



Horse Well JV

New Mineral Resource Estimation

ASX Release

13 March 2019

Capital Structure

Alloy Resources Limited
ABN 20 109 361 195

ASX Code
AYR

Issued Shares
1,577,077,613

Unlisted Options
29,000,000

Corporate Directory

Executive Chairman
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Highlights

- **New Gold Mineral Resource Estimates underway on two advanced prospects.**
- **Mineralisation at the Warmblood prospect extends over 400 metres strike and is drilled to only 100 metres depth.**
- **Mineralisation at the Dusk til Dawn prospect extends over 300 metres strike and has been drilled to vertical depths of 200 metres.**
- **Modeling expected to define drill targets for extensions.**

Summary

Australian Gold and Cobalt explorer **Alloy Resources Limited (ASX:AYR) (Alloy or the Company)** provides the following update in regards to exploration activities at the Horse Well Gold Project Joint Venture ("**Horse Well**") (Alloy 51%, earning 60%: Doray Minerals Limited 49%).

Horse Well is located in the north-east goldfields region of Western Australia and is adjacent to Northern Star Limited's Jundee Gold Mine. The Company is currently sole funding exploration to earn up to 60% in the Project.

The project is well mineralised and has a number of prospects within the 60 kilometre strike of greenstone belt. The Company has been systematically testing a pipeline of these with the aim of discovering a major new gold deposit.

New Mineral Resource Estimates

The Company has commissioned Independent consulting group Trepanier to complete new Mineral Resource Estimates for gold mineralisation at the two advanced prospects of Warmblood and Dusk til Dawn. Drilling at both prospects is sufficiently detailed to enable geological and grade modelling to be completed with confidence.

Warmblood Prospect

Drilling at Warmblood has been completed on a nominal 40 metre by 20 metre pattern to a maximum vertical depth of 100 metres. Mineralisation is interpreted to be constrained to two sub-parallel mylonitic silicified zones with each varying in true thickness from 1 metre up to 10 metres. The majority of defined mineralisation is in the weathered and transitional zones. Some surface depletion and supergene spread of the mineralisation occurs in the weathered zone at the northern end of the prospect, whereas to the south mineralisation zones come to surface.

Limited drilling at depth in fresh rock has delivered some good high-grade intersections that remain open at depth, such as **3m @ 10.95 g/t Au** from 89 mdh in hole AHWR068, and **15m @ 5.34 g/t Au** from 83 mdh in hole AHWR069 (ASX release 26 June 2018).

Petrographic studies of these high-grade zones is also being completed.

Dusk til Dawn Prospect

Drilling at Dusk til Dawn has been completed on a nominal 50 metre by 40 metre pattern to a maximum vertical depth of about 220 metres. Mineralisation is interpreted to be constrained to a broad moderately north-east dipping shear zone with a true thickness of about 40 metres that plunges to the south east. The majority of defined mineralisation is in the fresh rock and is within an extensive pyritic envelope. Mineralisation is absent from a 20 metre thick transported cover and then below this there is some supergene spread of the mineralisation in the weathered zone.

Drilling has delivered some strong intersections, such as **65m @ 2.6 g/t Au** from 50 mdh in hole DDR001, and **16m @ 7.2 g/t Au** from 109 mdh in hole DDR014 (ASX release 21 October 2015).

Further Exploration

Results from the new Mineral Resource modelling are expected to highlight targets for future drilling that have potential to extend the mineralisation – particularly at the Warmblood Prospect.

The Company is also in the process of reviewing the current Mineral Resource area that includes the Palomino, Filly and Bronco deposits, for potential additional extensions to gold mineralisation.

For more information contact:

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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 included in the original market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.