



ASX Release

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ASX Code

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Ophara Cobalt Project Update

- **Ground inspection of 70 square kilometre area containing historical aerial EM anomalies completed.**
- **Two areas of historical workings located that show strong similarities to Great Goulburn Cobalt-Gold prospect.**
- **New field targets appear to confirm historical aerial EM anomalies are defining potential cobalt bearing sulphide conductors.**
- **Over 60% of EM targets concealed by extensive areas of thin cover.**
- **Results of Rock Chip sampling program expected shortly.**

Summary

Alloy Resources Limited (ASX: **AYR**, **Alloy** or the **Company**) is pleased to advise of field exploration progress at the Ophara Project located 50 kilometres west of Broken Hill in New South Wales.

Field examination of historical GEOTEM anomalies has recently been completed. A systematic inspection of EM anomaly peaks and trends was carried out by ground traversing in vehicle and on foot, covering an area of approximately 70 square kilometres.

This field work was successful in defining new areas of apparent gossanous iron-rich outcrop and float that may be the remnants of cobalt-gold mineralisation associated with pyrite. Two areas (Areas A and B – see Map and photos below) contained historical prospecting pits on material that appeared to have strong similarities to the Great Goulburn mineralisation.

The field traversing has also allowed mapping of areas of outcrop and cover rocks. The key observation in this regard is that approximately 60% of target areas did not have outcrop, being covered by a thin layer of transported sand and eroded 'colluvial' rock dominated by pegmatitic material from the top of most hills. In and around Dams it was noted that semi-fresh rock was often excavated from shallow depths suggesting no false EM anomalies are likely to be present related to salty water in deep alluvial channels.

The overall assessment of the surface in the area is that the aerial EM anomalies are highly likely to represent subsurface pyrite conductors – particularly as two of the outcropping conductor trends have historical workings on them. Further exploration will include some soil sampling over elevated areas, however detailed new aerial electromagnetic surveying is also likely to define first pass drill targets.

A total of forty rock chip samples and eight Lag soil samples were collected. Sample results are expected to be received shortly.

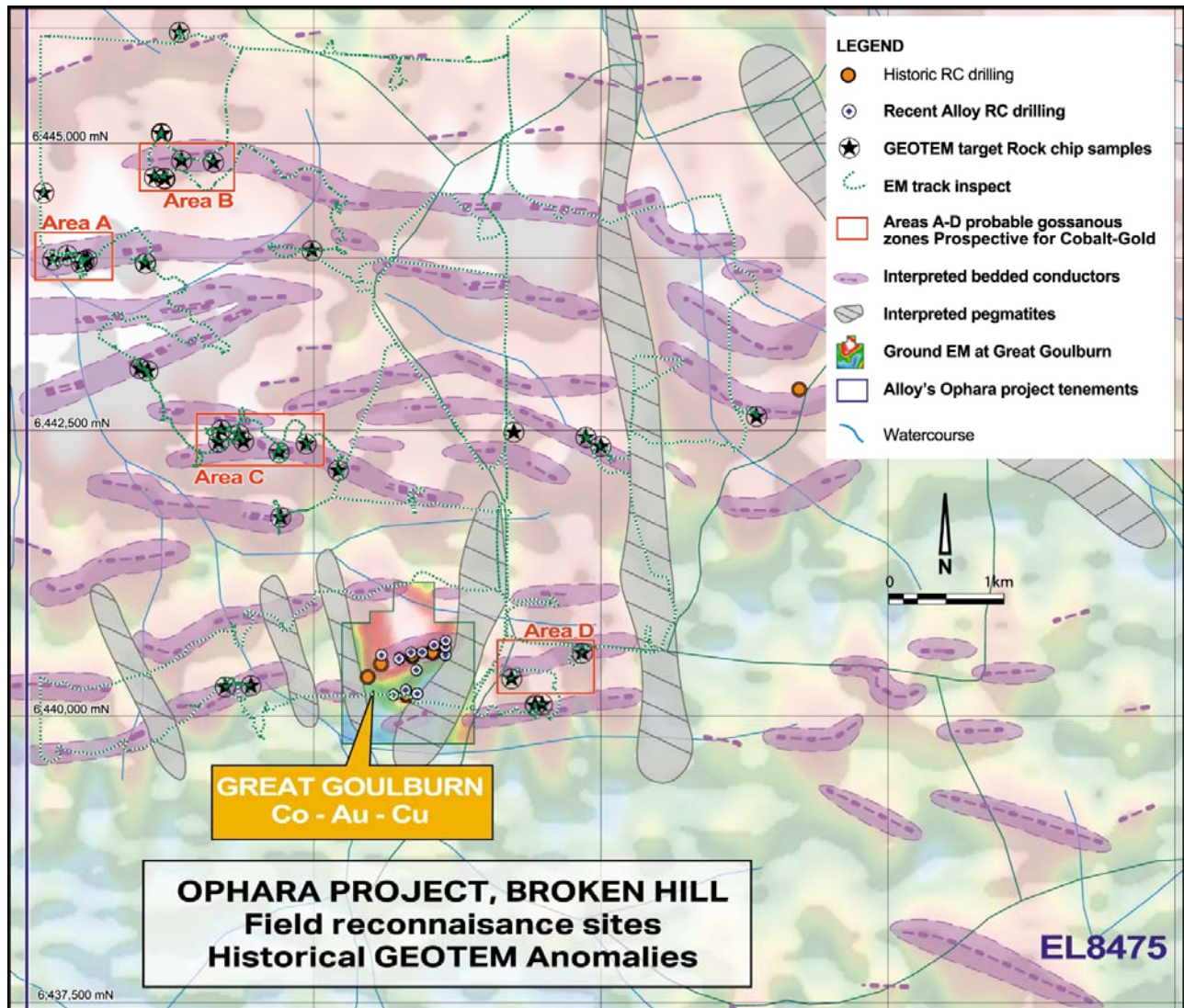


Figure 1 GEOTEM Channel 12 N shade Image with interpreted conductive units.



Area A Historical Prospecting Pit – part of a 400-metre line of workings on a strong EM trend



Area B *Historical Prospecting Pit – one of four on a strong 600-metre-long EM trend*

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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.