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MARKET ANNOUNCEMENT

Bigriyi South Uranium Joint Venture with Thundelarra

Alara is pleased to announce that a formal joint venture agreement has been executed with Thundelarra Exploration Ltd (ASX Code: **THX**) for THX to earn a 70% interest in Alara's Bigriyi South Uranium Project tenements located principally in the northern part of the Ngalia Basin in the Northern Territory (located approximately 390 kilometres north-west of Alice Springs).

Thundelarra has tenements (1,950 km²) contiguous with Alara's tenements (1,350km²) and proposes to conduct a regional helicopter-assisted gravity survey over most of its Ngalia project area commencing early June 2009. Thundelarra advises that this survey is designed to locate major structures beneath the sand and Tertiary sediment cover, which are potential hosts for uranium deposits in the central basin.

Under the terms of the joint venture agreement:

1. THX can spend \$750,000 within 5 years to earn a 70% interest in EL24879, EL24928 and EL24929 and a further \$750,000 to earn a 70% interest in EL 24927 (application pending grant) within 5 years of the date of grant of the tenement.
2. THX is required to keep the tenements in good standing during the earn-in period.
3. After THX has earned its 70% interest in the relevant tenements, Alara can elect to contribute its share of expenditure or convert to a 10% interest which is free-carried to a decision to mine. An industry-standard dilution formula applies.
4. THX can withdraw after the first year and, in the case of EL 24927 (application), also if the tenement is not granted within two years.
5. Alara has a first right of refusal if THX wishes to dispose of its rights under the joint venture.

Alara is pleased with Thundelarra's proposed work programme on the joint venture tenements and looks forward to the results of its regional helicopter-assisted gravity survey in the coming year.

Further information:

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