

Alkane Resources Ltd

ACN 000 689 216

INFORMATION MEMORANDUM

including

NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM

TO ASSIST SHAREHOLDERS IN THEIR CONSIDERATION OF RESOLUTIONS TO BE PUT
AT THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD AT HOLIDAY
INN CITY CENTRE PERTH, 778-788 HAY STREET PERTH WA
ON TUESDAY, 20 MAY 2008 AT 2.30PM WST

THIS DOCUMENT IS IMPORTANT

If you do not understand this document or are in any doubt as to how to deal with this document, you should consult your stockbroker, solicitor, accountant or other professional adviser immediately.

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Alkane Resources Ltd

ACN 000 689 216

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Shareholders will be held at Holiday Inn City Centre Perth, 778-788 Hay Street, Perth WA on Tuesday, 20 May 2008 at 2.30pm for the purpose of transacting the following business:-

ORDINARY BUSINESS

Accounts

To receive and consider the Financial Report for the year ended 31 December 2007.

Remuneration Report

To consider and if thought fit to pass the following resolution as an ordinary resolution:-

- 1 To receive and adopt the remuneration report for the financial year ended 31 December 2007.

The vote on this resolution is advisory only.

Directors

To consider and if thought fit to pass the following resolutions as ordinary resolutions:-

- 2 To elect Mr A D Lethlean who retires in accordance with the Constitution and, being eligible, offers himself for re-election.

SPECIAL BUSINESS

Directors' fees

To consider and if thought fit to pass the following resolution as an ordinary resolution:-

- 3 That, for the purposes of Listing Rule 10.17, the shareholders approve the maximum annual aggregate of remuneration which may be paid out of the funds of the Company to non-executive directors as Directors' fees under Rule 10.2 of the Constitution be increased from \$300,000 to \$450,000 with the distribution to be at the discretion of the Board of Directors.

The Company will disregard any votes cast on this resolution by any director or any of their associates.

However, the Company need not disregard a vote if:

- *it is cast by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy appointment form; or*
- *it is cast by the Chairman of the meeting as proxy for a member who is entitled to vote, in accordance with a direction on the proxy appointment form to vote as the proxy decides and the member who is entitled to vote has indicated on the proxy appointment form that the Chairman of the meeting may vote as a proxy in relation to each resolution to which the voting exclusion relates.*

Dated this 17th day of April 2008

By order of the Board of Directors

L A Colless
Secretary

Alkane Resources Ltd

ACN 000 689 216

EXPLANATORY STATEMENT

This explanatory statement is prepared for the benefit of shareholders to better understand the resolutions put to the Annual General Meeting of the Company to be held on Tuesday, 20 May 2008 at 11.30 am.

FINANCIAL REPORT

The Corporations Act requires the financial statements and the reports of the Directors and Auditor be laid before the Annual General Meeting. There is no requirement for shareholders to approve those reports. However, in accordance with the Corporations Act, shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions or make comments about those reports. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the independent audit report.

REMUNERATION REPORT - RESOLUTION 1

The Corporations Act requires listed companies to put a resolution to shareholders to adopt the Company's remuneration report. The vote on this resolution is advisory only and does not bind the Directors or the Company. Nevertheless, the outcome of the vote will be considered by the Remuneration and Nomination Committees when evaluating the remuneration arrangements of the Company.

The Remuneration Report is set out on pages 20 to 26 of the 2007 Annual Report. This report describes the principles used to determine the nature and amount of remuneration and sets out the remuneration arrangements for each Director.

Shareholders will be given a reasonable opportunity for discussion of the Remuneration Report at the Annual General Meeting.

DIRECTORS - RESOLUTION 2

Mr Lethlean retires by rotation and offers himself for re-election.

The experience, qualifications and other information about the candidate appear in the Annual Report.

AGGREGATE DIRECTORS' FEES - RESOLUTION 3

Under the Company's Constitution and the Listing Rules of the Australian Securities Exchange, the fees payable to non-executive directors for their services as directors are determined by the Board within a maximum annual aggregate limit approved by shareholders.

The present maximum of \$300,000pa was approved by shareholders at the 2007 Annual General Meeting.

A review of fees paid to directors was conducted in the early part of 2008 to ensure that fees paid by the Company are comparable to fees paid by similar sized companies in the industry and to allow it to attract and retain high calibre directors.

It is not intended that, should this resolution be passed, the maximum annual aggregate of non-executive directors' remuneration be utilised immediately. The proportion remaining unused at present will provide the Company with the ability to attract and retain high quality directors, to make any appropriate increases to the size of the Board and to increase fees in the future in line with market conditions.

This resolution is an ordinary resolution requiring a simple majority.

INSTRUCTIONS FOR COMPLETION OF PROXY APPOINTMENT FORM

Appointment of proxy

If you are entitled to vote at the meeting you have a right to appoint a proxy and should use this Proxy Appointment Form. The proxy need not be a member of the Company and can be an individual or a body corporate.

If you wish to appoint someone other than the Chairman of the meeting as your proxy, please write the name of that person in the appropriate box. Members cannot appoint themselves. If you leave the box blank, or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy and vote on your behalf.

Your proxy's authority to speak and vote for you at the meeting is suspended if you are present at the meeting.

As permitted by the Corporations Act, the Company has determined that, for the purposes of the meeting, all securities of the Company will be taken to be held by the persons who held them as registered members at 5.00pm WST on 18 May 2008. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Voting directions to your proxy

You may direct your proxy how to vote by marking **X** in 1 of the 3 boxes opposite each item of business. All your votes will be cast in accordance with your direction, unless you indicate only a portion of votes are to be cast on any item by inserting the percentage of your voting rights applicable to the proxy appointed by this Proxy Appointment Form in the appropriate box. If you do not mark any of the boxes relating to the items of business, your proxy will vote as he or she chooses. If you mark more than 1 box relating to the same item of business any vote by your proxy on that item will be invalid.

Appointing a second proxy

If you are entitled to cast 2 or more votes you may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you wish to appoint a second proxy, an additional Proxy Appointment Form may be obtained by telephoning Advanced Share Registry Services or you may copy this form. Both Proxy Appointment Forms should be lodged together.

If you appoint 2 proxies and the appointment does not specify the proportion or number of your votes each proxy may exercise, section 249X of the *Corporations Act 2001* (Cth) will take effect so that each proxy may exercise half of the votes (ignoring fractions).

If you appoint 2 proxies, neither proxy will have a right to vote on a show of hands.

If you appoint another member as your proxy, that person will have only 1 vote on a show of hands and does not have to vote on a show of hands in accordance with any direction by you.

Signing instructions

This Proxy Appointment Form must be signed and dated by the member or the member's attorney. Any joint member may sign.

If this form is signed by an attorney and you have not previously lodged the power of attorney with Advanced Share Registry Services/the Company for notation, please attach a certified copy of the power of attorney to this form when you return it.

If the member is a company that has a sole director or a sole director who is also the sole company secretary, this form must be signed by that person. Otherwise, this form must be signed by 2 directors or 1 director and a company secretary. Please indicate the office held by signing in the appropriate place.

Lodgement of Proxy Appointment Form

Proxy Appointment Forms and proxy appointment authorities, for example, the original or a certified copy of the power of attorney (if the Proxy Appointment Form is signed by an attorney) must be received:

- at 129 Edward Street, Perth WA 6000; or
- by fax, on fax number +61 8 9227 8178,

not later than 2.30pm WST on 18 May 2008.

Documents received after that time will not be valid for the scheduled meeting.

Privacy

Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you (including your name, address and details of the shares you hold) to be included in the Company's public register of members. This information must continue to be included in the public register if you cease to hold shares. These statutory obligations are not altered by the *Privacy Amendment (Private Sector) Act 2000* (Cth). Information is collected to administer your shareholding which may not be possible if some or all of the information is not collected. Your information is collected by Advanced Share Registry Services on behalf of the Company.

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