

22 December 2010

ALLIANCE COMPLETES SALE OF MALDON GOLD PROJECT

Alliance Resources Limited (ASX: AGS) (**Alliance**) has today completed the sale of its subsidiary, Maldon Resources Pty Ltd (**Maldon**), which owns the Maldon Gold Project, to Octagonal Resources Limited (**Octagonal**).

The sale of Maldon was conditional on Octagonal completing fundraising and obtaining conditional approval to list its shares on the official list of the ASX. Octagonal satisfied these conditions with a fully subscribed IPO raising \$12,000,000 and ASX granted conditional approval to the listing on 17 December 2010.

As part of the sale, Alliance and other shareholders were granted priority in applying for shares under the Octagonal IPO.

Alliance now holds 22,000,000 ordinary shares in Octagonal which equates to approximately 22% of Octagonal's post-IPO share capital. Octagonal expects that its shares will be listed on the ASX in the week commencing 4 January 2011.

Steve Johnson
Chief Executive Officer

Further information relating to the Company and its various exploration projects can be found on the Company's website at www.allianceresources.com.au.

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