



www.alloyres.com.au

ABN: 20 109 361 195

ASX: AYR

The Horse Well Gold Discoveries

RIU SYDNEY RESOURCES ROUND-UP

May 2016

Company Disclaimer and Statements



Disclaimer

This presentation has been prepared by Alloy Resources Limited ("Alloy"). The information contained in this presentation is a professional opinion only and is given in good faith. Certain information in this document has been derived from third parties and though Alloy has no reason to believe that it is not accurate, reliable or complete, it has not been independently audited or verified by Alloy.

Any forward-looking statements included in this document involve subjective judgement and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and maybe unknown to Alloy. In particular, they speak only as of the date of this document, they assume the success of Alloy's strategies, and they are subject to significant regulatory, business, competitive and economic uncertainties and risks. Actual future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements are based. Recipients of this document ("Recipients") are cautioned to not place undue reliance on such forward-looking statements.

Alloy makes no representation or warranty as to the accuracy, reliability or completeness of information in this document and does not take responsibility for updating any information or correcting any error or omission which may become apparent after this document has been issued.

To the extent permitted by law, Alloy and its officers, employees, related bodies corporate and agents ("Agents") disclaim all liability, direct, indirect or consequential (and whether or not arising out of the negligence, default or lack of care of Alloy and/or any of its Agents) for any loss or damage suffered by a Recipient or other persons arising out of, or in connection with, any use or reliance on this presentation or information.

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 potentially significant new **Gold Discovery in Western Australia called the Horse Well Project.**
- The Project is **located on the northern limb of the Yandal Greenstone Belt** about 50 kilometres from **Northern Star Limited's** 220,000 ounce/per annum **Jundee Gold Mine.**
- The Project is a **60:40 J.V with Australian gold producer Doray Minerals Limited** who has earned its 60% by spending \$2 million over the last 2 years. The JV agreement will now see over **\$2 million exploration expenditure in the 2016 calendar year** - Alloy will be contributing its 40%.
- **J.V target is to delineate a 1 million ounce gold reserve to support a 100 koz p.a stand alone operation.**
- ***ONE OF THE BEST AUSTRALIAN GOLD EXPLORATION STORIES IN THE MARKET***

A Western Australian Based Exploration Company



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 Gold, Encounter Resources</i>
Andre Marschke	Non-Executive Director – Investor/Fund Manager <i>Scintilla Capital Pty Ltd</i>

Capital Structure

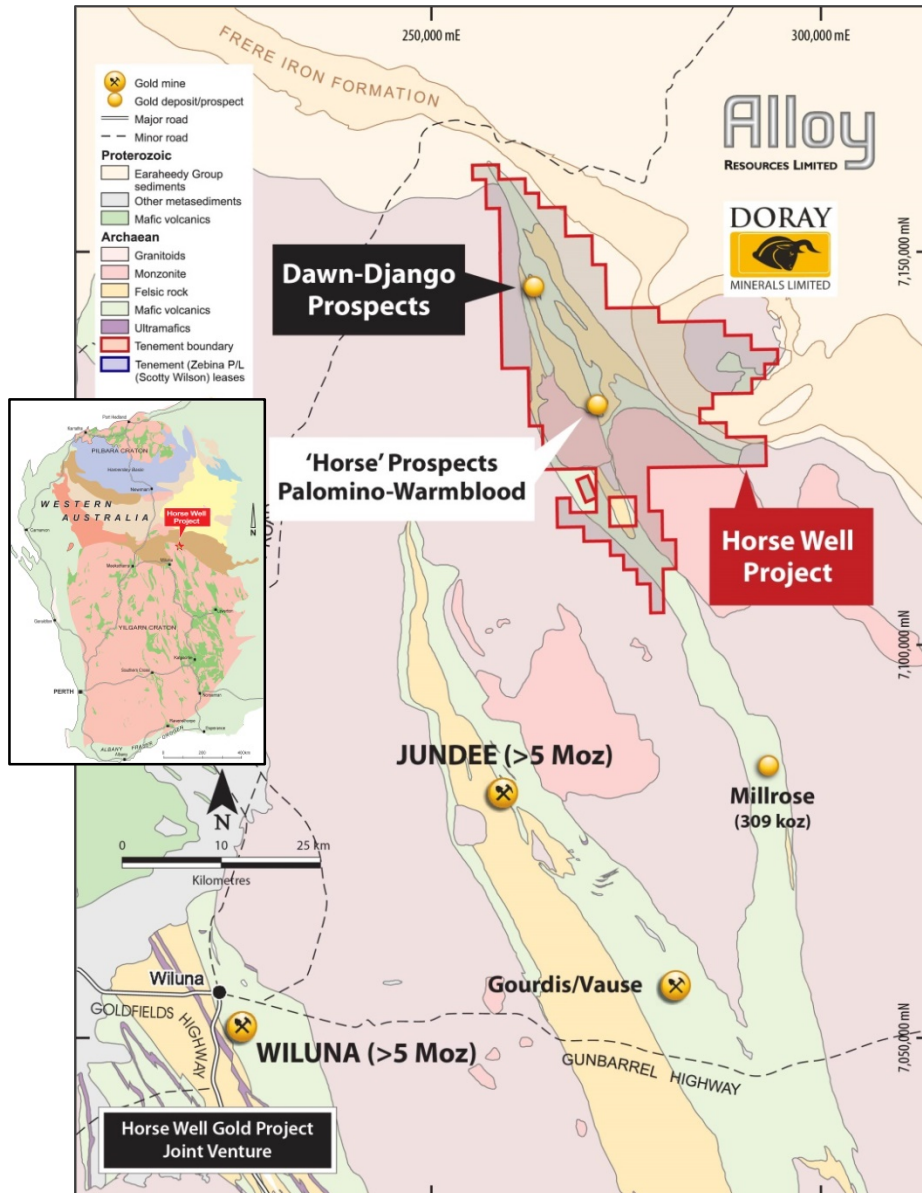
Shares on Issue	712.7 million
Options (1.5/1.6c unlisted)	9 million
Market Cap (@ 1.6c)	\$11.4 million
Cash (approx.)	\$1.5 million

Shareholders

Top 20	49%
Directors	8.2%



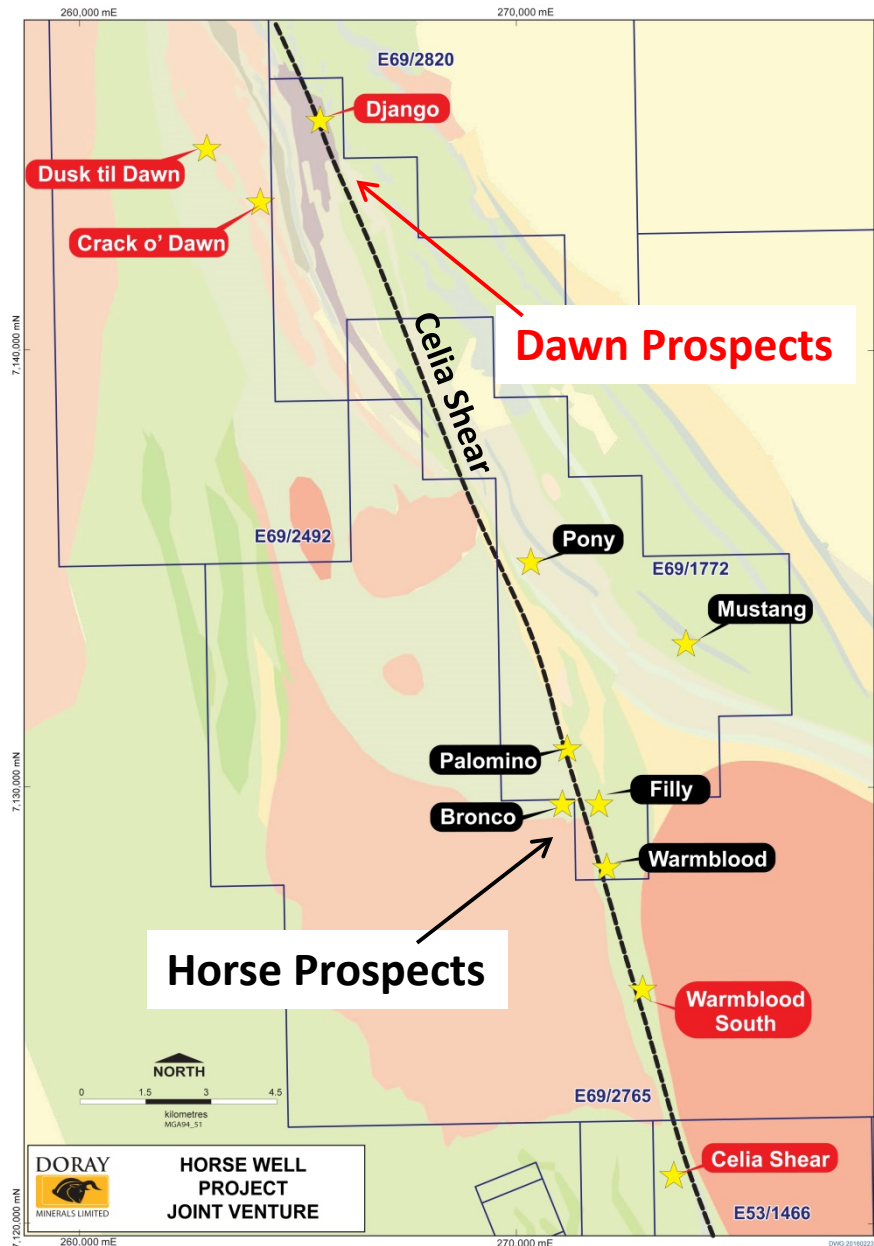
Horse Well Gold Project



- **Large 1,000 km² Gold Exploration play**
- Located in the north-eastern goldfields of Western Australia
- The region hosts major gold deposits at Jundeé, Wiluna and Bronzewing.
- 60 strike kilometres of the Millrose Greenstone Belt (same geology as Yandal belt)
- The area has excellent infrastructure with established roads and nearby airfields.



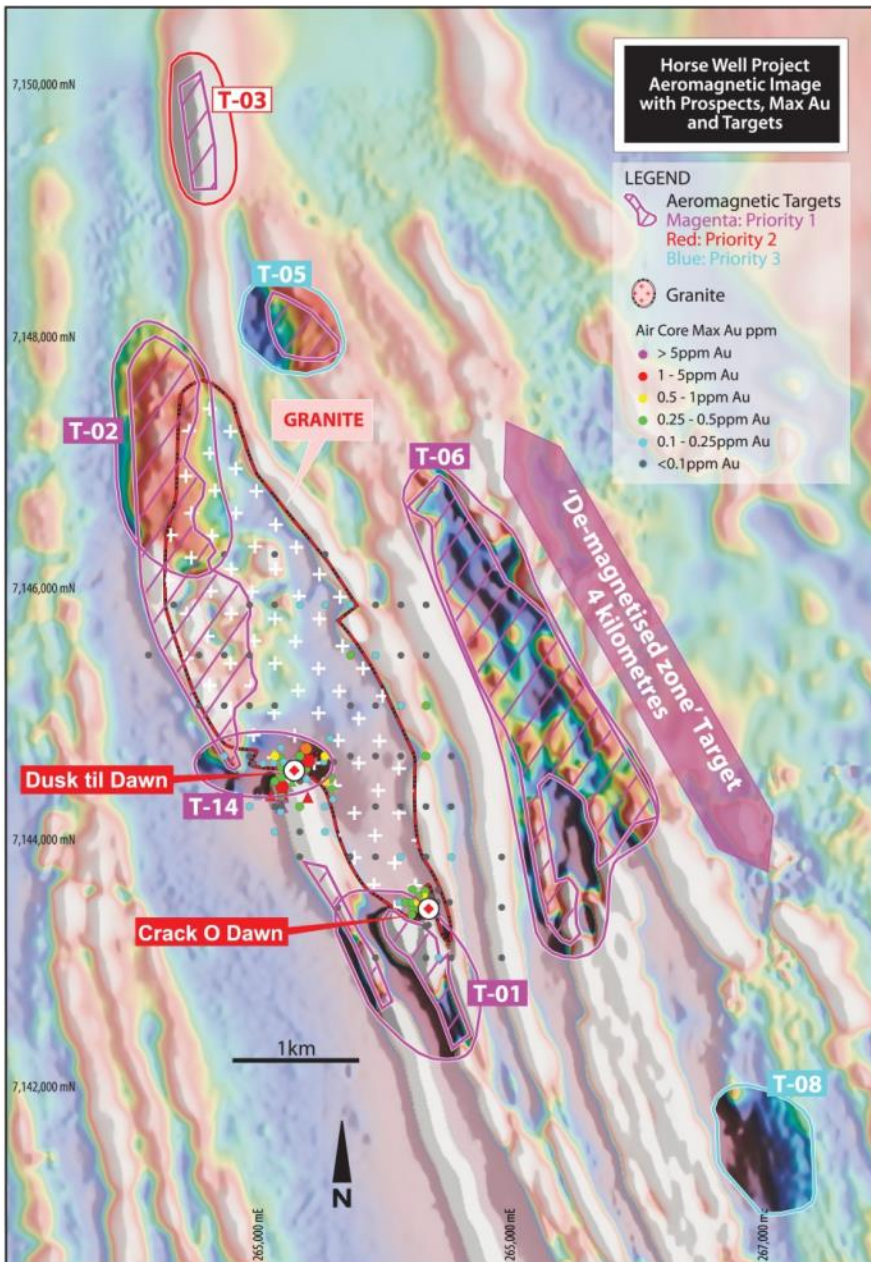
Project Status



- Extensive greenstone belt up to 10 kilometres wide, with granite intrusives and a major central fault structure.
- Over 80% of the project is covered by transported sand meaning exploration requires aeromagnetic survey mapping and then drilling of targets
- The Project has two main known mineralised areas – the northern Dawn prospects area, and the southern Horse prospects area.
- Doray has achieved new gold discoveries in the Dawn prospects area in 2015 with definition of the northern Dusk til Dawn and Django prospects.



Northern Dawn Prospect Areas

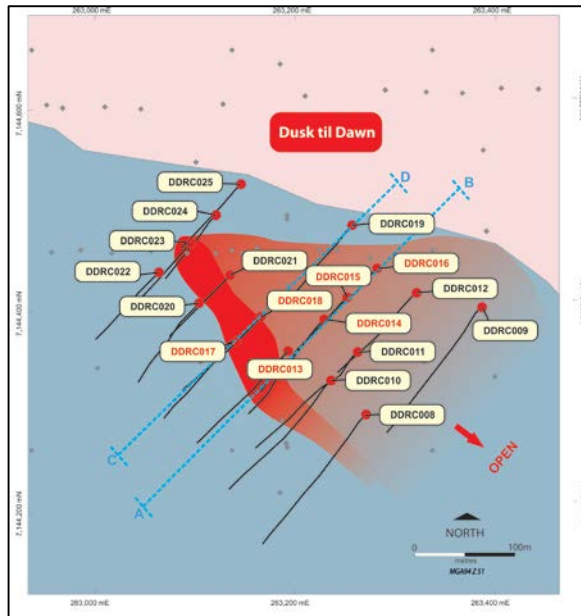


Mid 2014 status – 60% farm-out to Doray

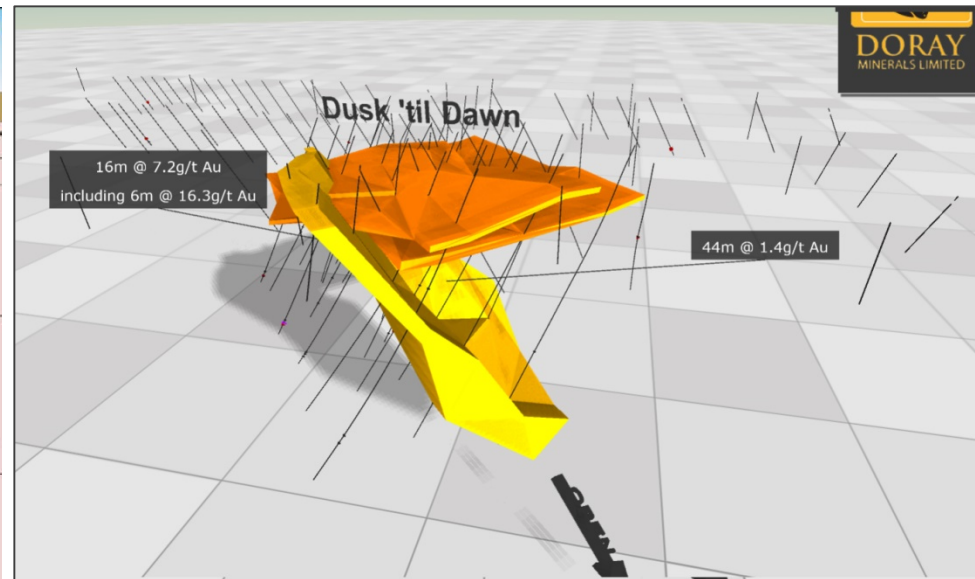
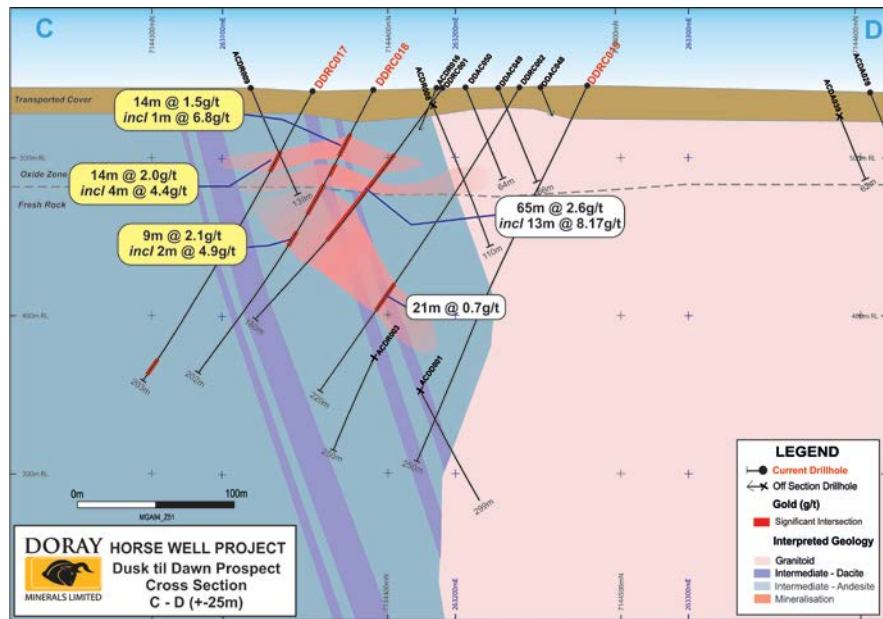
- Under-explored sand covered northern half of project
- Dusk til Dawn and Crack o' Dawn prospects defined by Eagle Mining in the mid 1990's
- Alloy reassessed and completed detailed aeromagnetics and follow-up drilling of the prospects.
- Drilling confirmed Dusk til Dawn had extensive gold mineralisation associated with thick pyrite alteration on a granite contact
- Independent interpretation of aeromagnetics suggested some large unexplored targets – particularly T-06
- ***This 30 square kilometre area was the principal interest for the Doray farmin***

(Refer ASX release: 25 June 2014)

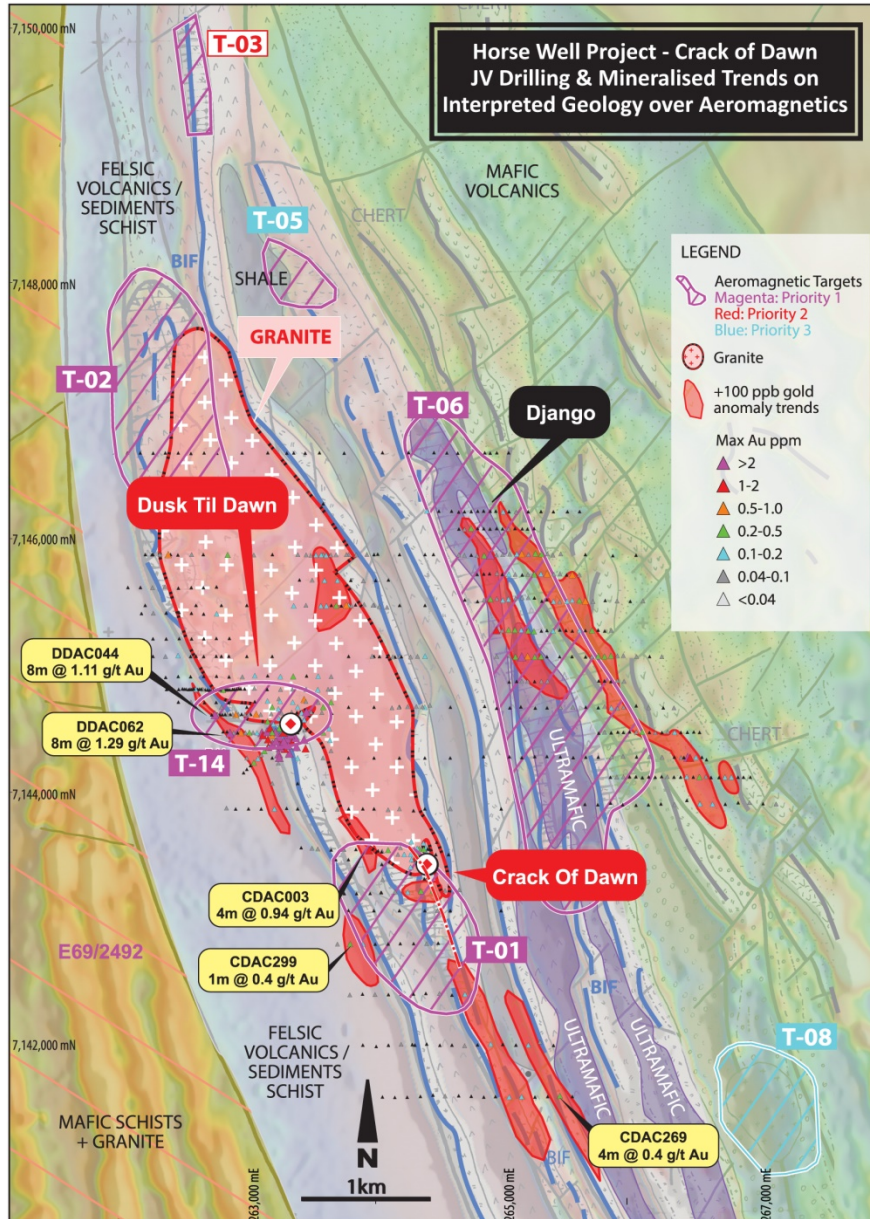
Dusk til Dawn prospect - proof of potential



- “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



Large New Gold Trends Discovered



December Qtr 2015 and March Qtr 2016

Regional air-core drill programs totalling 23,000 metres have been completed:

Django Prospect (T-06 Magnetic Target)

- Air-core drill lines to 200m x 50m confirmed two new gold trends (+100ppb)

Crack of Dawn Granite

- New anomalies along the western contact and within the granite

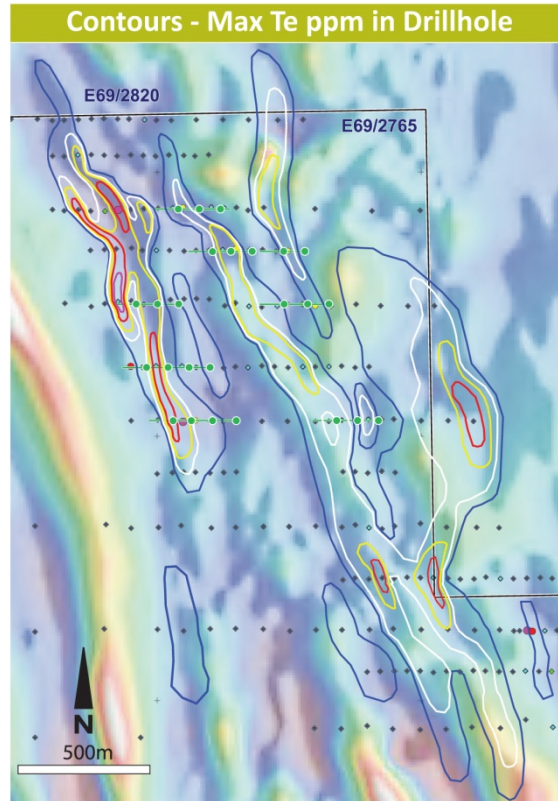
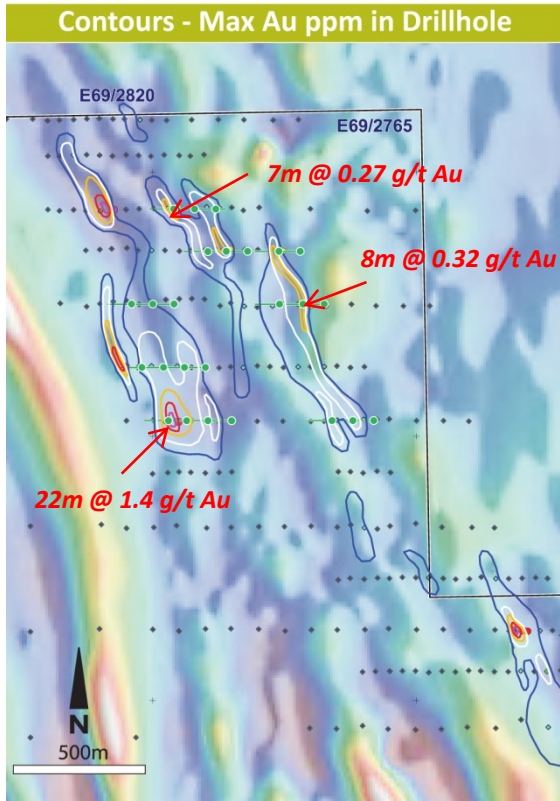
South of Crack of Dawn

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

A 30 square kilometre gold mineralised system has emerged

(refer ASX releases 28 January 2016 and 29 April 2016)

Django Discovery



LEGEND

JV Tenement	Previous Drilling Max Au (ppm)	Contours Drilling Max Au (ppm)	Contours Drilling Max Te (ppm)
Proposed Priority 1 RC Drillhole	<ul style="list-style-type: none"> ● > 2.5ppm Au ● 1 - 2.5ppm Au ● 0.5 - 1ppm Au ● 0.3 - 0.5ppm Au ● 0.1 - 0.3ppm Au 	<ul style="list-style-type: none"> ▭ > 2.5ppm Au ▭ 1 - 2.5ppm Au ▭ 0.5 - 1ppm Au ▭ 0.3 - 0.5ppm Au ▭ 0.1 - 0.3ppm Au 	<ul style="list-style-type: none"> ▭ > 2.5ppm Te ▭ 1 - 2.5ppm Te ▭ 0.5 - 1ppm Te ▭ 0.3 - 0.5ppm Te ▭ 0.1 - 0.3ppm Te

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

Original Target was 4 kilometres long by 1.5 km wide. Two gold trends are present, confirmed with co-incident Tellurium anomalies.

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

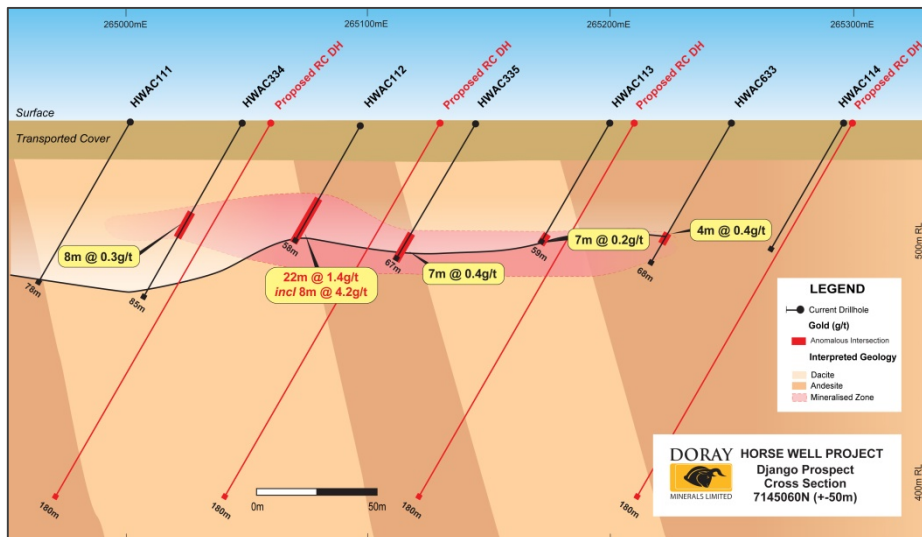
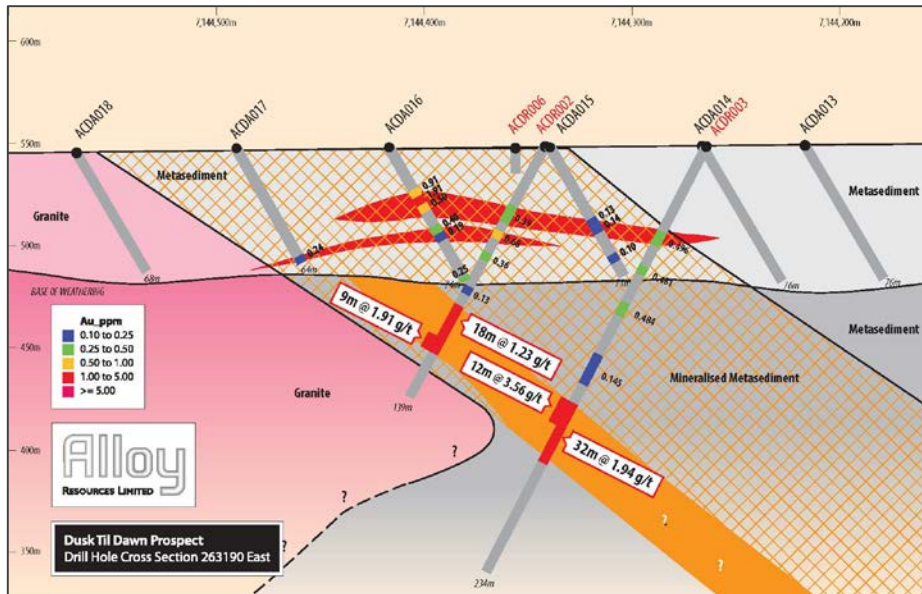
East trend

- 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

- *4,500 metres of RC drilling will commence this week*
- *Holes to 180 metres depth*

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

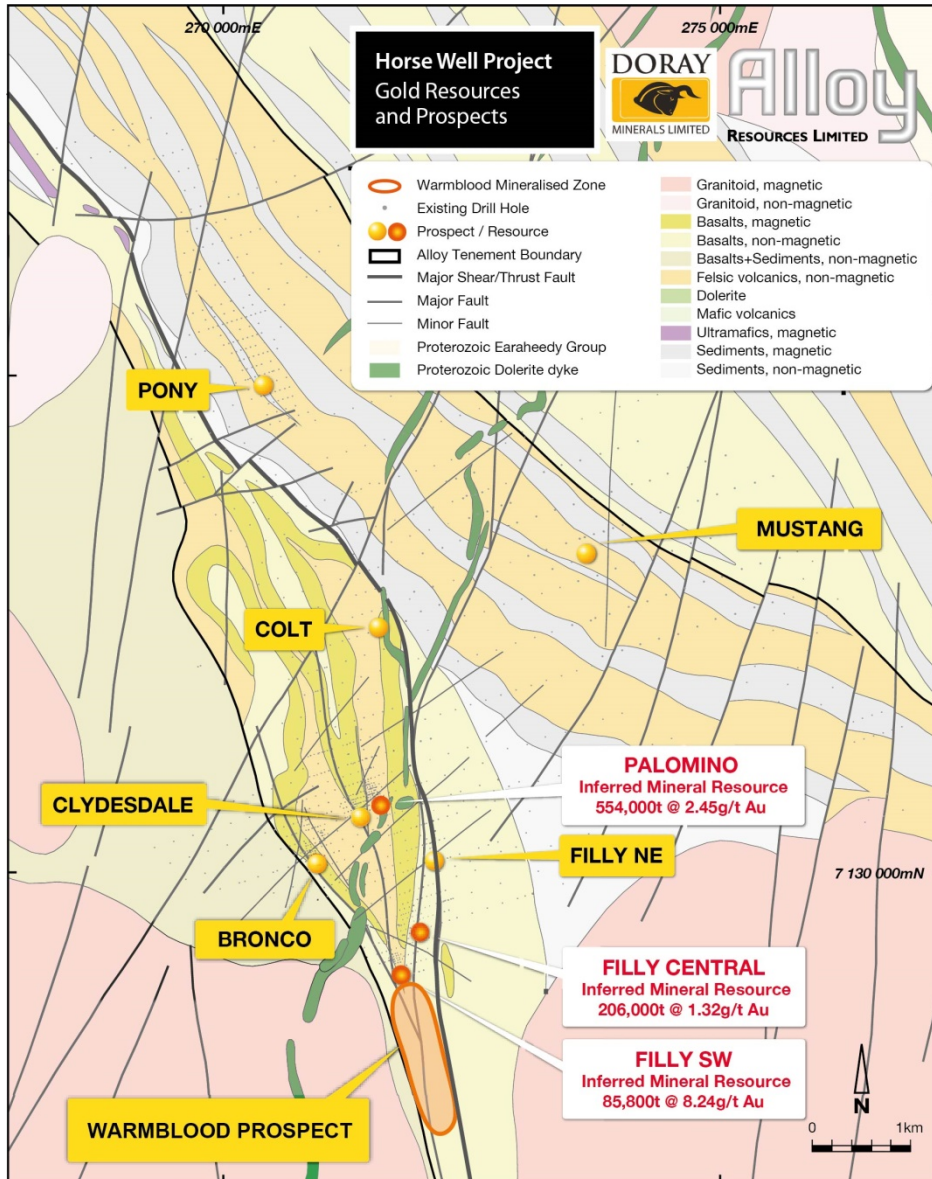
Dusk til Dawn Discovery

- 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.
- Deep RC drilling should locate the primary gold source

Southern Horse Prospect Area



Status

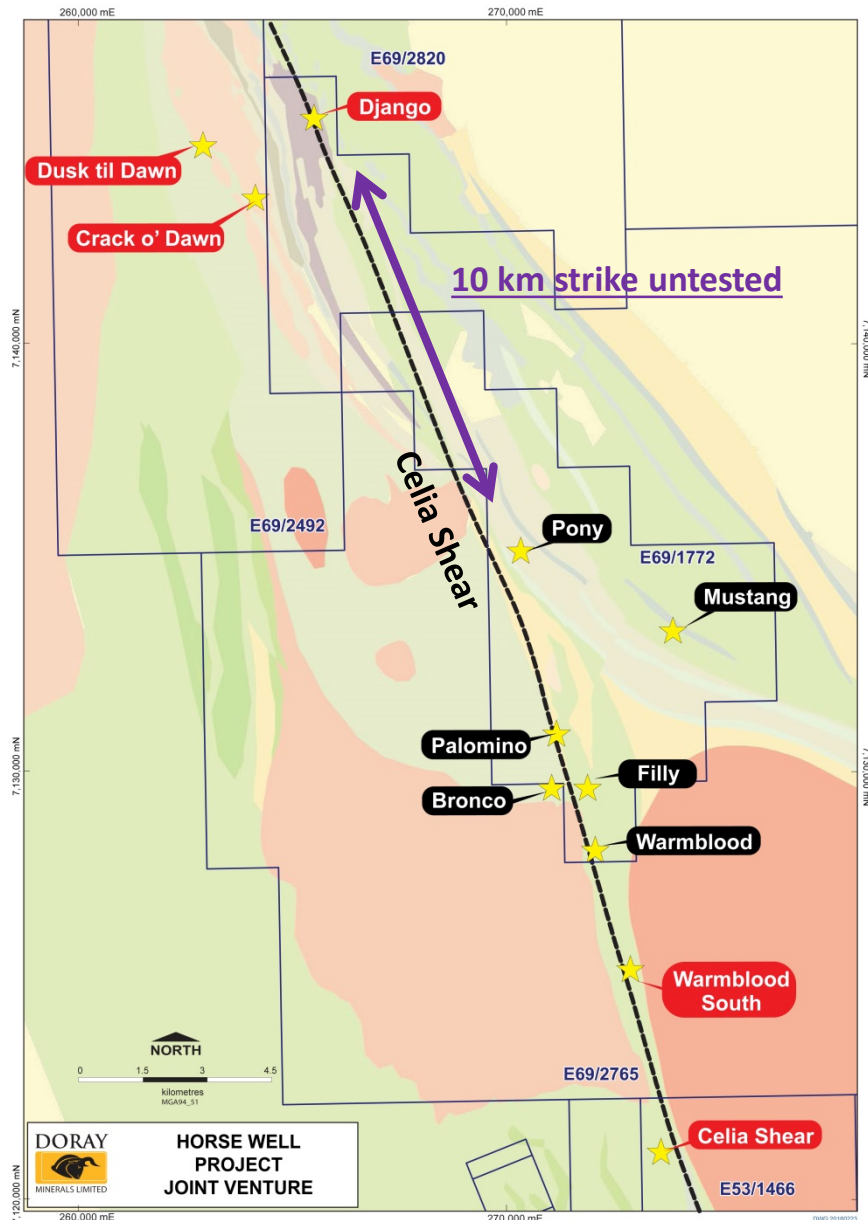
- **75,000 oz Inferred Gold Resources** ¹
- Mineralisation is shallow (< 130m) and largely oxide
- New Warmblood Discovery in 2012/2013

Upside

- Warmblood drilling only in oxide and gold appears to be from narrow high-grade shoots with shallow northerly plunge. RC drilling required.
- Warmblood southern extensions untested
- Palomino mineralisation plunges north – no exploration for other mineralised shoots.

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

Future Exploration



Untested Areas

- The Celia Shear is untested between Django and Pony prospects – a strike of 10 kilometres
- There is another 10 kilometres of strike untested north of Django where Proterozoic cover starts to occur
- There is another 10 kilometres strike at the southern end with very limited drilling

Likely Exploration Activities

- Extensive air-core drilling of untested areas to gather first pass geochemical coverage
- Continued infill air-core drilling of new anomalies.
- Follow-up RC drilling of coherent +100ppb air-core anomalies
- Renewed RC drilling of Horse Prospects
- Mineral Resource Estimation



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 a 4,500 metre RC program at Django
- ✓ **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*