

## HIGHLIGHTS

### URANIUM (FOUR MILE JOINT VENTURE, Quasar Resources 75%, Alliance Resources 25%)

- 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%U<sub>3</sub>O<sub>8</sub>) at Four Mile East, including (subject to final validation):

1.5m @ 0.72% pU<sub>3</sub>O<sub>8</sub> (AK621)  
1.6m @ 1.74% pU<sub>3</sub>O<sub>8</sub> (AK625)  
3.1m @ 0.37% pU<sub>3</sub>O<sub>8</sub> (AK626)  
1.1m @ 1.33% pU<sub>3</sub>O<sub>8</sub> (AK627)  
4.7m @ 0.75% pU<sub>3</sub>O<sub>8</sub> (AK628)  
5.5m @ 1.02% pU<sub>3</sub>O<sub>8</sub> (AK628)  
2.8m @ 0.44% pU<sub>3</sub>O<sub>8</sub> (AK629)  
1.2m @ 1.22% pU<sub>3</sub>O<sub>8</sub> (AK631)  
6.9m @ 0.24% pU<sub>3</sub>O<sub>8</sub> (AK633)  
3.9m @ 0.37% pU<sub>3</sub>O<sub>8</sub> (AK637)  
4.0m @ 0.28% pU<sub>3</sub>O<sub>8</sub> (AK640)  
3.6m @ 0.43% pU<sub>3</sub>O<sub>8</sub> (AK640)  
3.5m @ 0.69% pU<sub>3</sub>O<sub>8</sub> (AK642)  
3.4m @ 0.38% pU<sub>3</sub>O<sub>8</sub> (AK657)

# QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 2008

5.8m @ 0.30% eU<sub>3</sub>O<sub>8</sub> (AK678) [equivalent U<sub>3</sub>O<sub>8</sub> grade]  
4.4m @ 1.59% pU<sub>3</sub>O<sub>8</sub> (AK689)  
7.4m @ 0.33% eU<sub>3</sub>O<sub>8</sub> (AK693) [equivalent U<sub>3</sub>O<sub>8</sub> grade]  
3.2m @ 0.50% pU<sub>3</sub>O<sub>8</sub> (AK696)  
1.3m @ 0.88% pU<sub>3</sub>O<sub>8</sub> (AK699)  
7.3m @ 0.45% pU<sub>3</sub>O<sub>8</sub> (AKC037)  
1.9m @ 1.00% pU<sub>3</sub>O<sub>8</sub> (AKC038)  
1.6m @ 0.83% pU<sub>3</sub>O<sub>8</sub> (AKC044)  
7.3m @ 0.25% pU<sub>3</sub>O<sub>8</sub> (AKC046)  
7.1m @ 0.85% pU<sub>3</sub>O<sub>8</sub> (AKC048)

(GT = grade x thickness (m%U<sub>3</sub>O<sub>8</sub>)).

pU<sub>3</sub>O<sub>8</sub> refers to the U<sub>3</sub>O<sub>8</sub> grade as estimated from PFN logging; eU<sub>3</sub>O<sub>8</sub> refers to the equivalent U<sub>3</sub>O<sub>8</sub> grade as estimated from gamma logging. Both pU<sub>3</sub>O<sub>8</sub> and eU<sub>3</sub>O<sub>8</sub>, 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

## GOLD (MALDON PROJECT, Alliance Resources 100%)

- Further encouraging intercepts in Ladies and Eaglehawk reef from underground drilling.
- Union Hill decline advanced 269 metres during the quarter (1444 metres in total).
- 414 metres of decline development remains, with 304 metres until the first crosscut that will access the Alliance South mineralisation.

## CORPORATE

- Cash reserves of \$27.5 million at 31 March 2008.

## FOUR MILE JOINT VENTURE (Quasar Resources 75%, Alliance Resources 25%)

The Four Mile Joint Venture is located 550km north of Adelaide in South Australia. Alliance has a 25% free carried interest in the joint venture during the exploration phase. Its 75% joint venture partner and project manager, Quasar Resources Pty Ltd (“Quasar”), is an affiliate of Heathgate Resources Pty Ltd, which owns and operates the Beverley uranium mine, located immediately east of the Four Mile uranium discovery (Figure 1).

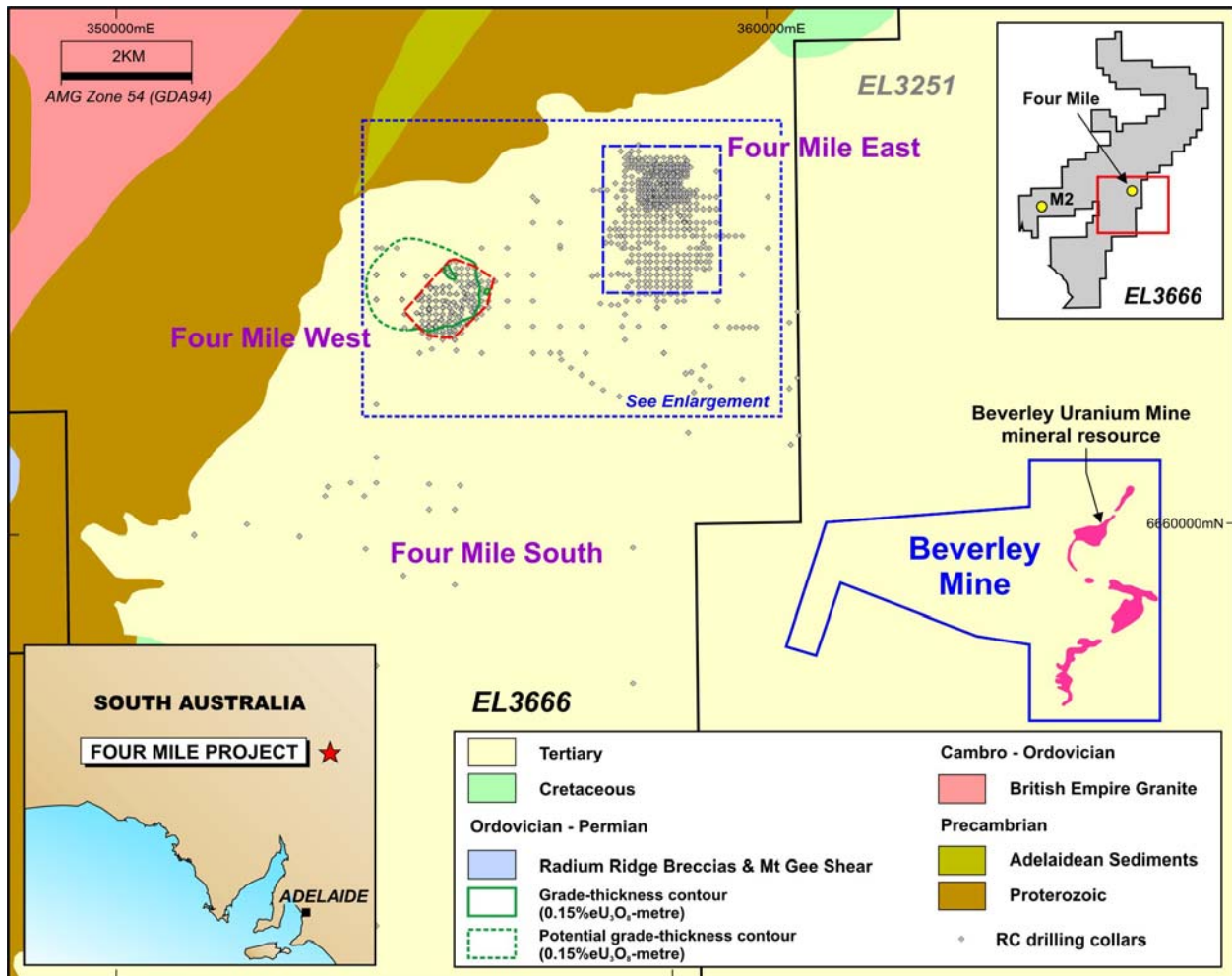


Figure 1: Four Mile Uranium Project

### 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 2.

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.

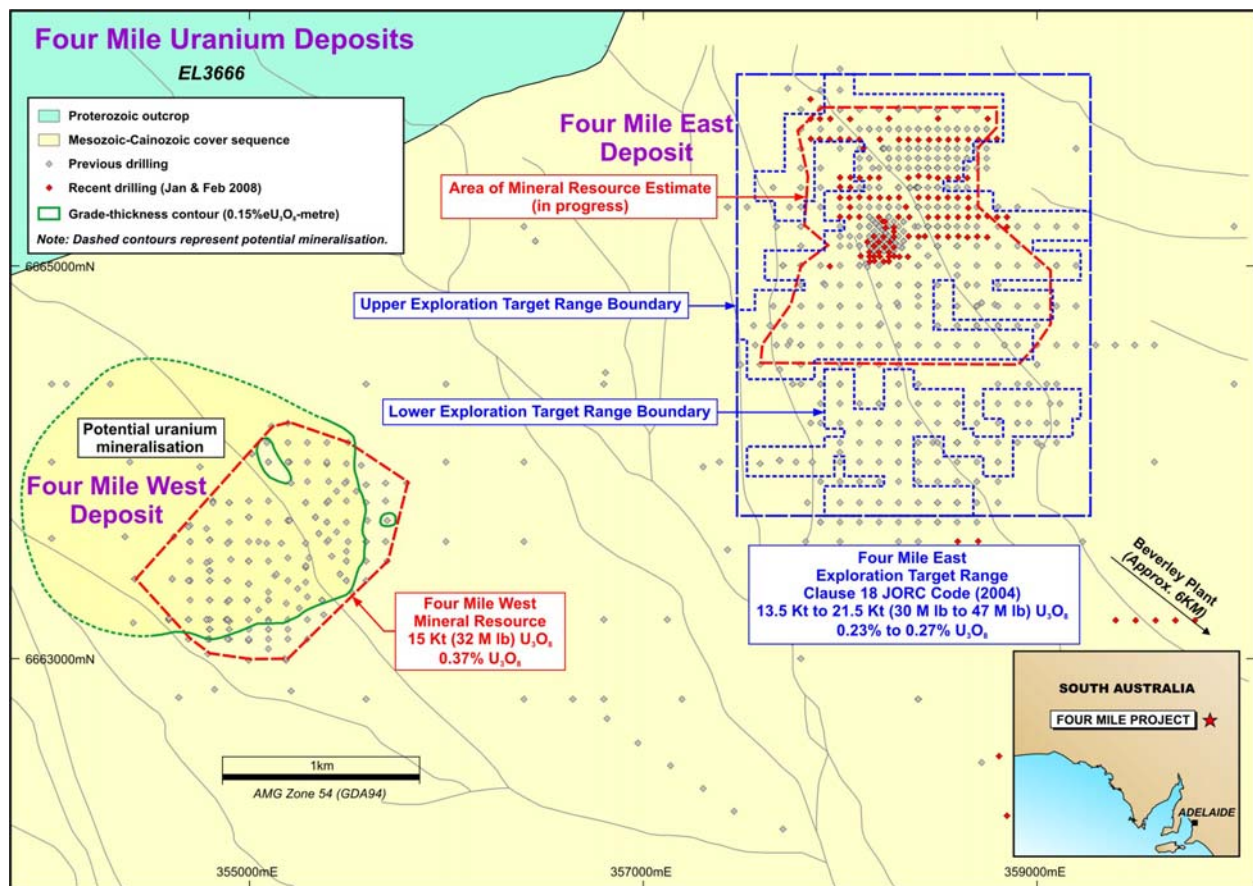


Figure 2: Four Mile East and Four Mile West uranium deposits

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 quarter.

## **Four Mile Uranium Project Development Update**

Subsequent to the end of the quarter, Quasar provided Alliance with the following update:

- 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 JORC compliant resource 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.

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## **MALDON GOLD PROJECT (Alliance Resources 100%)**

The Maldon Gold Project is located 30km southwest of Bendigo in central Victoria.

### **Ladies Reef**

As reported previously, a new auriferous lode in Ladies reef was discovered some 140 metres west of the Union Hill decline.

DDH 153 was drilled to the west of the decline at 5902227N, about 580m south of the southernmost section drilled in Ladies reef, and around 520m north of historical workings on Beehive reef in the Beehive mine. The drill hole tested three targets: the southern extension of Ladies reef, the northern extension of the Beehive reef and the Derby line of reef further west. The latter reef is associated with a regionally continuous felsic dyke. Collar details for the DDH 153 are presented in Table 1.

# QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 2008

HOLE ID	Collar			Total Depth (m)	Azimuth (°grid)	Dip (°)
	Easting	Northing	AHD			
DDH 153	239409	5902228	218.5	351.30	270	-15

**Table 1: Collar details of DDH 153. MGA94 coordinates.**

Gold assays for DDH 153 are pending. The hole intersected highly mineralized lodes at 225.25-227.50m, 233-236.40m and 245.95-254.55m. The latter is associated with an anticlinal hinge at 254.55m. Several highly mineralised felsic dykes were intersected at 254.65-258.40m, 306.70-314.00m and 315.30-315.45m. Drill intercepts are likely to be close to true width, as DDH 153 was drilled at a high angle to the interpreted dips of both the reefs and felsic dykes.

The highly mineralised lode in DDH153 at 245.95-254.55m is interpreted to be in the same structural position as Ladies reef further north. Either of the lodes at 225.25-227.50m and 233-236.40m could be extensions of Beehive reef, north of the historical workings.

The mineralisation at 245.95-254.55m in DDH153 is in a structural position comparable to the historical ore shoots in Linscott's and Eaglehawk reefs, which were found where the reef was in the anticlinal east limb but close to the anticlinal fold hinge. Ladies reef has the potential to provide easily accessible feed for Alliance's Maldon Treatment Plant. Alliance plans follow-up with further in-fill drilling, which will enable the extent and geometry of the mineralisation in Ladies reef to be assessed.

## Eaglehawk Reef

During the Quarter, four drill holes for 619.4m were drilled from the decline to intersect Eaglehawk reef on section 5902535N. Collar details for the holes are given in Table 2.

The primary purpose of the drilling was to test the reef for remnant gold mineralisation between the Alliance ore shoot (past production 71,000t for 39,000oz gold) and the Union ore shoot (past production 50,680t for 70,386oz gold). Any remnant mineralisation found in this area has potential to be easily accessed from the Union Hill decline.

HOLE ID	Collar			Total Depth (m)	Azimuth (°grid)	Dip (°)
	Easting	Northing	AHD			
DDH 154	239409	5902575	266	121.9	112	-10
DDH 155	239409	5902575	266	128.6	112	-31.5
DDH 156	239409	5902575	266	167.2	112	-46.5
DDH 157	239409	5902575	266	201.7	112	-56

**Table 2: Collar details of DDH's 154-157. MGA94 coordinates.**

The drill holes tested the reef over a 120m vertical extent, with all intersecting a highly mineralised lode, typically with abundant arsenopyrite and other sulphides. The intercepts are summarised in Table 3. Gold assays had not been received for this drilling by the end of the Quarter.

# QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 2008

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	DETAILS
DDH154	98.60	102.15	3.55	Well developed E & W reef-related faults with assoc. sulphidic laminated quartz, with a central zone of massive & breccia quartz veining cut by sulphidic stylolites. Common arsenopyrite throughout, abundant near eastern fault.
DDH155	104.80	114.70	9.90	Well developed E & W reef-related faults with assoc. strongly sulphidic laminated quartz, with a central zone of massive & breccia quartz veining cut by sulphidic stylolites. Abundant arsenopyrite.
DDH156	133.65	138.90	5.25	Well developed E & W reef-related faults with assoc. strongly sulphidic laminated quartz, with a central zone of massive quartz cut by sulphidic stylolites. Abundant arsenopyrite close to eastern fault.
DDH157	169.90	170.60	0.70	Bedding-parallel laminated quartz veins associated with a reef-related fault. Highly mineralised with abundant sulphides.

Table 3: Details of Eaglehawk reef intercepts in DDH's 154-157

## Union Hill Decline

The Union Hill decline advanced 269 metres during the quarter, bringing the total distance from the portal to 1444 metres (Figure 3). A further 414m of decline development remains to be completed, with a distance of 304 metres to the first cross-cut that will access the Alliance South mineralisation. Around 300m of strike driving on Eaglehawk reef is planned, to produce a bulk sample for processing through Alliance's Maldon Treatment Plant.

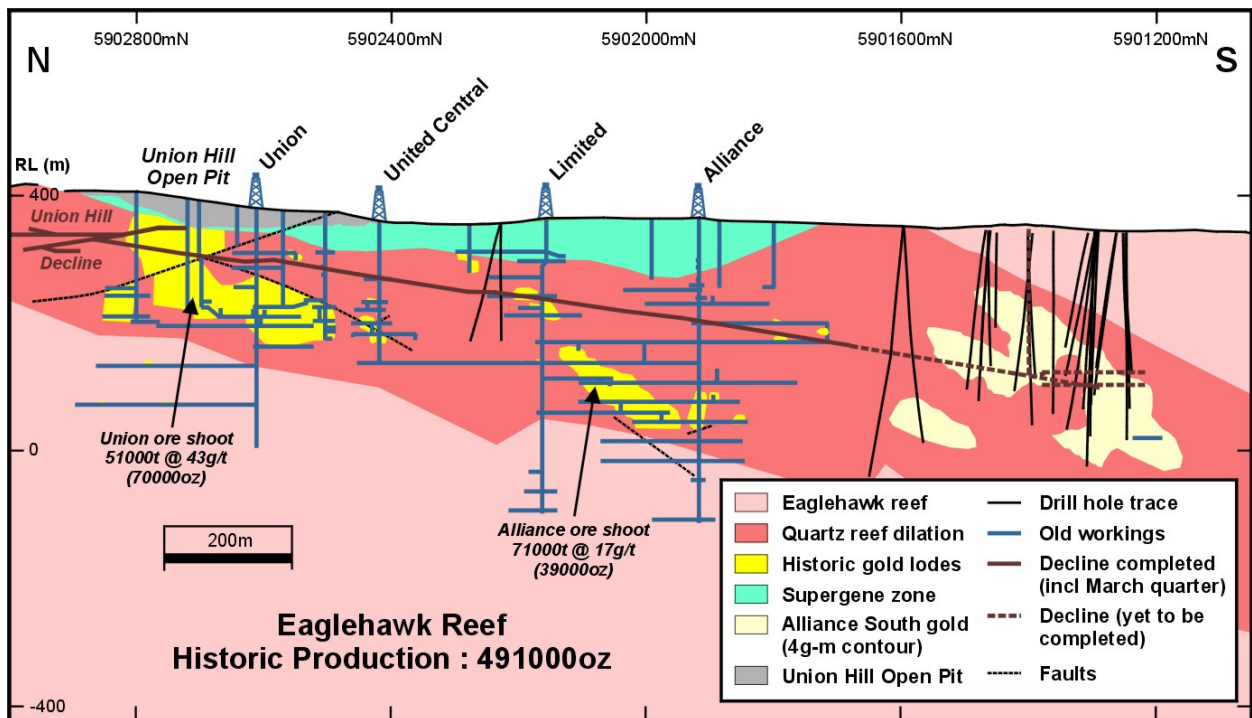


Figure 3: Eaglehawk Reef, Maldon, showing Alliance South target and decline progress

## WARRINA PROJECT (Alliance Resources 100%)

The Warrina copper-gold project is located 60 km northeast of Coober Pedy in the Gawler province of South Australia. The project is prospective for Olympic Dam style breccia-hosted iron-oxide copper-gold mineralisation. No drilling was undertaken on this project during the quarter.

## EAST FROME PROJECT (Alliance Resources 100%)

The East Frome copper-base metals project is located approximately 30km to the northwest of Broken Hill, New South Wales (Figure 4). The project is prospective for copper-gold mineralisation and Broken Hill style lead-zinc-silver mineralisation. No fieldwork was undertaken on this project during the quarter. Subsequent to the quarter, a regional gravity survey commenced and is planned to cover the majority of the tenement.

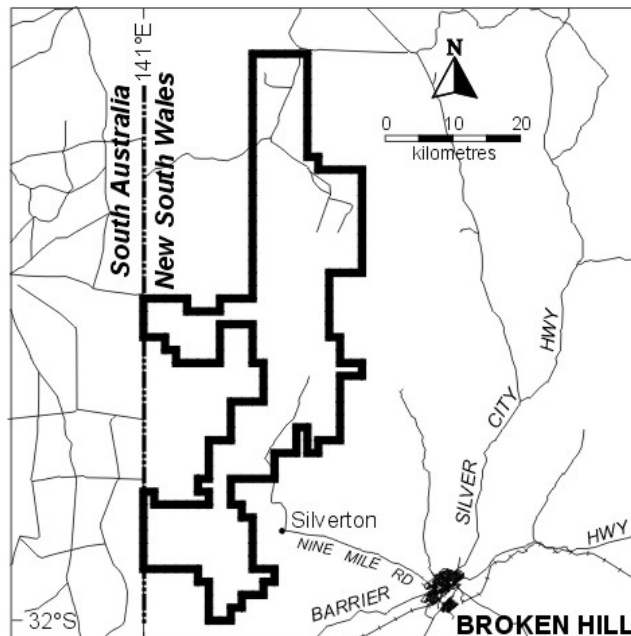


Figure 4: East Frome Project

## CORPORATE

Alliance has cash reserves of \$27.5 million and 272.85 million shares on issue at 31 March 2008.

Steve Johnston  
Chief Executive Officer

### For information about Alliance please contact:

Ian Pamensky, Financial Controller & Company Secretary, Tel +61 3 9697 9090

Or consult Alliance's website: [www.allianceresources.com.au](http://www.allianceresources.com.au)



# QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 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 %U<sub>3</sub>O<sub>8</sub>. Minimum width: 0.5m. Maximum internal dilution: 1.0m. GT= grade x thickness. GT>1m%pU<sub>3</sub>O<sub>8</sub> 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	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						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						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						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						211.18	212.58	1.40	0.248	0.347
AK634	222.0	200.25	201.45	1.20	0.086	0.104					
AK634	222.0	206.65	207.15	0.50	0.059	0.029					
AK634	222.0	207.85	209.55	1.70	0.090	0.154					
AK634	222.0	212.05	212.80	0.75	0.144	0.108					
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	Requires redrill									
AK639	160.0	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				

# QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 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 %U<sub>3</sub>O<sub>8</sub>. Minimum width: 0.5m. Maximum internal dilution: 1.0m. GT= grade x thickness. GT>1m%pU<sub>3</sub>O<sub>8</sub> highlighted.

Hole Details		Gamma					PFN				
Hole ID	T_Depth	From	To	Interval	eU3O8(%)	GT-eU3O8	From	To	Interval	pU3O8(%)	GT-PFN
AK648	198.0			Grade below cutoff					No PFN data collected		
AK649	228.0			Grade below cutoff					No PFN data collected		
AK650	220.0			Grade below cutoff					No PFN data collected		
AK651	220.0			Grade below cutoff					No PFN data collected		
AK652	222.0			Grade below cutoff					No PFN data collected		
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			Grade below cutoff					No PFN data collected		
AK656	222.5			Grade below cutoff					No PFN data collected		
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			Grade below cutoff					No PFN data collected		
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			Grade below cutoff		
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			Grade below cutoff							
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			No PFN data collected		
AK670	238.0	188.60	189.70	1.10	0.147	0.161			No PFN data collected		
AK670	238.0	191.10	193.00	1.90	0.138	0.262			No PFN data collected		
AK670	238.0	196.10	198.45	2.35	0.069	0.163			No PFN data collected		
AK670	238.0	200.55	203.70	3.15	0.151	0.474			No PFN data collected		
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			No PFN data collected		
AK674	224.0	190.95	191.65	0.70	0.123	0.086			No PFN data collected		
AK675	188.0								No PFN data collected		
AK676	232.0	191.60	193.85	2.25	0.274	0.616			No PFN data collected		
AK676	232.0	202.05	203.05	1.00	0.113	0.113			No PFN data collected		
AK676	232.0	203.90	206.00	2.10	0.099	0.208			No PFN data collected		
AK676	232.0	206.70	207.40	0.70	0.067	0.047			No PFN data collected		
AK677	246.0								No PFN data collected		
AK678	228.0	181.40	181.95	0.55	0.173	0.095			No PFN data collected		
AK678	228.0	196.90	198.30	1.40	0.271	0.379			No PFN data collected		
AK678	228.0	199.35	205.15	5.80	0.300	1.738			No PFN data collected		
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					

# QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 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 %U<sub>3</sub>O<sub>8</sub>. Minimum width: 0.5m. Maximum internal dilution: 1.0m. GT= grade x thickness. GT>1m%pU<sub>3</sub>O<sub>8</sub> 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	No PFN data collected					
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					No PFN data collected					
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					Grade below cutoff					
AK693	222.0	177.20	184.65	7.45	0.327	2.433	No PFN data collected					
AK694	144.0	Hole Abandoned										
AK695	216.0	Grade below cutoff					No PFN data collected					
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	No PFN data collected					
AKC036	225.4	197.55	198.85	1.30	0.141	0.183	No PFN data collected					
AKC036	225.4	202.85	203.80	0.95	0.267	0.254	No PFN data collected					
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					189.40	190.60	1.20	0.081	0.097	
AKC040	229.6	Grade below cutoff					203.90	204.50	0.60	0.140	0.084	
AKC041	219.7						Requires redrill					
AKC042	164.0						Requires redrill					
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	

# QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 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 %U<sub>3</sub>O<sub>8</sub>. Minimum width: 0.5m. Maximum internal dilution: 1.0m. GT= grade x thickness. GT>1m%pU<sub>3</sub>O<sub>8</sub> highlighted.

Hole Details		Gamma					PFN				
Hole ID	T_Depth	From	To	Interval	eU <sub>3</sub> O <sub>8</sub> (%)	GT-eU <sub>3</sub> O <sub>8</sub>	From	To	Interval	pU <sub>3</sub> O <sub>8</sub> (%)	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	0.101					
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.



# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

**ALLIANCE RESOURCES LIMITED**

**ABN**

**38 063 293 336**

Quarter ended ("current quarter")

**31 March 2008**

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 Months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(296)	(937)
(b) development	(1,876)	(5,425)
(c) production	(259)	(665)
(d) administration	(275)	(1,322)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	718	980
1.5 Interest and other costs of finance paid	-	(2)
1.6 Income taxes paid	-	-
1.7 Other (GST paid/recouped)	309	847
<b>Net Operating Cash Flows</b>	<b>(1,679)</b>	<b>(6,524)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(80)	(187)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (Transfer to deposit)	8	(165)
<b>Net investing cash flows</b>	<b>(72)</b>	<b>(352)</b>
1.13 Total operating and investing cash flows (carried forward)	(1,751)	(6,876)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

<b>1.13</b>	<b>Total operating and investing cash flows (brought forward)</b>	<b>(1,751)</b>	<b>(6,876)</b>
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	100	30,500
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Cost of Capital Raising/Prospectus)	-	(1,241)
	<b>Net financing cash flows</b>	<b>100</b>	<b>29,259</b>
	<b>Net (decrease) increase in cash held</b>	<b>(1,651)</b>	<b>22,383</b>
1.20	Cash at beginning of quarter/year to date	<b>29,200</b>	<b>5,166</b>
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>27,549</b>	<b>27,549</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		<b>Current quarter</b>
		<b>\$A'000</b>
1.23	Aggregate amount of payments to the parties included in item 1.2	81
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

*All transactions involving Directors and associates were on normal commercial terms. These payments represent Director fees, Director consulting fees, re-imbursments of expenses and payments in terms of a management service agreement with a Director related entity.*

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	600
4.2 Development	1,600
<b>Total</b>	<b>2,200</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	868	86
5.2 Deposits at call	9,181	11,614
5.3 Bank overdraft	-	-
5.4 Other (provide details) – Term Deposit	17,500	17,500
<b>Total: cash at end of quarter (item 1.22)</b>	<b>27,549</b>	<b>29,200</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (Note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1				
6.2				

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+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	272,851,285	272,851,285		
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	125,000	125,000	\$0.80	Fully Paid
7.5 <b>*Convertible debt securities</b> (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)	(Unlisted Options)		<b>Exercise price</b>	<b>Expiry date</b>
	1,000,000	Unlisted	\$0.20	31 Oct 2008
	325,000	Unlisted	\$0.80	31 Oct 2009
	3,400,000 <sup>(1)</sup>	Unlisted	\$1.60	31 Oct 2010
	3,000,000	Unlisted	\$1.60	31 Oct 2010
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				

**Note:**

(1) – On 7 April 100,000 Employee Options were cancelled on employee resigning

+ See chapter 19 for defined terms.



7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

## Compliance statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~/does not\*~~ *(delete one)* give a true and fair view of the matters disclosed.

Sign here:   
**Company Secretary**

Date: 29 April 2008

Print name: **IAN PAMENSKY**

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedents, which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** the issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.

# ALLIANCE DELIVERS URANIUM EXPLORATION SUCCESS

- Further high-grade uranium intersections from the Four Mile East (FME) deposit, with grades up to 1.59% pU<sub>3</sub>O<sub>8</sub>.
- 8 drill rigs in operation reflecting one of the largest exploration programs currently underway in Australia.
- Initial resource estimate for FME due to be completed in 3Q 2008 due to the large volume of data being received.
- Further encouraging intercepts from Maldon Gold Project (Victoria) as decline development advances.

Alliance Resources Limited (**ASX: AGS**) has received further exploration encouragement on two fronts during the March 2008 Quarter, with ongoing drilling at the **Four Mile Uranium Project** in South Australia delivering outstanding high-grade intercepts and encouraging results received from its 100%-owned **Maldon Gold Project** in Victoria.

The Four Mile Project is continuing to deliver outstanding high-grade intercepts from ongoing resource drilling, with recent intercepts from the Four Mile East (FME) deposit including **4.4m @ 1.59% pU<sub>3</sub>O<sub>8</sub>, 7.1m @ 0.85% pU<sub>3</sub>O<sub>8</sub>, 5.5m @ 1.02% pU<sub>3</sub>O<sub>8</sub>, 4.7m @ 0.75% pU<sub>3</sub>O<sub>8</sub>, 7.3m @ 0.45% pU<sub>3</sub>O<sub>8</sub>, 1.6m @ 1.74% pU<sub>3</sub>O<sub>8</sub>, 3.5m @ 0.69% pU<sub>3</sub>O<sub>8</sub>, and 1.9m @ 1.00% pU<sub>3</sub>O<sub>8</sub>**

“The Four Mile Joint Venture’s 2008 exploration program must rank as one of the largest currently underway anywhere in Australia with up to eight rigs working around the clock at the Four Mile East deposit ahead of an initial mineral resource estimate which is expected to be completed during the third quarter of 2008 due to the large volume of data being generated,” Mr Johnston said.

“Recent results continue to reinforce the quality and scale of this discovery, which is expected to significantly increase the Joint Venture’s current mineral resource inventory of 3.9 million tonnes at 0.37% U<sub>3</sub>O<sub>8</sub> for 15,000 tonnes or 32 million pounds of contained U<sub>3</sub>O<sub>8</sub>, which is solely encompassed within the Four Mile West deposit,” he added.

“The Joint Venture has spent over \$26 million on exploration at the Four Mile Project since its discovery, and the project is continuing to develop as a world-class development opportunity,” Mr Johnston said.

Alliance yesterday announced that the Joint Venture intended to apply for a Mining Lease rather than a Retention Licence as originally contemplated. Because of the outstanding technical results being received from the Project, this means that the Joint Venture will proceed directly to Stage 1 mining rather than first undertaking a Field Leach Trial as originally contemplated in the Concept Evaluation Study released earlier this year.

The Company also reported on the status of development from its 100%-owned Maldon Gold Project, located 30km south west of Bendigo in central Victoria.

The Union Hill decline advanced 269 metres during the Quarter (1,444 metres in total), with 414 metres of decline development remaining. Around 300 metres of strike driving on the Eaglehawk Reef is planned from the decline to produce a bulk sample for processing through Alliance’s Maldon Gold Treatment Plant.

- ENDS -

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## **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 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% U<sub>3</sub>O<sub>8</sub> containing 15,000 tonnes (32 million lbs) of U<sub>3</sub>O<sub>8</sub>. An initial resource estimate for the Four Mile East discovery is expected to be completed during the 3<sup>rd</sup> 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.

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