ASX and MEDIA RELEASE

9 AUGUST 2012

ALKANE RESOURCES LTD
ABN 35 000 689 216

Sale of McPhillamys Gold Project

Alkane Resources Ltd and Newmont Exploration Pty Ltd ("Newmont"), a subsidiary of the US based Newmont Mining Corporation (NYSE:NEM), have accepted an offer from Regis Resources Ltd ("Regis") for their respective interests in the Orange District Exploration Joint Venture ("ODEJV") located near Orange in the Central West of New South Wales.

The principal asset of the ODEJV is a 2.96 million ounce gold resource (see attached resource statement) at McPhillamys within the Moorilda tenements. Regis will pay $150 million for the tenements, mining information, all fixtures, machinery, equipment and other property or rights of any description acquired with funds of the Joint Venture (including all access, compensation and agistment agreements relating to the JV tenements and any underlying freehold land); and any other Joint Venture property.

Alkane will receive $73.5 million for its 49% interest, to be settled by the issue of fully paid ordinary shares in Regis. The number of shares received will be calculated at $4.20 per share being the volume weighted average trading price of Regis shares for the 45 days preceding acceptance of the offer, ie 17.5 million shares.

Alkane's interests in the ODEJV are held in its wholly owned subsidiary, LFB Resources NL ("LFB"), which company will be transferred to Regis subject to NSW Ministerial approval of the change of ownership of LFB. Other conditions precedent include waiver by Alkane, Newmont and LFB of their pre-emptive rights under the ODEJV, approval by Regis' project financier and confirmation of tenement status.

Alkane believes that while the McPhillamys project is very worthwhile, the ODEJV terms and current JV structure were not ideal and that a 100% ownership of the project would be a better development proposition for the project. The Company is currently at the development stage of the Tomingley Gold Project and the Dubbo Zirconia Project and believes the opportunity to monetise its interest in the ODEJV now outweighs the potential for participating in an operation on the JV tenements at some indeterminate future date.

The Alkane Board has a very high opinion of the Regis management and production team, and believes that their ability to develop and operate gold projects in a very cost efficient manner augurs well for McPhillamys, and Alkane looks forward to participating in those operations through its shareholding in Regis (ASX:RRL).

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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

Disclaimer

This report 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 report 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.

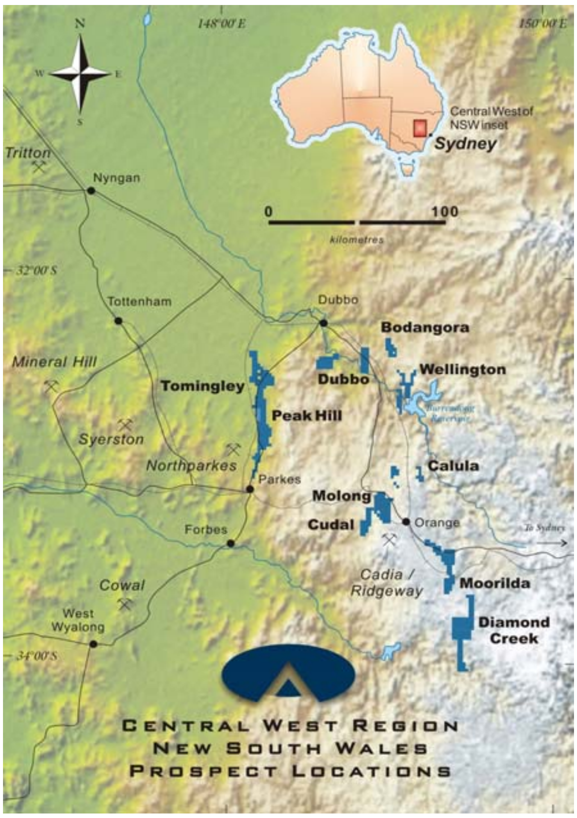
ABOUT ALKANE - www.alkane.com.au - ASX: ALK and OTCQX: ANLKY

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 recently received project approval for its development. Cash flow from the TGP will provide the funding to maintain the project development pipeline and to contribute to development of the DZP.

The DZP has a completed feasibility study giving it a net present value of A$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 near Orange, Alkane is in a joint venture with Newmont Australia over a 3 million ounce gold resource at McPhillamys.

Alkane's most advanced gold copper exploration projects in the region are at the 100% Alkane owned Wellington and Bodangora prospects.



Moorilda – McPhillamys (ODEJV) – Mineral Resources (2011)

DEPOSIT	INDICATED			INFERRED			TOTAL				
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	k Ounces gold	tonnes copper
Inner Ore Zone	51,649,710	1.10	0.07	23,504,080	1.19	0.07	75,153,790	1.13	0.07	2,720.7	55092
Outer Ore Envelope	9,624,170	0.44	0.04	7,166,700	0.43	0.03	16,790,870	0.44	0.03	235.2	5724
Total	**61,273,880**	**0.99**	**0.07**	**30,670,780**	**1.01**	**0.06**	**91,944,660**	**1.00**	**0.07**	**2,956.0**	**60816**
DEPOSIT	**INDICATED**			**INFERRED**			**TOTAL**				
McPhillamys 0.5g/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	k Ounces gold	tonnes copper
Inner Ore Zone	41,260,190	1.27	0.08	16,097,040	1.57	0.09	57,357,230	1.36	0.08	2,499.8	46923
Outer Ore Envelope	2,168,920	0.69	0.03	1,337,650	0.62	0.03	3,506,570	0.66	0.03	74.8	1169
Total	**43,429,110**	**1.24**	**0.08**	**17,434,690**	**1.50**	**0.08**	**60,863,800**	**1.32**	**0.08**	**2,574.6**	**48092**

These Mineral Resources are based upon information compiled by Mr Richard Lewis FAusIMM (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 (JORC CODE). 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