

20 January 2015

ASX Code: AGS

FOUR MILE PRODUCTION STATUS

Alliance Resources Ltd (Alliance) is pleased to report Four Mile Project production (100%) of uranium ore concentrate for the quarter ended 31 December 2014 of 538,818 pounds¹ (lbs), bringing total production (100%) since commencement of mining to 31 December 2014 to 1,664,294 lbs¹.

Alliance estimates its share of production from Four Mile as follows:

- from commencement of mining to 30 November 2014, 376,594 lbs¹ (25% of production), and
- from 1 to 31 December 2014, 38,090 lbs (24.12% of production)^{1,2};

being a total of 414,684 lbs^{1,2} with an estimated value of A\$18.2 million (assuming a uranium price of US\$36.00/lb and 1 AUD = 0.82 USD), excluding royalties, convertor fees (if any), transportation costs and tax.

No operating costs available at this point in time.

Steve Johnston
Managing Director

About Alliance Resources Limited

Alliance is an ASX listed resources company with uranium and copper-gold assets. The Company's main asset is 25%³ equity in the Four Mile Uranium Project, located 550 kilometres north of Adelaide in South Australia.

¹ Alliance estimate based on Quasar Resources Pty Ltd's production reports which are also estimates and may be subject to revision.

² Alliance estimate based on cash call for December 2014 and may be subject to revision.

³ Reducing to approximately 15% by 31 December 2015 in respect of the Four Mile Mine Development Area as a result of Alliance Craton Explorer Pty Ltd electing not to contribute to the Four Mile 2015 Program and Budget. Refer ASX announcement dated 20 November 2014.