



18 January 2012

Quarterly Report to 31 December 2011

➤ Dubbo Zirconia Project (DZP)

- Ore reserves increased by 400%. Proved and probable reserves total nearly 36 million tonnes, giving an initial 36 year open pit life
- Improvements to rare earth recovery circuit trialled to optimise recoveries
- Product development continuing and MOU discussions for rare earth output are advancing
- The project remains very viable even with the retreat of rare earth prices and flattening of the zircon-zirconium market in recent months
- Community meetings successfully completed and Conceptual Project Development Plan presented to the NSW Government
- Deep core hole test (to 300m) of the deposit scheduled for early 2012

➤ Tomingley Gold Project (TGP)

- Environmental Assessment public display concluded
- Order of long lead development items progressed, and water production bore completed
- Caloma resource upgrade in progress

➤ Exploration and Development

- Two diamond core holes drilled to test porphyry gold-copper mineralisation at Comobella (Bodangora) intersect extensive monzonite intrusives and alteration with disseminated copper sulphides and native copper. Assay results are pending
- Newmont (ODEJV) reported encouraging gold and copper results from a core drill hole testing geophysical targets at the Charlies Prospect within the Molong tenement

CONTACT : IAN CHALMERS, MANAGING DIRECTOR, ALKANE RESOURCES LTD, TEL +61 8 9227 5677

MEDIA : WESTBROOK COMMUNICATIONS, CONTACT: IAN WESTBROOK, TEL +61 2 9231 0922 OR +61 407 958 137

65 Burswood Road, Burswood WA 6100, AUSTRALIA (PO Box 4384, Victoria Park WA 6979, AUSTRALIA)

Telephone: +61 8 9227 5677 Facsimile: +61 8 9227 8178

www.alkane.com.au mail@alkane.com.au



DUBBO ZIRCONIA PROJECT (DZP) – zirconium, niobium, yttrium, rare earth elements

Australian Zirconia Ltd (AZL) 100%

The Dubbo Zirconia Project (DZP) is located in the Central West Region of New South Wales. The DZP is based upon one of the world's largest in-ground resources of the metals zirconium, hafnium, niobium, tantalum, yttrium, and rare earth elements. Over several years the Company has developed a flow sheet consisting of sulphuric acid leach followed by solvent extraction recovery and refining to generate a suite of products.

The Demonstration Pilot Plant (DPP) has been operating at the laboratory facilities of ANSTO Minerals at Lucas Heights south of Sydney since May 2008 and to date has recovered substantial quantities of zirconium products and niobium concentrate. The DPP has continued to operate for short periods to trial engineering and process innovations, and has demonstrated recovery of an yttrium rich heavy rare earth concentrate and a light rare earth concentrate.

The definitive feasibility study (DFS) was completed by TZ Minerals International (TZMI) in September (ASX Announcement 19 September 2011). This study focused on the 400,000 tonne per annum project but an estimate was included for the expanded 1 million tonne per annum concept. The project was shown to be financially robust for an initial 20 year mine life, and a revised financial assessment of the DZP to confirm the 1 Mtpa model is expected to be completed by February 2012.

Production from Dubbo is scheduled for 2014 and about 60 per cent of the output is already pre-committed through MOUs for zirconium and niobium, with arrangements for heavy and light rare earth concentrates currently being discussed.

Ore Reserves

As a result of the DFS, in pit ore reserves to be extracted from the existing resources for the 400,000 tonne per annum processing schedule were calculated at a cut-off value of ore which equates to the total operating costs for mining, processing, maintenance and administration as estimated in the September 2011 study.

Ore reserves for the proposed 1 million tonne per annum operation have now been estimated and although the financial model is based on a twenty year project life, the same costs and revenue parameters were used to estimate a global ore reserve within the defined measured resource outline.

Table 1. Ore Reserves

Toongi Deposit	Tonnage (Mt)	ZrO ₂ (%)	HfO ₂ (%)	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (%)	Y ₂ O ₃ (%)	REO (%)
Proved	8.07	1.92	0.04	0.46	0.03	0.14	0.75
Probable	27.86	1.93	0.04	0.46	0.03	0.14	0.74
TOTAL	35.93	1.93	0.04	0.46	0.03	0.14	0.74

These Ore Reserves are based upon information compiled by Mr Terry Ransted MAusIMM (Alkane Chief Geologist) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The reserves were calculated at a 1.5% combined ZrO₂+Nb₂O₅+Y₂O₃+REO cut off using costs and revenues defined in the notes below. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Full details of methodology are documented in the ASX release of 16 November 2011

The ore outcrops at surface, so apart from pit edge batters there is little waste to be handled, resulting in a waste to ore ratio of 0.26:1. The base of the pit will be approximately 45 metres below the current top of the hill.

A 300 metre core hole has been programmed to test the vertical continuity of the Toongi deposit below the depth of the currently defined resources (100m). RC drilling has also been scheduled to test the nearby Railway deposit for potential to host Toongi-type mineralisation.



Process and Product Development

Process development continued at ANSTO focused on optimisation and recovery improvement with the rare earth circuits, and optimising water consumption and recycling. Laboratory scale work gave encouraging results, including higher heavy rare earth recoveries, and DPP testing of these improvements and innovations is scheduled for January and February. Even small improvements in these recoveries can have a positive impact on product revenues.

Product development was directed at optimising zirconia (ZrO₂) products for specific end-use applications and the production of commercial grade ferro-niobium (FeNb).

Market Developments – Zirconium

Throughout much of 2011 the zircon industry experienced a major supply deficit as growth in demand exceeded supply and zircon and zirconium product prices doubled or tripled during the year. In the last quarter of the year, the increasing world financial uncertainty impacted on demand and prices remained flat or fell slightly. The general consensus is that demand and prices will resume the upward trend in the second half of 2012, and long term the industry is predicted to be very robust.

Table 2. Zirconium industry prices

PRODUCT	ZrO ₂	Q2 2010 US\$/T	Q2 2011 US\$/T	Q3 2011 US\$/T	Q4 2011 US\$/T
Zircon (producer/trader) (100% ZrO ₂ basis)	65% 100%	\$900 - \$1,150 (\$1,380 - \$1,770)	\$1,700 - \$2,750 (\$2,620 - \$4,230)	\$2,200 - \$2,800 (\$3,380 - \$4,310)	\$2,100 - \$2,900 (\$3,230 - \$4,460)
ZOC (zirconium oxychloride) (100% ZrO ₂ basis)	36% 100%	\$1,350 - \$1,450 (\$3,750 - \$4,030)	\$3,600 - \$4,000 (\$10,000 - \$11,110)	\$3,500 - \$3,900 (\$9,720 - \$10,830)	\$2,850 - \$3,100 (\$7,920 - \$8,610)
ZBS (zirconium basic sulphate) (100% ZrO ₂ basis)	33% 100%	\$1,770 \$5,360	\$6,000 \$18,180	\$4,800 \$14,550	\$4,180 \$12,580
ZBC (zirconium basic carbonate) (100% ZrO ₂ basis)	40% 100%	\$2,100 \$5,250	\$5,400 \$13,500	\$5,300 \$13,250	\$4,500 \$11,250
Fused Zirconia	98.50%	\$2,900 - \$3,100	\$6,000 - \$7,000	\$6,000 - \$7,000	\$5,500 - \$7,000
Chemical Zirconia	99.50%	\$4,200 - \$4,400	\$10,000 - \$12,000	\$10,000 - \$12,000	\$10,000 - \$12,000
Chemical Zirconia	99.90%	\$5,300 - \$5,500	\$12,000 - \$15,000	\$13,000 - \$15,000	\$12,500 - \$14,000

Source: TCMS

Market Developments – Rare Earth Elements (REE)

The rare earth industry continued to attract market and media commentary, caused by a fall in prices for specific rare earth such as lanthanum and cerium. This negative sentiment has been reinforced by the current world financial uncertainty and its impact on downstream rare earth consuming businesses. Opinions vary on the medium term supply-demand-prices as a result of the two large light rare earth producers, Lynas and Molycorp, increase output over the next three years. However supply of heavy rare earths remains problematic and the DZP is regarded as a strategically important supplier.

The current quarterly average prices are tabled below, and while some current individual REO prices are marginally lower, the important products of neodymium, dysprosium, terbium and yttrium are about the same level. Importantly these prices are all substantially above the values used in the DFS for the DZP published last September (ASX Announcement 19 September 2011).

The Chinese Ministry of Commerce (MofCom) recently granted Export Quotas for 2012 totalling 10,546t of rare earths products and an additional 14,358t conditional upon the recipients obtaining the environmental approvals confirming that their operations meet the new standards established in July 2011. The grand total of 24,904t represents 82% of the 2011 quotas. MofCom has stated that the balance of the quotas will be granted in late 2012, taking global supply and demand factors into consideration (IMCOA).



Table 3. Rare earth pricing Q2 2010 to Q4 2011

Rare Earths Prices (US\$/kg FOB China REO)							
Source: <i>Metal Pages</i> © Numbers have been rounded							
Light Rare Earth	DZP Distribution	Q2 2010 Average	Q4 2010 Average	Q1 2011 Average	Q2 2011 Average	Q3 2011 Average	Q4 2011 Average
Lanthanum Oxide	19.51%	\$7.13	\$53.00	\$75.00	\$138.00	\$128.00	\$64.00
Cerium Oxide	36.70%	\$5.58	\$50.00	\$77.00	\$138.00	\$126.00	\$56.00
Praseodymium Oxide	4.05%	\$30.60	\$77.00	\$118.00	\$215.00	\$242.00	\$204.00
Neodymium Oxide	14.12%	\$31.13	\$80.00	\$125.00	\$253.00	\$313.00	\$235.00
Samarium Oxide	2.20%	\$4.50	\$34.00	\$69.00	\$120.00	\$128.00	\$92.00
Heavy Rare Earth							
Europium Oxide	0.07%	\$521.67	\$625.00	\$723.00	\$1867.00	\$5133.00	\$3783.00
Gadolinium Oxide	2.15%	\$8.25	\$44.00	\$81.00	\$167.00	\$192.00	\$135.00
Terbium Oxide	0.34%	\$545.00	\$605.00	\$693.00	\$1767.00	\$3967.00	\$2938.00
Dysprosium Oxide	2.05%	\$196.67	\$295.00	\$405.00	\$983.00	\$2433.00	\$1973.00
Ho, Er, Tm, Yb, Lu	2.89%						
Yttrium Oxide	15.84%	\$11.42	\$56.00	\$93.00	\$158.00	\$172.00	\$128.00
DZP LREE	76.68%	\$12.06	\$57.20	\$81.00	\$163.00	\$167.00	\$100.00
DZP YHREE	23.32%	\$42.23	\$78.70	\$119.00	\$240.00	\$421.00	\$327.00
DZP LREE Concentrate		\$8.44	\$40.00	\$61.00	\$114.00	\$117.00	\$70.00
DZP YHREE Concentrate		\$29.59	\$55.00	\$83.00	\$168.00	\$295.00	\$229.00

Compiled by IMCOA

These prices are for individual separated rare earth oxides at 99% purity, and the actual value for DZP concentrates will depend on market acceptance of the concentrate, but for this table 70% of the value has been assumed. The prices quoted above are averaged for the full quarter.

Development

A community meeting was held at the Toongi Hall with about 80 local residents present and the project was positively received. At a separate meeting the project was explained to the Dubbo City Council.

The Conceptual Project Development Plan (CPDP) was presented to the NSW Department of Trade & Investment, Regional Infrastructure and Services (DTIRIS), Division of Resources and Energy (DRE) in Sydney. The CPDP is the start of the Environmental Impact Statement (EIS) and approvals process.

TOMINGLEY GOLD PROJECT (TGP) - gold

Alkane Resources Ltd 100%

The TGP is located in the Central West of New South Wales and is based on three gold deposits (Wyoming One, Wyoming Three and Caloma) located 14 kilometres north of the Company's Peak Hill Gold Mine. Identified Mineral Resources, excluding the recent drilling, total 660,000 ounces of gold (ASX Reports dated 25 March 2009 and 2 October 2009) and a Definitive Feasibility Study (DFS) was completed late 2010 (ASX Report dated 13 December 2010).

Resources and Ore Reserves

Recent RC drilling at Caloma was within the current planned open pit and was designed to raise Inferred Resources to Indicated and increase the ore reserves available for the mining model. The drilling data is being incorporated into the geological model to estimate revised resources and reserves. This should be completed in the current quarter.



Significant mineralisation was also intersected at Caloma Two, which is located about 250 metres south of the planned Caloma open pit, confirming a total strike length of at least 300 metres. While this drilling is still wide spaced, it will be modelled to determine if the data is robust enough to support an identified mineral resource.

Development

The Environmental Assessment (EA) went on public exhibition for a month ending 19 December. Six submissions were received and responses are being compiled.

As previously advised, purchase of, or placement of orders for, long lead capital items was initiated in the September Quarter. The production water bore was drilled and cased and is being prepared for installation of the pump and associated electrics.

Development approval is anticipated this quarter and the project should commence production in the first quarter of 2013 at an average annualised rate of 50-60,000 ounces.

Discussions with Compass Resources Limited regarding the royalty are continuing.

BODANGORA (copper-gold)

Alkane Resources Ltd 100%

Two diamond core holes were drilled to test porphyry gold-copper mineralisation at the Glen Hollow prospect within the Comobella area where RC drilling earlier in 2011 had returned intercepts of:

COM009	46 metres @ 0.9g/t Au and 0.25% Cu, including 18 metres @ 1.7g/t Au and 0.45% Cu
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The core holes, COMD001 (452m) and COMD002 (522.8m), intersected extensive monzonite intrusives with alteration and scattered disseminated native copper, chalcopyrite and bornite.

Hole COMD001 was drilled beneath COMRC009 but was determined to be an inadequate test of the mineralisation due to drilling sub parallel to the stratigraphy. COMD002 was drilled to crosscut the trend of mineralised syenite dykes established in COMD001. COMD002 intersected a ~60m zone of weakly developed disseminated and breccia-fill chalcopyrite-bearing mineralisation at the contact of the main monzonite body and zones of the other mineralisation styles, including bornite-bearing monzonite at the base of the hole. The hole was temporarily abandoned due to rig mechanical issues and zones of native copper apparently associated with fault structures.

Results will be reported when available.

ORANGE DISTRICT EXPLORATION JOINT VENTURE - ODEJV (gold-copper)

Alkane Resources Ltd 49%, Newmont Australia Limited 51%

The ODEJV includes Alkane's Molong and Moorilda tenements located near the city of Orange in the Central West of New South Wales, adjacent to Newcrest Mining Ltd's Cadia Valley Operations.

Newmont Australia Limited (NAL) earned a 51% interest in the ODEJV in August 2009. In March 2010 NAL elected to proceed to 75% by completing a Bankable Feasibility Study (BFS) on the McPhillamys Project. NAL is a subsidiary of the US based Newmont Mining Corporation (NYSE:NEM).

NAL advised that two diamond core holes were completed at the Charlies prospect within the Molong Property. The holes, NEWELD 20 and 21 totalled 929.6 metres and were designed to test geophysical targets associated with monzonite intrusives. NEWELD 20 intersected altered volcanic and intrusive rocks but results were all less than 0.1g/t gold. NEWELD 21 (Collar details 680659mE 6321807mN; Azimuth 180°; Inclination 60°) also intersected altered volcanic and intrusive rocks however it did return encouraging results of:



6m at 0.59 g/t gold from 251m including 1m at 2.09/t gold from 255m
3m at 0.699/t gold from 270m
1m at 1.67g/t gold from 329m
36.8m at 0.12 g/t gold and 0.064% copper and 33ppm molybdenum from 405m to EOH (441.8)
including 1m at 0.11% copper from 412m
11.8m at 0.32 g/t gold and 56ppm molybdenum from 430m
5m at 0.16% copper from 435m

These results are considered to be geologically significant, particularly the shift from narrow zones of gold mineralisation from 160-400m to gold-copper-molybdenum mineralisation. The mineralisation consists of pyrite and chalcopyrite disseminations and vein selvage with close spatial association with a number of narrow (0.1m) monzonitic dykes. The mineralisation was still open at the end of the hole.

A third hole commenced in December to follow up the NEWELD 21 mineralisation

CALULA (gold-base metals), CUDAL (gold-copper), WELLINGTON (copper-gold) and DIAMOND CREEK (gold-base metals)

Alkane Resources Ltd 100%

Inactive.

LEINSTER REGION JOINT VENTURE (nickel-gold)

Alkane Resources Ltd 21% diluting, Xstrata Nickel Australasia 79%

*The three prospects - **Leinster Downs**, **Miranda** and **McDonough Lookout** - are subject to a farm-in agreement with Xstrata Nickel Australasia.*

Xstrata reported that electromagnetic surveys completed at the McDonough Lookout and Miranda properties identified several conductors which warrant drilling. A drilling program is being scheduled.

Competent Person

Unless otherwise advised above, the information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr D I Chalmers, FAusIMM, FAIG, (director of the Company) who 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 a 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 this report of the matters based on his information in the form and context in which it appears

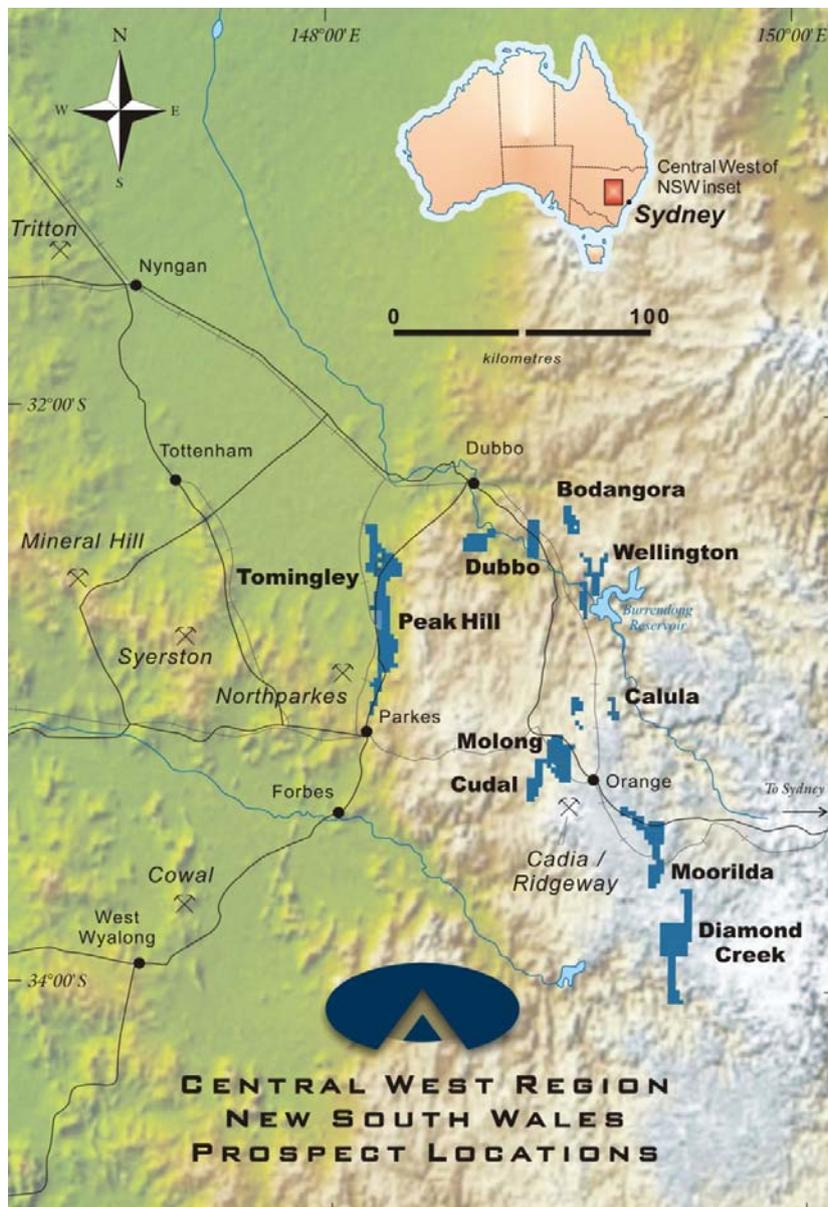
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ABOUT ALKANE - www.alkane.com.au - ASX: ALK and OTCQX: ANLKY

Alkane's strategy is to be focused on a single geographic area, the central west of New South Wales in Australia, allowing it to apply its geological, exploration and mining expertise across multiple commodities to achieve a spread of risk and return. Currently Alkane has two projects heading towards production in 2013/2015 - the Tomingley Gold Project (TGP) and the nearby Dubbo Zirconia Project (DZP). Tomingley is a 660,000 ounce gold resource currently awaiting development approval. Cash flow from Tomingley will provide the funding to maintain the project development pipeline and to contribute to development of the DZP. The DZP has a completed definitive feasibility study giving it a net present value of \$1.2 billion. This project will make Alkane a significant world producer of zirconium products and heavy rare earths. Both projects are wholly owned by Alkane while at Orange, Alkane is in a joint venture with Newmont Australia over an area containing a 3 million ounce gold resource at McPhillamys, with Newmont having elected to proceed towards a bankable feasibility study. Alkane's most advanced gold copper exploration projects in the region are at the 100% Alkane owned Wellington and Bodangora properties.





Mineral Resource and Ore Reserve Statement December 2011

Dubbo Zirconia Project – Mineral Resources

Toongi Deposit	Tonnage (Mt)	ZrO ₂ (%)	HfO ₂ (%)	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (%)	Y ₂ O ₃ (%)	REO (%)	U ₃ O ₈ (%)
Measured	35.70	1.96	0.04	0.46	0.03	0.14	0.75	0.014
Inferred	37.50	1.96	0.04	0.46	0.03	0.14	0.75	0.014
TOTAL	73.20	1.96	0.04	0.46	0.03	0.14	0.75	0.014

These Mineral Resources are based upon information compiled by Mr Terry Ransted MAusIMM (Alkane Chief Geologist) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology were given in the 2004 Annual Report.

Dubbo Zirconia Project – Ore Reserves

Toongi Deposit	Tonnage (Mt)	ZrO ₂ (%)	HfO ₂ (%)	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (%)	Y ₂ O ₃ (%)	REO (%)
Proved	8.07	1.91	0.04	0.46	0.03	0.14	0.75
Probable	27.86	1.93	0.04	0.46	0.03	0.14	0.74
Total	35.93	1.93	0.04	0.46	0.03	0.14	0.74

These Ore Reserves are based upon information compiled by Mr Terry Ransted MAusIMM (Alkane Chief Geologist) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The reserves were calculated at a 1.5% combined ZrO₂+Nb₂O₅+Y₂O₃+REO cut off using costs and revenues defined in the notes in ASX Announcement of 16 November 2011. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Tomingley Gold Project – Mineral Resources

DEPOSIT	MEASURED		INDICATED		INFERRED		TOTAL		Gold (koz)
Top Cut 2.5x2.5x5.0m model	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	
Wyoming One	2,227,000	2.07	882,000	2.25	3,478,000	1.62	6,587,000	1.86	393.2
Wyoming Three	630,000	1.87	58,000	1.73	154,000	1.25	842,000	1.75	47.3
Caloma	2,047,750	2.04	440,050	1.71	1,371,620	1.36	3,859,420	1.76	218.5
Total	4,904,750	2.03	1,380,050	2.06	5,003,620	1.54	11,288,420	1.82	658.9

These Mineral Resources are based upon information compiled by Mr Richard Lewis MAusIMM (Lewis Mineral Resource Consultants Pty Ltd) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Richard Lewis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology are given in the ASX Report dated 25 March 2009 and 2 October 2009.

Tomingley Gold Project – Ore Reserves

DEPOSIT	PROVED		PROBABLE		TOTAL		Ounces (minable)
	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	
Wyoming One	1,700,000	1.6	200,000	1.3	1,900,000	1.6	94,500
Wyoming Three	500,000	1.6	0	0.0	500,000	1.6	28,100
Caloma	1,100,000	2.3	100,000	1.7	1,200,000	2.2	86,500
Total	3,300,000	1.8	300,000	1.5	3,600,000	1.8	209,100

These Ore Reserves are based upon information compiled under the guidance of Mr Dean Basile MAusIMM (Mining One Pty Ltd) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Reserves and Resources are estimated at an effective A\$1,540 per ounce gold price. Dean Basile consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Peak Hill Gold Mine – Mineral Resources

DEPOSIT	MEASURED		INDICATED		INFERRED		TOTAL		k oz
0.5g/t gold cut off	Tonnage (t)	Grade (g/t)							
Proprietary			9,440,000	1.35	1,830,000	0.98	11,270,000	1.29	467.4
3.0g/t gold cut off	Tonnage (t)	Grade (g/t)	k oz						
Proprietary					810,000	4.40	810,000	4.40	114.6

These Mineral Resources are based upon information compiled by Mr Terry Ransted MAusIMM (Principal, Multi Metal Consultants Pty Ltd) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology were given in the 2004 Annual Report.

Wellington – Galwadgere – Mineral Resources

DEPOSIT	MEASURED		INDICATED		Grade
0.5% Cu cut off	Tonnage (t)	Grade (% Cu)	Grade (g/t)	Tonnage (t)	Grade (g/t)
Galwadgere	-	-	-	2,090,000	0.99
					0.3

These Mineral Resources are based upon information compiled by Mr Terry Ransted MAusIMM (Principal, Multi Metal Consultants Pty Ltd) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Terry Ransted consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology were given in the 2005 Annual Report.

Moorilda – McPhillamys (ODEJV) – Mineral Resources

DEPOSIT	INDICATED			INFERRED			TOTAL			k oz gold	tonnes copper
McPhillamys 0.3g/t Au cut-off	Tonnage (t)	Grade (g/t)	Grade % Cu	Tonnage (t)	Grade (g/t)	Grade % Cu	Tonnage (t)	Grade (g/t)	Grade % Cu		
Inner Ore Zone	51,650,000	1.10	0.07	23,504,000	1.19	0.07	75,154,000	1.13	0.07	2,723.6	55,091
Outer Ore Envelope	9,624,000	0.44	0.04	7,167,000	0.43	0.03	16,791,000	0.43	0.03	234.7	5,729
Total	61,274,000	0.99	0.07	30,671,000	1.01	0.06	91,945,000	1.00	0.07	2,958.3	60,820

These Mineral Resources are based upon information compiled by Mr Richard Lewis MAusIMM (Lewis Mineral Resource Consulting Pty Ltd) who is a competent person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Richard Lewis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The full details of methodology were given in the ASX Announcement 5 July 2010. Totals may not tally due to rounding.