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30 SEPTEMBER 2007 QUARTERLY REPORT

SUMMARY OF MATERIAL MARKET ANNOUNCEMENTS IN SEPTEMBER 2007 QUARTER

27 July 2007 – Shareholders approve resolutions at a general meeting concerning the issue of options to directors and employees, directors' deeds and the setting of a limit for Non-Executive Directors' remuneration (refer page 19 of this report for further details).

3 September 2007 – Prospectus lodged with ASIC for a non-renounceable rights issue of 3 options for every 4 shares held by shareholders as at the record date (5.00pm WST on 12 September 2007) at an issue price of one cent per option. Each option is exercisable at a price of 25 cents, at any time on or before 30 June 2009. The rights issue closed on 28 September 2007 with \$603,750 raised (before expenses) from subscriptions received in respect of 60,375,000 options. These options were issued on 8 October 2007 and are quoted on ASX under ASX code "AUQO".

21 September 2007 – Release of Alara's 2007 Full Year Reports comprising the Directors' Report and audited financial statements.

29 October 2007 – Release of Alara's 2007 Annual Report.

31 October 2007 – Release of Alara's Notice of Annual General Meeting (**AGM**) for an AGM to be held on 30 November 2007.

OBJECTIVES FOR DECEMBER 2007 QUARTER

Bigrlyi South Project (Northern Territory)

- (a) Interpret geophysical data from the recently completed 7,076 line kilometres of airborne magnetic and radiometric survey;
- (b) Conduct field verification and follow up of geophysical anomalies identified from the airborne geophysical data, comprising ground traversing radiometric anomalies with a spectrometer and the collection of further samples;
- (c) Seek heritage approvals to conduct a drilling programme (3,000 to 4,000 metres of RC drilling) of selected anomalies.

Mt James Project (Western Australia)

- (a) Complete interpretation of geophysical data from recently completed 2,616 line kilometres of airborne geophysical survey;
- (b) Conduct field verification and follow up of geophysical anomalies identified from the interpretation of the airborne geophysical data using helicopter support. This will comprise ground traversing radiometric anomalies with a spectrometer and the collection of further samples;
- (c) Seek heritage approvals to allow track access to priority areas and conduct a drilling programme (~2,000 metres of RC drilling) of selected anomalies.

Mt Lawrence Wells Project (Western Australia)

- (a) Complete down-hole geophysical (total gamma) surveying of the 69 air-core drill holes drilled in the September 2007 quarter;
- (b) Interpret the results of biogeochemical samples (i.e. spinifex vegetation) collected from EL 53/1259 and determine whether biogeochemical profile surveying in this manner can be utilised over calcrete-hosted uranium occurrences in the project area;
- (c) Subject to the results of (a) and (b) above, seek heritage approvals to conduct a more extensive drilling programme.





OBJECTIVES FOR DECEMBER 2007 QUARTER (continued)

Canning Well (Western Australia)

- (a) Completion of a soil/lag sampling programme on EL 46/629 comprising the collection of ~1,300 samples with line spacing of 200 metres at 50 metres sample intervals along lines;
- (b) Review and analyse the soil/lag sampling data;
- (c) Conduct a field investigation to determine the prospectivity of the uranium mineralisation by ground radiometric surveying and collection of rock samples from anomalous areas.

Pampacolca Project (Peru)

- (a) Follow-up sampling and channel sampling of anomalous areas to determine the source of the anomalous MD-38 rock sample in the Pampacolca 7 concession;
- (b) Conduct detailed geological mapping to determine the extent of the uranium bearing pegmatites and associated structures;
- (c) Conduct ground radiometric surveying to delineate anomalous targets identified from the sampling programme.

Crucero Project (Peru)

- (a) Continue radiometric surveying and geological mapping of priority areas;
- (b) Conduct infill ground radiometric surveying in the concession areas to further delineate the 15 anomalies identified from reconnaissance geological mapping and radiometric surveying;
- (c) Commence an alpha track survey over anomalous areas to define drill targets;
- (d) Subject to grant of drilling and environmental permits, commence an initial ~2,000 metre RC drilling programme.

Santa Rosa Project (Peru)

- (a) Secure agreements with local communities to implement the exploration programme;
- (b) Conduct systematic geological mapping, ground radiometric surveying and soil and rock sampling to identify uranium mineralisation within the host rhyolite flows;
- (c) Follow up channel sampling of defined surface uranium anomalous areas to define drill targets.

Coasa Project (Peru)

- (a) Secure agreements with local communities for land access;
- (b) Conduct an airborne geophysical survey to evaluate Alara's extensive concession holdings in this project, subject to aircraft availability;
- (c) Conduct detailed mapping, ground radiometric surveying, and sampling within the anomalous IPEN historical sample area within the Cochacucho 2 concession and anomalous areas identified from (b) above;
- (d) Conduct follow up sampling over anomalous areas identified from radiometric data and sampling programme in (b) and (c) above.

Dated: 31 October 2007

Further information:

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Managing Director

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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 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) Bigrlyi 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	5,300
(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, being **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 and **Executive Director, Mr Farooq Khan** who has extensive experience in corporate law, the securities industry, capital markets and the executive management of ASX listed companies.

Alara continues to investigate prospective mineral resources, with a focus on uranium, 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:

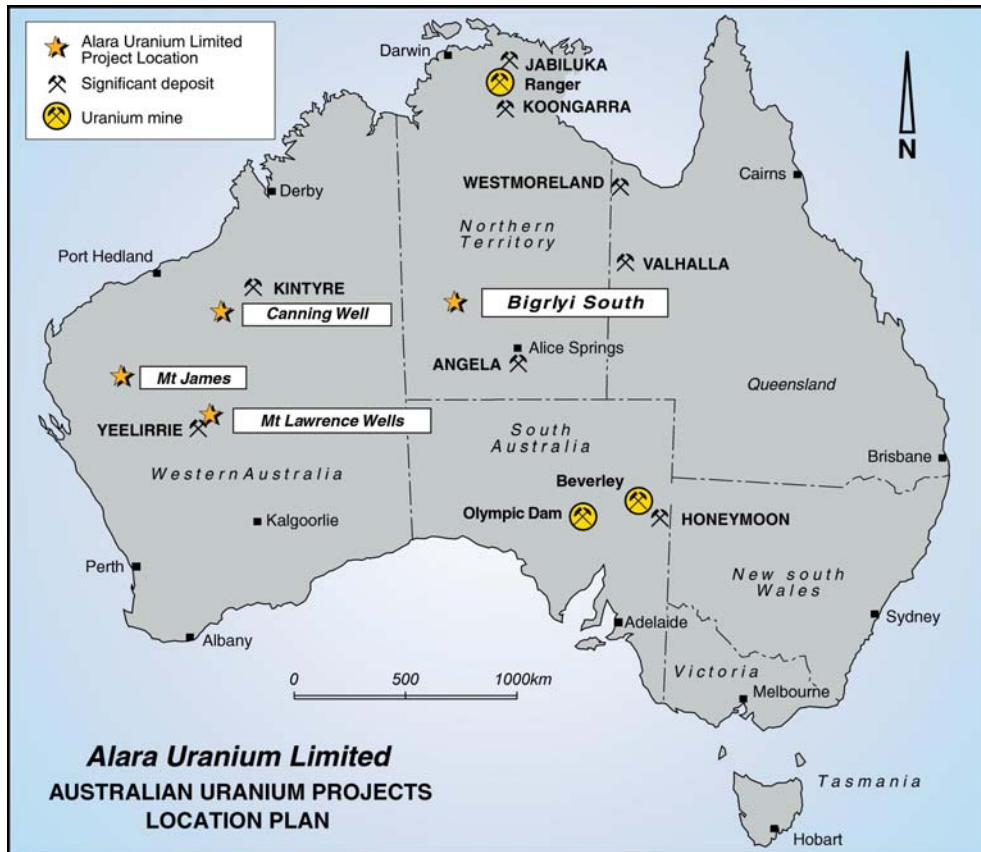
	Quoted	Not Quoted or Subject to Escrow	Total
Fully paid ordinary shares	40,275,000	40,225,000 ¹	80,500,000
\$0.25 (30 June 2009) Listed Options	60,375,000	-	60,375,000
\$0.55 (27 July 2012) Unlisted Directors' Options	-	18,550,000	18,550,000
\$0.55 (27 July 2012) Unlisted Employees' Options	-	1,425,000	1,425,000
Total	100,650,000	60,200,000	160,850,000

1 Refer to the Additional ASX Information section at the back of this Annual Report for details of shares subject to escrow.

PROJECT LOCATION

AUSTRALIAN PROJECTS

The location of Alara's Australian uranium projects in the Northern Territory and Western Australia are shown on the map below.



PROJECT LOCATION

PERUVIAN PROJECTS

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

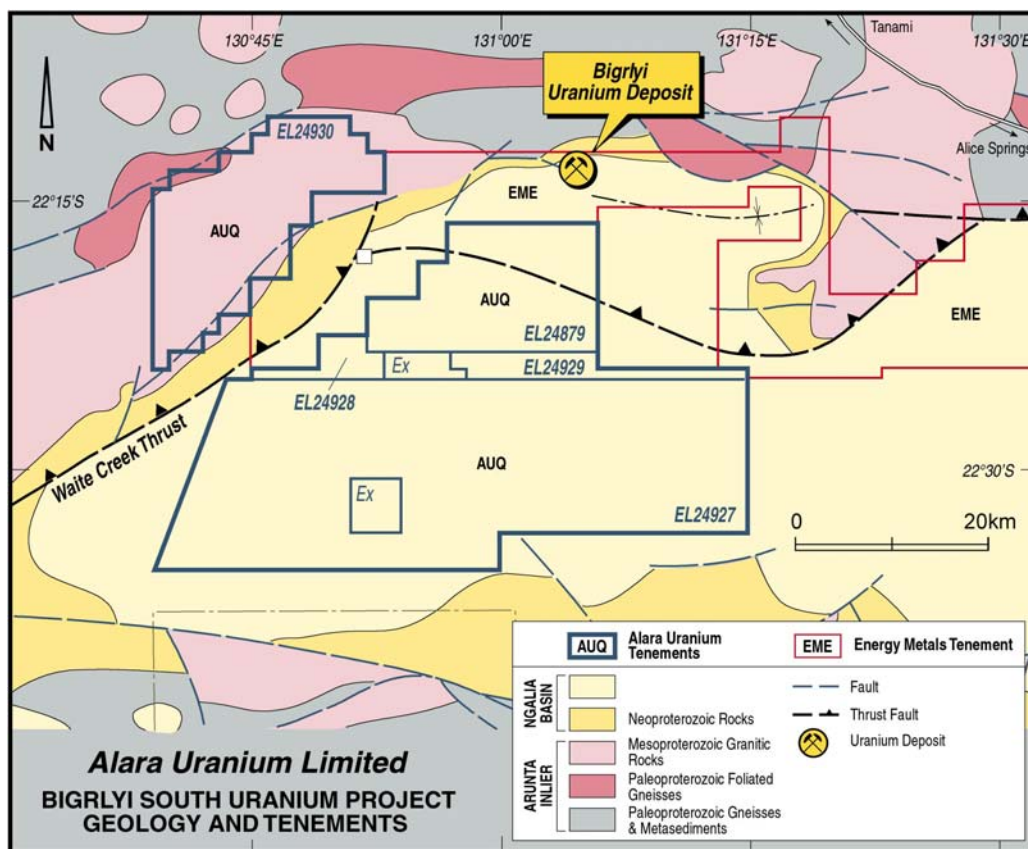


COMPANY PROJECTS

2. BIGRLY 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 U₃O₈ 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 geology and tenement 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 uraniferous 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. 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 tenement, EL 24879, and EL 24928 and EL 24929 covering the Mt Eclipse Sandstone, are located on the Mount Doreen Pastoral Lease.

Exploration Activities and Programme

Alara is focusing its initial exploration effort on EL 24879, which is also the closest tenement to the Bigryli Uranium Deposit and is host to the Yuendumu Thrust fault. Alara has conducted an aerial radiometric survey designed to locate anomalies in this and the other adjoining tenements.

During the quarter:

- (i) GPX Airborne completed 7,076 line kilometres of airborne magnetic and radiometric surveying over the granted Bigryli South Project tenements.

The purpose of the survey was 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 was flown at 100 metre line spacings in a north-south direction and covered the entire area of EL24879, EL24928, EL24929 and EL24930.

The magnetic and radiometric survey data, which is currently being processed by GPX Airborne, will be interpreted to define potential drilling targets for uranium mineralisation.

The proposed exploration programme for the December 2007 quarter is outlined below:

- (a) Interpret geophysical data from the recently completed airborne magnetic and radiometric survey;
- (b) Conduct field verification and follow up of geophysical anomalies identified from the airborne geophysical data, comprising ground traversing radiometric anomalies with a spectrometer and the collection of further samples;
- (c) Seek heritage approvals to conduct a drilling programme (3,000 to 4,000 metres of RC drilling) of selected anomalies.

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% U₃O₈) as uraninite in a diamond drill hole was discovered by AGIP in the 1970s.

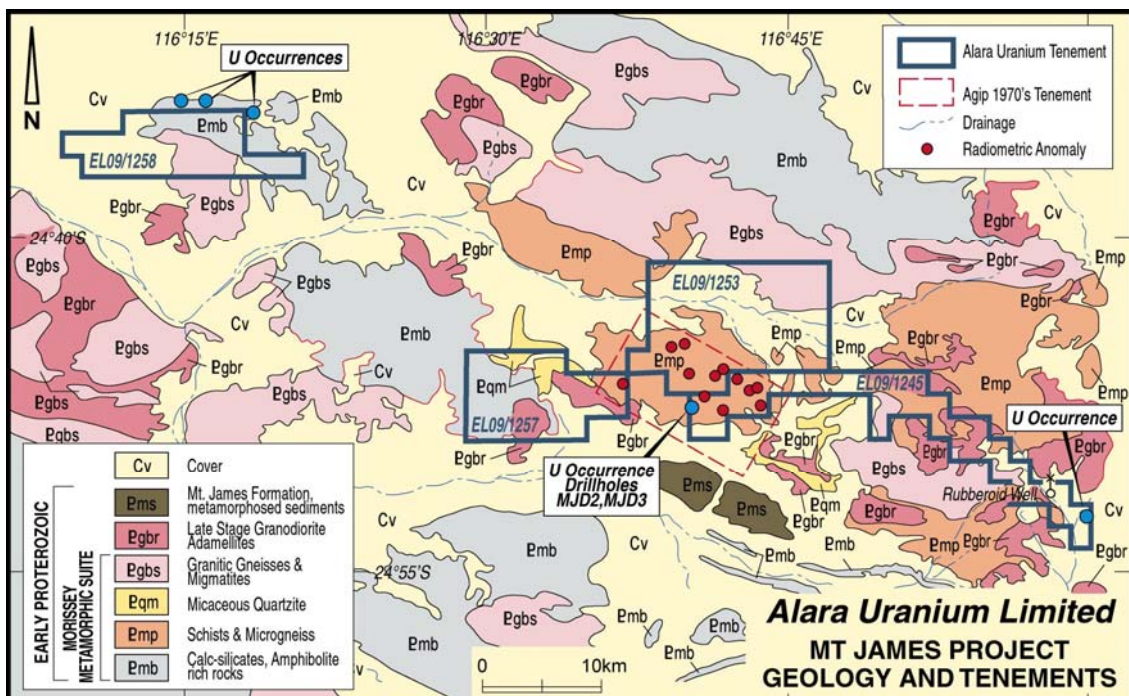
Alara notes that AGIP conducted significant exploration activity for uranium in the Gascoyne region in the 1970s. This exploration included an airborne radiometric survey, which identified a number of radiometric anomalies leading to drilling of a number of those anomalies.

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% U₃O₈) 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 ₃ O 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: 32.5ppm U = Equivalent 38.3ppm U₃O₈





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 Injiru 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.

Exploration Activities and Programme

Alara is exploring for uranium mineralisation using detailed structural analysis coupled with aerial and ground 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.

During the quarter:

- (i) Fugro Airborne Surveys completed 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 was to identify uranium anomalies from the radiometric data and detailed structures from the magnetic data. The data is currently being interpreted to define potential drilling targets for uranium mineralisation;
- (ii) A field reconnaissance survey was conducted (in the priority area previously surveyed and drilled by AGIP in the 1970's) and rock chip samples were collected. These samples are currently awaiting laboratory analysis.

The proposed exploration programme for the December 2007 quarter is outlined below:

- (a) Complete interpretation of data from the recently completed airborne geophysical survey;
- (b) Conduct field verification and follow up of geophysical anomalies identified from the interpretation of the airborne geophysical data using helicopter support. This will comprise ground traversing radiometric anomalies with a spectrometer and the collection of further samples;
- (c) Seek heritage approvals to allow track access to priority areas and conduct a drilling programme (~2,000 metres of RC drilling) of selected anomalies.

COMPANY PROJECTS

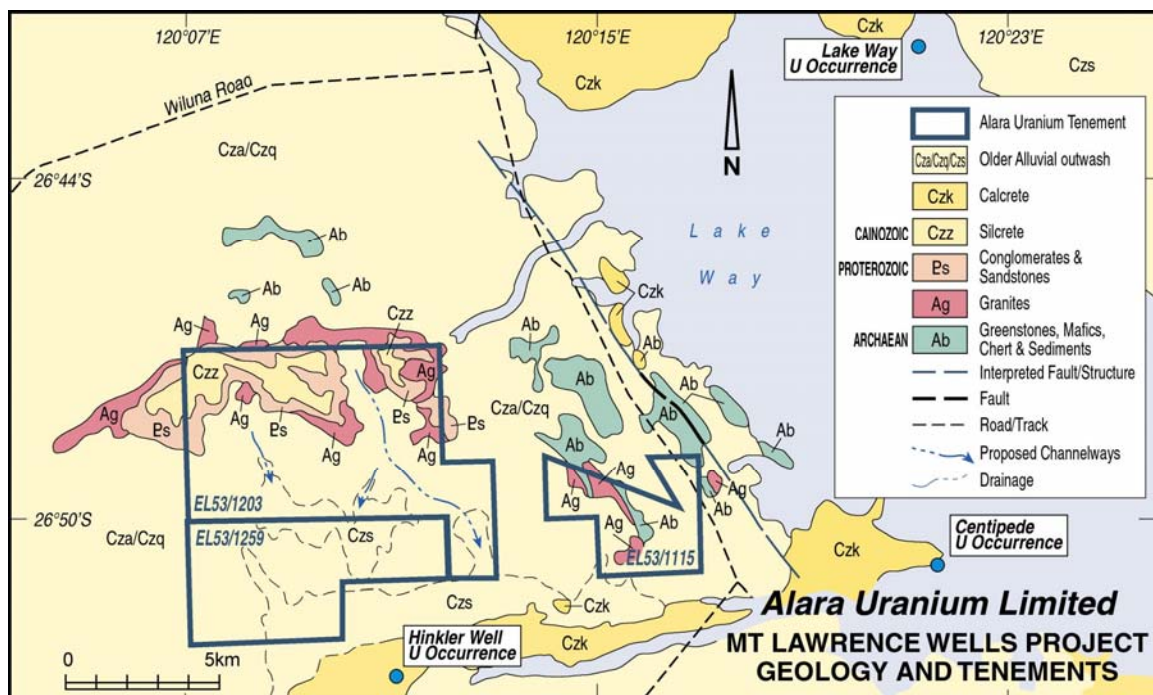
4. MT LAWRENCE WELLS (EAST MURCHISON, WESTERN AUSTRALIA)

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.³ 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.

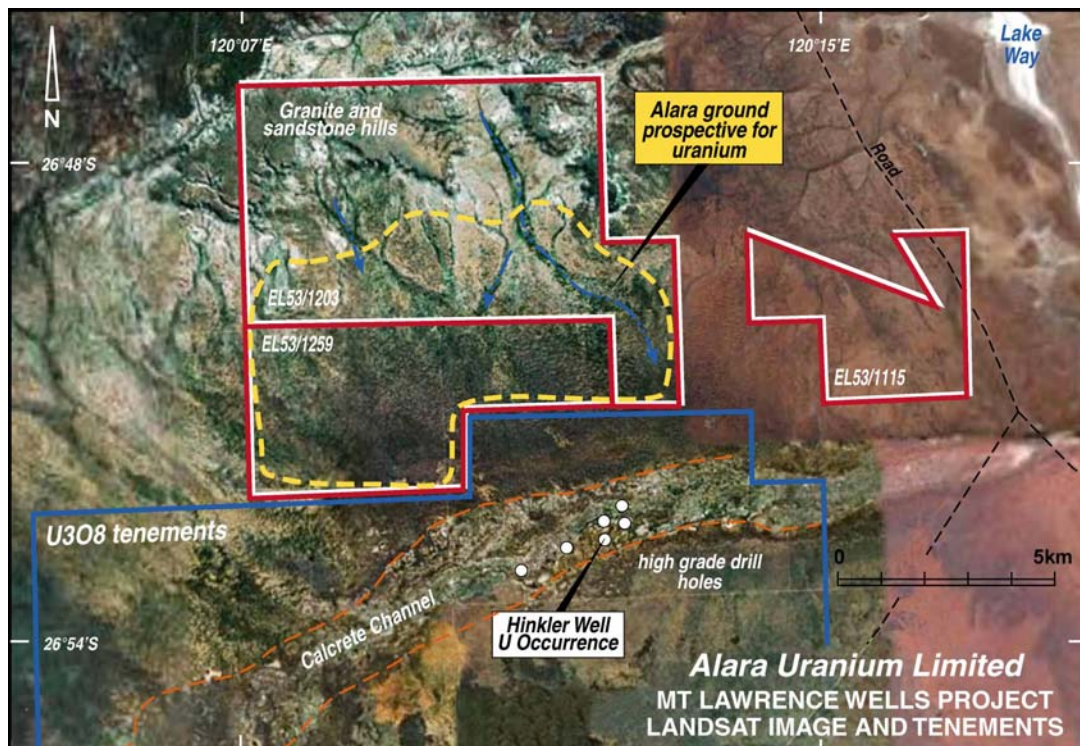
Alara believes the granite and the Proterozoic sandstone hills that drain into the Hinkler Well palaeo-channel situated in EL 53/1203 and EL 53/1259, are the source for uranium mineralisation in the Hinkler Well deposit.

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



3 UTO market Announcement "Dawson-Hinkler Uranium Project Inferred Mineral Resource 10 Million Pounds" dated 12 June 2007

COMPANY PROJECTS



The alluvial wash discharging into the palaeo-drainage extends upstream into the Company's 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 .⁴

Exploration Activities and Programme

The Company's main focus will be to determine whether the Hinkler Well-type mineralisation extends upstream from the palaeo-drainage into the hills in EL53/1115, EL53/1203 and EL53/1259.

During the quarter:

- (i) A preliminary 69-hole, 1081 metre air-core drilling campaign (limited to drilling on existing access tracks) was completed targeting the calcrete palaeo-channel hosting the Hinkler Well occurrence and photo-geological features. Down-hole gamma surveying will be the primary exploratory tool for identifying uranium mineralisation, which is expected to be conducted in November 2007;
- (ii) A field reconnaissance survey was conducted and biogeochemical samples (i.e. spinifex vegetation) were collected to provide analytical data to determine whether biogeochemical profile surveying in this manner can be utilised over calcrete hosted uranium occurrences. If successful, this will help determine the calcrete extensions within the project area. These samples are currently awaiting biogeochemical analysis.

The proposed exploration programme for the December 2007 quarter is outlined below:

- (a) Complete down-hole geophysical (total gamma) surveying of the 69 air-core drill holes drilled in the September 2007 quarter
- (b) Interpret the results of biogeochemical samples (i.e. spinifex vegetation) collected from EL 53/1259 and determine whether biogeochemical profile surveying in this manner can be utilised over calcrete-hosted uranium occurrences in the project area;
- (c) Subject to the results of (a) and (b) above, seek heritage approvals to conduct a more extensive drilling programme.

⁴ Nova Energy Limited (NEL) Market Announcement "JORC Compliant Inferred Resource Upgraded to 9,000 U_3O_8 " dated 23 March 2006

COMPANY PROJECTS

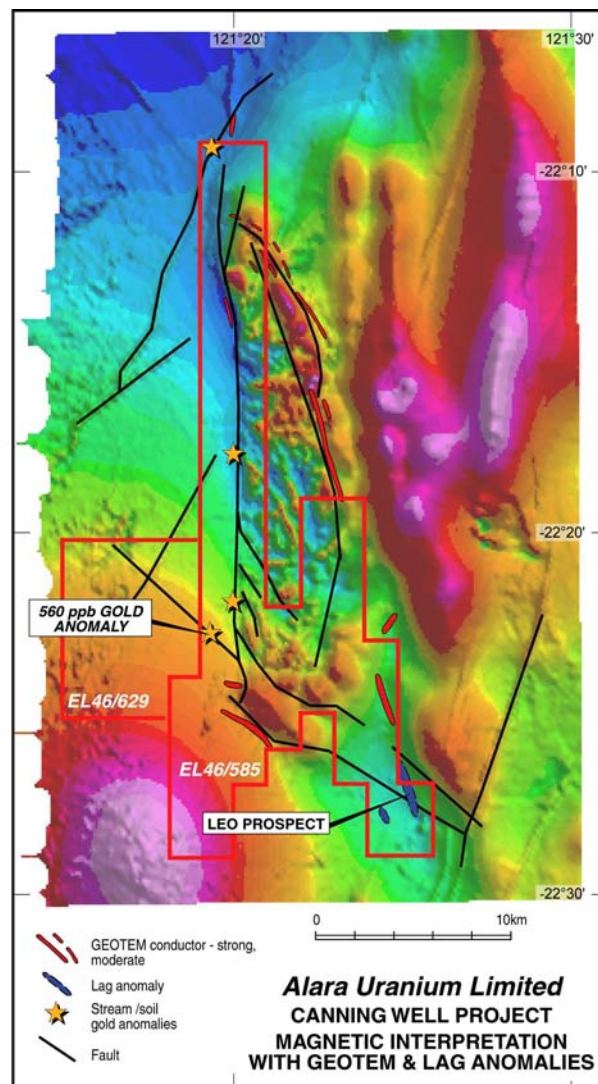
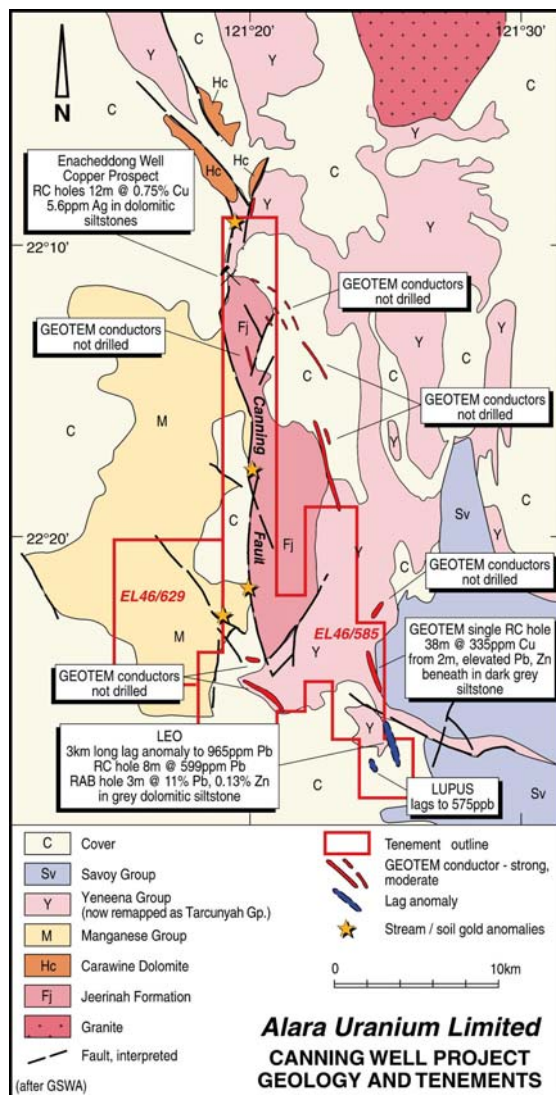
5. CANNING WELL (PILBARA, WESTERN AUSTRALIA)

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.

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.

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.



COMPANY PROJECTS

Exploration Activities and Programme

During the quarter:

- (i) A detailed review of historical data was completed;
- (ii) A soil/lag sampling programme was implemented to target historical gold and copper anomalies.

The proposed exploration programme for the December 2007 quarter is outlined below:

- (a) Completion of a soil/lag sampling programme on EL 46/629 comprising the collection of ~1,300 samples with line spacing of 200 metres at 50 metres sample intervals along lines;
- (b) Review and analyse the soil/lag sampling data ;
- (c) Conduct a field investigation to determine the prospectivity of the uranium mineralisation by ground radiometric surveying and collection of rock samples from anomalous areas.

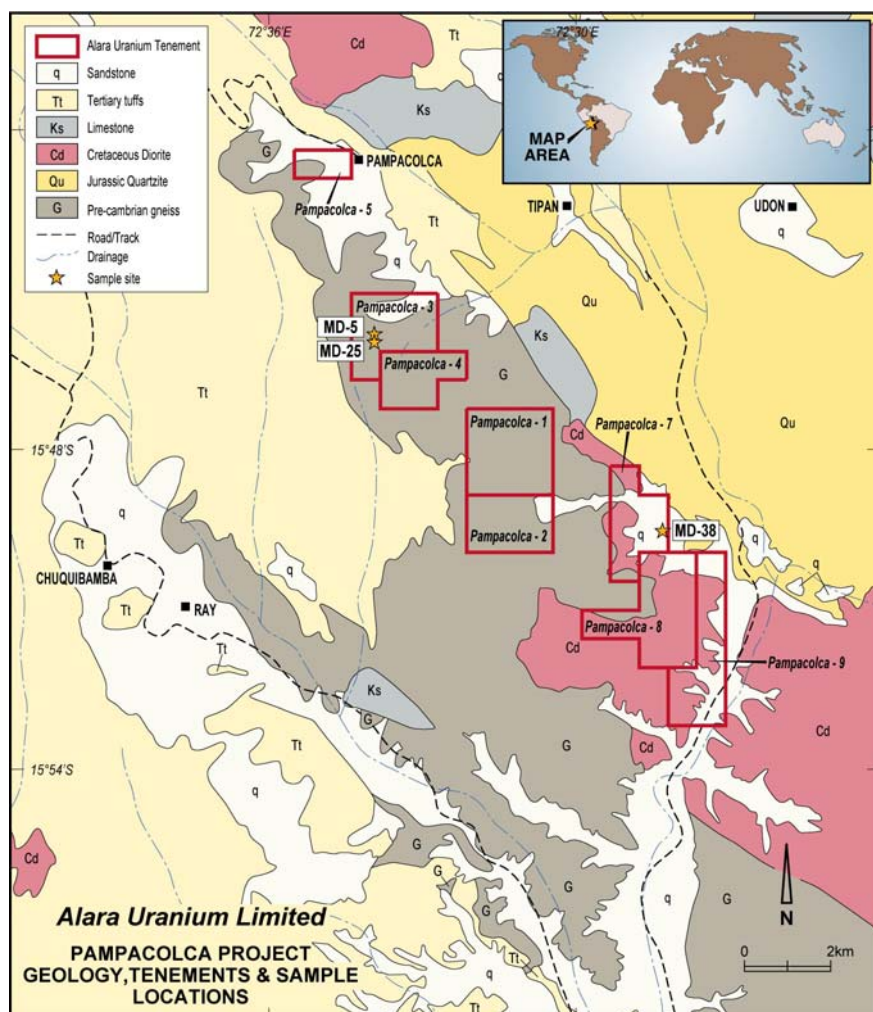
6. PAMPACOLCA PROJECT (PERU)

The Pampacolca Project comprises 8 concessions covering an area of approximately 5,300 hectares.

The concessions are situated up to 20 kilometres southeast of the town of Pampacolca, which is located approximately 135 kilometres northwest 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 (U₃O₈) 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.





COMPANY PROJECTS

Exploration Activities and Programme

During the quarter:

- (i) Following the June quarter programme of stream sediment and rock sampling in the concession areas, three rock samples returned significant assays for uranium.

The location of these samples is identified in the above Geology, Tenements and Sample Location Map and the assay values are shown in the table below:

SAMPLE DESCRIPTION	U ppm	Th ppm	Ta ppm	Ce ppm	Dy ppm	La ppm	Nb ppm	Nd ppm	Y ppm	Yb ppm
MD-5	126	>1000	0.8	>10000	234	>10000	3	>10000	624	36.8
MD-25	116.5	>1000	8.2	>10000	227	6550	47	4750	876	31.4
MD-38	>1000	>1000	665	4910	>1000	2160	7970	1880	6590	765

- (ii) Alara Peru claimed four additional concessions in the area as a result of this sampling programme.

The proposed exploration programme for the December 2007 quarter is outlined below:

- (a) Follow-up sampling and channel sampling of anomalous areas to determine the source of the anomalous MD-38 rock sample in the Pampacolca 7 concession;
- (b) Conduct detailed geological mapping to determine the extent of the uranium bearing pegmatites and associated structures;
- (c) Conduct ground radiometric surveying to delineate anomalous targets identified from the sampling programme.



COMPANY PROJECTS

MACUSANI DISTRICT PROJECTS (PERU)

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

Geochemical sampling previously conducted by the Peruvian Institute of Nuclear Energy (**IPEN**) in these geological environments 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.

7. CRUCERO PROJECT

The Crucero Project comprises 3 concessions covering an area of 2,600 hectares. The concessions are located 45 kilometres southeast 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 occurrences of uranium in the Macusani district.

Exploration Activities and Programme

During the quarter:

- (i) A systematic reconnaissance geological mapping and radiometric surveying within the project area was commenced.

Initial fieldwork uncovered the occurrence of uranium bearing autunite mineralisation in fractures and joint planes in rhyolite ignimbrites. A total of 15 anomalous areas have been recorded for follow up detailed surveying. Of these anomalies, two of the strongest anomalies cover a strike distance of 250 metres and 150 metres.

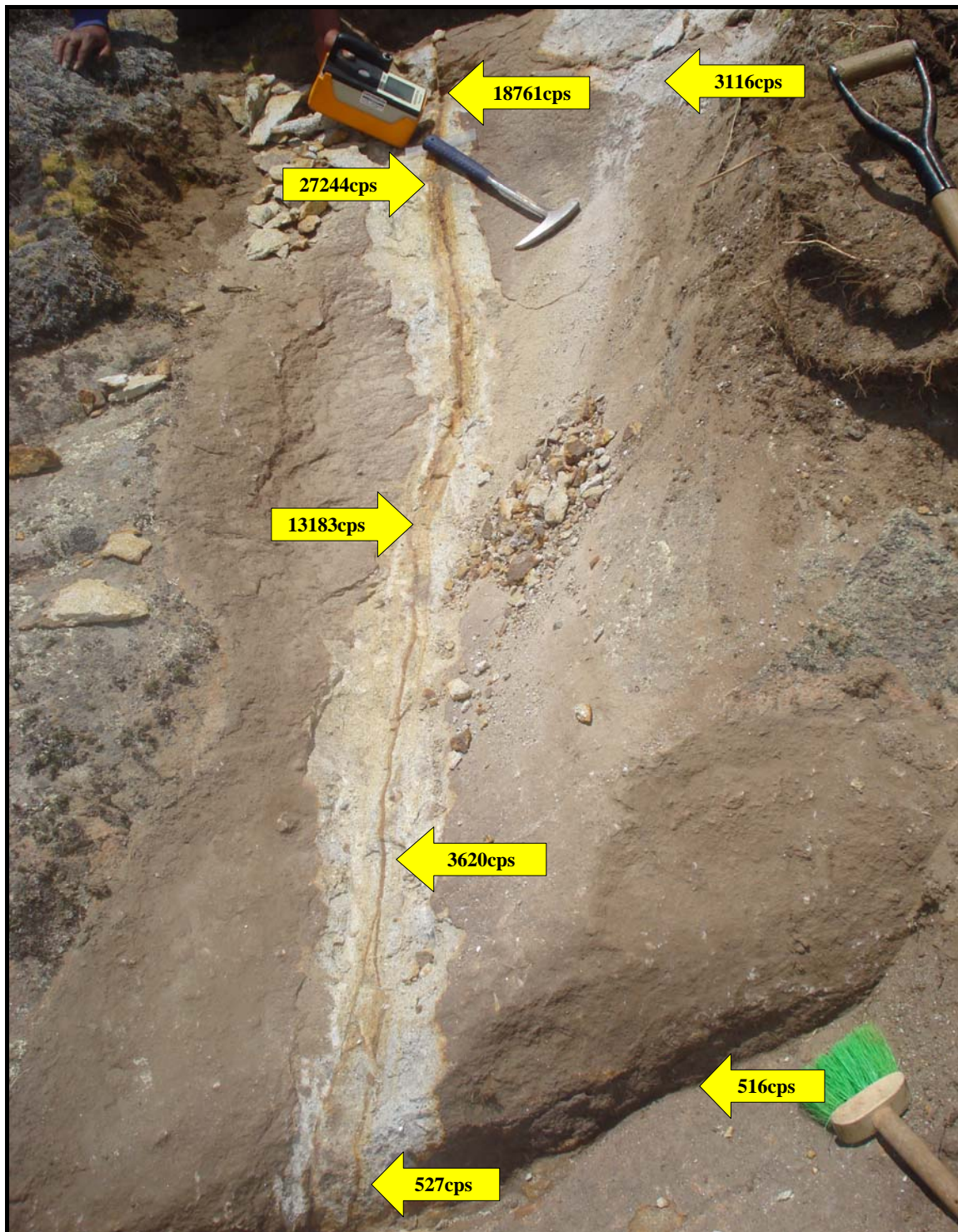
The nature of uranium occurrence in the anomaly areas in the rocks is illustrated in the photograph on the following page.

- (ii) Agreements were signed with local communities to obtain land access;
- (iii) Applications for drilling and environmental permits were lodged.

The proposed exploration programme for the December 2007 quarter is outlined below:

- (a) Continue radiometric surveying and geological mapping of priority areas;
- (b) Conduct infill ground radiometric surveying in the concession areas to further delineate the 15 anomalies identified from reconnaissance geological mapping and radiometric surveying;
- (c) Commence an alpha track survey over anomalous areas to define drill targets;
- (d) Subject to grant of drilling and environmental permits, commence an initial ~2,000 metre RC drilling programme.

COMPANY PROJECTS



Crucero Project - Autinite-filled fracture in Ignimbrite host rock, as shown by anomalous spectrometer readings (measured in total counts per second (cps))



COMPANY PROJECTS

8. 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 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 1500ppm uranium have been reported by IPEN from chip samples adjacent to the unconformity in the region.

Exploration Activities and Programme

During the quarter:

- (i) An initial field survey reconnaissance survey was conducted within the project area;
- (ii) Commenced review of historical data from IPEN in the Santa Rosa area.

The proposed exploration programme for the December 2007 quarter is outlined below:

- (a) Secure agreements with local communities to implement the exploration programme;
- (b) Conduct systematic geological mapping, ground radiometric surveying, and soil and rock sampling to identify uranium mineralisation within the host rhyolite flows;
- (c) Follow up channel sampling of defined surface uranium anomalous areas to define drill targets.

COMPANY PROJECTS

9. COASA PROJECT

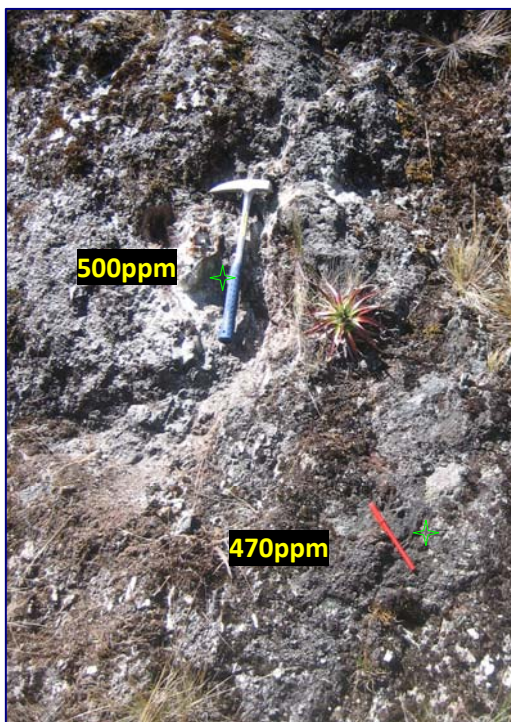
The Coasa Project comprises 11 concessions covering an area of 9,600 hectares. The concessions are centred on the town of Coasa, located in the Macusani district.

The target is pegmatite veins and dykes in well exposed Permian Coasa Granite associated with the Hercinian tectonic event of southern Peru. Historic IPEN data indicate anomalies up to 1900ppm uranium within the project area.

Exploration Activities and Programme

During the quarter:

- (i) Initial reconnaissance mapping and sampling was completed. The Company has identified pegmatitic zones of several metres width with rock chip samples returning 500ppm and 470ppm uranium, as shown in the photograph below.



Coasa Project – Uranium Anomaly located in Pegmatite Vein

The proposed exploration programme for the December 2007 quarter is outlined below:

- (a) Secure agreements with local communities for land access;
- (b) Conduct an airborne geophysical survey to evaluate Alara's extensive concession holdings in this project, subject to aircraft availability;
- (c) Conduct detailed mapping, ground radiometric surveying, and sampling within the anomalous IPEN historical sample area within the Cochacucho 2 concession and anomalous areas identified from (b) above;
- (d) Conduct follow up sampling over anomalous areas identified from radiometric data and sampling programme in (b) and (c) above;

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.



CORPORATE

1. 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 and in an ASX Appendix 3B New Issue Announcement lodged on 3 August 2007.

2. COMPLETION OF 3 FOR 4 NON-RENOUCEABLE RIGHTS ISSUE OF OPTIONS

On 3 September 2007, the Company lodged a prospectus for a non-renounceable rights issue of 3 options for every 4 shares held by shareholders as at the record date (5.00pm WST on 12 September 2007) at an issue price of one cent per option. Each option is exercisable at a price of 25 cents, at any time on or before 30 June 2009.

The purpose of the rights issue was to meet the Company's commitment to undertake a loyalty options issue as disclosed in its IPO Prospectus

The rights issue closed on 28 September 2007 with \$603,750 raised (before expenses) from subscriptions received in respect of 60,375,000 options. These options were issued on 8 October 2007 and are quoted on ASX under ASX code "AUQO".

3. ANNUAL GENERAL MEETING

Please refer to the Notice of AGM dated 19 October 2007 and released on ASX on 31 October 2007 for further information on the resolutions being considered at the Company's 2007 AGM to be held in the Fremantle Room at Parmelia Hilton Hotel, 14 Mill Street, Perth, Western Australia at 2:30 pm (Perth time) on Friday, 30 November 2007.



BOARD OF DIRECTORS

There were no Board changes during the quarter.

The experience and qualifications of current directors are as follows:

John Stephenson	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>	<p>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.</p> <p>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.</p> <p>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.</p>
<i>Relevant interest in securities</i>	Shares – 180,000 ⁵ Listed \$0.25 (30 June 2009) Options – 135,000 ²⁹ Unlisted \$0.55 (27 July 2012) Director Options - 975,000
<i>Other current directorships in listed entities</i>	Chairman of Strike Resources Limited (since 26 October 2005)
<i>Former directorships in other listed entities in past 3 years</i>	None

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>	<p>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.</p> <p>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.</p> <p>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.</p>
<i>Relevant interest in securities</i>	Shares – 184,983 ⁶ Listed \$0.25 (30 June 2009) Options – 138,736 ³⁰ Unlisted \$0.55 (27 July 2012) Director Options – 8,800,000
<i>Other current directorships in listed entities</i>	Managing Director of Strike Resources Limited (since 26 September 2005)
<i>Former directorships in other listed entities in past 3 years</i>	None

⁵ Held jointly: John Francis Stephenson & Susan Margaret Franklin <Stephenson Franklin FMY A/C>

⁶ Held jointly: Mr Hem Shanker Madan & Mrs Anupam Shobha Madan <The AS and HS Madan S/F A/C>



BOARD OF DIRECTORS

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 practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
<i>Relevant interest in securities</i>	Shares – 8,665,699 ⁷ Listed \$0.25 (30 June 2009) Options – 9,266,205 ⁸ Unlisted \$0.55 (27 July 2012) Director 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 (since 23 October 2006) (3) Bentley International Limited (director since 2 December 2003) (4) Scarborough Equities Limited (since 29 November 2004) Current Executive Director of: (5) Strike Resources Limited (since 9 September 1999)
<i>Former directorships in other listed entities in past 3 years</i>	(1) Altera Capital Limited (26 November 2001 to 18 October 2005) (2) Sofcom Limited (since 3 July 2002 to 18 October 2005)

⁷ 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 Interstaff Recruitment Limited (formerly Skills Advantage Australia Limited) (**IRL**), as Mr Khan has a greater than 20% interest in SAA.

⁸ Held indirectly: 9,131,205 options held by OEQ and 135,000 options held by IRL.



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	Injiru 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)



PERUVIAN CONCESSIONS

Pampacolca Project (5,300 hectares):

Concession	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
Pampacolca 5	01-03649-07	2 July 2007	200	32Q	Pampacolca	Castilla	Arequipa
Pampacolca 7	01-04637-07	29 August 2007	600	32Q	Aplao	Castilla	Arequipa
Pampacolca 8	01-04939-07	19 September 2007	1000	32Q	Aplao	Castilla	Arequipa
Pampacolca 9	01-04940-07	19 September 2007	800	32Q	Aplao	Castilla	Arequipa

Crucero Project (2,600 hectares):

Concession	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):

Concession	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	01-03647-07	26 June 2007	1,000	30-U	Santa Rosa, Macarí	Melgar	Puno

Coasa Project (9,600 hectares):

Concession	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



SECURITIES INFORMATION

AS AT 31 OCTOBER 2007

ISSUED SECURITIES

	Quoted	Not Quoted or Subject to Escrow	Total
Fully paid ordinary shares	40,275,000	40,225,000 ⁹	80,500,000
\$0.25 (30 June 2009) Listed Options ¹⁰	60,375,000	-	60,375,000
\$0.55 (27 July 2012) Unlisted Directors' Options ¹¹	-	18,550,000	18,550,000
\$0.55 (27 July 2012) Unlisted Employees' Options ¹²	-	1,425,000	1,425,000
Total	100,650,000	60,200,000	160,850,000

SUMMARY OF UNLISTED DIRECTORS' AND EMPLOYEE OPTIONS

Date of Issue	Description of Unlisted Options	Exercise Price	Expiry Date	Vesting Criteria ¹³	No. of Options
27 July 2007	\$0.55 (27 July 2012) Directors' Options	\$0.55	27 July 2012	50% on grant and 50% on 27 July 2008	18,550,000
27 July 2007	\$0.55 (27 July 2012) Employees' Options	\$0.55	27 July 2012	1/3 rd on 27 January 2008, 1/3 rd on 27 July 2008 and 1/3 rd on 27 January 2009	1,425,000

9 Escrowed shares comprise:

- (i) 4,488,750 shares held by related parties and promoters (founding shareholders) escrowed until 24 May 2009;
- (ii) 736,250 shares held by unrelated founding shareholders escrowed until 6 December 2007;
- (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 [Alara IPO Prospectus dated 3 April 2007](#), escrowed until 24 May 2009; and
- (iv) 6,250,000 vendor shares issued to Orion Equities Limited pursuant to settlement of the Hume Sale Agreement, as defined in the IPO Prospectus, escrowed until 24 May 2009.

10 Terms and conditions of \$0.25 (30 June 2009) listed options are set out in a [Rights Issue Options Prospectus dated 3 September 2007](#) and in an [ASX Appendix 3B New Issue Announcement lodged on 3 September 2007](#)

11 Terms and conditions of issue are set out in a [Notice of Meeting and Explanatory Statement dated 21 June 2007](#) for a General Meeting held on 7 July 2007 and in an [ASX Appendix 3B New Issue Announcement lodged on 3 August 2007](#)

12 Refer footnote 11

13 Options which have vested may be exercised at any time thereafter, up to their expiry date



SECURITIES INFORMATION

AS AT 30 SEPTEMBER 2007

DISTRIBUTION OF LISTED AND UNLISTED ORDINARY FULLY PAID SHARES

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	19	6,806	0.008
1,001	-	5,000	106	350,528	0.435
5,001	-	10,000	543	4,420,044	5.491
10,001	-	100,000	466	16,203,527	20.129
100,001	-	and over	66	59,519,095	73.937
Total			1,199	80,500,000	100%

TOP 20 LISTED AND UNLISTED ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Total Shares	% Issued Capital
1	STRIKE RESOURCES LIMITED	28,750,000	35.71%
2	ORION EQUITIES LIMITED	8,485,699	10.54%
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%
	KATANA EQUITY PTY LTD	1,015,200	1.26%
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	CITYSIDE INVESTMENTS PTY LTD	675,000	0.83%
10	RENMUIR HOLDINGS LIMITED	578,053	0.72%
11	ZHIVAN PTY LTD <SUPER FUND A/C>	527,200	0.66%
12	CHARLES FOTI CORPORATION PTY LTD <CHARLES FOTI CORPORATION A/C>	525,000	0.65%
13	BLUE CRYTSAL PTY LTD	500,000	0.62%
14	MR BRIAN PETER BYASS	500,000	0.62%
15	TWINLAND HOLDINGS PTY LTD	481,024	0.60%
16	MIDAS INVESTMENTS (WA) PTY LTD	356,600	0.44%
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	342,000	0.43%
18	MR DAVIDE PALERMO & MRS FRANCINE GINA PALERMO <D F PALERMO FAMILY TST A/C>	310,399	0.39%
19	MISS HEI YE LAM	309,000	0.38%
20	MR ROBERT FOTI <ROBERT FOTI FAMILY A/C>	300,000	0.37%
Total		53,310,887	66.21%



SECURITIES INFORMATION

AS AT 19 OCTOBER 2007

DISTRIBUTION OF LISTED \$0.25 (30 JUNE 2009) OPTIONS

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	5	2,795	0.004
1,001	-	5,000	55	163,324	0.270
5,001	-	10,000	413	2,607,596	4.318
10,001	-	100,000	334	10,801,543	17.890
100,001	-	and over	50	46,799,742	77.515
Total			857	60,375,000	100%

TOP 20 LISTED \$0.25 (30 JUNE 2009) OPTIONS

Rank	Optionholder	Total Options	% Total Options On Issue
1	STRIKE RESOURCES LIMITED	21,562,500	35.71
2	ORION EQUITIES LIMITED	9,131,205	15.12
3	RENMUIR HOLDINGS LIMITED	3,200,475	5.30
4	CLASSIC CAPITAL PTY LTD	1,552,200	2.57
5	LISA SHALLARD &	1,537,500	2.55
6	DATABASE SYSTEMS LIMITED	730,430	1.21
7	MS ROSANNA DE CAMPO	600,000	0.99
8	MANNHEIM INVESTMENTS PTY LTD	543,750	0.90
9	CITYSIDE INVESTMENTS PTY LTD	501,562	0.83
10	MS SUE LYNN WONG	426,000	0.71
11	ZHIVAN PTY LTD <SUPER FUND A/C>	395,400	0.65
12	CHARLES FOTI CORPORATION PTY	393,750	0.65
13	KATANA CAPITAL LIMITED	386,400	0.64
14	BLUE CRYSTAL PTY LTD	375,000	0.62
15	MR BRIAN PETER BYASS	375,000	0.62
16	KATANA EQUITY PTY LTD	375,000	0.62
17	TWINLAND HOLDINGS PTY LTD	360,767	0.60
18	MIDAS INVESTMENTS (WA) PTY LTD	267,450	0.44
19	HSBC CUSTODY NOMINEES	256,500	0.42
20	MRS JOAN ADDISON	234,500	0.37
Total		43,205,389	71.52%

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 September 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 Sept 2007 \$' 000	Year to Date 3 months \$' 000
	-	-
	(162)	(162)
	-	-
	-	-
	(164)	(164)
	-	-
	118	118
	-	-
	-	-
	-	-
	(208)	(208)

	Consolidated	
	Current Quarter Sept 2007 \$' 000	Year to Date 3 months \$' 000
1.8 Net operating cash flows (carried forward)	(208)	(208)
Cash flows related to investing activities		
1.9 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
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	-	-
1.14 Total operating and investing cash flows	(208)	(208)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	488	488
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	(90)	(90)
Net financing cash flows	398	398
Net increase (decrease) in cash held	190	190
1.21 Cash at beginning of quarter/year to date	9,732	9,732
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	9,922	9,922

**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 Sept 2007 \$' 000
1.24	Aggregate amount of payments to the parties included in item 1.2	(72)
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

\$72,031 - 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

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	(849)
4.2	Development	-
Total		(849)

Reconciliation of cash	Consolidated	
	Current Quarter \$' 000	Previous Quarter \$' 000
5.1 Cash on hand and at bank	922	9,732
5.2 Deposits at call	9,000	-
5.3 Bank overdraft	-	-
5.4 Other (Bank Bills)	-	-
Total: cash at end of quarter (item 1.22)	9,922	9,732

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	Refer tenement/concession schedules in the attached 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	25 cents
7.4 Changes during quarter				
(a) Increases through issues				
(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			<i>Exercise price</i>	<i>Expiry date</i>
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.

31 October 2007

Victor Ho
Company Secretary

+ 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.

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