



15 April 2010

Manager Announcements
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir,

DISPOSAL OF INVESTMENT

The directors of Alkane Resources Ltd are pleased to advise that the Company has raised approximately \$9.7m (less costs) by the sale of its remaining investment in BC Iron Ltd. The funds raised will augment the Company's existing cash balances and will be used to progress its core activities (being the Tomingley Gold Project, the Dubbo Zirconia Project and other New South Wales exploration projects).

Alkane was instrumental in the formation of BCI and has been a strong supporter of their rapid progress towards production. The Company wishes BCI all success in the future.

Yours faithfully,
for **ALKANE RESOURCES LTD**

D I Chalmers
Managing Director