



17 May 2011

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

Dear Sir,

PRESENTATION

Attached is a copy of the Annual General Meeting presentation to shareholders.

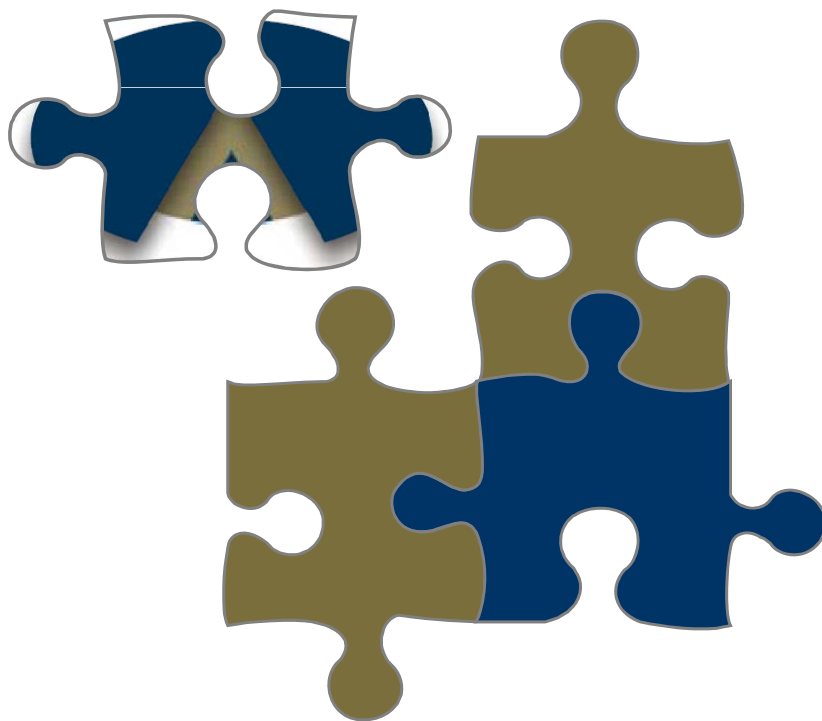
A copy of this presentation will also be available on the Company's website
www.alkane.com.au.

Yours faithfully,
for **ALKANE RESOURCES LTD**

A handwritten signature in black ink, appearing to read 'D I Chalmers'. The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

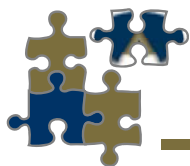
D I Chalmers
Managing Director

...putting the pieces together



Annual General Meeting

17 May 2011



Corporate snapshot



Exchanges	ASX: ALK OTCQX: ANLKY
Share Price (16 May 2011)	A\$1.93
Shares	269m
Fully Diluted Market Cap	~A\$520m
Cash (at 31 March 2010)	~A\$22m

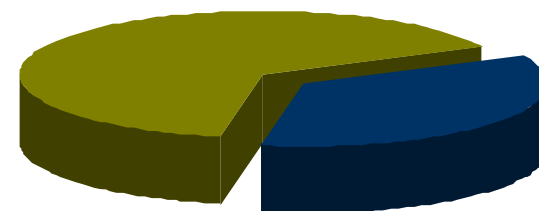
No debt

12 Month High / Low A\$2.73/ \$0.23



Source: FT

Shareholder profile*



Retail	Top 20	~60%
Institutions	Directors & Management	3%
	Abbotsleigh (Gandel Metals)	26%

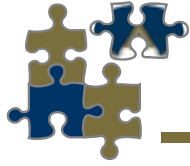
*at 30 June 2010

Directors & Management

J. S. F. Dunlop	Chairman
D. I. Chalmers	Managing Director
A. D. Lethlean	Non-Executive Director
I. J. Gandel	Non-Executive Director
L.A. Colless	CFO Joint Secretary
K.E. Brown	Joint Secretary
T W Ransted	Chief Geologist
M D Sutherland	General Manager NSW



Central West New South Wales



Business Strategy

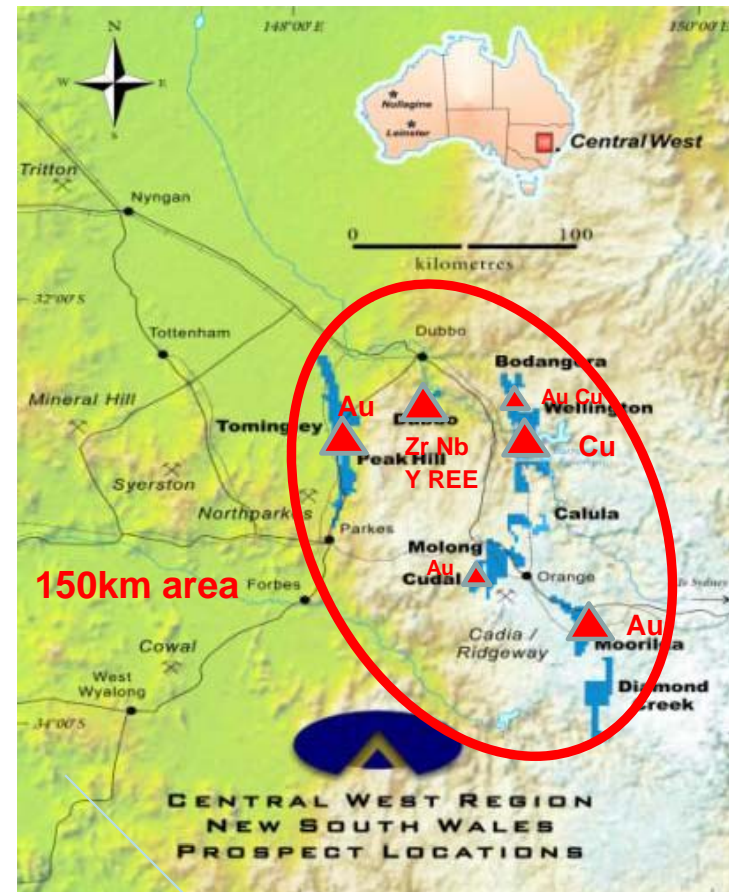
Multi commodity explorer and miner, focussed in the Central West of New South Wales, Australia

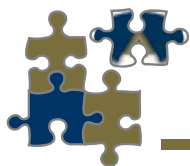
Dubbo Zirconia Project – world class resource of zirconium, hafnium, niobium, tantalum, yttrium and rare earths

Gold production from Peak Hill mine 1996 – 2005.
New gold development planned at Tomingley based upon 800,000 oz resource

Major gold discovery at McPhillamys (~3 million oz)
Joint Venture with Newmont

Develop multiple operations within tight geographic area over next five years. New discoveries at Cudal (Au-Zn), Bodangora (Au-Cu) and Galwadgere (Cu-Au)





Dubbo Zirconia Project

Zirconium, niobium, yttrium, rare earth elements

Definitive Feasibility Study

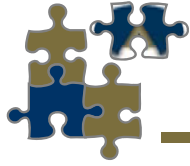
TZ Minerals International Pty Ltd

Study managers: *Steve Gilman and Gavin Diener*

Marketing: *Alister MacDonald (TCMS) and Dudley Kingsnorth (IMCOA)*

DPP Operations: *ANSTO Minerals Group Bob Ring, Doug Collier, Karin Soldenoff, Des Levins, Adrian Manis, Chris Griffiths, Peter Fletcher, Prakash Rajalingam*

Environmental Assessment: *R W Corkery & Co Pty Ltd*



Dubbo Zirconia Project Location



Dubbo region pop 80,000

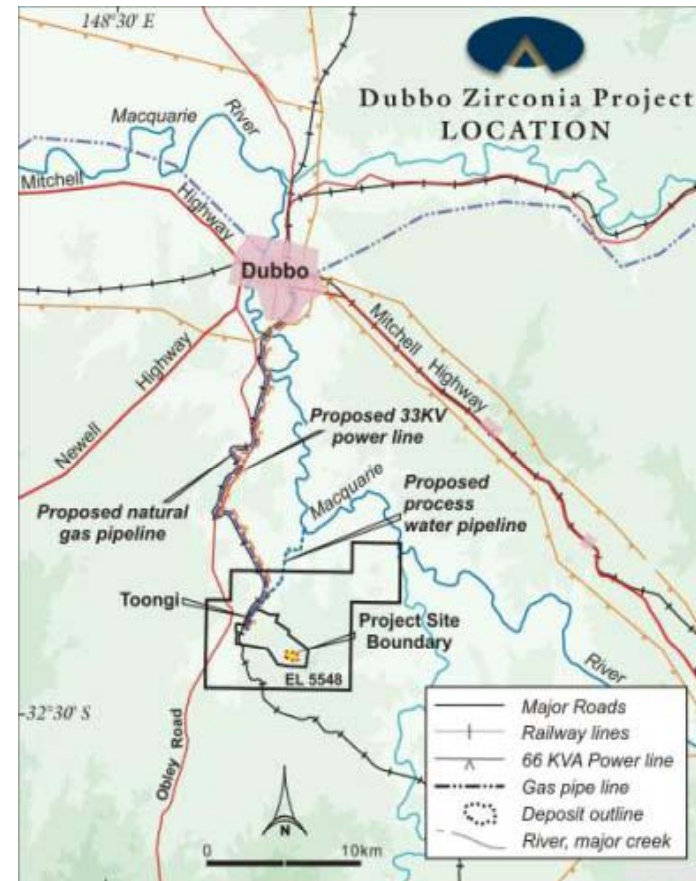
State power grid

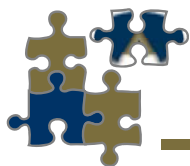
State gas grid

Major mixed agriculture

Transport hub

Substantial light industry





DZP Resources



Measured Resource

0 - 55 metres

:

35.7 million tonnes grading

1.96% ZrO_2 , 0.04% HfO_2 , 0.46% Nb_2O_5 ,
0.03% Ta_2O_5 , 0.14% Y_2O_3 , 0.75% REO
and 0.014% U_3O_8

Inferred Resource

55 - 100 metres

:

37.5 million tonnes at similar grades

TOTAL

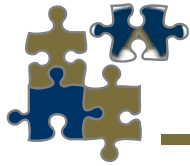
:

73.2 million tonnes

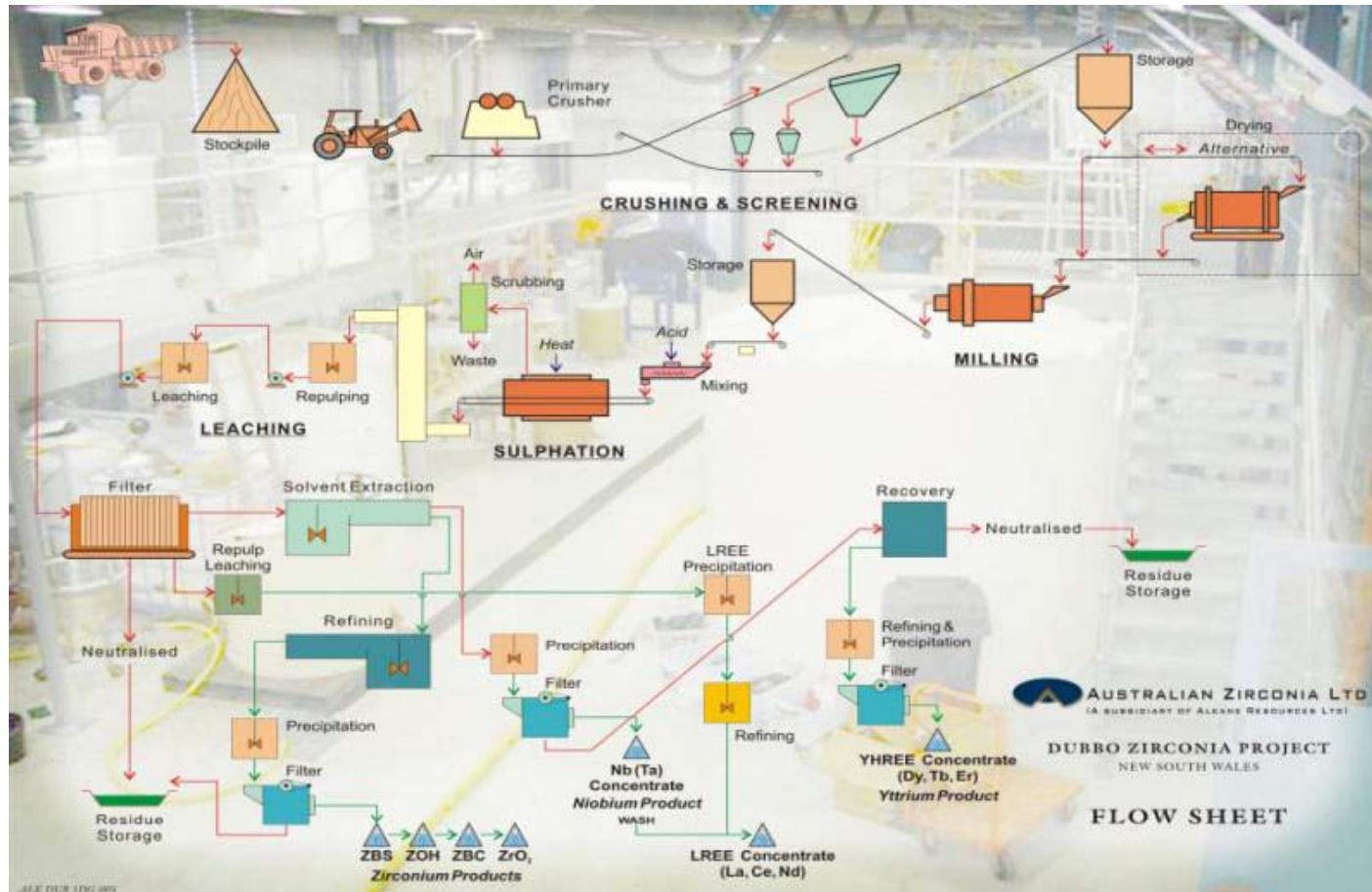
Major world resource of zirconium, hafnium, niobium, tantalum, yttrium and rare earth elements

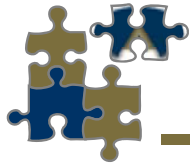
The ore is not classified as a radioactive deposit, and production of uranium is currently prohibited in NSW





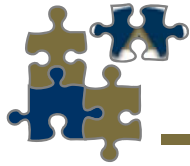
DZP Flow Sheet





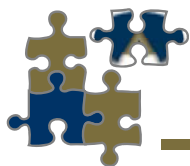
DZP Demonstration Pilot Plant





Zirconium Applications



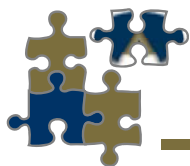


Zirconium Definitions



- **Zircon (ZrSiO_4)**
 - contains up to 66% ZrO_2
 - zirconium silicate mineral from which most ***zirconia***, and zirconium materials are derived
- **Zirconia (ZrO_2)**
 - contains up to 99.99% ZrO_2 (zirconium dioxide)
 - zirconium dioxide exists in three forms (monoclinic, tetragonal, and cubic)
 - two processes; fused zirconia (lower value) and chemical zirconia
- **Zirconium Oxychloride (ZOC) ($\text{ZrOCl}_2 \cdot 8\text{H}_2\text{O}$)**
 - contains up to 36% ZrO_2
 - zirconium chemical which most zirconium chemicals and chemical zirconias are derived
- ***Zirconium materials***, including ***chemicals and oxides***, and account for ~250,000 tpa (18%) of total zircon consumption.
- ***Zirconium metal (Zr)*** -produced from zircon, zirconia or ZOC

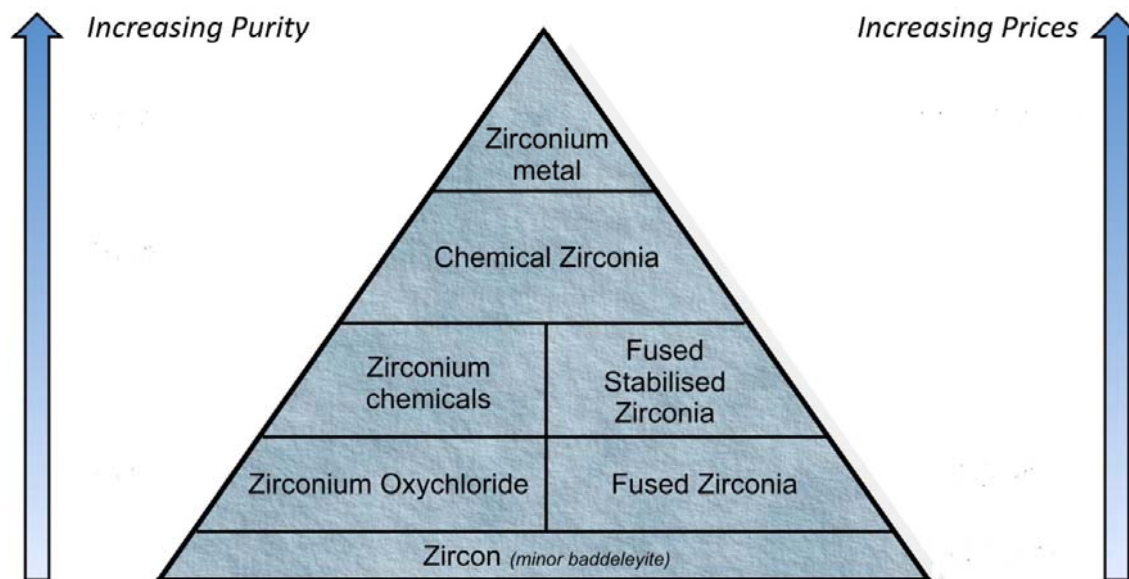
Source: TCMS



Zirconium Industry



ZIRCONIUM MATERIALS PYRAMID



China consumes about 50% of world's zircon output.

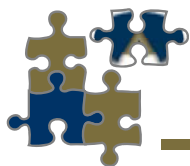
About 30% of that zircon is converted to downstream products.

China currently produces about 90% of world's ZOC and 60% of FZA.

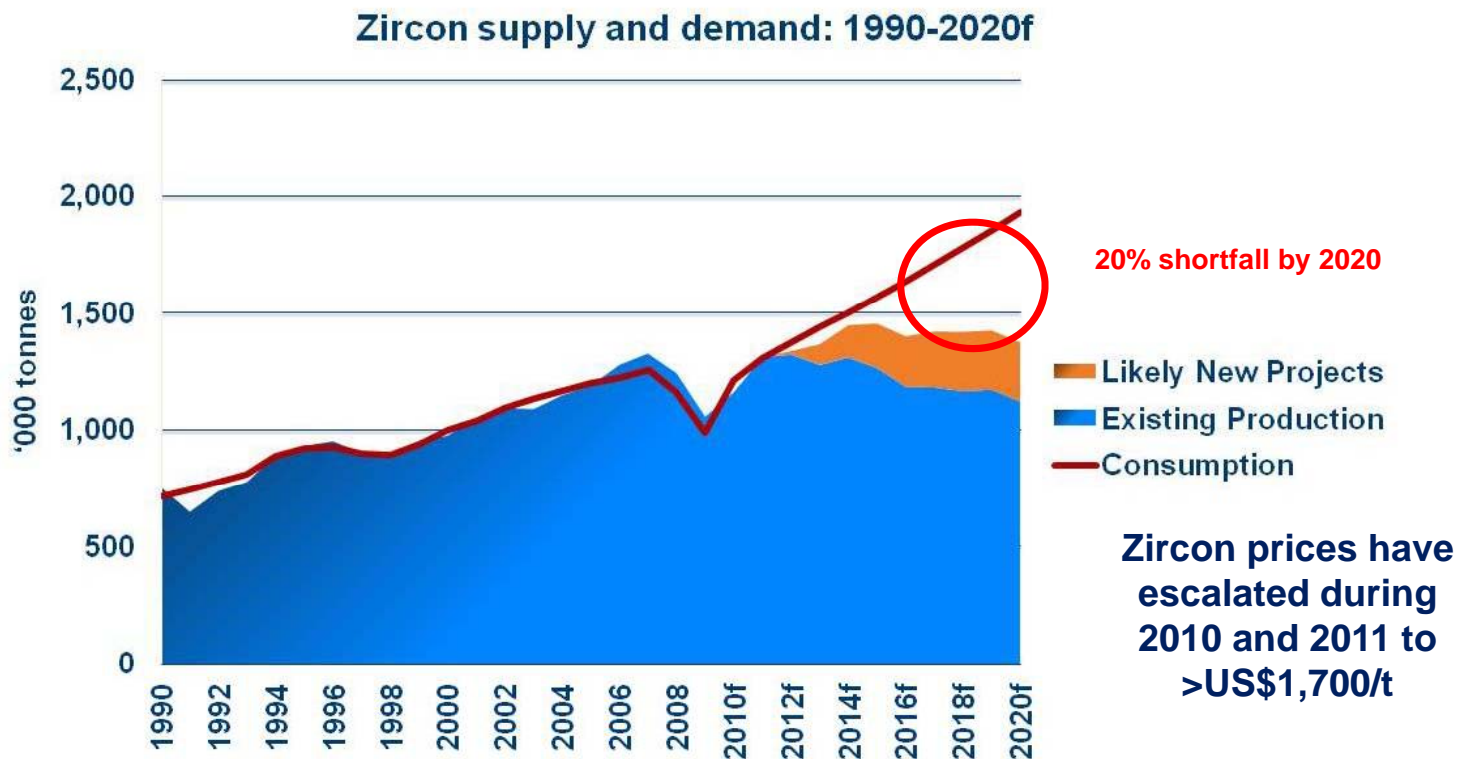
China has limited domestic supply of zircon and acquire from major producers (Aust and S Africa).

Zircon	Zirconium silicate $ZrSiO_4$	Primary Zr mineral source	Value
2010	1.4 million tonnes	~US\$1.6 billion	→ US\$2B
Zirconium products	Zirconia ZrO_2 , Zirconium chemicals, Zr metal		
2010	120,000 tonnes	~US\$0.7 billion	→ US\$1B

Source: TCMS

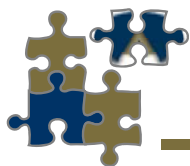


Zircon Supply Demand Price



Zircon price and supply will have a major impact on the cost and availability of zirconium chemicals, zirconia and zirconium metal. China has declared zirconium a strategic metal.

Source: TZMI



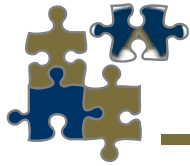
DZP Zircon - Zirconium Chemicals Pricing



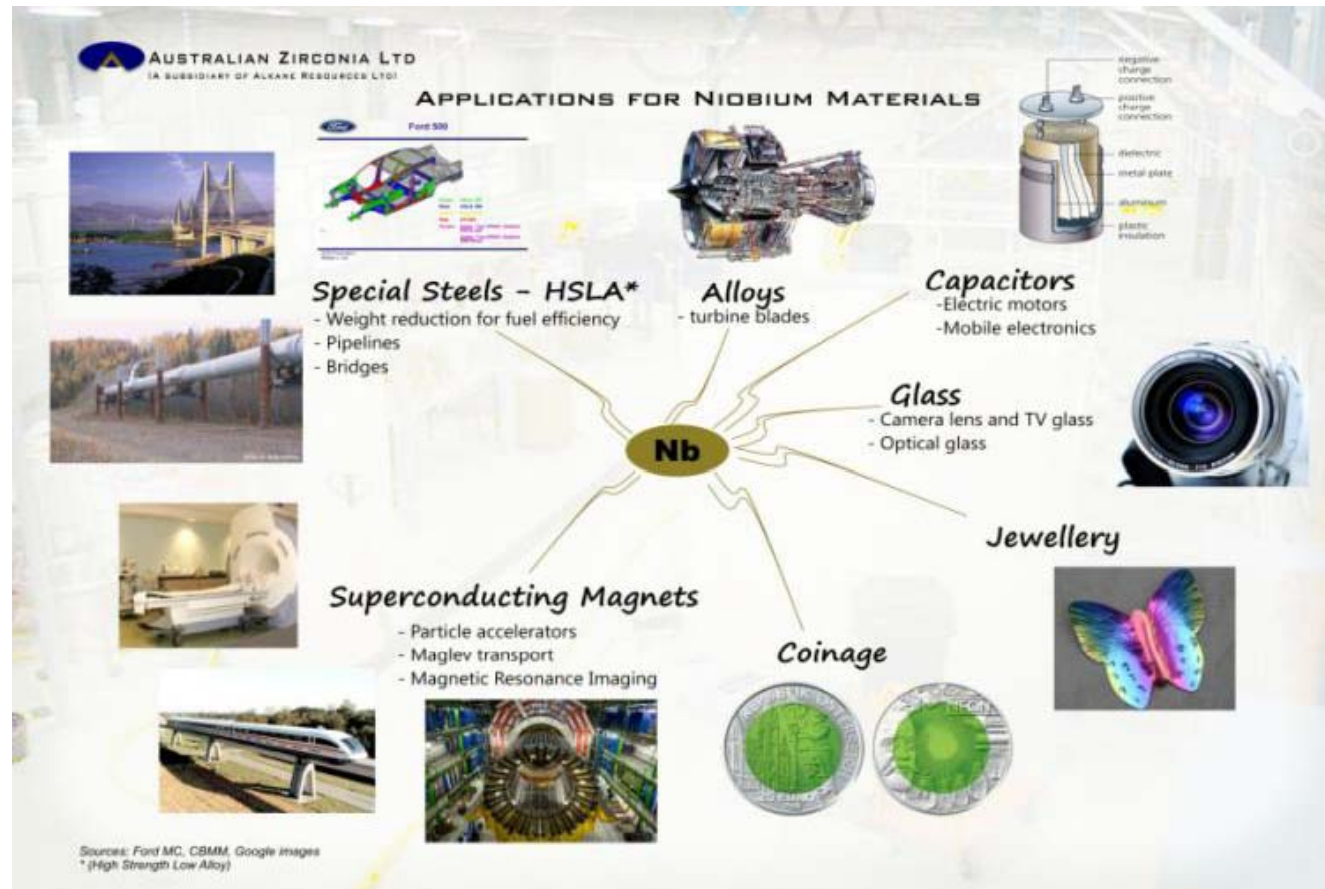
PRODUCT	ZrO ₂	Q2 2010 US\$/T	Q1 2011 US\$/T	April 2011 US\$/T
Zircon (producer/trader)	65%	\$900 - \$1150	\$1,500 - \$2,100	\$1,700 - \$2,600
(100% ZrO ₂ basis)	100%	(\$1,440 - \$1,840)	(\$2,400 - \$3,360)	(\$2,700 - \$4,160)
ZOC (zirconium oxychloride)	36%	\$1,350 - \$1,450	\$2,300 - \$2,600	\$3,100 - \$3,700
(100% ZrO ₂ basis)	100%	(\$3,750 - \$4,025)	(\$6,400 - \$7,200)	(\$8,600 - \$10,300)
ZBS (zirconium basic sulphate)	33%	\$1,770	\$3,000	\$3,800
(100% ZrO ₂ basis)	100%	\$5,360	\$9,100	\$11,500
ZBC (zirconium basic carbonate)	40%	\$2,100	\$3,400	\$4,200
(100% ZrO ₂ basis)	100%	\$5,250	\$8,500	\$10,500
Fused Zirconia	98.50%	\$2,900 - \$3,100	\$4,100 - \$4,400	\$6,000 - \$6,500
Chemical Zirconia	99.50%	\$4,200 - \$4,400	\$7,200 - \$7,500	\$9,200 - \$10,000
Chemical Zirconia	99.90%	\$5,300 - \$5,500	\$8,500 - \$10,500	\$10,400 - \$14,000

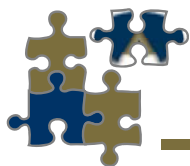
Source TCMS

Source: TCMS

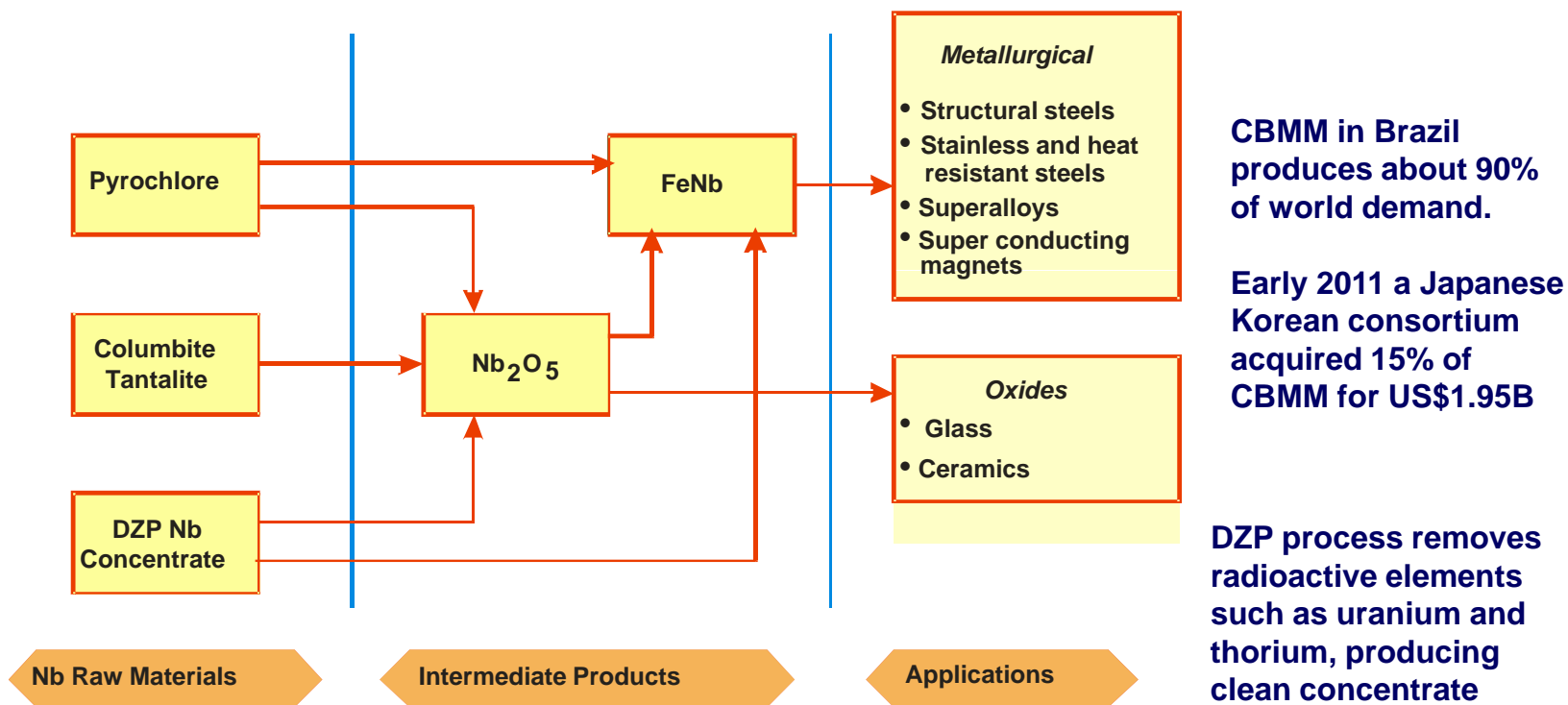


Niobium Applications



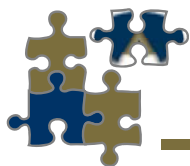


Structure of Niobium Industry



Ferro-niobium FeNb Niobium pentoxide Nb₂O₅ Value
 2010 85,000 tonnes ~US\$2.0 billion → US\$3B

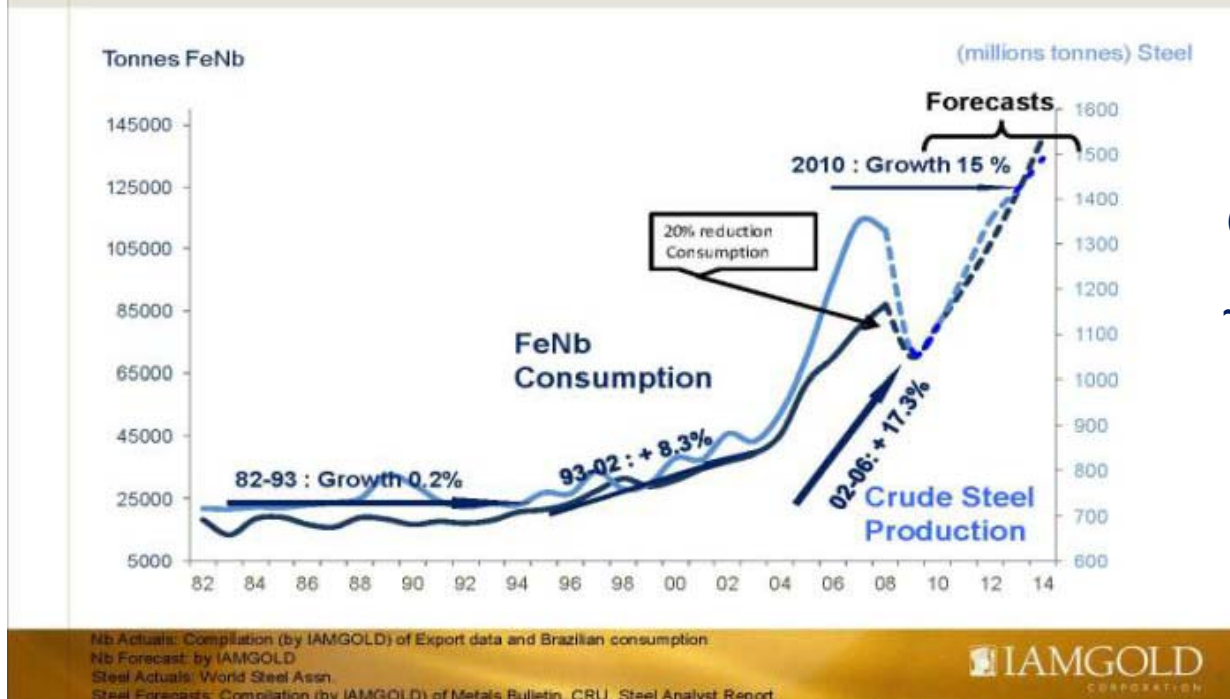
Source: TZMI



Niobium Demand



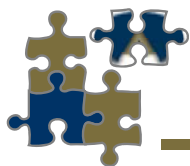
World Consumption Forecast (FeNb)



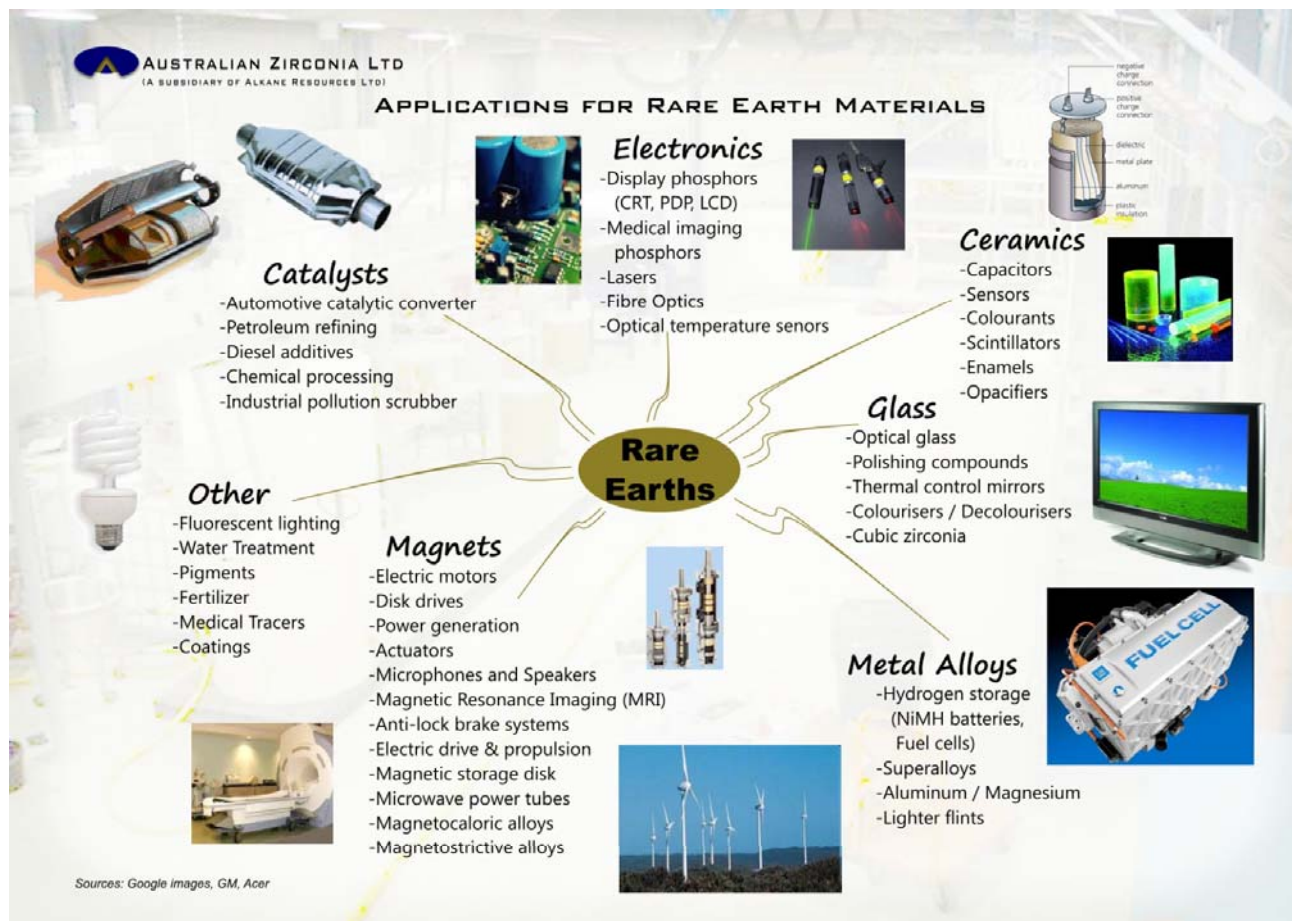
**Niobium 2008
(Ferroniobium units)
consumption
~85,000t – 90% Brazil
Estimate for 2012
~100,000t**

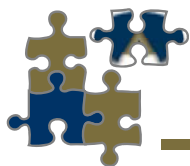
Ferroniobium price spiralled to US\$60/kg in March 07 and is currently around US\$40 - 45/kg

Sources: IAMGOLD / TZMI



REE Applications





Rare Earth Supply - Demand



Will rare earth supply demand be in balance from 2015 with Lynas and Molycorp producing?

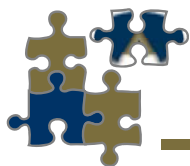
High probability for LREE but not HREE

The DZP has a 75% LREE - 25% HREE split which gives it a demand advantage

Separated rare earth products
2010 130,000 tonnes

Value
~US\$2.0 billion → US\$4B

Source: IMCOA



REE Demand Drivers



Key Drivers of Demand

Application	Rare Earths	Demand Drivers
Magnets	Nd, Pr, Sm, Tb Dy	Drives for computers, mobile phones, mp3 players, cameras. Hybrid vehicle electric motors. Electric motors for luxury vehicles. Mag-lev trains.
LaNiH Batteries	La, Ce, Pr, Nd	Hybrid vehicle batteries. Hydrogen absorption alloys for re-chargeable batteries
Phosphors	Eu, Y, Tb, La, Dy, Ce, Pr, Gd	LCDs. PDPs. LEDs. Energy efficient fluorescent lights/lamps.
Fluid Cracking Catalysts	La, Ce, Pr, Nd	Petroleum production – greater consumption by 'heavy' oils and tar sands
Polishing Powders	Ce, La, Nd	Mechano-chemical polishing powders for TVs, monitors, mirrors and (in nano-particulate form) silicon chips.
Auto Catalysts	Ce, La, Nd	Tighter NO _x and SO ₂ standards – platinum is re-cycled, but for rare earths it is not economic
Glass Additive	Ce, La, Nd, Er	Cerium cuts down transmission of uv light. La increases glass refractive index for digital camera lens.
Fibre Optics	Er, Y, Tb, Eu	Signal amplification

Growth

10 – 15%

5 - 10%

5 – 10%

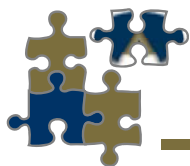
4 - 8%

8 -12%

4 – 8%

IMCOA

Source: IMCOA



DZP Rare Earth Pricing



Rare Earths Prices 2010 (US\$/kg REO)

(Source: Metal Pages©)

Light Rare Earth	DZP Distribution	Q2 Average 2010	Q3 Average 2010	Q4 Average 2010	Q1 Average 2011
Lanthanum Oxide	19.5%	\$7.13	\$25.75	\$53.00	\$95.00
Cerium Oxide	36.7%	\$5.58	\$24.50	\$50.00	\$96.00
Praseodymium Oxide	4.0%	\$30.60	\$48.25	\$77.00	\$155.00
Neodymium Oxide	14.1%	\$31.13	\$49.50	\$80.00	\$170.00
Samarium Oxide	2.2%	\$4.50	\$22.25	\$34.00	\$95.00
Heavy Rare Earth					
Europium Oxide	0.07%	\$521.67	\$570.00	\$625.00	\$820.00
Gadolinium Oxide	2.15%	\$8.25	\$28.75	\$44.00	\$130.00
Terbium Oxide	0.34%	\$545.00	\$570.00	\$605.00	\$830.00
Dysprosium Oxide	2.05%	\$196.67	\$275.00	\$295.00	\$520.00
Ho, Er, Tm, Yb, Lu	2.9%				
Yttrium Oxide	15.8%	\$11.42	\$26.25	\$56.00	\$125.00
DZP LREE	76.68%	\$12.06	\$30.58	\$57.20	\$112.00
DZP YHREE	23.32%	\$42.23	\$62.34	\$78.70	\$157.00
DZP LREE Concentrate Value		\$8.44	\$21.41	\$40.04	\$79.00
DZP YHREE Concentrate Value		\$29.59	\$43.64	\$55.09	\$110.00

Compiled by IMCOA

Spot 1 April

\$121
\$121
\$196
\$201
\$106

\$940
\$150
\$990
\$640

.....\$140.....

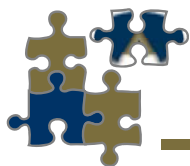
\$139
.....\$182.....

\$97
\$127

DZP REE Concentrates expected to return 70% of separated prices

Q4 average prices currently used in revenue projections

Source: IMCOA



DZP Product Output and Revenues



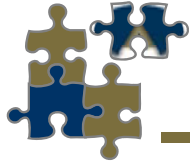
Base case of 400,000 tonnes pa and expanded 1 million tonnes pa of ore processed

Potential Production and Revenues				
Product	400,000 tonnes per annum		1,000,000 tonnes per annum	
ZBS, ZOH, ZBC, ZrO ₂	6,000tpa	US\$42M*	15,000tpa	US\$105M*
Nb -Ta concentrate	1,400tpa	US\$42M*	3,500tpa	US\$105M*
LREE concentrate	1,415tpa	US\$57M**	3,540tpa	US\$142M**
YHREE concentrate	425tpa	US\$24M**	1,070tpa	US\$63M**
AVERAGED TOTALS	9,240tpa	US\$160 - 170Mpa	23,110tpa	US\$400 - 450Mpa
*Zr @ US\$7.00/kg and Nb @ US\$30/kg as intermediate average prices ** Price average of Q4 2010 for REO basket and assumes concentrate at 70% of total separated REO value REO output based on average 50% recovery				

Base Case Operating costs ~ A\$60 -70m
Open pit life +200 years
Capex ~ A\$200 - 250m

Expanded Opex ~ A\$120 - 150m
Open pit life +100 years
Capex ~ A\$400 - 500m

- ZBS = zirconium basic sulphate; ZOH = zirconium hydroxide; ZBC = zirconium carbonate Equivalent ~99% ZrO₂ + HfO₂
- Nb-Ta concentrate = ~70% Nb₂O₅ + Ta₂O₅ calcined basis ▪ LREE = La, Ce, Nd, Pr ▪ YHREE = Y, Gd, Dy, Tb



DZP Marketing Developments



Major MoU just announced: JV to develop 15,000t to 20,000t ZOC production (~6,000 – 7,000t of ZrO_2 equivalent) facility using DZP intermediate zirconium feed. This JV would consume all the Base Case Zr output and almost assures the development of the 1Mtpa operation.

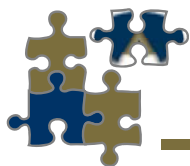
Target markets in Japan, Europe and North America.

Advanced discussions with other zirconium consumers / marketing specialists to secure sales for all remaining 1Mtpa Zr output. Many product samples distributed for evaluation.

MoU advanced with niobium consumer to look at JV to produce ferro-niobium from DZP niobium concentrate for specialised alloy markets.

Numerous discussions for sale or JV of light rare earth concentrate and heavy rare earth concentrate. Samples distributed for consumer evaluation.





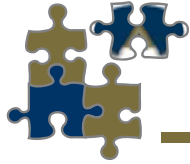
Development pathway



		-> 2009	2010	2011	2012	2013	2014
DZP 	Resource definition 2001 - 2002	✓					
	Flow sheet development 2002	✓					
	Laboratory Zr – Nb 1999 – 2002	✓					
	Pilot plant Zr – Nb 2002	✓					
	Mine Plan & Scheduling 2002	✓					
	Plant Design & Engineering 2002	✓					
	Laboratory Y & REE 2009 -	✓	✓				
	Demonstration Pilot Plant 2008 -						
	Zr – Nb Product Distribution	✓	✓	✓			
	Y - REE Product Distribution						
	Secure Offtake Agreements						
	Definitive Feasibility Study	2002					
	Environmental Impact (EA)	2000 ->					
	Detailed Design						
	Project Financing / Consent						
	Construction						
	Production						

Continued product development





DZP Strategic Significance



Majority of “downstream” zirconium products are derived from zircon, whose output is governed by ilmenite/rutile from mineral sands mining operations.

China dominates downstream zirconium business at ~90% but feed is zircon.

Niobium production dominated by one company, CBMM in Brazil with 90% of market.

Rare earth and yttrium production dominated by China (95%). DZP offers new source particularly for important Y and HREE.

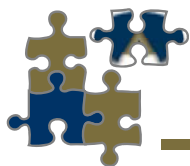


Production costs are spread across the four metal outputs – zirconium (hafnium), niobium (tantalum), light rare earths and yttrium-heavy rare earths.

Project located in region with very favourable infrastructure and legislative framework, both at a State and Federal level.

Increased demand for many of the metals is driven by environmental legislation to ensure emissions minimisation and energy consumption efficiency

The DZP provides an alternative and strategic source for a number of important metals, and is capable of producing for hundreds of years from one ore body.



Tomingley Project

Gold

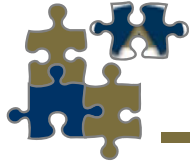
Definitive Feasibility Study

Mintrex Pty Ltd

Study Manager: *Fiona Morgan*

Environmental Assessment

R W Corkery & Co Pty Ltd



Tomingley Gold Project, NSW

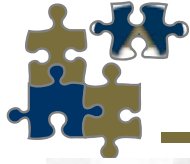
ALKANE RESOURCES: 100%



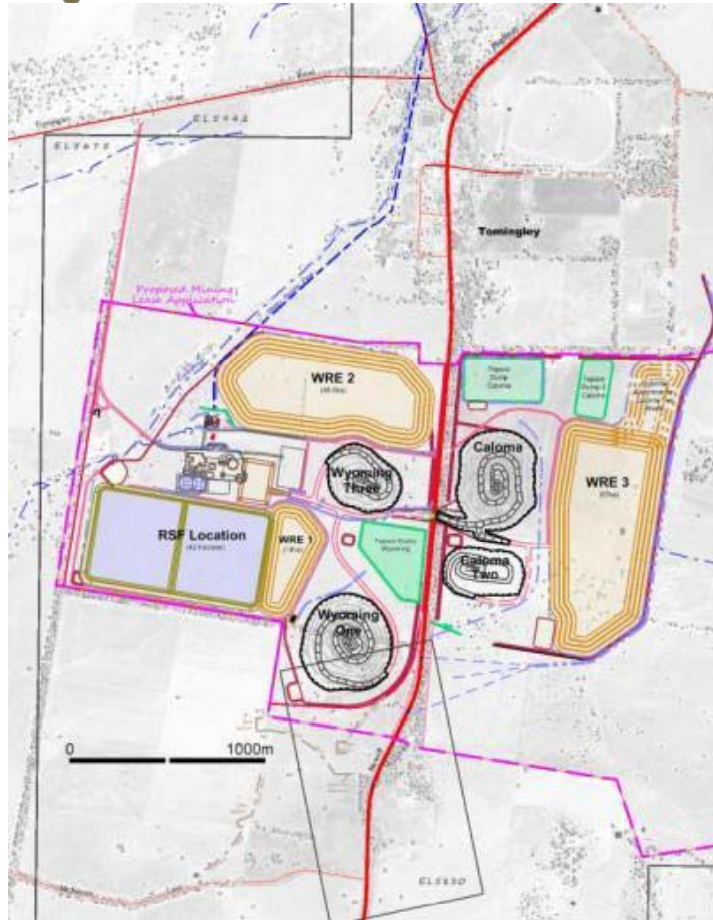
- **Three deposits under conceptual development:**
 - **Caloma** (3.86Mt @ 1.76g/t Au)
 - **Wyoming One** (6.59Mt @ 1.86g/t Au)
 - **Wyoming Three** (0.84Mt @ 1.75g/t Au)

947 AC, RC and core holes totalling 109,114 metres
- **Total current combined resource (d) +660,000oz**
 - Expansion potential
 - Deposits open at depth
 - Significant regional exploration potential
- **Minimum seven year mine life => +10yr target**
- **Initial open pit +underground operations (Yrs 1-7)**
Additional open pit and ug (Yrs 7 -10)



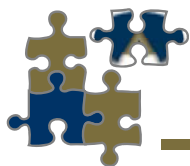


TGP Infrastructure



Proposed site layout

- **Infrastructure:**
 - **water** => 45km pipeline
 - **power** (State Grid) => 20km 66Kv power line
 - **roads** => primary & secondary access
- **Skilled local workforce**
 - population base of 150,000 within 120km diameter area
 - No FIFO, no accommodation required
- **Capital costs ~A\$90 Million**
 - CIL plant A\$43m
 - Infrastructure A\$22.6m
 - Owners costs A\$23m



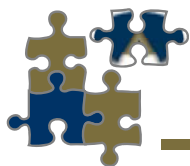
TGP Financials



Financial Summary			
Based on initial 7.5 year open pit and underground operation producing 370,000 ounces			
	Base Case	Anticipated	Upside
Gold Price	A\$1,400 / oz	A\$1,500 / oz	A\$1,600 / oz
Revenue	\$516.97m	\$553.89m	\$590.82m
Operating Cash Flow	\$155.20m	\$192.13m	\$233.86m
Net Cash Flow*	\$65.39m	\$102.32m	\$144.65m
IRR	14.5%	22.2%	33.3%
NPV	\$15.08m	\$41.61m	\$76.73m

Credit Suisse granted mandate to provide up to A\$45m debt facility with gold hedging program to return average A\$1,500 / ounce

...targeting +10 year mine life



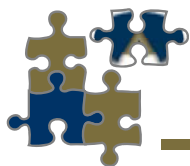
Advanced Exploration

Gold ODEJV - McPhillamys

Newmont Australia Limited (NAL)
Subsidiary of US based Newmont Mining Corporation

NAL are the Managers and Operators



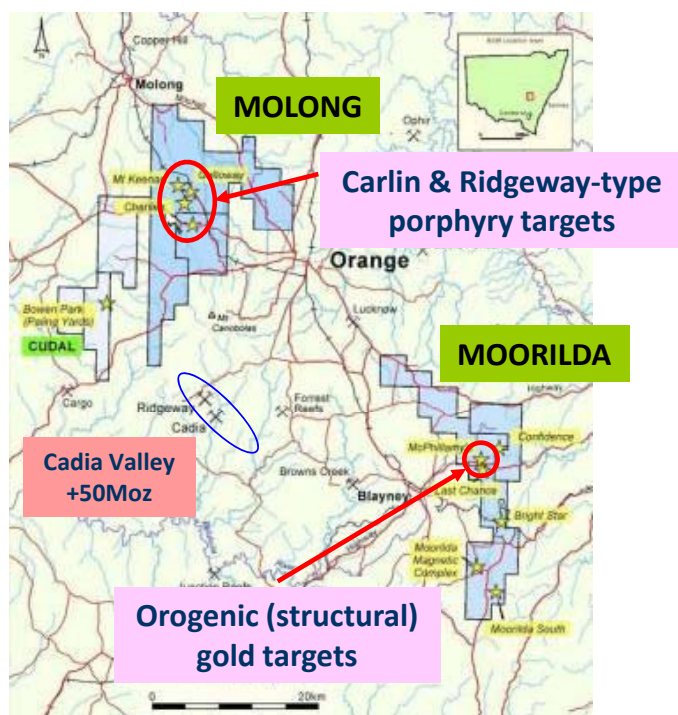


ODEJV



ORANGE DISTRICT EXPLORATION JOINT VENTURE (ODEJV)

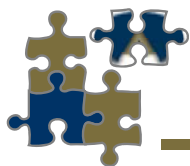
Gold, Copper – Orange, NSW | Alkane Resources: 49%, Newmont Australia: 51%



TWO FOCUS AREAS:

- **Molong**
 - targeting copper-gold porphyry-style gold mineralisation (Ridgeway-type) and Carlin style
- **Moorilda**
 - drilling confirms a major gold system @ McPhillamy's
- Newmont have earned 51%, to go to 75% by carrying all expenditures through to completion of final BFS

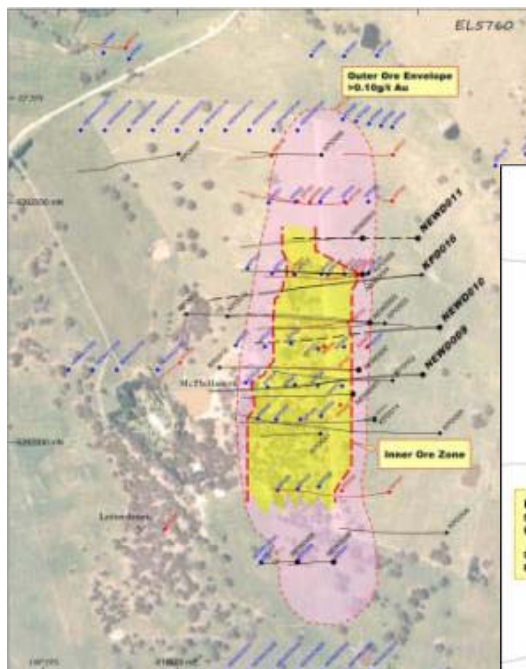
...low risk with significant upside + 4moz system



ODEJV Moorilda | McPhillamys

INITIAL RESOURCES

- **Indicated + Inferred** +0.3g/t gold
92 Mt @ 1.00g/t Au 0.07% Cu
2.96 Moz Au & 60,000t Cu
- **Indicated + Inferred** +0.5g/t gold
61 Mt @ 1.32g/t Au 0.08% Cu
2.57 Moz Au & 48,000t Cu
- Mineralisation open at depth
Deep drilling in progress
- Conceptual studies for both open pit
and block cave mining
- Preliminary metallurgical scoping
indicates +90% gold recovery from CIL
- Likely low waste to ore ratio to
significant depth for open pit

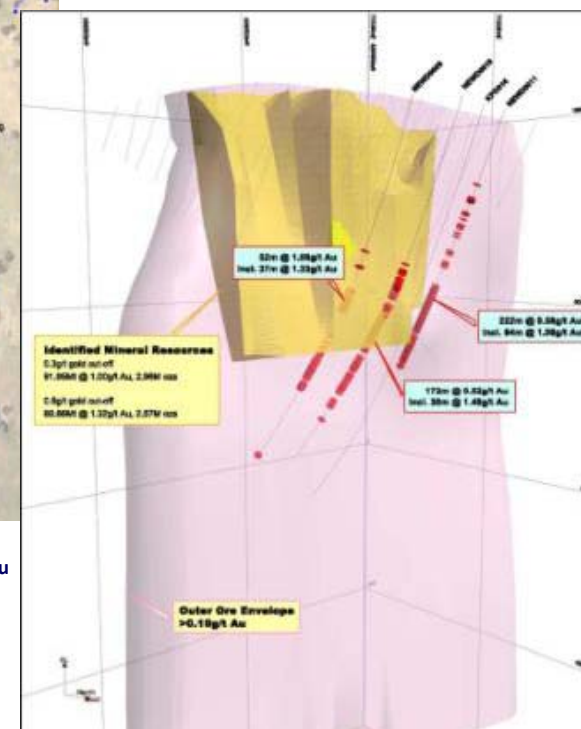


BASE AREAS

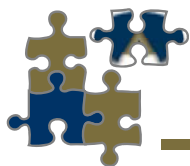
- Outer ore envelope 1,000m x 260m 0.1g/t Au
- Inner ore zone 600m x 200m to 450m depth
- Average 2.8 SG

Compare Barricks Cowal Operation

- 64Mt @ 1.22g/t Au at start up
- 8Mtpa for ~ 250,000ozpa



... potential open cut or block caving operation



Exploration

2010 - 2011 Discoveries

The Team

Terry Ransted

Peter Duerden

David Meates

Jim Thornton

Stewart Lamond

Chief Geologist

Senior Geologist

Senior Geologist

Geologist

Field Technician

Michael Sutherland

Glen Morgan

David Moyes

General Manager NSW

Peak Hill Site Supervisor

Cartographer

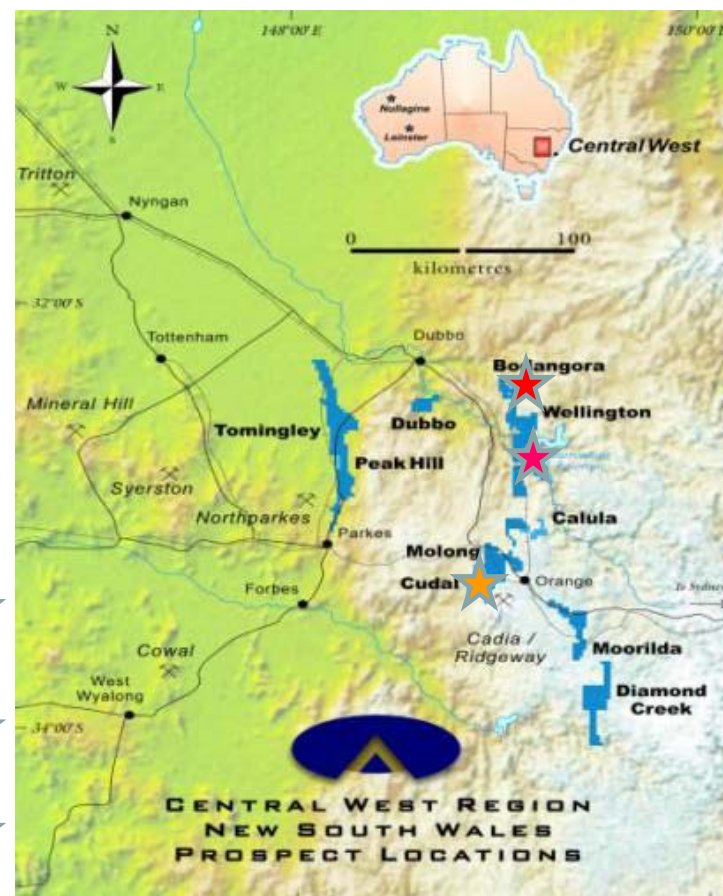
Cudal Bowen Park gold – zinc

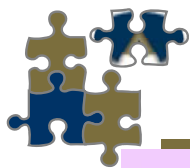


Bodangora Glen Hollow gold – copper

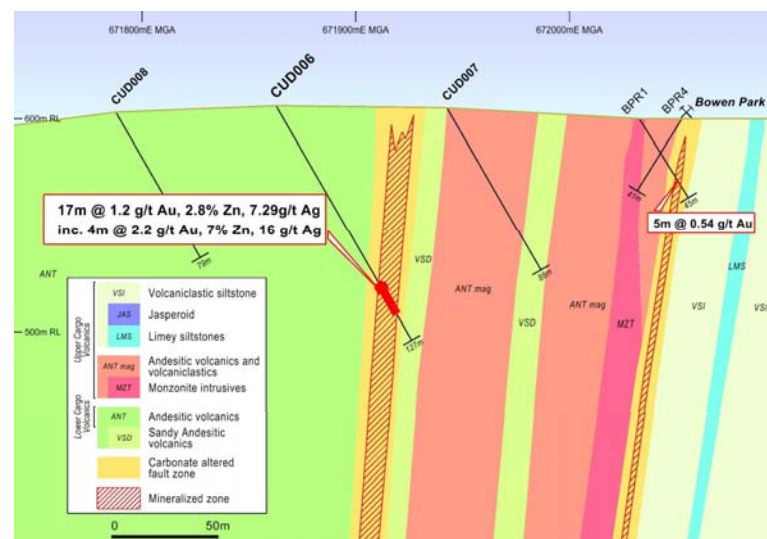
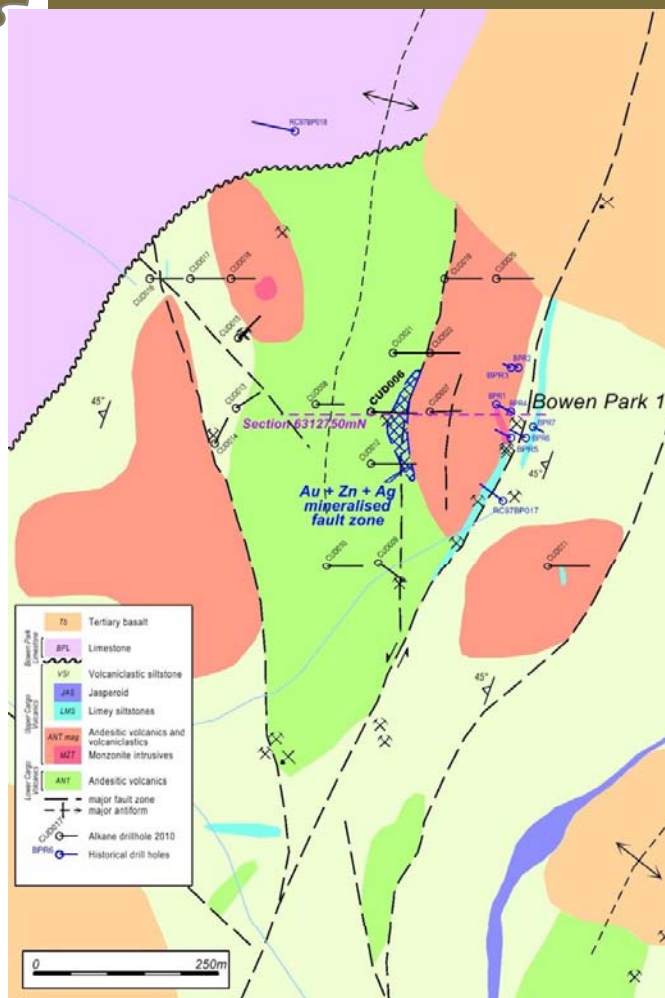


Wellington Galwadgere copper - gold





Cudal – Bowen Park

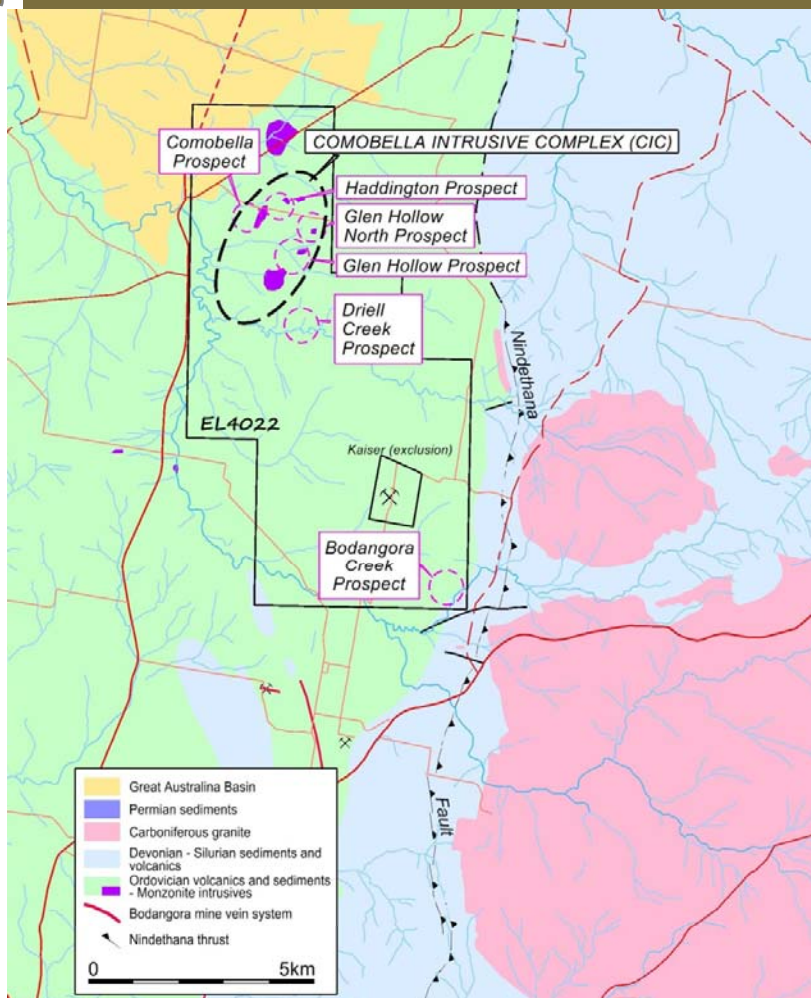


**New style of mineralisation
– structural / replacement**

Many exploration targets to be tested



Bodangora – Glen Hollow

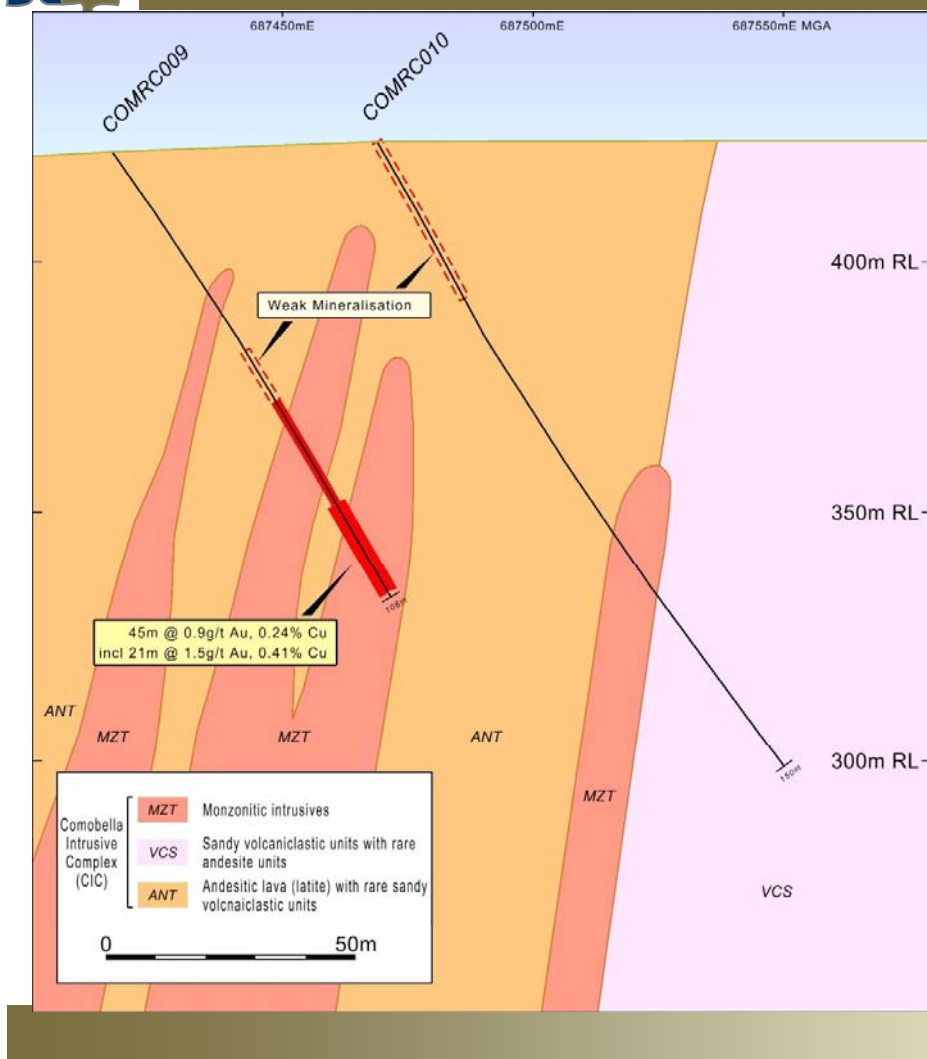


Comobella Intrusive Complex
4km x 3km monzonite intrusives /
skarn / hydrothermal breccias

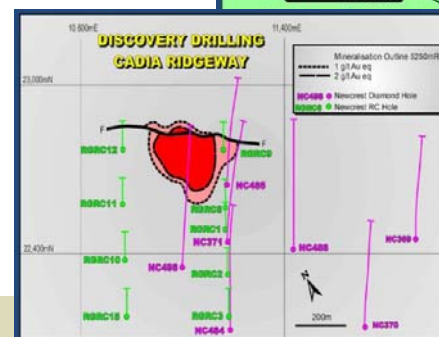
Comparable to Cadia – Ridgeway
(Newcrest) system near Orange



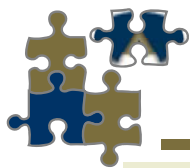
Bodangora – Glen Hollow



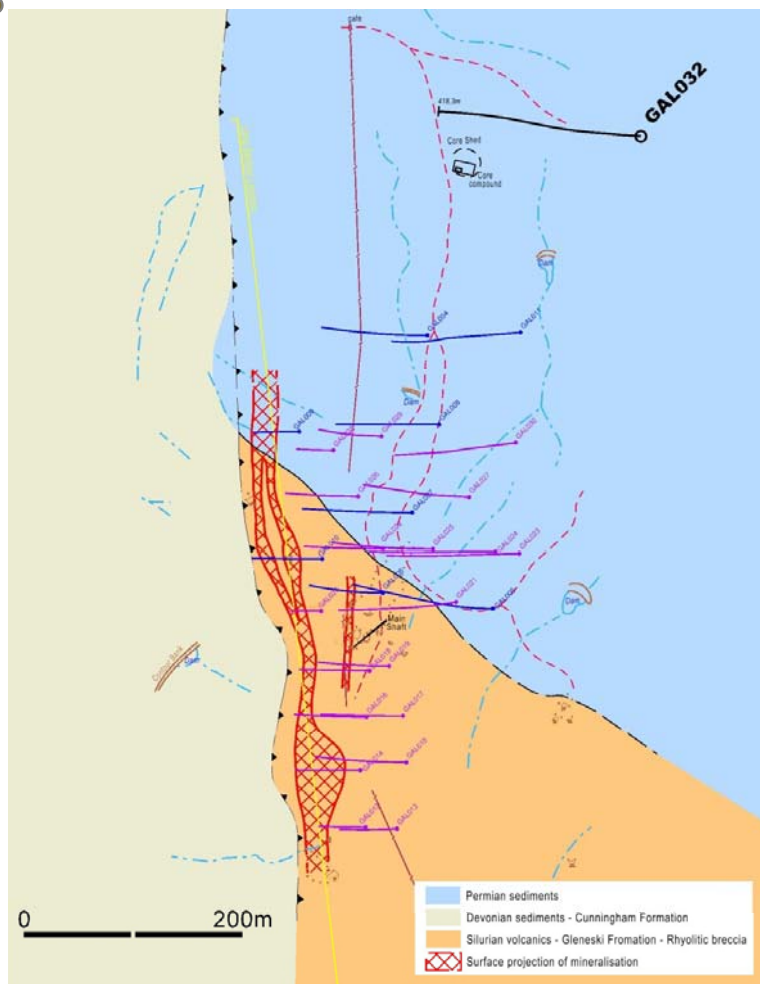
Is it similar to Ridgeway discovery?
Resource = 44Mt @ 2.6g/t Au; 0.82% Cu



Source: Newcrest



Wellington – Galwadgere



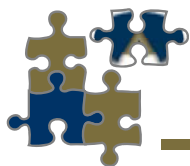
Indicated Resource defined 2004

2.09Mt @ 0.99% Cu and 0.3g/t Au

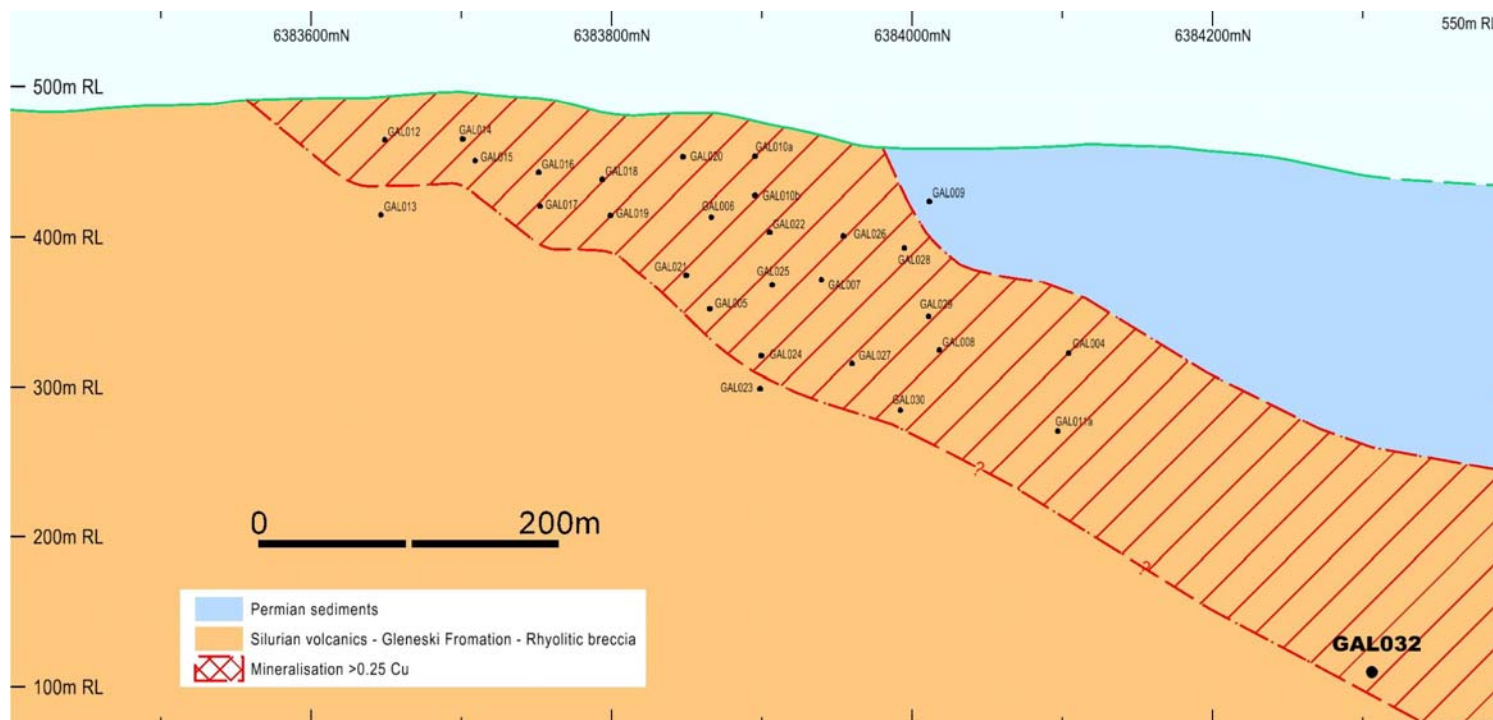
Potential to open pit mine bulk of existing resource to produce 27% Cu and 3g/t Au clean concentrate

Diamond core hole GAL032 returned

**14m @ 1.13 g/t Au, 0.94% Cu + 0.89% Zn
Incl 4m 0.94g/t Au, 1.69% Cu + 2.98% Zn**

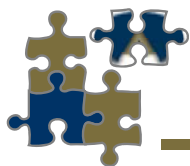


Wellington – Galwadgere



Long Section

GAL032 intersection 200m down plunge and has potential to double existing defined resource

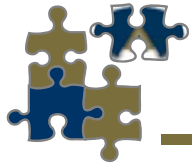


Project Development Pipeline



		2010	2011	2012	2013	2014
<u>TOMINGLEY GOLD</u>	Definitive Feasibility Study (DFS)	■	■	■		
	Environmental Assessment / DC	■	■	■	■	■
	Project Financing @ \$A90m			■	■	■
	Construction			■	■	■
	Production				■	■
<u>DUBBO ZIRCONIA</u>	Definitive Feasibility Study (DFS)		■	■	■	
	Environmental Assessment / DA		■	■	■	■
	Project Financing @ ~A\$2/400m			■	■	■
	Construction			■	■	■
	Production				■	■
<u>McPHILLAMYS</u>	Exploration/Pre-feasibility	■	■	■	■	
	Bankable Feasibility Study (BFS)			■	■	■
	Construction				?	?
	Production					?
<u>Galwadgere</u>	Exploration/Pre-feasibility		■	■	■	?
<u>Bodangora</u>	Exploration/Pre-feasibility		■	■	■	?
<u>Cudal</u>	Exploration/Pre-feasibility		■	■	■	?

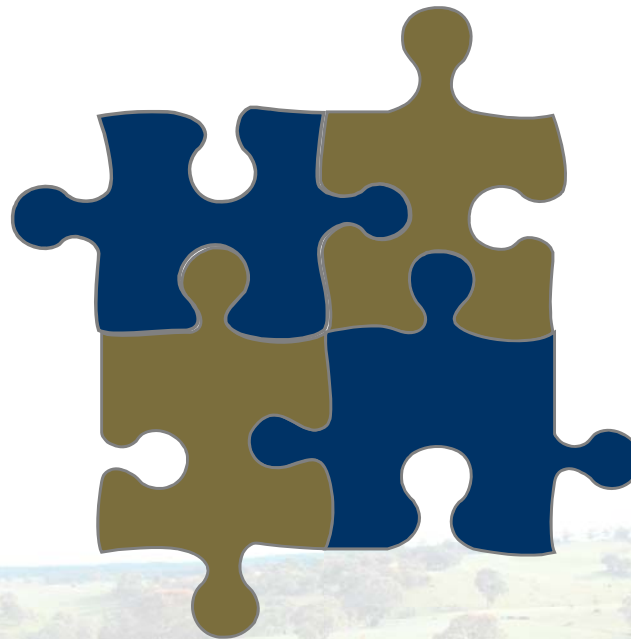




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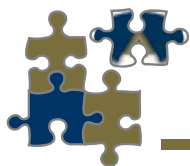


ALKANE
RESOURCES LTD



...a perfect fit





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Competent Person

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