

26 NOVEMBER 2012



ALKANE
RESOURCES LTD
ABN 35000689216

ADDITIONAL RESOURCE POTENTIAL FROM RC DRILLING AT CALOMA TWO (TGP)

- **RC drilling at the Caloma Two deposit within the Tomingley Gold Project (TGP) has generated several substantial intercepts:**
 - **PE 771** 18 metres grading 3.18g/t gold from 45 metres
Including 9 metres grading 5.52g/t gold from 57 metres
 - **PE 774** 21 metres grading 3.77g/t gold from 120 metres
 - **PE 776** 9 metres grading 3.86g/t gold from 51 metres
 - **PE 782** 10 metres grading 3.79g/t gold from 130 metres
 - **PE 783** 6 metres grading 4.78g/t gold from 150 metres
 - **PE 786** 5 metres grading 7.11g/t gold from 47 metres
 - **PE 788** 70 metres grading 1.89g/t gold from 176 metres
Including 42 metres grading 2.44g/t gold from 204 metres
 - **PE 793** 3 metres grading 12.05g/t gold from 30 metres

- **The Caloma Two deposit is located adjacent to the planned Caloma open pit and covers a separate target zone which is 100 metres wide and 300 metres in strike length.**

- **Further RC and core drilling is scheduled to enable resource definition and incorporation into the development plan for the TGP.**

- **The Project received development approval from the NSW Department of Planning and Infrastructure in July 2012 and commencement of construction is awaiting approval of the Mining Lease by the NSW Division of Resources and Energy.**

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TOMINGLEY GOLD PROJECT (TGP) - gold

Alkane Resources Ltd 100%

The TGP is based on three gold deposits (Wyoming One, Wyoming Three and Caloma) located 14 kilometres north of the Company's Peak Hill Gold Mine, approximately 50 kilometres south west of Dubbo (Figures 1 & 2). A Definitive Feasibility Study (DFS) was completed late 2010 (ASX Report dated 13 December 2010) and development of a 1 million tonne project to produce 50-60,000 ounces per annum over a minimum mine life of 7 years has been advanced.

The TGP received development approval from the NSW Department of Planning and Infrastructure in late July however approval of the site Mining Lease from the Division of Resources and Energy remains outstanding before construction work can commence.

An RC drilling program commenced in October to define resources within the Caloma Two deposit which is located immediately to the south of the planned Caloma open pit. The Caloma Two mineralisation is located within the feldspar porphyry sub-volcanic intrusive which hosts the Caloma and Wyoming deposits.

30 RC holes totalling 4,269 metres have been drilled to test the western third of the target zone at Caloma Two. The gold mineralisation appears to be associated with sub-vertical quartz-sulphide veins within a 100 metre wide east-west structural corridor that cuts across the north-south trending porphyry. Mineralisation has previously been confirmed over a 300 metre strike length (Figure 3). Results are summarised in Table 1 below.

The quartz veins pinch and swell both down dip and along strike and can range from very narrow intervals up to zones 5 metres in width. Very broad zones of mineralisation (PE 788 70m @ 1.89g/t Au) are observed where vein structures appear to intersect bands of siltstone within the porphyry body. The three dimensional geometry of these broad zones is not clear at this time but they have the capacity to add to the resource potential of the body.

Further RC and core drilling is planned to complete the detailed drilling of the target zone to enable resource estimation and incorporation into the development schedule. This drilling is scheduled for completion in the first quarter of 2013.

Competent Person

Unless otherwise advised above, the information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr D I Chalmers, FAusIMM, FAIG, (director of the Company) who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ian Chalmers consents to the inclusion in this report of the matters based on his information in the form and context in which it appears

Disclaimer

This report contains certain forward looking statements and forecasts, including possible or assumed reserves and resources, production levels and rates, costs, prices, future performance or potential growth of Alkane Resources Ltd, industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Alkane Resources Ltd. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors. Nothing in this report should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

This document has been prepared in accordance with the requirements of Australian securities laws, which may differ from the requirements of United States and other country securities laws. Unless otherwise indicated, all ore reserve and mineral resource estimates included or incorporated by reference in this document have been, and will be, prepared in accordance with the JORC classification system of the Australasian Institute of Mining, and Metallurgy and Australian Institute of Geosciences.

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ABOUT ALKANE - www.alkane.com.au - ASX: ALK and OTCQX: ANLKY

Alkane is a multi commodity company focussed in the Central West region of NSW Australia. Currently Alkane has two projects heading towards production in 2013/2015 - the Tomingley Gold Project (TGP) and the nearby Dubbo Zirconia Project (DZP). Tomingley recently received project approval for its development. Cash flow from the TGP will provide the funding to maintain the project development pipeline and will contribute to development of the DZP.

The DZP revised feasibility study and environmental impact statement is nearing completion and a development decision is anticipated in the second half of 2013. This project will make Alkane a strategic and significant world producer of zirconium products and heavy rare earths.

Alkane's most advanced gold copper exploration projects are at the 100% Alkane owned Wellington and Bodangora prospects. Wellington has a small Cu-Au resource which can be expanded, while at Bodangora a large 12km² monzonite intrusive complex has been identified with porphyry style Cu-Au mineralisation.

Sale of Alkane's interest in the Orange District Exploration Joint Venture, host to the McPhillamys gold deposit, was completed in November 2012 with the issue of 17.5 million Regis Resources Ltd shares.



Table 1: TGP – Caloma Two RC drill results, greater than 1.0g/t gold @ 26 November 2012

Hole No.	East	North	RL (m)	Azimuth	Dip	Intercept (m)	Grade (g/t Au)	Interval (m)	EOH (m)	Comments
PE769	614720	6393670	271	180°	70°	2	2.06	139 - 141	150	C 2
PE770	614720	6393655	271	180°	70°	3*	1.34	51 - 54	114	C 2
PE771	614720	6393685	271	180°	70°	18*	3.18	45 - 63	90	C 2
incl						9	5.52	57 - 66		
PE772	614720	6393715	271	180°	70°	3*	2.15	42 - 45	150	C 2
and						5	3.70	60 - 65		
PE773	614720	6393730	271	180°	70°	3*	1.72	54 - 57	210	C 2
and						4	1.97	139 - 143		
PE774	614720	6393760	271	180°	70°	21	3.77	120 - 141	222	C 2
and						2	2.86	146 - 148		
and						4	3.41	163 - 167		
PE775	614720	6393775	271	180°	70°	3	1.17	135 - 138	186	C 2
and						11	1.38	164 - 175		
incl						2	3.34	169 - 171		

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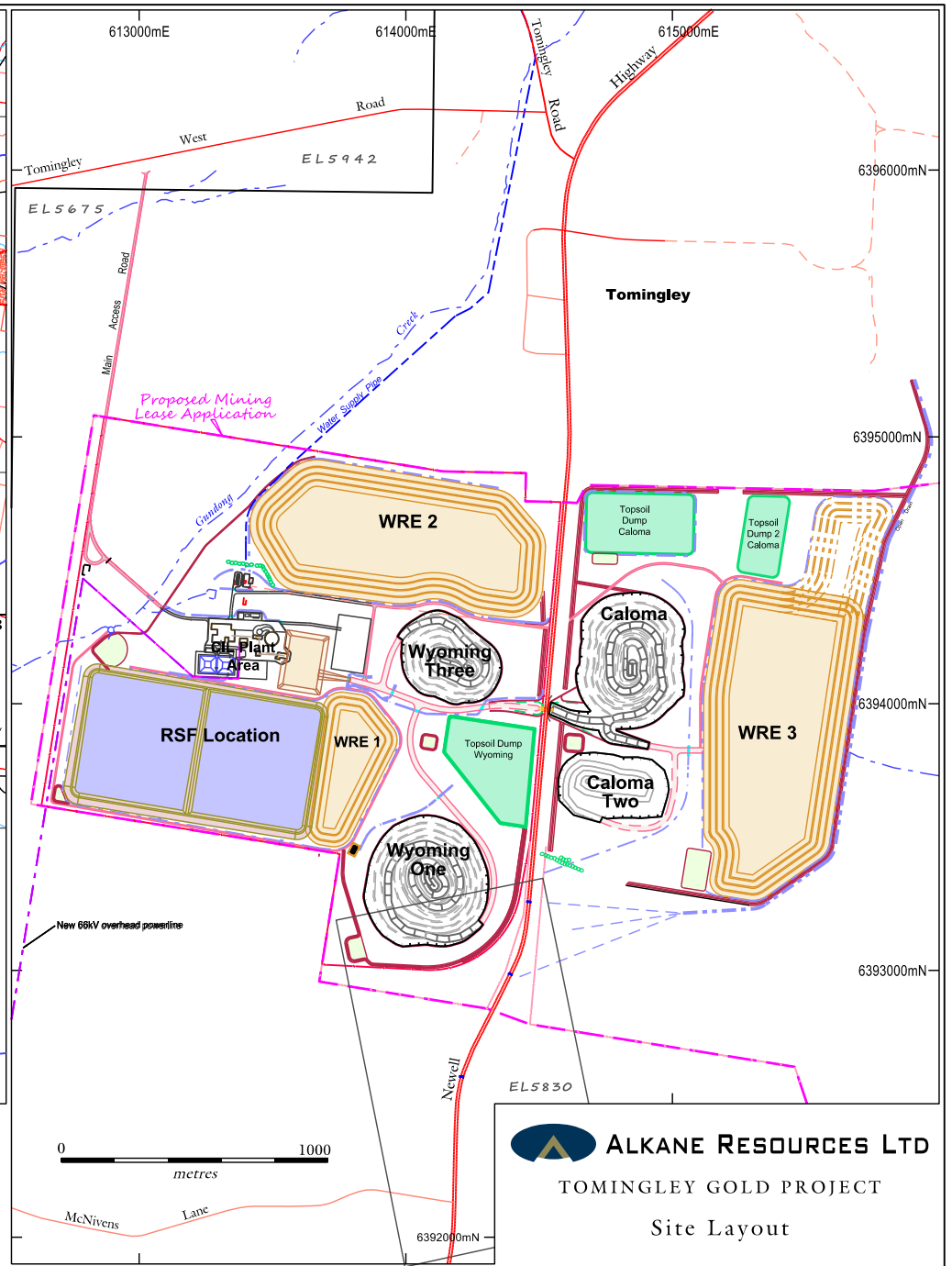
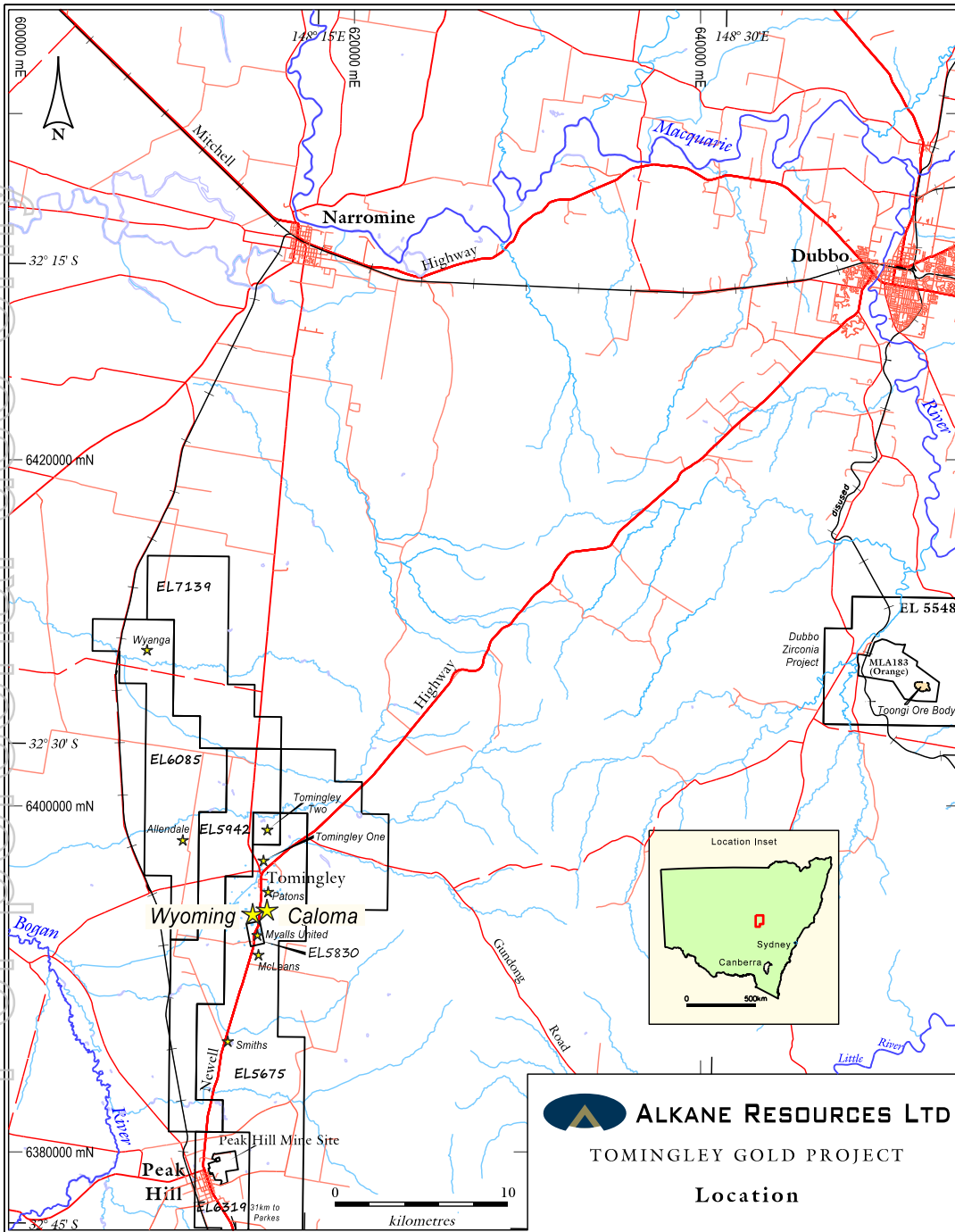


Hole No.	East	North	RL (m)	Azimuth	Dip	Intercept (m)	Grade (g/t Au)	Interval (m)	EOH (m)	Comments
PE776	614700	6393708	271	180°	60°	9*	3.86	51 - 60	132	C 2
and						9*	1.02	78 - 87		
and						3	6.70	111 - 114		
PE778	614700	6393788	271	180°	60°	4	5.03	134 - 138	192	C 2
and						2	1.57	157 - 159		
and						5	1.23	179 - 184		
PE779	614740	6393675	271	180°	60°	8	1.38	37 - 45	114	C 2
and						3	1.53	57 - 60		
and						7*	1.36	92 - 99		
PE780	614740	6393708	271	180°	60°	6*	1.14	39 - 45	114	C 2
and						4	3.98	64 - 68		
PE781	614740	6393745	271	180°	60°	3	1.86	125 - 128	198	C 2
and						9	1.53	139 - 148		
and						1	1.09	158 - 159		
PE782	614740	6393780	271	180°	60°	10	3.79	130 - 140	208	C 2
and						1	14.40	145 - 146		
and						2	1.61	174 - 176		
and						1	1.49	178 - 179		
and						2	1.14	189 - 191		
PE783	614740	6393805	271	180°	60°	6	4.78	150 - 156	240	C 2
and						1	4.14	173 - 174		
and						1	1.68	182 - 183		
and						7	1.81	218 - 225		
PE786	614800	6393688	271	180°	60°	5	7.11	47 - 52	150	C 2
and						3	2.46	90 - 93		
and						1	2.43	105 - 106		
and						4*	1.10	108 - 112		
PE787	614800	6393727	271	180°	60°	2	2.50	70 - 72	150	C 2
and						1	1.19	82 - 83		
and						2	1.18	87 - 89		
and						2	4.03	116 - 118		
and						2	2.12	136 - 138		
and						2	1.16	141 - 143		
PE788	614800	6393788	271	180°	60°	3*	1.05	12 - 15	258	C 2
and						70	1.89	176 - 246		
incl						42	2.44	204 - 246		
and						5	4.29	204 - 209		
and						4	5.92	226 - 230		
and						4	5.63	237 - 241		
PE790	614680	6393680	271	180°	60°	3	1.11	43 - 47	102	C 2
and						6	1.90	63 - 69		
PE791	614680	6393700	271	180°	60°	1	4.40	65 - 66	120	C 2
and						2	2.35	102 - 104		
PE792	614680	6393740	271	180°	60°	3	3.80	127 - 130	144	C 2
PE793	614680	6393760	271	180°	60°	3*	12.05	30 - 33	167	C 2
and						6	1.41	94 - 100		
and						6	1.39	141 - 147		
PE795	614760	6393650	271	180°	60°	4	2.88	57 - 61	42	C 2
PE798	614760	6393710	271	180°	60°	2	4.20	68 - 70	126	C 2
and						5	3.61	115 - 120		

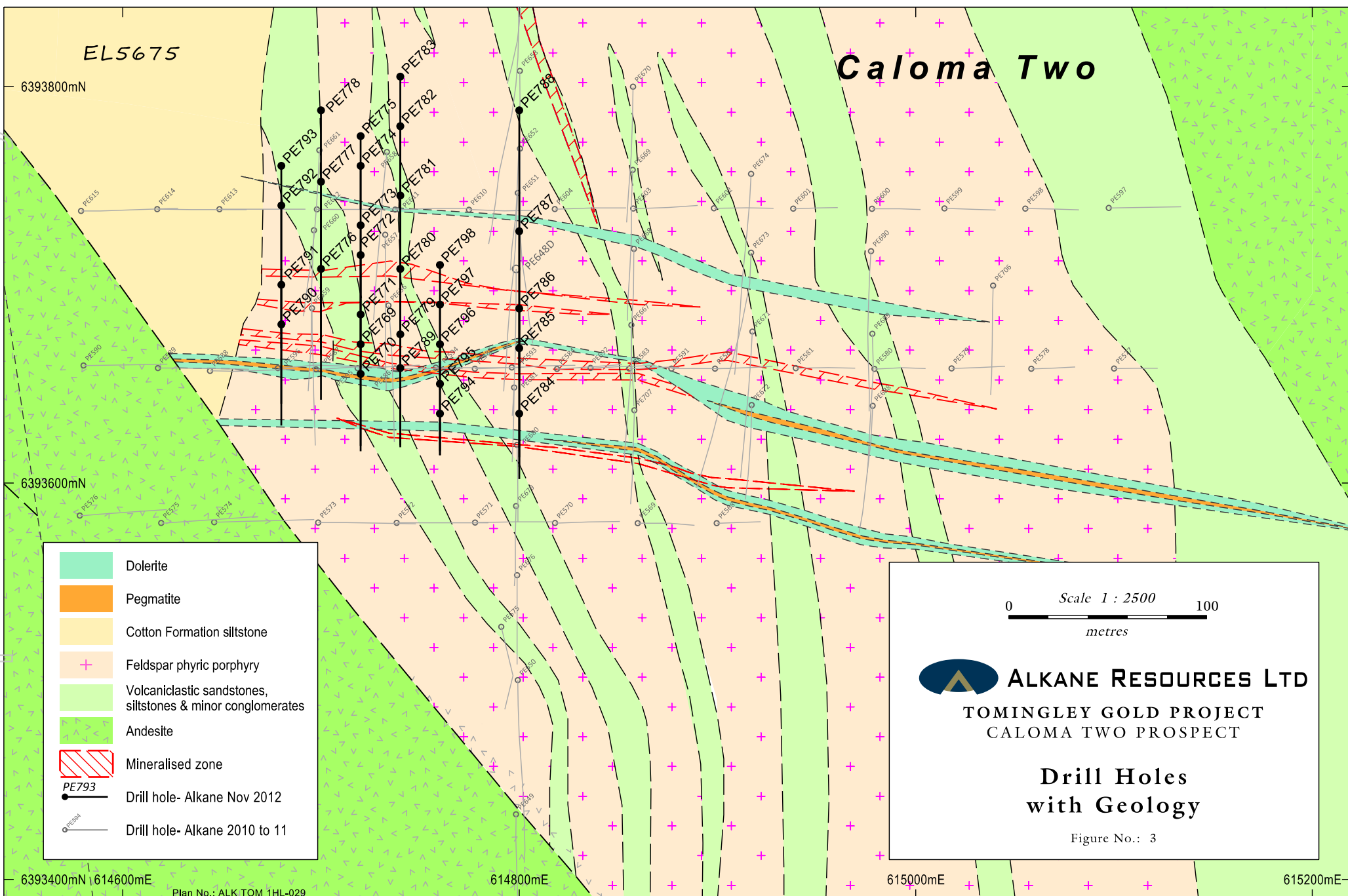
Gold analysis of generally one metre RC riffle split samples (* 3m composite samples to be re-assayed) by 50g fire assay. True widths are approximately 50 - 60% of intersected intervals

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	Dolerite
	Pegmatite
	Cotton Formation siltstone
	Feldspar phyric porphyry
	Volcaniclastic sandstones, siltstones & minor conglomerates
	Andesite
	Mineralised zone
	Drill hole- Alkane Nov 2012
	Drill hole- Alkane 2010 to 11

Scale 1 : 2500
0 100
metres

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TOMINGLEY GOLD PROJECT
CALOMA TWO PROSPECT

**Drill Holes
with Geology**

Figure No.: 3

6393400mN | 614600mE 614800mE 615000mE 615200mE
Plan No.: ALK TOM 1HL-029



Mineral Resource and Ore Reserve Statement September 2012

Dubbo Zirconia Project – Mineral Resources (2011)

Toongi Deposit	Tonnage (Mt)	ZrO ₂ (%)	HfO ₂ (%)	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (%)	Y ₂ O ₃ (%)	REO (%)	U ₃ O ₈ (%)
Measured	35.70	1.96	0.04	0.46	0.03	0.14	0.75	0.014
Inferred	37.50	1.96	0.04	0.46	0.03	0.14	0.75	0.014
TOTAL	73.20	1.96	0.04	0.46	0.03	0.14	0.75	0.014

These Mineral Resources are based upon information compiled by Mr Terry Ransted MAusIMM (Alkane Chief Geologist) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology were given in the 2004 Annual Report.

Dubbo Zirconia Project – Ore Reserves (2012)

Toongi Deposit	Tonnage (Mt)	ZrO ₂ (%)	HfO ₂ (%)	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (%)	Y ₂ O ₃ (%)	REO (%)
Proved	8.07	1.91	0.04	0.46	0.03	0.14	0.75
Probable	27.86	1.93	0.04	0.46	0.03	0.14	0.74
Total	35.93	1.93	0.04	0.46	0.03	0.14	0.74

These Ore Reserves are based upon information compiled by Mr Terry Ransted MAusIMM (Alkane Chief Geologist) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The reserves were calculated at a 1.5% combined ZrO₂+Nb₂O₅+Y₂O₃+REO cut off using costs and revenues defined in the notes in ASX Announcement of 16 November 2011. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Tomingley Gold Project – Mineral Resources (2012)

DEPOSIT	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Gold (koz)
Top Cut 2.5x2.5x5.0m model									
Wyoming One	2,316,550	2.2	890,340	2.2	3,117,350	1.7	6,324,240	1.9	392.4
Wyoming Three	642,470	2.0	63,225	2.0	102,820	1.3	808,510	1.9	49.9
Caloma	2,690,530	2.3	567,860	2.1	2,194,490	1.9	5,452,870	2.1	369.4
Total	5,649,550	2.2	1,521,420	2.1	5,414,660	1.8	12,585,630	2.0	811.7

These Mineral Resources are based upon information compiled by Mr Richard Lewis FAusIMM (Lewis Mineral Resource Consulting Pty Ltd) who is a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Richard Lewis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology are given in the ASX Report dated 25 March 2009 and 2 October 2010, and this announcement

Tomingley Gold Project – Ore Reserves (2011)

DEPOSIT	PROVED		PROBABLE		TOTAL		
	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Ounces (minable)
Wyoming One	1,700,000	1.6	200,000	1.3	1,900,000	1.6	94,500
Wyoming Three	500,000	1.6	0	0.0	500,000	1.6	28,100
Caloma	1,100,000	2.3	100,000	1.7	1,200,000	2.2	86,500
Total	3,300,000	1.8	300,000	1.5	3,600,000	1.8	209,100

These Ore Reserves are based upon information compiled under the guidance of Mr Dean Basile MAusIMM (Mining One Pty Ltd) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Reserves and Resources are estimated at an effective A\$1,540 per ounce gold price. Dean Basile consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. The Caloma reserves are based on the 2009 resources, not the updated resources

Peak Hill Gold Mine – Mineral Resources (2011)

DEPOSIT	MEASURED		INDICATED		INFERRED		TOTAL		k oz
	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	
0.5g/t gold cut off									
Proprietary			9,440,000	1.35	1,830,000	0.98	11,270,000	1.29	467.4
3.0g/t gold cut off									
Proprietary					810,000	4.40	810,000	4.40	114.6

These Mineral Resources are based upon information compiled by Mr Terry Ransted MAusIMM (Principal, Multi Metal Consultants Pty Ltd) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology were given in the 2004 Annual Report

Wellington – Galwadgere – Mineral Resources (2011)

DEPOSIT	MEASURED		INDICATED	
	Tonnage (t)	Grade (% Cu)	Tonnage (t)	Grade (% Cu)
0.5% Cu cut off				
Galwadgere	-	-	2,090,000	0.99

These Mineral Resources are based upon information compiled by Mr Terry Ransted MAusIMM (Principal, Multi Metal Consultants Pty Ltd) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology were given in the 2005 Annual Report

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