

Manager Announcements
Company Announcements Office
ASX Limited
4th Floor, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

No. of pages: 11

28 April 2008

Dear Sir

FOUR MILE URANIUM JOINT VENTURE UPDATE

DETAILS OF ANNOUNCEMENT

- Four Mile Uranium Joint Venture Update
- Media Release – Alliance Boosted as Four Mile JV gears up for Mining License Application

For information about Alliance Resources please contact:

Steve Johnston, Chief Executive Officer Tel +61 3 9697 9090
Ian Pamensky, Manager Finance and Company Secretary Tel +61 3 9697 9090
Nicholas Read/Susan Bower - Read Corporate Tel +61 8 9388 1474

Or consult Alliance's website: www.allianceresources.com.au

About Alliance Resources

Alliance Resources Limited (ASX: AGS) is an emerging uranium and gold producer whose core asset is a 25% free carried exploration interest in the Four Mile Uranium Project in South Australia, where its 75% joint venture partner and project manager, Quasar Resources Pty Ltd, is exploring for uranium and copper-gold. In May 2007, the Joint Venture announced an Inferred Mineral Resource for the Four Mile West Uranium Deposit of 3.9 million tonnes at 0.37% U₃O₈ containing 15,000 tonnes (32 million lbs) of U₃O₈. Quasar is an affiliate of Heathgate Resources Pty Ltd, which owns and operates the Beverley Uranium Mine, located immediately east of the Four Mile Project. Alliance is also developing the Maldon Gold Project in Victoria and exploring for copper-gold at the Warrina Project in South Australia and for copper and base metals near Broken Hill in New South Wales.

FOUR MILE URANIUM JOINT VENTURE UPDATE

Alliance Resources Limited ("Alliance") is pleased to announce an update provided by joint venture partner and operator Quasar Resources Pty Ltd ("Quasar") for the Four Mile Uranium Project in South Australia as follows:

- Project manager Quasar Resources on behalf of the Joint Venture is now planning to apply for a Mining Lease rather than a Retention Lease over the Four Mile project. A feasibility study consisting of the establishment of a mineral resource estimate at Four Mile East, and positive outcomes of hydrological and metallurgical studies, are anticipated to make redundant the previously planned field leach trial.
- This decision means that First Stage Mining at Four Mile is now scheduled to commence after grant of the Mining Lease (anticipated to be late 2009)
- Two processing options are being investigated regarding the use of the Beverley plant: (1) a pipeline to transport solutions to and from Four Mile; and (2) an ion exchange plant at Four Mile to capture uranium and trucking resin to the Beverley plant for elution.
- Preliminary bench scale metallurgical test work on one drill hole from Four Mile West samples under different oxidising conditions showed recoveries up to 89%. Samples from Four Mile East are currently undergoing geochemical analyses and leach test work to confirm the earlier test work.
- These metallurgical results suggest that there should be no impediment to acceptable metallurgical recovery from In-situ Recovery (ISR - formerly known as ISL), provided the permeability of the formation is acceptable. Overall production-scale recovery will be dependent on the results of the First Stage Mining program.
- Up to eight drilling rigs currently drilling at Four Mile East deposit, ahead of the initial mineral resource estimate. The mineral resource estimate is on schedule to commence in 2Q 2008 and will not be completed until 3Q 2008 due to the volume of data generated.
- Drilling by Quasar Resources continue to intersect high-grade uranium mineralisation (GT>1m%U₃O₈) at Four Mile East, including (subject to final validation):

1.5m @ 0.72% pU₃O₈ (AK621)
1.6m @ 1.74% pU₃O₈ (AK625)
3.1m @ 0.37% pU₃O₈ (AK626)
1.1m @ 1.33% pU₃O₈ (AK627)
4.7m @ 0.75% pU₃O₈ (AK628)
5.5m @ 1.02% pU₃O₈ (AK628)
2.8m @ 0.44% pU₃O₈ (AK629)
1.2m @ 1.22% pU₃O₈ (AK631)
6.9m @ 0.24% pU₃O₈ (AK633)
3.9m @ 0.37% pU₃O₈ (AK637)
4.0m @ 0.28% pU₃O₈ (AK640)
3.6m @ 0.43% pU₃O₈ (AK640)
3.5m @ 0.69% pU₃O₈ (AK642)

ASX ANNOUNCEMENT

28 April 2008

3.4m @ 0.38% pU₃O₈ (AK657)
5.8m @ 0.30% eU₃O₈ (AK678) [equivalent U₃O₈ grade]
4.4m @ 1.59% pU₃O₈ (AK689)
7.4m @ 0.33% eU₃O₈ (AK693) [equivalent U₃O₈ grade]
3.2m @ 0.50% pU₃O₈ (AK696)
1.3m @ 0.88% pU₃O₈ (AK699)
7.3m @ 0.45% pU₃O₈ (AKC037)
1.9m @ 1.00% pU₃O₈ (AKC038)
1.6m @ 0.83% pU₃O₈ (AKC044)
7.3m @ 0.25% pU₃O₈ (AKC046)
7.1m @ 0.85% pU₃O₈ (AKC048)

(GT = grade x thickness (m%U₃O₈)).

pU₃O₈ refers to the U₃O₈ grade as estimated from PFN logging; eU₃O₈ refers to the equivalent U₃O₈ grade as estimated from gamma logging. Both pU₃O₈ and eU₃O₈, reported here as exploration results, may be subject to revision during validation and verification of the grade-thickness calculations for the purpose of estimating the mineral resource.



Four Mile East uranium deposit, April 2008

Four Mile East Exploration

A total of 106 holes for 23,357 metres were drilled at Four Mile East (FME) during January and February 2008. Exploration results for March are still being assessed and were not available at the time of compiling this report.

Four drilling contractors and up to eight drilling rigs are currently drilling at FME, ahead of the initial mineral resource estimate. The mineral resource estimate is on schedule to commence in 2Q 2008 and will not be completed until 3Q 2008 due to the volume of data being generated.

Drill collars and results are shown in Appendix 1 and a plan of drill collars as Figure 1.

Drilling at FME has recommenced in the area of approximately 200 metres x 200 metres being investigated for the purpose of conducting First Stage Mining (FSM). Drill holes are spaced at approximately 25m centres, with core holes representing over 30% of completed holes. The proposed FSM area now contains over 50 drill holes with detailed geological interpretation and data validation continuing. Disequilibrium studies, geochemical analysis and tool calibration reviews are assisting in the data validation exercise.

Geological interpretation completed by Quasar has shown that mineralisation is not constrained to one particular unit, and there are generally three mineralised stratigraphic horizons between 190m and 210m.

Drill hole stability continues to be an issue, with a number of holes requiring multiple washouts before the geophysical logging can be completed. In some cases the holes have had to be abandoned and redrilled.

Twenty diamond core holes were completed in the northern area of FME during the period. Drill core samples have been submitted for geochemical assay and metallurgical test work. All results are pending. Sieve analysis has been completed on seven core holes to assist in the calculation of permeability profiles through mineralization.

Four groundwater wells have been completed in the FSM area, and the programme is ongoing. Detailed hydrogeology studies are being planned.

Four Mile West Exploration

No drilling was carried out at Four Mile West deposit during the period.

ASX ANNOUNCEMENT

28 April 2008

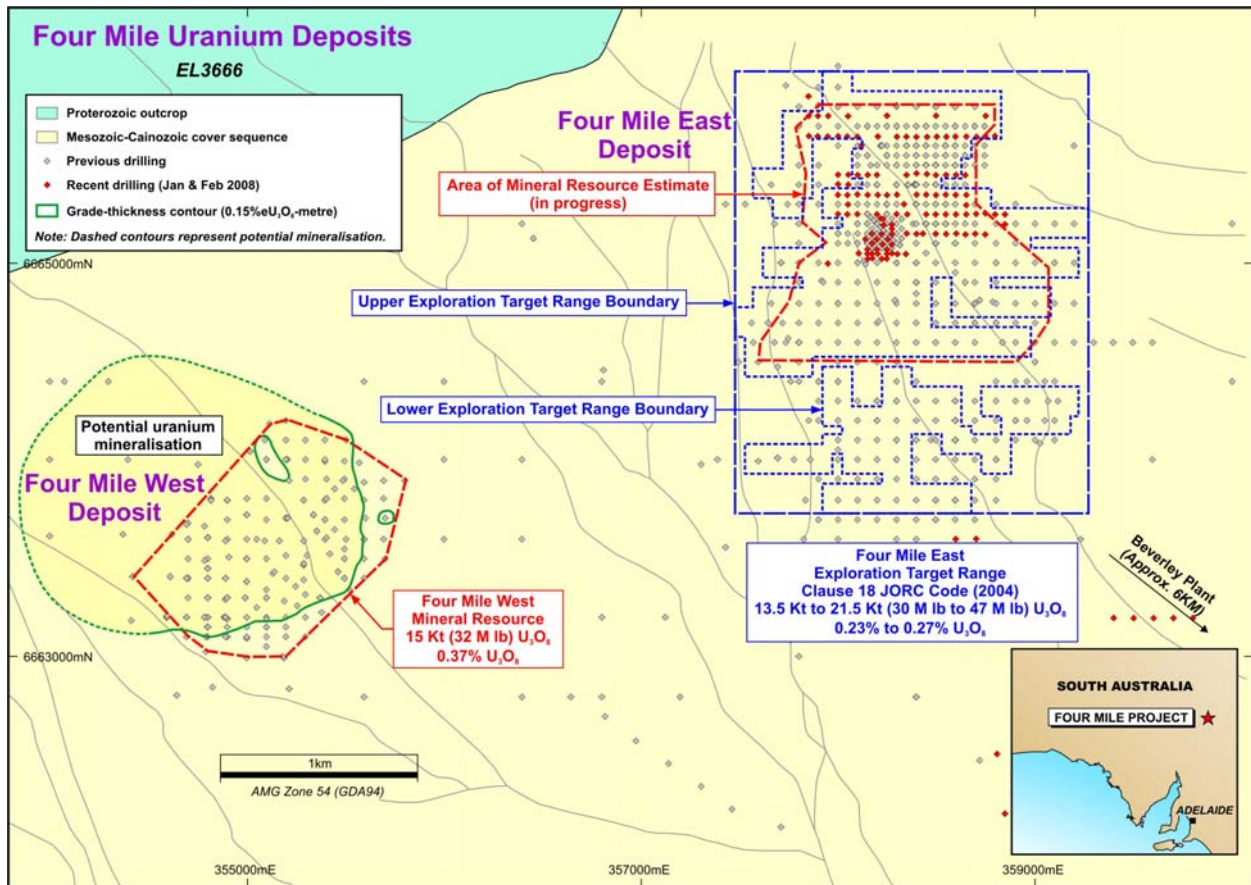


Figure 1: Four Mile East and Four Mile West uranium deposits

About Alliance Resources

Alliance Resources Limited (ASX: AGS) is an emerging uranium and gold producer whose core asset is a 25% free carried exploration interest in the Four Mile Uranium Project in South Australia, where its 75% joint venture partner and project manager, Quasar Resources Pty Ltd, is exploring for uranium and copper-gold. In May 2007, the Joint Venture announced an Inferred Mineral Resource for the Four Mile West Uranium Deposit of 3.9 million tonnes at 0.37% U₃O₈ containing 15,000 tonnes (32 million lbs) of U₃O₈. Quasar is an affiliate of Heathgate Resources Pty Ltd, which owns and operates the Beverley Uranium Mine, located immediately east of the Four Mile Project. Alliance is also developing the Maldon Gold Project in Victoria and exploring for copper-gold at the Warrina Project in South Australia and for copper and base metals near Broken Hill in New South Wales.

For information about Alliance Resources please contact:

Steve Johnston, Chief Executive Officer Tel +61 3 9697 9090
Ian Pamensky, Manager Finance and Company Secretary Tel +61 3 9697 9090
Nicholas Read/Susan Bower - Read Corporate Tel +61 8 9388 1474

Or consult Alliance's website: www.allianceresources.com.au

ASX ANNOUNCEMENT

28 April 2008

Appendix 1: Four Mile East Uranium Deposit Summary Drilling Data

Notes: These figures are provisional and may be subject to revision during validation and verification of the grade-thickness calculations for the purpose of estimating the mineral resource. Cut-off grade: 0.05 %U₃O₈. Minimum width: 0.5m. Maximum internal dilution: 1.0m. GT= grade x thickness. GT>1m%pU₃O₈ highlighted.

Hole Details		Gamma					PFN				
Hole ID	T_Depth	From	To	Interval	eU3O8(%)	GT-eU3O8	From	To	Interval	pU3O8(%)	GT-PFN
AK615	186.0	Hole Abandoned									
AK616	202.0	175.54	176.34	0.80	0.119	0.095	175.60	176.40	0.80	0.156	0.124
AK617	222.0	199.66	200.66	1.00	0.215	0.215	199.98	200.58	0.60	0.349	0.210
AK618	222.0	198.78	201.68	2.90	0.254	0.737	198.50	199.70	1.20	0.755	0.907
AK618	222.0	203.20	205.68	2.48	0.176	0.435	203.10	205.10	2.00	0.281	0.562
AK619	220.0	199.40	200.15	0.75	0.133	0.099	200.15	200.65	0.50	0.149	0.075
AK619	220.0	201.20	205.20	4.00	0.162	0.649	202.95	204.90	1.95	0.261	0.508
AK620	194.2	Grade below cutoff					No PFN data collected				
AK621	222.0	197.70	199.15	1.45	0.233	0.338	197.75	199.25	1.50	0.717	1.076
AK621	222.0	200.20	201.45	1.25	0.181	0.226	200.25	201.55	1.30	0.461	0.599
AK622	174.5	Grade below cutoff					Requires redrill				
AK623	222.0	200.50	201.50	1.00	0.120	0.120	200.62	201.12	0.50	0.144	0.072
AK624	223.0	196.95	198.35	1.40	0.116	0.162					
AK624	223.0	204.40	206.00	1.60	0.503	0.805	204.68	205.88	1.20	0.561	0.673
AK625	222.0	191.95	197.15	5.20	0.477	2.478	192.30	193.90	1.60	1.736	2.777
AK625	222.0	Grade below cutoff					207.50	208.00	0.50	0.155	0.078
AK626	230.5	201.88	207.34	5.46	0.188	1.027	203.10	206.20	3.10	0.373	1.156
AK627	222.0	Grade below cutoff					197.30	198.60	1.30	0.456	0.593
AK627	222.0	Grade below cutoff					200.50	201.50	1.00	0.146	0.146
AK627	222.0	Grade below cutoff					201.60	202.70	1.10	1.333	1.467
AK627	222.0	Grade below cutoff					207.50	208.30	0.80	0.058	0.047
AK628	222.0	192.72	198.87	6.15	0.196	1.205	193.30	194.90	1.60	0.366	0.585
AK628	222.0	Grade below cutoff					198.10	198.80	0.70	0.065	0.046
AK628	222.0	202.02	213.87	11.85	0.640	7.584	202.50	207.20	4.70	0.745	3.503
AK628	222.0	Grade below cutoff					208.40	213.90	5.50	1.025	5.639
AK629	222.0	202.05	207.45	5.40	0.243	1.310	202.03	204.83	2.80	0.435	1.218
AK630	222.0	Grade below cutoff					196.60	198.10	1.50	0.308	0.462
AK630	222.0	Grade below cutoff					204.20	205.50	1.30	0.302	0.393
AK630	222.0	Grade below cutoff					206.90	208.60	1.70	0.163	0.277
AK631	222.0	196.70	199.00	2.30	0.095	0.218					
AK631	222.0	202.30	203.75	1.45	0.833	1.208	202.46	203.66	1.20	1.223	1.467
AK631	222.0	206.90	208.45	1.55	0.252	0.390	207.06	207.76	0.70	0.255	0.179
AK632	228.0	205.56	206.52	0.96	0.370	0.355	205.70	206.50	0.80	0.467	0.373
AK633	228.0	196.05	197.89	1.84	0.182	0.334	196.18	197.78	1.60	0.164	0.262
AK633	228.0	200.59	212.79	12.20	0.244	2.977	201.28	208.18	6.90	0.243	1.677
AK633	228.0	Grade below cutoff					211.18	212.58	1.40	0.248	0.347
AK634	222.0	200.25	201.45	1.20	0.086	0.104	Grade below cutoff				
AK634	222.0	206.65	207.15	0.50	0.059	0.029	Grade below cutoff				
AK634	222.0	207.85	209.55	1.70	0.090	0.154	Grade below cutoff				
AK634	222.0	212.05	212.80	0.75	0.144	0.108	Grade below cutoff				
AK635	222.0	197.46	197.96	0.50	0.066	0.033					
AK635	222.0	200.86	203.48	2.62	0.111	0.291	202.50	203.10	0.60	0.067	0.040
AK635	222.0	207.96	209.24	1.28	0.112	0.144					
AK636	228.0	209.60	210.15	0.55	0.119	0.065	209.50	210.30	0.80	0.169	0.135
AK637	222.0	201.04	207.52	6.48	0.284	1.839	203.08	206.98	3.90	0.373	1.453
AK638	18.0	Grade below cutoff					Requires redrill				
AK639	160.0	Grade below cutoff					Requires redrill				
AK640	222.0	192.38	198.36	5.98	0.241	1.439	192.40	196.40	4.00	0.276	1.103
AK640	222.0	200.88	206.10	5.22	0.346	1.805	201.40	205.00	3.60	0.429	1.543
AK641	222.0	194.10	196.56	2.46	0.320	0.787	194.60	195.50	0.90	0.604	0.544
AK641	222.0	201.96	204.06	2.10	0.179	0.375	202.20	203.90	1.70	0.167	0.284
AK642	228.0	200.71	204.91	4.20	0.682	2.865	200.30	203.80	3.50	0.695	2.431
AK643	222.0	196.14	199.28	3.14	0.143	0.449	197.42	199.32	1.90	0.185	0.352
AK644	222.0	204.96	206.58	1.62	0.073	0.118					
AK645	222.0	191.86	193.64	1.78	0.071	0.126					
AK645	222.0	196.78	198.22	1.44	0.425	0.612	197.38	198.08	0.70	0.682	0.478
AK645	222.0	200.48	202.84	2.36	0.233	0.549	200.68	202.38	1.70	0.349	0.594
AK646	216.0	Grade below cutoff					No PFN data collected				
AK647	228.0	Grade below cutoff					No PFN data collected				
AK648	198.0	Grade below cutoff					No PFN data collected				

ASX ANNOUNCEMENT

28 April 2008

Appendix 1: Four Mile East Uranium Deposit Summary Drilling Data (continued)

Notes: These figures are provisional and may be subject to revision during validation and verification of the grade-thickness calculations for the purpose of estimating the mineral resource. Cut-off grade: 0.05 %U₃O₈. Minimum width: 0.5m. Maximum internal dilution: 1.0m. GT= grade x thickness. GT>1m%pU₃O₈ highlighted.

Hole Details		Gamma					PFN				
Hole ID	T_Depth	From	To	Interval	eU3O8(%)	GT-eU3O8	From	To	Interval	pU3O8(%)	GT-PFN
AK648	198.0										
AK649	228.0										
AK650	220.0										
AK651	220.0										
AK652	222.0										
AK653	228.0	193.25	194.15	0.90	0.233	0.210	193.30	194.10	0.80	0.388	0.310
AK654	228.0	196.95	199.50	2.55	0.311	0.794	197.00	199.50	2.50	0.325	0.813
AK655	216.0										
AK656	222.5										
AK657	248.0	190.80	191.55	0.75	0.156	0.117	191.10	191.60	0.50	0.175	0.088
AK657	248.0	194.55	195.85	1.30	0.307	0.399	194.70	196.00	1.30	0.478	0.622
AK657	248.0	202.20	205.80	3.60	0.255	0.919	202.50	205.90	3.40	0.381	1.296
AK658	188.0										
AK659	212.0	191.35	193.50	2.15	0.179	0.384	191.40	193.40	2.00	0.187	0.375
AK659	212.0	194.80	195.30	0.50	0.149	0.074					
AK659	212.0	196.85	198.20	1.35	0.168	0.227	197.60	198.20	0.60	0.676	0.405
AK659	212.0	199.80	200.35	0.55	0.073	0.040	199.70	200.20	0.50	0.092	0.046
AK660	238.0	194.30	195.10	0.80	0.104	0.083	194.90	195.40	0.50	0.150	0.075
AK660	238.0	199.20	200.25	1.05	0.194	0.203	199.70	200.40	0.70	0.479	0.336
AK660	238.0	208.60	209.15	0.55	0.067	0.037					
AK660	238.0	212.75	213.25	0.50	0.062	0.031					
AK661	236.0						182.20	183.00	0.80	0.121	0.097
AK661	236.0						191.40	192.40	1.00	0.077	0.077
AK661	236.0	202.40	203.05	0.65	0.057	0.037	202.40	203.10	0.70	0.062	0.043
AK661	236.0	204.85	205.35	0.50	0.083	0.041					
AK661	236.0	206.95	208.05	1.10	0.080	0.088					
AK662	228.0	218.90	222.15	3.25	0.061	0.198					
AK663	246.0	203.65	205.45	1.80	0.147	0.264	203.60	205.50	1.90	0.178	0.339
AK663	246.0	220.65	221.25	0.60	0.057	0.034					
AK664	234.0										
AK665	246.0	202.05	208.10	6.05	0.086	0.523	201.40	208.30	6.90	0.110	0.762
AK666	162.0										
AK667	238.0										
AK668	216.0	186.55	187.60	1.05	0.166	0.174	186.70	187.20	0.50	0.097	0.048
AK668	216.0	194.60	196.30	1.70	0.104	0.178					
AK669	202.0										
AK670	238.0	181.05	181.75	0.70	0.109	0.076					
AK670	238.0	188.60	189.70	1.10	0.147	0.161					
AK670	238.0	191.10	193.00	1.90	0.138	0.262					
AK670	238.0	196.10	198.45	2.35	0.069	0.163					
AK670	238.0	200.55	203.70	3.15	0.151	0.474					
AK671	246.0										
AK672	238.0	179.60	181.65	2.05	0.190	0.390					
AK672	238.0	197.80	204.05	6.25	0.103	0.642	199.50	201.90	2.40	0.106	0.255
AK672	238.0	206.20	207.60	1.40	0.093	0.130					
AK672	238.0	208.15	208.70	0.55	0.065	0.036					
AK673	246.0	224.80	226.40	1.60	0.071	0.113					
AK674	224.0	190.95	191.65	0.70	0.123	0.086					
AK675	188.0										
AK676	232.0	191.60	193.85	2.25	0.274	0.616					
AK676	232.0	202.05	203.05	1.00	0.113	0.113					
AK676	232.0	203.90	206.00	2.10	0.099	0.208					
AK676	232.0	206.70	207.40	0.70	0.067	0.047					
AK677	246.0										
AK678	228.0	181.40	181.95	0.55	0.173	0.095					
AK678	228.0	196.90	198.30	1.40	0.271	0.379					
AK678	228.0	199.35	205.15	5.80	0.300	1.738					
AK679	245.0	177.50	178.25	0.75	0.064	0.048	177.30	178.10	0.80	0.087	0.069
AK679	245.0	182.70	184.15	1.45	0.088	0.127	182.90	184.10	1.20	0.091	0.109
AK679	245.0	200.40	201.50	1.10	0.057	0.063					

ASX ANNOUNCEMENT

28 April 2008

Appendix 1: Four Mile East Uranium Deposit Summary Drilling Data (continued)

Notes: These figures are provisional and may be subject to revision during validation and verification of the grade-thickness calculations for the purpose of estimating the mineral resource. Cut-off grade: 0.05 %U₃O₈. Minimum width: 0.5m. Maximum internal dilution: 1.0m. GT= grade x thickness. GT>1m%pU₃O₈ highlighted.

Hole Details		Gamma					PFN					
Hole ID	T_Depth	From	To	Interval	eU3O8(%)	GT-eU3O8	From	To	Interval	pU3O8(%)	GT-PFN	
AK679	245.0	200.40	201.50	1.10	0.057	0.063						
AK680	216.0	190.65	191.50	0.85	0.091	0.077						
AK681	216.0	Grade below cutoff										
AK682	235.0	198.45	202.05	3.60	0.108	0.387	198.80	199.40	0.60	0.177	0.106	
AK682	235.0	203.10	204.90	1.80	0.112	0.201	200.70	202.10	1.40	0.169	0.237	
AK682	235.0	207.00	207.50	0.50	0.072	0.036						
AK683	226.0	190.70	193.15	2.45	0.096	0.234						
AK684	224.0	191.85	193.35	1.50	0.410	0.614	192.00	193.10	1.10	0.178	0.196	
AK685	222.0	192.85	199.85	7.00	0.185	1.293	194.20	196.10	1.90	0.493	0.937	
AK685	222.0						198.70	199.80	1.10	0.102	0.113	
AK686	222.0	Grade below cutoff										
AK687	216.0	179.30	181.25	1.95	0.223	0.435	179.90	181.20	1.30	0.287	0.373	
AK687	216.0	185.05	187.05	2.00	0.138	0.276	186.40	187.30	0.90	0.195	0.175	
AK688	204.0											
AK689	222.0	180.65	185.80	5.15	1.083	5.580	180.64	185.00	4.36	1.588	6.923	
AK690	238.0	211.75	212.55	0.80	0.068	0.055						
AK691	212.0	186.25	187.75	1.50	0.281	0.422	186.30	187.20	0.90	0.633	0.570	
AK692	210.0	Grade below cutoff										
AK693	222.0	177.20	184.65	7.45	0.327	2.433						
AK694	144.0	Hole Abandoned										
AK695	216.0	Grade below cutoff										
AK696	222.0	186.14	187.08	0.94	0.849	0.798	186.12	189.32	3.20	0.503	1.608	
AK696	222.0	188.10	190.30	2.20	0.762	1.677						
AK697	206.0	179.01	179.81	0.80	0.143	0.114	179.30	179.80	0.50	0.214	0.107	
AK698	222.0	169.00	169.50	0.50	0.264	0.132	171.58	172.08	0.50	0.122	0.061	
AK699	216.0	195.05	195.90	0.85	0.116	0.099	195.06	195.86	0.80	0.147	0.117	
AK699	216.0	204.00	204.55	0.55	1.327	0.730	204.16	205.46	1.30	0.876	1.139	
AK699	216.0	204.90	205.50	0.60	0.898	0.539						
AK700	194.0											
AK701	225.0											
AK702	234.0	151.70	152.80	1.10	0.072	0.080						
AK702	234.0	194.95	198.90	3.95	0.169	0.666	195.18	197.68	2.50	0.217	0.543	
AK702	234.0	200.20	201.10	0.90	0.061	0.055						
AK703	240.0						159.08	159.58	0.50	0.187	0.093	
AK703	240.0	197.00	198.05	1.05	0.127	0.134	197.68	198.48	0.80	0.324	0.259	
AK704	242.0	164.10	166.00	1.90	0.156	0.296	164.12	166.02	1.90	0.177	0.337	
AK704	242.0	202.20	203.35	1.15	0.284	0.326	202.32	203.52	1.20	0.509	0.611	
AK707	246.0	182.04	182.56	0.52	0.060	0.031	182.00	182.70	0.70	0.082	0.058	
AK707	246.0						184.60	185.10	0.50	0.067	0.033	
AK707	246.0						186.00	186.60	0.60	0.065	0.039	
AK709	253.0	205.58	206.43	0.85	0.077	0.066	205.34	206.54	1.20	0.106	0.127	
AK709	253.0	227.43	227.93	0.50	0.064	0.032						
AKC036	225.4	194.25	195.20	0.95	0.095	0.090						
AKC036	225.4	197.55	198.85	1.30	0.141	0.183						
AKC036	225.4	202.85	203.80	0.95	0.267	0.254						
AKC037	240.4	202.00	209.25	7.25	0.261	1.894	201.60	208.90	7.30	0.447	3.261	
AKC037	240.4						209.90	210.40	0.50	0.078	0.039	
AKC038	240.4	192.55	195.05	2.50	0.215	0.539	192.50	194.40	1.90	0.406	0.771	
AKC038	240.4	197.15	198.70	1.55	0.173	0.268	198.00	198.70	0.70	0.332	0.232	
AKC038	240.4	200.55	201.40	0.85	0.057	0.048						
AKC038	240.4	202.15	204.25	2.10	0.541	1.136	202.20	204.10	1.90	1.003	1.905	
AKC039	248.6	201.55	202.90	1.35	0.100	0.136	205.80	207.40	1.60	0.154	0.246	
AKC039	248.6	207.40	208.00	0.60	0.064	0.039	211.00	213.10	2.10	0.064	0.135	
AKC040	229.6	Grade below cutoff										
AKC040	229.6	Grade below cutoff										
AKC041	219.7											
AKC042	164.0											
AKC043	234.0	197.80	198.65	0.85	0.135	0.115						
AKC043	234.0	209.35	211.55	2.20	0.530	1.167	209.50	211.40	1.90	0.390	0.740	
AKC044	237.0						188.30	189.40	1.10	0.116	0.128	

Appendix 1: Four Mile East Uranium Deposit Summary Drilling Data (continued)

Notes: These figures are provisional and may be subject to revision during validation and verification of the grade-thickness calculations for the purpose of estimating the mineral resource. Cut-off grade: 0.05 %U₃O₈. Minimum width: 0.5m. Maximum internal dilution: 1.0m. GT= grade x thickness. GT>1m%pU₃O₈ highlighted.

Hole Details		Gamma				PFN					
Hole ID	T_Depth	From	To	Interval	eU ₃ O ₈ (%)	GT-eU ₃ O ₈	From	To	Interval	pU ₃ O ₈ (%)	GT-PFN
AKC044	237.0						188.30	189.40	1.10	0.116	0.128
AKC044	237.0						196.80	197.30	0.50	0.128	0.064
AKC044	237.0						199.40	199.90	0.50	0.177	0.089
AKC044	237.0						206.10	207.70	1.60	0.831	1.330
AKC044	237.0						209.30	210.90	1.60	0.490	0.783
AKC045	248.0	Grade below cutoff					No PFN data collected				
AKC046	240.0	202.70	203.65	0.95	0.106						
AKC046	240.0	207.80	215.30	7.50	0.193	1.447	208.10	215.40	7.30	0.251	1.832
AKC047	190.0	Abandoned									
AKC048	246.0	191.98	194.38	2.40	0.073	0.176	190.70	194.80	4.10	0.102	0.416
AKC048	246.0	208.78	209.63	0.85	0.141	0.120	209.20	216.30	7.10	0.851	6.040
AKC048	246.0	210.68	215.93	5.25	0.865	4.542					
AKC048	246.0	218.23	218.93	0.70	0.101	0.071					
AKC049	233.0	193.35	194.20	0.85	0.128	0.109	193.48	194.08	0.60	0.148	0.089
AKC049	233.0	202.65	203.25	0.60	0.085	0.051					
AKC049	233.0	206.05	207.35	1.30	0.105	0.137					
AKC050	235.6						188.72	189.52	0.80	0.077	0.061
AKC050	235.6	190.54	191.98	1.44	0.137	0.197	191.32	192.02	0.70	0.286	0.200
AKC051	206.0	Hole Abandoned									
AKC052	232.0	195.85	198.05	2.20	0.166	0.366	196.10	198.20	2.10	0.167	0.350
AKC053	237.0	191.30	192.30	1.00	0.073	0.073	191.30	192.30	1.00	0.122	0.122
AKC053	237.0	203.85	204.35	0.50	0.068	0.034					
AKC053	237.0	208.80	209.30	0.50	0.070	0.035					
AKC054	225.0	Grade below cutoff					Grade below cutoff				
AKC055	225.7	159.00	159.55	0.55	0.077	0.043	158.73	159.43	0.70	0.136	0.095
AKC055	225.7	185.65	186.15	0.50	0.120	0.060	185.53	186.03	0.50	0.170	0.085
AKC055	225.7						196.53	197.03	0.50	0.085	0.043
AKC056	204.0	184.01	184.86	0.85	0.150	0.127					
AKC057	215.7	182.30	183.65	1.35	0.394	0.531	182.48	183.58	1.10	0.282	0.310
AKC058	214.0										
AKC059	237.4	170.40	171.35	0.95	0.071	0.067	170.39	171.39	1.00	0.127	0.127
AKC059	237.4						185.69	186.39	0.70	0.091	0.063
AKC060	220.1	178.30	180.75	2.45	0.175	0.429	179.10	180.70	1.60	0.198	0.318
AKC061	204.7	168.50	169.10	0.60	0.154	0.093	168.50	169.10	0.60	0.145	0.087
AKC063	162.0										
AKC064	227.0						161.79	162.49	0.70	0.233	0.163

Compliance Statements:

The information in this report that relates to uranium Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Bowden who is a Chartered Geologist and Fellow of the Geological Society of London, a Recognised Overseas Professional Organisation included in a list promulgated by the ASX from time to time. Mr Andrew Bowden is employed by GeoDec Consulting. Mr Bowden 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'. Mr Andrew Bowden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

All other information in this report, including future proposals for development of the Four Mile uranium deposit(s) and the information relating to Exploration Results, Mineral Resources or Ore Reserves for copper and gold is based on information compiled by Mr Stephen Johnston who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Johnston is a full-time employee of the Company. Mr Johnston 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'. Mr Johnston consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ALLIANCE BOOSTED AS FOUR MILE JV GEARS UP FOR MINING LEASE APPLICATION

- Joint Venture partner and manager Quasar Resources plans to move directly to Mining Lease Application.
- Stage 1 mining anticipated to commence following grant of Mining Lease in late 2009.
- Previously planned Field Leach Trial now redundant due to encouraging technical results from the project, including recoveries of up to 89% achieved from metallurgical test work on Four Mile West drill core.

Alliance Resources Limited (**ASX: AGS**) has received a further significant boost in its uranium production plans with its partner in the world-class **Four Mile Uranium Project** in South Australia announcing that it is now planning to move directly to apply for a **Mining Lease** over the project, with initial mining targeted to **commence in late 2009**.

The Melbourne-based uranium, gold and copper company said today (**Monday**) that its joint venture partner and the project manager, Quasar Resources Pty Ltd, intended to apply for a Mining Lease rather than a Retention Lease as originally contemplated.

The decision, which reflects the outstanding technical results being received from the Project, means that the Joint Venture will **proceed directly to Stage 1 mining rather than first undertaking a Field Leach Trial (FLT) as originally contemplated** in the Concept Evaluation Study released earlier this year.

“Quasar has advised that a Feasibility Study encompassing the initial resource estimate for the Four Mile East deposit and positive outcomes from recent hydrological and metallurgical studies are expected to make the previously announced FLT redundant,” commented Alliance’s Chief Executive Officer, Mr Steve Johnston.

“This decision means that First Stage Mining at Four Mile is now scheduled to commence after the grant of the Mining Lease, which is anticipated to occur by late 2009,” he added. “This is a very exciting development for the Four Mile Project which reflects the outstanding exploration success currently being achieved at the Four Mile East deposit and the encouraging results received recently from metallurgical test work.”

Preliminary bench scale metallurgical testwork on one drill hole from the Four Mile West deposit, under different oxidising conditions, demonstrated recoveries of up to 89%. Further samples from Four Mile East are currently undergoing geochemical analyses and leach test work to confirm earlier test work.

“These metallurgical results suggest that there should be no impediment to acceptable metallurgical recovery from In-Situ Recovery, or ISR, which was formerly referred to as In-Situ Leach or ISL, at the Four Mile Project, provided that the permeability of the formation is acceptable,” Mr Johnston said. “Overall production-scale recovery will be dependent on the results of the First Stage Mining program.”

The Concept Evaluation Study announced earlier this year outlined a staged mining development, comprising a three stage development of the Four Mile East and nearby Four Mile West deposits utilising ISR mining with solutions being processed at the nearby (operating) Beverley Uranium Mine plant.

At this stage, uranium production from the Four Mile Project is anticipated to commence at 1.5 million pounds of uranium concentrate per annum in Stage 1, increasing to a long-term production capacity of 4.5 million pounds per annum.

The Joint Venture is currently investigating two processing options regarding the use of the Beverley plant, namely a pipeline to transport solutions to and from Four Mile and an ion exchange plant at Four Mile to capture uranium and trucking resin to the Beverley plant for elution.

- ENDS -

Released by:
Nicholas Read / Mareena Weston
Read Corporate
Telephone: (+61 8) 9388 1474

On behalf of:
Mr Steve Johnston
Chief Executive Officer
Alliance Resources Limited
Telephone: (+61 3) 9697 9090

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Uranium Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Bowden who is a Chartered Geologist and Fellow of the Geological Society of London, a Recognised Overseas Professional Organisation included in a list promulgated by the ASX from time to time. Mr Andrew Bowden is employed by GeoDec Consulting. Mr Bowden has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to 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'. Mr Andrew Bowden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

All other information in this report, including future proposals for development of the Four Mile uranium deposit(s) and the information relating to Exploration Results, Mineral Resources or Ore Reserves for copper and gold is based on information compiled by Mr Stephen Johnston who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Johnston is a full-time employee of the Company. Mr Johnston 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'. Mr Johnston consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Alliance Resources

Alliance Resources Limited (ASX: AGS) is an emerging uranium and gold producer whose core asset is a 25% free carried exploration interest in the **Four Mile Uranium Project** in South Australia, where its 75% joint venture partner and project manager, Quasar Resources Pty Ltd, is exploring for uranium and copper-gold.

In May 2007, the Joint Venture announced an Inferred Mineral Resource for the Four Mile West Uranium Deposit of 3.9 million tonnes at 0.37% U₃O₈ containing 15,000 tonnes (32 million lbs) of U₃O₈. An initial resource estimate for the Four Mile East discovery is expected to be completed during the 3rd Quarter of 2008.

Quasar is an affiliate of Heathgate Resources Pty Ltd, which owns and operates the Beverley Uranium Mine, located immediately east of the Four Mile Project. Alliance is also developing the Maldon Gold Project in Victoria and exploring for copper-gold at the Warrina Project in South Australia, and for copper and base metals near Broken Hill in New South Wales.

- ENDS -