

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

**ALKANE RESOURCES LTD**

ABN

35 000 689 216

Quarter ended ("current quarter")

30 September 2014

### Consolidated statement of cash flows

		Current Quarter	Year to date (3 Months)
		\$A'000	\$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	33,423	33,423
1.2	Payments for		
	(a) exploration and evaluation	(2,659)	(2,659)
	(b) development	(5,995)	(5,995)
	(c) production	(13,395)	(13,395)
	(d) administration	(924)	(924)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	123	123
1.5	Interest and other costs of finance paid	(17)	(17)
1.6	Income taxes paid	-	-
1.7	Other - royalties	(634)	(634)
	Other (provide details if material)	(4)	(4)
<b>Net operating cash flows</b>		<b>9,918</b>	<b>9,918</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(1,304)	(1,304)
1.9	Proceeds from sale of		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other - Payments for security deposits	-	-
	Other - Proceeds from refund of security deposits	1,150	1,150
	Other (provide details if material)	-	-
<b>Net investing cash flows</b>		<b>(154)</b>	<b>(154)</b>
1.13	Total operating and investing cash flows (carried forward)	9,764	9,764

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**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	9,764	9,764
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
<b>Net Financing Cash Flows</b>		-	-
<b>Net increase (decrease) in cash held</b>		9,764	9,764
1.20	Cash at beginning of quarter/year to date	15,569	15,569
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	25,333	25,333

**Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	256
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments to directors and/or companies associated with directors for:	\$A'000
Directors fees/corporate consulting fees	\$ 77
Executive director salary and superannuation	\$ 98
Administration/accounting and company secretarial fees	\$ 81

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

No expenditure has been reported on the Miranda/McDonoughs Lookout joint venture by Xstrata Nickel Australasia for the quarter to 30 September 2014.

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## Financing facilities available

*add notes as necessary for an understanding of the position*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

## Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	6,300
4.2 Development	2,100
4.3 Production	17,700
4.4 Administration	1,300
<b>TOTAL</b>	<b>27,400</b>

The Tomingley Gold Operation commenced production in February 2014 resulting in the generation of cash inflows from the sale of gold. As at 30 September 2014, the Group had bullion on hand of 2,938 ounces at fair value of \$4.1 million and investments in listed companies available for sale valued at \$4.7 million.

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	2,070	808
5.2 Deposits at call	23,263	14,761
5.3 Bank overdraft	-	-
5.4 Other * term deposits of less than 12 months	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>25,333</b>	<b>15,569</b>

## Changes in interests in mining tenements

	Tenement Reference and Location	Nature of Interest [note (2)]	Interest at Beginning of Quarter	Interest at End of Quarter	
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	EL 8106 Parkes, NSW	Equity - relinquished	100%	0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	ELA 5086 Cudal, NSW	New application	0%	100%

*See tenement schedule appended for details of tenement holdings at end of quarter*

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preferences<sup>+</sup> securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buy-backs, redemptions				
7.3 <b><sup>+</sup>Ordinary securities</b>	412,639,000	412,639,000		
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buy-backs				
7.5 <b><sup>+</sup>Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 <b>Options</b>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter <i>Unlisted options</i>				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

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**ITEM 6.1 & 6.2 Schedule of mining tenements –as at 30 September 2014**

<b>Project/Location</b>	<b>Tenement</b>	<b>Interest</b>	<b>Nature of interest</b>
Peak Hill, NSW	GL 5884 (Act 1904)	100%	Equity
	ML 6036	100%	Equity
	ML 6042	100%	Equity
	ML 6277	100%	Equity
	ML 6310	100%	Equity
	ML 6389	100%	Equity
	ML 6406	100%	Equity
	ML 1351	100%	Equity
	ML 1364	100%	Equity
	MLA 79 Orange	100%	Equity (application)
	ML 1479	100%	Equity
	EL 6319	100%	Equity
Dubbo, NSW	EL 5548	100%	Equity through subsidiary
	EL 7631	100%	Equity through subsidiary
	EL 8193	100%	Equity through subsidiary
	MLA 183 Orange	100%	Equity through subsidiary (application)
Wellington, NSW	EL 6320	100%	Equity
Tomingley, NSW	EL 5675	100%	Equity
	EL 5830	100%	Equity
	EL 5942	100%	Equity
	EL 6085	100%	Equity
	ML 1684	100%	Equity through subsidiary
Cudal, NSW	EL 7020	100%	Equity
	ELA 5086	100%	Equity (application)
Bodangora, NSW	EL 4022	100%	Equity
	EL 6209	0%	Right to acquire 100%
Finns Crossing, NSW	EL 8261	100%	Equity
Calula, NSW	EL 7971	80%	Equity, CRL 20%
Rockley, NSW	EL 8170	100%	Equity
	EL 8194	100%	Equity
Elsienora, NSW	EL 6082	0%	Right to earn up to 80%
	EL 6767	0%	Right to earn up to 80%
Nullagine, WA	EL 46/522-I	0%	60% retained interest in diamond potential
	EL 46/523-I	0%	60% retained interest in diamond potential
	EL 46/524	0%	60% retained interest in diamond potential
Miranda Well, WA	M 36/303	20%	Equity - XNA holds 80%
McDonough Lookout, WA	M 36/329 & 330	20%	Equity - XNA holds 80%

CRL Comet Resources Limited  
XNA Xstrata Nickel Australia

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