

3 April 2018

ASX Compliance Pty Limited
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

Attention: Anjuli Sinniah

Dear Anjuli

ASX PRICE AND VOLUME QUERY LETTER

In response to your correspondence dated 26 March 2018 regarding increases in the price and trading volumes of the Company's shares, the Company's response is as follows:

1. Alloy Resources Limited ('Alloy or the Company') at the time of the ASX query was in the process of receiving assay results back from the Ophara Cobalt Gold Project soil sampling programme which had recently been completed as announced to the market on 15 March 2018.

The company also notes the recent share price appreciation of Cobalt Blue Holdings Limited (ASX COB) whose Thackaringa Cobalt Project lies 10 km from Alloy's Ophara cobalt-gold project, and also the current increase in the price of Cobalt to record highs.

2. Upon receipt of the ASX query, the Company requested a trading halt because it was not in a position to make an announcement as not all of the sample results from the programme been received back from the assay laboratory and as such compilation, review and interpretation of results by the competent person and review by the board was incomplete.
3. Not applicable.
4. The Company confirms that it is in compliance with the Listing Rules and in particular Listing Rule 3.1.
5. The Company confirms that the response as outlined above has been authorised and approved in accordance with its continuous disclosure policy and is released by the Company Secretary who is the designated Communications Officer and tasked with liaising with ASX.

Should you require any further clarification please do not hesitate to contact the undersigned.

Yours sincerely



Kevin Hart

Company Secretary



26 March 2018

Kevin Hart
Company Secretary
Alloy Resources Limited
Suite 8, 7 The Esplanade
MT PLEASANT WA 6153

By email: kevinh@endeavourcorp.com.au

Dear Mr Hart

ALLOY RESOURCES LIMITED ("AYR"): price and volume query

We note the change in the price of AYR's securities from a close of \$0.01 on 23 March 2018 to an intraday high of \$0.0135 today, Monday 26 March 2018.

We also note the significant increase in the volume of AYR's securities traded today.

In light of this, ASX asks AYR to respond separately to each of the following questions and requests for information:

1. Is AYR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
 - a) Is AYR relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in AYR's securities would suggest to ASX that such information may have ceased to be confidential and therefore AYR may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that AYR may have for the recent trading in its securities?
4. Please confirm that AYR is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that AYR's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AYR with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **12.30pm WST today 26 March 2018**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in AYR's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AYR's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at anjuli.sinniah@asx.com.au and tradinghaltspert@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to AYR obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that AYR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in AYR's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Anjuli Sinniah
Senior Adviser, Listings Compliance (Perth)