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ASX Release

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Issued Capital

Shares:

186,044,870

Unlisted Options:

7,500,000

Performance Rights:

3,500,000

ASX Symbol: AYR

Horse Well Drilling Results

Highlights:

- RC drilling on the Warmblood - Filly South West trend has confirmed gold mineralisation (>0.5 g/t Au from 4 metre composite samples):
 - 8m @ 2.27 g/t Au from 16m (AHWR 027)
 - 8m @ 1.88 g/t Au from 28m (AHWR 024)
- Air-core drilling to test northern strike extensions locates new gold mineralisation (>0.5 g/t Au from 4 metre composite samples);
 - 4m @ 43.6 g/t Au from 44m (AHWA 413)
 - 4m @ 1.53 g/t Au from 40m (AHWA 425)
- Resampling of previous air-core drilling at the same location as the RC drilling has also confirmed gold grades from 1 metre sampling (>0.5g/t Au);
 - 16m @ 2.02 g/t Au from 24m (AHWA 400) vs 16m @ 2.19 g/t Au (original)
 - 15m @ 4.22 g/t Au from 60m (AHWA 401) vs 15m @ 3.61 g/t Au (original)

Exploration Results

Alloy Resources Limited (**ASX:AYR**, the "Company") advises that initial 4 metre composite sample assays from an 18 hole RC drilling program for 1,747 metres at its Horse Well project in Western Australia have been received (Figures 2 and 3).

A 32 hole Air-core drilling program for 2,127 metres was also completed and 4 metre composite sample assays from this program are also reported below.

This drill program, completed in late November and December tested a strike length of 800 metres along the Warmblood - Filly South West trend discovered by the Company during 2011 (Figure 1).

Gold mineralisation continues both to the north and south of the Filly South West prospect, with variable grades and thicknesses being intersected.

The Company will now complete 1 metre resampling of more significant intersections from this program prior to planning follow-up drilling.

RC drill program results

The Company completed RC drilling on 40 metre line spacing and 20 metre hole spacing over a 250 metre strike length south of the Filly South West prospect. The target for the RC program was the Warmblood mineralised trend which had been defined by air-core drilling completed in October 2011.

Assay results from this new drilling (see Table 1 below), confirm that gold mineralisation is present along a distinct structure. A north north-east quartz fault zone is interpreted to be present in drill line AHWA 19 – 23, which may be controlling distribution of gold (Figure 1).

Final interpretation of results will occur after 1 metre RC samples have been collected and assayed over the coming weeks.

Table 1. Warmblood Significant RC drill intersection (>0.5 g/t Au)

Sample ID	Hole ID	mFrom	mTo	Au (ppm)	Avg Au (ppm)	Interval (m)
50009	AHWR012	32	36	0.49		
50039	AHWR013	56	60	0.88		
50041	AHWR013	64	68	1.11		
50060	AHWR014	24	28	0.84		
50118	AHWR016	32	36	0.54		
50303	AHWR023	52	56	0.49		
50326	AHWR024	28	32	1.05	1.88	8
50327	AHWR024	32	36	2.71		
50342	AHWR025	20	24	0.55		
50365	AHWR027	16	20	2.15	2.27	8
50366	AHWR027	20	24	2.39		
50419	AHWR029	68	72	0.59		

Sampling and analysis information;

- Samples collected at 1m intervals from a drill cyclone collector into buckets
- 1 metre plastic bags spear sampled to make up 4m, 1-2 kg composites samples
- Analysis by 30g Fire Assay, AAS Finish

Air-core drill program results

The Company completed Air-core drilling on 100 metre line spacing and 25 or 50 metre hole spacing over a 400 metre strike length north of the Filly South West prospect. The target for the Air-core program was the Warmblood mineralised trend which had been defined by air-core drilling completed in October 2011.

Results suggest that mineralisation does continue to the north with two or three zones being present as illustrated on Figure 1, and listed in Table 2 below;

- **A 4 metre composite grading 43.6 g/t** in hole AHWA 413 which appears to line up directly north along strike of the Filly SW gold mineralisation which also returned some particularly high-grade results including an intersection of **10m @ 24.3g/t Au** in HWRC064.
- A weaker parallel zone over 100-200 metres strike between holes AHWA 425 and 431.

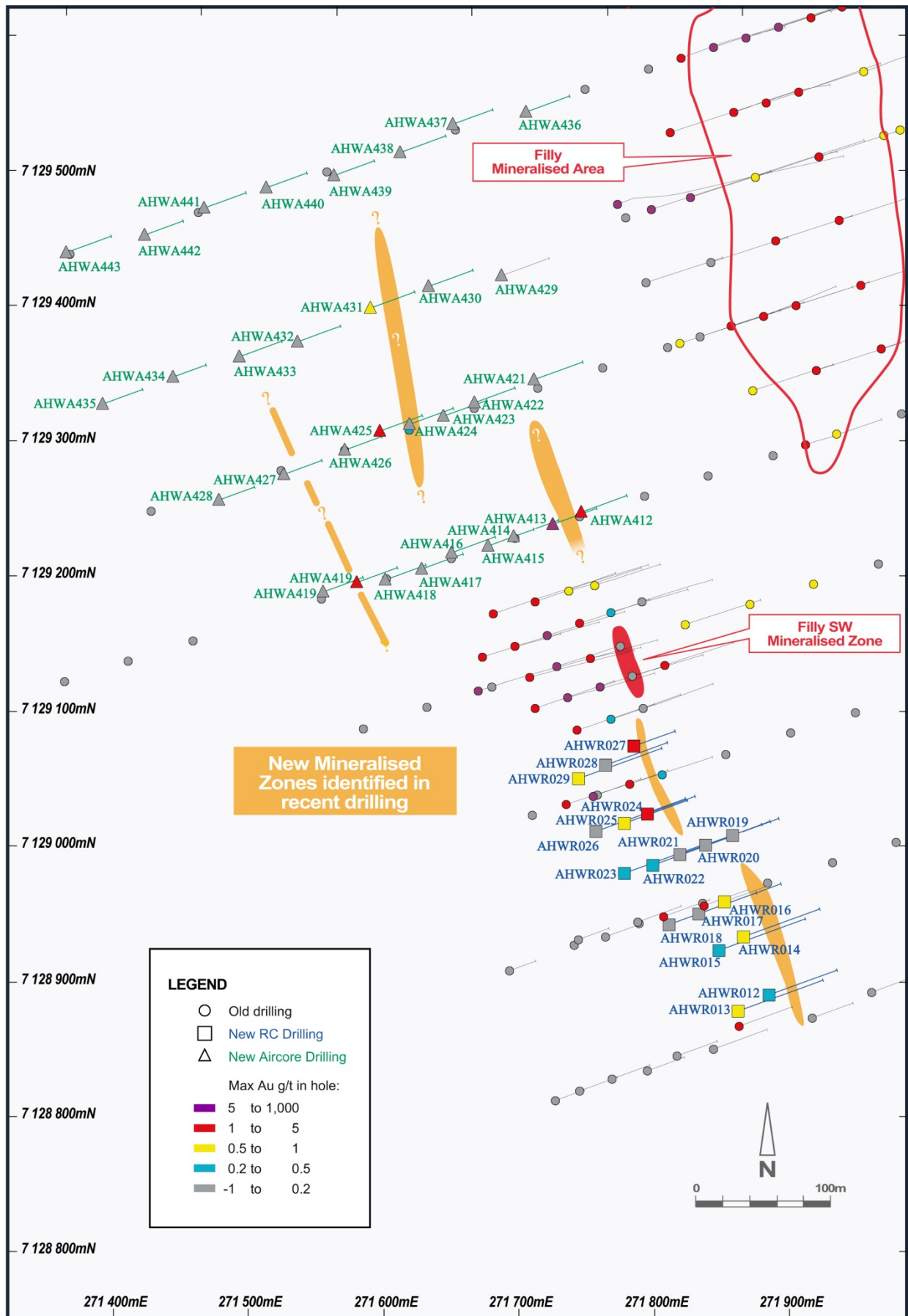


Figure 1. Warmblood - Filly SW gold mineralised trend with completed RC and AC drillhole locations.

Table 2. Warmblood Significant Air-core drill intersection (>0.2 g/t Au)

Sample ID	Hole ID	mFrom	mTo	Au (g/t)	Avg Au (g/t)	Interval (m)
54010	AHWA412	36	40	1.16	0.68	8
54011	AHWA412	40	44	0.199		
54030	AHWA413	44	48	43.6	21.98	8
54031	AHWA413	48	52	0.353		
54140	AHWA419	44	48	1.035	0.66	8
54141	AHWA419	48	52	0.279		
54248	AHWA425	40	44	1.53	1.53	4
54349	AHWA431	36	40	0.548	0.55	4

Sampling and analysis information;

- Samples collected at 1m intervals from a drill cyclone collector into buckets
- 1 metre sample piles scoop sampled as 4m composites for 1-2 kg samples
- Analysis by 30g Fire Assay, AES Finish
- Analysis by 30g Fire Assay, AAS Finish if > 10 g/t.

Air-core resampling

Previously received 4 metre composite samples from air-core drilling in holes AHWA 400 and 401 – within the area of the new RC drilling, were re-sampled at 1 metre intervals during the December drill program, and returned largely similar grades over composite intervals as shown in Table 2 below.

Results suggest that analyses are repeatable and give a good estimate of gold mineralisation.

Table 3. Air-core re-sampling

a) Original 4m samples (> 0.5 g/t Au):

SampleID	Hole_ID	mFrom	mTo	Au (g/t)	Interval >0.5g/t Au
12624	AHWA400	24	28	1.31	16 m at 2.19 g/t Au
12625	AHWA400	28	32	2.59	
12626	AHWA400	32	36	4.17	
12627	AHWA400	36	40	0.67	
12648	AHWA401	60	64	3.37	15 m at 3.61 g/t Au
12649	AHWA401	64	68	7.84	
12650	AHWA401	68	72	1.63	
12651	AHWA401	72	75	0.95	

b) 1 metre re-samples (> 0.5 g/t Au):

SampleID	Hole_ID	mFrom	mTo	Au (g/t)	Avg over original composite sample	Avg over original interval > 0.5 g/t Au
66811	AHWA400	24	25	0.182	4m @ 1.06 g/t Au	16m @ 2.02 g/t Au
66812	AHWA400	25	26	0.653		
66813	AHWA400	26	27	0.128		
66814	AHWA400	27	28	3.29		
66815	AHWA400	28	29	1.155	4m @ 2.2 g/t Au	
66816	AHWA400	29	30	0.449		
66817	AHWA400	30	31	0.414		
66818	AHWA400	31	32	6.77		
66819	AHWA400	32	33	8.24	4m @ 4.35 g/t Au	
66820	AHWA400	33	34	8.11		
66821	AHWA400	34	35	0.62		
12830	AHWA400	34	35	0.74		
12831	AHWA400	35	36	0.3	4m @ 0.49 g/t Au	
12832	AHWA400	36	37	0.85		
12833	AHWA400	37	38	0.07		
12834	AHWA400	38	39	0.59		
12835	AHWA400	39	40	0.44		
12815	AHWA401	60	61	9.54	4m @ 5.23 g/t Au	15m @ 4.22 g/t Au
12816	AHWA401	61	62	7.57		
12817	AHWA401	62	63	0.92		
12818	AHWA401	63	64	2.87		
12819	AHWA401	64	65	4.72	4m @ 6.83 g/t Au	
12820	AHWA401	65	66	7.94		
12821	AHWA401	66	67	5.44		
12822	AHWA401	67	68	9.2		
12823	AHWA401	68	69	5.68	4m @ 2.85 g/t Au	
12824	AHWA401	69	70	2.29		
12825	AHWA401	70	71	2.05		
12826	AHWA401	71	72	1.39		
12827	AHWA401	72	73	1.04	3m @ 1.21 g/t Au	
12828	AHWA401	73	74	1.44		
12829	AHWA401	74	75	1.16		

Future Activities

The Company will now assess geological aspects of these results and await the results of the 1 metre resampling program prior to considering appropriate future exploration programs.

For further information contact:

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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 who is 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 2004 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.

Mineral Resources

The resources in this release are based on work carried out by Dr. S. Carras FAusIMM of Carras Mining Pty Ltd. Dr. Carras has 30 years of 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 "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves" and consents to the inclusion in this report of the information in the form and context in which it appears

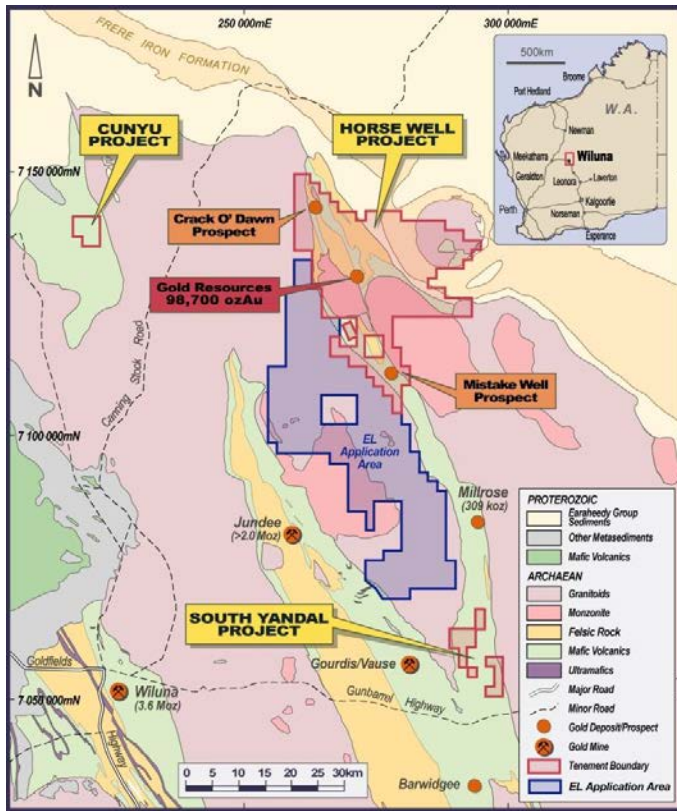


Figure 2. Horse Well Project location plan.

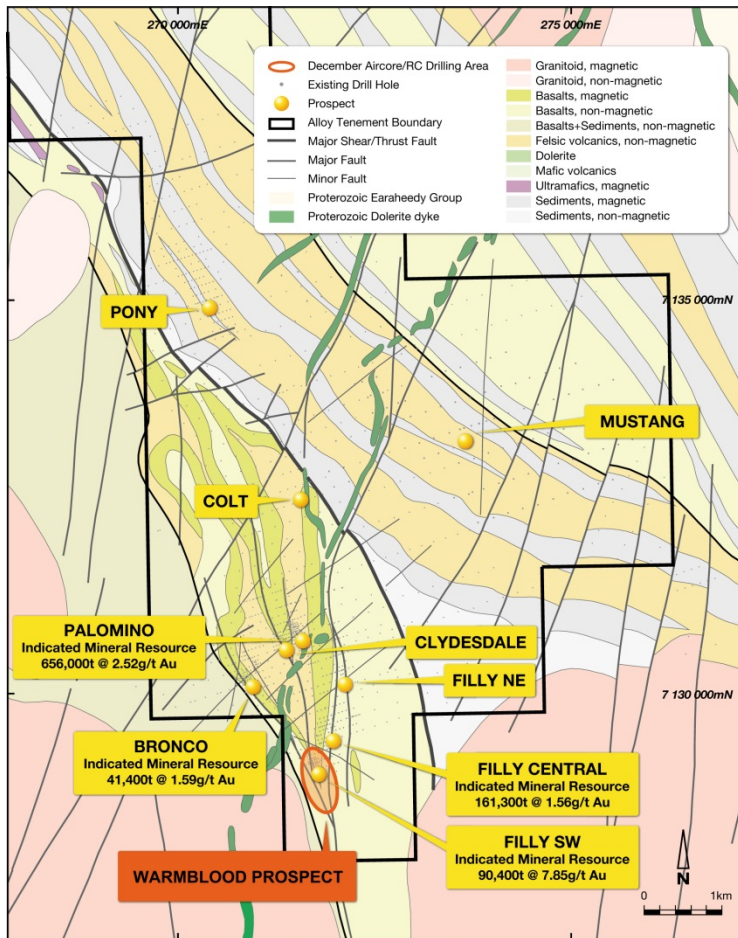


Figure 3. Horse Well Project prospects and resources.