



**Alara Uranium 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.alauranium.com**  
Email | **info@alauranium.com**

**Monday, 21 May 2007**

# MARKET ANNOUNCEMENT

## 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 Uranium Limited (**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 announcement, 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.

---

### Further information:

Shanker Madan  
Managing Director  
T | (08) 9214 9787  
E | smadan@alauranium.com

Victor Ho  
Company Secretary  
T | (08) 9214 9787  
E | vho@alauranium.com

