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ABN: 20 109 361 195

ASX: AYR

The Horse Well Gold Discoveries

 **Explorers Conference**

Fremantle, February 2016

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Exploration Results

Information in this report which relates to Exploration Results is based on information compiled by Andrew Viner, a Director of Alloy Resources Limited and a Member of the Australasian Institute of Mining and Metallurgy, Mr Viner has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Viner consents to the inclusion in the report of the matters based on this information in the form and context in which it appears. Mr Viner is a shareholder and option holder of Alloy Resources Limited.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed.

Where the Company refers to the Mineral Resources in this report (referencing the releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Mineral Resources

The resources in this release are based on work carried out by Dr. S. Carras FAusIMM of Carras Mining Pty Ltd. Dr. Carras has 30 years of 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 2012 edition of the "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves" and consents to the inclusion in this report of the information in the form and context in which it appears.

An Emerging Gold Exploration Success Story



- Alloy Resources is a Junior Mineral Explorer operating in Australia
- We are participating in a significant new **Gold Discovery in Western Australia**
- The Project is located adjacent to **Northern Star Limited's** 220,000 ounce/per annum Jundee Gold Mine
- Our J.V partner is Australian gold producer **Doray Minerals Limited**
- Doray recently completed a 2 Year, \$2M farm-in for a 60% project interest
- The JV agreement will now see over **\$2 million exploration expenditure in the next 12 months** - Alloy will be contributing its 40%
- ***ONE OF THE BEST AUSTRALIAN GOLD EXPLORATION STORIES IN THE MARKET***



Board of Directors

Andy Viner	Executive Chairman – Exploration Geologist <i>Matsa Resources, Jackson Gold, Gindalbie Metals, RSG</i>
Kevin Hart	Non-Executive Director and Company Secretary <i>Gold Road Resources, Dacian Resources, Encounter Resources</i>
Andre Marschke	Non-Executive Director – Investor/Fund Manager <i>Scintilla Capital Pty Ltd</i>

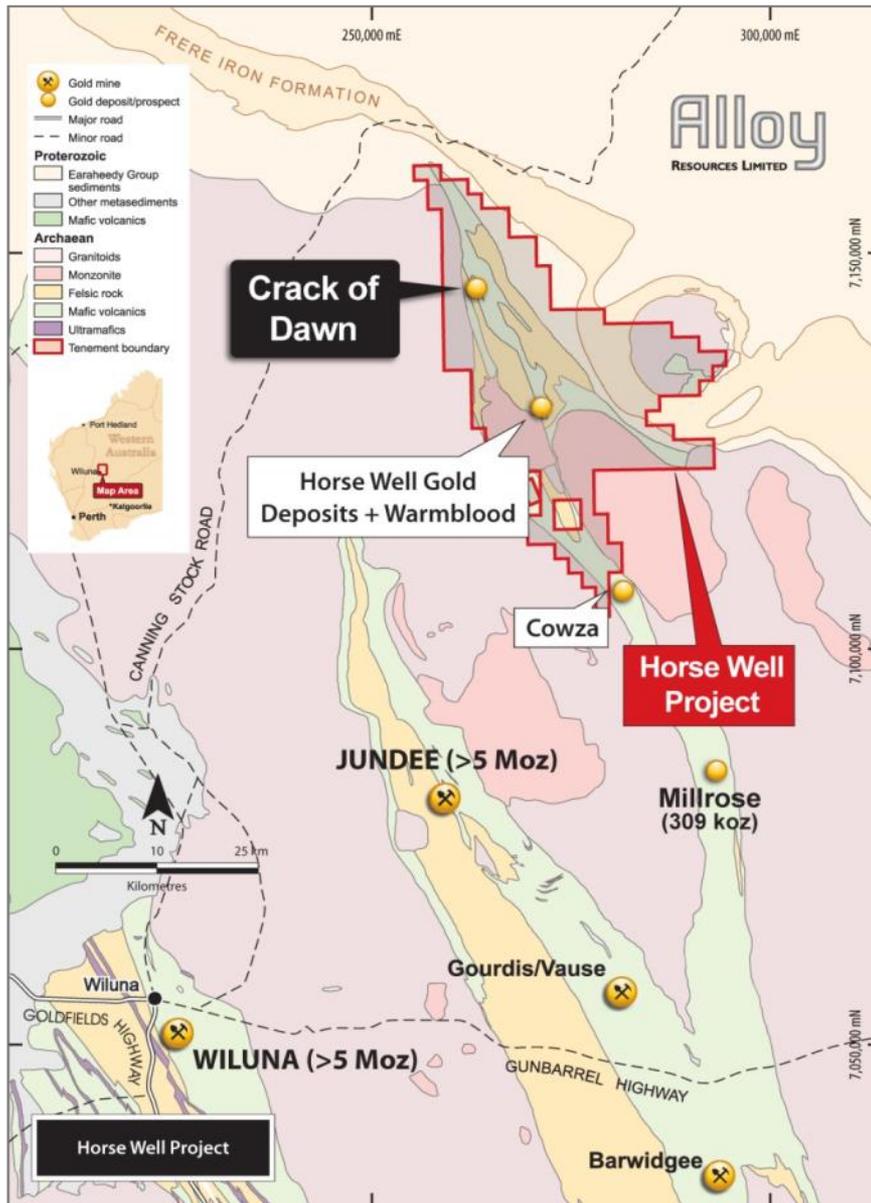
Capital Structure

Shares on Issue	592 million
Options (1.5/1.6c unlisted)	9 million
Market Cap (@ 0.8c)	\$4.7 million
Cash (end Dec Qtr)	\$0.6 million

Shareholders

Top 20	49%
Directors	9.9%

Horse Well Gold Project

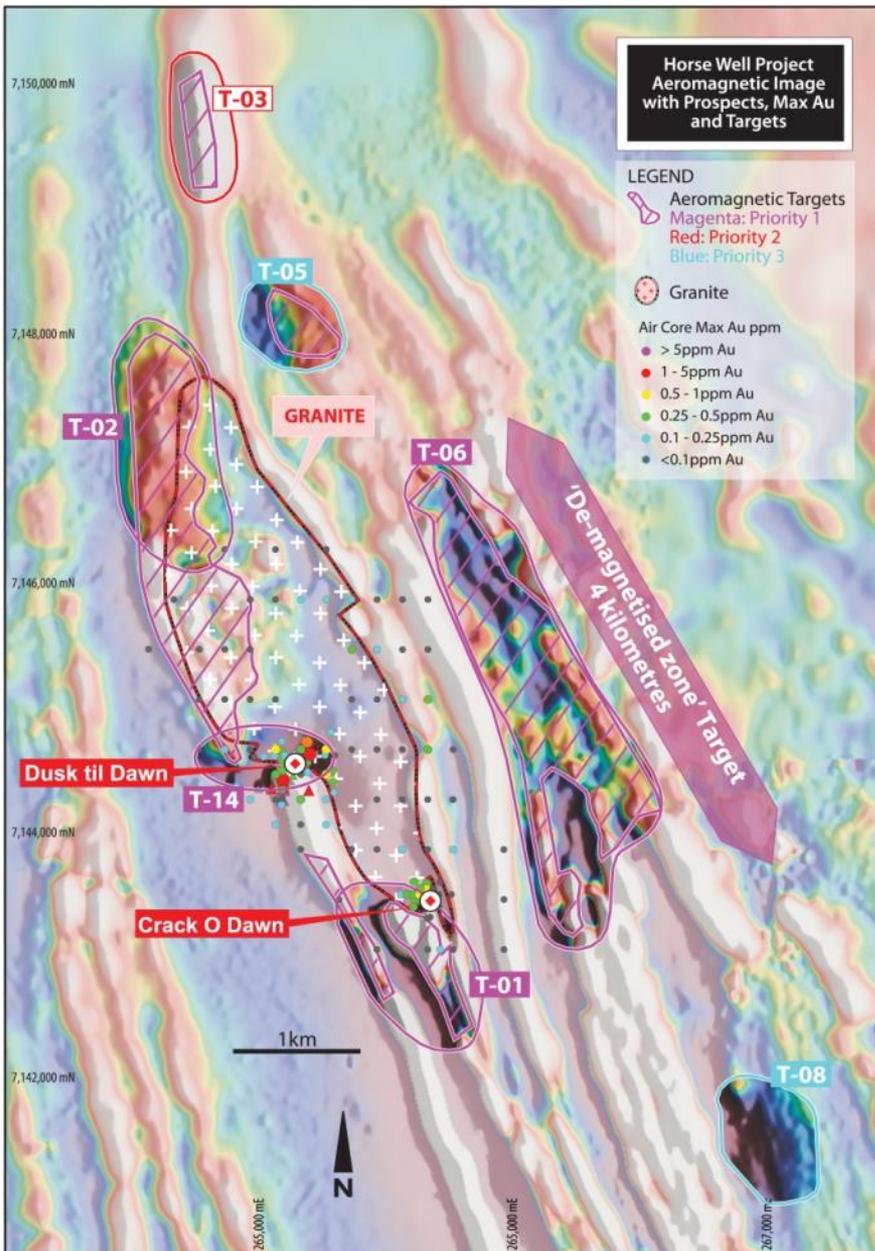


Large 1,000 km² Gold Exploration play

- 50km north of Northern Star's 5 million ounce Jundee mine
- 60 strike kilometres of the Millrose Greenstone Belt (same geology as Yandal belt)
- Existing 75,000 ounce Inferred Mineral Resources in central area of Project ¹
- The Millrose greenstone belt gold endowment is 400,000 ounces from exploration in the 1990's
- Alloy saw strong potential for new discoveries with further exploration
- Doray recognised this potential and are looking for a >1 million ounce stand-alone project
- **Doray confirmed this potential with new gold discoveries in the northern Crack of Dawn area in 2014 and 2015**

¹ (ASX: 28 October 2015 Quarterly Report + Resource Table appended)

Crack of Dawn Target Area

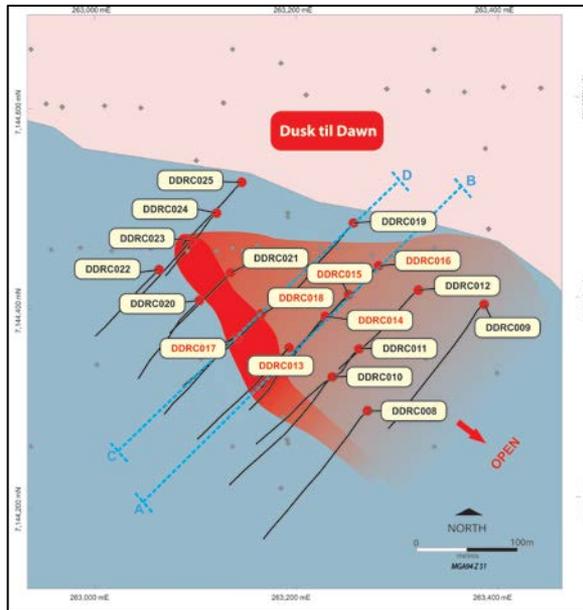


Mid 2014 status – 60% farm-out to Doray

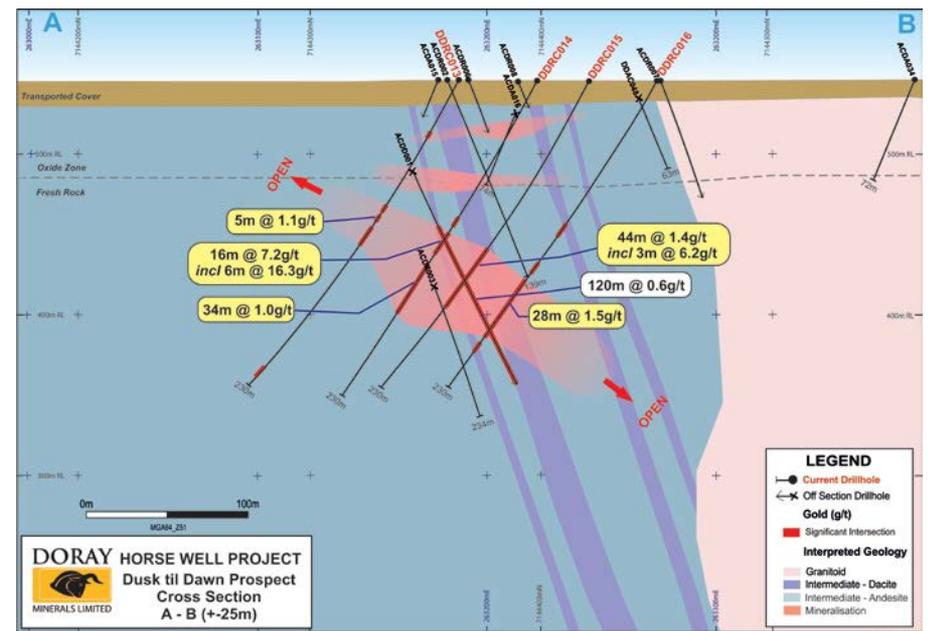
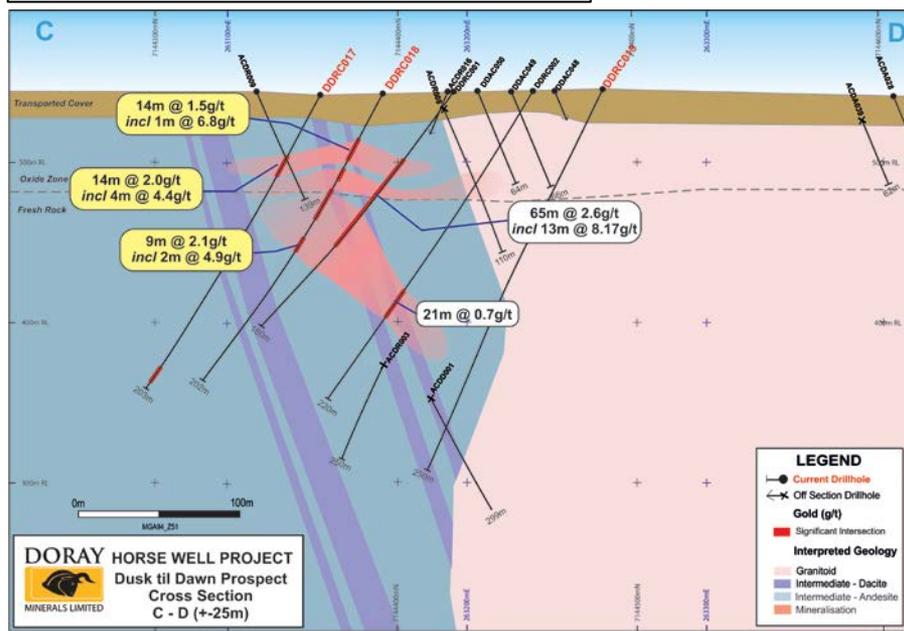
- Under-explored sand covered northern half of project
- Anomalous aeromagnetics and historical air-core drilling led Alloy to recommence exploration here
- Classic structural framework for Yilgarn archean style gold mineralisation observed
- Very large gold alteration system associated with 4.5km x 1.5km late intrusive granite recognised
 - 200 metre thick pyrite alteration on contact with low-grade gold anomalism in air-core holes
 - “Granny Smith” style mineralisation model
 - **Dusk til Dawn prospect advanced by initial RC**
- Major shear zones interpreted through area
 - ‘de-magnetised’ targets
- **This 30 square kilometre area was the principal interest for Doray farmin**

(Refer ASX release: 25 June 2014)

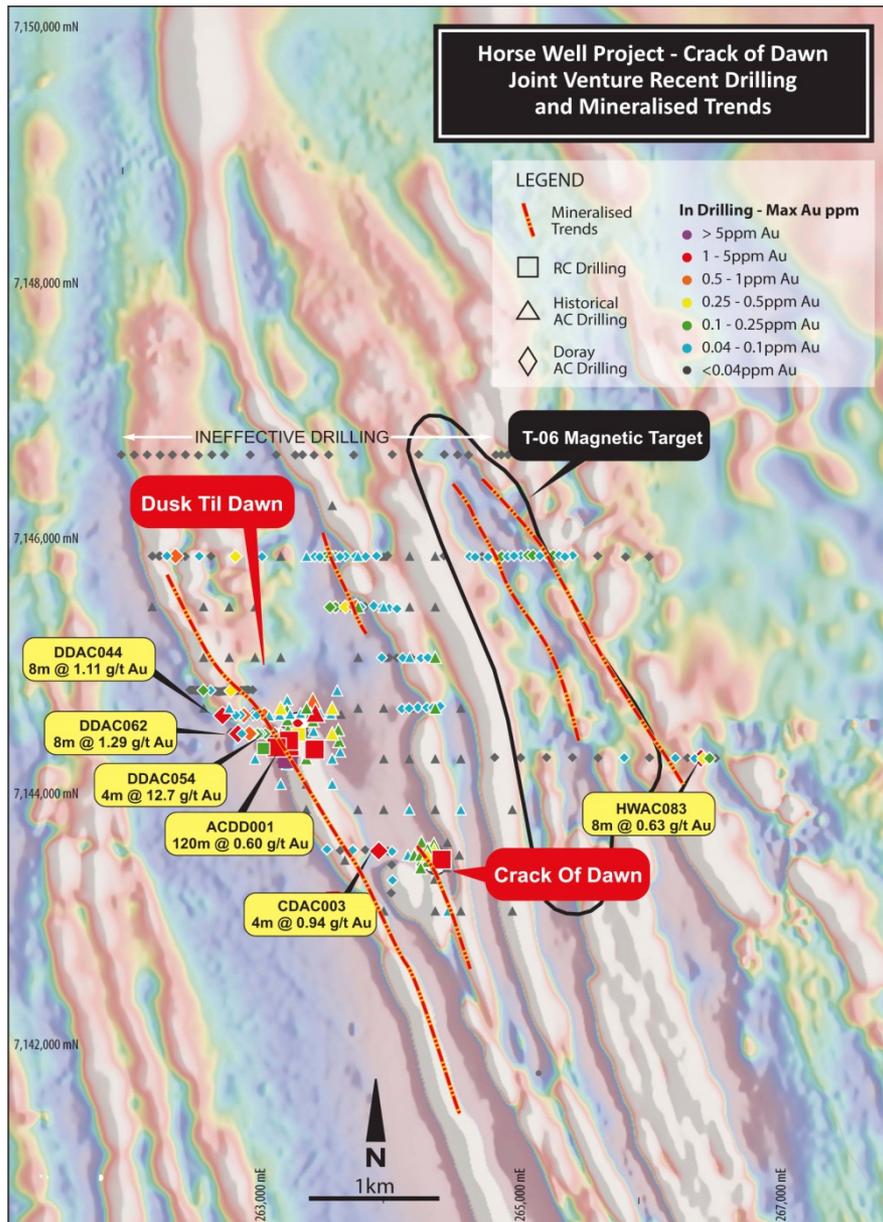
Dusk til Dawn prospect - proof of potential



- “Granny Smith style” gold mineralisation on granite contact
- Three RC programs have now defined mineralisation over 300 metre strike and south east plunge (refer ASX release: September Quarterly Report 28/10/2015)
- Zones of high-grade mineralisation intersected such as in RC Drill Hole DDRC 001 and 014;
 - 65 metres @ 2.6 g/t Au, including 13 metres @ 8.17 g/t Au
 - 16 metres @ 7.2 g/t Au, including 6 metres @ 16.3 g/t Au
- Numerous holes intersected thick moderate grade gold mineralisation such as Hole DDRC015;
 - 44 metres @ 1.4 g/t Au
- There is a lot of gold mineralisation focussed on this area



Regional Anomalies Defined



Early 2015 – initial air-core drilling results

Crack of Dawn Granite

- Numerous air-core anomalies within granite and on contacts
- Open along strike and within anomalies

T-06 'De-magnetised anomaly' – Django Prospect

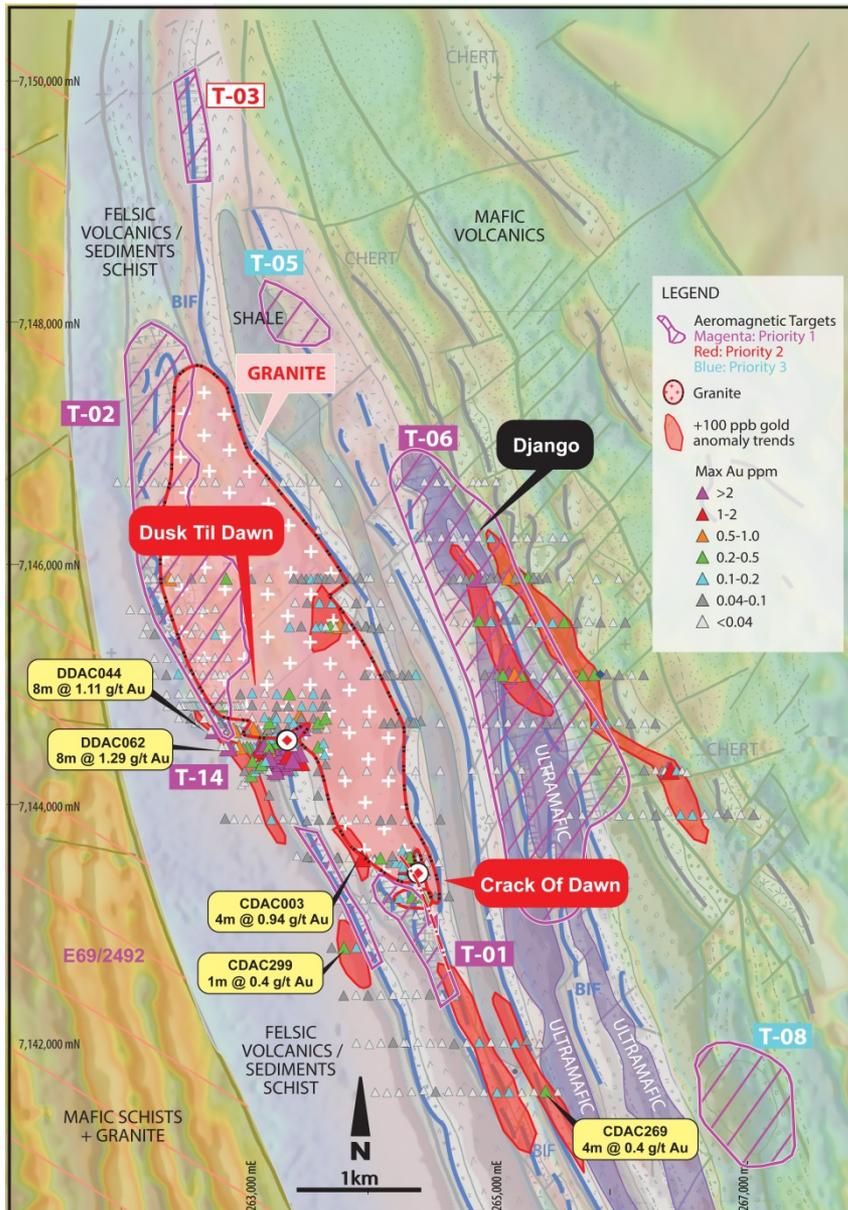
- Only two air-core lines 1.6km apart
- Gold mineralisation (+100ppb) confirmed

Plan: to continue to systematically explore beneath transported cover to locate +100ppb gold trends
– *the same method used to discover Dusk til Dawn*

(refer ASX release: December 2014 Quarterly Report, 30 January 2015)



Large New Gold Trends Discovered



December Quarter of 2015

A 241 hole 14,740 metre regional air-core drill program was completed:

Django Prospect (T-06 Magnetic Target)

- Infill air-core lines to 400m x 50-100m discovered two new gold trends (+100ppb)

Crack of Dawn Granite

- New anomalies along the western contact and within the granite

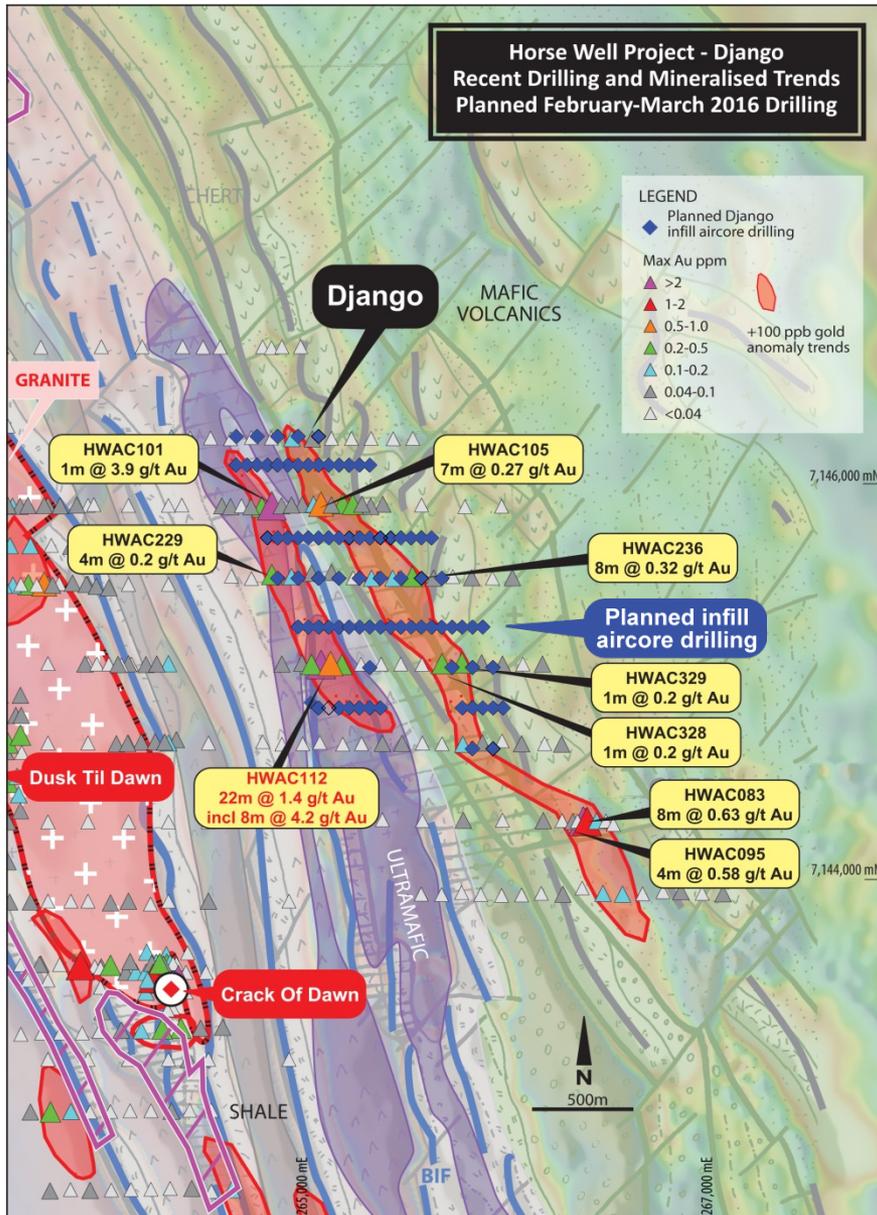
South of Crack of Dawn

- New anomalies along strike to the south may represent continuation of mineralised structures

A 30 square kilometre gold mineralised system has emerged

(refer ASX release 28 January 2016)

Django Discovery



The new Django discovery is proof of a large mineralised system whose alteration is appearing as a de-magnetisation of the host rocks:

Original Target was 4 kilometres long by 1.5 km wide

West trend

- Coherent +100ppb anomalism over an area of 1.5km x 250m with a best drill result of,
- 22m @ 1.4 g/t Au** from 36 mdh, including 8m @ 4.2 g/t Au from 48 mdh

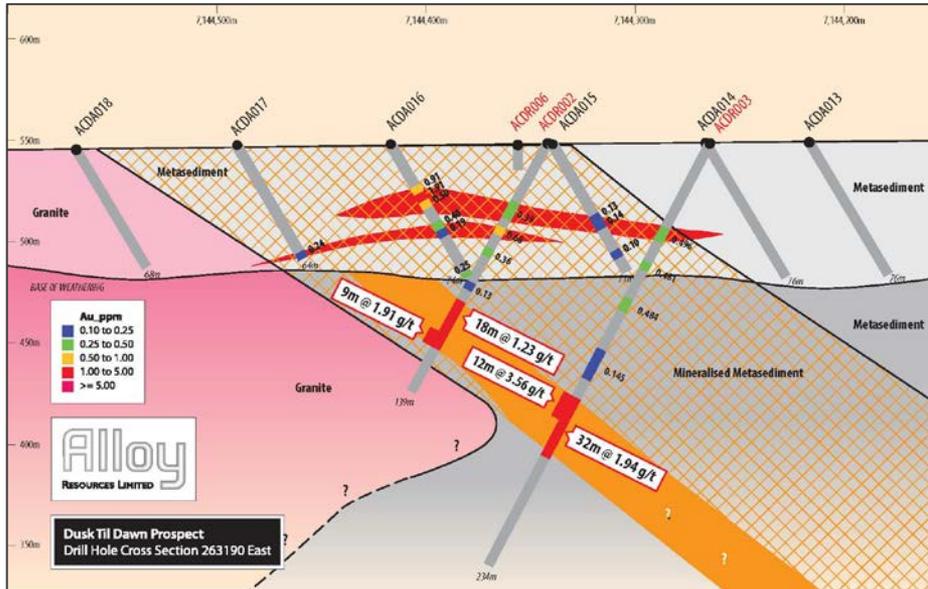
East trend

- Coherent +100 ppb trend over an area of 3 km x 200m
- Highly anomalous **7m @ 0.27 g/t Au, 8m @ 0.32 g/t Au and 8m @ 0.63 g/t Au** along trend

Planned Exploration

- Infill air-core to 200m x 50m on both trends – 5,300 metres has commenced on 13 February.
- Resultant strongest zones to be RC drilled early in the June quarter – up to 4,500 metres

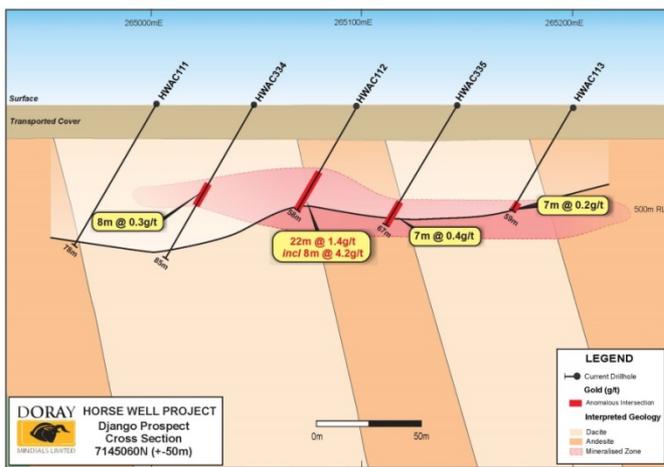
Dusk 'til Dawn – Django Comparison



- The Northern Project area is sand covered on the surface negating use of soil sampling
- Variable ‘transported cover’ to depths of up to 35 metres is present
- Hence ‘air-core’ drilling is required for sub-surface geochemical sampling to locate anomalous trends

Dusk til Dawn Discovery

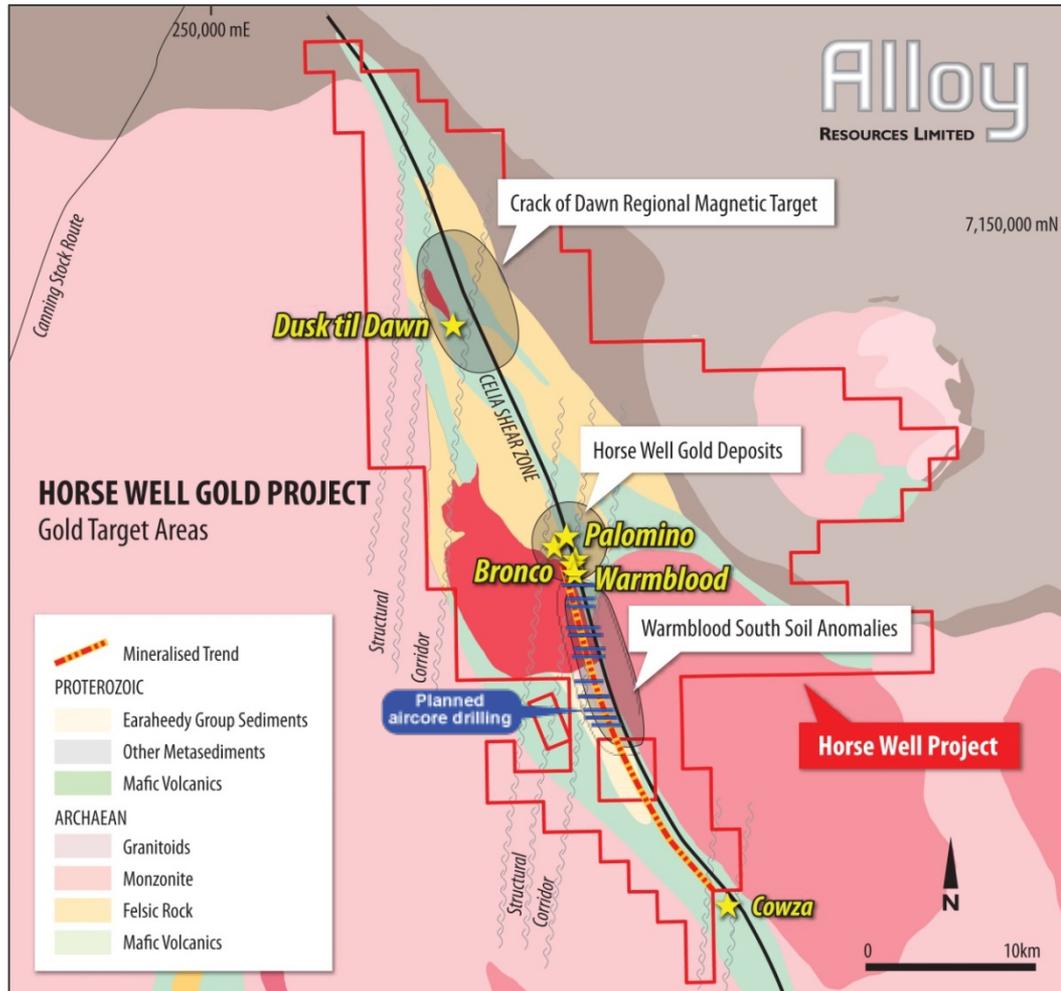
- Original Dusk til Dawn discovery air-core hole was **12 metres @ 1.11 g/t Au** in the centre of three anomalous holes over 200 metres width.
- The Discovery RC hole beneath this of **18m @ 1.23 g/t Au** has led to continued definition of a large gold mineralised area.



Django comparison

- The air-core intersection of **22m @1.4 g/t Au within a 250 metre wide anomaly** is extremely positive for a new discovery
- In addition, intersections of anywhere near 4m to 12m @ 0.20 to 0.60 g/t Au can be highly significant.

Southern Area of Horse Well Gold Project



Status

- **75,000 oz Inferred Gold Resources**¹
- Mineralisation is shallow and largely oxide
- New Warmblood Discovery in 2012/2013
- New soil anomalies at Warmblood South
- Known gold mineralisation at Cowza in same stratigraphic/structural position as Warmblood
- 20km strike virtually untested

Planned Exploration

- *Air-core drilling of Warmblood South soil anomalies*
- *Air-core drilling beneath transported cover on Celia shear*
- *Testing 10 kilometres of strike with 9,000 metres of drilling – commencing in March 2016*

⁽¹⁾ Refer ASX release: 22 October 2015 and Appendix



A Highly Leveraged Investment Opportunity

- ✓ **BIG TARGETS** from outstanding exploration results
- ✓ **EXCELLENT location** – only 50km from the 5 Moz Jundee gold mine
- ✓ **A SERIOUS Partner** – Doray is a gold miner and developer
- ✓ **ACTIVITY & News Flow** – JV to spend at least \$2 million on exploration in 2016
- ✓ **DRILLING NOW** – commenced the next 15,000 metre air-core program
- ✓ **GOLD sector exposure** – the place to be invested

THANK YOU FOR LISTENING TO OUR STORY

Horse Well JORC 2012 Inferred Resource (refer September 2015 Quarterly Report)

Area	Tonnes	Grade (g/t)	Ounces
Palomino	554,000	2.45	43,600
Filly SW	85,800	8.24	22,700
Filly	206,000	1.32	8,700
TOTAL	846,000	2.76	75,100

Notes:

- *All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*
- *The cut-off grades for all Resources are; 0.50 g/t for Oxide, 0.75 g/t for Transition and 1.00 g/t for Fresh weathering classifications.*
- *Resources have been defined in an A\$1,800 per ounce Whittle optimal shell.*
- *The Inferred Resource has been estimated using appropriate high grade cuts, minimum mining widths and dilutions*