

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Alkane Resources Ltd

ABN

35 000 689 216

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | a) Fully paid ordinary shares
b) Unlisted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | a) 6,000,000 fully paid ordinary shares
b) 4,000,000 unlisted options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | a) As for existing fully paid ordinary shares
b) Unlisted options expiring 15 May 2013, exercisable at \$1.50 each |

+ See chapter 19 for defined terms.

4	<p>Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	<p>a) Yes, the fully paid ordinary shares will rank equally in all respects with existing fully paid ordinary shares from the date of issue.</p> <p>b) No, but shares issued on exercise of the unlisted options will rank equally with existing ordinary shares from the date of issue</p>				
5	Issue price or consideration	<p>a) Nil cash – refer item 6</p> <p>b) Nil cash – refer item 6</p>				
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The shares and options have been issued to Compass Resources Limited in consideration for the buy back of the production royalty in respect of any minerals and metals recovered from Exploration Licence 5675 at the Tomingley Gold Project (refer ASX announcement dated 20 April 2012)</p>				
7	<p>Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>15 May 2012</p>				
8	<p>Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table><tr><th>Number</th><th>⁺Class</th></tr><tr><td>372,231,500</td><td>Fully paid ordinary shares</td></tr></table>	Number	⁺ Class	372,231,500	Fully paid ordinary shares
Number	⁺ Class					
372,231,500	Fully paid ordinary shares					

⁺ See chapter 19 for defined terms.

<p>9 Number and ⁺class of all ⁺securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="766 190 1069 235">Number</th><th data-bbox="1069 190 1361 235">⁺Class</th></tr> </thead> <tbody> <tr> <td data-bbox="766 235 1069 448">4,000,000</td><td data-bbox="1069 235 1361 448">Options exercisable at \$1.50, expiring 15/05/2013</td></tr> </tbody> </table>	Number	⁺ Class	4,000,000	Options exercisable at \$1.50, expiring 15/05/2013
Number	⁺ Class				
4,000,000	Options exercisable at \$1.50, expiring 15/05/2013				
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>No dividends have been paid by the company during this financial year and any dividends on the increased capital will depend on profits earned</p>				

Part 2 - Bonus issue or pro rata issue

<p>11 Is security holder approval required?</p>	
<p>12 Is the issue renounceable or non-renounceable?</p>	
<p>13 Ratio in which the ⁺securities will be offered</p>	
<p>14 ⁺Class of ⁺securities to which the offer relates</p>	
<p>15 ⁺Record date to determine entitlements</p>	
<p>16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?</p>	
<p>17 Policy for deciding entitlements in relation to fractions</p>	
<p>18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small></p>	
<p>19 Closing date for receipt of acceptances or renunciations</p>	

⁺ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

- | | | |
|----|---|--|
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | |
| 33 | ⁺ Despatch date | |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Number</th> <th style="width: 50%; text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td style="height: 80px;"></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:[signed]..... Date: 15 May 2012
Joint Company Secretary

Print name: Karen Brown

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