



24 January 2012

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

Dear Sir,

### **PRESENTATION**

Attached is a copy of the Company's updated corporate presentation.

A copy of this presentation will also be available on the Company's website [www.alkane.com.au](http://www.alkane.com.au).

Yours faithfully,  
for **ALKANE RESOURCES LTD**

D I Chalmers  
**Managing Director**



**ALKANE**  
RESOURCES LTD

January 2012

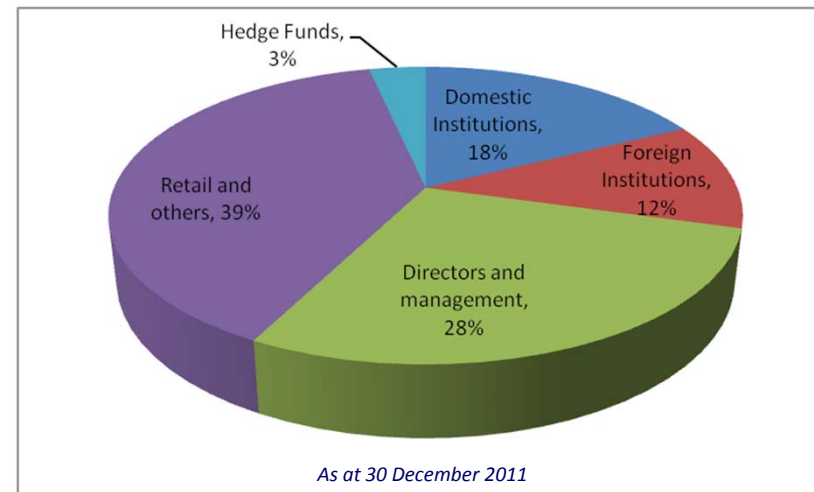
## Equity

- Shares – 269,028,158
- Options – nil
- Share price – A\$1.00
- Market Capitalisation – A\$269M
- Cash – A\$9M (31 Dec 2011)
- Debt – nil
- Share turnover – A\$55M per month (average 2011)
- 12 Month Low/High – A\$0.89/\$2.73
- Codes – ALK (ASX)  
– ANLKY (OTCQX )

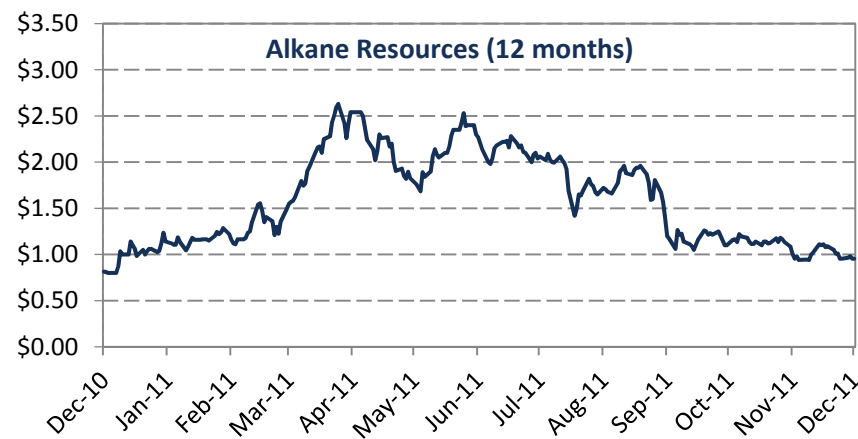
### Cover page (clockwise from bottom-left)

- 1/ Peak Hill Gold Mine (formerly mined by Alkane Resources)
- 2/ Tomingley Gold Project - drilling in the harvest
- 3/ Dubbo Zirconia Project pilot plant - Lucas Heights

## Ownership

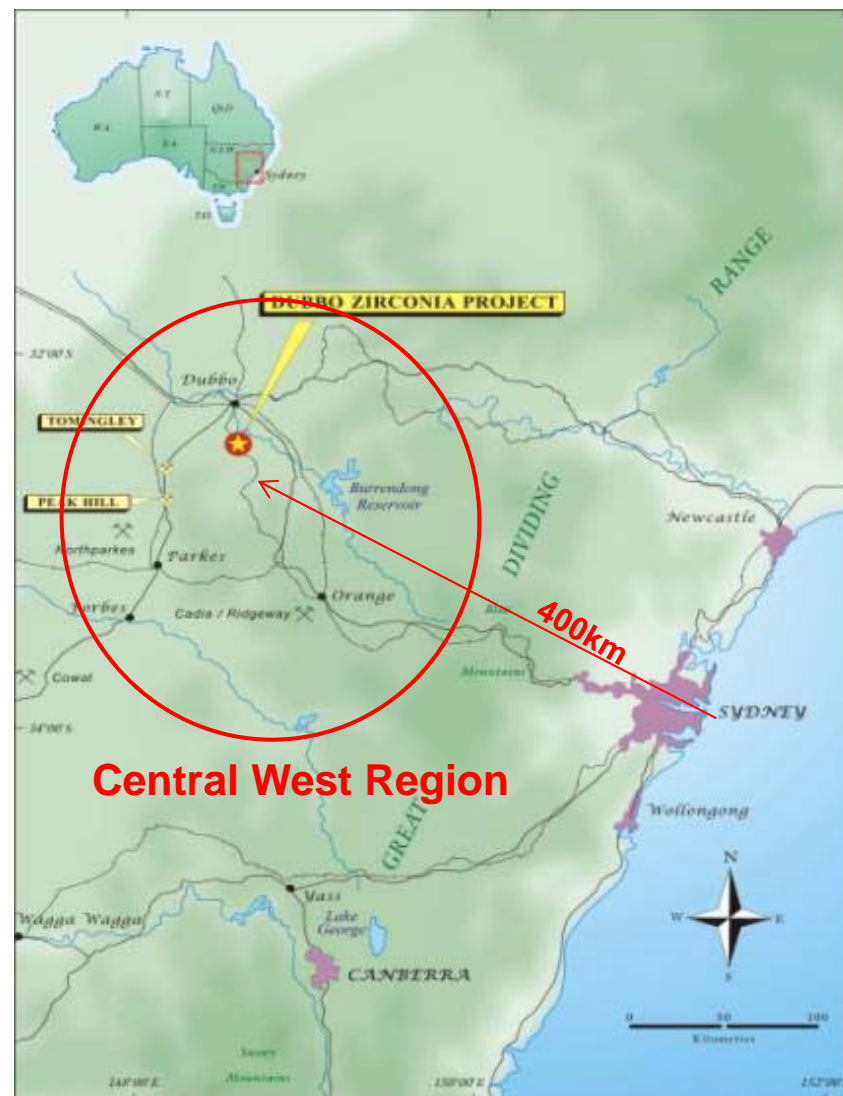


\* Major Shareholder: Abbotsleigh (Gandel Metals) – 26%



## Location

- Multi commodity explorer and miner – focussed in the Central West of New South Wales, Australia Region with substantial existing infrastructure.
- Dubbo Zirconia Project – world class resource of zirconium, hafnium, niobium, tantalum, yttrium and rare earths.
- Peak Hill Gold mine – gold production from 1996 - 2005.
- Tomingley Gold project – new gold development planned to commence 2013 based upon 660,000 oz resource.
- McPhillamys Gold project – major gold discovery (~3 million oz). Joint Venture with Newmont .
- Develop multiple operations over next five years – within tight geographic area. New discoveries at Cudal (Au-Zn) , Bodangora (Au-Cu) and Galwadgere (Cu-Au).

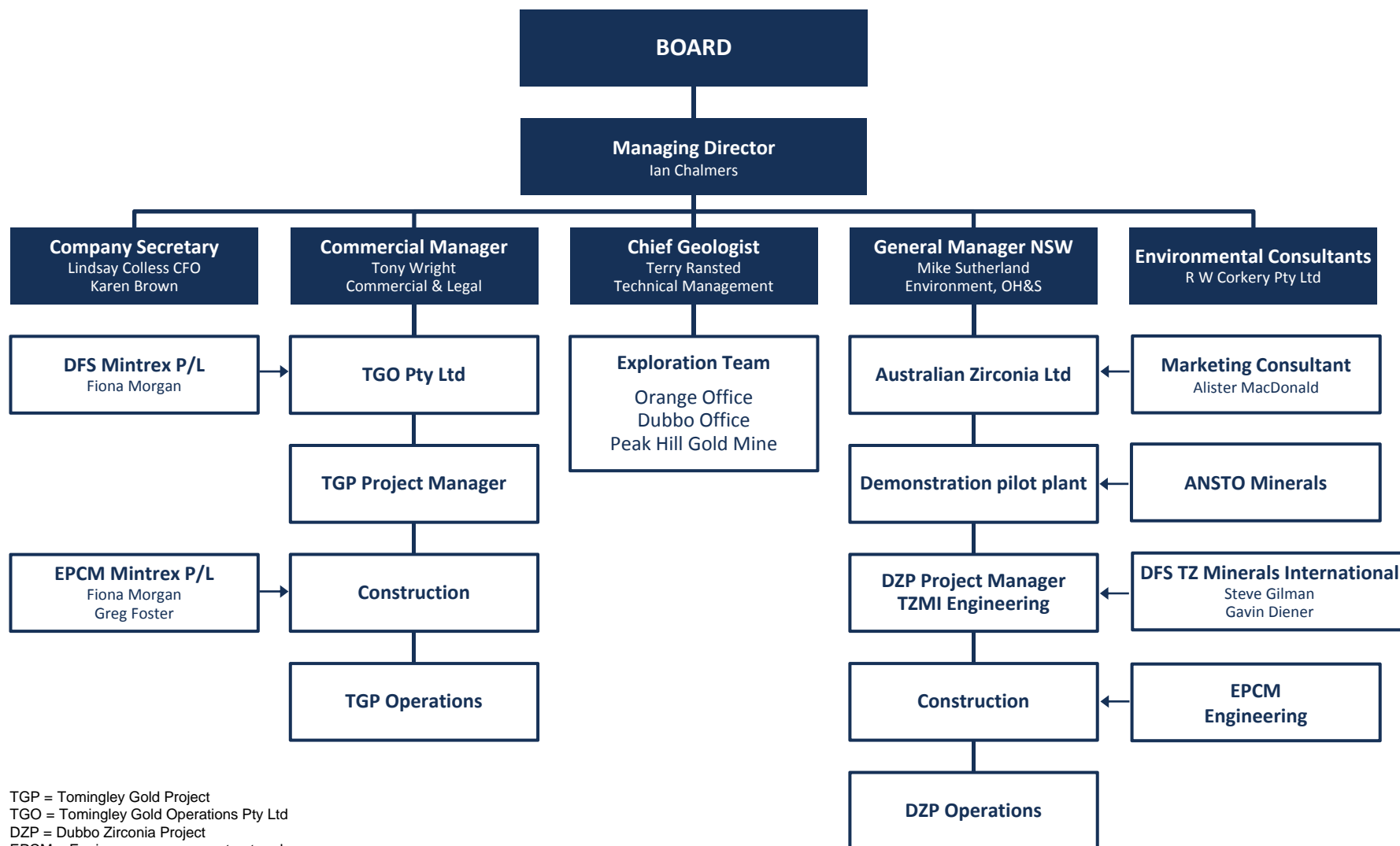


## Board

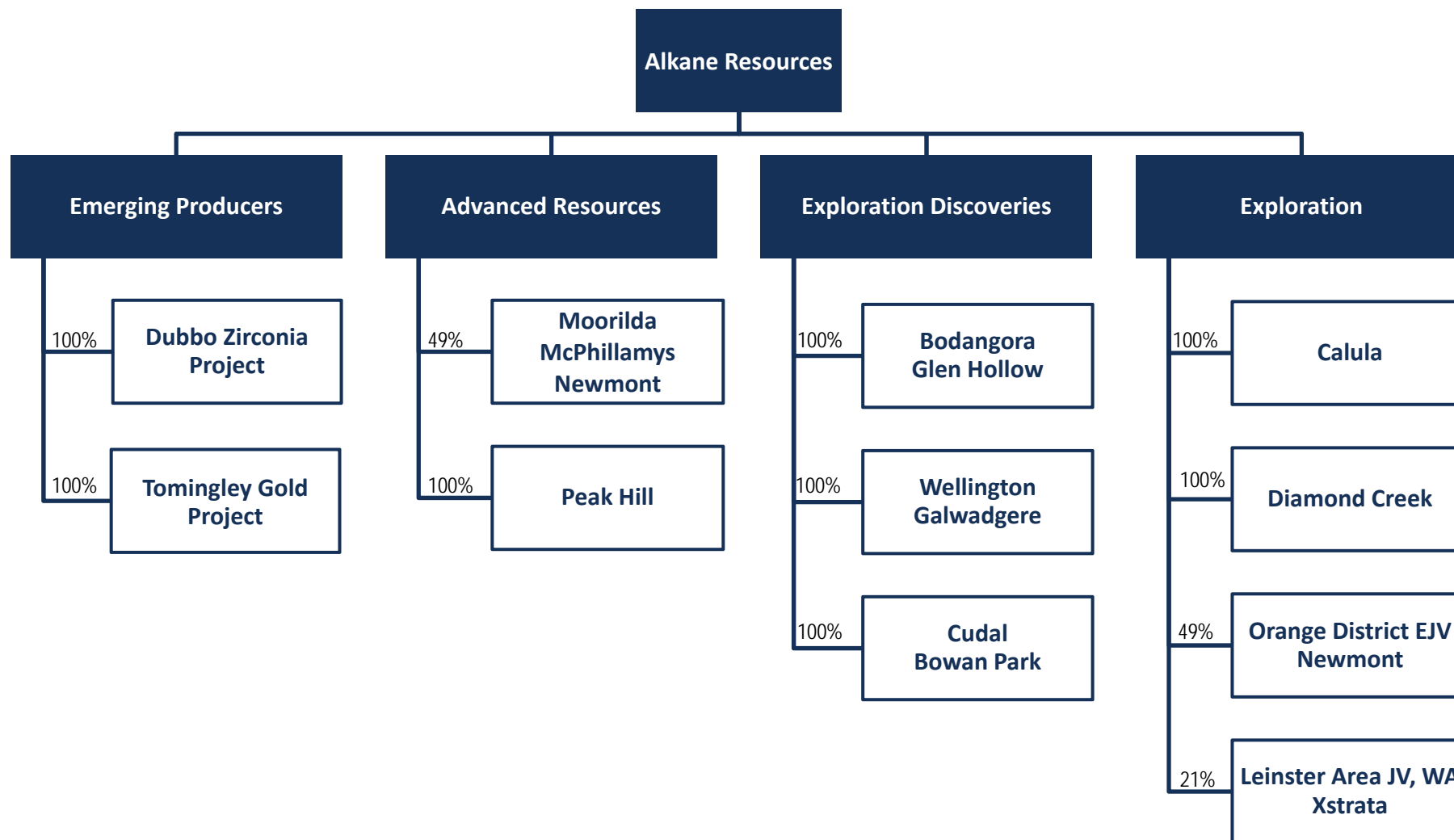
- **John Stuart Ferguson Dunlop (Chairman).** BE(Min), MEngSc(Min). Mining engineer with 40 years surface and underground mining experience in Australia and overseas. Former director of the Australian Institute of Mining and Metallurgy. Chairman of Alliance Resources and Non-Executive Director of Gippsland Ltd.
- **David Ian Chalmers (Managing Director).** MSc. Geologist with over 40 years experience in the mining and exploration industry in all facets of exploration through feasibility and development to the production phase in Australia and overseas.
- **Ian Jeffrey Gandel (Director).** LLB, BEc. Extensive experience in retail property and resource companies. Former Director of Gandel Retail Trust. Investor in the mining industry through Gandel Metals. Executive Director of Alliance Resources, and Chairman of Gippsland Ltd and Octagonal Resources Ltd.
- **Anthony Dean Lethlean (Director)** BAppSc. Geologist with 10 years mining experience. Former resources analyst with various stockbrokers . Consultant to Cartesian Capital. Non-executive director of Alliance Resources Ltd .

## Senior Management

- **Terry Ransted (Chief Geologist).** Geologist with 29 years experience in many facets of exploration and regional geological programs. Terry also has many years experience in resource and reserve estimation.
- **Michael Sutherland (General Manager NSW).** Geologist with 17 years experience in the mining industry in both South Africa and Australia. Michael was the Environmental Superintendent at Alkane's Peak Hill Gold Mine and manages all the environment, O,H & S and community liaison for the operation.
- **Tony Wright (Commercial Manager).** Has more than 20 years as director and/or company secretary of public (listed and unlisted) and private companies from incorporation (in Australia, South Africa and Zimbabwe) through to listing in administrative roles in mineral exploration for multi-nationals as well as smaller Australian companies.
- **Alister MacDonald (DZP Marketing).** A ceramic engineering degree from UNSW, with over 25 years experience in product and market development of zirconia and other ceramics materials in Australia and overseas.
- **TGP Project Manager – appointment imminent**



TGP = Tomingley Gold Project  
 TGO = Tomingley Gold Operations Pty Ltd  
 DZP = Dubbo Zirconia Project  
 EPCM = Engineer, procure, construct and manage

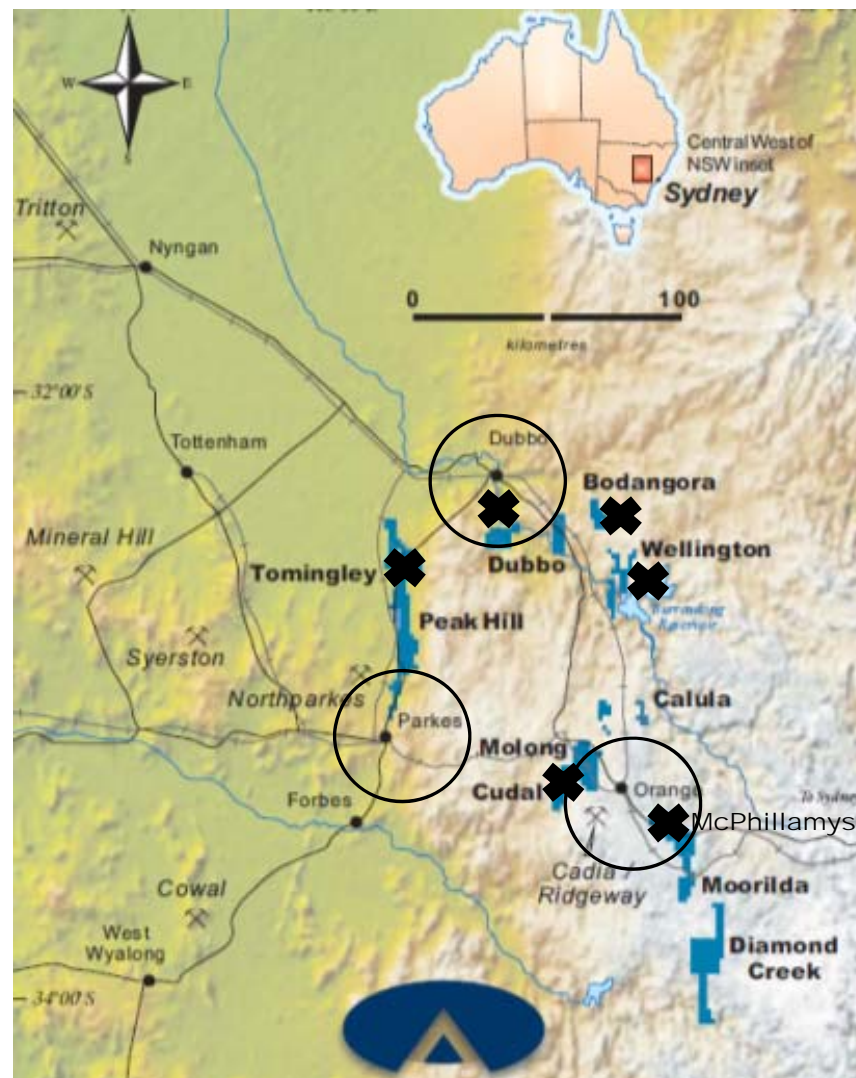


## Emerging Producers

- Dubbo – 400km NW of Sydney
- Tomingley – 50km SW of Dubbo
- McPhillamys – 35km SE of Orange

## Exploration

- Bodangora – 40km SE of Dubbo
- Wellington – 50km SE of Dubbo
- Cudal – 40km W of Orange

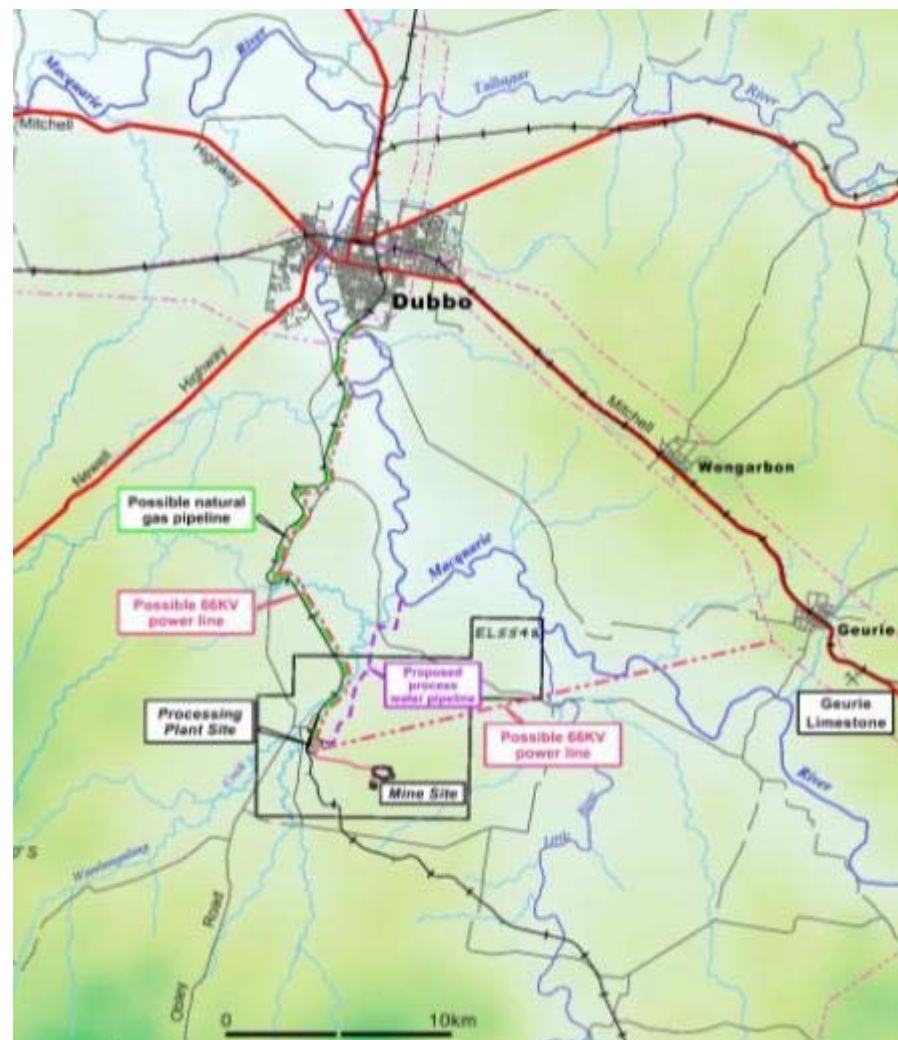




Outcrop of Toongi deposit

## Infrastructure

- Population – 80,000 Dubbo regional
- Rail – railway hub
- Road – major highways intersection/hub
- Water – numerous sources
- Electricity – NSW State power grid
- Gas – NSW State gas grid
- Industrial – substantial light industry
- Agriculture – major agricultural hub



## Resources & Reserves

- Resources & Reserves – open at depth
- Life – +20 years but can support longer life and higher production rates
- Major world resource - zirconium, hafnium, niobium, tantalum, yttrium & rare earth elements

Resources	Depth (m)	Tonnes (Mt)	Grade
Measured	0-55	35.7	1.94% ZrO <sub>2</sub> , 0.04%HfO <sub>2</sub> , 0.46% Nb <sub>2</sub> O <sub>5</sub> , 0.03% Ta <sub>2</sub> O <sub>5</sub> , 0.14% Y <sub>2</sub> O <sub>3</sub> , 0.74% REO (0.9% TREO)
Inferred	55-100	37.5	As above
Total	0-100	73.2	As above
Reserves			
Proven	0-26	8.1	1.93% ZrO <sub>2</sub> , 0.04%HfO <sub>2</sub> , 0.46% Nb <sub>2</sub> O <sub>5</sub> , 0.03% Ta <sub>2</sub> O <sub>5</sub> , 0.14% Y <sub>2</sub> O <sub>3</sub> , 0.75% REO (0.9% TREO)
Probable	26-45	27.9	As above
Total	0-45	35.9	As above

## 1.0Mtpa Throughput

- 39% of revenue – Zirconium
- 22% of revenue – Niobium
- 21% of revenue – LREE
- 18% of revenue – YHREE

Anticipated Production & Revenues (1.0Mtpa)					
Products	Price/kg predicted	Price/kg used	Production / Sales	Revenues	Revenue %
Zirconium	US\$10 - 15	US\$10.60	15,700tpa	A\$196M	39%
Niobium	US\$42 - 45	US\$45	3,005tpa	A\$111M	22%
LREE concentrate	US\$40	US\$30	3,050tpa	A\$108M	21%
YHREE concentrate	US\$55	US\$68	1,120tpa	A\$90M	18%
<b>TOTAL</b>			<b>22,875tpa</b>	<b>A\$504Mpa</b>	<b>100%</b>
Tonnage based upon recoveries developed from mass balances of the demonstration pilot plant, and revenues based upon flat long term pricing and an exchange rate of A\$:US\$ of 0.85. Numbers are rounded. Product prices predicted Q2 2011 average					

- Zirconium Products - ZBS = zirconium basic sulphate; ZOH = zirconium hydroxide; ZOC = zirconium oxychloride    Equivalent ~99% ZrO<sub>2</sub> + HfO<sub>2</sub>
- Nb-Ta conc / FeNb = ~70% Nb<sub>2</sub>O<sub>5</sub> + Ta<sub>2</sub>O<sub>5</sub> calcined basis
- LREE = Light Rare Earths (La, Ce, Nd, Pr)
- YHREE = Yttrium & Heavy Rare Earths (Y, Gd, Dy, Tb)

## Definitive Feasibility Study

- Base case – 0.4Mtpa (superseded)
- Current case – 1.0Mtpa (base case)
- CAPEX – \$893M (\$751M pre-contingency)
- EBITDA – \$308Mpa
- IRR – 30%
- NPV – \$1,207M
- Mine Life – initial 20 years; overall much greater

## DUBBO ZIRCONIA PROJECT Financial Summary (A\$)

Project Capacity	0.4Mtpa	1.0Mtpa
Capex – Plant <sup>1</sup>	\$278M	\$543M
Infrastructure + Owners	\$84M	\$165M
<b>SUB TOTAL</b>	<b>\$362M</b>	<b>\$708M</b>
EPCM	\$36M	\$43M
Contingency	\$72M	\$142M
<b>TOTAL</b>	<b>\$470M</b>	<b>\$893M</b>
Revenue	\$189M	\$504M
Operating Costs	\$97M	\$196M
<b>EBITDA<sup>2</sup></b>	<b>\$92M</b>	<b>\$308M</b>
<b>IRR<sup>3</sup></b>	<b>16.8%</b>	<b>30.2%</b>
<b>NPV<sup>4</sup></b>	<b>\$181M</b>	<b>\$1,207M</b>

1. Includes acid plant
2. Annual average after ramp up
3. 20 year life pre-tax
4. 20 year life after-tax

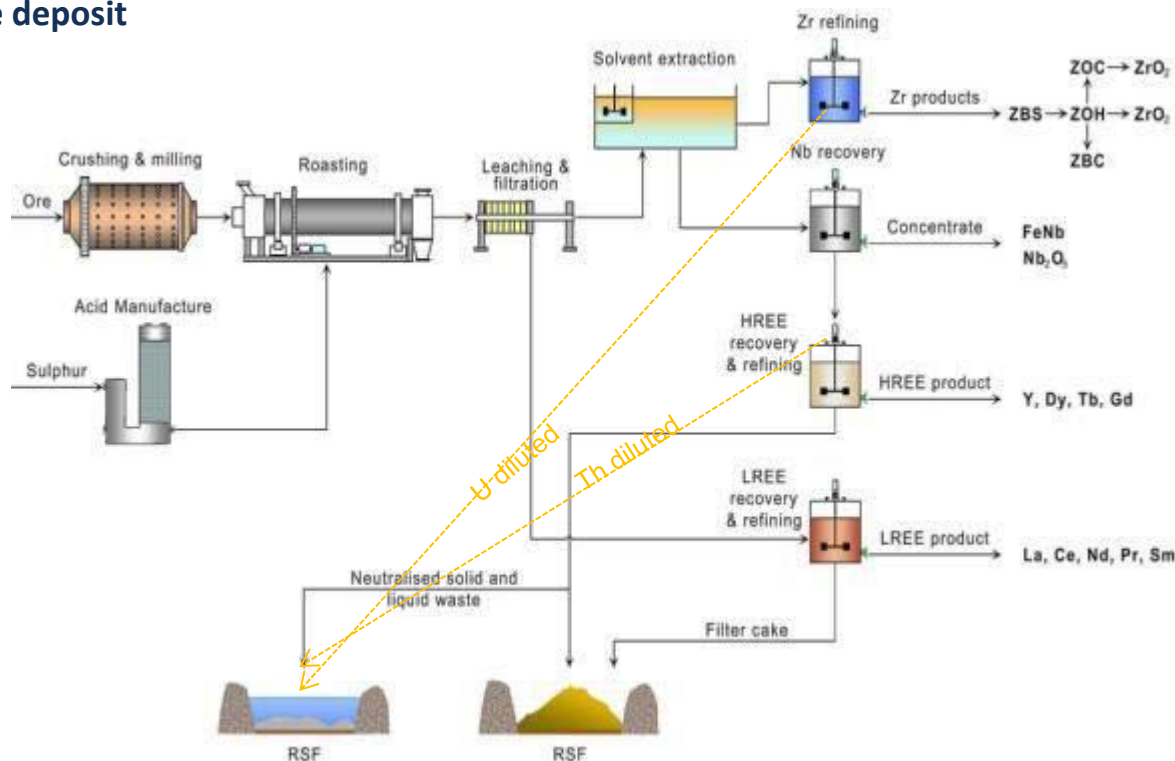
## Processing

- Demonstration Pilot Plant – established 2008
- ANSTO – Aust. Nuclear Science & Tech. Org.
- Process – unique & advanced
- Optimization – ongoing
- Sulphuric acid leach whole of ore
- Solvent extraction, separation & refining
- Chemical precipitation
- Zirconium products
- Niobium products
- Heavy RE product
- Light RE product



## Uranium & Thorium

- ANSTO – assists with management of radionuclides, such as uranium & thorium
- Radioactive elements – low levels contained within the deposit (100ppm U & 450ppm Th)
- Innovative process – no concentrate produced (uranium/thorium not concentrated)
- Uranium/Thorium in waste streams – limestone to neutralise and stabilise – U & Th then lower concentration than in the deposit



## Off-take

- Zirconium (39% of revenue) – 100% under MOU
- Niobium (22% of revenue) – 100% under MOU
- LREE (21% of revenue) – advanced negotiations
- YHREE (18% of revenue) – advanced negotiations
- Throughput – there are four MOU's which virtually guarantee production at 1Mtpa
- Revenue – the four MOU's represent an estimated annual income of US\$260M

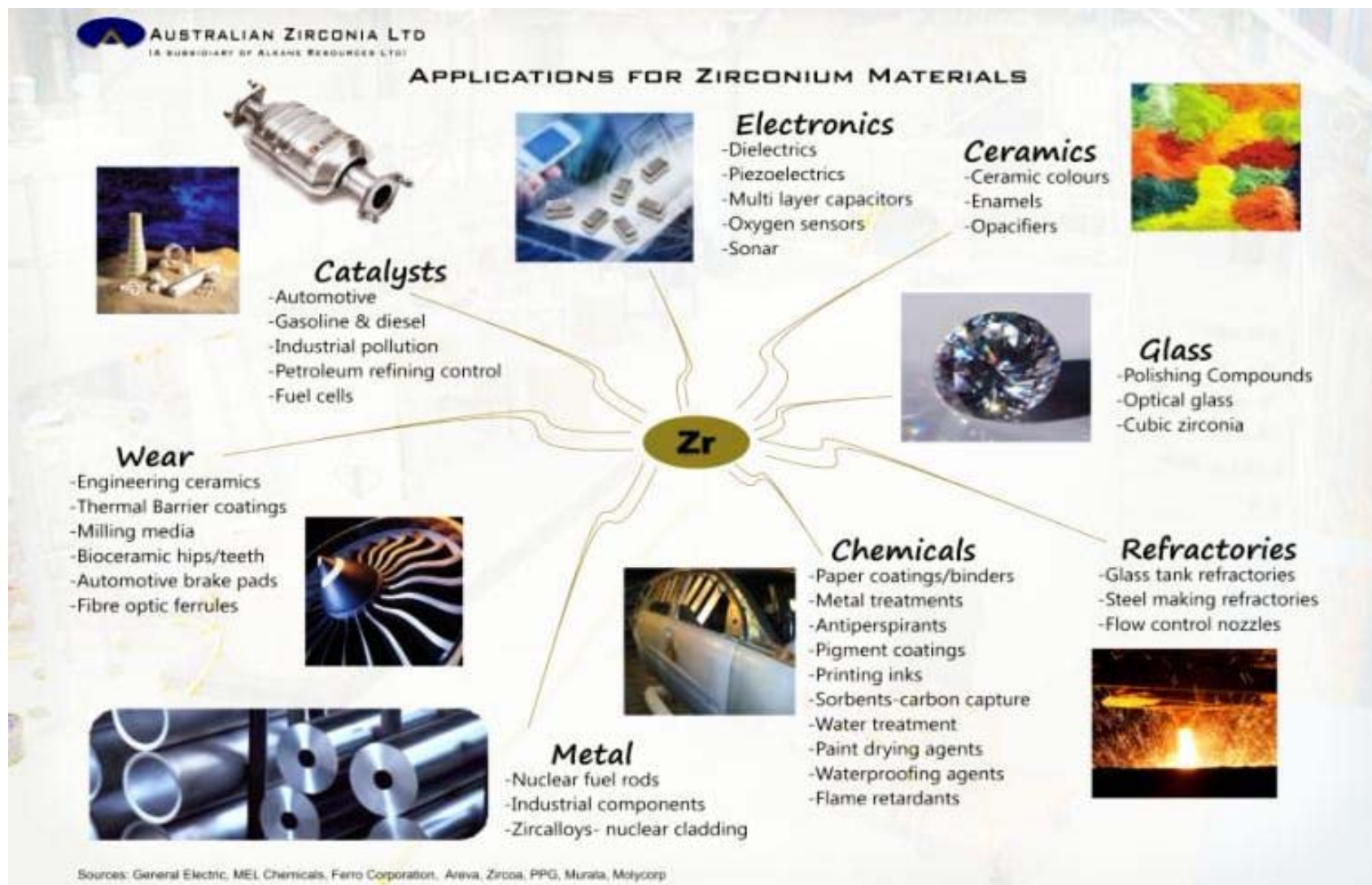
Memorandums of Understandings (MOU's)			
MOU	Date Announced	Product	Details
1	16 May 2011	Zirconium	Leading chemical company & trading company to produce zirconium oxychloride
2	26 July 2011	Zirconium	JV with Australia's Mintech Chemical Industries to produce zirconium oxychloride
3	15 August 2011	Zirconium	JV with leading European manufacturing / trading company to market DZP products
4	26 October 2011	Niobium	European company to produce and market ferro-niobium

- Primary filter cake contains ~ 200ppm Ta<sub>2</sub>O<sub>5</sub>. At 1Mtpa this equates to about 200tpa (>400,000lbs pa ).  
A program has commenced to review recovery of this valuable Ta<sub>2</sub>O<sub>5</sub> product

## Environmental Impact Statement – key areas of focus

- Existing land use (agriculture)
- Air quality
- Noise and vibration
- Surface and ground water
- Soil stability
- Flora and fauna
- Biodiversity
- Visibility
- Rail freight movements
- Road traffic
- Aboriginal heritage
- Natural radioactivity










# DZP Timetable

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

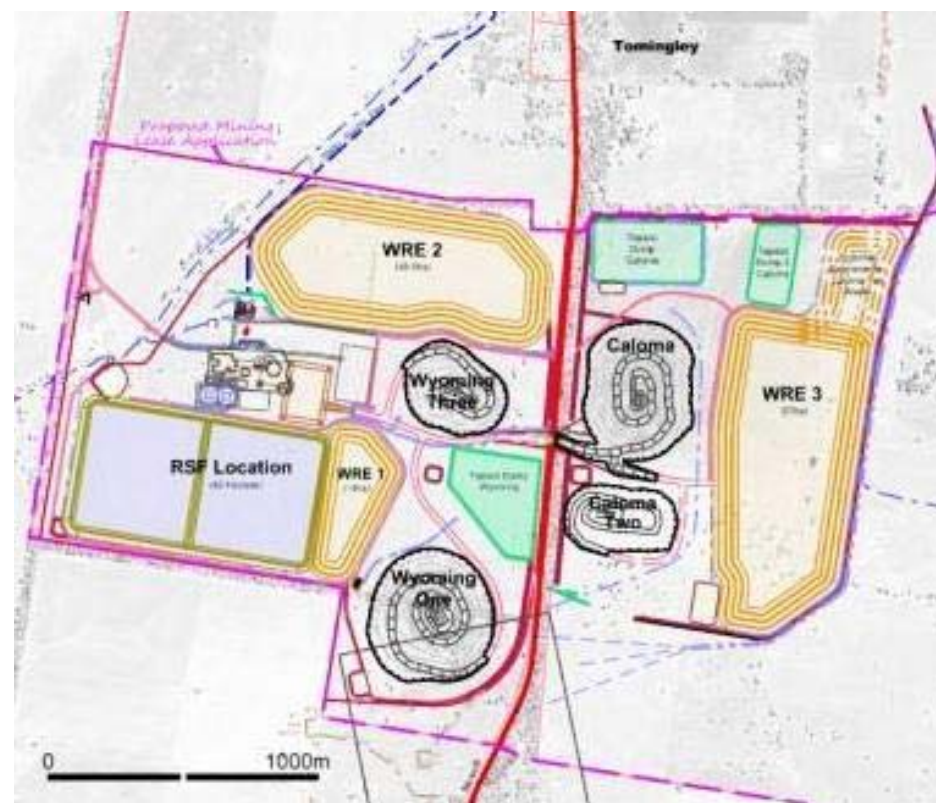
Continued product development

Detail costs for expanded development



## Project Highlights

- CAPEX – A\$95M (\$48M plant; \$23M infrastructure; \$23M owners costs)
- Throughput – 1.0Mtpa
- Head Grade – 1.88g/t
- Recoveries – 93%
- Gold Production – 50,000ozpa
- Cash Costs – A\$942/oz
- Life – 7.5years (targeting +10 years)
- Resource – 11.3Mt @ 1.82g/t (660,000oz)
- Exploration – significant upside
- Mine method – open cut & underground
- Infrastructure
  - **water** - 45km pipeline
  - **power** - State Grid with 20km 66Kv power line
  - **roads** - primary & secondary access
- **Skilled local workforce**
  - 150,000 population within 120km diameter area
  - no accommodation required (no fly-in / fly-out)



## Financial Highlights

- EBITDA – \$30Mpa (average)
- NPV – A\$79M @ A\$1,700/oz (circa 40% hedged)
- Debt & Hedging – mandate with Credit Suisse to provide up to A\$45M debt facility + gold hedging
- Hedging – flat forwards for 3.5 years

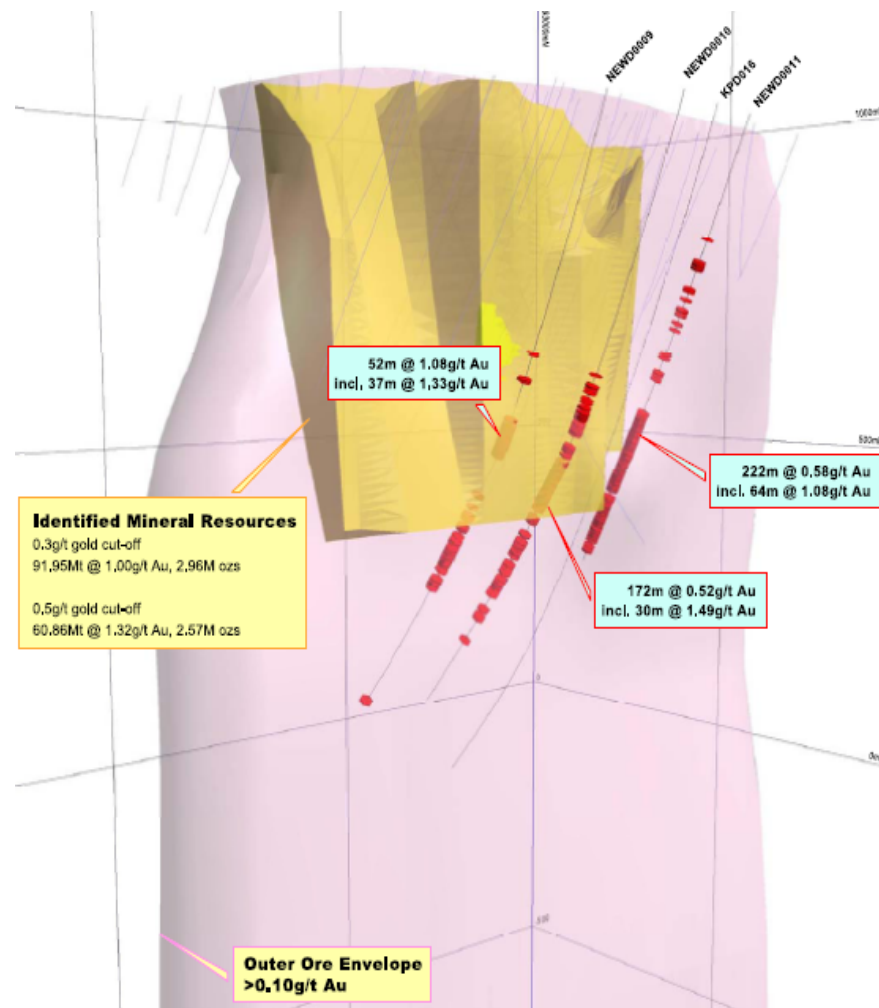
Financial Summary				
Gold Price	A\$1,500 / oz	A\$1,600 / oz	A\$1,700 / oz	A\$1,800 / oz
Revenue	\$554M	\$591M	\$629M	\$665M
EBITDA*	\$167M	\$201M	\$225M	\$269M
IRR	17.7%	25.1%	32.2%	39.4%
NPV	\$28.4M	\$53.6M	\$78.7M	\$103.9M

Notes: EBITDA\* includes all royalties. Based on initial 7.5 year open pit and underground operation producing 370,000 ounces.



## Project Highlights

- Joint venture – Newmont has 51% but may go to 75%
- Resource (+0.3g/t cut) – 92Mt @ 1.0g/t gold (3.0Moz)
- Resource (0.5g/t cut) – 61Mt @ 1.3g/t gold (2.6Moz)
- Copper credits (<0.1%)
- Mining method – open cut or block cave
- Recoveries – +90% from CIL (preliminary metallurgy)
- Strip ratio – low
- Exploration – upside (open at depth)
- McPhillamys dimensions:
  - Outer ore envelope 1,000m x 260m 0.1g/t Au
  - Inner ore zone 600m x 200m to 450m depth
- Comparison with Barrick's "Cowal Gold Mine":
  - 64Mt @ 1.2g/t gold at start up
  - 8Mtpa for ~ 250,000ozpa currently





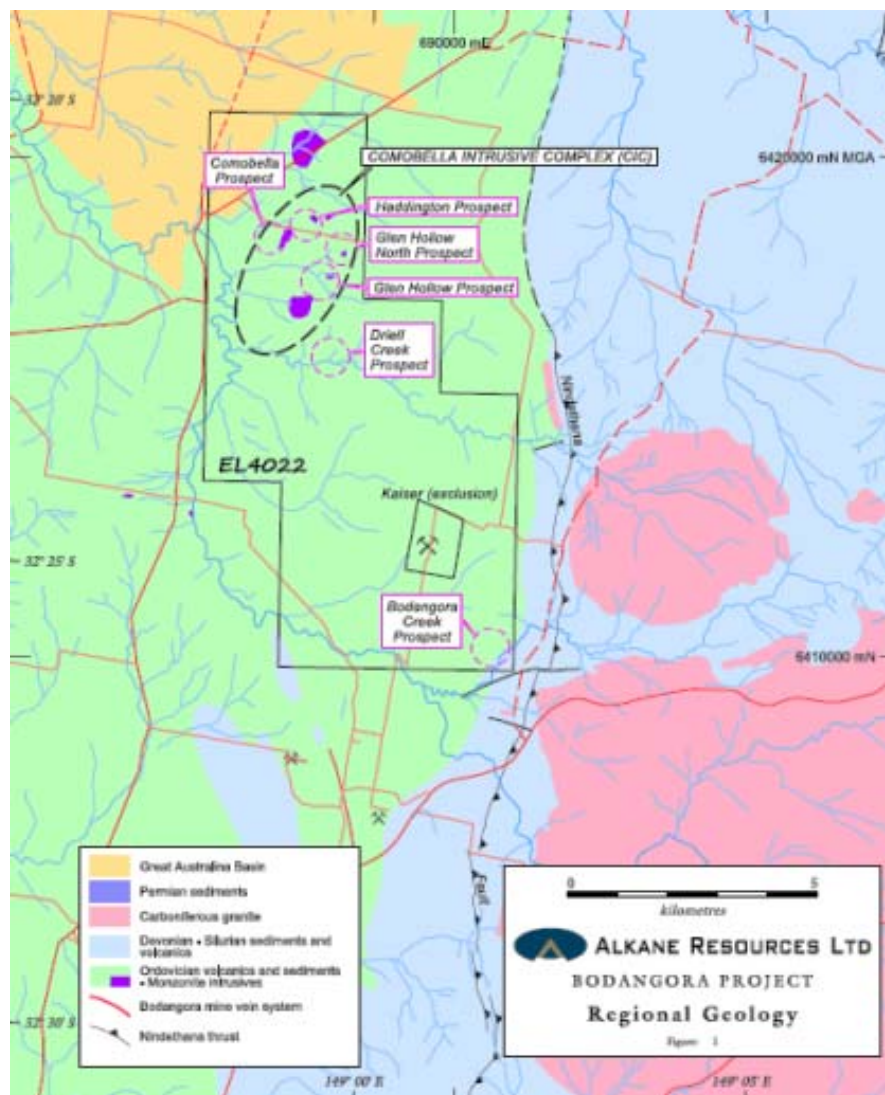
Core drilling at Bodangora

## Discoveries in 2010-2011

- **Bodangora (100%) – NSW. *Glen Hollow gold-copper:***
  - 46m @ 0.9g/t gold & 0.25% copper
  - 18m @ 1.7g/t gold & 0.45% copper
- **Wellington (100%) – NSW. *Galwagere copper-gold:***
  - 2Mt @ 1.0% copper & 0.3g/t gold (with upside)
  - 14m @ 0.9% copper & 1.1g/t gold-recent deep hole
- **Cudal (100%) – NSW. *Bowen Park gold-zinc:***
  - 17m @ 1.2g/t gold & 2.9% zinc
  - 4m @ 2.2g/t gold 7.0% zinc

## Other Projects

- **Calula (100%) – NSW**
- **Diamond Creek (100%) – NSW**
- **Moorilda (49%) – NSW (Newmont JV)**
- **Orange Molong (49%) – NSW (Newmont JV)**
- **Miranda Well (21%) – WA (Xstrata JV)**
- **McDonough (21%) – WA (Xstrata JV)**



28

## Conclusion

- **Dubbo Zirconia Project (DZP):**
  - Global Strategic Significance – a long term, significant project in the zirconium and heavy rare earth industries, which can generate substantial cash flows
  - Production costs – spread across the four metal outputs which will assist to insulate the DZP from price instability in certain sectors. Four outputs:
    - (i) zirconium
    - (ii) niobium (tantalum)
    - (iii) light rare earths
    - (iv) heavy rare earths (plus yttrium)
- **Tomingley Gold** - provides cash flow insurance against any DZP delays and possible slow down in world growth. It also has mine life upside and provides operating expertise.
- **McPhillamys Gold** - a promising project with a global major.
- **Exploration** - a tight geographical focus in NSW with exploration success, provides further development potential.
  
- **CONCLUSION** - Alkane is a long term investment opportunity with a clear development strategy of multiple operations with substantial emerging cash flow, and capacity to pay dividends.

## Disclaimer

This presentation contains certain forward looking statements and forecasts, including possible or assumed reserves and resources, production levels and rates, costs, prices, future performance or potential growth of Alkane Resources Ltd, industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Alkane Resources Ltd. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors. Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

This document has been prepared in accordance with the requirements of Australian securities laws, which may differ from the requirements of United States and other country securities laws. Unless otherwise indicated, all ore reserve and mineral resource estimates included or incorporated by reference in this document have been, and will be, prepared in accordance with the JORC classification system of the Australasian Institute of Mining, and Metallurgy and Australian Institute of Geosciences.

## Competent Person

The information in this presentation that relates to mineral exploration, mineral resources and ore reserves is based on information compiled by 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 presentation of the matters based on his information in the form and context in which it appears.



## Tomingley (TGP) – Mineral Resources

DEPOSIT Top Cut 2.5x2.5x5.0m model	MEASURED		INDICATED		INFERRED		TOTAL		Gold (koz)
	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
<b>Total</b>	<b>4,904,750</b>	<b>2.03</b>	<b>1,380,050</b>	<b>2.06</b>	<b>5,003,620</b>	<b>1.54</b>	<b>11,288,420</b>	<b>1.82</b>	<b>658.9</b>

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 are given in the ASX Reports dated 25 March 2009 and 2 October 2009.

## Tomingley (TGP) – Ore Reserves

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

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 – Mineral Resources

DEPOSIT 0.5g/t gold cut off	MEASURED		INDICATED		INFERRED		TOTAL		k Ounces
	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	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	MEASURED		INDICATED		INFERRED		TOTAL		k Ounces
	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	Tonnage (t)	Grade (g/t)	
Proprietary P					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.

## Dubbo Zirconia Project – Mineral Resources

Toongi Deposit	Tonnage (Mt)	ZrO <sub>2</sub> (%)	HfO <sub>2</sub> (%)	Nb <sub>2</sub> O <sub>5</sub> (%)	Ta <sub>2</sub> O <sub>5</sub> (%)	Y <sub>2</sub> O <sub>3</sub> (%)	REO (%)	U <sub>3</sub> O <sub>8</sub> (%)
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
<b>Total</b>	<b>73.20</b>	<b>1.96</b>	<b>0.04</b>	<b>0.46</b>	<b>0.03</b>	<b>0.14</b>	<b>0.75</b>	<b>0.014</b>

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.

## Dubbo Zirconia Project – Ore Reserves

Toongi Deposit	Tonnage (Mt)	ZrO <sub>2</sub> (%)	HfO <sub>2</sub> (%)	Nb <sub>2</sub> O <sub>5</sub> (%)	Ta <sub>2</sub> O <sub>5</sub> (%)	Y <sub>2</sub> O <sub>3</sub> (%)	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
<b>Total</b>	<b>35.93</b>	<b>1.93</b>	<b>0.04</b>	<b>0.46</b>	<b>0.03</b>	<b>0.14</b>	<b>0.74</b>

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 ZrO<sub>2</sub>+Nb<sub>2</sub>O<sub>5</sub>+Y<sub>2</sub>O<sub>3</sub>+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.

## Wellington – Galwadjere – Mineral Resources

DEPOSIT 0.5% Cu cut off	Tonnage (t)	MEASURED Grade (% Cu)	Grade (g/t)	Tonnage (t)	INDICATED Grade (% Cu)	Grade (g/t)
Galwadjere	-	-		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 – Mineral Resources

DEPOSIT McPhillamys	INDICATED			INFERRED			TOTAL			k Ounces	tonnes
	Tonnage	Grade	Grade	Tonnage	Grade	Grade	Tonnage	Grade	Grade		
0.3g/t Au cut-off	(t)	(g/t)	% Cu	(t)	(g/t)	% Cu	(t)	(g/t)	% Cu	gold	copper
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
<b>Total</b>	<b>61,274,000</b>	<b>0.99</b>	<b>0.07</b>	<b>30,671,000</b>	<b>1.01</b>	<b>0.06</b>	<b>91,945,000</b>	<b>1.00</b>	<b>0.07</b>	<b>2,958.3</b>	<b>60,820</b>

DEPOSIT McPhillamys	INDICATED			INFERRED			TOTAL			k Ounces	tonnes
	Tonnage	Grade	Grade	Tonnage	Grade	Grade	Tonnage	Grade	Grade		
0.5g/t Au cut-off	(t)	(g/t)	% Cu	(t)	(g/t)	% Cu	(t)	(g/t)	% Cu	gold	copper
Inner Ore Zone	41,260,000	1.27	0.08	16,097,000	1.57	0.09	57,357,000	1.36	0.08	2,499.9	46,933
Outer Ore Envelope	2,169,000	0.69	0.03	1,338,000	0.62	0.03	3,507,000	0.66	0.03	74.6	1,170
<b>Total</b>	<b>43,429,000</b>	<b>1.24</b>	<b>0.08</b>	<b>17,435,000</b>	<b>1.50</b>	<b>0.08</b>	<b>60,864,000</b>	<b>1.32</b>	<b>0.08</b>	<b>2,574.5</b>	<b>48,104</b>

*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.*