ALKANE
RESOURCES LTD
ABN 35000689216

ASX ANNOUNCEMENT – 14 April 2008

CALOMA RESOURCE POTENTIAL ENHANCED BY NEW GOLD INTERCEPTS

- **The RC resource definition drilling program is continuing and results for a further 30 holes have been received. Significant high grade intercepts continue to be recorded.**
- **Results include:**

PE 280	**15 metres grading 16.80g/t gold from 75 metres**
including	**6 metres grading 40.04g/t gold from 81 metres**
PE 282	**22 metres grading 3.54g/t gold from 88 metres**
including	**11 metres grading 5.89g/t gold from 88 metres**
also	**5 metres grading 30.55g/t gold from 191 metres**
including	**1 metres grading 128.00g/t gold from 194 metres**
PE 286	**24 metres grading 2.54g/t gold from 143 metres**
including	**5 metres grading 7.94g/t gold from 162 metres**
PE 287	**10 metres grading 8.83g/t gold from 77 metres**
including	**3 metres grading 27.40g/t gold from 78 metres**
also	**18 metres grading 2.94g/t gold from 186 metres**
including	**10 metres grading 4.53g/t gold from 194 metres**
PE 290	**53 metres grading 4.71g/t gold from 163 metres**
including	**5 metres grading 21.40g/t gold from 198 metres**
PE 299	**6 metres grading 8.02g/t gold from 164 metres**
PE 301	**12 metres grading 4.50g/t gold from 33 metres**
PE 309	**7 metres grading 7.50g/t gold from 88 metres**

Corporate Profile

Alkane Board

J. S. F. Dunlop (Chairman)

D. I. Chalmers (Managing Dir)

A. D. Lethlean

I. J. Gandel

I. R. Cornelius

L A Colless (Secretary)

Contact

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12 month share price range

A$0.515 - $0.20

Market Cap 11 April 08

~A$94 million

ASX Code: **ALK**

241.6 million shares (Jan 08)

March 2008 Cash

~ $12.3 million

No debt

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The reverse circulation (RC) and diamond core resource definition drilling program commenced at Caloma within the Tomingley Gold Project (TGP) late October. As at the end of March, 107 RC holes (PE 215 – 329) totalling 13,750 metres of the planned 20,000 metre program had been completed. Also 11 core holes (PE 253D – 257D, PE 271D – 273D, PE 289D and PE 292D – 293D) totalling 2,475 metres have been completed. The drilling program is currently focussed on a 400 metre long central sector of the 1,000 metre north-south trending Wyoming style feldspar porphyry host (figure 1).

Gold mineralisation was intersected in earlier reconnaissance drilling over the full length of the porphyry but the current program is targeting the area of shallower cover in the central-north where the porphyry has less than 10 metres of transported clay cover, while to the south the cover deepens up to about 30 metres. The drilling is an approximately 20 metre by 20 metre pattern to ensure the definition of a Measured and Indicated Resource to a depth of about 150 metres. This open pitable resource is a priority for the feasibility study underway for the development of the Wyoming and Caloma deposits within the TGP.

Multiple mineralised structures have been defined within the main feldspar porphyry host which is 80 to 100 metres in width. As a result of the current drilling a robust geological model has been developed and it is apparent that most of the mineralised structures within the porphyry have an approximate northerly orientation, with a shallow westerly dip (typical cross sections will be available with the Quarterly Report). These structures range in width from a few metres to in excess of 20 metres and appear to extend across the full width of the porphyry host. Intersecting structures, or structures intersecting lithological contacts, occasionally generate substantial intercepts (eg PE 290 with 53m @ 4.71g/t gold). Recent drilling has also demonstrated that the mineralised structures project through the eastern contact of the porphyry into the volcaniclastic sediments and have expanded the resource potential into that area.

Recent deeper RC and core drilling has also located an apparently new mineralised zone at depth within what appears to be lithologies footwall (east) to the porphyry. This structure is continuous over several sections at a depth of around 200 metres with an average width of about 10 metres, and in core displays extensive alteration, quartz veining and coarse pyrite/arsenopyrite, with occasional visible gold. Few results from this zone are available at this time but it is thought that RC holes PE 295, 300, 301 and 309 may represent the easterly up-dip section of this mineralisation.

Feasibility Study

Project infrastructure and site layout studies continue and initial metallurgical work on the Caloma deposit is underway. Drilling for metallurgical data has also commenced on the Wyoming Three deposit. Core drilling for additional metallurgical data on Wyoming One has been scheduled.

Geotechnical studies for the open pit development and site infrastructure are also scheduled to commence shortly.

The overall timetable for completion of the DFS is still governed by the completion of the Caloma drilling, mine planning and scheduling, however finalisation of the study is still anticipated by the end of the year.

Mr D I Chalmers, FAusIMM, FAIG, (director of the Company) 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 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 the report of the matters based on his information in the form and context in which it appears.

Table 1: Caloma results greater than 1.0g/t gold PE 276 - PE 312 @ 14 April 08

Hole No	East	North	RL (m)	Azimuth	Inclin	Intcpt (m)	Grade (g/t Au)	Interval (m)	EOH (m)	Comments
PE 276	614880	6394173	~270	090°	60°	8	2.85	53 - 61	132	
PE 277	614839	6394172	~270	090°	60°	13	2.70	17 - 30	156	
incl						4	4.79	18 - 22		
also						4	1.96	69 - 73		
also						3	1.61	118 - 121		
also						8	1.95	128 - 136		
also						3*	1.81	141 - 144		
PE 278	614820	6394173	~270	090°	60°	5	2.92	9 - 14	186	
and						3*	2.87	39 - 42		
also						5	2.02	81 - 86		
also						15	2.63	141 - 156		
incl						5	3.91	147 - 152		
PE 279	614799	6394178	~270	090°	60°	5	3.26	8 - 13	186	
also						7	1.64	136 - 143		
also						5	1.54	149 - 154		
also						1	1.13	159 - 160		
PE 280	614818	6394038	~270	090°	60°	3*	1.75	6 - 9	132	
also						15*	16.80	75 - 90		
incl						6*	40.04	81 - 87		
also						3*	1.25	129 – 132		In miner'n
PE 281	6148759	6394183	~270	090°	60°	7	1.81	106 - 113	168	
also						3*	1.68	130 - 133		
PE 282	6148750	6394140	~270	090°	60°	22	3.54	88 - 110	204	
incl						11	5.89	88 - 99		
also						2	5.12	121 - 123		
also						4	2.89	132 - 136		
also						3*	1.37	156 - 159		
also						5	30.55	191 - 196		
incl						1	128.00	194 - 195		
PE 283	614820	6394100	~270	090°	60°	7	1.23	15 - 22	204	
also						3*	1.37	45 - 48		
also						2	1.37	85 - 87		
also						13	2.88	91 - 104		
incl						2	7.75	91 - 93		
and						5	3.68	96 - 101		
also						5*	1.59	109 - 114		
also						8	3.69	122 - 130		
PE 284	614800	6394100	~270	090°	60°	24*	1.35	9 - 33	210	
incl						3*	4.93	18 - 21		
also						3*	1.32	51 - 54		
also						13	2.87	65 - 78		
incl						2	10.21	76 -78		
also						11	1.83	108 - 119		
also						5	2.26	137 - 142		
also						5	1.96	161 - 166		
also						11	2.62	189 - 200		
incl						4	5.55	189 - 193		
PE 285	614730	6394140	~270	090°	60°	3*	1.29	48 - 51	157	
also						21	2.53	89 - 110		
incl						3	10.20	90 - 93		
also						3	4.39	123 - 126		
also						5	2.82	140 - 145		
also						6	1.15	150 - 156		

Gold analysis by 30g fire assay of 1 metre riffle split samples, or *rarely 3 metre composite samples. True widths are approx 90 - 95%.

Table 1: Caloma results greater than 1.0g/t gold PE 276 – PE 312 @ 14 April 08

Hole No	East	North	RL (m)	Azimuth	Inclin	Intcpt (m)	Grade (g/t Au)	Interval (m)	EOH (m)	Comments
PE 286	614780	6394100	~270	090°	60°	3*	1.88	42 - 45	192	
also						3	7.80	72 - 75		
also						5	4.68	81 - 86		
also						1	1.02	109 - 110		
also						5	2.85	129 - 134		
also						24	2.54	143 - 167		
incl						5	7.94	162 - 167		
also						1	4.58	171 - 172		
PE 287	614760	6394100	~270	090°	60°	9	1.71	54 - 63	205	
incl						3*	4.41	60 - 63		
also						1	3.10	73 - 74		
also						10	8.83	77 - 87		
incl						3	27.40	78 - 81		
also						7	1.01	147 - 154		
also						10	2.64	162 - 172		
also						4	1.74	177 - 181		
also						18	2.94	186 - 204		
incl						10	4.53	194 - 204		
PE 288	614710	6394140	~270	090°	60°	8	2.25	116 - 124	186	
also						1	2.25	129 - 130		
also						2	7.44	142 - 146		
also						7	1.24	159 – 166		
also						5	2.07	177 - 182		
PE 290	614740	6394100	~270	090°	60°	53	4.71	163 - 216	216	In min'sn
incl						39	5.56	177 - 216		
and						2	12.50	187 - 189		
and						3	9.87	191 - 194		
and						5	21.40	198 - 203		
PE 291	614690	6394140	~270	090°	60°	4	6.18	134 - 138	192	
also						5	1.24	174 - 179		
also						2	2.50	187 - 189		
PE 295	614900	6394065	~270	090°	60°	10	1.92	15 - 25	28	
PE 296	614800	6393895	~270	090°	60°	2	1.35	41 - 43	90	
also						1	1.08	79 - 80		
PE 297	614760	6393900	~270	090°	60°	4	1.18	67 - 71	144	
PE 298	614720	6393900	~270	090°	60°	3	1.61	85 - 88	115	
also						8	1.30	106 - 114		
PE 299	614660	6394140	~270	090°	60°	6	8.02	164 - 170	180	
PE 300	614940	6394020	~270	090°	60°	6*	3.75	15 - 21	60	
PE 301	614900	6394020	~270	090°	60°	12*	4.50	33 - 45	83	
PE 302	614860	6394065	~270	090°	60°	27	2.13	52 - 79	120	
incl						8	3.62	53 - 61		
PE 303	614860	6394020	~270	090°	60°	18	1.65	64 - 82	108	
incl						4	3.26	70 - 74		
PE 305	614820	6394020	~270	090°	60°	4	3.09	7 - 11	102	
also						3*	7.42	39 - 42		
PE 307	614800	6394020	~270	090°	60°	8	2.70	23 - 31	40	
PE 308	614780	6394020	~270	090°	60°	7	3.89	33 - 40	188	
PE 309	614820	6394055	~270	090°	60°	7	7.50	88 - 95	102	
PE 311	614940	6394085	~270	090°	60°	3*	1.09	30 - 33	48	
PE 312	614757	6394020	~270	090°	60°	3	2.32	20 - 23	66	

Gold analysis by 30g fire assay of 1 metre riffle split samples, or *rarely 3 metre composite samples. True widths are approx 90 - 95%.

BACKGROUND

Alkane is a multi commodity explorer and miner with its operations focussed in the **Central West** of **New South Wales**, centred about 400km northwest of Sydney. Over several years, including experience in developing the Peak Hill Gold Mine, Alkane has built a substantial resource base and is proceeding towards several developments:

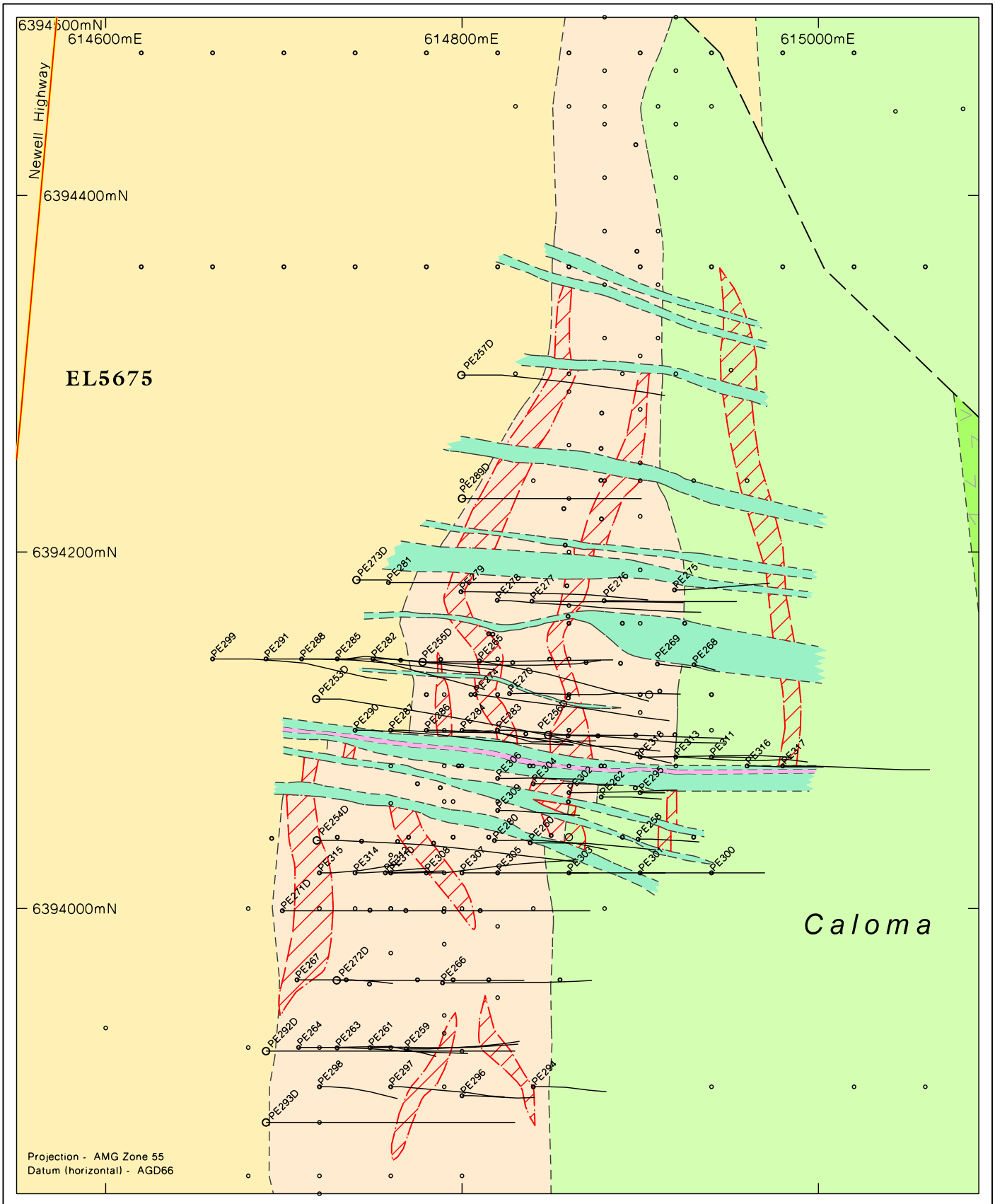
The **Tomingley Gold Project** currently has a **606,000 ounce gold resource** within the **Wyoming deposits**, of which 75% is in the Measured and Indicated categories (full details 2006 Annual Report). The recent discovery at **Caloma** could add significantly to the resource base and a substantial drilling program is scheduled to be completed by early 2008 to define this resource. A feasibility study for the development of the deposits is anticipated to be completed late 2008.

The **Dubbo Zirconia Project** is based upon a world class resource of the metals zirconium, hafnium, niobium, tantalum, yttrium and rare earth elements. The deposit also contains significant uranium. Over several years Alkane has developed a flow sheet which can recover a variety of products which have expanding applications in electronics, ceramics, special alloys and glasses, fuel cells, nuclear power and as environmental drying agents and catalysts. A feasibility study is in progress, which includes the construction and operation of a Demonstration Pilot Plant, and a development commitment is anticipated mid 2009.

Near **Orange,** the Company has a joint venture (**ODEJV**) with Newmont, one of the world's largest gold miners, which resulted in the discovery in 2006 of a potentially significant gold deposit at **McPhillamys** within the **Moorilda Project**. This discovery includes intersections of 123 metres grading 1.96g/t gold and 77 metres at 1.65g/t gold within a 300 metre by 200 metre mineralised zone. Late in 2007 two deep core holes produced substantial gold intercepts in KPD002 of 225 metres grading 1.16g/t gold and KPD003 with 263 metres at 1.30g/t gold, and within both holes there were several higher grade intervals (e.g. KPD002 51 metres at 1.67g/t gold and 52 metres at 1.55g/t gold; KPD003 26 metres at 3.75g/t gold and 48.7 metres at 2.74g/t gold)

Elsewhere within the region, Alkane has defined a 2 million tonne 1.00% copper Indicated Resource (details 2006 Annual Report) which is being reviewed for its development potential at **Galwadgere** within the **Wellington Project**, and several other advanced exploration projects with encouraging drill intercepts.

In **Western Australia** the Company holds 9 million shares (15.15%) of listed iron ore explorer **BC Iron Limited** and a diluting 25% residual interest in a nickel sulphide joint venture with **Xtrata Nickel (Jubilee)** near **Leinster**.



ALKANE RESOURCES LTD

TOMINGLEY GOLD PROJECT

CALOMA PROSPECT

Preliminary Geology and Drill Hole Location

Figure No.: 1