

For personal use only

9 September 2008

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Alloy
RESOURCES LIMITED

ACN 109 361 195

Level 2, 668 Murray St West Perth
WA 6005 Australia
PO Box 1078 West Perth
WA 6872 Australia

Tel: 618 9289 9116
Fax: 618 9289 9189
Email: info@alloyres.com

Dear Sir/Madam

NEW ZONES OF GOLD MINERALISATION IDENTIFIED AT HORSE WELL

Alloy Resources Limited is pleased to announce that it has identified several new, large gold mineralised trends and gold exploration targets at its Horse Well Gold project in the Yandal Greenstone Belt of WA. The priority target area is a new zone of gold mineralisation identified by a hole AHWA112 with 1.475 ppm gold peak over 4 metres from a reconnaissance air-core drill hole

Reconnaissance air-core (AC) and rotary air blast (RAB) drilling was completed to test targets in the central portion of the greenstone belt within the Company's tenement (Figure 1). A total of 171 holes were drilled for 10,995 metres, with 18 holes drilled in the new areas returning gold assays in excess of 0.1 ppm over 4 m composite sample intervals (Table 1). Two drill holes containing maximum gold values of 1 ppm or more are listed in Table 1. Many of the other drill holes contained maximum gold values greater than 10 ppb, indicating elevated gold background for the district (Figure 1). The drilling also demonstrated that many parts of the greenstone belt that were interpreted to be felsic volcanic rocks are actually mafic volcanic rocks, predominantly tholiitic basalt.

The drilling results identified several gold anomaly trends that follow the interpreted geological layers along NW-SW trends. The widths of these trends vary from 400 m to open ended, and are usually in excess of 1 km long, with the longest of these trends being 5.8 km long (Figure 1).

These results are south of the Pony prospect and follow up 0.6 ppm over 15 m from 99 m previously drilled at the Pony deposit.

Hole AHWA170 was drilled near hole AHWARC051 in the Palomino Deposit to collect ore samples for metallurgy test work. This work will test for ore recoveries and possible heap leaching of the Horse Well Deposit. This metallurgical test work will commence during September 2008.

The current resource at Horse Well is:

	Prospect	JORC Category	Tonnes	Grade (g/t)	Ounces
	Palomino	Indicated	607,000	2.6	53,000
	Bronco	Indicated	22,078	2.72	1,930
	Filly	Indicated	151,199	1.86	9,043
	Filly SW	Indicated	62,487	7.07	14,205
Total			842,764	2.80	78,178

A drilling program to test the target area extending beyond hole AHWA112 and other identified gold trends is being planned.

Table 1: Drill hole intercepts in excess of 0.1 ppm from reconnaissance holes drilled at Horse Well.

Hole ID	Easting (MGA51)	Northing (MGA51)	From (m)	To (m)	Au (ppm)
AHWA170 (i)	271534	7130721	12	15	0.16
AHWA170	271534	7130721	15	18	0.686
AHWA170	271534	7130721	21	24	0.333
AHWA170	271534	7130721	24	27	0.13
AHWA170	271534	7130721	27	30	0.271
AHWA170	271534	7130721	30	33	0.249
AHWA170	271534	7130721	33	36	0.289
AHWA170	271534	7130721	36	39	0.449
AHWA170	271534	7130721	39	42	1.005
AHWA170	271534	7130721	42	45	1.86
AHWA170	271534	7130721	45	48	1.505
AHWA170	271534	7130721	48	51	1.615
AHWA170	271534	7130721	51	54	5.83
AHWA170	271534	7130721	54	57	1.075
AHWA170	271534	7130721	57	60	2.54
AHWA170	271534	7130721	60	63	0.681
AHWA170	271534	7130721	63	64	5.24
AHWA169	271621	7130996	8	12	0.116
AHWA157	271802	7130734	24	28	0.414
AHWA156	271880	7130753	16	20	0.125
AHWA155	271808	7130618	48	52	0.954
AHWA127	273396	7132868	16	20	0.183
AHWA121	272253	7132500	60	64	0.311
AHWA115	272857	7133916	24	28	0.696
AHWA115	272857	7133916	20	24	0.138
AHWA112	272502	7133794	92	96	1.475
AHWA112	272502	7133794	108	112	0.154
AHWA110	272123	7133675	68	71	0.104
AHWA103	272131	7134093	108	112	0.36
AHWA103	272131	7134093	112	116	0.135
AHWA103	272131	7134093	116	120	0.102
AHWA099	271396	7133861	52	56	0.184
AHWA056	271658	7136886	48	52	0.144
AHWA053	272225	7137055	32	36	0.144
AHWA033	271450	7135560	64	68	0.244
AHWA033	271450	7135560	68	72	0.232
AHWA030	272025	7135740	72	76	0.17
AHWA030	272025	7135740	72	76	0.139
AHWA026	271575	7135179	76	80	0.202
AHWA026	271575	7135179	96	101	0.102
AHWA015	271888	7134856	56	60	0.101

(i) Drilled in Palomino deposit for metallurgy testing.

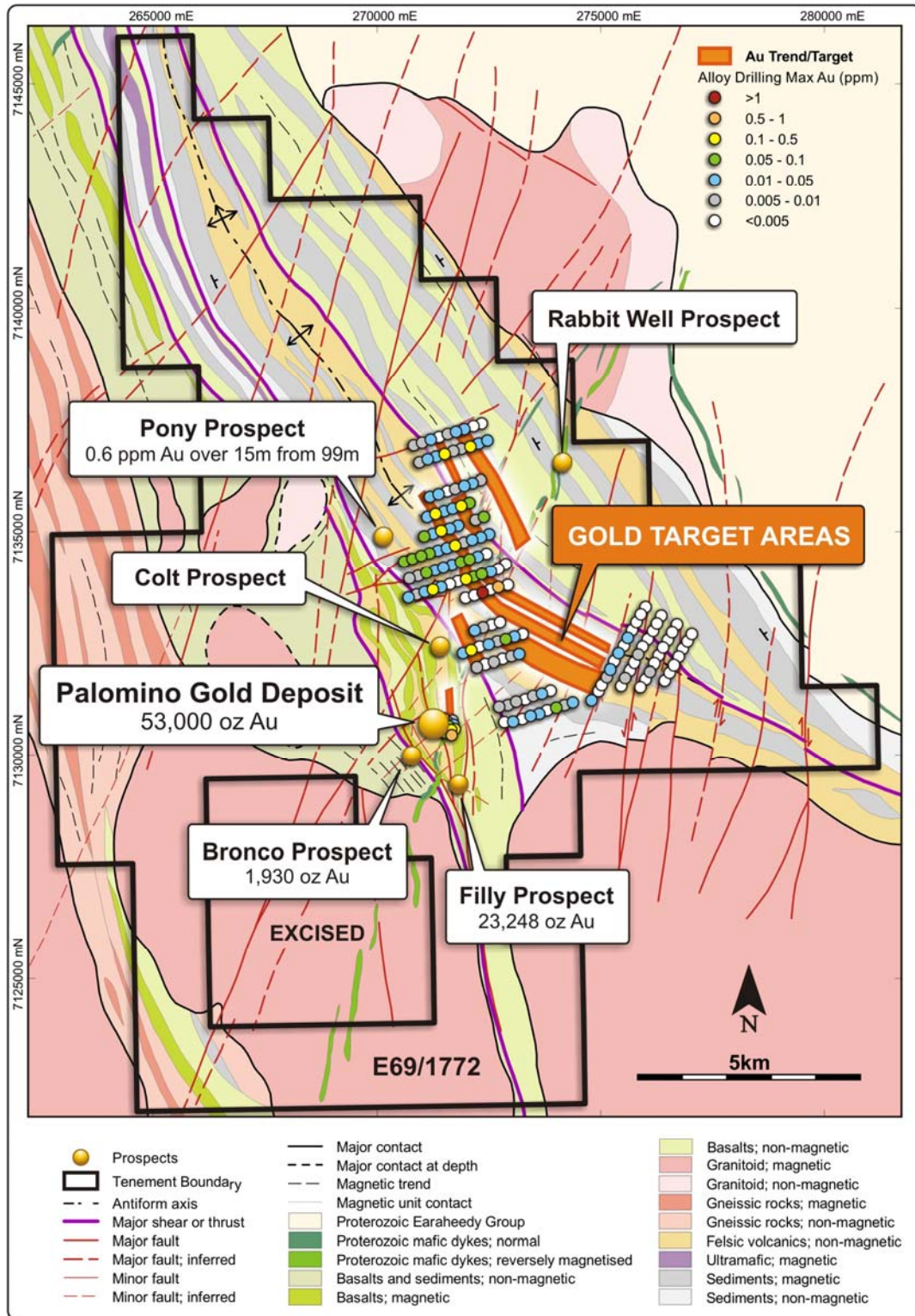


Figure 1: Location of recent drill holes with maximum gold values in ppm and new gold anomaly trends overlying the interpreted bedrock geology at Horse Well.

Yours faithfully
ALLOY RESOURCES LIMITED



Peter Hepburn-Brown
Managing Director

The information in this report which relates to Exploration Results is based on information compiled by Dr. Jayson Meyers, a Director of Alloy Resources Limited and who is a Member of the Australian Institute of Geoscientists. Dr. Meyers 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Dr. Meyers consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

For personal use only