



ASX ANNOUNCEMENT – 16 January 2007

ENCOURAGING EXPLORATION RESULTS FROM TOMINGLEY GOLD PROJECT

- **New RC and aircore results from the Caloma and Black Snake Prospects within the Tomingley Gold Project in NSW provide encouragement for additional resources.**
- **Results include:**

PE 079 and	3 metres grading 3.47g/t gold from 21 metres at Caloma 12 metres grading 2.27g/t gold from 69 metres
PE 081	3 metres grading 4.15g/t gold from 51 metres at Caloma
PE 082	11 metres grading 2.10g/t gold from 36 metres at Caloma
PE 085 including	21 metres grading 2.33g/t gold from 66 metres at Caloma 6 metres grading 5.60g/t gold from 72 metres
PE 088	3 metres grading 3.31g/t gold from 117 metres at Caloma
PE 091	6 metres grading 2.19g/t gold from 9 metres at Caloma
PE 092	9 metres grading 2.34g/t gold from 27 metres at Caloma
BS 006	3 metres grading 2.98g/t gold from 84 metres at Black Snake
BS 007	9 metres grading 1.25g/t gold from 45 metres at Black Snake

A reconnaissance RC and aircore drilling program has tested several shallow targets within the northern sector of the Tomingley Gold Project (TGP) in the Central West of New South Wales. The aim of the program was to identify gold mineralisation that could add to the resource inventory for the TGP, and aid the development concept for the Wyoming deposits. A total of 28 holes (2,238m) were drilled at **Caloma** (600m east of the Wyoming Three deposit), **Smiths** (7km south of Wyoming) and **Black Snake** (20km south of Wyoming) (figure 1).

Caloma was located early in 2006, when aircore drilling of the Patons East target was extended to the south to test an aeromagnetic anomaly. A Wyoming style porphyry intrusive with associated quartz veining and alteration was identified beneath 5 metres of transported clay cover, and the current program was designed to test the strike extent and orientation of the mineralisation.

The program consisted of 15 aircore (637m) and 5 RC (629m) holes over a north-south strike length of 300 metres (figure 2). Gold mineralisation was recorded over that full 300 metre length with several lenses possible but additional drilling is required to establish a resource potential.

The **Smiths** prospect is the site of limited historical prospector activity and exploration in the mid 1990's, which included an Aircore intercept of 8 metres of 0.49g/t gold. The target area is a 1 kilometre long zone of sub outcropping Wyoming style porphyry with variable alteration and quartz veining. Four RC holes (522m) tested small sectors in the south and north of the target area and intersected altered porphyry and host sediments, but with only low grade gold values. Further drilling would be required to fully test this target.

Black Snake is also a site of limited historical prospector activity and exploration in the early 1980's. An RC hole intersected 8 metres at 1.6g/t gold within a 1 kilometre long zone of altered volcanoclastic sediments and some coarse volcanic conglomerates, with similarities to the Hangingwall Zone at Wyoming One. The program of 4 RC holes (450m) drilled one section at the south and one in the north of the outcropping target zone, intersecting broad intervals of alteration with low grade gold values and narrower "ore grade" intercepts. Further drilling would also be required to evaluate this mineralisation.

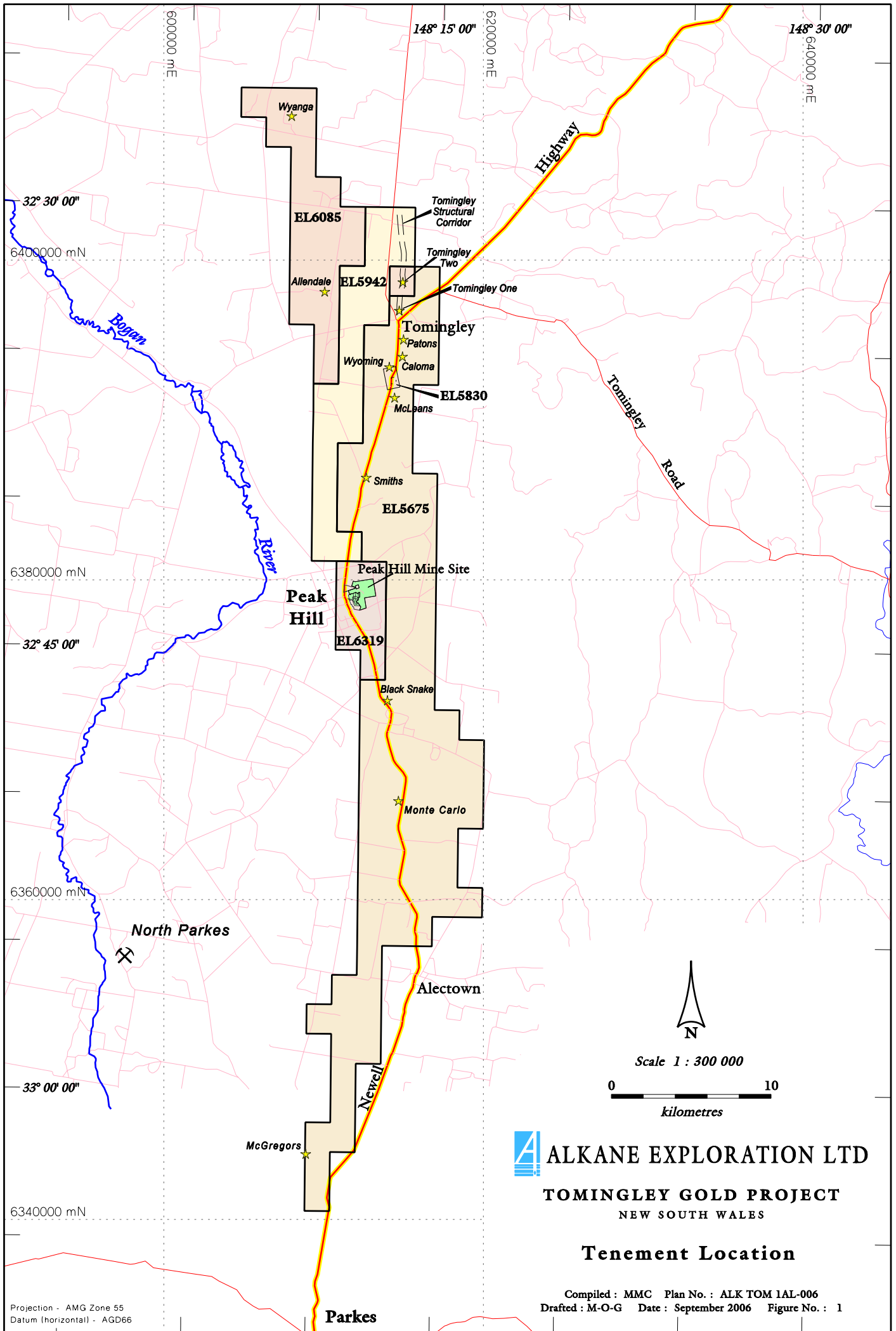
Several other RC holes were drilled to provide ground water monitoring sites for background environmental data for the proposed Wyoming development site. Four holes were also drilled at the historic **Myalls United** mine site to locate the underground workings to understand the geological controls to the mineralisation prior to core drilling at depth, and to assess the old mine as a potential source of water. One of these holes (WYMB 006) intersected the main lode structure, north of the original main shaft.

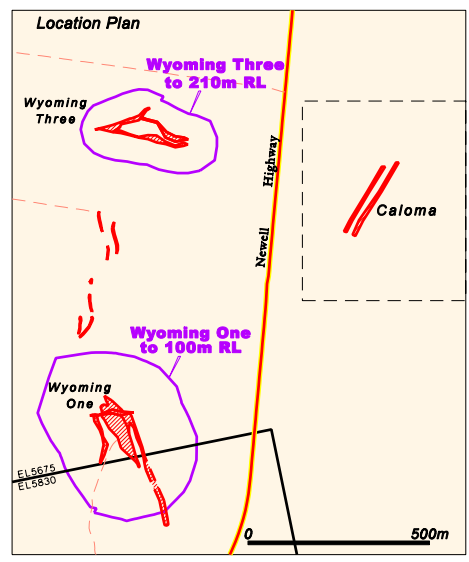
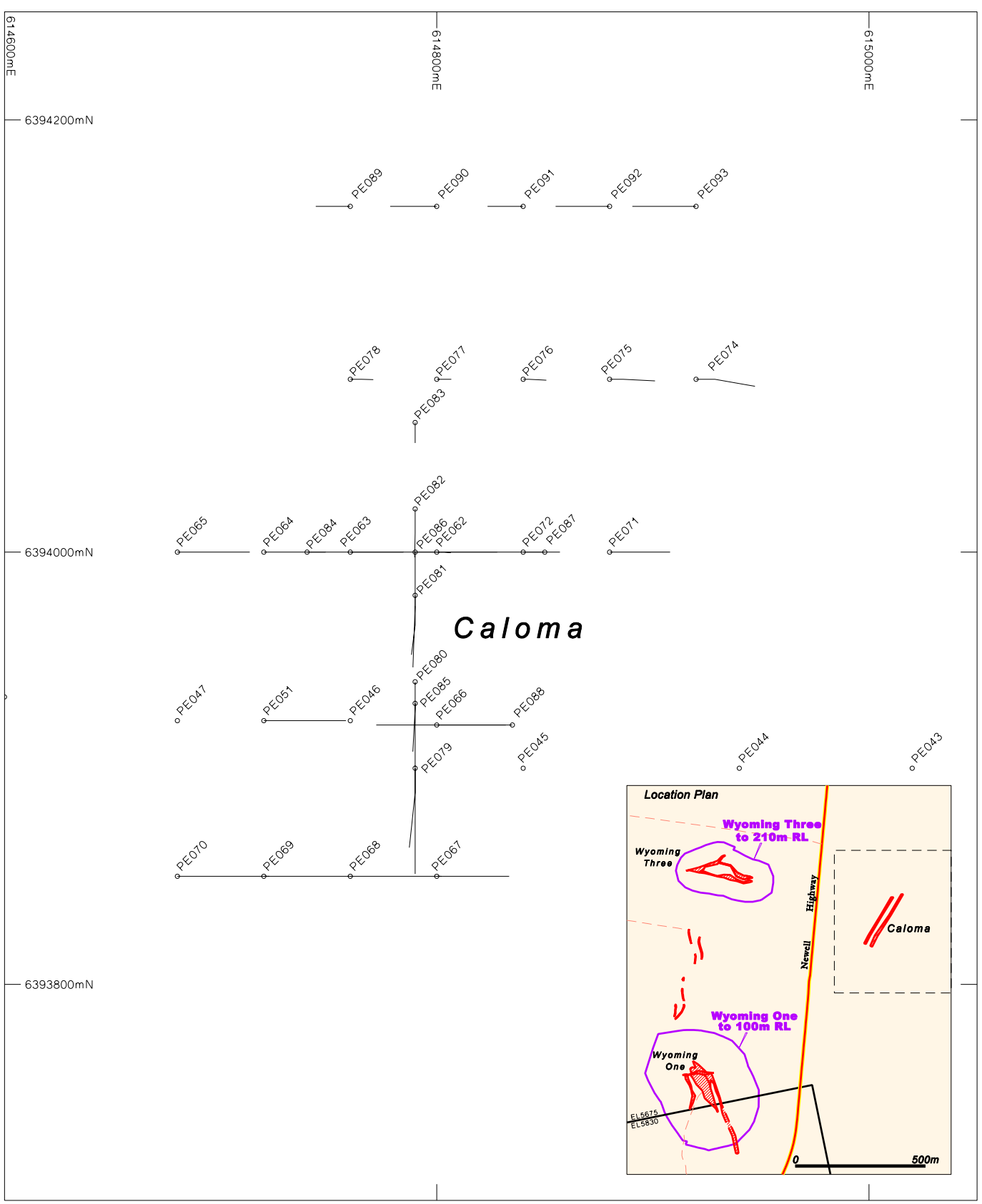
Table 1: TGP aircore and RC Drill Results greater than 0.5g/t gold

Hole No	East	North	RL (m)	Azimuth	Inclin	Intercept (m)	Grade (g/t Au)	Interval (m)	EOH (m)	Comments
PE074	614920	6394080	~270	90°	60°	3	1.08	14 - 17	53	Caloma
and						6	1.21	18 - 24		
and						2	0.85	51 - 53		
PE077	614800	6394080	~270	90°	60°	1.5	0.57	12 - 13.5	13.5	Caloma
PE078	614760	6394080	~270	90°	60°	3	1.25	9 - 12	21	Caloma
PE079	614790	6393900	~270	180°	60°	3	3.47	21 - 24	81	Caloma
and						3	1.61	39 - 42		
and						12	2.27	69 - 81		
PE080	614790	6393940	~270	180°	60°	3	0.51	28 - 31	66	Caloma
and						3	0.69	37 - 40		
and						8	0.94	58 - 66		
PE081	614790	6393980	~270	180°	60°	3	0.68	39 - 42	57	Caloma
and					60°	3	4.15	51 - 54		
PE082	614790	6394020	~270	180°	60°	11	2.10	36 - 47	47	Caloma
incl						9	2.45	36 - 45		
PE085*	614790	6393930	~270	180°	60°	6	1.10	39 - 45	149	Caloma
And						21	2.33	66 - 87		
Incl						6	5.60	72 - 78		
BS005*	613800	6372874	~290	270°	60°	3	1.71	90 - 93	120	Black Snake
BS006*	613753	6372879	~290	270°	60°	3	2.98	84 - 87	120	Black Snake
BS007*	613681	6372879	~290	270°	60°	9	1.25	45 - 54	102	Black Snake
PE088*	614835	6393920	~270	270°	60°	6	1.81	78 - 84	126	Caloma
and						3	3.31	117 - 120		
PE091	614840	6394160	~270	270°	60°	6	2.19	9 - 15	33	Caloma
PE092	614880	6394160	~270	270°	60°	9	2.34	27 - 36	50	Caloma
PE093	614920	6394160	~270	270°	60°	4	0.63	55 - 59	59	Caloma
WYMB006	614248	6392479	~270	0°	90°	24	0.81	42 - 86	90	Myalls
incl						6	1.76	48 - 54		



* RC Hole. Gold analysis by 30g fire assay of speared 3m composite Air Core or RC samples. True widths are not clear at this time.

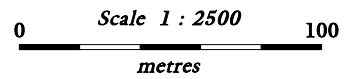
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Legend

-  PE089 Drill hole location and trace
-  PE047 Drill hole location (vertical)



 **ALKANE EXPLORATION LTD**
TOMINGLEY GOLD PROJECT
CALOMA PROSPECT

Drill Hole Location