

Alara Resources Limited A.B.N. 27 122 892 719

Level 14, The Forrest Centre 221 St Georges Terrace Perth Western Australia 6000 Telephone | +61 8 9214 9787 Facsimile | +61 8 9322 1515

> Web | www.alararesources.com Email | info@alararesources.com

Tuesday, 19 April 2011

MARKET ANNOUNCEMENT

Massive Sulphide Copper Mineralisation – Daris Project in Oman

Alara Resources Limited refers to its previous announcement dated <u>16 March 2011</u> informing the commencement of the 2nd phase drilling programme at the Daris East prospect within the Daris Copper Gold Project in Oman.

Earlier on <u>13 December 2010</u>, the Company had reported copper mineralisation in three diamond core holes DEDC001, DEDC002 and DEDC003 at the Daris East prospect. The Company had reported 6.6m at 8.96% copper as copper sulphides from 36.65m including 3.25m at 11.45% from 40m and additionally 3.15m at 2.36% copper as copper sulphides from 45.85m in DEDC002.

The Company is now pleased to confirm completion of four diamond core drill holes in the 2nd phase drilling campaign underway to follow up on the strike extension of the sulphide zone to the west.

Massive sulphide mineralisation intercepts ranging from 2.85m to 7.25m have been intersected in three (DEDC005, DEDC006 and DEDC007) of the four currently completed drill holes confirming the westward continuity of the mineralised zone over 160m and still open to the west.

Summary of the copper assay results for these three drillholes are:

- 7.25m at 4.08% copper as copper sulphides from 49.95m in DEDC005
- 4.4m at 2.02% copper as copper sulphides from 51.6m in DEDC006
- 2.85m at 4.55% copper as copper sulphides from 30.65m in DEDC007

Please refer to Figure 1 (on page 2) for the drill hole locations at the Daris East prospect under the previous and current 2nd phase drilling campaign (to date).

The Company is also pleased to confirm receipt of preliminary VTEM data for which interpretation has been commenced. The Daris East mineralisation is clearly identified on two flight lines. Interpretation and field checking of various other conductors identified in the survey has commenced.



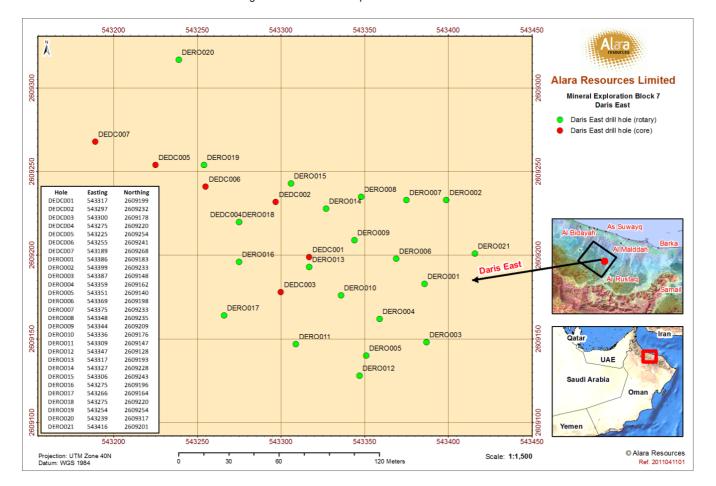


Figure 1: Daris East Prospect Drill Hole Location

Further information:

Shanker Madan Managing Director T | (08) 9214 9787 E | smadan@alararesources.com Victor Ho Company Secretary **T** | (08) 9214 9787

E | vho@alararesources.com

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Mr Hem Shanker Madan who is a Member of The Australian Institute of Mining and Metallurgy. Mr Madan is the Managing Director of Alara Resources Limited. Mr Madan 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 Mineral Resources and Ore Reserves (the JORC Code)." Mr Madan consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.