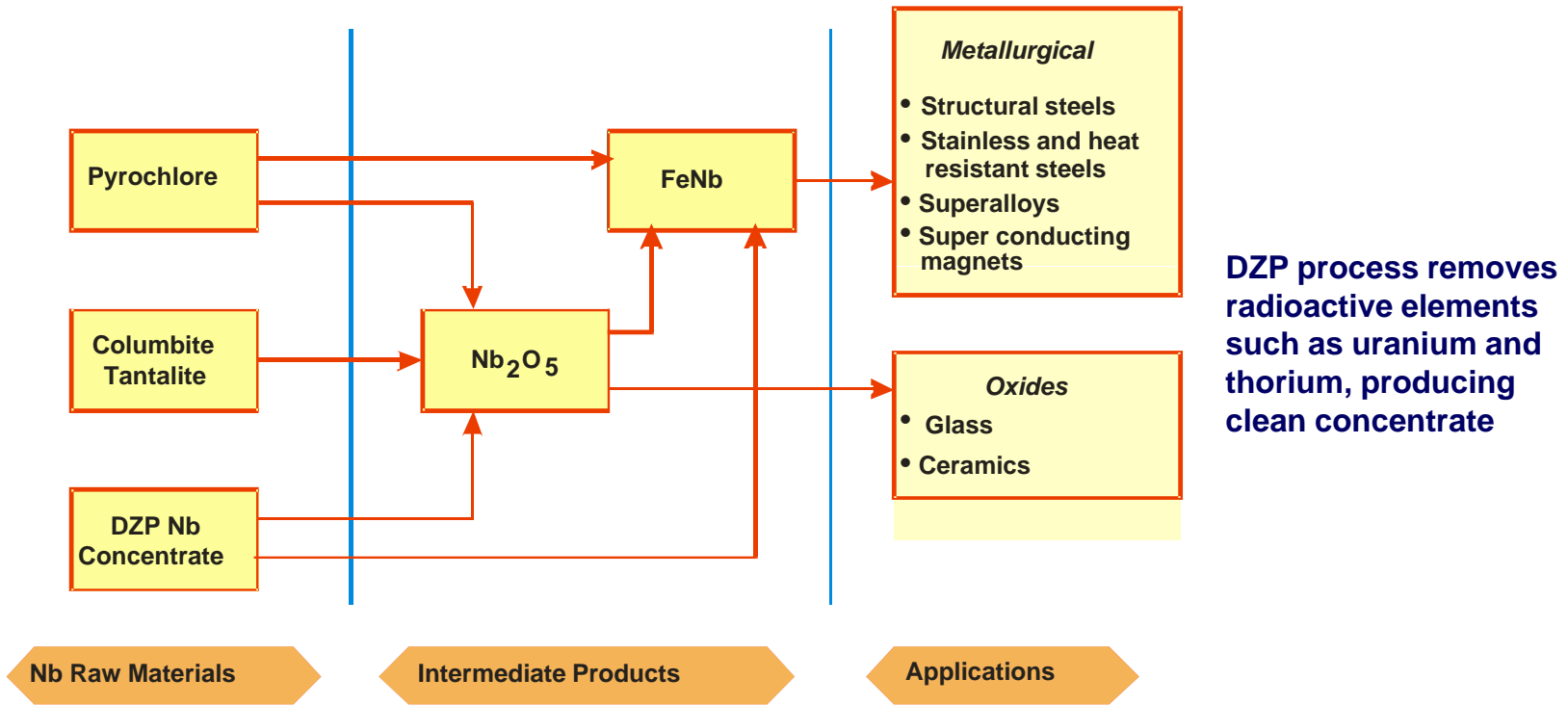
Niobium Applications



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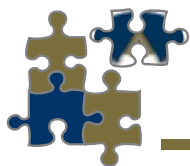
Structure of Niobium Industry



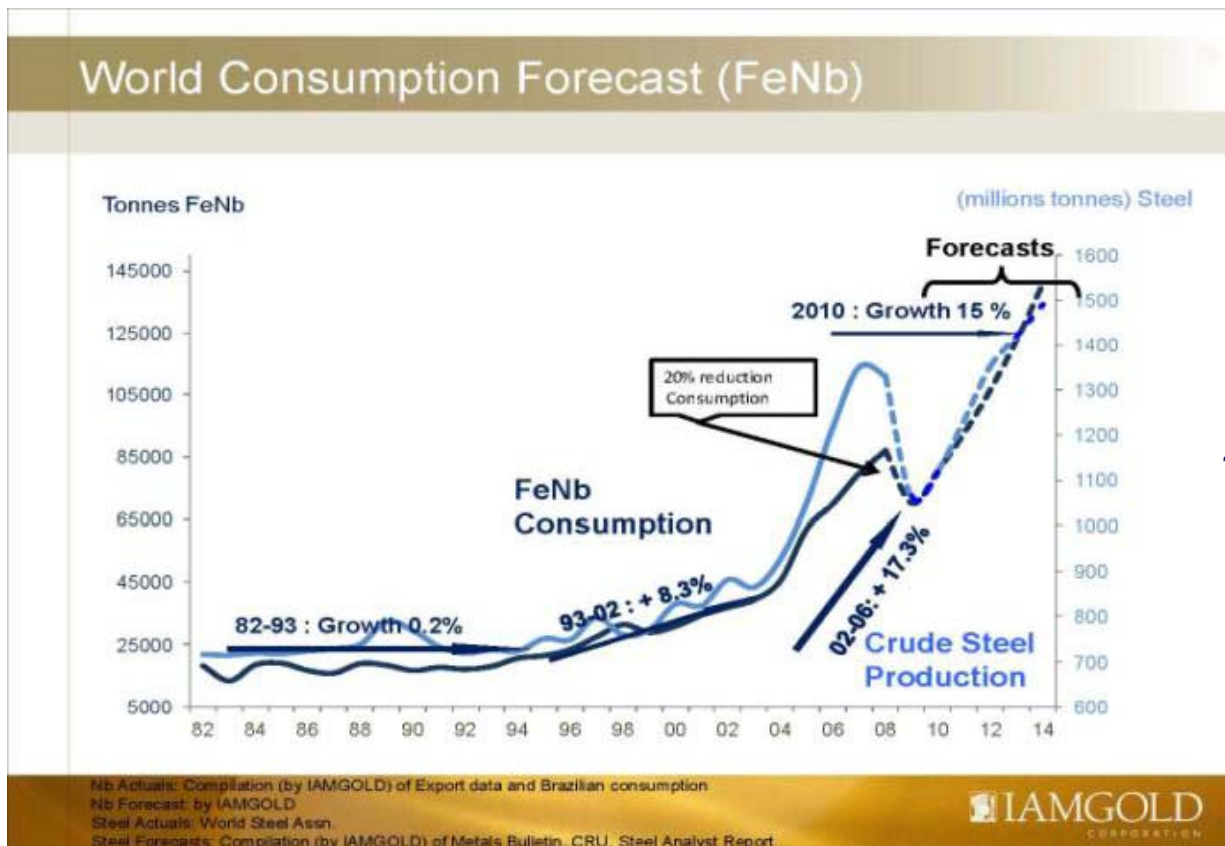
DZP process removes radioactive elements such as uranium and thorium, producing clean concentrate

Ferro-niobium FeNb	Niobium pentoxide Nb_2O_5	Value
2010	85,000 tonnes	~US\$2.0 billion → US\$3B

Source: TZMI



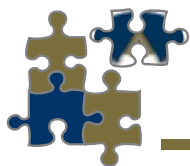
Niobium Demand



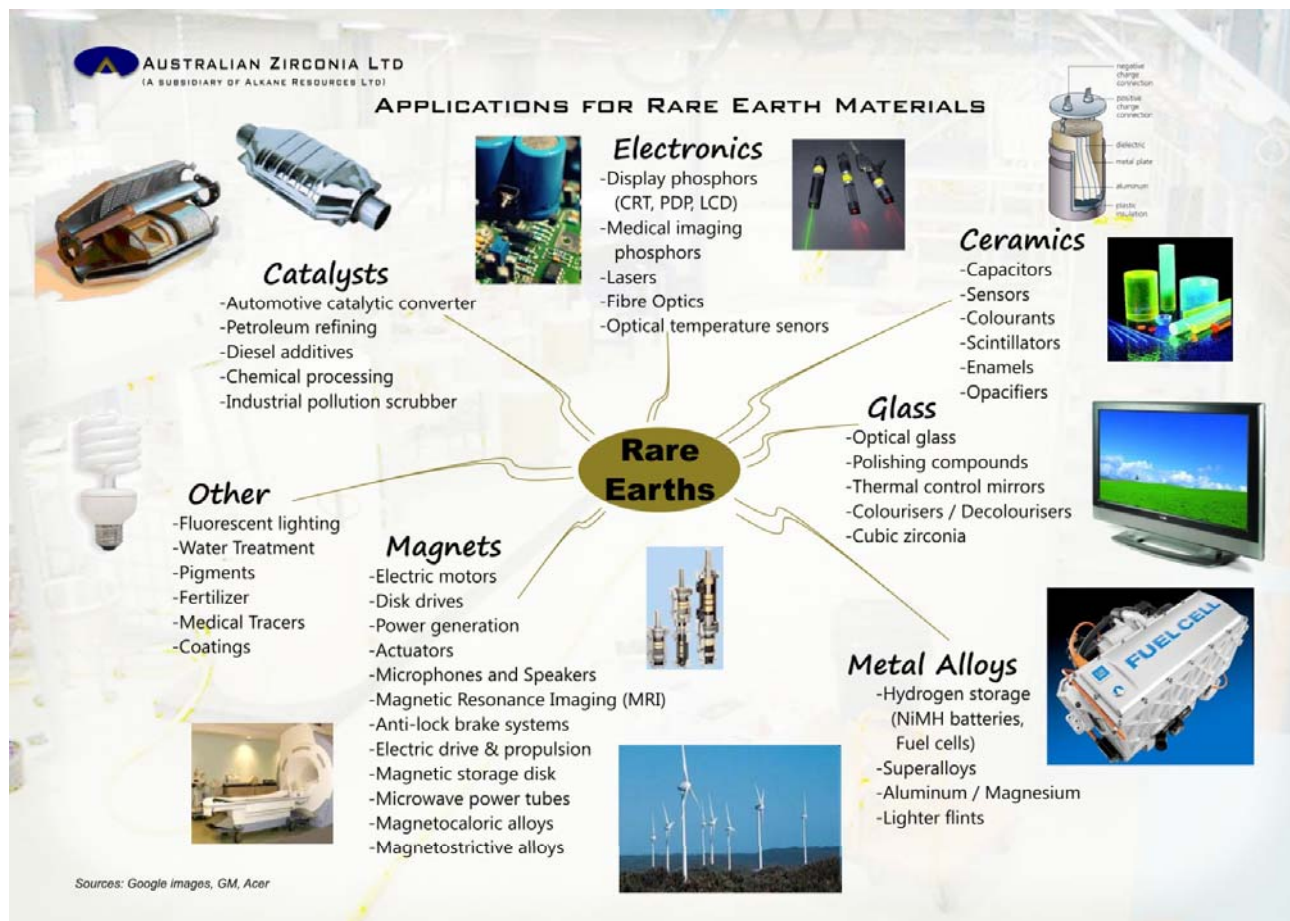
**Niobium 2008
(Ferroniobium units)
consumption
~85,000t – 90% Brazil
Estimate for 2012
~100,000t**

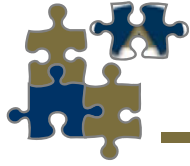
Ferroniobium price spiralled to US\$60/kg in March 07 and is currently around US\$43/kg

Sources: IAMGOLD / TZMI

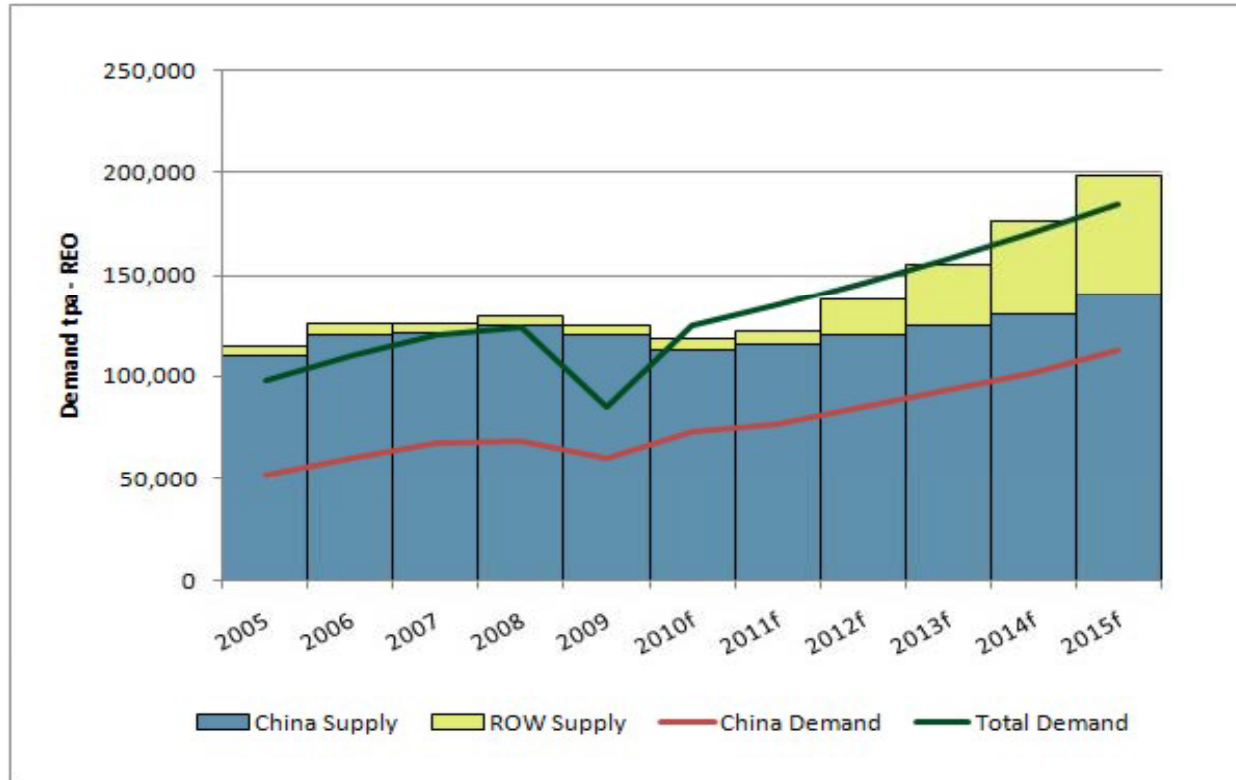


REE Applications





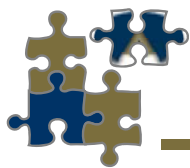
Rare Earth Supply - Demand



Separated rare earth products
2010 130,000 tonnes

Value
~US\$2.0 billion → US\$4B

Source: IMCOA



REE Demand Drivers

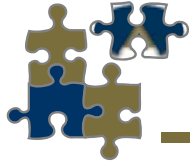


Key Drivers of Demand

Application	Rare Earths	Demand Drivers
Magnets	Nd, Pr, Sm, Tb Dy	Drives for computers, mobile phones, mp3 players, cameras. Hybrid vehicle electric motors. Electric motors for luxury vehicles. Mag-lev trains.
LaNiH Batteries	La, Ce, Pr, Nd	Hybrid vehicle batteries. Hydrogen absorption alloys for re-chargeable batteries
Phosphors	Eu, Y, Tb, La, Dy, Ce, Pr, Gd	LCDs. PDPs. LEDs. Energy efficient fluorescent lights/lamps.
Fluid Cracking Catalysts	La, Ce, Pr, Nd	Petroleum production – greater consumption by 'heavy' oils and tar sands
Polishing Powders	Ce, La, Nd	Mechano-chemical polishing powders for TVs, monitors, mirrors and (in nano-particulate from) silicon chips.
Auto Catalysts	Ce, La, Nd	Tighter NO _x and SO ₂ standards – platinum is re-cycled, but for rare earths it is not economic
Glass Additive	Ce, La, Nd, Er	Cerium cuts down transmission of uv light. La increases glass refractive index for digital camera lens.
Fibre Optics	Er, Y, Tb, Eu	Signal amplification

IMCOA

Source: IMCOA



DZP Rare Earth Pricing

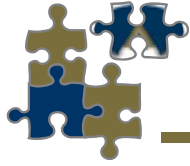


Rare Earths Prices 2010 (US\$/kg REO)					Current Spot (28 Feb)
(Source: Metal Pages©)					
Light Rare Earth	DZP Distribution	Q2 Average	Q3 Average	Q4 Average	
Lanthanum Oxide	19.5%	\$7.13	\$25.75	\$53.00	\$80
Cerium Oxide	36.7%	\$5.58	\$24.50	\$50.00	\$80
Praseodymium Oxide	4.0%	\$30.60	\$48.25	\$77.00	\$125
Neodymium Oxide	14.1%	\$31.13	\$49.50	\$80.00	\$135
Samarium Oxide	2.2%	\$4.50	\$22.25	\$34.00	\$80
Heavy Rare Earth					
Europium Oxide	0.07%	\$521.67	\$570.00	\$625.00	\$650
Gadolinium Oxide	2.15%	\$8.25	\$28.75	\$44.00	\$95
Terbium Oxide	0.34%	\$545.00	\$570.00	605.00	\$650
Dysprosium Oxide	2.05%	\$196.67	\$275.00	\$295.00	\$450
Ho, Er, Tm, Yb, Lu	2.9%				
Yttrium Oxide	15.8%	\$11.42	\$26.25	\$56.00	\$95
DZP LREE	76.68%	\$12.06	\$30.58	\$57.20	\$92
DZP YHREE	23.32%	\$42.23	\$62.34	\$78.70	\$84
DZP LREE Concentrate Value		\$8.44	\$21.41	\$36.47	\$65
DZP YHREE Concentrate Value		\$29.59	\$43.64	\$57.20	\$59

Compiled by IMCOA

DZP REE Concentrates expected to return 70% of separated prices

Source: IMCOA



DZP Product Output and Revenues



Base case model of 400,000 tonnes pa and expanded 1 million tonnes pa of ore processed

Potential Production and Revenues January 2011				
Product	400,000 tonnes per annum		1,000,000 tonnes per annum	
ZBS, ZOH, ZBC, ZrO ₂	6,000tpa	US\$33.0M*	15,000tpa	US\$82.5M*
Nb -Ta concentrate	1,4000tpa	US\$35.0M*	3,500tpa	US\$87.5M*
LREE concentrate	1,980tpa	US\$79.3M**	4,950tpa	US\$198.2M**
YHREE concentrate	600tpa	US\$33.1M**	1,500tpa	US\$82.7M**
TOTAL	9,980tpa	US\$180.4Mpa	24,950tpa	US\$450.9Mpa

*Zr @ US\$5.50/kg and Nb @ US\$25/kg as intermediate average prices as at Q4 2010

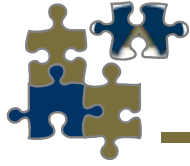
** Price average of Q4 2010 for REO basket and assumes concentrate at 70% of total separated REO value of LREE @ US\$57/kg and YHREE @ US\$79/kg

Base Case Operating costs ~ A\$60m
Open pit life 200 years
Capex ~ A\$200m

Expanded Opex ~ A\$120m
Open pit life +80 years
Capex ~ A\$400m

- ZBS = zirconium basic sulphate; ZOH = zirconium hydroxide; ZBC = zirconium carbonate Equivalent ~99% ZrO₂ + HfO₂
- Nb-Ta concentrate = ~70% Nb₂O₅ + Ta₂O₅ calcined basis ▪ LREE = La, Ce, Nd, Pr ▪ YHREE = Y, Gd, Dy, Tb





DZP Strategic Significance



Majority of “downstream” zirconium products are derived from zircon, whose output is governed by ilmenite/rutile from mineral sands mining operations.

China dominates downstream zirconium business at ~90% but feed is zircon.

Niobium production dominated by one company, CBMM in Brazil with 90% of market.

Rare earth and yttrium production dominated by China (95%). DZP offers new source particularly for important Y and HREE.

Production costs are spread across the four metal outputs – zirconium (hafnium), niobium (tantalum), light rare earths and yttrium-heavy rare earths.

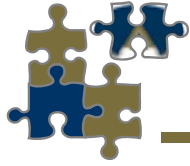
Project located in region with very favourable infrastructure and legislative framework, both at a State and Federal level.

Increased demand for many of the metals is driven by environmental legislation to ensure emissions minimisation and energy consumption efficiency

The DZP provides an alternative and strategic source for a number of important metals, and is capable of producing for hundreds of years from one ore body.



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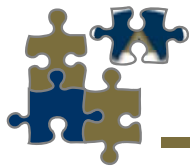


Development pathway



		-> 2009	2010	2011	2012	2013	2014
DZP 	Resource definition 2001 - 2002	✓					
	Flow sheet development 2002	✓					
	Laboratory Zr – Nb 1999 – 2002	✓					
	Pilot plant Zr – Nb 2002	✓					
	Mine Plan & Scheduling 2002	✓					
	Plant Design & Engineering 2002	✓					
	Laboratory Y & REE 2009 -	✓					
	Demonstration Pilot Plant 2008 -						
	Zr – Nb Product Distribution	✓	✓	✓			
	Y - REE Product Distribution						
	Secure Offtake Agreements						
	Definitive Feasibility Study	2002					
	Environmental Impact (EA)	2000 ->					
	Detailed Design						
	Project Financing / Consent						
Construction							
Production							





Tomingley Project

Gold

Definitive Feasibility Study

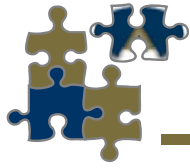
Mintrex Pty Ltd

Study Manager: *Fiona Morgan*

Environmental Assessment

R W Corkery & Co Pty Ltd





Tomingley Gold Project, NSW

ALKANE RESOURCES: 100%



- **Three deposits under conceptual development:**

- **Caloma** (3.86Mt @ 1.76g/t Au)
- **Wyoming One** (6.59Mt @ 1.86g/t Au)
- **Wyoming Three** (0.84Mt @ 1.75g/t Au)

947 AC, RC and core holes totalling 109,114 metres

- **Total current combined resource (d) +660,000oz**

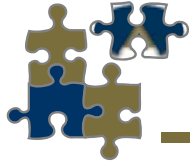
- Expansion potential
 - Deposits open at depth
 - Significant regional exploration potential

- **Minimum seven year mine life => +10yr target**

- **Initial open pit +underground operations (Yrs 1-7)**

Additional open pit and ug (Yrs 7 -10)





TGP Financials

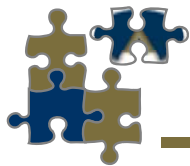


PRODUCTION OUTCOMES	BASE CASE	EXPANDED CASE
Mine Life	7 Years	8 - 10 Years
Throughput		
Open Pit	5.9 Million tonnes	1.5 million tonnes
Underground	0.7 million tonnes	0.5 Million tonnes
Production	370,000oz	150,000oz
Method	conventional CIL circuit	conventional CIL circuit
Recovery	>90%	>90%
Capex (+/- 10%)	A\$90 Million	+A\$10 Million
Estimated cash costs	A\$940/oz	A\$940/oz
Potential LOM cashflow	~A\$170 Million [#]	A\$250 Million [#]

[#] Based on A\$1400 per ounce gold price; 1 Mtpa mill throughput

...targeting 10 year mine life





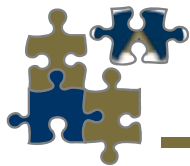
Advanced Exploration

Gold ODEJV - McPhillamys

Newmont Australia Limited (NAL)
Subsidiary of US based Newmont Mining Corporation

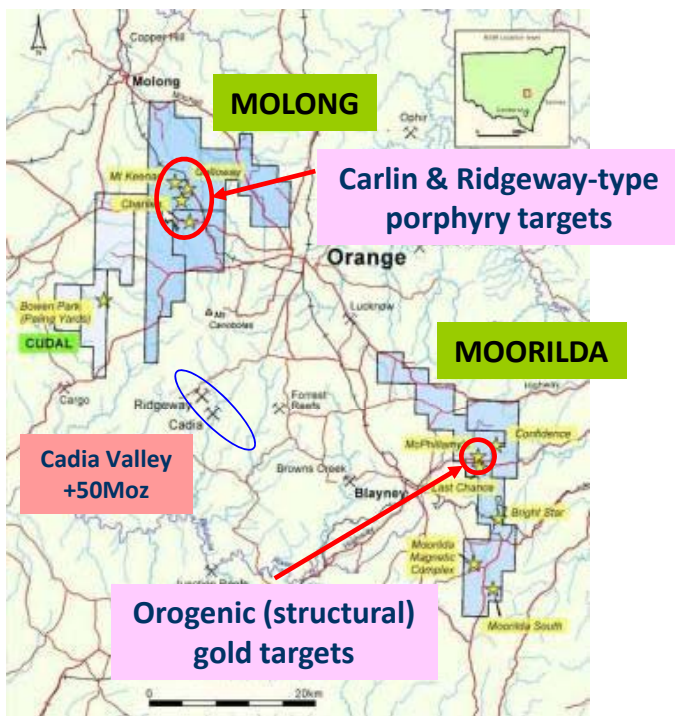
NAL are the Managers and Operators





ORANGE DISTRICT EXPLORATION JOINT VENTURE (ODEJV)

Gold, Copper – Orange, NSW | Alkane Resources: 49%, Newmont Australia: 51%

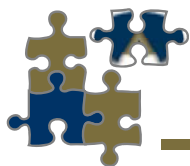


TWO FOCUS AREAS:

- **Molong**
 - targeting copper-gold porphyry-style gold mineralisation (Ridgeway-type) and Carlin style
- **Moorilda**
 - drilling confirms a major gold system @ McPhillamy's
- Newmont have earned 51%, to go to 75% by carrying all expenditures through to completion of final BFS

...low risk with significant upside + 4moz system



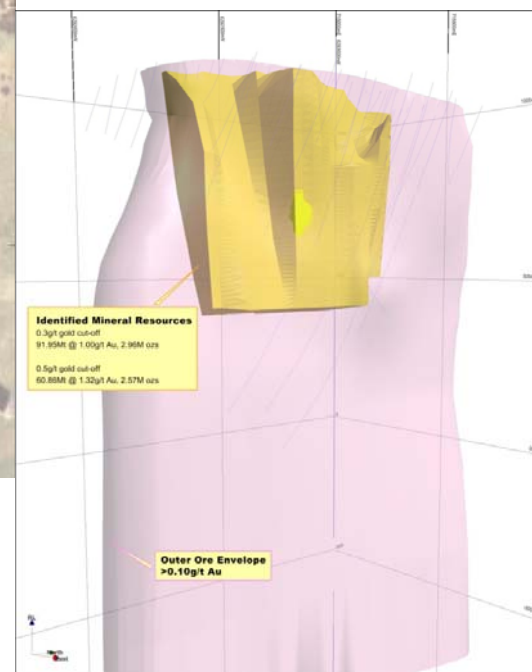
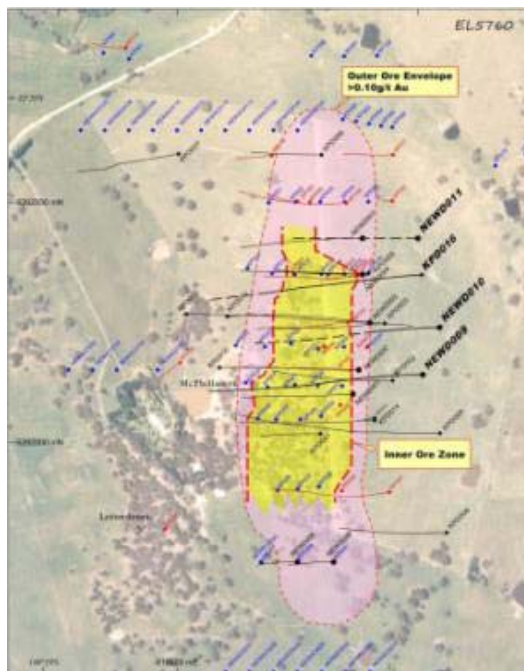


ODEJV Moorilda | McPhillamys



INITIAL RESOURCES

- **Indicated + Inferred** +0.3g/t gold
92 Mt @ 1.00g/t Au 0.07% Cu
2.96 Moz Au & 60,000t Cu
- **Indicated + Inferred** +0.5g/t gold
61 Mt @ 1.32g/t Au 0.08% Cu
2.57 Moz Au & 48,000t Cu
- Mineralisation open at depth
Deep drilling in progress
- Conceptual studies for both open pit and block cave mining
- Preliminary metallurgical scoping indicates +90% gold recovery from CIL
- Likely low waste to ore ratio to significant depth for open pit



BASE AREAS

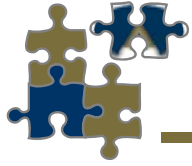
- Outer ore envelope 1,000m x 260m 0.1g/t Au
- Inner ore zone 600m x 200m to 450m depth
- Average 2.8 SG

Compare Barricks Cowal Operation

- 64Mt @ 1.22g/t Au at start up
- 8Mtpa for ~ 250,000ozpa

... potential open cut or block caving operation

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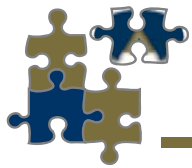
Project Development Pipeline



		2010	2011	2012	2013	2014
<u>TOMINGLEY GOLD</u>	Definitive Feasibility Study (DFS)	█	█	█		
	Environmental Assessment / DC	█	█	█	█	█
	Project Financing @ \$A90m		█	█	█	
	Construction			█	█	█
	Production				█	█
<u>DUBBO ZIRCONIA</u>	Definitive Feasibility Study (DFS)		█	█	█	
	Environmental Assessment / DA		█	█	█	█
	Project Financing @ ~A\$2/400m			█	█	█
	Construction				█	█
	Production					█
<u>McPHILLAMYS</u>	Exploration/Pre-feasibility	█	█	█		
	Bankable Feasibility Study (BFS)			█	█	
	Construction				?	?
	Production					?
<u>Galwadgere</u>	Exploration/Pre-feasibility		█		?	?
<u>Bodangora</u>	Exploration/Pre-feasibility		█		?	?
<u>Cudal</u>	Exploration/Pre-feasibility		█		?	?



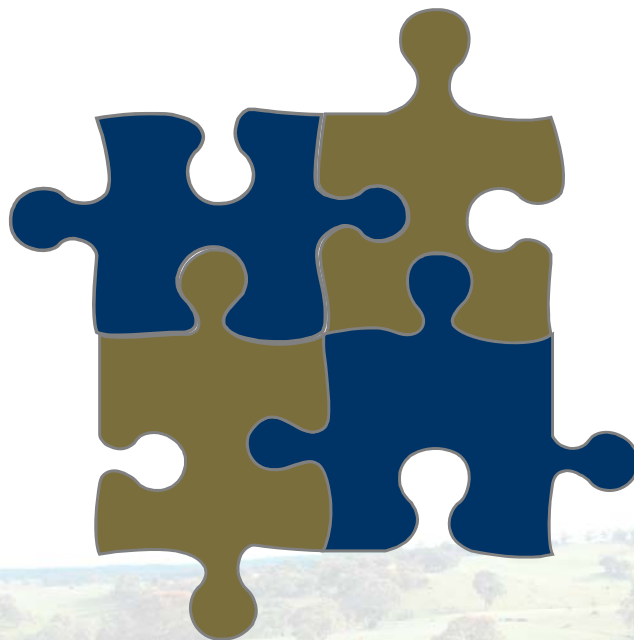
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ALKANE
RESOURCES LTD

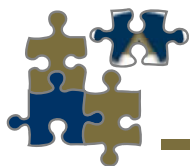


ALKANE
RESOURCES LTD



...a perfect fit





Disclaimer



Disclaimer

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Competent Person

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