Alara Resources Limited
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Friday, 8 May 2009

MARKET ANNOUNCEMENT

Shares To Be Released From Escrow

The Company advises, pursuant to ASX Listing Rule 3.10A, that 24,496,215 fully paid ordinary shares will be released from ASX escrow on 25 May 2009.

The Company will be applying to the ASX for official quotation of these shares after they are released from escrow.

The Company currently has the following securities on issue (including the above restricted securities):

ISSUED SECURITIES

	Quoted	Not Quoted or Subject to Escrow	Total
Fully paid ordinary shares	56,011,285	24,496,215 [1]	80,507,500
$0.25 (30 June 2009) Listed Options[2]	60,367,500	-	60,367,500
$0.55 (27 July 2012) Unlisted Directors' Options[3]	-	18,550,000	18,550,000
$0.55 (27 July 2012) Unlisted Employees' Options[3]	-	1,425,000	1,425,000
Total	**116,378,785**	**44,471,215**	**160,850,000**

Further information:

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Company Secretary
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[1] Escrowed shares comprise:

(i) 4,488,750 shares held by related parties and promoters (founding shareholders) escrowed until 24 May 2009;

(ii) 12,750,000 vendor shares issued to Strike Resources Limited pursuant to settlement of the Strike Uranium and Peru Sale Agreements, as defined in the IPO Prospectus, escrowed until 24 May 2009;

(iii) 1,007,465 (formerly vendor shares issued to Strike Resources Limited pursuant to settlement of the Strike Uranium and Peru Sale Agreements, as defined in the IPO Prospectus) distributed in specie under a capital return effected by Strike Resources Limited on 13 December 2007 to various related parties and promoters of Strike Resources Limited and Alara Uranium Limited (and their associates), escrowed until 24 May 2009; and

(iv) 6,250,000 vendor shares issued to Orion Equities Limited pursuant to settlement of the Hume Sale Agreement, as defined in the IPO Prospectus, escrowed until 24 May 2009.

[2] Terms and conditions of $0.25 (30 June 2009) listed options are set out in a Rights Issue Options Prospectus dated 3 September 2007 and in an ASX Appendix 3B New Issue Announcement lodged on 3 September 2007

[3] Terms and conditions of issue are set out in a Notice of Meeting and Explanatory Statement dated 21 June 2007 for a General Meeting held on 7 July 2007 and in an ASX Appendix 3B New Issue Announcement lodged on 3 August 2007