



2 January 2008

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

Dear Sir,

### RIGHTS ISSUE – ALLOTMENT OF SHORTFALL

Further to Appendix 3B application for quotation of additional shares dated 19 November 2007 in respect of the entitlement issue to shareholders, the Company wishes to confirm that the shortfall of 25,783,436 shares has now been placed and allotted in accordance with the underwriting agreement.

The Company further advises the following:

1	Date of allotment	2 January 2008
2	Number of securities for which quotation is sought	25,783,436 ordinary fully paid shares (ALK)
3	Issued capital	
	Quoted capital including the new shares allotted	241,672,162 ordinary fully paid shares (ALK)
	Unquoted securities	975,000 Staff/consultants options exercisable at 45 cents on or before 29/5/2008 (ALKAK) 2,500,000 Directors/officers options exercisable at 25 cents, expiring 30/9/08 (ALKAS) 3,000,000 Directors/officers exercisable at 30 cents vesting 19/4/08, expiring 30/9/09 (ALKAU) 850,000 Employee/consultants options exercisable at 25 cents, expiring 30/9/08 (ALKAW) 1,200,000 Employee/consultants options exercisable at 30 cents vesting 19/4/08, expiring 30/9/09 (ALKAY)

Yours faithfully,  
for **ALKANE RESOURCES LTD**

L A Colless  
**Secretary**