

**ASX**

AUSTRALIAN SECURITIES EXCHANGE

MARKET RELEASE

17 October 2007

Alliance Resources Limited**TRADING HALT**

The securities of Alliance Resources Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Monday, 22 October 2007 or when the announcement is released to the market.

Security Code: AGS

Narissa Taylor

Senior Adviser, Issuers (Perth)



17 October 2007

The Companies Officer
ASX Limited
Attn: Narissa Taylor
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

By e-mail: narissa.taylor@asx.com.au

Dear Narissa,

ALLIANCE RESOURCES LIMITED - REQUEST FOR A TRADING HALT

Pursuant to ASX Listing Rule 17.1, the Alliance Resources Limited (ASX Code: AGS) requests a trading halt in the Companies securities, for up to 48 hours from commencement of the halt, pending an announcement to the market.

The Directors of Alliance Resources expect to shortly make a significant announcement, which the Company is not in a position to release at present.

The Directors expect to make the announcement during the currency of the trading halt, and they expect the trading halt to end upon the release of the announcement.

The Directors of Alliance Resources are not aware of any reason why a trading halt should not be granted by the ASX.

There is no other information that the Directors of Alliance Resources wish to disclose to the market about the trading halt.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Ian Pamensky".

Ian Pamensky
Company Secretary