



ABN 20 109 361 195

ASX Release

2 September 2014

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-Exec Director/Co Sec:

Kevin Hart

Issued Capital

Shares:

440,005,338

Unlisted Options:

12,500,000

Performance Rights:

1,166,666

ASX Symbol: AYR

Key Horse Well Tenement Acquired

SUMMARY

Alloy Resources Limited (ASX:AYR, **Alloy** or the **Company**) is pleased to inform the market that it has exercised an Option to acquire 80% of an Exploration Licence within the Horse Well Gold Project.

This licence, EL 69/2820, forms an important part of the land holdings in the Crack of Dawn area within the northern part of the Project, and was the subject of an Option Agreement with Phosphate Australia Limited (ASX:POZ).

This area is currently the subject of an inaugural Air-core drilling program being conducted by JV partner Doray Minerals Limited.

Settlement of the Option was completed today through the following consideration;

- \$25,000 cash
- \$25,000 in AYR shares – being 3,125,000 shares at a price of \$0.008.

The Company's Joint Venture partner, Doray Minerals Limited, has agreed to pay the cash consideration as part of its earn-in expenditure.

Licence Area Targets

The licence area shown below in Figure 1, covers the eastern part of the Crack of Dawn regional target area, in particular a portion of the T-06 'de-magnetised zone' target which sits adjacent to the Celia Shear structure (Figure 2). An additional area of interest is the highly faulted 'eastern mafics' located to the east of the Celia Shear.

Neither of these two targets has been drilled by previous explorers.

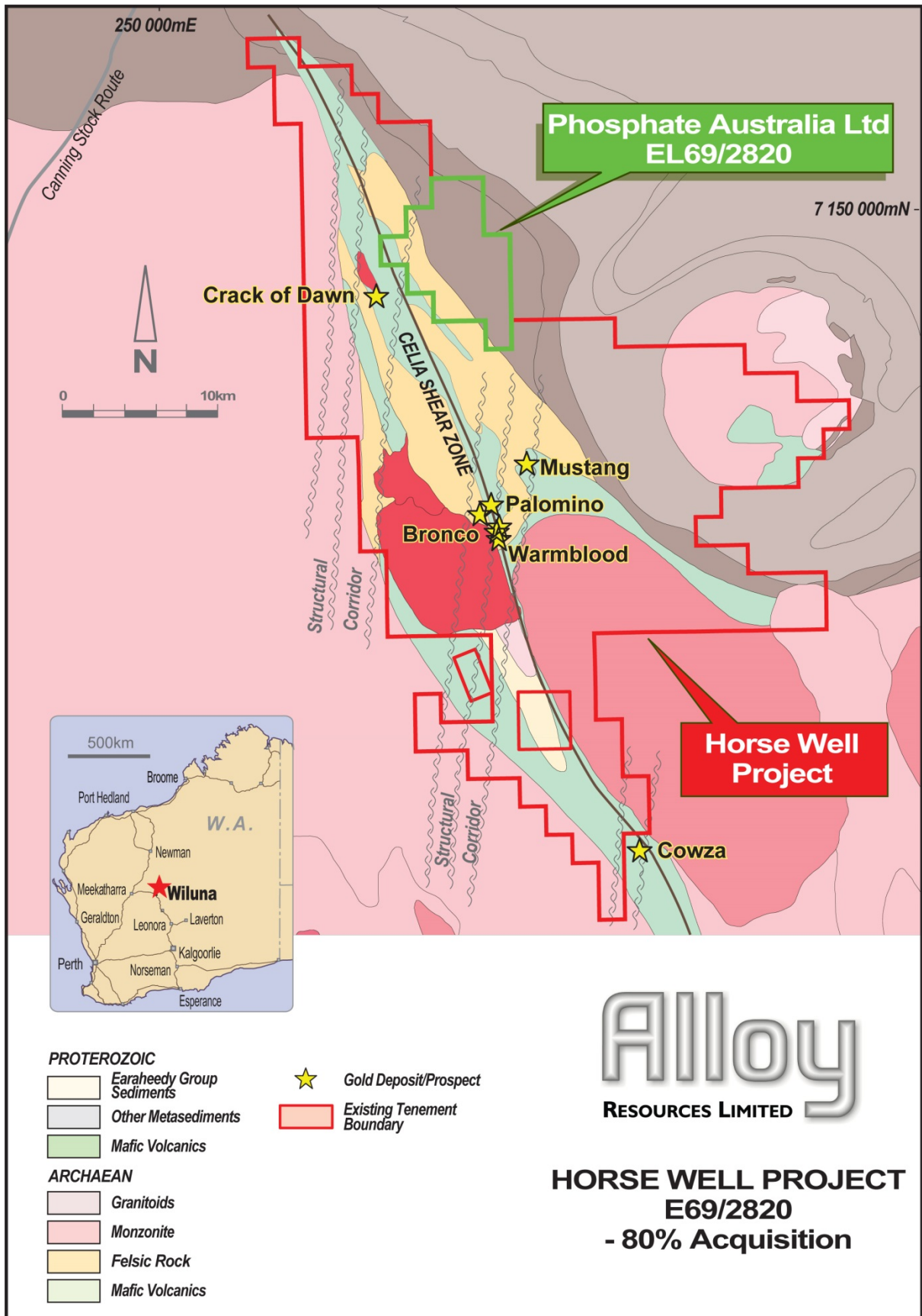


Figure 1 Horse Well Gold Project showing EL 69/2820 location on Geology and with Prospects

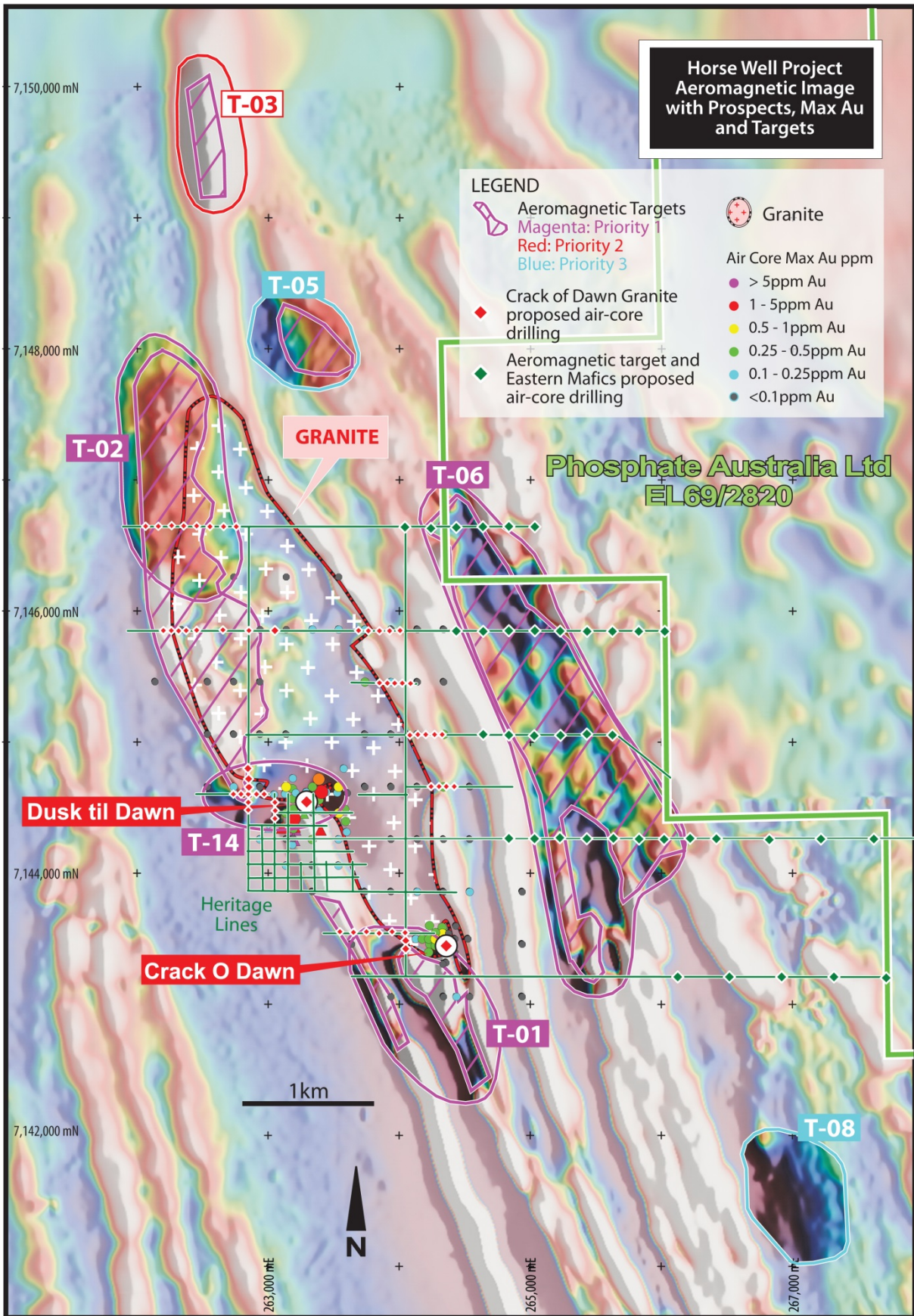


Figure 2 *Planned air-core drilling over aeromagnetics with Prospects and Tenements*

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 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.