

Alloy

RESOURCES LIMITED

ABN 20 109 361 195

Suite 6, 7 The Esplanade Mt Pleasant
WA 6153 Australia

Tel: 618 9316 9100
Fax: 618 9315 5475
Email: info@alloyres.com

11 December 2015

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Notification of expiry of un-listed options

Alloy Resources Limited (ASX:AYR), "Alloy" advises that the attached letter has been sent to holders of Alloy Resources Limited un-listed options exercisable at 1.5 cents on or before 31 December 2015, as notification of the expiry of their options on 31 December 2015.

Yours sincerely
Alloy Resources Limited

Kevin Hart
Company Secretary

Alloy

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11 December 2015

NAME OF SHAREHOLDER
ADDRESS
ADDRESS
ADDRESS

Dear Option Holder

EXPIRY OF 31 DECEMBER 2015 UNLISTED OPTIONS

Unlisted Options issued by the Company are due to expire at 5.00pm Western Standard Time on 31 December 2015. In accordance with the terms and conditions of the option issue, the Company is required to give you notice before the expiry date.

The Company advises as follows:

1. The latest date for the exercise of the options and for payment for the exercise price is Thursday 31 December 2015;
2. The exercise price of the options is 1.5 cents per option;
3. The consequence of non-payment of the exercise price is that the options will lapse;
4. The latest available market sale price of the Company's shares on ASX prior to the date of this letter was 0.7 cents per share on 10 December 2015;
5. The highest and lowest market price of the underlying securities during the three months prior to 10 December 2015 are set out below:
 - i. Highest: \$0.01 on 22 October 2015;
 - ii. Lowest: \$0.005 on various dates during the period.

Enclosed is a "Notice of Exercise of Options" form.

To convert your options into AYR shares, complete the attached "Notice of Exercise of Options" form in full, sign it and return it to Security Transfer Registrars Pty Ltd at the address on the exercise form with the appropriate remittance amount by cheque made payable to Alloy Resources Limited and crossed "Not Negotiable".

Yours sincerely

Kevin Hart
Company Secretary

NOTICE OF EXERCISE OF OPTIONS

To
The Directors
Alloy Resources Limited
Suite 6 / 7 The Esplanade
MT PLEASANT WA 6153

Share Registry:
Security Transfer Registrars Pty Ltd
Level 1 770 Canning Highway
APPLECROSS WA 6153
Email: registrar@securitytransfer.com.au
Website: www.securitytransfer.com.au
Ph: (618) 9315 2333 Fax: (618) 9315 2233

I/We Shareholder Number:

Of.....
.....
.....

Being the registered holder of Options hereby exercise such Options to subscribe for Ordinary fully paid shares at \$0.015 per share. I/We enclose application money of \$ And authorise you to register me/us as the holder of the shares to be allotted to me/us and /we agree to accept such shares subject to the Rules of the Constitution of the Company

| | | | |
|---|---|---|---|
| Individual or Holder 1 | Securityholder 2 | Securityholder 3 | Date: |
| <input style="width: 100%;" type="text"/> | <input style="width: 100%;" type="text"/> | <input style="width: 100%;" type="text"/> | <input style="width: 100%;" type="text"/> |
| Director | Director/Secretary | Sole Director/Secretary | Day / Month / Year |
| <input style="width: 100%;" type="text"/> | <input style="width: 100%;" type="text"/> | | |
| Contact Name | Contact Telephone Number | | |

This application, with application money in Australian Currency, should be lodged at the Company's Share Registry on or before the Expiry Date.

Monies can also be deposited to the following bank account using the **applicants name as reference**.

Payment by electronic transfer to:
Account Name: Alloy Resources Limited **BSB:** 036 069 **Account:** 464 000

Please post, fax or scan and email a copy of your bank receipt together with this application form to Alloy Resources Limited. Email: info@alloyres.com, Post: Suite 6, 7 The Esplanade Mt Pleasant WA 6153, Fax: 618 9315 5475.

NOTE: Cheques should be made payable to ALLOY RESOURCES LIMITED and forwarded to Security Transfer Registrars Pty Ltd or the Company.