



Alara Resources Limited
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MARKET ANNOUNCEMENT

Completion of \$7.82 Million Share Placement and Updated Top 20 Shareholders

Alara Resources Limited is pleased to confirm that it has completed a \$7.82 million placement of 34 million shares at \$0.23 per share to a range of professional and institutional clients of Petra Capital Pty Ltd.

This completes tranche 2 of a \$10.58 million share placement at \$0.23 per share announced by the Company on 26 October 2010, which was subject to and approved by shareholders at the recent annual general meeting.

The \$10.58 million funds raised under the placement, after expenses of the issue, will be applied principally towards the costs of acquisition of the Company's flagship Khnaiguiyah Zinc-Copper Project in Saudi Arabia. The balance of the funds, together with the Company's existing cash and liquid investments of approximately \$5 million, will be applied towards the advancement of exploration, evaluation and development of the Company's other mineral exploration and development projects and for general working capital purposes.

An updated Shareholder Distribution Schedule and Top 20 Shareholders' Listing is attached to this market announcement.

Further information:

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DISTRIBUTION OF ORDINARY FULLY PAID SHARES

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	1,320	549,423	0.434
1,001	-	5,000	421	1,010,976	0.799
5,001	-	10,000	295	2,544,201	2.011
10,001	-	100,000	495	17,169,693	13.572
100,001	-	and over	128	105,233,207	83.183
Total			2,659	126,507,500	100%

TOP 20 ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Total Shares	% Issued Capital
1	J P MORGAN NOMINEES AUSTRALIA LIMITED	15,221,535	12.032
2	NATIONAL NOMINEES LIMITED	14,908,042	11.784
3	ORION EQUITIES LIMITED	9,332,744	7.377
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,443,664	
	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	1,690,642	
	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 3	25,351	
	Sub-total	7,159,657	5.659
5	KATANA ASSET MANAGEMENT LTD	3,060,000	
	MRS LISA SHALLARD AND MRS LINDA SALA TENNA	2,824,144	
	KATANA EQUITY PTY LTD <SALATENNA FAMILY CHARITY A/C>	290,000	
	KATANA EQUITY PTY LTD < SALA TENNA FAMILY A/C >	100,000	
	KB33 CAPITAL PTY LTD <CHARITY A/C>	100,000	
	Sub-total	6,374,144	5.039
6	CITICORP NOMINEES PTY LIMITED	3,769,048	2.979
7	UBS NOMINEES PTY LTD	3,380,783	
	UBS NOMINEES PTY LTD <TP00014 15 A/C>	1,762	
	Sub-total	3,382,545	2.674
8	DATABASE SYSTEMS LIMITED	1,647,384	1.302
9	COGENT NOMINEES PTY LIMITED	1,639,958	1.296
10	RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <BKCUST A/C>	1,518,751	
	RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <NMSMT A/C>	3,365	
	Sub-total	1,522,116	1.203
11	TWINLAND HOLDINGS PTY LTD	1,502,500	1.188
12	MR ROBERT GEMELLI	1,500,000	1.186
13	MR SCOTT PAUL JONES & MR RODNEY MALCOLM JONES & MISS CAROL ROBIN JONES <SCOPA FAMILY A/C>	1,353,768	1.070
14	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,175,000	0.929
15	MR IAN EDWARD TREGONING & MR IAN EDWARD TREGONING <TREG TRAILERS DIS S/F A/C>	1,161,684	0.918
16	CHARLES FOTI CORPORATION PTY LTD <CHARLES FOTI CORPORATION A/C>	1,100,000	0.870
17	GWYNVILL TRADING PTY LTD	1,087,000	0.859
18	URBAN PAT PTY LTD <THE SUPERACE FUND A/C>	1,000,000	0.790
19	MR ROBERT SPADANUDA <SUPER FUND A/C>	1,000,000	0.790
20	NACE NOMINEES PTY LTD	1,000,000	0.790
Total		76,837,125	60.735%