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Manager Announcements
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MORE DRILL RESULTS AT HORSE WELL CONFIRM GOLD TARGETS

- **Gold assays have been received from infill and reconnaissance air core drilling in the Mustang Prospect area, and show that the gold mineralisation at Mustang has been expanded.**
- **Best results are hole AHWA310 4 metres @ 4.5 g/t Au from 56 metres and adjacent hole AHWA309 8 metres @ 0.44 g/t Au from 32 metres, and the area is open 200m to the east and over 400m to the south of these holes.**
- **Twenty six of the 101 reconnaissance air core holes returned assay values in excess of 0.1g/t Au over 4 metre sample intervals, and there are a number of new target zones that require follow up drilling.**
- **The recent high grade intercepts at the Warmblood Prospect and the anomalous drill holes at Mustang will be followed up by closer spaced drilling as soon as possible.**
- **The 10 kilometre southern strike extension of the Warmblood geological trend is poorly tested and is a priority for future exploration.**

EXPLORATION DRILLING

The Company is pleased to advise that all gold assay results have now been received from a recent drilling program of 101 vertical air core holes at the Horse Well gold project in the Yandal Greenstone Belt of WA.

A set of priority assays showed that a new gold discovery called the Warmblood Prospect was made adjacent to existing gold deposits, and an announcement was made to the ASX on 9 June 2011.

The air core drilling program also followed up anomalous gold intersections from previous drilling at the Mustang prospect, in other gold trends, and near the main gold deposits (Figure 1) where there is a combined resource inventory of 1,054,100t @ 2.91g/t Au for 98,700ozs (see Table 1). The objective of the drilling campaign was to expand these gold resources by discovering new deposits and extensions to known mineralisation.

Significant results from the drilling campaign in the Mustang region are listed in Table 2. The best results at Mustang are along a single transect 50m to the south of previous anomalous drill results. The results from 2 vertical holes spaced 50m apart along this transect are:

- AHWA310 12 metres @ 1.6 g/t Au from 48 metres depth, including 4 metres @ 4.5 g/t Au from 56 metres, and
- AHWA309 8 metres @ 0.44 g/t Au from 32 metres depth.

These holes show that the gold mineralisation increases to the south and is open to the east by at least 200m and to the south by over 400m (Figure 1). There are also another twenty seven broadly spaced reconnaissance drillholes that returned assays of 0.1g/t Au or more that require infill drilling to a closer spacing. Target areas around these anomalous holes are also shown in Figure 1.

The Company is very encouraged by these gold assay results at the Warmblood and Mustang prospects indicating strong potential for new gold resources.

FUTURE PROGRAMS

Future work will consist of follow up air core drilling at the Warmblood and Mustang prospects and other newly identified gold anomalies. Some of this drilling will involve angled air core holes to intersect vertical zones of mineralisation in between the widely spaced reconnaissance drill holes. RC drilling will follow once mineralised zones are defined.

The Company is also reassessing historical exploration activities with a view to implementing a cohesive program of new target generation involving geological mapping, surface geochemical sampling and regional geochemical drilling over the next six months.

The priority target for this reassessment will be the poorly tested 10 kilometre southern strike extensions of the Warmblood geological trend.

Given these recent exciting drill results the Company will accelerate the exploration effort at the Horse Well Project over the next six months, and will provide an update on these plans in the short term.

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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 Fellow 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.

The resources in this report are based on work carried out by Dr. S. Carras FAus/MM 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.

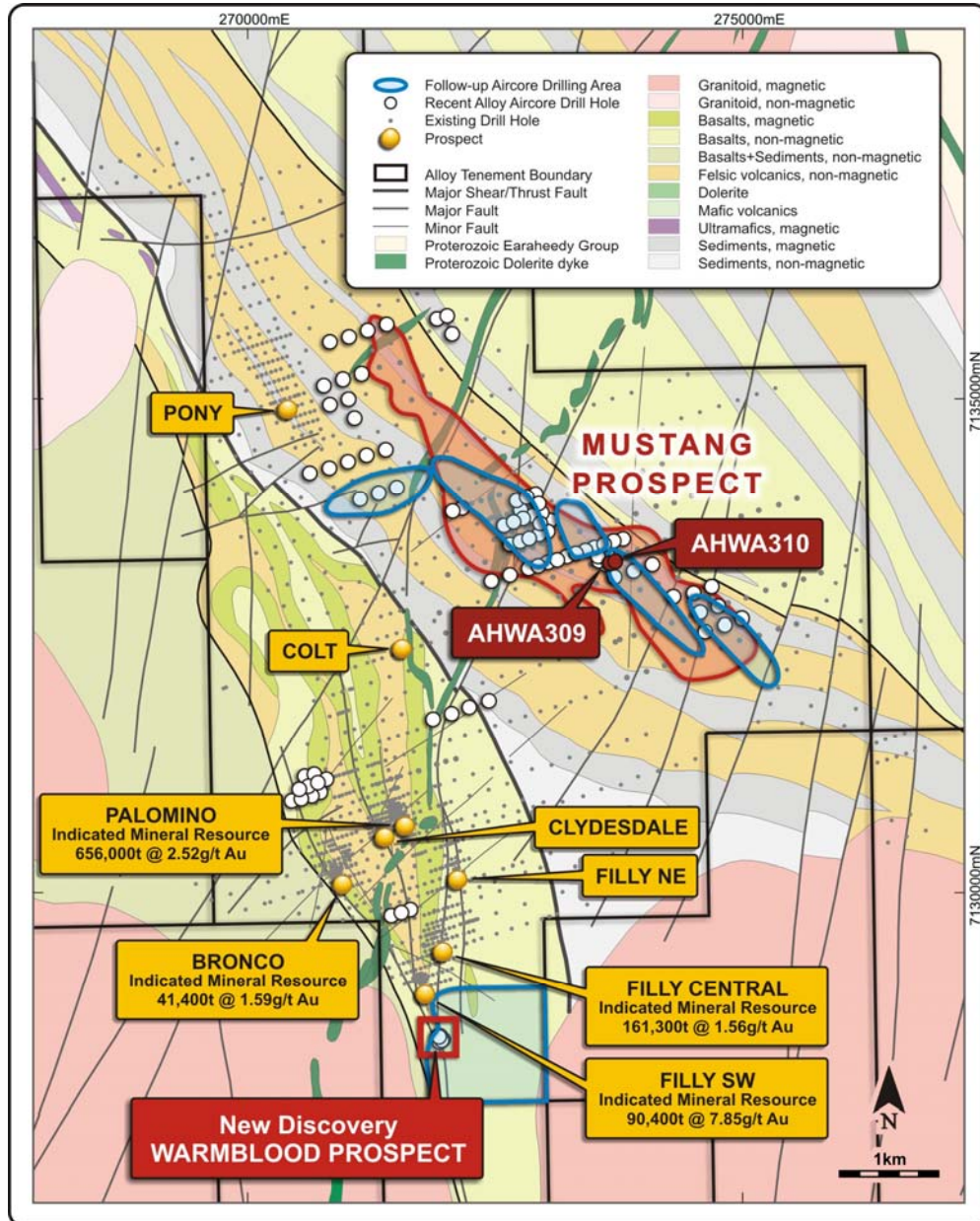


Figure 1. Recently completed air core drillholes in white over Horse Well interpreted bedrock geology, with the location of the 2 holes with good gold grades at Mustang and the newly discovered Warmblood Prospect shown south of the Filly SW Prospect.

Table 1. Horse Well Gold resources.

PROJECT	PROSPECT	JORC CATEGORY	TONNES	GRADE (g/t Au)	OUNCES Au
Horse Well	Palomino	indicated	656,000	2.52	53,150
		Inferred	105,000	3.71	12,525
	Bronco	indicated	41,400	1.59	2,117
	Filly	indicated	161,300	1.56	8,091
	Filly SW	indicated	90,400	7.85	22,817
Total			1,054,100	2.91	98,700

Table 2. Significant assays >0.1 g/t Au.

Hole ID	Comments	Depth From (m)	Depth To (m)	Interval (m)	Au (g/t)
AHWA274		124	128	4	0.16
AHWA275		44	48	8	0.16
AHWA278		52	60	8	0.10
AHWA279		0	4	4	0.10
AHWA280		36	44	8	0.35
AHWA281		0	4	4	0.11
	and	44	46	4	0.14
AHWA285		52	56	4	0.10
	and	76	80	4	0.16
AHWA288		48	52	4	0.20
AHWA296		52	56	4	0.12
AHWA298		60	68	8	0.23
AHWA299		8	24	16	0.11
AHWA300		16	24	8	0.11
AHWA301		48	52	4	0.21
AHWA309		20	24	4	0.14
	and	32	40	8	0.44
AHWA310		24	28	4	0.49
	and	48	60	12	1.61
	incl	56	60	4	4.5
AHWA311		64	68	4	0.18
AHWA316		64	68	4	0.21
AHWA318		72	76	4	0.26
AHWA320	eoh	48	51	3	0.10
AHWA327		52	56	4	0.18
AHWA340		32	36	4	0.14
AHWA344		40	44	4	0.11
AHWA346		56	60	4	0.10
AHWA360		24	28	4	0.13
AHWA365		16	20	4	0.11
	and	40	44	4	0.19
AHWA368		24	28	4	0.16

Notes:

and - additional intercepts in the same drill hole as above

incl - intercept above includes this interval

eoh - interval was at the end of the hole