

Appendix 5B

Mining exploration entity quarterly report

Name of entity

ALKANE RESOURCES LTD

ABN

35 000 689 216

Quarter ended ("current quarter")

31 March 2013

Consolidated statement of cash flows

			Current Quarter \$A'000	Year to date (3 Months) \$A'000
Cash flows related to operating activities				
1.1	Receipts from product sales and related debtors		33	33
1.2	Payments for	(a) exploration and evaluation	(4,151)	(4,151)
		(b) development	(5,292)	(5,292)
		(c) production	-	-
		(d) administration	(775)	(775)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		895	895
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other (mine rehabilitation & maintenance)		(32)	(32)
	Other (LISF Grant received)		-	-
	Other (R & D tax offset received)		-	-
Net operating cash flows			(9,322)	(9,322)
Cash flows related to investing activities				
1.8	Payment for purchases of	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	(5,712)	(5,712)
1.9	Proceeds from sale of	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	4	4
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other (Refund of security deposits)		-	-
	Other (Payment for security deposits)		-	-
Net investing cash flows			(5,708)	(5,708)
1.13	Total operating and investing cash flows (carried forward)		(15,030)	(15,030)

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1.13	Total operating and investing cash flows (brought forward)	(15,030)	(15,030)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (cost of share issues)	-	-
	Net Financing Cash Flows	-	-
	Net increase (decrease) in cash held	(15,030)	(15,030)
1.20	Cash at beginning of quarter/year to date	80,049	80,049
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	Cash at end of quarter	65,019	65,019

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.24
1.24	Aggregate amount of loans to the parties included in item 1.10

Explanation necessary for an understanding of the transactions

Payments to companies associated with directors for:	\$ A,000
Directors fees/corporate consulting fees	\$65
Administration/accounting fees (paid to entity related to director of subsidiaries)	\$77
Executive director salary and superannuation	\$98

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

No expenditure has been reported on the Miranda/McDonoughs Lookout/Leinster Downs joint venture by Xstrata Nickel Australasia for the three months to 31 March 2013.

Financing facilities available

add notes as necessary for an understanding of the position

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,500
4.2 Development	25,000
4.3 Production	-
4.4 Administration	750
TOTAL	27,250

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is as follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	6,211	1,432
5.2 Deposits at call	1,308	5,117
5.3 Bank overdraft	-	-
5.4 Other * term deposits of less than 12 months	57,500	73,500
Total: cash at end of quarter (item 1.22)	65,019	80,049

Changes in interests in mining tenements

	Tenement Reference	Nature of Interest [note (2)]	Interest at Beginning of Quarter	Interest at End of Quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	ELA 4417	Application – withdrawn during the quarter	100%	0%
6.2 Interests in mining tenements acquired or increased	ML 1684	Equity – application MLA 399 granted during the quarter	100%	100%

See tenement schedule for details

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preferences⁺ securities <i>(description)</i>				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buy-backs, redemptions				
7.3⁺ Ordinary securities	372,539,000	372,539,000		
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buy-backs				
7.5⁺ Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 Options <i>Unlisted options</i>	4,000,000	-	<i>Exercise price</i> 150	<i>Expiry date</i> 15/05/2013
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address the topic, the Australian standard on that topic (if any) must be complied with.

ITEM 6.1 & 6.2 Schedule of mining tenements –as at 30 April 2013

Prospect	Tenement	Interest	Nature of interest
Peak Hill, NSW	GL 5884 (Act 1904)	100%	Equity
	ML 6036	100%	Equity
	ML 6042	100%	Equity
	ML 6277	100%	Equity
	ML 6310	100%	Equity
	ML 6389	100%	Equity
	ML 6406	100%	Equity
	ML 1351	100%	Equity
	ML 1364	100%	Equity
	MLA 79 Orange	100%	Equity (application)
	ML 1479	100%	Equity
	EL 6319	100%	Equity
Parkes	ELA 4613	100%	Equity (application)
Dubbo, NSW	EL 5548	100%	Equity through subsidiary
	EL 7631	100%	Equity through subsidiary
	MLA 183 Orange	100%	Equity through subsidiary (application)
Wellington, NSW	EL 6320	100%	Equity
Tomingley	EL 5675	100%	Equity
	EL 5830	100%	Equity
	EL 5942	100%	Equity
	EL 6085	100%	Equity
	ML 1684	100%	Equity through subsidiary
Cudal	EL 7020	100%	Equity
Bodangora	EL 4022	100%	Equity
Calula	EL 7235	100%	Equity
	EL 7383	100%	Equity
	EL 7971	80%	Equity, CML 20%
	ELA 4791	100%	Equity (application)
Nullagine, WA	EL 46/522-I	0%	60% retained interest in diamond potential
	EL 46/523-I	0%	60% retained interest in diamond potential
	EL 46/524	0%	60% retained interest in diamond potential
Miranda Well, WA	M 36/303	20%	Equity - XNA holds 80%
McDonough Lookout, WA	M 36/329 & 330	20%	Equity - XNA holds 80%
Leinster Downs, WA	M 36/622	20%	Equity - XNA holds 80%
	P 36/1601-1605	20%	Equity - XNA holds 80%

CRL Comet Resources Limited
XNA Xstrata Nickel Australia