



ASX ANNOUNCEMENT – 15 June 2009

TOMINGLEY GOLD PROJECT FURTHER PIT INFILL DRILLING

- **33 RC holes were completed within the conceptual pit shell of the Caloma deposit in May to upgrade the resource status. Results have been received for the final 13 holes.**

- **Several significant results include:**
 - PE 431 39 metres grading 6.56g/t gold from 71 metres
including 15 metres grading 11.90g/t gold from 72 metres
and 7 metres grading 8.70g/t gold from 96 metres**

 - PE 432 21 metres grading 5.95g/t gold from 114 metres
including 12 metres grading 9.90g/t gold from 119 metres**

 - PE 437 20 metres grading 2.90g/t gold from 88 metres
including 6 metres grading 5.80g/t gold from 102 metres**

 - WY 441 14 metres grading 3.98g/t gold from 56 metres**

- **These latest results confirm the geological model for Caloma and highlight the potential of the deposit to host thick, high grade zones of mineralisation.**

- **The Definitive Feasibility Study is progressing and remains on schedule for completion early October.**

Corporate Profile

Alkane Board

J. S. F. Dunlop (Chairman)

D. I. Chalmers (Managing Dir)

A. D. Lethlean (Director)

I. J. Gandel (Director)

I. R. Cornelius (Director)

L. A. Colless (Joint Secretary)

K. E. Brown (Joint Secretary)

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12 month share price
range

A\$0.515 - \$0.15

Market Cap 12 June 09

~A\$82 million

ASX Code: **ALK**

244.6 million shares (March 09)

March 2009 Cash

~ \$6.2 million

No debt

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Tomingley Gold Project (TGP)

The TGP is located in the Central West of New South Wales, about 400 kilometres west of Sydney. The Project is centred on three gold deposits located 14 kilometres north of the Company's Peak Hill Gold Mine. The TGP is located in an area of substantial existing infrastructure with the major Newell Highway transecting the project, linking a number of towns with a regional population base exceeding 150,000 (figure 1). No camp facilities are required and the workforce can be sourced locally. A natural gas pipeline and railway are located five kilometres west of Tomingley, and power is available from the New South Wales state grid.

Exploration drilling discovered the Wyoming One deposit in 2002 and Wyoming Three in 2003. The Caloma deposit was recognised in 2006 with resource drilling completed in 2008 and Identified Mineral Resources currently stand at 840,000 ounces (full details in 2008 Annual Report and ASX release of 25 March 2009).

Resource Drilling - Caloma

As part of the Definitive Feasibility Study preliminary open pit mine planning is proceeding (figure 2) and a reverse circulation (RC) drilling program of 33 holes (3548m) was completed in May to raise some of the Inferred Resources within the Caloma pit shell to Indicated status. The drilling program focussed on the northern 100m section of the resource but a few holes also tested other small sections of the deposit.

Results received for first 20 holes were released on 4 June and the final 13 holes are summarised in Table 1. The results continue to confirm the geological model comprising shallow west dipping mineralised zones within the Wyoming style feldspar porphyry host which is located at the contact of pelitic sediments in the west and an andesitic volcanic and volcanoclastic sequence to the east (figures 3).

East-west, vertical cross cutting dolerite dykes that postdate the mineralisation occur at irregular intervals throughout the resource envelope. While these dislocate the mineralisation, the drilling detail has enabled correlation of individual ore lenses over the full length of the planned open pit. The dolerites are visually distinct and should not pose a problem for grade control and mining.

Geotechnical and Site Sterilisation Drilling

A program of approximately 20 core holes is in progress to develop a geotechnical understanding of the proposed open pit walls. Shallow site core drilling and pitting is also in progress to provide infrastructure support and environmental data.

Air core sterilisation drilling has commenced and will now include a program of reconnaissance holes to test for extensions to the Caloma mineralisation with the porphyry host.

Definitive Feasibility Study (DFS)

The DFS program is continuing, with capital and operating cost data being collated, and remains on schedule for completion early October. All aspects of the Environmental Assessment (EA) are in progress and a Preliminary Environmental Assessment (PEA) should be lodged with NSW Department of Primary Resources by the end of June. The PEA forms a crucial and preliminary step in the Development Consent process.

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: TGP - Caloma RC results greater than 1.0g/t gold @ 15 June 09

Hole No	East	North	RL (m)	Azimuth	Inclin	Intcpt (m)	Grade (g/t Au)	Interval (m)	EOH (m)	Comments
PE 431	614810	6394240	271	090°	60°	39	6.56	71 – 110	159	
incl						15	11.90	72 – 87		
and						7	8.70	96 – 103		
also						3	1.59	153 - 156		
PE 432	614770	6394240	271	090°	60°	21	5.95	114 – 135	156	
incl						12	9.90	119 – 131		
PE 433	614970	6394260	271	090°	60°	2	2.66	55 – 57	66	
PE 434	614950	6394260	271	090°	60°	1	1.65	62 – 63	75	
PE 435	614930	6394260	271	090°	60°	3	1.87	93 – 96	96	stopped in min
PE 436	614890	6394260	271	090°	60°	5	1.87	61 – 66	120	
PE 437	614850	6394260	271	090°	60°	7	2.63	70 – 77	132	
and						20	2.90	88 – 108	150	
incl						6	5.80	102 – 108		
PE 438	614770	6394260	271	090°	60°	3	4.27	100 – 103	132	
also						3	1.90	123 - 126		
PE 439	614950	6394280	271	090°	60°	7	1.22	74 – 81	84	stopped in min
PE 440	614910	6394280	271	090°	60°	10	1.55	16 – 26	108	
incl						5	2.34	17 – 22		
PE 441	614870	6394280	271	090°	60°	25	1.62	23 – 48	138	
incl						2	5.80	44 - 46		
also						14	3.98	56 - 70		
also						7	1.61	74 - 81		
also						3	2.40	100 – 103		
PE 442	614830	6394280	271	090°	60°	5	2.50	80 – 85	156	
also						2	3.23	94 - 96		
also						2	1.21	99 - 101		
PE 443	614790	6394280	271	090°	60°	14	1.95	144 – 158	162	

Gold analysis of one metre split RC samples and some three metre composite samples by 50g fire assay. 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. Excluding the **TGP**, other major projects are:

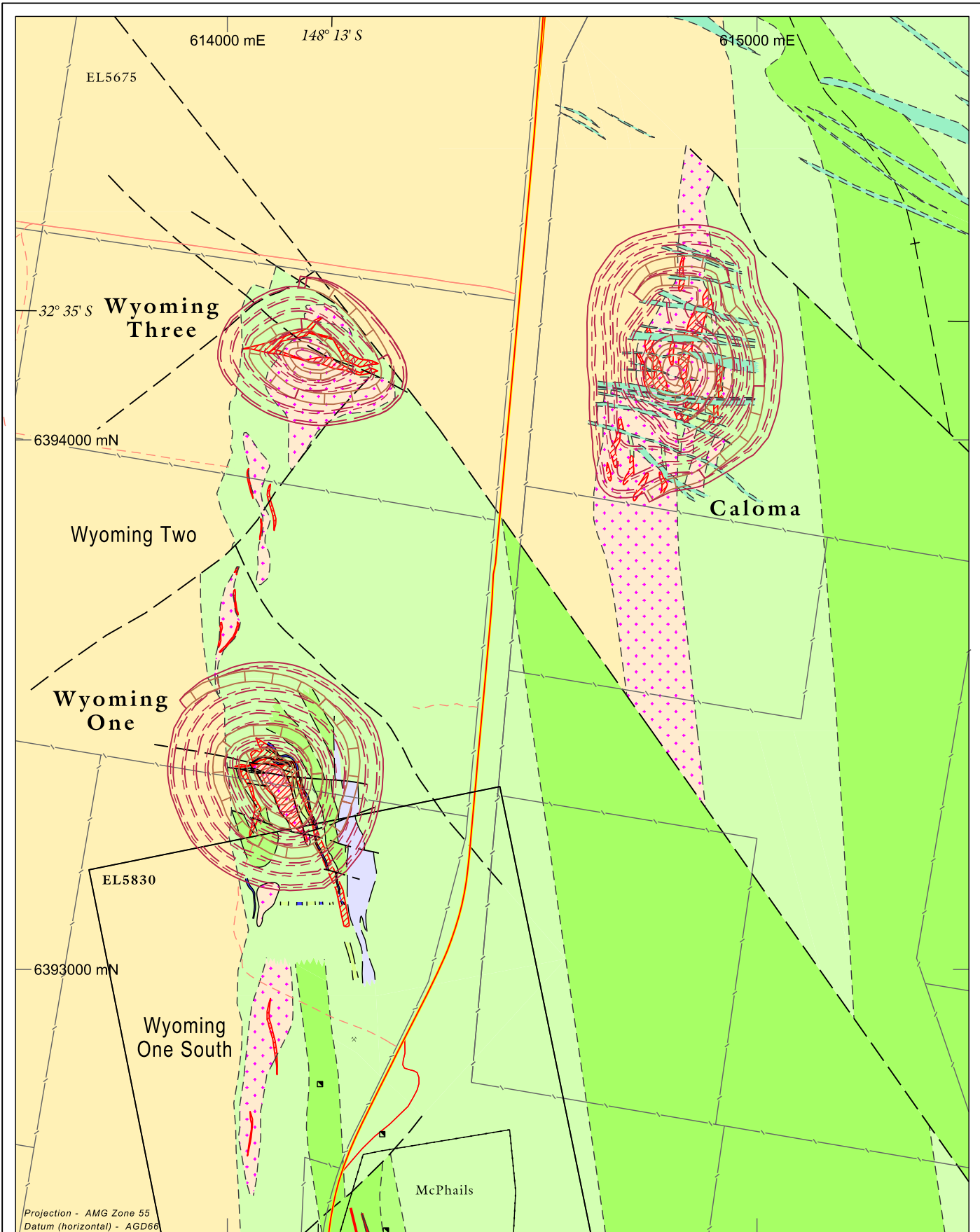
The **Dubbo Zirconia Project** is based upon a world class resource of the metals zirconium, hafnium, niobium, tantalum, yttrium and rare earth elements. The deposit also contains significant uranium. Over several years Alkane has developed a flow sheet which can recover a variety of products which have expanding applications in electronics, ceramics, catalysts, special alloys and glasses, fuel cells, special rechargeable batteries and permanent magnets, nuclear power and as environmental drying agents. Following a \$3.3 million Commercial Ready Grant from AusIndustry in 2006, the feasibility study was reactivated. The study includes the construction and operation of a Demonstration Pilot Plant, and a development commitment is anticipated in 2010.

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 included 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. Recent diamond drilling has confirmed the potential of the project to host a major gold system with an intersection in KPD003 of 366 metres grading 1.85g/t gold.

Elsewhere within the region, Alkane has defined a 2 million tonne 1.00% copper Indicated Resource (details 2007 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 **Xstrata Nickel (Jubilee)** near **Leinster**.





Projection - AMG Zone 55
Datum (horizontal) - AGD66

Geology Legend

- Dolerite
- Massive, well foliated pelitic siltstone (Cotton Formation)
- Feldspar porphyry
- Undifferentiated volcanoclastic sediments
- Undifferentiated black graphitic shales and grey foliated siltstones
- Black graphitic shales
- Quartz and volcanoclastic sandstone pebble conglomerate
- Feldspar ± hornblende phric andesitic lava
- Strongly sheared, chlorite-talc schist

- Geological Symbols and Ornamentation**
- Mineralisation
 - Fault, inferred
 - Shear zone
 - Geological boundary, inferred
 - Quartz zone

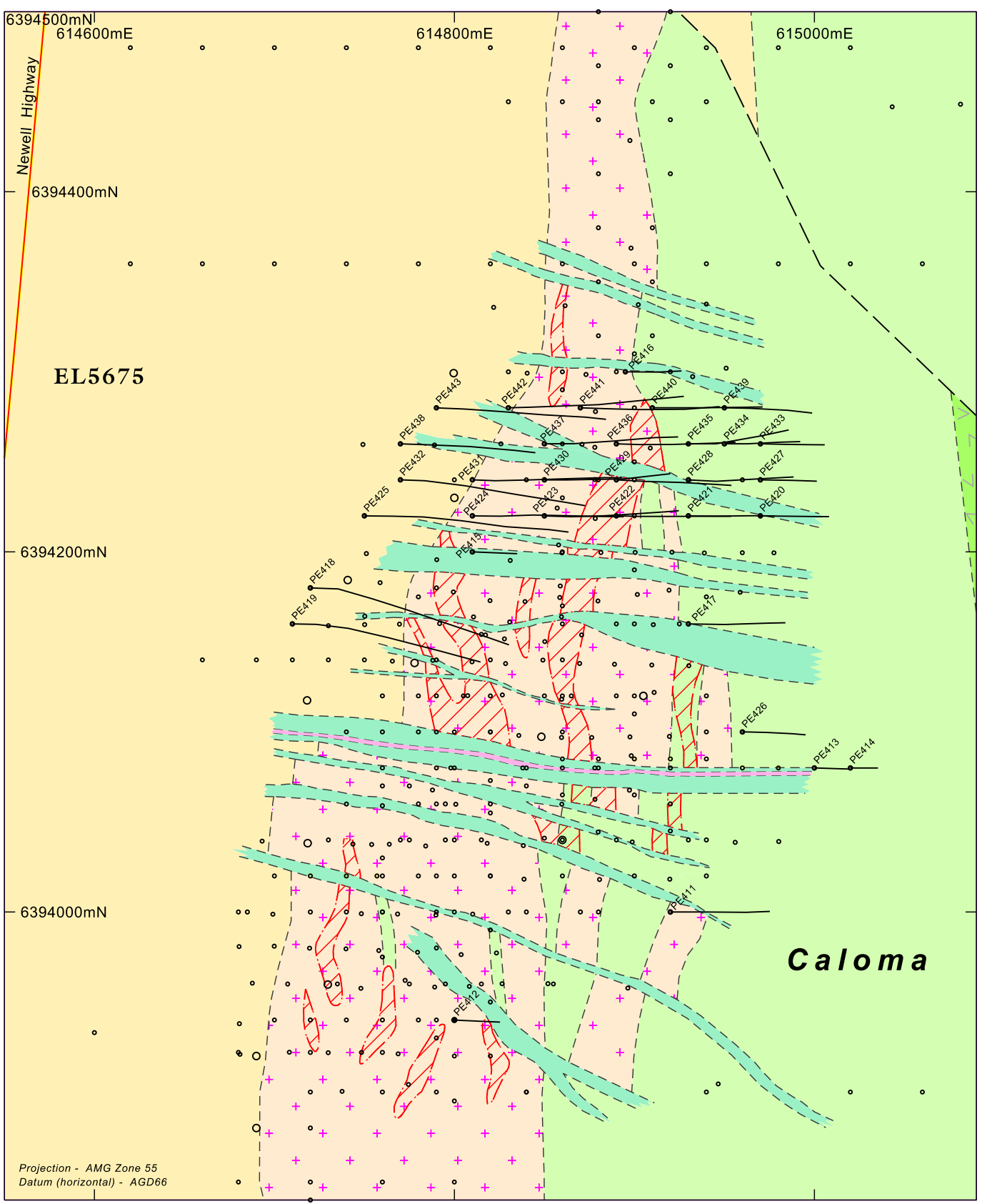


ALKANE RESOURCES LTD
TOMINGLEY GOLD PROJECT
WYOMING PROSPECT

Geology

(Wyoming 1, Wyoming 3 and Caloma)

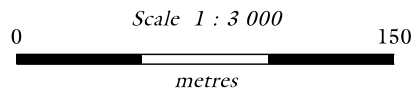
Figure No.: 2



Projection - AMG Zone 55
Datum (horizontal) - AGD66

- Dolerite
- Pegmatite
- Massive, well foliated pelitic siltstone (Cotton Formation)
- + Feldspar porphyry
- Undifferentiated volcanoclastic sediments
- v Feldspar ± augite phyric andesitic lava

- PE443 Drill holes - current phase
- Drill hole collars
- Diamond drill collars



ALKANE RESOURCES LTD
TOMINGLEY GOLD PROJECT
CALOMA PROSPECT
Preliminary Geology and
Drill Hole Location
(200m RL Interpretation)

Figure No.: 3