

**ALLOY**  
RESOURCES LIMITED

#### ASX Release

16 December 2019

#### Capital Structure

Alloy Resources Limited  
ABN 20 109 361 195

ASX Code  
AYR

Issued Shares  
2,088,677,351

Unlisted Options  
90,000,000

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## Horse Well Gold Joint Venture High Grade RC Drill Results

- **Palomino RC drilling confirms strong mineralisation;**
  - **14 m @ 5.22 g/t Au from 22 mdh**
  - **18 m @ 5.76 g/t Au from 28 mdh**
  - **8 m @ 6.22 g/t Au from 72 mdh**
  - **11 m @ 6.62 g/t Au from 81 mdh**
- **Bronco RC drilling encouraging;**
  - **11 m @ 2.06 g/t Au from 40 mdh**
  - **16 m @ 1.80 g/t Au from 102 mdh**
  - **1 m @ 28.60 g/t Au from 60 mdh**
  - **1 m @ 9.91 g/t Au from 60 mdh**
- **Data to be utilised for update of geological and Resource models**
- **Warmblood RC drill results yet to be received.**

### Summary

Australian gold explorer **Alloy Resources Limited (ASX:AYR) (Alloy or the Company)** is pleased to provide an update on exploration drilling activities at the Horse Well Gold Project Joint Venture (**Horse Well JV**) (Alloy 60%: Silver Lake Resources Limited 40%) during November.

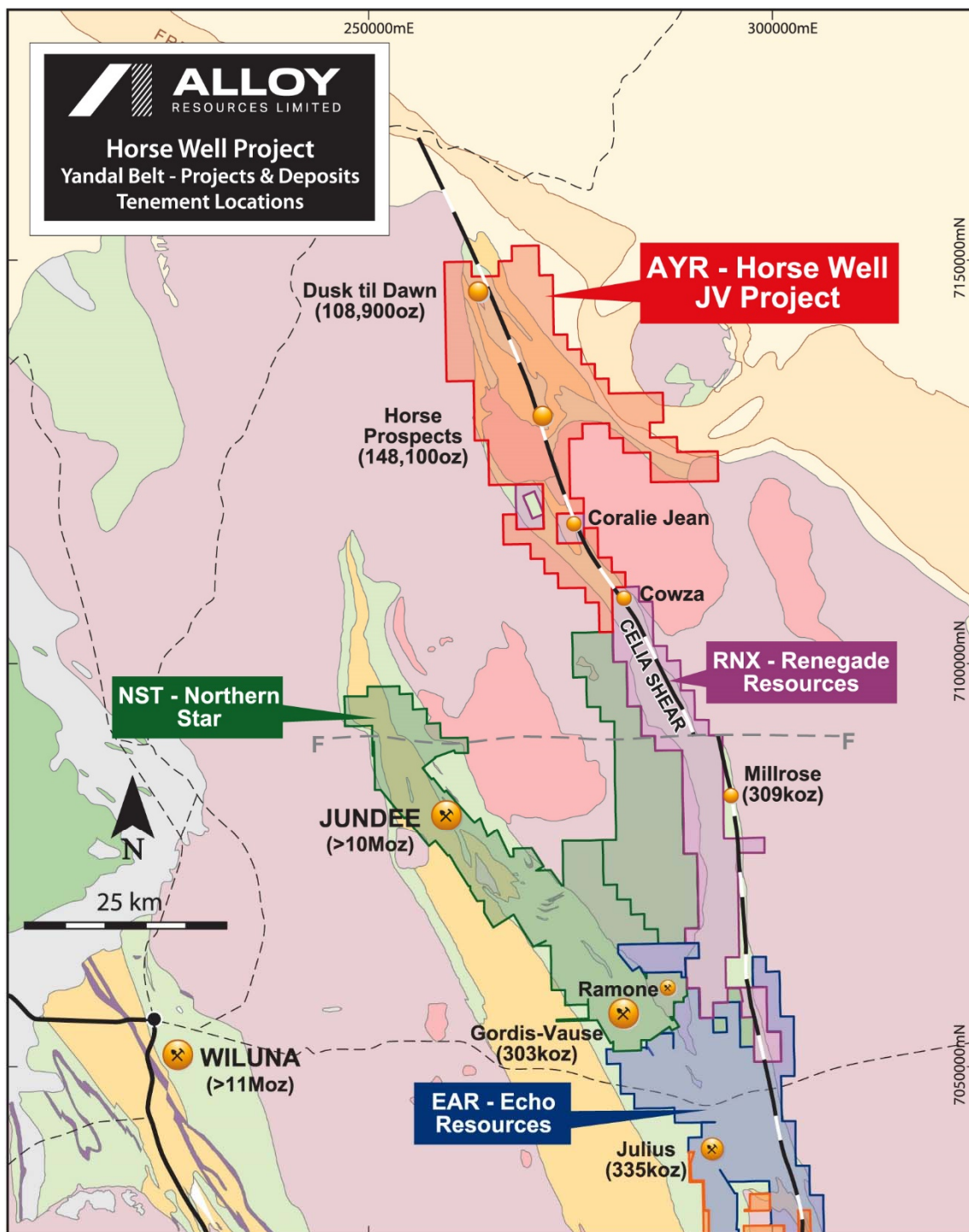
The Horse Well JV is located in the north-east goldfields of Western Australia and is adjacent to Northern Star Limited's Jundee Gold Mine (Figure 1). The Company is the Manager and Operator of the JV and is currently sole funding an RC drilling program to earn additional equity.

This report details drill results from part of a program completed in November, related to the Palomino and Bronco Prospects, where a total of twenty five holes for 2,967 metres are reported. A further six holes were drilled at the Warmblood Prospect with full results still pending.

The aim of the program was to test concepts for extensions and orientations of gold mineralisation within known Mineral Resources and advanced mineralised areas.

Executive Chairman Mr Andy Viner said " *The results at Palomino in particular, confirm that the Horse Well JV area has potential for high grade gold mineralisation which is very close to surface*".

"*These results build on the data that will be used to advance our Mineral Resources towards Indicated status and then used for studies into economic development*".



**Figure 1** Regional location of Horse Well Gold Project JV in the north-east goldfields of W.A

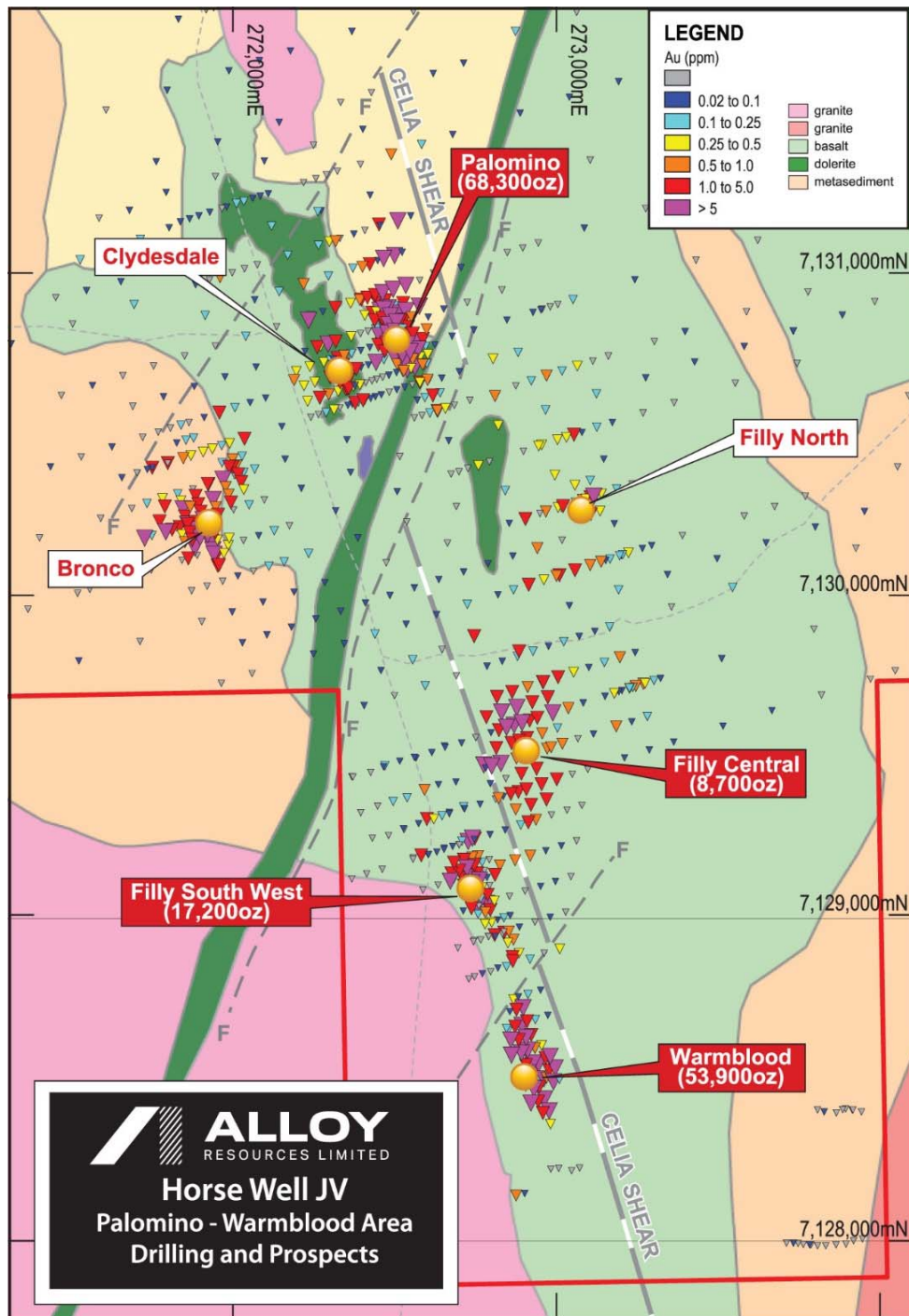
## Exploration Results

The program of RC drilling was conducted over the Horse Prospect area (Figure 2) which currently hosts Mineral Resources totalling 148,000 ounces. (refer ASX announcement 24 August 2019). Mineralisation is contained in sub-vertical ribbon like structures that contain higher grade shoots that plunge at approximately 45 degrees to the north. All Horse prospects apart from Warmblood were discovered in the 1990's, with Warmblood first drilled in 2011 by the Company.

The Company is aiming to define shallow high-grade Mineral Resources within the Project that at these gold prices will support trucking and toll milling, or as initial Resources for future stand-alone mining operations.

All hole location data and significant results are listed in Tables 3 and 4 at the end of this report.





**Figure 2** Horse Prospects with drilling on geology

### Palomino RC Drilling

A total of nine RC holes for 1,221 metres and 779 samples were drilled within the mineralised trend during November 2018. At Palomino the purpose was two-fold, firstly to confirm the orientation of mineralisation and secondly to test for the extent of higher grade shoots at depth.

Holes are shown in plan view on Figure 3 with new holes in blue. Hole spacing is approximately 25 metre sections x 20 metre spaced holes in the southern shallow parts of the deposit.

The current drilling returned a number of very strong intersections that confirm the shallow high-grade nature of the deposit as listed in Table 1.

Drilling was very successful in confirming that the sub-vertical structure tends to dip to the west when forming higher grade shoots. This had been suspected as most historical drilling had a western azimuth and hence had drilled 'down' mineralisation on a few occasions. This is well illustrated by the new drilling on section 18875N shown in Figure 4,



where old hole HWRC42 now appears to be confirmed to have drilled down the mineralisation, and new hole AHWR096 has intersected strong mineralisation of 18 metres @ 5.76 g/t Au up dip and between two old holes.

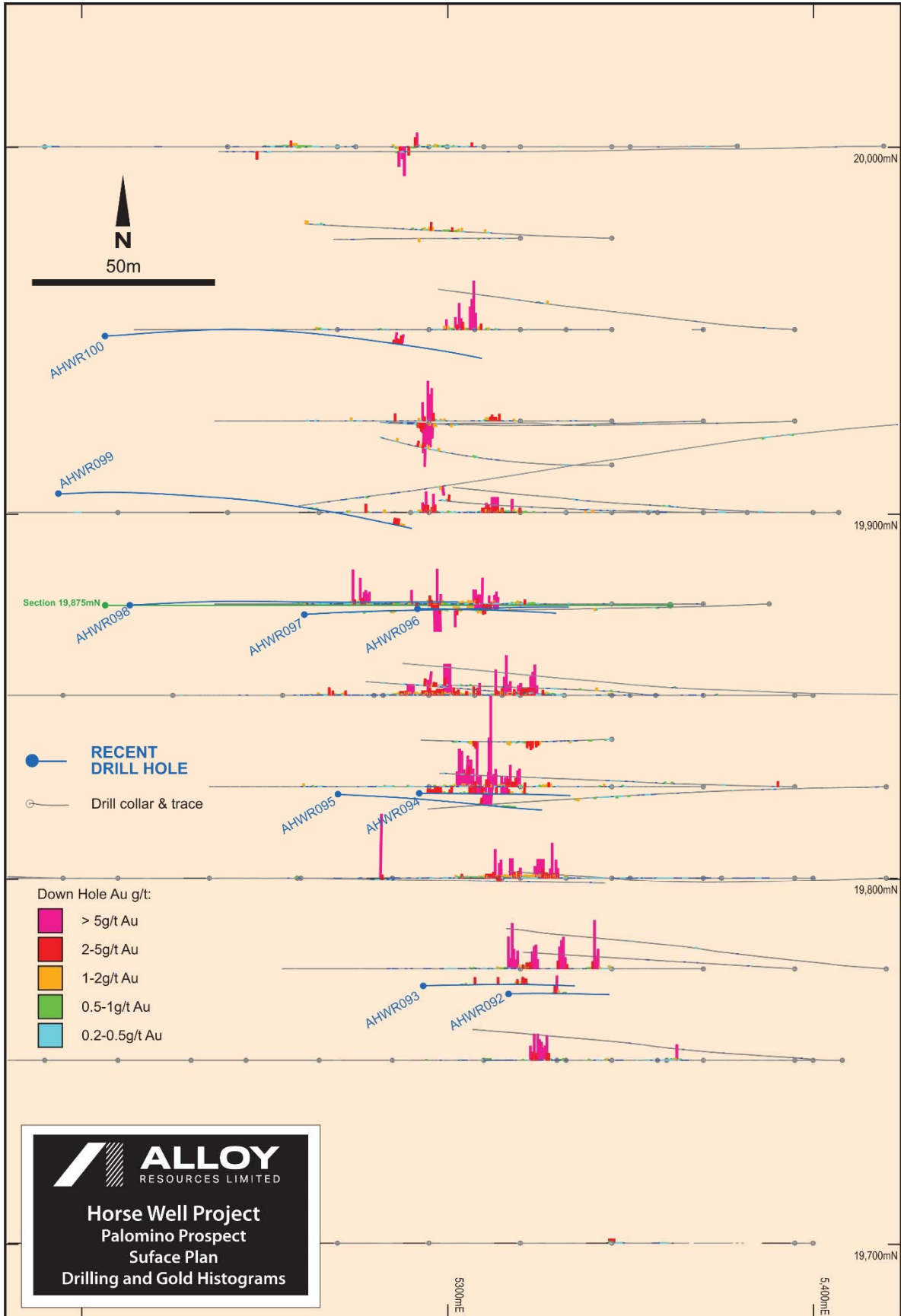


Figure 3 Palomino drilling with gold histograms, new holes in red – local grid



A similar scenario occurs on section to the north and south, confirming this interpretation. The other result of this orientation is that there is more confidence that wide high-grade trends of mineralisation interpreted to come to the surface do exist and hence will be highly valuable to any future mining scenario.

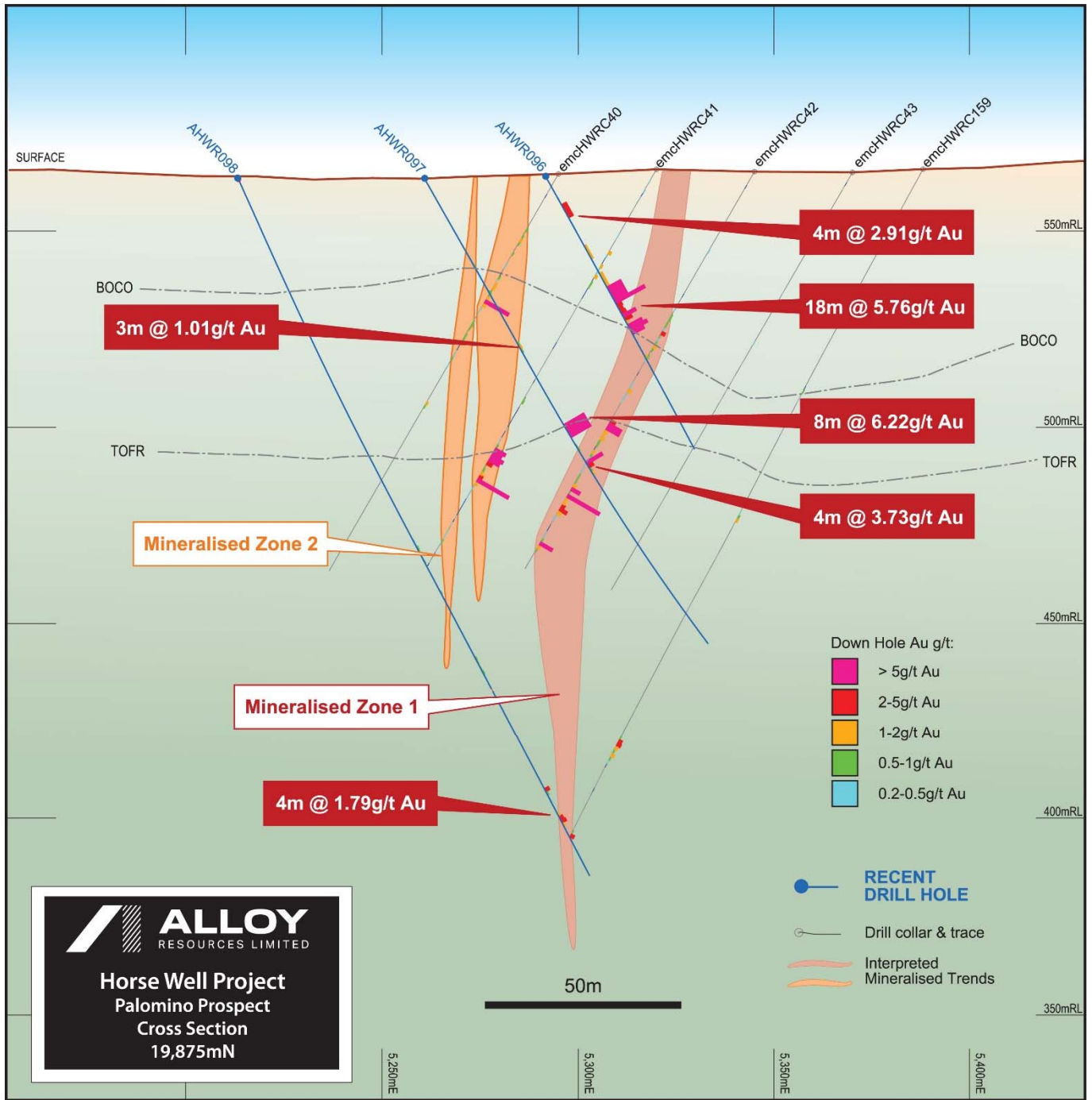
Hole AHWR099 and AHWR100 were drilled to infill 80 metre high gaps in the drilling of the high grade shoot within the main mineralised zone at depth. Unfortunately both holes steepened rather than lifted as expected which means that both may have intersected the lower edge of the high grade shoot – which remains to be tested effectively.

Hole AHWR099 intersected 8 metres @ 2.41 g/t Au, however samples were 4 metre composites, and individual metre samples need to be analysed to be more accurate. Hole AHWR100 intersected 6 metres @ 4 g/t in the main mineralised zone.

**Table 1** Palomino Significant Intersections (> 0.5 g/t Au, maximum 2m internal dilution)

Hole_ID	Depth_From	Depth_To	InterceptDescription
AHWR092	24	32	8.00m @ 2.30 ppm
AHWR093	23	24	1.00m @ 0.81 ppm
AHWR093	28	29	1.00m @ 3.97 ppm
AHWR093	41	42	1.00m @ 3.83 ppm
AHWR093	51	59	8.00m @ 2.16 ppm
AHWR094	4	18	14.00m @ 2.22 ppm
AHWR094	22	36	<b>14.00m @ 5.22 ppm</b>
AHWR094	42	52	10.00m @ 4.31 ppm
AHWR094	57	60	3.00m @ 1.99 ppm
AHWR095	81	92	<b>11.00m @ 6.62 ppm</b>
AHWR095	96	104	8.00m @ 0.82 ppm
AHWR096	8	12	4.00m @ 2.91 ppm
AHWR096	20	24	4.00m @ 1.30 ppm
AHWR096	28	46	<b>18.00m @ 5.76 ppm</b>
AHWR096	52	53	1.00m @ 1.45 ppm
AHWR097	25	26	1.00m @ 0.51 ppm
AHWR097	33	34	1.00m @ 0.95 ppm
AHWR097	48	51	3.00m @ 1.01 ppm
AHWR097	72	80	<b>8.00m @ 6.22 ppm</b>
AHWR097	83	87	4.00m @ 3.73 ppm
AHWR098	104	109	5.00m @ 0.53 ppm
AHWR098	117	118	1.00m @ 0.60 ppm
AHWR098	136	141	5.00m @ 0.59 ppm
AHWR098	174	176	2.00m @ 1.75 ppm
AHWR098	181	185	4.00m @ 1.79 ppm
AHWR099	125	126	1.00m @ 0.55 ppm
AHWR099	160	165	5.00m @ 0.48 ppm
AHWR099	216	224	8.00m @ 2.41 ppm
AHWR100	175	181	6.00m @ 4.00 ppm





**Figure 4** Palomino drill cross section 19875 N with geology and significant assays

### Bronco RC Drilling

A total of 15 RC holes, were drilled for 1,746 metres and 997 samples at the Bronco prospect (Figures 5 and 6). The drilling was testing potential high grade mineralised structures that were interpreted to be sub-parallel to historic drilling.

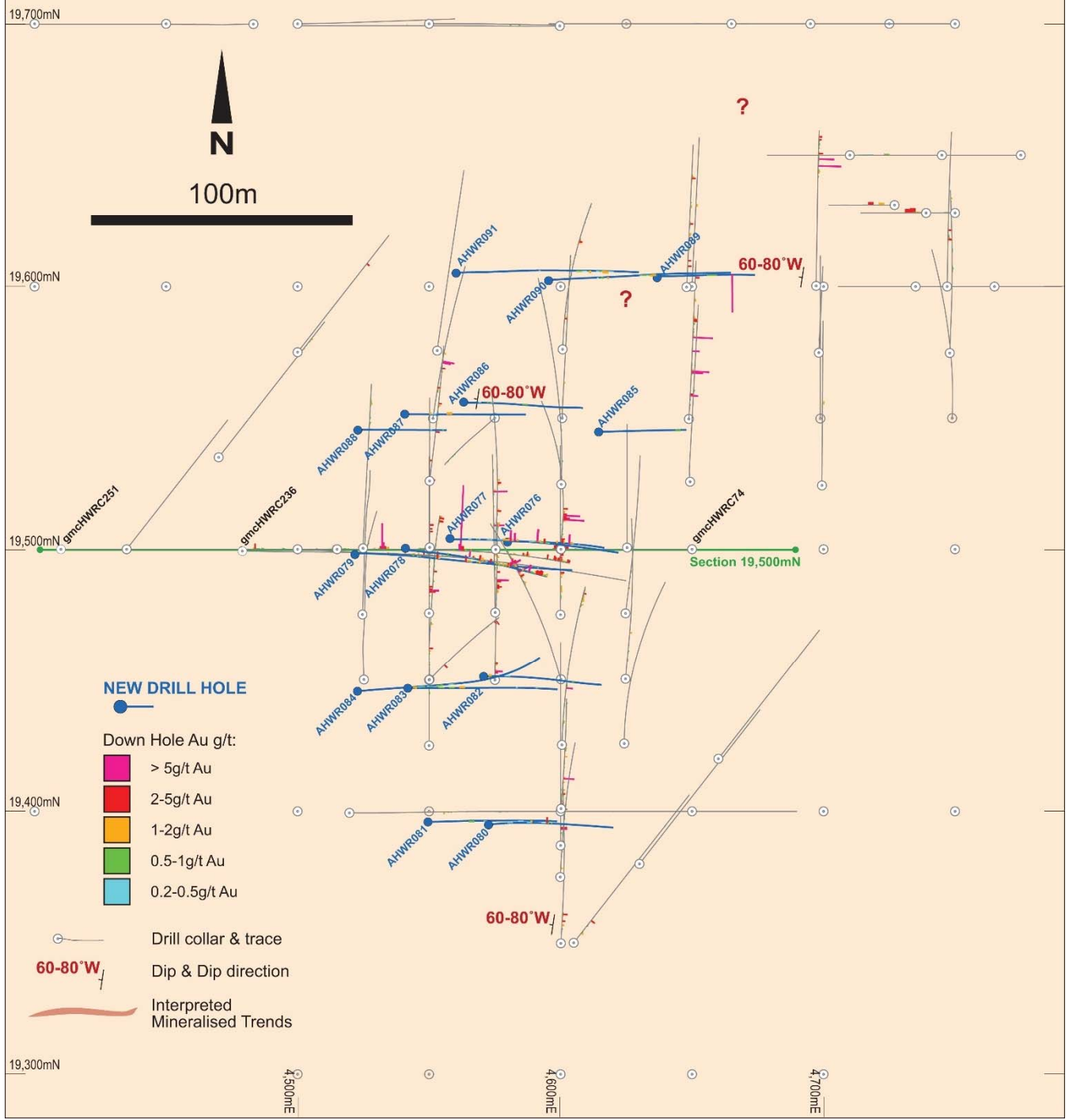
Results (see Table 2) do not appear to have confirmed this model, and there remains doubt on orientation of the mineralisation. Grades do not seem to reflect historical results in some cases, however there remains an area that may be sufficient to define a small Mineral Resource.

The Company will compile the data in more detail and complete a new geological model.



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**Horse Well Project**  
Bronco Prospect  
Surface Plan



**Figure 5** Bronco drill hole locations with traces and gold histograms – new holes in red.



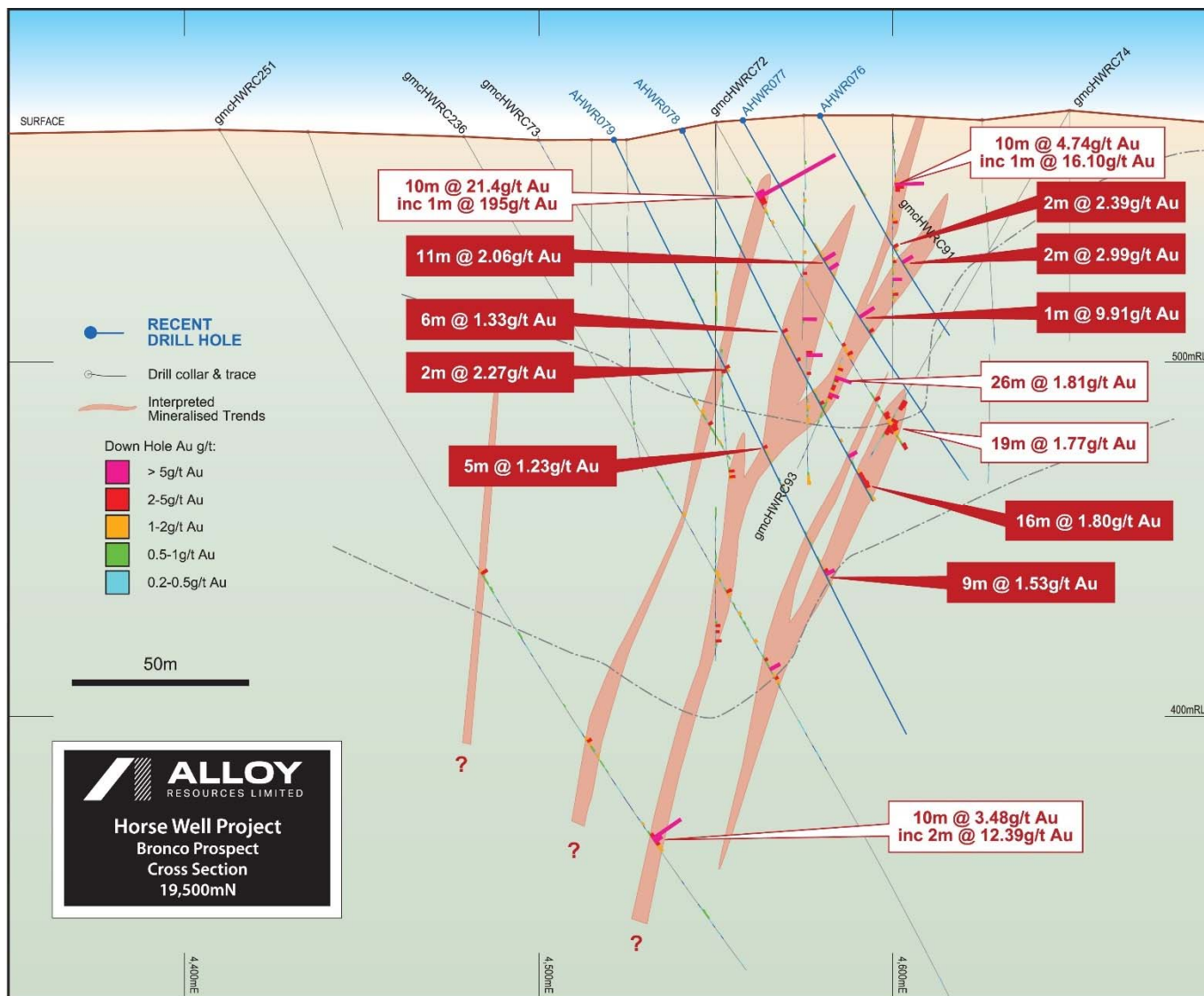


Figure 5 Bronco cross section with hole traces and gold histograms – new holes in red.

Table 1 Palomino Significant Intersections (> 0.5 g/t Au, maximum 2m internal dilution)

Hole_ID	Depth_From	Depth_To	Intercept Description
AHWR076	21	26	5.00m @ 0.76 ppm
AHWR076	38	39	1.00m @ 1.27 ppm
AHWR076	42	44	2.00m @ 2.39 ppm
AHWR076	47	50	3.00m @ 2.99 ppm
AHWR077	20	21	1.00m @ 0.54 ppm
AHWR077	40	51	<b>11.00m @ 2.06 ppm</b>
AHWR077	64	65	<b>1.00m @ 9.91 ppm</b>
AHWR077	68	72	4.00m @ 1.31 ppm
AHWR078	36	37	1.00m @ 0.80 ppm
AHWR078	58	59	1.00m @ 0.64 ppm
AHWR078	63	69	6.00m @ 1.33 ppm
AHWR078	72	73	1.00m @ 2.32 ppm
AHWR078	76	77	1.00m @ 1.07 ppm





Hole_ID	Depth_From	Depth_To	Intercept Description
AHWR078	82	88	6.00m @ 1.22 ppm
AHWR078	98	99	1.00m @ 1.48 ppm
AHWR078	102	118	<b>16.00m @ 1.80 ppm</b>
AHWR079	50	51	1.00m @ 0.90 ppm
AHWR079	56	57	1.00m @ 0.54 ppm
AHWR079	71	73	2.00m @ 2.27 ppm
AHWR079	96	101	5.00m @ 1.23 ppm
AHWR079	106	110	4.00m @ 0.74 ppm
AHWR079	123	128	5.00m @ 0.71 ppm
AHWR079	131	140	9.00m @ 1.53 ppm
AHWR080	48	53	5.00m @ 1.22 ppm
AHWR081	32	36	4.00m @ 0.83 ppm
AHWR081	82	83	1.00m @ 1.32 ppm
AHWR082	4	6	2.00m @ 1.20 ppm
AHWR082	68	69	1.00m @ 0.62 ppm
AHWR083	24	28	4.00m @ 0.56 ppm
AHWR083	32	36	4.00m @ 0.65 ppm
AHWR083	40	44	4.00m @ 1.01 ppm
AHWR084	46	50	4.00m @ 0.99 ppm
AHWR084	55	56	1.00m @ 0.77 ppm
AHWR084	61	62	1.00m @ 0.74 ppm
AHWR084	66	71	5.00m @ 0.55 ppm
AHWR084	80	81	1.00m @ 0.53 ppm
AHWR085	64	68	4.00m @ 0.71 ppm
AHWR086	19	23	4.00m @ 0.33 ppm
AHWR086	48	52	4.00m @ 0.60 ppm
AHWR087	19	20	1.00m @ 1.43 ppm
AHWR087	32	36	4.00m @ 1.32 ppm
AHWR088	64	65	1.00m @ 0.55 ppm
AHWR089	40	48	8.00m @ 0.53 ppm
AHWR089	60	61	<b>1.00m @ 28.60 ppm</b>
AHWR090	42	44	2.00m @ 0.84 ppm
AHWR090	47	48	1.00m @ 1.17 ppm
AHWR090	74	84	10.00m @ 0.76 ppm
AHWR091	92	96	4.00m @ 0.86 ppm
AHWR091	101	103	2.00m @ 1.13 ppm
AHWR091	110	116	6.00m @ 1.23 ppm

## Further Activities

There are numerous significant assays from 4 metre composite samples. The individual 1 metre samples are stored at the project and will be collected and submitted for analysis in January.

Upon receiving these final assays, new geological models will be interpreted and Mineral Resource updates completed.

Extra one metre samples for metallurgy were also collected from interpreted mineralised zones during drilling. Mineralised areas will be reviewed and composite metallurgical samples defined before submission for basic gold leaching and gravity recovery testwork.



This ASX announcement was approved and authorised for release by Andy Viner, Executive Chairman of Alloy Resources Limited

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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.

**Combined Horse Well Inferred Resources as at August 2019.**

Year	Area	Category	Tonnes	Grade (g/t)	Ounces
2015	Filly	Inferred	206,000	1.3	8,700
2019	Warmblood	Inferred	788,000	2.1	53,900
	Palomino	Inferred	930,400	2.3	68,300
	Filly SW	Inferred	302,400	1.8	17,200
	Dusk til Dawn	Inferred	3,495,600	1.0	108,900
<b>COMBINED TOTAL</b>		<b>Inferred</b>	<b>5,722,400</b>	<b>1.4</b>	<b>257,000</b>

*Notes:*

- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- The cut-off grades for 2015 Resources are 0.50 g/t for Oxide, 0.75 g/t for Transition and 1.00 g/t for Fresh weathering classifications.
- The cut-off grades for 2019 Resources is 0.50 g/t for all weathering classifications, except Palomino which has a cut-off of 2 g/t Au below 100 metres depth.
- The Inferred Resource has been estimated using appropriate high grade cuts, minimum mining widths and dilutions



## APPENDIX 1      RC Drilling

### Drill Hole Locations

Prospect	Hole_ID	NAT_East	NAT_North	NAT_RL	Local_East	Local_North	Survey_Method	Dip	NAT Azimuth	Max_Depth
Bronco	AHWR076	270882	7130232	561	4580	19503	GYRO	-61.3	74.1	72
Bronco	AHWR077	270861	7130226	563	4558	19504	GYRO	-60.7	71.9	120
Bronco	AHWR078	270846	7130217	565	4541	19500	GYRO	-63.8	78.4	118
Bronco	AHWR079	270828	7130210	563	4521	19499	GYRO	-64.2	74.4	187
Bronco	AHWR080	270908	7130127	567	4572	19396	GYRO	-62.9	66.6	103
Bronco	AHWR081	270886	7130121	568	4550	19397	GYRO	-61.4	70.5	103
Bronco	AHWR082	270889	7130180	566	4570	19452	GYRO	-60.1	71.6	91
Bronco	AHWR083	270863	7130167	565	4542	19447	GYRO	-60.8	71.6	115
Bronco	AHWR084	270845	7130160	564	4522	19446	GYRO	-62.3	67.2	151
Bronco	AHWR085	270902	7130282	572	4614	19545	GYRO	-62.7	71.1	73
Bronco	AHWR086	270850	7130277	569	4563	19556	GYRO	-62.3	72.2	97
Bronco	AHWR087	270830	7130266	566	4540	19552	ESTIMATE	-60.0	72.5	92
Bronco	AHWR088	270815	7130255	563	4523	19546	ESTIMATE	-60.0	72.5	67
Bronco	AHWR089	270905	7130345	568	4636	19604	GYRO	-61.0	72.0	79
Bronco	AHWR090	270866	7130331	570	4594	19603	GYRO	-60.5	69.0	139
Bronco	AHWR091	270832	7130323	568	4560	19605	GYRO	-60.6	69.2	139
Palomino	AHWR092	271504	7130709	563	5317	19768	GYRO	-59.9	70.7	56
Palomino	AHWR093	271481	7130704	564	5293	19770	GYRO	-59.8	71.2	85
Palomino	AHWR094	271464	7130754	564	5292	19823	GYRO	-59.7	72.4	85
Palomino	AHWR095	271443	7130747	564	5270	19823	GYRO	-60.7	75.1	120
Palomino	AHWR096	271448	7130802	564	5292	19874	GYRO	-60.9	73.8	79
Palomino	AHWR097	271419	7130791	563	5261	19872	GYRO	-60.5	68.7	139
Palomino	AHWR098	271373	7130779	563	5213	19875	GYRO	-65.7	69.8	199
Palomino	AHWR099	271345	7130802	567	5194	19905	GYRO	-65.0	70.9	229
Palomino	AHWR100	271344	7130847	566	5207	19948	GYRO	-65.1	69.5	229

#### Notes:

- Collar Surveyed by Hand held Garmin GPS to +/- 2 metres
- Datum MGA94 Zone 51 for NAT figures
- Down Hole survey by in-rod Gyro tool – measured reading within 10 metres of surface



# JORC Code 2012 Edition Summary (Table 1) – Horse Well Gold JV RC Drilling November 2019

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> </ul>	<ul style="list-style-type: none"> <li>Reverse circulation (RC) percussion drill chips collected through a cyclone and cone splitter at 1m intervals.</li> <li>Where mineralisation was unlikely then samples composited by spear sampling four x 1 metre subsamples combined</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li>Splitter is cleaned regularly during drilling.</li> <li>Splitter is cleaned and levelled and the end of each hole.</li> </ul>
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> </ul>	<ul style="list-style-type: none"> <li>Mineralisation determined qualitatively through rock type, sulphide and quartz content and intensity of alteration.</li> <li>Mineralisation determined quantitatively via assay (1m or 4m intervals split and pulverised before using a 30 g Fire assay with AES finish).</li> </ul>
	<ul style="list-style-type: none"> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'.</li> <li>RC samples pulverized to 75 µm</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>120mm Reverse Circulation.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<ul style="list-style-type: none"> <li>RC drill chip recoveries recorded at the time of logging and stored in database</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<ul style="list-style-type: none"> <li>RC Drilling: sample splitter is cleaned at the end of each rod to ensure no sample hang-ups have occurred. Sample bag weights are recorded and in general should be approximately 3kg.</li> <li>Wet samples due to excess ground water were noted when present.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>As sample recoveries are generally very high, there is no known relationship between sample recovery and grade.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> </ul>	<ul style="list-style-type: none"> <li>Holes logged to a level of detail to support future mineral resource estimation: lithology; alteration; mineralization; structural.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> </ul>	<ul style="list-style-type: none"> <li>Qualitative: lithology, alteration, foliation</li> <li>Quantitative: vein percentage; mineralization (sulphide) percentage; RQD measurement; structural orientation angles; assayed for gold;</li> <li>All RC holes are chipped and archived.</li> </ul>
	<ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All holes logged for the entire length of hole.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	<ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> </ul>	<ul style="list-style-type: none"> <li>RC chips cone split every metre, sampled dry where possible and wet when excess ground water could not be prevented. Sample condition (wet, dry or damp) is recorded at the time of logging.</li> <li>Where mineralisation was unlikely then samples composited by spear sampling four x 1 metre subsamples combined to approximately 3kg and submitted for assay</li> </ul>
	<ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>The entire ~3kg RC sample is pulverized to 75µm (85% passing). This is considered best practice and is standard throughout the industry.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<ul style="list-style-type: none"> <li>Pulp duplicates taken at the pulverising stage and selective repeats conducted at the laboratories discretion.</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> </ul>	<ul style="list-style-type: none"> <li>Duplicate sampling every 50 samples.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Sample size appropriate for grain size of samples material.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>Fire assay was used and is a total digest technique.</li> </ul>
	<ul style="list-style-type: none"> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> </ul>	<ul style="list-style-type: none"> <li>No geophysical data used.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Certified reference material standards, 1 in 50 samples.</li> <li>Blanks: A lab barren quartz flush is requested following a predicted high grade sample (i.e. visible gold).</li> <li>Lab: Random pulp duplicates are taken on average 1 in every 10 samples.</li> <li>Accuracy and precision levels have been determined to be satisfactory after analysis of these QAQC samples.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> </ul>	<ul style="list-style-type: none"> <li>All sampling is routinely inspected by senior geological staff. Significant intersections are inspected by senior geological staff .</li> </ul>
	<ul style="list-style-type: none"> <li>The use of twinned holes.</li> </ul>	<ul style="list-style-type: none"> <li>No twinned holes were drilled during this drill program.</li> </ul>
	<ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> </ul>	<ul style="list-style-type: none"> <li>Data is hard keyed into Excel data capture software and merged with Datashed SQL based database on internal company server. Data is validated by Database Administrator, import validation protocols in place.</li> <li>Visual checks of data is completed within Surpac software by consultant geologists.</li> </ul>
	<ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>No adjustments made to assay data.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>Collars: surveyed with GPS with expected relative accuracy of approximately 2-3m.</li> <li>Downhole: surveyed with in-rod Reflex Gyro tool continuously..</li> </ul>
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>Holes are located in MGA94 Zone 51.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Estimated RLs were assigned during drilling and are to be corrected using VTEM or superior local data DTM at a later stage.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Holes the subject of this announcement were drilled on a variable collar spacing of approximately 40m on section.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> </ul>	<ul style="list-style-type: none"> <li>Mineralisation at both Palomino and Bronco has sufficient geological and grade continuity that may be appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied in the future.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Samples taken on a 1m basis. Sample composites taken in less obviously mineralised areas. Shoild composites have &gt; 0.5 ppm Au then the 1 metre samples will be analysed.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	<ul style="list-style-type: none"> <li>The orientation of key structures and any relationship to mineralisation at Dusk til Dawn is preliminary and inferred using competent person experience and interpretation at this stage.</li> <li>Based on the current information at Warmblood, the sections presented here appears to be approximately perpendicular to the strike of the target structure targeted.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>No sampling bias resulting from a structural orientation is known to occur at either Palomino or Bronco at this stage. Theoretically some bias may have occurred however knowledge is too preliminary to have any certainty at this stage.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>All samples are selected and bagged in a tied numbered calico bag, grouped into larger polyweave bags and cable tied. Polyweave bags are placed into larger Bulky Bags with a sample submission sheet and tied shut. Consignment note and delivery address details are written on the side of the bag and delivered to McMahon Burnett Transport in Wiluna. The bags are delivered directly to ALS Geochemical in Wangara, Perth, WA who are NATA accredited for compliance with ISO/IEC17025:2005.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>ALS Management are consulted prior to sample submission to ensure appropriate techniques are utilised.).</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Palomino and Bronco prospects are located within Exploration License E69/1772. Alloy has a 60% interest in the tenements with Silver Lake Resources holding a 40% interest. The Tenements are completely within land where the Wiluna People have been determined to hold native title rights. No historical, archaeological, ethnographic or environmentally sensitive sites exist in the area of work that affect exploration.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration prior to Alloy in the region saw detailed shallow RC, RAB and air-core drilling completed in the mid – 1990s, all of which had been sampled, assayed, and logged and records held by the Company. This early work, including aeromagnetic data interpretation, was focused on gold and provided anomalous samples which have formed the basis for current exploration.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Project is an Archean aged gold project with common host rocks and structures related to mesothermal orogenic gold mineralisation as found throughout the Yilgarn Craton of Western Australia.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to tabulations in the body of this announcement and previous releases by Alloy Resources and Doray Minerals during 2011 to current.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> </ul>	<ul style="list-style-type: none"> <li>No top-cuts have been applied when reporting results.</li> <li>The primary gold determination is reported where any secondary assaying does not differ significantly from the primary.</li> <li>The intervals referred to in this announcement are taken as values &gt; 0.5 g/t Au with a maximum of 2m internal dilution (&lt; 0.5 g/t Au). All Au assays are presented in the appendix to this announcement for clarity.</li> <li>No metal equivalent values are used for reporting exploration results.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>The exact geometry of the mineralisation is currently inferred due to insufficient density of drilling in the targeted areas. Geological and mineralisation features have been interpreted from drilling sections and at Palomino Mineral Resource modelling has been completed. Based on the current information at Bronco and Palomino, the sections presented here appears to be approximately perpendicular to the strike of the target structure targeted therefore true widths may potentially be inferred from this section.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to body of this announcement.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>All Au assays are presented in the appendix to this announcement for clarity. Representative higher grade intervals have been presented in the text and section.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>All meaningful and material information has been included in the body of the text</li> <li>No metallurgical assessments have been completed at the date of this report.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Results suggest that at the Warmblood-Fill SW area the mineralisation is open along strike and at depth.</li> <li>RC and air-core drilling will be conducted based on the assessed economic value of each target.</li> </ul>