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30 JUNE 2007 QUARTERLY REPORT

SUMMARY OF ACTIVITIES IN JUNE 2007 QUARTER

3 April 2007 - Alara Uranium Limited lodges its IPO Prospectus seeking to raise up to \$10 million at 25 cents per share.

9 May 2007 – IPO successfully closed with applications received of nearly \$27 million.

18 May 2007 – 40 million shares issued in respect of \$10 million raised under the IPO.

18 May 2007 – Completion of share sale agreements to acquire the uranium assets from Strike Resources Limited (**SRK**) and Orion Equities Limited (**OEQ**) and the issue of a total of 35 million shares to these vendors.

18 May 2007 – Appointment of the current Board.

24 May 2007 – Alara Uranium Limited admitted to the Official List of the Australian Securities Exchange (**ASX**) and commences trading on ASX; AUQ opens at \$0.40 per share.

19 June 2007 – AUQ announces that it has received transfer of 19 concession applications totaling 15,600 hectares in southern Peru, from Strike Resources Peru SAC, at cost – these concessions comprise the Crucero Project, Santa Rosa Project and Coasa Project.

Dated: 31 July 2007

Further information:

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OBJECTIVES FOR SEPTEMBER 2007 QUARTER

Biglyi South Project (Northern Territory)

- (a) Complete 7,076 line kilometres of airborne magnetic and radiometric survey;
- (b) Identify uranium anomalies from the airborne survey and recently completed geological mapping;
- (c) Seek approvals to conduct ground radiometric surveys;
- (d) Define drilling targets for uranium mineralisation.

Mt James Project (Western Australia)

- (a) Complete 2,616 line kilometres of airborne geophysical survey;
- (b) Identify uranium anomalies from the airborne survey;
- (c) Conduct a field reconnaissance survey, comprising ground traversing radiometric anomalies with a spectrometer and collection of samples;
- (d) Define drilling targets for uranium mineralisation.

Mt Lawrence Wells Project (Western Australia)

- (a) Conduct a field reconnaissance survey, comprising ground traversing photogeological anomalies and palaeochannel anomalies with a spectrometer and collection of samples;
- (b) Define drilling targets for uranium mineralisation.
- (c) Conduct ~2,000 metres of scout drilling;

Canning Well (Western Australia)

- (a) Conduct a detailed review of past data, including scanning aerial geophysical data to locate historic radiometric anomalies;
- (b) Design ground radiometric surveys to define targets for uranium mineralisation in the area;
- (c) Conduct a field reconnaissance survey.

Pampacolca Project, Crucero Project, Santa Rosa Project and Coasa Project (Peru)

- (a) Conduct geological mapping;
- (b) Conduct airborne geophysical survey (Coasa);
- (c) Conduct ground geophysical surveys;
- (d) Conduct channel sampling;
- (e) Carry out ~1,000 metres RAB drilling (Crucero).

Other Projects

Alara continues to evaluate other prospective uranium mineral resources in Peru, Australia and other regions.

Loyalty Options

Completion of 3 for 4 loyalty options issue

ASX Code | **AUQ**





COMPANY PROFILE

Alara Uranium Limited (ASX Code: AUQ) successfully completed a \$10 million IPO capital raising on 9 May 2007 (by the issue of 40 million shares at \$0.25 per share) and commenced trading on the Australian Securities Exchange (**ASX**) on 24 May 2007.

Alara Uranium Limited is an Australian based mineral exploration and development company with a prospective portfolio of uranium exploration projects in Australia (Northern Territory and Western Australia) and Peru:

PROJECTS	LOCATION	AREA (HECTARES)
(1) Bigryli South	Northern Territory	166,565
(2) Mt James	Gascoyne, Western Australia	41,100
(3) Mt Lawrence Wells	East Murchison, Western Australia	9,400
(4) Canning Well	Pilbara, Western Australia	26,400
(5) Pampacolca	Peru	2,700
(6) Crucero Project	Peru	2,600
(7) Santa Rosa Project	Peru	4,400
(8) Coasa Project	Peru	9,600

The Australian uranium tenements occur in the geologically prospective Ngalia Basin in the Northern Territory and in the Gascoyne, East Pilbara and Murchison regions of Western Australia. The tenements cover areas previously identified with largely untested radiometric anomalies or are located in close proximity to uranium anomalies and/or uranium occurrences.

The Peruvian concessions represent uranium mineralisation targets delineated through work conducted by the Peruvian Institute of Nuclear Energy (**IPEN**) and others over the past 20 years in a highly prospective region in southern Peru where uranium mineralisation is known to occur. The Company's Peruvian geological team comprises 4 geologists led by a former exploration manager of IPEN.

Peru is a major mining country and a top five producer of several base and precious metals, including copper and gold. Alara's confidence in Peru's mining and contractual laws is supported by the presence in the country of some of the world's leading mining companies. Although the country has had a long history of mining, its mineral potential is still considered outstanding as mineral discoveries continue to be made.

The Alara Board comprises members with extensive experience in the resources sector, including Chairman, Dr John Stephenson, previously Exploration Director for Rio Tinto Australasia with more than 35 years experience in mineral exploration, and Managing Director, Mr H. Shanker Madan, an experienced senior geologist with more than 30 years of world-wide experience in the exploration and evaluation of mineral deposits for various commodities.

Alara continues to investigate prospective uranium mineral resources in Peru, Australia and other regions. This includes applying for mineral concessions, entering into joint ventures and taking options over and acquiring concessions.

Alara currently has the following securities on issue:

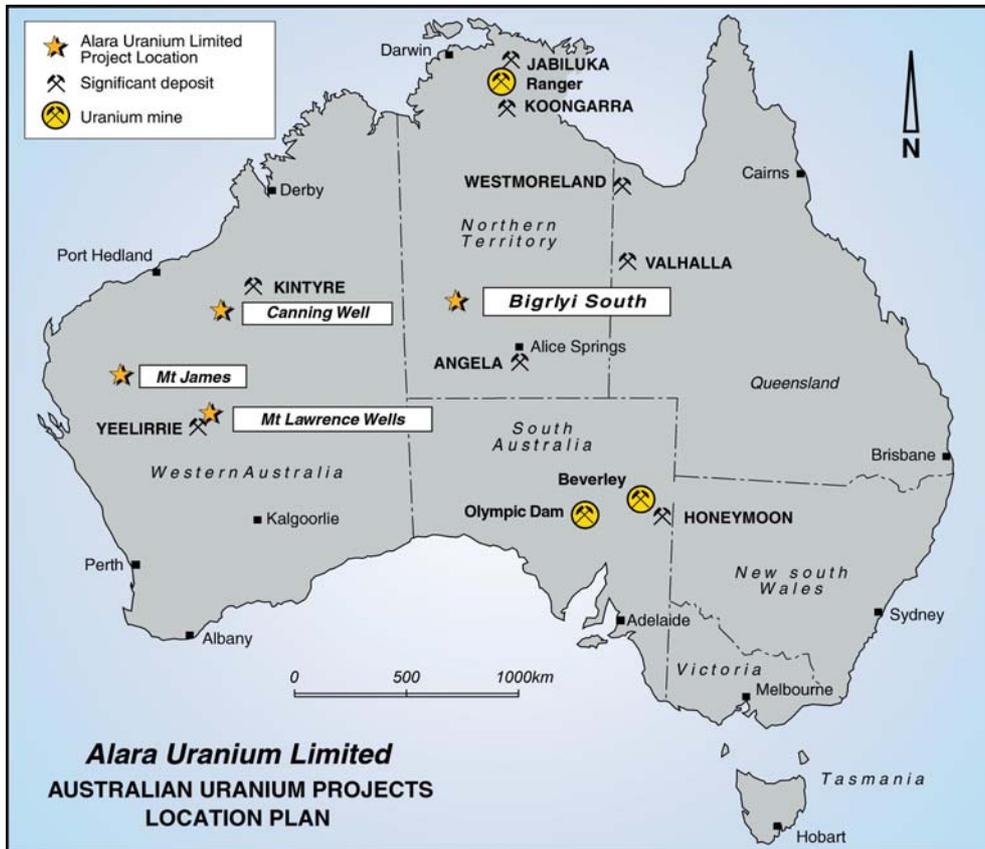
	To be Quoted	Subject to Escrow	Total
Fully paid ordinary shares	40,275,000	40,225,000 ¹	80,500,000
\$0.55 (27 July 2012) Directors' Options	-	18,550,000	18,550,000
\$0.55 (27 July 2012) Employees' Options	-	1,425,000	1,425,000

1 Refer to the Securities Information section of this report for details of restricted securities.

PROJECT LOCATION

AUSTRALIAN PROJECTS

Alara's Australian uranium tenements in the Northern Territory and Western Australia are shown on the map below.



PROJECT LOCATION

PERUVIAN PROJECTS

Alara's uranium project areas in Peru are shown on the map below.

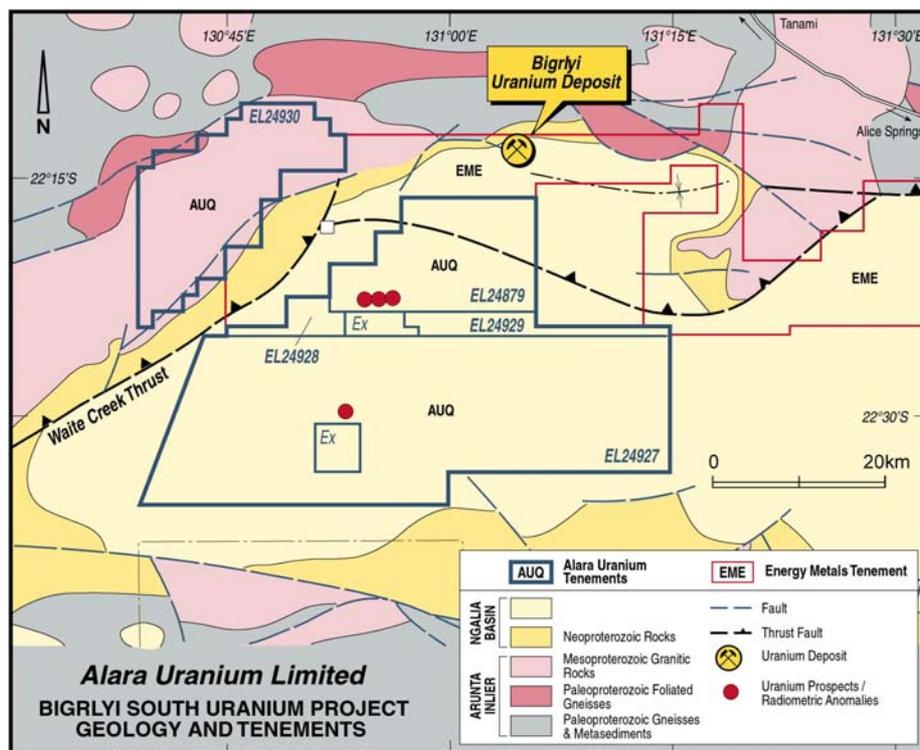


COMPANY PROJECTS

2. BIGRLYI SOUTH (NORTHERN TERRITORY)

Alara has a 100% interest in 5 exploration tenements located principally in the northern part of the Ngalia Basin in the Northern Territory (located approximately 390 kilometres north-west of Alice Springs). These tenements, having a total area of approximately 1,666 square kilometres, are adjacent to tenements surrounding the Bigrlyi Uranium Deposit (held by Energy Metals Limited – ASX Code: “EME”) which has a stated JORC Indicated and Inferred resource of 14.3 million pounds of U_3O_8 at a cut-off grade of 0.05% kilogramme/tonne².

In particular, Alara’s key NT uranium tenement (EL 24879) lies approximately 5 kilometres south of EME’s Bigrlyi uranium deposit and ELA 24927, EL 24928 and EL 24929 also surround a number of EME’s stated strategic uranium tenements in the Ngalia Basin (refer map below).



Alara’s initial examination of the geology of EL 24879, lying immediately south of EME’s tenement, indicates that it may contain a similar geological environment as that hosting the Bigrlyi Uranium Deposit and therefore has the greatest potential to host economic uranium mineralisation. The Bigrlyi Uranium Deposit occurs in arkosic sandstones in the lower part of the late Devonian-late Carboniferous Mt Eclipse Sandstone which is host to 20 regional uranium prospects and radiometric anomalies, principally along the northern margin of the Ngalia basin.

The Bigrlyi Uranium Deposit is regarded as a typical “modified roll-front deposit” where uranium-bearing oxidizing fluids meet with reducing conditions in layers of predominantly carbonaceous matter in a permeable formation. The uranium bearing fluids are believed to have flowed from north to south at the time of formation of the Bigrlyi deposit and other prospects in the area. The regional geological setting indicates that these uraniumiferous fluids probably originated from granites of the underlying Arunta complex and migrated southwards. Here, reaction with the reductant lithologies led to the precipitation of uranium mineralisation in the rocks of the Mount Eclipse Sandstone.



COMPANY PROJECTS

Alara considers that this regional uranium-bearing formation continues into the above-mentioned EL 24879. However, all tenements which contain the lower Mt Eclipse Sandstone can be regarded as prospective for economic uranium mineralisation.

In particular, the twin conditions of a pre-existing north to south flow regime (with EL 24879 lying in the path of the movement of these fluids and to the south) and the nature of permeable strata interlayered with carbonaceous matter may occur in EL 24879. Further, low angle thrust faults are postulated as additional primary fluid conduits into the Mt Eclipse Sandstone. These lines of evidence support the view that EL 24879 has potential to host economic uranium mineralisation. Three radiometric anomalies are known to occur along the southern margin of the tenement. Alara's geologists believe that the known thrust fault and fold hinges located within the tenement offer additional prospectivity for the discovery of uranium mineralisation.

All tenements, other than EL 24927 in the Bigryli South Project, are situated on the Mount Doreen Perpetual Pastoral Lease. EL 24927 is situated to the south of these licences on Aboriginal Freehold land which is registered to the Yunkanjini Aboriginal Land Trust (**YALT**). Access to this tenement will be negotiated with YALT.

However, the most prospective tenements, EL 24879 with the three known radiometric anomalies, and EL 24928 and EL 24929 covering the Mt Eclipse Sandstone, are located on the Mount Doreen Pastoral Lease.

Alara will focus its initial exploration effort on the known radiometric anomalies and the tenement in which these are located. This tenement, EL 24879, is also the closest to the Bigryli Uranium Deposit and is host to the Yuendumu Thrust fault. Alara will conduct new aerial and ground radiometric surveys designed to locate further anomalies in this and the other adjoining tenements.

During the quarter, a field reconnaissance survey was conducted, comprising ground traversing regional radiometric anomalies with a spectrometer and collection of rock samples.

Alara has contracted GPX Airborne to conduct 7,076 line kilometres of airborne magnetic and radiometric surveying over the granted Bigryli South Project tenements. The purpose of the survey is to identify uranium anomalies from the radiometric data and detailed structures from the magnetic data. The location of these structures is important as they may have provided a pathway for mineralising fluids from the uranium-enriched pegmatitic granite basement rocks. The detailed survey will be flown at 100 metre line spacings in a north-south direction and will cover the entire area of EL2479, EL24928, EL24929 and EL24930. The data will be interpreted to define potential drilling targets for uranium mineralisation.

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- (a) Complete 7,076 line kilometres of airborne magnetic and radiometric survey;
- (b) Identify uranium anomalies from the airborne survey and recently completed geological mapping;
- (c) Seek approvals to conduct ground radiometric surveys;
- (d) Define drilling targets for uranium mineralisation.

COMPANY PROJECTS

3. MT JAMES (GASCOYNE, WESTERN AUSTRALIA)

Granted tenements EL 09/1253 and EL 09/1245 cover ground previously explored by AGIP Nucleare (Australia) Pty Ltd (**AGIP**), (a subsidiary of Italian multi-national energy group ENI) where 0.14% U (equivalent to 0.17% U_3O_8) as uraninite in a diamond drill hole was discovered by AGIP in the 1970s.

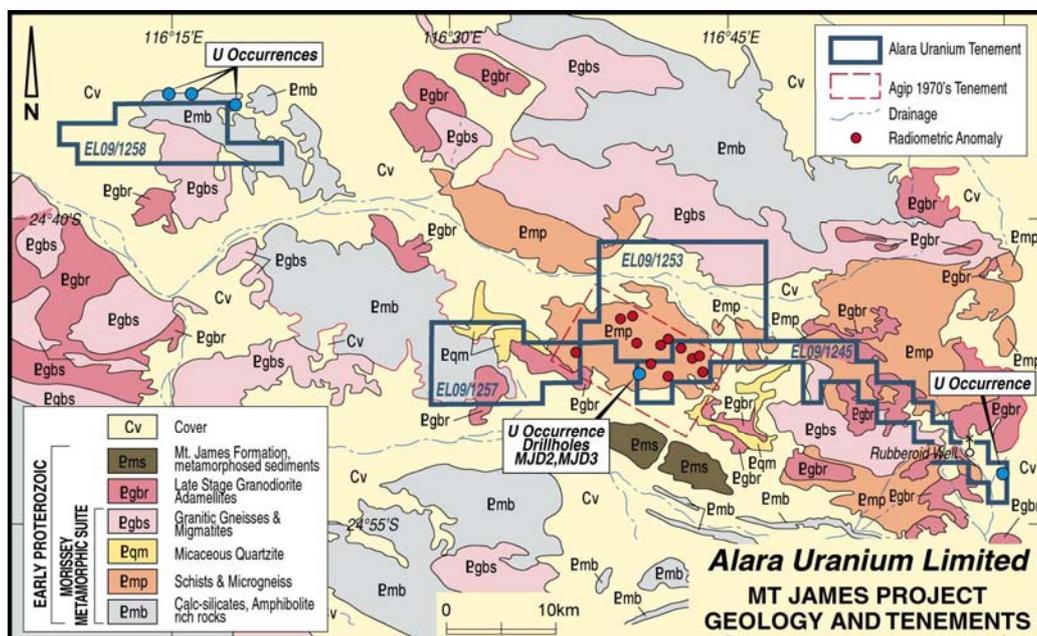
Alara notes that AGIP conducted significant exploration activity for uranium in the Gascoyne region in the 1970s. This exploration included an airborne radiometric survey which identified a number of radiometric anomalies leading to drilling of a number of those anomalies.

Temporary Reserve TR 5963H was applied for by AGIP and appears to have been the main focus of AGIP's exploration activities in the Gascoyne region during the 1970s. Alara has secured rights to a large portion of the area previously comprising TR 5963H, including areas where AGIP conducted trenching and drilling for uranium. AGIP's reports show that it intersected carnotite mineralisation in shallow trenches and up to 1400 ppm U over 0.2m from 69.45 metres in hole MJD3 (0.14% U or 0.17% U_3O_8) as uraninite in a diamond drill hole in EL 09/1245. Low grade uraninite mineralisation was also intersected in percussion drill holes nearby.

A summary of the diamond drilling results in two of the better holes referred to above are as follows:

Hole	From (m)	To (m)	U ppm	%U	Equivalent of % U_3O_8
MJD 3	69.10	69.25	100	0.0100%	0.0118%
MJD 3	69.25	69.45	520	0.0520%	0.0613%
MJD 3	69.45	69.65	1,450	0.1450%	0.1709%
MJD 3	69.65	70.00	24	0.0024%	0.0028%
MJD 3	89.30	89.50	105	0.0105%	0.0124%
MJD 3	90.60	90.80	260	0.0260%	0.0306%
MJD 3	91.80	92.10	430	0.0430%	0.0507%
MJD 2	108.30	108.60	10	0.0010%	0.0012%
MJD 2	108.60	108.90	1,200	0.1200%	0.1414%
MJD 2	108.90	109.25	75	0.0075%	0.0088%
MJD 2	109.25	109.55	220	0.0220%	0.0259%
MJD 2	109.55	109.90	140	0.0140%	0.0165%

Note: 32.5 (ppm) U = Equivalent 38.3 (ppm) U_3O_8





COMPANY PROJECTS

The presence of primary uraninite mineralisation in drill holes in this area (coupled with untested anomalies and with a broader pattern of a large number of uranium occurrences in the duricrust in the district) demonstrates the potential of Alara's interest in EL 09/1253 and EL 09/1245. These two tenements are considered prospective for vein type high-grade mineralisation associated with pegmatites in granitic rocks as well as carnotite mineralisation at shallow depth in the duricrust.

Available records show that AGIP investigated only a few of the identified radiometric anomalies. Alara's initial investigations reveal that in the Mt James EL 09/1253 tenement alone, eight significant radiometric anomalies remain untested.

Alara believes that on the basis of previously encountered uranium mineralisation (including carnotite at shallow depth and uraninite at depth) and identified radiometric anomalies, that these tenements offer potential for both near surface secondary mineralisation in the saprolite zone as well as deeper primary vein-type mineralisation in pegmatite zones at depth.

Alara's other tenement interests in the area, EL 09/1257 and EL 09/1258 in the Injinu Hills and the Mortimer Hills areas, southwest and west respectively from EL 09/1253 and EL 09/1245 are covered with large areas of duricrust and known to host near surface uranium mineralisation as carnotite within adjacent ground. No detailed follow-up work was done in these areas.

Alara will explore for uranium using detailed structural analysis coupled with radiometric surveys. The initial focus will be around known drill intersections that encountered uranium mineralisation and the untested anomalies identified by AGIP. In addition to testing for primary mineralisation at depth, Alara will also review the potential for mineable deposits of carnotite at shallow depths in the deeply weathered saprolite zone in the duricrust.

Fugro Airborne Surveys has been contracted to conduct 2,616 line kilometres (at 100 metre line spacings) of airborne geophysical surveying over prospective parts of the granted Mt James Project tenements. The purpose of the survey is to identify uranium anomalies from the radiometric data and detailed structures from the magnetic data. The data will be interpreted to define potential drill targets for uranium mineralisation.

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- (a) Complete 2,616 line kilometres of an airborne geophysical survey;
- (b) Identify uranium anomalies from the airborne survey;
- (c) Conduct a field reconnaissance survey, comprising ground traversing radiometric anomalies (identified from image and radiometric interpretation) with a spectrometer and collection of samples;
- (d) Define drilling targets for uranium mineralisation.

COMPANY PROJECTS

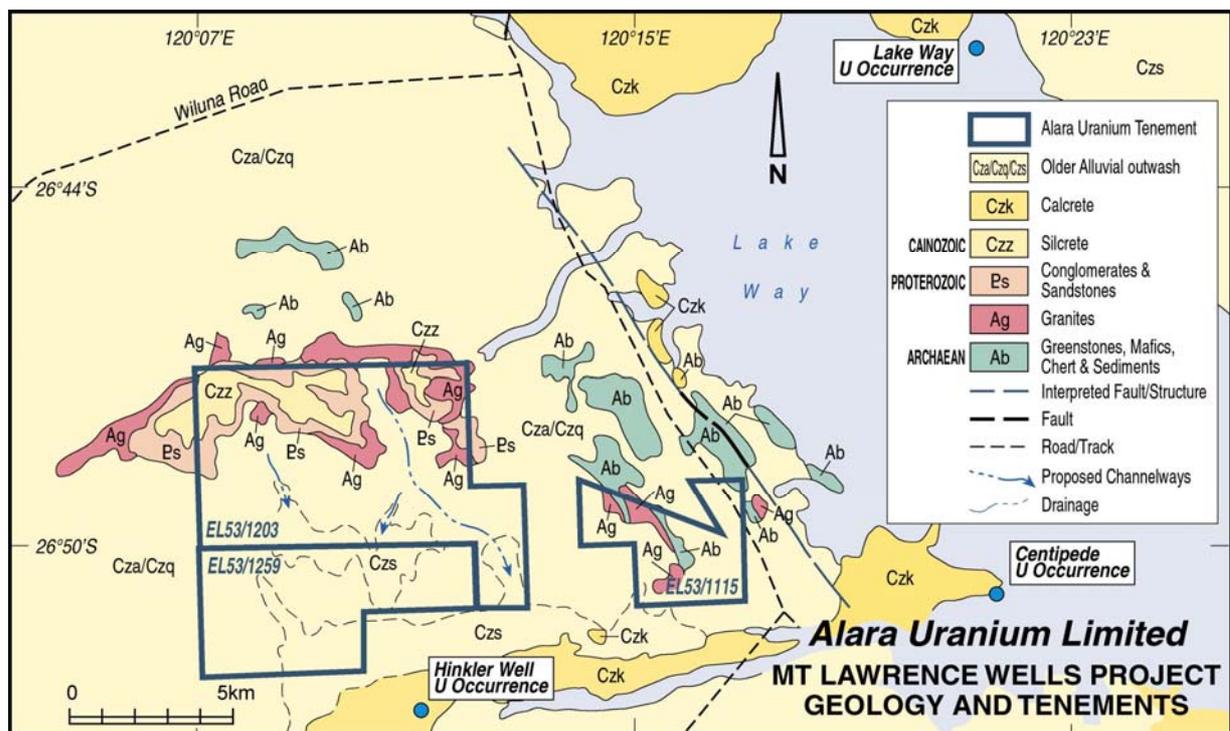
4. MT LAWRENCE WELLS (EAST MURCHISON, WESTERN AUSTRALIA)

The project area is located immediately north of the Hinkler Well tenements of ASX listed U3O8 Limited where U3O8 Limited has recently announced uranium mineralisation in calcrete extending for approximately 20 kilometres. The mineralisation extends along an east-west palaeo channel. Part of this calcrete channel and also the source of the gravels that cover the northern extent of the channel extend into Alara's tenements.

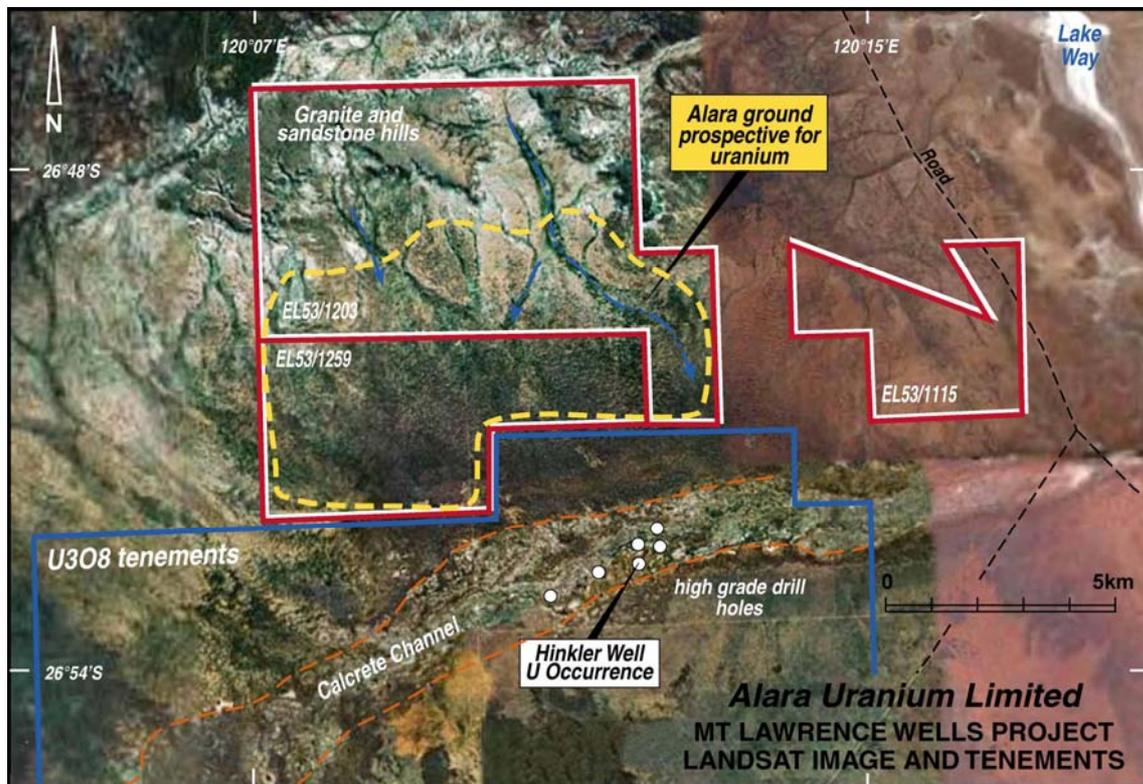
Alara's exploration licences are located 25 kilometres south of Wiluna and north of a palaeo drainage that hosts the Hinkler Well, Centipede and Millipede uranium prospects.

Alara believes the granite and the Proterozoic sandstone hills that drain into the Hinkler Well palaeo channel situated in EL 53/1203 and ELA 53/1259, are the source for uranium mineralisation in the Hinkler Well deposit.

Alara owns 100% of two contiguous tenements north of the Hinkler Well deposit (EL 53/1203 and ELA 53/1259) and has an 85% interest in another (EL 53/1115).



COMPANY PROJECTS



The alluvial wash discharging into the palaeo drainage extends upstream into the Dawsons Well and Mt Wilkinson tenements for several kilometres. The nearby Lake Way uranium prospect consisting of carnotite as coatings and in bedding plane partings of rock fragments in alluvial gravels contains a JORC Inferred Mineral Resource of 8.51 million tonnes at 0.054% U_3O_8 or 4,600 tonnes of contained U_3O_8 .³

The main focus will be to determine whether the Hinkler Well-type mineralisation extends up stream from the palaeo drainage into the hills in EL53/1115, EL53/1203 and EL53/1259. Ground radiometric surveys, followed by shallow trenching, and RAB drilling of any anomalies will be carried out.

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- (a) Conduct a field reconnaissance survey, comprising ground traversing photogeological anomalies and palaeochannel anomalies with a spectrometer and collection of samples;
- (b) Define drilling targets for uranium mineralisation;
- (c) Conduct ~2,000 metres of scout drilling.

3 Nova Energy Limited (NEL) Market Announcement "JORC Compliant Inferred Resource Upgraded to 9,000 U_3O_8 " dated 23 March 2006

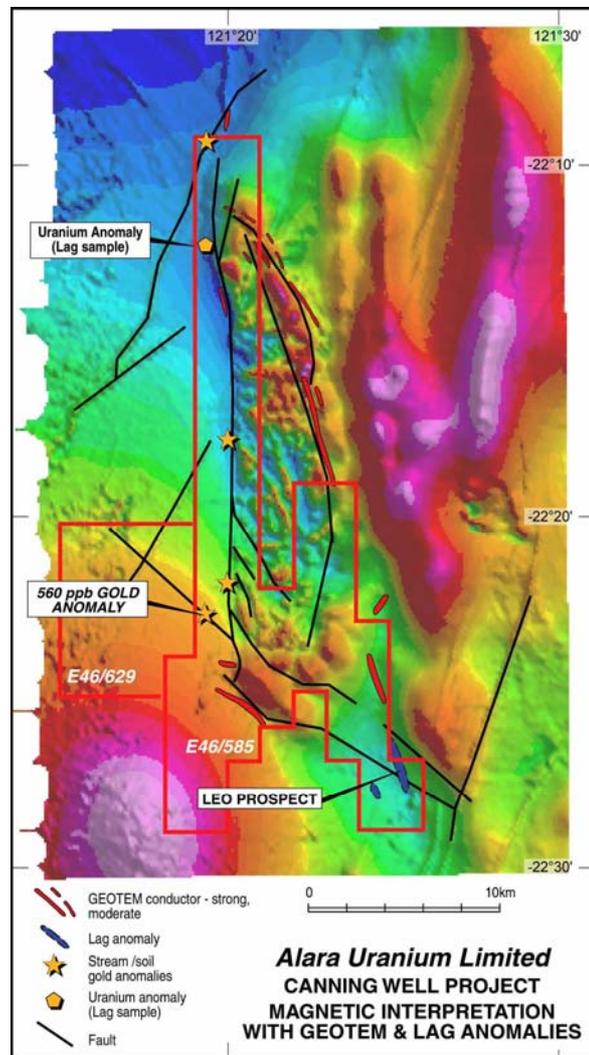
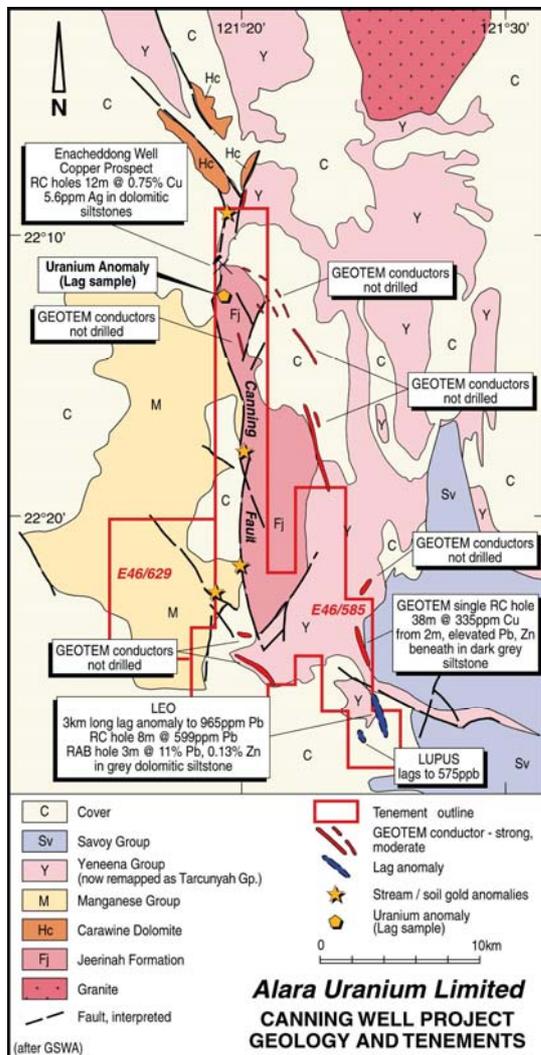
COMPANY PROJECTS

5. CANNING WELL (PILBARA, WESTERN AUSTRALIA)

Alara has a 100% interest in granted Canning Well Exploration Licence EL 46/629 and a right to earn an 85% interest in Little Sandy Desert Exploration Licence application ELA 46/585 (excluding manganese mineral rights which are retained by Giralia Resources NL) in the East Pilbara region.

Alara's initial due diligence has indicated that uranium anomalies of up to 11 times the background were recorded in the project area in lag samples by previous explorers but were never followed up.

The project area is located approximately 80 kilometres west of the Kintyre uranium deposit and covers approximately 20 kilometres of the Canning Fault and associated splay and intersecting faults which bring together rocks of the Archaean Fortescue Group in juxtaposition with Proterozoic rocks of the Manganese Groups, the Tacunyah Group, the Yeneena Supergroup and the Savory Group.





COMPANY PROJECTS

Several major unconformities including Archaean to Proterozoic and within the Proterozoic rocks occur in close physical proximity to each other. The sandy facies of the Proterozoic rocks, which are wide-spread have been previously explored for copper and unconformity-type uranium mineralisation in the area of these two tenements.

Factors including significant uranium anomalies, the nature of unconformities in the Middle Proterozoic, the presence of sandy and carbonaceous rocks, suitable source basement rocks and the presence of regional faults are favourable for unconformity-type uranium mineralisation.

It is proposed to conduct a detailed review of the past data. Detailed geological and systematic geochemical sampling in and around the known gold and other stream sediment arsenic anomalies will aim to define drill targets for gold in the area.

The aerial geophysical data will be scanned for radiometric anomalies and where justified, detailed ground radiometric surveys will be designed to define targets for uranium mineralisation in the area. Prior to drilling, geological and structural mapping, further geochemical sampling and ground magnetic surveys will also be conducted around the GEOTEM targets. Targets thus defined for gold and uranium will then be tested by drilling in Phase 1 of exploration in the area.

Widely-spaced grid drilling in areas of any economic grade drill intercepts will be undertaken to define and quantify a potential resource during the second phase of the exploration programme.

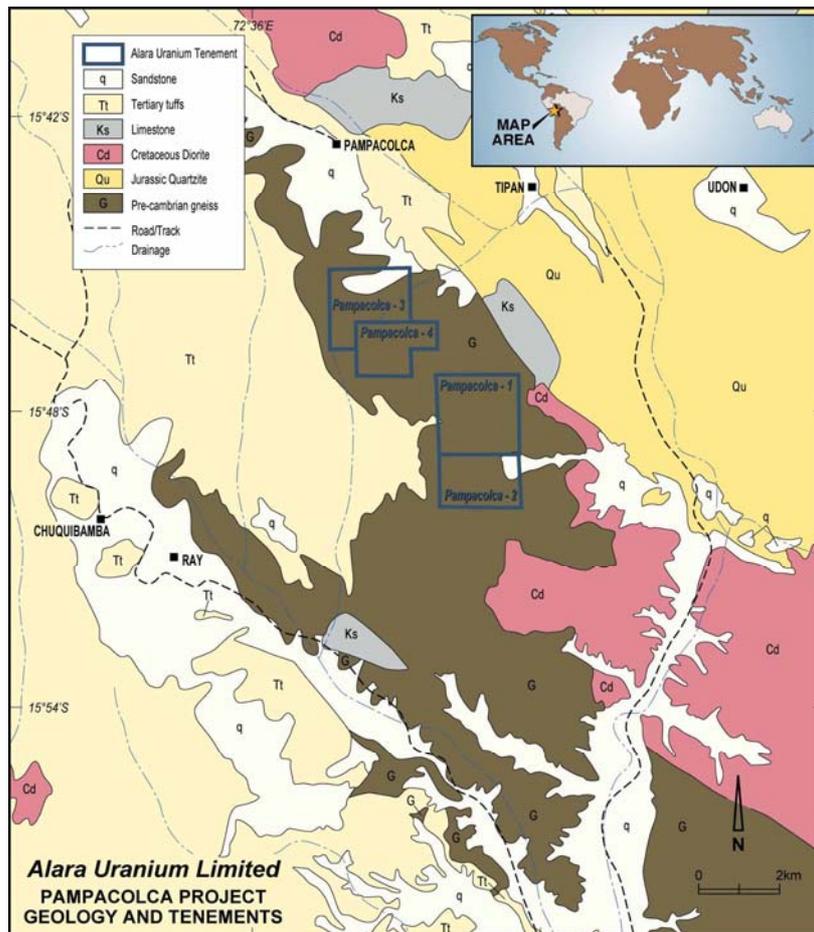
The proposed exploration programme for the July to September 2007 quarter, pending the grant of ELA 46/585, is outlined below:

- (a) Conduct a detailed review of past data, including scanning aerial geophysical data to locate historic radiometric anomalies;
- (b) Design ground radiometric surveys to define targets for uranium mineralisation in the area;
- (c) Conduct a field reconnaissance survey.

COMPANY PROJECTS

6. PAMPACOLCA PROJECT (PERU)

The Pampacolca Project comprises 4 concession applications covering an area of approximately 2,700 hectares. The concessions are situated approximately 4 to 12 kilometres south of the town of Pampacolca, which is located approximately 136 kilometres north-west of the city of Arequipa in southern Peru.



The Pampacolca 1 and 2 concessions cover at least six known structurally controlled occurrences of uranium, tantalum and rare earths in pegmatite veins in quartz-muscovite-feldspar schist. These occurrences lie within Precambrian gneissic terrain with known tantalum mineralisation. Reported historical work by a Canadian company returned 0.13% to 0.29% Uranium Oxide (U_3O_8) and up to 10.36% Tantalum – Niobium in 8 out of 15 surface rock chip samples.

The main economic mineralisation described in the area comprises columbite/tantalite associated with quartz and manganese oxides and uraninite and pitchblende hosted in quartz and micas.

Alara will focus its initial exploration effort on historical/reported uranium occurrences. This includes detailed geological mapping and sampling of the main uranium occurrences. Subject to these results, drilling will be carried out to further define areas of uranium mineralisation.

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- Regional mapping of the basement complex;
- Ground geophysical surveys;
- Channel sampling of the pegmatite zones.



COMPANY PROJECTS

7. MACUSANI DISTRICT PROJECTS (PERU)

Alara is targeting uranium mineralisation in three different geological environments in the Macusani district, southern Peru. This region is well known for hosting many uranium occurrences.

Geochemical sampling previously conducted by the Peruvian Institute of Nuclear Energy (**IPEN**) in the three geological environments within which these projects are located has shown anomalous uranium occurrences leading the Company to believe that there is high potential for the discovery of uranium deposits within the Project areas.

The initial focus of Alara will be to conduct geochemical sampling and ground radiometric surveys to delineate drill targets.

7.1 CRUCERO PROJECT

The Crucero Project comprises 3 concessions covering an area of 2,600 hectares. The concessions are located 45 kilometres south-east of the town of Crucero

Alara is targeting uranium mineralisation hosted by rhyolitic ignimbrites and ash flows of the Picotani Formation of Miocene-Pliocene age. This formation hosts several known occurrences of uranium in the Macusani east district.

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- (a) Conduct ~1,000 metres of RAB drilling;
- (b) Regional mapping;
- (c) Ground geophysical surveys.

7.2 SANTA ROSA PROJECT

The Santa Rosa Project comprises 6 concessions covering an area of 4,400 hectares. The concessions are located between 2 to 5 kilometres north and west of the town of Santa Rosa, in the Macusani west district.

Rhyolitic lava flows of the Permian Mitu Group lie adjacent to an unconformity with Ordovician schist. The lavas are the main targets for uranium mineralisation. Large geochemical anomalies of over 200 ppm uranium have been reported by IPEN from chip samples adjacent to the unconformity in the region. The precise location of the geochemical anomalies and whether these occur in the Santa Rosa Project concessions is yet to be confirmed.

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- (a) Regional mapping;
- (b) Ground geophysical surveys;
- (c) Channel sampling.



COMPANY PROJECTS

7.3 COASA PROJECT

The Coasa Project comprises 11 concessions covering an area of 9,600 hectares. The concessions are centred on the town of Coasa, located in the Macusani east district.

The target is veins and dykes in the Permian age Coasa Granite associated with the Hercinian tectonic event of southern Peru, where it is well exposed. Silt and rock geochemical samples from the Coasa Granite have reportedly returned uranium values of over 100 ppm.

The proposed exploration programme for the July to September 2007 quarter is outlined below:

- (a) Conduct airborne geophysical survey to identify uranium anomalies;
- (b) Regional mapping;
- (c) Detailed ground geophysical surveys;
- (d) Channel sampling.

19 of the 20 concessions comprising the four projects were applied for originally by Strike Peru SAC (the Peruvian subsidiary of Strike Resources Limited) through the services of a local Peruvian geologist, who has since joined Alara's Peruvian subsidiary, Alara Peru SAC, as a Senior Geologist. One concession was applied by Alara Peru SAC directly.

Pursuant to the terms of transfer of these 19 concessions from Strike Peru to Alara Peru⁴, Alara Peru has agreed to meet the expenses associated with the lodging of the concession applications and has agreed to grant, as a finders fee to the Peruvian geologist who identified these areas as prospective for uranium, a 15% interest in the Crucero concessions and a 10% interest in the remaining concessions, free-carried to final feasibility stage.

The information in this report 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 the Company. 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 report of the matters based on his information in the form and context in which it appears.

⁴ Pursuant to the "Strike Uranium Sale Agreement" and "Peru Sale Agreement" (referred to in Alara's IPO Prospectus dated 3 April 2007) between Strike Resources Limited (**Strike**) and the Company, whereby as part of the IPO of the Company, Strike had agreed to transfer and assign any interests it may secure in uranium tenements or projects worldwide to the Company at cost.



CORPORATE

1. COMPLETION OF IPO AND AGREEMENTS

The Company's IPO Prospectus dated 3 April 2007 (**Prospectus**) successfully closed on 9 May 2007 with applications received of nearly \$27 million, well in excess of the maximum issue of \$10 million.

40 million shares (at \$0.25 each raising \$10 million gross) were allotted to applicants on 18 May 2007.

Alara Uranium Limited was admitted to the Official List of the Australian Securities Exchange (**ASX**) and AUQ shares commenced trading on ASX on 24 May 2007.

The share sale agreements to acquire uranium assets from Strike Resources Limited (**SRK**) and Orion Equities Limited (**OEQ**) were completed on 18 May 2007 with 35 million shares issued to these vendors.

18,750,000 shares were issued to SRK as consideration for the acquisition of Strike Uranium Pty Ltd (now known as Alara Operations Pty Ltd) and Strike Uranium Peru Pty Ltd (now known as Alara Peru Operations Pty Ltd); Alara Peru Operations Pty Ltd has a Peruvian subsidiary, Alara Peru S.A.C (formerly Strike Uranium Peru S.A.C). These shares are subject to escrow for 24 months from the date of official quotation of Alara's shares on ASX.

6,250,000 shares were issued to OEQ as consideration for the acquisition of Hume Mining NL. These shares are subject to escrow for 24 months from the date of official quotation of Alara's shares on ASX.

2. SUMMARY OF SHARE CAPITAL CHANGES

		% of Issued Capital
Existing shares (at incorporation)	5,500,000	6.8%
Issue to Strike under Strike Uranium Agreement ⁵	18,750,000	35.7%
Issue to Strike under Peru Sale Agreement ⁶	10,000,000	19.9%
Issue to Orion under Hume Sale Agreement ⁷	6,250,000	7.8%
Shares issued under the IPO:		
Strike Priority Pool to Eligible Strike Shareholders ⁸	22,000,000	27.3%
Orion Priority Pool ⁹	2,000,000	2.5%
Public Offer pool	16,000,000	19.9%
Total Shares	80,500,000	100.00%

5 The share sale agreement between Alara and Strike dated 19 March 2007 for Alara to acquire Strike Uranium Pty Ltd (now known as Alara Operations Pty Ltd), referred to section 16.1 of the Alara Prospectus.

6 The share sale agreement between Alara and Strike dated 20 March 2007 for Alara to acquire Strike Uranium Peru Pty Ltd (now known as Alara Peru Operations Pty Ltd), referred to section 16.3 of the Alara Prospectus.

7 The share sale agreement between Alara and Orion dated 19 March 2007 for Alara to acquire Hume Mining NL, referred to section 16.2 of the Alara Prospectus.

8 Strike shareholders holding 5,000 or more SRK shares as at 6 March 2007.

9 Orion.



CORPORATE

Strike's Distribution Of Alara Shares *In Specie*

Strike Resources Limited (**Strike**) has agreed to undertake an *in-specie* distribution of up to 16,000,000 shares in Alara held by Strike (the ***In-Specie Distribution***) to Strike shareholders at a time to be nominated by the Strike board but being not more than 6 months after the Alara shares commence quotation on the ASX, subject to the ASX granting a waiver for such dealing of escrowed shares, all regulatory and shareholder approvals and consideration by Strike of the tax consequences arising therein.

As at the date of this report, the Strike Board has advised that it has not yet determined the timetable for the *In-Specie* Distribution.

Strike's current 28.75 million Alara shares are currently escrowed for 24 months from the date of official quotation of Alara's shares on ASX.

ASX has advised Alara that the *In-Specie* Distribution received by Strike shareholders (other than the related parties and promoters of Alara, Strike or any of their associates) will cease to be subject to restriction after the despatch of holding statements to Strike shareholders.

Alara has undertaken to enter into restriction agreements (for an escrow period of 24 months from the date of official quotation of the securities of Alara on ASX) in relation to any securities of Alara issued or distributed to related parties and promoters of Alara, Strike or any of their associates, under the proposed Strike *In-Specie* Distribution.

3. 3 FOR 4 RIGHTS ISSUE OF OPTIONS POST LISTING

As set out in Alara's IPO Prospectus:

- (a) All shareholders registered on the share register of the Company at the relevant options record date will be entitled to participate in a proposed non-renounceable rights issue of options on the basis of 3 options for every 4 shares then held (**Options Offer**).
- (b) The options are to be issued at one (1) cent each with an exercise price of 25 cents and an expiry date of 30 June 2009. The Company will apply for the options to be quoted on ASX.
- (c) The terms and conditions of the options to be issued pursuant to the rights issue are set out in Section 18.2 of Alara's Prospectus.

A prospectus for the rights issue of options will be issued when the options are offered. Shareholders registered at the options record date and who wish to subscribe for options will need to complete the application form that will accompany and form part of the prospectus at that time.



CORPORATE

4. GENERAL MEETING ON 27 JULY 2007

Shareholders approved all resolutions at a general meeting held on 27 July 2007 to consider the following matters:

- (i) Approval for the issue of 1,425,000 options to five employees of the Company. Each option will entitle an employee to subscribe for one ordinary share in the Company at an exercise price equal to the greater of \$0.55 or 150% of the volume weighted average price (**VWAP**) of the Company's shares on ASX in the 5 trading days leading up to (and excluding) the issue date (rounded down to the nearest whole cent); each option is exercisable at any time on or before 5 years from the date of issue (subject to one-third of the options vesting at 6, 12 and 18 months after the date of issue). These options were granted on 27 July 2007 with an exercise price of \$0.55 each.
- (ii) Approval for the Company to enter in directors' deed with the three directors of the Company. These deeds were executed on 27 July 2007.
- (iii) Approval for the issue of 18,550,000 options to the three directors of the Company. Each option will entitle a director to subscribe for one ordinary share in the Company at an exercise price equal to the greater of \$0.55 or 150% of the VWAP of the Company's shares on ASX in the 5 trading days leading up to (and excluding) the issue date (rounded down to the nearest whole cent); each option is exercisable at any time on or before 5 years from the date of issue (subject to one-half of the options vesting at 12 months after the date of issue). These options were granted on 27 July 2007 with an exercise price of \$0.55 each.
- (iv) Approval to set a limit of \$175,000 per annum for non-executive directors' remuneration.

The terms and conditions of the above option issues to employees and directors and the directors' deed are set out in the Explanatory Statement accompanying the Notice of Meeting dated 21 June 2007 and released on ASX on 28 June 2007.



BOARD OF DIRECTORS

On 18 May 2007, after the completion of Company's IPO Prospectus and share sale agreements, Peter Wallace, Robert Foti and David Foti resigned as directors and the current Board was appointed.

The experience and qualifications of current directors are as follows:

John Stephenson — Non-Executive Chairman	
<i>Appointed</i>	— 18 May 2007
<i>Qualifications</i>	— BSc (honours) in Geology from the University of London through the former University College of Rhodesia and a PhD in Geology from the University of Manitoba, Canada.
<i>Experience</i>	— Dr Stephenson is a highly experienced geologist with over 37 years experience in the mining sector. He has held senior positions in large mining companies, most recently as Exploration Director for Rio Tinto Australasia where he led Rio Tinto's exploration activities for five and a half years based in Perth. Dr Stephenson has also during his career led and managed exploration teams for both junior and major mining companies in several parts of the world, mainly in Southern and East Africa, North America and Australia exploring for gold, uranium, diamonds and base metals. He has also been involved with projects in Europe, South America and India. He led teams responsible for the discovery of a world class diamond deposit, the Diavik diamond mine in Canada's Northwest Territories for which he recently received an award; and a high grade gold deposit, the former Golden Patricia gold mine in Ontario. Dr Stephenson has particular experience in the uranium sector having in the early to mid 1970's led reconnaissance airborne and ground surveys for uranium in Canada. Between 1978-1981, Dr Stephenson headed the ground follow-up of a country-wide airborne radiometric and magnetic survey for uranium and other minerals in Tanzania. In the early 90's Dr Stephenson led exploration for a subsidiary of Rio Tinto exploring for uranium and base metals in eastern Canada. Dr Stephenson also led Rio Tinto's exploration activities in Australia in the late 90's which included the search for uranium.
<i>Relevant interest in securities</i>	— Shares – 180,000 ¹⁰ Unlisted \$0.55 (27 July 2012) Directors' Options – 975,000
<i>Other current directorships in listed entities</i>	— Chairman of Strike Resources Limited (SRK) (since 26 October 2005)

¹⁰ Held jointly: John Francis Stephenson & Susan Margaret Franklin <Stephenson Franklin FMY A/C>



BOARD OF DIRECTORS

H. Shanker Madan	— Managing Director
<i>Appointed</i>	— 18 May 2007
<i>Qualifications</i>	— Honours and Masters Science degrees in Applied Geology
<i>Experience</i>	— Mr Madan has had world-wide experience in the exploration and evaluation of mineral deposits for various commodities. Mr Madan has been a Manager with Hamersley Iron, Group Leader with BHP Minerals, Chief Geologist with Hancock and Wright Prospecting and a Senior Geological Consultant to the Rio Tinto Group. Mr Madan has managed a range of mineral evaluation studies in Iran, Brazil and Western Australia for BHP, Rio Tinto and Hamersley Iron. He has also acted as a consultant to Rio Tinto, Ashton Mining and others on mineral projects in Brazil, South Africa, India, the Philippines, Fiji and United States, working on a range of iron-ore, diamonds, gold, copper and chromite deposits. He has been involved in the discovery of 3 world class iron deposits in Western Australia for TexasGulf and BHP Minerals. From 1997 to 2001, Mr Madan managed the evaluation of resource projects for Hamersley Iron and more recently completed a resource due diligence study of the billion-dollar West Angelas project in the Pilbara region of Western Australia.
<i>Relevant interest in securities</i>	— Shares – ¹¹ Unlisted \$0.55 (27 July 2012) Directors' Options – 8,800,000
<i>Other current directorships in listed entities</i>	— Managing Director of Strike Resources Limited (SRK) (since 26 September 2005)

Farooq Khan	— Executive Director
<i>Appointed</i>	— 18 May 2007
<i>Qualifications</i>	— BJuris , LLB. (<i>Western Australia</i>)
<i>Experience</i>	— Mr Khan is a qualified lawyer having previously practiced principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and particularly capital raisings, mergers and acquisitions and investments. Mr Khan has also led the executive management of a number of ASX listed companies through their establishment and growth
<i>Relevant interest in securities</i>	— Shares – 8,665,699 ¹² Unlisted \$0.55 (27 July 2012) Directors' Options – 8,775,000
<i>Other current directorships in listed entities</i>	— Current Chairman and Managing Director of: (1) Queste Communications Ltd (since 10 March 1998) Current Chairman of: (2) Orion Equities Limited (OEQ) (since 23 October 2006) (3) Bentley International Limited (BEL) (director since 2 December 2003) (4) Scarborough Equities Limited (SCB) (since 29 November 2004) Current Executive Director of: (5) Strike Resources Limited (SRK) (since 9 September 1999)

11 Held jointly: Mr Hem Shanker Madan & Mrs Anupam Shobha Madan <The AS and HS Madan S/F A/C>

12 Held indirectly: Mr Khan is deemed under the Corporations Act to have a relevant interest in 8,485,699 shares held by Orion Equities Limited (OEQ) as Mr Khan has a greater than 20% interest in Queste Communications Ltd (QUE), which is deemed to be in control of OEQ, and 180,000 shares held by Skills Advantage Australia Limited (SAA), as Mr Khan has a greater than 20% interest in SAA.



PERUVIAN CONCESSIONS

Pampacolca Project (2,700 hectares):

Mineral Right	Code	Application Date	Area (Hectares)	National Map	LOCATION		
					District	Province	Department
Pampacolca 1	01-01084-07	29 January 2007	900	32Q	Pampacolca / Tipan Aplao	Castilla	Arequipa
Pampacolca 2	01-01085-07	29 January 2007	600	32Q	Aplao / Iray	Castilla / Condesuyos	Arequipa
Pampacolca 3	01-01852-07	19 March 2007	700	32Q	Pampacolca	Castilla	Arequipa
Pampacolca 4	01-01851-07	19 March 2007	500	32Q	Pampacolca	Castilla	Arequipa

Crucero Project (2,600 hectares):

Mineral Right	Code	Application Date	Area (Hectares)	National Map	LOCATION		
					District	Province	Department
Lituania 1	01-02481-07	25 April 2007	600	29-X	Crucero	Carabaya	Puno
Lituania 2	01-02482-07	25 April 2007	1000	29-X	Crucero	Carabaya	Puno
Lituania 3	01-02483-07	25 April 2007	1000	29-X	Crucero	Carabaya	Puno

Santa Rosa Project (4,400 hectares):

Mineral Right	Code	Application Date	Area (Hectares)	National Map	LOCATION		
					District	Province	Department
Sayana 1	01-02465-07	24 April 2007	400	30-U	Santa Rosa	Melgar	Puno
Quimsa 1	01-02480-07	25 April 2007	1000	30-U	Santa Rosa	Melgar	Puno
Quimsa 2	01-02460-07	24 April 2007	1000	30-U	Santa Rosa	Melgar	Puno
Cunurana 1	01-02451-07	24 April 2007	300	30-U	Santa Rosa	Melgar	Puno
Panca 1	01-02479-07	25 April 2007	700	30-U	Santa Rosa	Melgar	Puno
Santa Rosa Sur	TBA	26 June 2007	1,000	30-U	Santa Rosa	Melgar	Puno

Coasa Project (9,600 hectares):

Mineral Right	Code	Application Date	Area (Hectares)	National Map	LOCATION		
					District	Province	Department
Cochacucho 1	01-02461-07	24 April 2007	800	28-V	Ituata/Coasa	Carabaya	Puno
Cochacucho 2	01-02463-07	24 April 2007	800	28-V	Coasa/Ituata	Carabaya	Puno
Cochacucho 3	01-02463-07	24 April 2007	800	28-V	Ituata/Coasa	Carabaya	Puno
Umachullo 1	01-02449-07	24 April 2007	1000	29-V	Coasa	Carabaya	Puno
Umachullo 2	01-02450-07	24 April 2007	1000	29-V	Coasa	Carabaya	Puno
Uchumallo 3	01-02445-07	24 April 2007	1000	29-V	Coasa	Carabaya	Puno
Uchumallo 4	01-02447-07	24 April 2007	1000	29-V	Coasa	Carabaya	Puno
Uchumallo 5	01-02446-07	24 April 2007	1000	29-V	Coasa / Usicayos	Carabaya	Puno
Coasa 1	01-02464-07	24 April 2007	400	28-X	Coasa	Carabaya	Puno
Lituania 4	01-02484-07	24 April 2007	800	29-X	Coasa	Carabaya	Puno
Hualahuani 1	01-02448-07	24 April 2007	1000	29-X	Usicayos / Coasa	Carabaya	Puno



AUSTRALIAN TENEMENTS

Project	Status	Application No	Grant / Application Date	Expiry Date	Area (Blocks)	Area (km ²)	Area (hectares)	Location / Property Name	State	Company's Interest
Bigrlyi South	Granted	EL 24879	15/08/06	14/08/12	82	260.5	26,050	Mount Doreen	NT	100% (75% held by Alara Operations Pty Ltd and 25% held by Hume Mining NL)
	Application	EL 24927	12/09/05	N/A	338	998.7	99,870	Haasts Bluff	NT	100% (75% held by Alara Operations Pty Ltd and 25% held by Hume Mining NL)
	Granted	EL 24928	24/08/06	23/08/12	15	34.95	3,495	Mount Doreen	NT	100% (75% held by Alara Operations Pty Ltd and 25% held by Hume Mining NL)
	Granted	EL 24929	24/08/06	23/08/12	26	56.8	5,680	Mount Doreen	NT	100% (75% held by Alara Operations Pty Ltd and 25% held by Hume Mining NL)
	Granted	EL 24930	24/08/06	23/08/12	99	314.7	31,470	Mount Doreen	NT	100% (75% held by Alara Operations Pty Ltd and 25% held by Hume Mining NL)
Mt James (Gascoyne Region)	Granted	EL 09/1253	29/06/06	28/06/11	49	147	14,700	Mt James	WA	100% (75% held by Alara Operations Pty Ltd and 25% held by Hume Mining NL)
	Granted	EL 09/1245	23/03/07	22/03/11	35	105	10,500	Rubberoid Well	WA	70% held by Alara Operations Pty Ltd (30% retained by Uranium Oil & Gas Limited/Helen Mary Ansell)
	Granted	EL 09/1257	28/06/06	27/06/11	27	81	8,100	Injinu Hills	WA	100% held by Alara Operations Pty Ltd
	Granted	EL 09/1258	29/09/06	28/09/11	26	78	7,800	Mortimer Hills	WA	100% held by Alara Operations Pty Ltd
Mt Lawrence Wells (East Murchison Region)	Granted	EL 53/1115	06/10/04	05/10/09	6	18	1,800	Dawsons Well	WA	85% held by Alara Operations Pty Ltd (15% retained by Adelaide Prospecting Pty Ltd)
	Granted	EL 53/1259	02/03/07	01/03/12	8	24	2,400	Millgool Camp	WA	100% held by Alara Operations Pty Ltd
	Granted	EL 53/1203	02/08/06	01/08/11	17	52	5,200	Mt Wilkinson	WA	100% held by Alara Operations Pty Ltd
Canning Well (Pilbara Region)	Granted	EL 46/629	02/08/05	01/08/10	19	57	5,700	Canning Well	WA	100% (75% held by Alara Operations Pty Ltd and 25% held by Hume Mining NL)
	Application	ELA 46/585	17/10/03	N/A	69	207	20,700	Canning Well	WA	Right to earn 85% (excluding all manganese mineral rights) (63.75% held by Alara Operations Pty Ltd and 21.25% held by Hume Mining NL)

SECURITIES INFORMATION

as at 30 June 2007



ISSUED CAPITAL

	Quoted / To be Quoted	Not Quoted	Total
Fully paid ordinary shares	40,275,000	40,225,000 ¹³	80,500,000

DISTRIBUTION OF ORDINARY FULLY PAID SHARES

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	14	4,105	0.005
1,001	-	5,000	95	315,776	0.392
5,001	-	10,000	635	5,153,324	6.402
10,001	-	100,000	471	16,094,020	19.993
100,001	-	and over	62	58,932,775	73.208
Total			1,277	80,500,000	100%

TOP 20 ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Total Shares	% Issued Capital
1	Strike Resources Limited	28,750,000	35.7%
2	Orion Equities Limited	8,335,699	10.4%
3	National Nominees Limited	3,037,200	3.77%
4	Classic Capital Pty Ltd	2,069,600	2.57%
5	Lisa Shallard and Linda Sala Tenna	2,050,000	2.55%
6	Database Systems Limited	973,912	1.21%
7	Ms Rosanna De Campo	800,000	0.99%
8	Mannheim Investments Pty Ltd	725,000	0.90%
9	Pater Investments Pty Ltd	717,700	0.89%
10	Cityside Investments Pty Ltd	668,750	0.83%
11	Renmuir Holdings Limited	578,053	0.72%
12	Katana Capital Limited	515,200	0.64%
13	Blue Crystal Pty Ltd	500,000	0.62%
14	Mr Brian Peter Byass	500,000	0.62%
15	Katana Equity Pty Ltd	500,000	0.62%
16	Dr Salim Cassim	484,400	0.60%
17	Charles Foti Corporation Pty Ltd <Charles Foti Corporation A/C>	450,000	0.56%
18	HSBC Custody Nominees (Australia) Limited	395,000	0.49%
19	Mr Robert Foti <Robert Foti Family A/C>	300,000	0.37%
20	Twinland Holdings Pty Ltd	299,600	0.37%
Total		52,800,114	65.59%

13 Escrowed shares comprise:

- (i) 4,488,750 shares held by related parties and promoters (founding shareholders) escrowed for 24 months from the date of official quotation of Alara's shares on ASX;
- (ii) 736,250 shares held by unrelated founding shareholders escrowed for a period of 12 months from their issue date on 6 December 2006;
- (iii) 28,750,000 vendor shares issued to Strike Resources Limited pursuant to settlement of the Strike Uranium and Peru Sale Agreements, as defined in the Prospectus, escrowed for 24 months from the date of official quotation of Alara's shares on ASX; and
- (iv) 6,250,000 vendor shares issued to Orion Equities Limited pursuant to settlement of the Hume Sale Agreement, as defined in the Prospectus, escrowed for 24 months from the date of official quotation of Alara's shares on ASX.

Appendix 5B

Mining Exploration Entity Quarterly Report

Name of entity

Alara Uranium Limited and controlled entities

ACN or ARBN

122 892 719

Quarter Ended

30 June 2007

Consolidated statement of cash flows

Cash flows related to operating activities

1.1 Receipts from product sales and related debtors

1.2 Payments for

(a) exploration and evaluation

(b) development

(c) production

(d) administration

1.3 Dividends received

1.4 Interest and other items of a similar nature received

1.5 Interest and other costs of finance paid

1.6 Income taxes paid

1.7 Other (provide details if material)

Net operating cash flows

Consolidated	
Current Quarter June 2007 \$' 000	Year to Date 12 months \$' 000
-	-
(28)	(28)
-	-
-	-
(132)	(132)
-	-
149	149
-	-
-	-
-	-
(11)	(11)

Note: The Company was incorporated on 6 December 2006 to seek out appropriate resource projects for investment, evaluation and development. This was achieved by the completion of share sale agreements to acquire the uranium assets of Strike Resources Limited (Strike or SRK) and Orion Equities Limited (Orion or OEQ) on 18 May 2007 after the successful completion of a \$10 IPO capital raising. Alara was admitted to the Official List of the Australian Securities Exchange (ASX) and commenced trading on ASX on 24 May 2007.

The Company gained an interest in the following controlled entities during the quarter:

(1) Alara Operations Pty Ltd ABN 123 780 441 (formerly Strike Uranium Pty Ltd) (AO) was acquired from Strike on 18 May 2007;

(2) Hume Mining NL ABN 52 063 994 945 (Hume) was acquired from Orion on 18 May 2007;

(3) Alara Peru Operations Pty Ltd ABN 124 334 103 (formerly Strike Uranium Peru Pty Ltd) (APO) was acquired from Strike on 18 May 2007;

(4) Alara Peru S.A.C. (formerly Strike Uranium Peru S.A.C.) (AP) is a wholly owned subsidiary of AOP.

	Consolidated	
	Current Quarter June 2007 \$' 000	Year to Date 12 months \$' 000
1.8 Net operating cash flows (carried forward)	(11)	(11)
Cash flows related to investing activities		
1.9 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(13)	(13)
	-	-
1.10 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	(13)	(13)
1.14 Total operating and investing cash flows	(24)	(24)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	10,000	10,055
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
IPO costs	(284)	(299)
Net financing cash flows	9,716	9,756
Net increase (decrease) in cash held	9,692	9,732
1.21 Cash at beginning of quarter/year to date	40	-
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	9,732	9,732

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 June 2007 \$' 000
1.24	Aggregate amount of payments to the parties included in item 1.2	(29)
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

\$28,554 - Directors' fees, salaries and superannuation for the quarter.

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

STRIKE URANIUM SALE AGREEMENT

On 18 May 2006, Alara completed the acquisition of all of the issued capital in Strike Uranium Pty Ltd (**Strike Uranium** or **SU**) from Strike Resource Limited (**Strike**).

Strike Uranium is the holder of uranium tenement interests in the Northern Territory and Western Australian. Alara has issued 18,750,000 shares to Strike in consideration thereof; such shares are subject to escrow for 24 months from the date of official quotation of Alara's shares on ASX.

HUME SALE AGREEMENT

On 18 May 2006, Alara completed the acquisition of all of the issued capital in Hume Mining NL (**Hume**) from Orion Equities Limited (**Orion**).

Hume is the holder of uranium tenement interests in the Northern Territory and Western Australian. Alara has issued 6,250,000 shares to Orion in consideration thereof; such shares are subject to escrow for 24 months from the date of official quotation of Alara's shares on ASX.

PERU SALE AGREEMENT

On 18 May 2006, Alara completed the acquisition of all of the issued capital in Strike Uranium Peru Pty Ltd (**Strike Uranium Peru** or **SUP**) from Strike.

Strike Uranium Peru is the beneficial holder of all the issued capital in Strike Uranium Peru S.A.C (**SUPSAC**), a Peruvian company which in turn is the holder of the Pampacolca Project tenement applications in Peru. Alara has issued 10,000,000 shares to Strike in consideration thereof; such shares are subject to escrow for 24 months from the date of official quotation of Alara's shares on ASX.

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

None.

Financing facilities available

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

Estimated cash outflows for next quarter		Next Quarter \$' 000
4.1	Exploration and evaluation	(608)
4.2	Development	-
Total		(608)

Reconciliation of cash		Consolidated	
Reconciliation of cash at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows		Current Quarter \$' 000	Previous Quarter \$' 000
5.1	Cash on hand and at bank	9,732	40
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (Bank Bills)	-	-
Total: cash at end of quarter (item 1.22)		9,732	40

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			
6.2	Interests in mining tenements acquired or increased	On 19 and 20 March 2007, the Company entered into conditional share sale agreements (see Note 2.1) in respect of Alara acquiring uranium tenement interests in Peru, the Northern Territory and Western Australia. For further information, please also refer to the attached June 2007 Quarterly Activities Report.		

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security (see note 5) (cents)	Amount paid up per security (see note 5)
7.1 Preference securities+				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 Ordinary securities+	80,500,000	40,275,000	25 cents	
7.4 Changes during quarter				
(a) Increases through issues				
At Incorporation	5,500,000	275,000	1 cent	N/A
Initial Public Offering	40,000,000	40,000,000	25 cents	N/A
Acquisition of Resources Project	35,000,000		N/A	N/A
(b) Decreases through returns of capital, buy-backs				
7.5 Convertible debt securities+				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options				
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes				

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** give a true and fair view of the matters disclosed.



Victor Ho
Company Secretary

31 July 2007

+ See Chapter 19 for defined terms

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

- 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

- 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.