

3 June 2011

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FOUR MILE – NATIVE TITLE LITIGATION

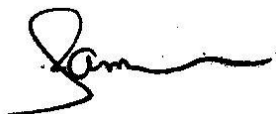
On 31 May, 2011 the Honourable Justice White of the Supreme Court of South Australia handed down his judgment allowing Alliance Craton Explorer Pty Ltd's (**ACE**) applications to:

- 1) amend its statement of claim to include claims relating to the second native title mining agreement executed by Quasar Resources Pty Ltd (**Quasar**),
- 2) have the hearing of the liability issues heard separately from the quantum of damages issues (so as to allow for an earlier hearing of the liability issues), and
- 3) have ACE's action heard at the same time as Quasar's application for review of the Registrar's decision not to register the second native title mining agreement.

Quasar has 14 days from the date of the judgment to seek leave to appeal the decisions.

The next directions hearing is scheduled for 7 June 2011.

For and on behalf of the Board.



Ian Pamensky
Company Secretary

About Alliance Resources

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