Rule 5.3

Appendix 5B
Mining exploration entity quarterly report

Name of entity

ALKANE RESOURCES LTD

ABN	Quarter ended ("current quarter")
35 000 689 216	30 June 2008

Consolidated statement of cash flows

				Current Quarter $A'000	Year to date (6 Months) $A'000
	Cash flows related to operating activities				
1.1	Receipts from product sales and related debtors			20	35
1.2	Payments for	(a)	exploration and evaluation	(2724)	(4469)
		(b)	development	-	-
		(c)	production	-	-
		(d)	administration	(371)	(643)
1.3	Dividends received			-	-
1.4	Interest and other items of a similar nature received			238	312
1.5	Interest and other costs of finance paid			-	-
1.6	Income taxes paid			-	-
1.7	Other (mine rehabilitation & maintenance)			(32)	(61)
	Other (Commercial Ready Grant)			30	362
	Net operating cash flows			(2839)	(4464)
	Cash flows related to investing activities				
1.8	Payment for purchases of	(a)	prospects	-	-
		(b)	equity investments	-	-
		(c)	other fixed assets	(107)	(211)
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 (Changes in security deposits)			(19)	(23)
	Net investing cash flows			(126)	(234)
1.13	Total operating and investing cash flows (carried forward)			(2965)	(4698)

1.13	Total operating and investing cash flows (brought forward)	(2965)	(4698)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	187	8438
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 (Costs of issues)	(19)	(484)
	Net Financing Cash Flows	168	7954
	Net increase (decrease) in cash held	(2797)	3256
1.20	Cash at beginning of quarter/year to date	12534	6481
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	**Cash at end of quarter**	9737	9737

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

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	278
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Payments to companies associated with directors for:

Directors fees/corporate consulting fees	$78
Administration/accounting fees (paid to entity related to director of subsidiaries)	$38
Geological consulting fees	$162

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

N/A

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

No expenditure on the Miranda/McDonoughs Lookout/Leinster Downs was reported by Jubilee Mines NL. Under the terms of the farm in agreement Jubilee has earned 75% of the joint venture and is proceeding to fund further exploration.

Expenditure on the Orange District Exploration Joint Venture by Newmont Australia Limited totalled $101,493 for the quarter.

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	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outlays for next quarter

		$A'000
4.1	Exploration and evaluation	1500
4.2	Development	-
	TOTAL	1500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.		Current Quarter $A'000	Previous Quarter $A'000
5.1	Cash on hand and at bank	853	839
5.2	Deposits at call	816	997
5.3	Bank overdraft	-	-
5.4	Other * investment securities of 3 months or less	8068	10698
	Total: cash at end of quarter (item 1.22)	9737	12534

Changes in interests in mining tenements

		Tenement Reference	Nature of Interest [note (4)]	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	ELA 3443		100%	0%
6.2	Interests in mining tenements acquired or increased	EL 7139 ELA 3488	Equity on grant of ELA 3441 Application	100% 0%	100% 100%

See tenement schedule for details

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 **Preferences securities** *(description)*				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions				
7.3 **Ordinary securities**	242,422,162	242,422,162		
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks	750,000	750,000	25	25
7.5 **Convertible debt securities** *(description)*				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 **Options**			*Exercise price*	*Expiry date*
Directors-ALKAS	2,000,000	-	25	30/09/2008
Directors-ALKAU	3,000,000	-	30	30/09/2009
Consulants/staff-ALKAW	600,000	-	25	30/09/2008
Consultants/staff-ALKAY	1,400,000	-	30	30/09/2009
7.8 Issued during quarter				
Consultants/staff-ALKAY	200,000	-	30	30/09/2009
7.9 Exercised during quarter				
Directors-ALKAS	500,000	-	25	30/09/2008
Consultants/staff ALKAW	250,000	-	25	30/09/2008
7.10 Expired during quarter *Consultants/staff–ALKAK*	975,000	-	45	29/05/2008
7.11 **Debentures** *(totals only)*				
7.12 **Unsecured notes** *(totals only)*				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law 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: *[signed L A Colless]* ..... Date: 28 July 2008 .....
(~~Director~~/Company Secretary)

Print name: L A COLLESS .....

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 precedent 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 the topic, the Australian standard on that topic (if any) must be complied with.

ITEM 6.1 & 6.2 Schedule of mining tenements –as at 28 July 2008

Prospect	Tenement	Interest	Nature of interest
Peak Hill, NSW	GL 5884 (Act 1904)	100%	Equity
	ML 6036	100%	Equity
	ML 6042	100%	Equity
	ML 6277	100%	Equity
	ML 6310	100%	Equity
	ML 6389	100%	Equity
	ML 6406	100%	Equity
	ML 1351	100%	Equity
	ML 1364	100%	Equity
	MLA 79 Orange	100%	Equity (application)
	ML 1479	100%	Equity
	EL 6319	100%	Equity
Dubbo, NSW	EL 5548	100%	Equity
	MLA 183 Orange	100%	Equity (application)
Orange-Molong, NSW	EL 6025	100%	Equity through subsidiary Newmont earning 51%
Borenore	EL 6091	100%	Equity through subsidiary Newmont earning 51%
Wellington, NSW	EL 6320	100%	Equity
	EL 6700	100%	Equity
Moorilda	EL 5760	100%	Equity through subsidiary Newmont earning 51%
	EL 6111	100%	Equity through subsidiary Newmont earning 51%
Tomingley	EL 5675	100%	Equity
	EL 5830	100%	Equity
	EL 5942	100%	Equity
Wyanga	EL 6085	100%	Equity
	EL 7139	100%	Equity
Cudal	EL 7020	100%	Equity
Bodangora	EL 4022	100%	Equity
Calula	ELA 3488	100%	Equity
Nullagine, WA	EL 46/522	0%	60% retained interest in diamond potential
	EL 46/523	0%	60% retained interest in diamond potential
	EL 46/524	0%	60% retained interest in diamond potential
Miranda Well, WA	M 36/303	25%	Equity - JBM holds 75%
McDonough Lookout, WA	M 36/329 & 330	25%	Equity - JBM holds 75%
Leinster Downs, WA	M 36/622	25%	JBM holds 75%
	P 36/1601-1605	25%	Equity - JBM holds 75%

BCI	BC Iron Limited
JBM	Jubilee Mines NL
Newmont	Newmont Australia Ltd