



14 July 2010

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

Dear Sir,

DIRECTOR

The directors of Alkane Resources Ltd are sad to report that non-executive director Ian (Inky) Cornelius passed away earlier today as a result of illness.

Inky had been a director of the Company since 1986 (as Chairman from then until 2006 when he relinquished his executive position). He brought to his role extensive experience in the exploration and mining industry and a deeply felt commitment to the value of exploration as the main driver of company development and the life blood of the mining industry.

Under Inky's leadership the Company evolved from explorer to miner with the development of the Peak Hill Gold Mine (NSW) in 1996. He also oversaw the discoveries of the Wyoming and Caloma gold deposits at nearby Tomingley, the Toongi zirconia/rare earth deposit near Dubbo, the Galwadgere copper/gold prospect near Wellington and the Orange District Exploration Joint Venture's McPhillamys gold/copper deposit.

Of the Company's varied mineral assets, it is the Dubbo Zirconia Project with its potential to be a long term supplier to the rapidly expanding zirconium, niobium and rare earth industries that he believed to be the key to the Company's long term success.

Inky's passion for exploration, his integrity and profound sense of honour remain a legacy for the Company and for the industry as a whole.

The Board and personnel of Alkane wish to extend their deepest sympathies to Inky's partner, Kath, and to his sons and their families.

Yours faithfully,
for **ALKANE RESOURCES LTD**

D I Chalmers
Managing Director