ABN 20 109 361 195

ASX Release
30 April 2015

Alloy Resources Ltd
Suite 6, 7 The Esplanade
Mount Pleasant WA 6153

Tel: +61 8 9316 9100
Fax: +61 8 9315 5475

Email:
info@alloyres.com

Website:
www.alloyres.com

Directors

Executive Chairman:
Andy Viner

Non-Exec Director
Andre Marschke

Non-Executive Director/Co Sec:
Kevin Hart

Issued Capital
Shares:
489,582,646

Unlisted Options:
35,142,821

ASX Symbol: AYR

March 2015

Quarterly Activities Report

HIGHLIGHTS

HORSE WELL GOLD PROJECT

- Doray Minerals Limited enters the second stage of Farmin and commits to a further $1 million in expenditure within the next 12 months.
- Five new deep RC holes completed at Dusk til Dawn in December/January confirm orientation and continuity of mineralisation.
- Doray is currently planning further RC drilling at Dusk 'til Dawn, as well as reconnaissance aircore drilling over other targets at the Horse Well JV. Pending the receipt of regulatory and heritage approvals we expect drilling to commence this quarter.

MARTINS WELL PROJECT

- New information has defined a large polymetallic target over a 2.5 km strike and 1 kilometre width at the Mammoth Black Ridge Prospect.
- Core from two historical Mammoth Black Ridge Diamond Drill holes from 1959-60 inspected;
  - *Strongly leached gossan intersections observed at vertical depths of 60-75 metres.*
  - *Stratabound, siderite-hosted disseminated mineralisation observed over 62 metre total interval in the footwall zone of one hole.*
  - *Mineralogical studies of siderite mineralisation by Dr Ben Grguric of Minerallium Pty Ltd confirms the presence of Chalcopyrite-Arsenopyrite-Tetrahedrite-Pyrite polymetallic mineralisation.*
  - ***PACE funding grant approval** of up to $75,000 for direct drilling received from S.A Government.*
  - *Initial Option Payment to acquire Martins Well Project completed.*

CORPORATE

- The Company has reduced operating costs to a minimum to meet the current market conditions, including substantial reductions to Executive and Non-Executive remuneration.

HORSE WELL GOLD PROJECT

Farm-in partner Doray Minerals has continued to actively explore the project during the quarter, and has now committed to the second stage of the Farmin which will see a further $1 million of expenditure within the next 12 months to earn a 60% interest in the Horse Well project (Figure 1).

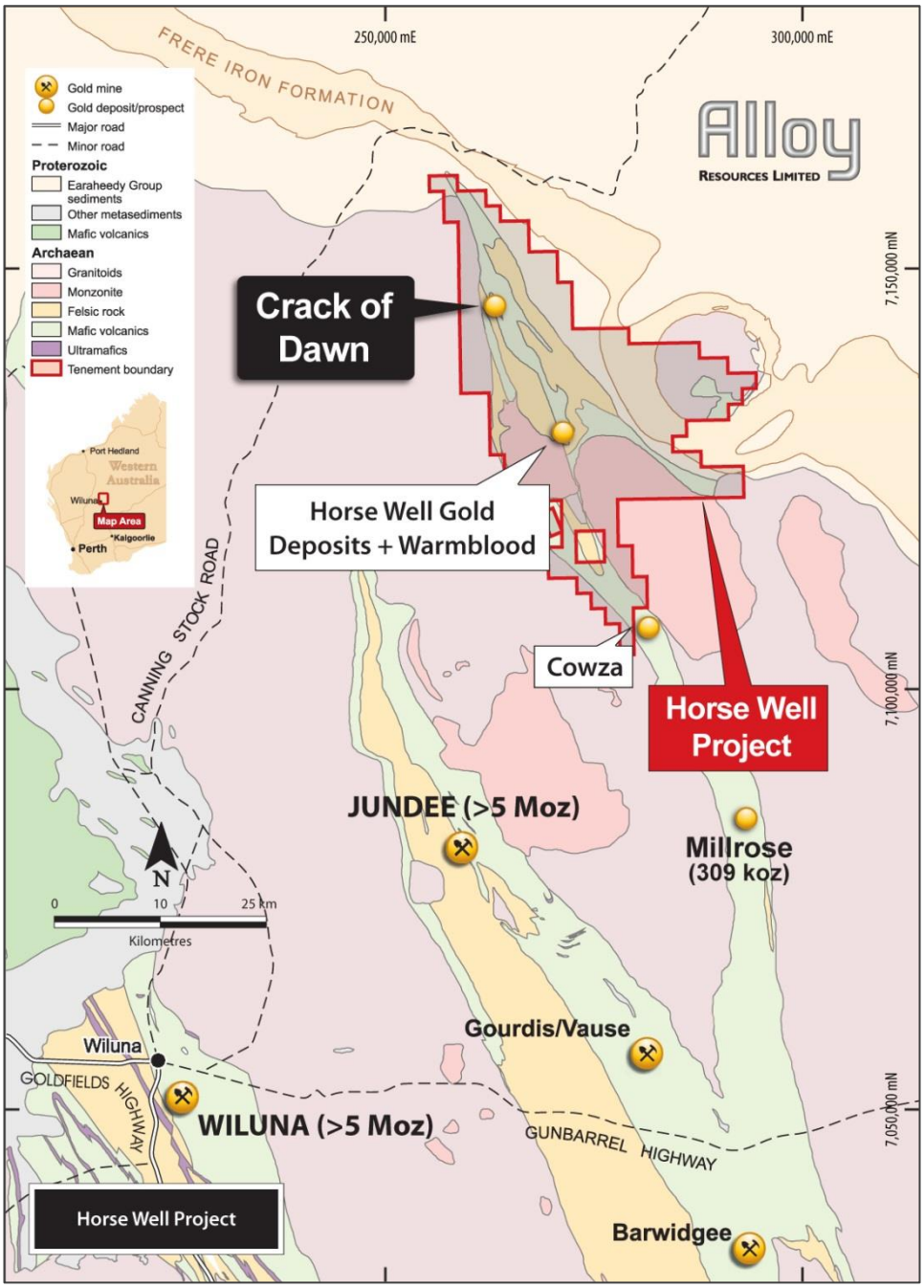


Figure 1 *Horse Well location on regional geology*

COMPLETED EXPLORATION

Dusk til Dawn RC drilling

Completed work during the quarter saw RC drilling at the Dusk til Dawn prospect along strike to the north-west and south-east, testing the potential for a south easterly plunging orebody. A total of 5 holes for 930m were drilled (see Figure 2). All holes intersected the structure, which appears to host gold mineralisation over at least 300m of down-plunge length (see Figure 2). Assay results received confirmed the presence of thick zones of moderate grade Au mineralisation (*see ASX release 12 March 2015*).

Holes DDRC006 and DDRC007 intersected what is interpreted to represent a down plunge extension. Significant results returned from the RC programme include:

- **23m @ 1.2g/t Au** from 220mdh (DDRC007)
- **13m @ 0.9g/t Au** from 73mdh (DDRC003)
- **21m @ 0.7g/t Au** from 200mdh (DDRC006)

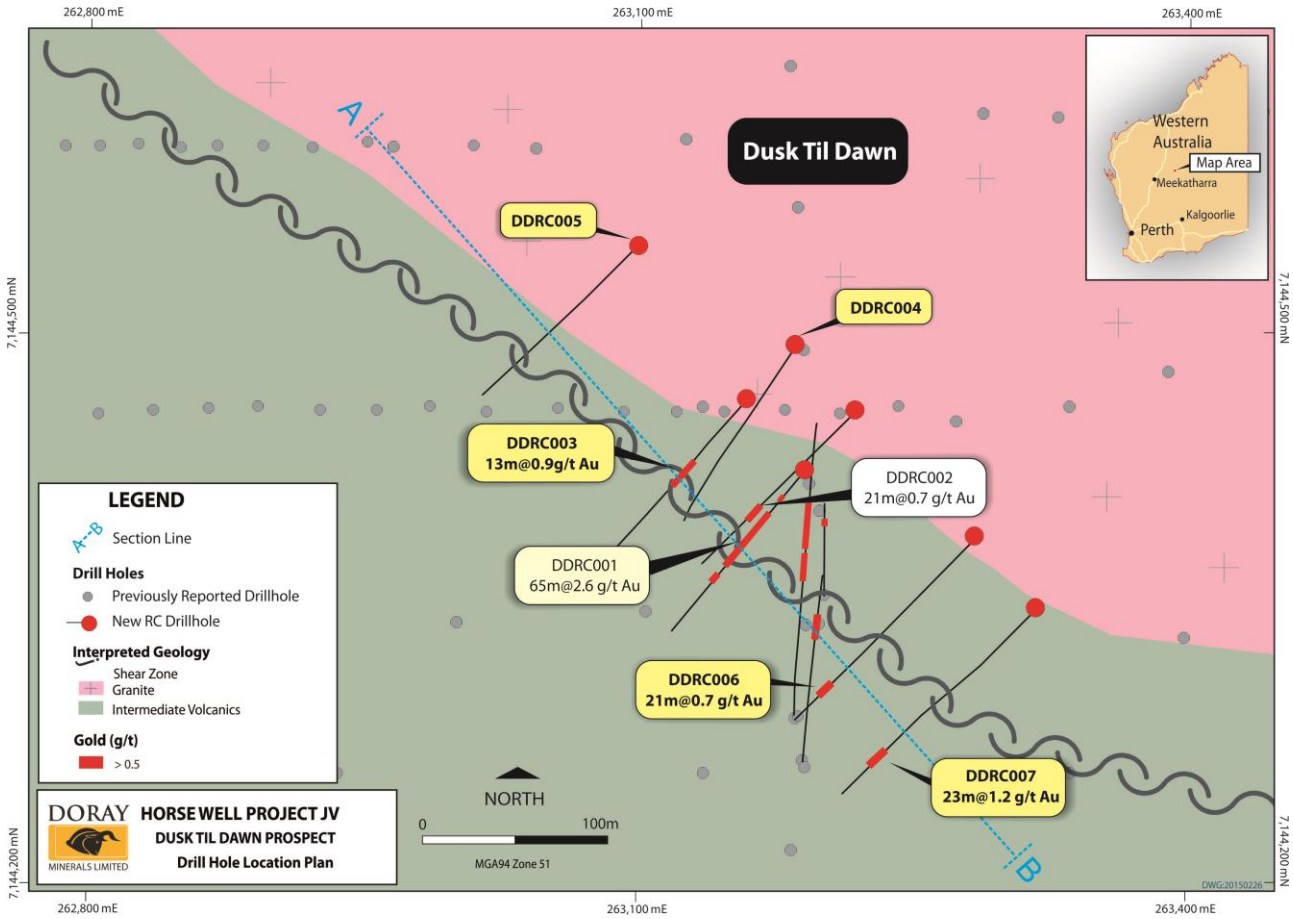


Figure 2 *Dusk til Dawn prospect, showing plan view of recent drilling*

PLANNED EXPLORATION

Doray is currently planning further RC drilling at Dusk 'til Dawn, as well as reconnaissance air-core drilling over other targets at the Horse Well JV.

As at the end of the Quarter, regulatory and heritage approvals were pending.

MARTINS WELL PROJECT

The Martins Well Project is located in the north-eastern Flinders Ranges of South Australia (Figure 3). The Company is targeting high-grade copper-silver-gold and also lead-zinc in mesothermal structural deposits.

The Company has one granted Exploration Licence and a further contiguous exploration licence application covering a total of 1,217 square kilometres.

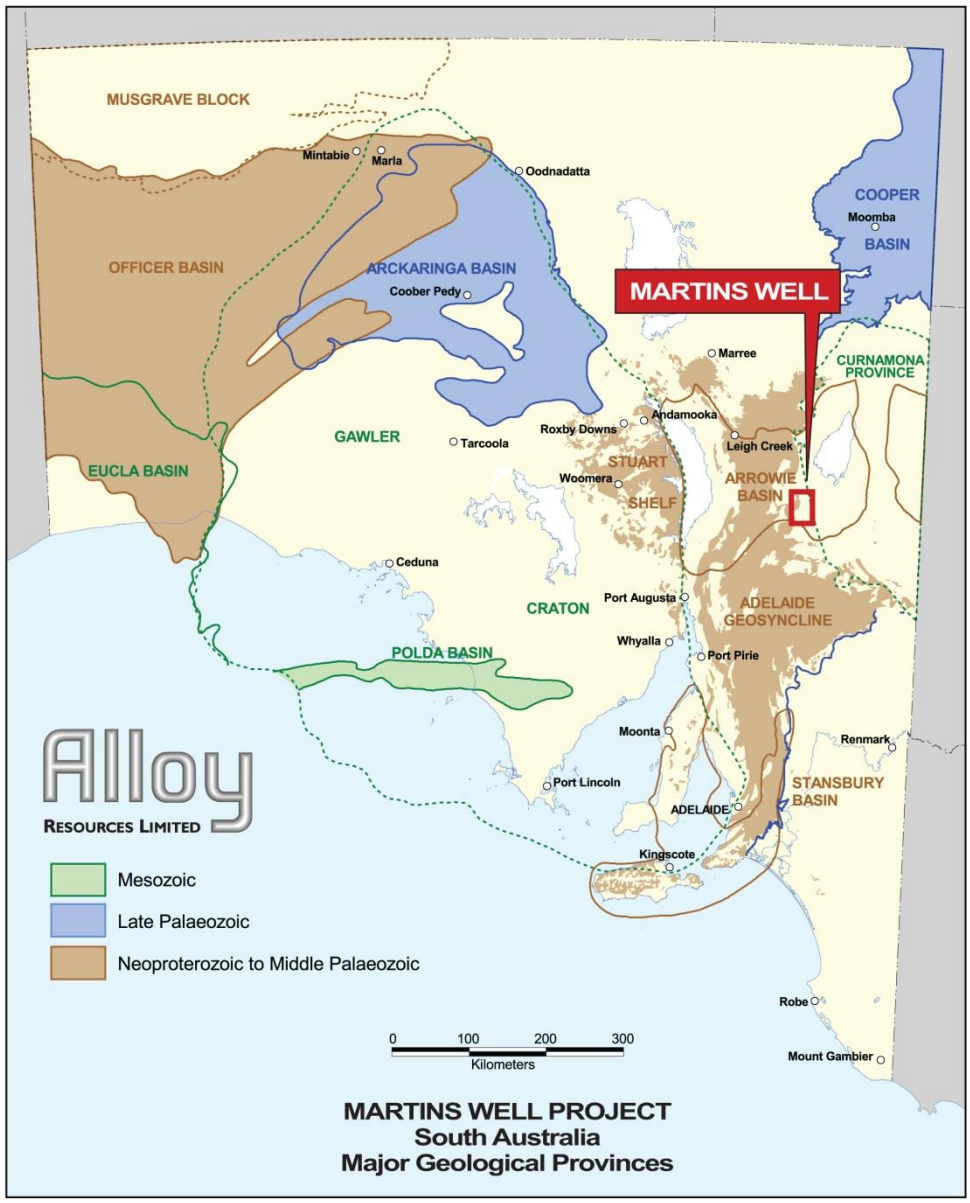


Figure 3 *Martins Well project location*

The primary target is the Mammoth Black Ridge prospect where three outcropping iron rich structures have been confirmed as gossans formed from strong weathering of sulphide rich material (Figure 4).

Historical rock chip sampling shows anomalous copper and arsenic values associated with the gossans and a historical shaft reported a sample of high-grade copper-silver-gold.

EXPLORATION COMPLETED

Field mapping in November 2014 had noted that two historical drill sites with drill core remnants had been located at the Mammoth Black Ridge prospect, and following extensive research and consultation with the South Australian Government, no records for these could be located.

Figure 4 *The Mammoth Black Ridge with old shaft spoil visible in centre*.

The Company received notification that the historical drill core had been located and permission was received from the S.A Government to review the core in late March. The Company completed geological logging and portable XRF ('pXRF') analysis of the core and thereafter completed a field inspection of the prospect to refine geological models for future exploration activities (*see ASX release 23 April 2015*).

Historic Diamond Core

Holes details were;

DD-1	Total depth 401 feet (122.2 metres)
DD-1A	Total depth 726 feet (221.3 metres)
DD-2	Total depth 725 feet 9 inches (221.2 metres)
DD-3	Total depth 17 feet 8 inches (5.4 metres)

Holes were drilled in 1959 and 1960. It is not confirmed who completed the drilling.

Holes DD-1 and DD-2 are inferred by Alloy from geology to have been the two collars located in the field, because they both intersected a thick ironstone unit at approximately the right depth. It seems logical that DD-1 would have been drilled under the historic shaft as a first priority, and field mapping suggests the geology fits this proposition (see Figure 5 below).

The location or reasoning for holes DD-1A and DD-3 is not known, although DD-1A may have been drilled in the opposite direction from the same pad as DD-1 for geological interest.

Hole DD-1

This hole intersected a 25 metre thick iron-rich zone containing occasional quartz veining and more gossanous zones (Figure 6). Iron is often remobilised as a botryoidal mass, interpreted to be the same material as the surface gossan. Based on the observed gossan textures it is interpreted that the gossan remains in the highly leached zone and underlying supergene and primary zones may not occur until below 100 metres depth.

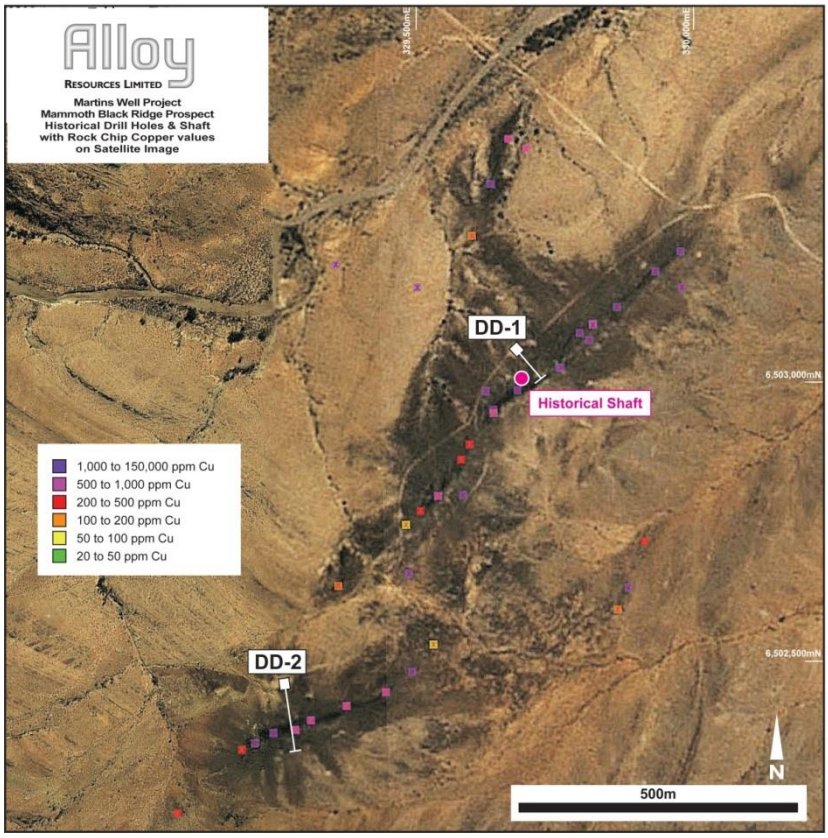


Figure 5 *Location of historical drill holes on satellite image with rock chip samples and copper values*

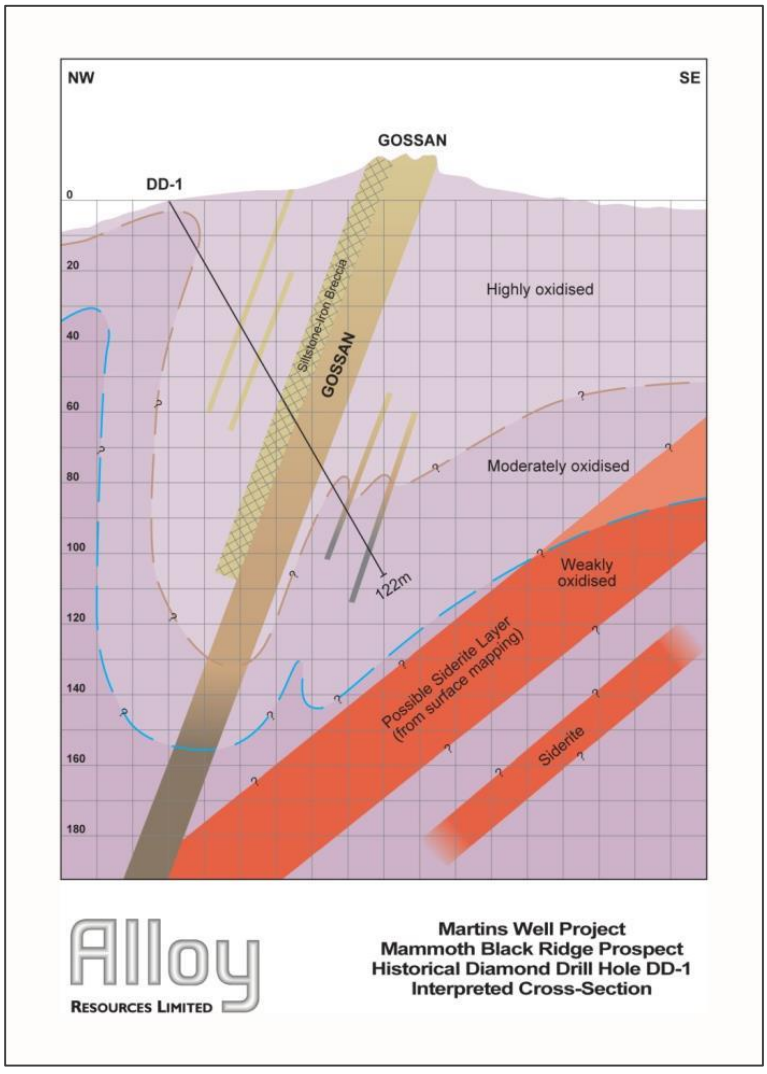


Figure 6 *Interpreted drill cross-section for DD-1*

Hole DD-2

This hole intersected a similar gossan structure to DD-1 approximately 15 metres thick containing almost entirely botryoidal goethite. Very little quartz or gossanous material was observed.

In the footwall to this gossan at approximately 117 metres down-hole a previously unrecognised siderite unit was intersected. The siderite is interpreted as a hydrothermal alteration product of limestone units and formed in zones from 8 to 42 metres in thickness to the end of the hole. Where the siderite was cut by small gossanous quartz structures, stronger disseminated Chalcopyrite was observed. (Figures 7 and 8).

Based on the observed gossan textures it is interpreted that the gossan remains in the highly leached zone and underlying supergene and primary zones may not occur until below 100 metres depth. The siderite unit mineralisation was noted as being less weathered than sediments, very high in copper and, at the end of the hole, also in arsenic.

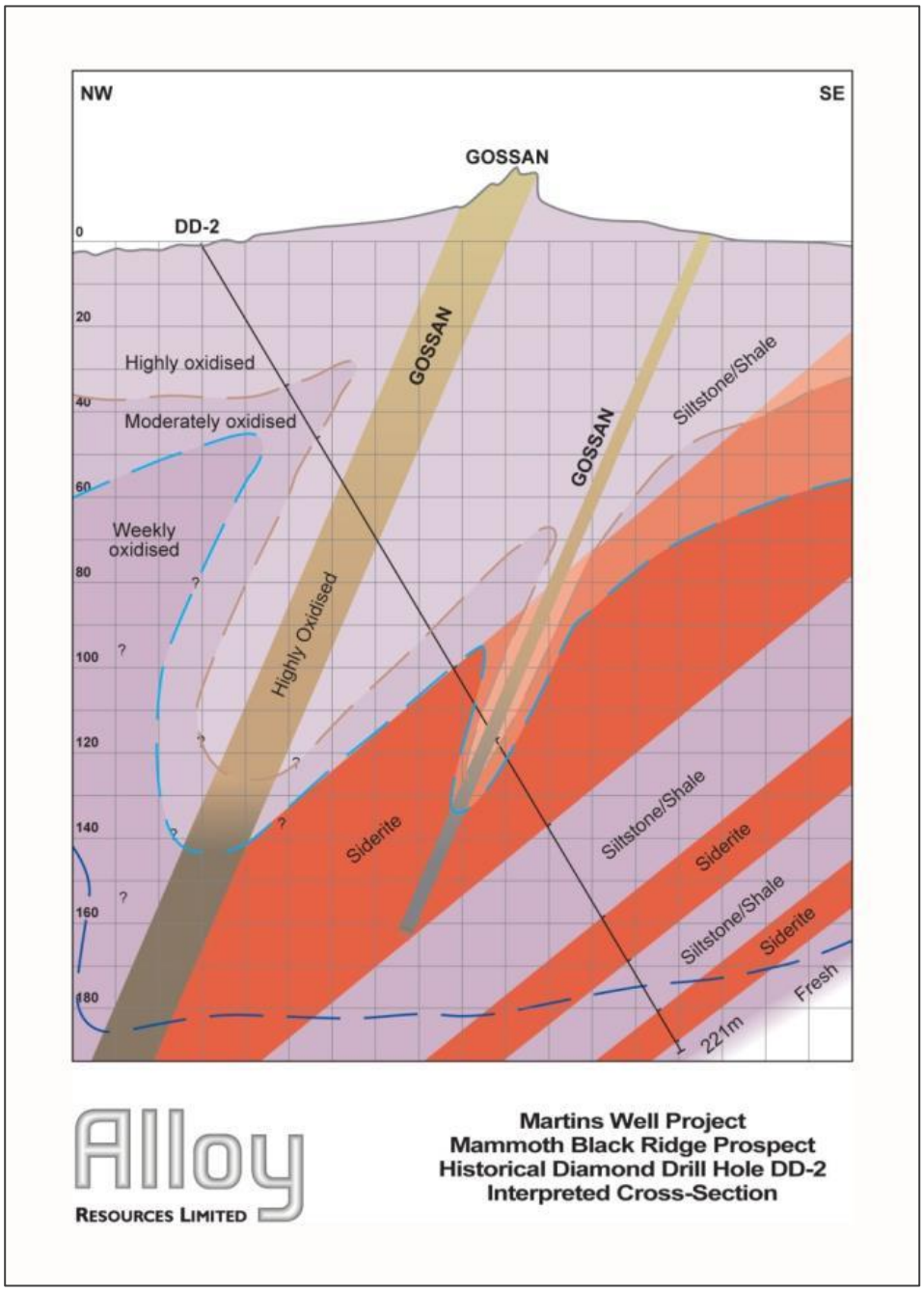


Figure 7 *Interpreted drill cross-section for DD-2*

Figure 8 DD-2 *Chalcopyrite aggregates in siderite host rock*

Mineralogy of Siderite mineralisation in DD-2

Dr Ben Grguric of Mineralium Pty Ltd conducted a mineralogical review of the siderite hosted mineralisation observed in DD-2. He concluded that "The mineralisation observed consists of a polymetallic assemblage (Cu-Fe-As-Sb) and is clearly hydrothermal in origin".

A number of samples were made into polished mounts and these were examined using optical microscopy in reflected light. Images are shown below in Figures 9 to 11 below.

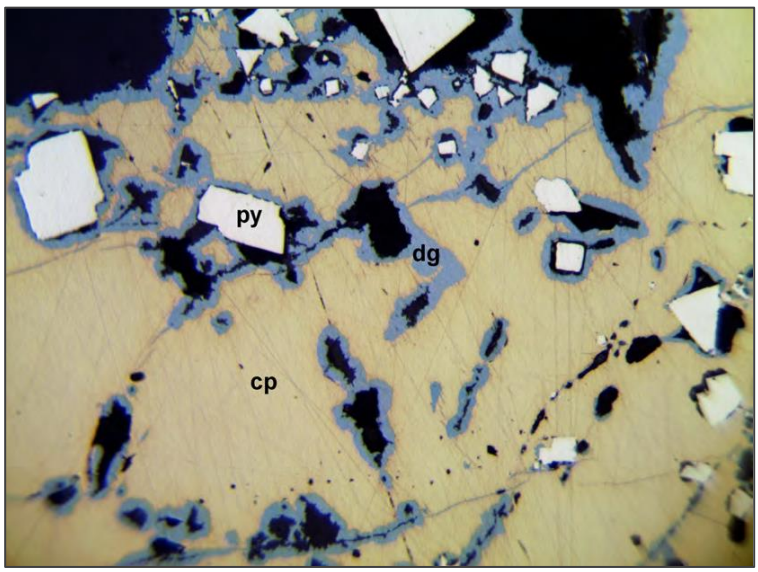


Figure 9 *Coarsely crystalline chalcopyrite (cp), containing inclusions of euhedral pyrite (py) and secondary alteration to digenite (dg) at grain boundaries and along microfractures. Sample* ***DD-2 503'****. Reflected light image. Field of view is 600 microns*

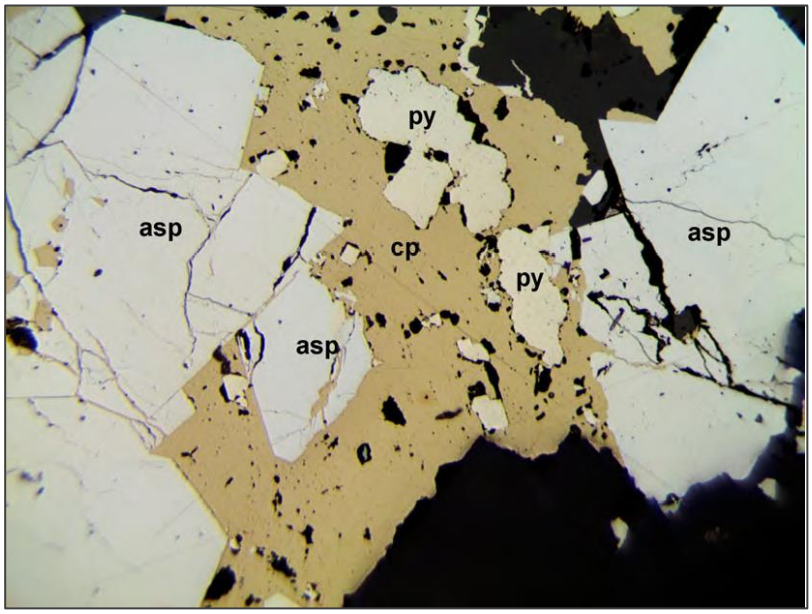


Figure 10 *Microfractured arsenopyrite (asp) and pyrite (py) surrounded by chalcopyrite (cp). Sample **DD-2 703'**. Reflected light image. Field of view is 1200 microns*

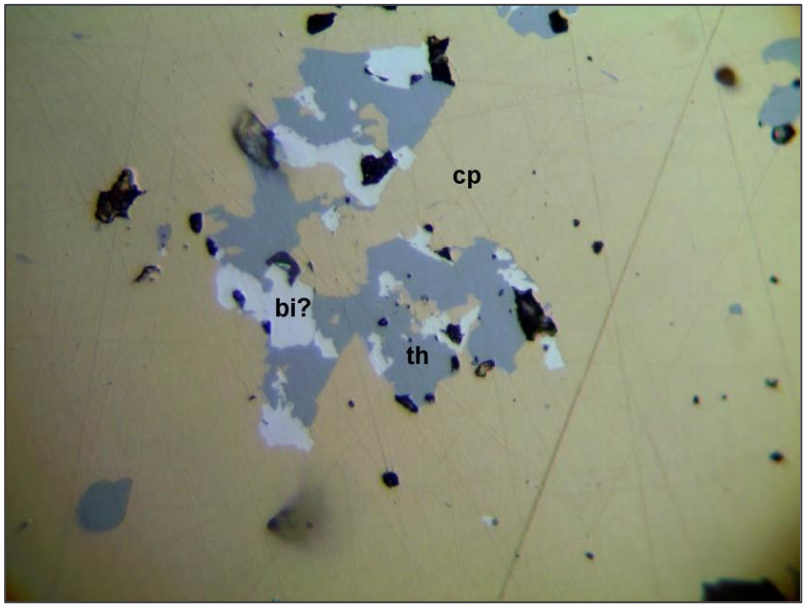


Figure 11: *Tetrahedrite-tennantite series mineral (th) with tentative bismuthinite (bi?) as inclusions in chalcopyrite (cp). Sample **DD-2 703'**. Reflected light image. Field of view is 225 microns*

Field mapping

The Mammoth Black Ridge prospect was remapped following the logging of historical core. As the presence of thick siderite units was observed in core, particular focus was placed on locating this in the field.

Figure 12 below presents a map of the prospect with observations and interpretation of geological strata, sulphide gossans and siderite units. A very simple low to moderate temperature structurally controlled hydrothermal mineralisation style can be invoked to explain the observed mineralisation. Dextral wrenching of the strata has become dilational under an ENE directed stress regime as major regional structures trend more north-easterly at Mammoth Black Ridge.

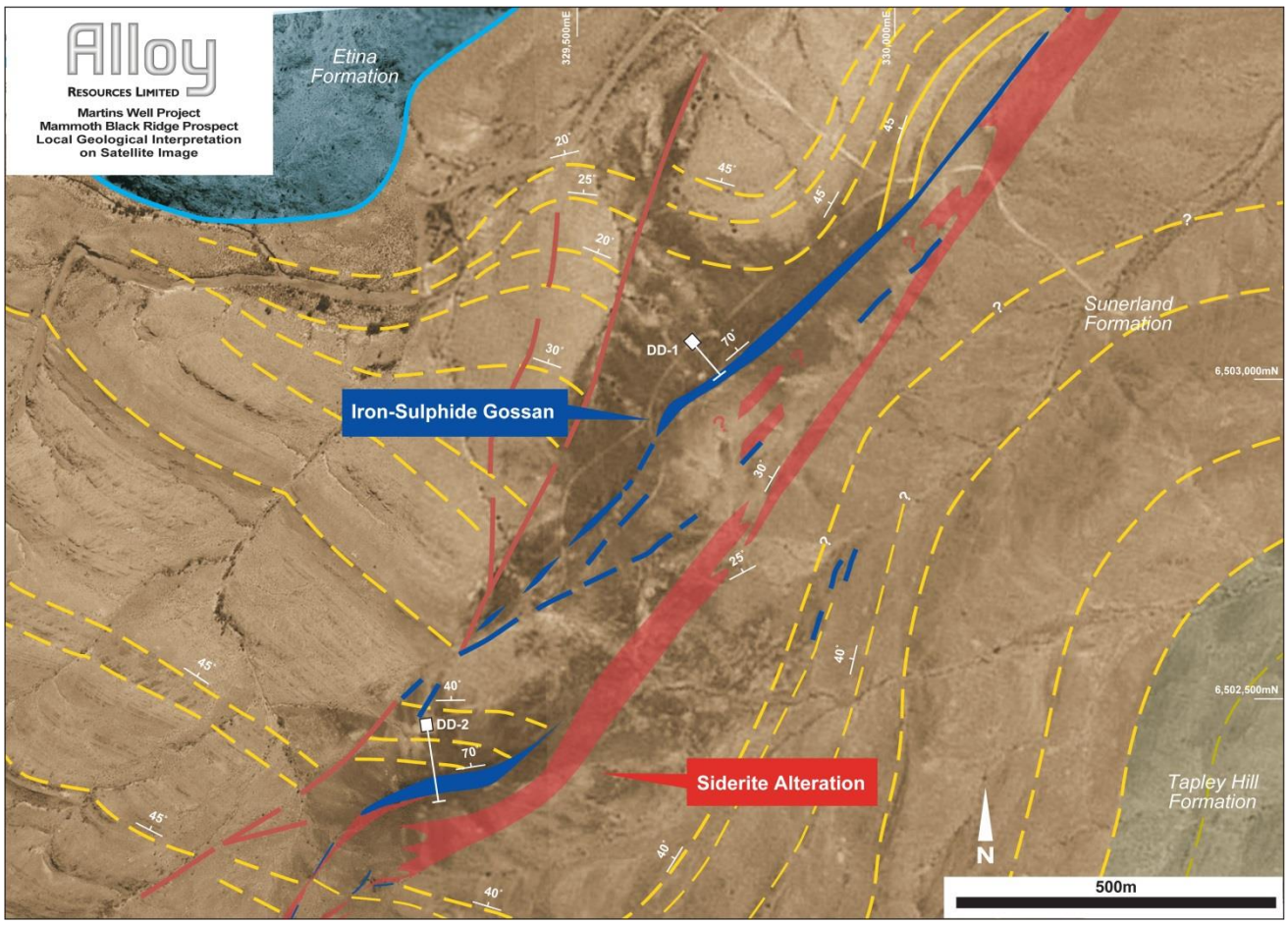


Figure 12 *Mammoth Black Ridge mapped geology on satellite image*

Summary of Geological Model

In summary the Company believes the historical core confirms and expands confirmation that a strong hydrothermal system is present and suggests that a major mineralised system is located at the Mammoth Black Ridge prospect extending over a strike length of at least 2.5 kilometres and a width of up to 1 kilometre.

The Company now has extensive evidence from historical prospecting, past exploration and recent work that when combined with the latest mineralogical observations of core mineralisation are extremely important in confirming a large polymetallic hydrothermal system to be present at Mammoth Black Ridge.

The fact that the gossans commonly return anomalous copper and arsenic values from rock chip sampling, and historical shaft sampling reported high copper, silver and gold, suggests that the primary mineralogy for the gossan structures will be similar to the polymetallic mineralisation hosted by siderite.

Furthermore, the gossans in drill holes are 15 and 25 metres thick and extend over at least a 2 kilometre strike length which means they are a very strong target for a large high grade polymetallic mineralised body.

The siderite hosted mineralisation presents a further major target for extensive mineralisation – both thick stratabound low to moderate grade mineralisation, and more importantly thick high-grade mineralisation over extensive depths and strike length where the main gossan structures intersect the siderite units.

PLANNED EXPLORATION

The Company has recently been informed by the South Australian Department of State Development that it can have access to the Mammoth Black Ridge historical core for sampling and analysis.

The Company will be completing sampling in the next two weeks and undertaking multi-element analyses of the majority of DD-1 and DD-2.

Following receipt of assays a review will be undertaken and a small targeted RC drill program will be designed to confirm the tenor of mineralisation at the Mammoth Black Ridge prospect.

The Company has received a funding grant for 50% of direct drilling costs to the amount of up to $75,000 under the South Australian Government's PACE Frontier co-operative exploration drilling project. The drilling proposal was focussed on RC and diamond drill testing of the Mammoth Black Ridge prospect and will be utilised for planned drilling.

Prior to commencement of drilling an ILUA will be signed with Native Title holders and a Heritage Survey completed to allow drilling to proceed.

The Company has noted that the project contains a number of other targets that appear similar to Mammoth Black Ridge in their style from satellite imagery, and little or no historical exploration exists. Some additional field inspection and sampling of some of these targets will be completed when field crews return to the project.

BARRYTOWN (20%)

The Barrytown Mineral Sands Project is being operated by partner Pacific Mineral Resources Limited. During the quarter the Company reported that it was advancing a JORC 2012 Resource estimate and including a review of the commercial value of contained garnet.

A drilling and testwork programme is scheduled for Q2/3 2015, designed to both convert additional historic Exploration Target to 2012 JORC plus include Garnet and Zircon in the resource estimate.

A final payment of either $200,000 cash or AUD $300,000 in listed entity shares within 12 months is due to Alloy after the granting of the Tenement Extension currently being pursued.

CORPORATE

The Company has resolved to reduce operating costs to meet the current market conditions and until such time as market conditions improve Executive Director remuneration has been reduced by 40% and cash payment of Non-Executive Director fees will cease.

Discretionary expenditure has been minimised and other administrative costs have been reduced.

For further information contact:

Andy Viner

Executive Chairman.

Phone: +61 8 9316 9100

www.alloyres.com

Exploration Results

The 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 he is 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

TENEMENT INFORMATION AS REQUIRED BY LISTING RULE 5.3.3

Project	Location	Tenement	Held at the beginning of the quarter	Held at the end of the quarter
(All tenements registered to Alloy Resources Limited except where noted below)				
Horse Well				
Eskay Resources Pty Ltd 100%	WA	E69/1772	100%	100%+
(Eskay Resources Pty Ltd is a wholly owned subsidiary of Alloy Resources Limited)				
Alloy Resources Limited - Granted	WA	E53/1466	100%	100%+
Alloy Resources Limited - Granted	WA	E53/1471	100%	100%+
Alloy Resources Limited - Granted	WA	P53/1524	100%	100%+
Alloy Resources Limited - Granted	WA	P53/1525	100%	100%+
Alloy Resources Limited - Granted	WA	P53/1526	100%	100%+
Alloy Resources Limited - Granted	WA	E69/2765	100%	100%+
Alloy Resources Limited - Granted	WA	E69/3069	100%	100%+
Wayne Jones – Alloy Earned Interest ^ *Awaiting transfer of interest*	WA	E69/2492	100%^	100%^+
Phosphate Australia Limited	WA	E69/2820	80%	80%+
+ *subject to Doray farmin Agreement*				
Barwidgee				
Alloy Resources Limited	WA	E53/1808	100%	0%
Millrose				
Alloy Resources Limited - Application	WA	E53/1839	0%	0%
Edjudina				
Alloy Resources Limited - Application	WA	E39/1858	0%	0%
Alloy Resources Limited - Application	WA	E31/1095	0%	0%
Barrytown Mineral Sands Project				
Alloy Resources Limited - Granted	New Zealand	EL 51803	100%	20%**
** *Subject to farm-out and Sale Agreement to Pacific Mineral Resources*				
Martins Well				
Alloy Resources Limited - Granted	SA	EL 5577	0%	100%#
Alloy Resources Limited - Application	SA	ELA 2015/23	0%	0%#
# *Subject to 90% earn-in Agreement*				

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

ALLOY RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
20 109 361 195	31 March 2015

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (9 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(89)	(301)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(45)	(273)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
		2	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net Operating Cash Flows	(132)	(569)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a)prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets		
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other – Re-imbursement of Horsewell Farm-in expenditure	-	103
	Other – Barrytown sale	-	100
	Other – EIS Grant received on behalf of Doray Minerals	30	30
	Net investing cash flows	30	233
1.13	Total operating and investing cash flows (carried forward)	(102)	(336)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(102)	(336)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	317
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Share Issue Expenses	-	(15)
	Net financing cash flows	-	302
	Net increase (decrease) in cash held	(102)	(34)
1.20	Cash at beginning of quarter/year to date	501	433
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	**399**	**399**

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	74
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

i) Directors Fees and Remuneration of Directors- $57,299
ii) Accounting, company secretarial and occupancy fees paid to Endeavour Corporate an entity related to Mr Kevin Hart - $17,192

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	50
4.2	Development	
4.3	Production	
4.4	Administration	50
	Total	**100**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	110	84
5.2	Deposits at call	289	417
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	**399**	**501**

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	E53/1808	Owner	100%	0%
6.2	Interests in mining tenements acquired or increased	E53/1839 E39/1858 E31/1095	Owner Owner Owner	0% 0% 0%	0% 0% 0%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

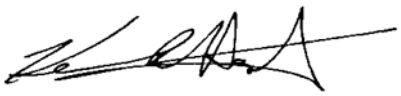
		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference** +**securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+**Ordinary securities**	489,582,646	489,582,646		Fully paid
7.4	Changes during quarter (a) Increases through: Shares Issued				
7.5	+**Performance Share Rights** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	3,500,000 7,000,000 2,000,000 22,642,821	- - - -	*Exercise price* 4.5 cents each 1.5 cents each 1.6 cents each 1.5 cents each	*Expiry date* 30 August 2015 30 November 2016 30 November 2017 31 December 2015
7.8	Issued during quarter				
7.9	Exercised during quarter	-	-	-	-
7.10	Cancelled during quarter	-	-	-	-
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 30 April 2015
(Director/Company secretary)

Print name: **Kevin Hart**

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.