

3 March 2010

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

Dear Sir/Madam

## Commencement of Exploration and Resource Drilling at Horse Well

### Exploration Drilling

A program of air core drilling has commenced at the Horse Well gold project to explore for repetitions of gold deposits and to follow up on very encouraging gold values obtained in several regional exploration holes during the last drilling campaign.

The overall trend of gold deposits at Horse Well is from north to south. The central part of the greenstone belt to the north of these deposits has not been drilled and there is transported cover where geochemical sampling is ineffective. Interpretation of geophysical data has identified a number of prospective rock units and faults that have good potential to host gold mineralisation.

Some of these structures are correlated to gold mineralisation discovered during the last drilling campaign, where holes were drilled on a regional spacing of 400 by 200 metres. Follow up drilling will be carried out around these holes, and the regional drilling pattern of 400 by 200 metres will be extended to cover the untested, central part of the greenstone belt. A total of 6,000 metres of drilling is planned in this program.

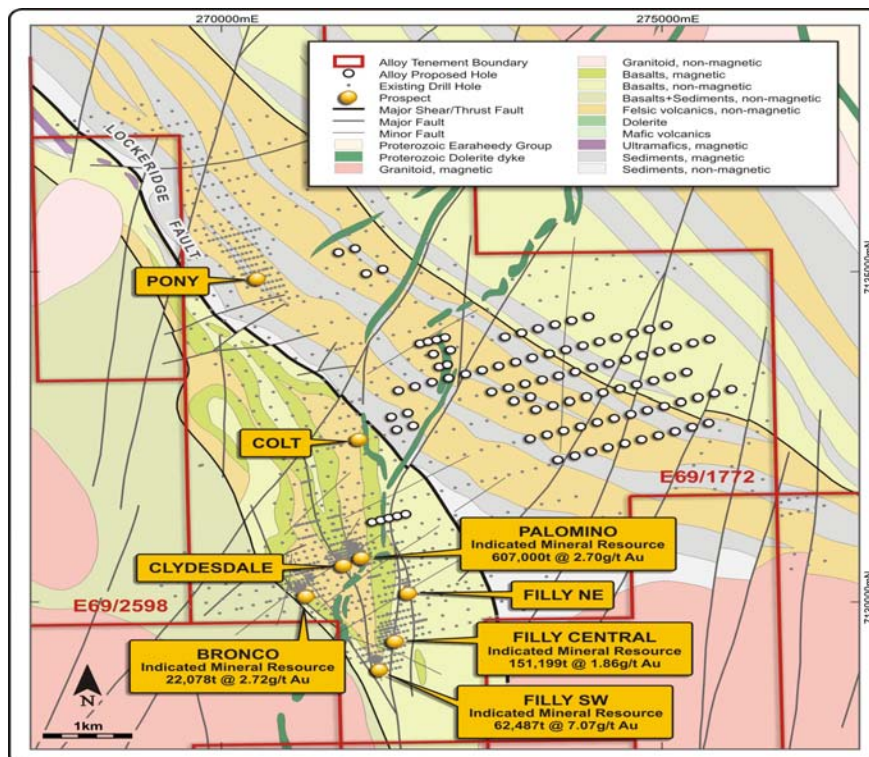


Figure 1 : Planned exploration drilling

## Resource Drilling

While the drill rig is on site, a number of infill drill holes will be completed to test gold and base metal targets in the existing gold deposit areas.

Up to three reverse circulation holes will be drilled to test the northern plunge and extension of the Palamino Deposit and one or two holes will be drilled at Filly to follow up the high-grade gold associated with sulphides. Assaying will also test for the presence of base metals.

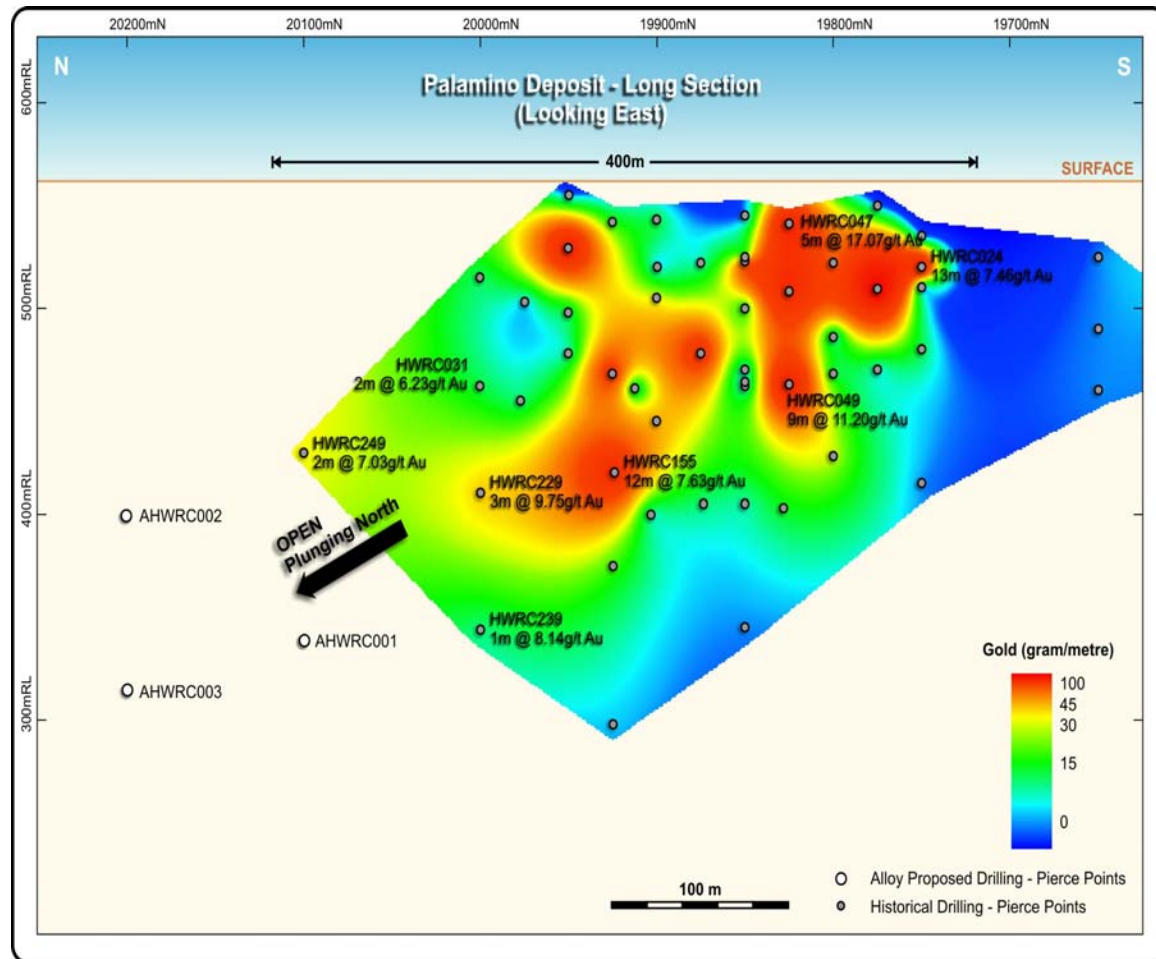


Figure 2 : Palamino resource extensional drilling

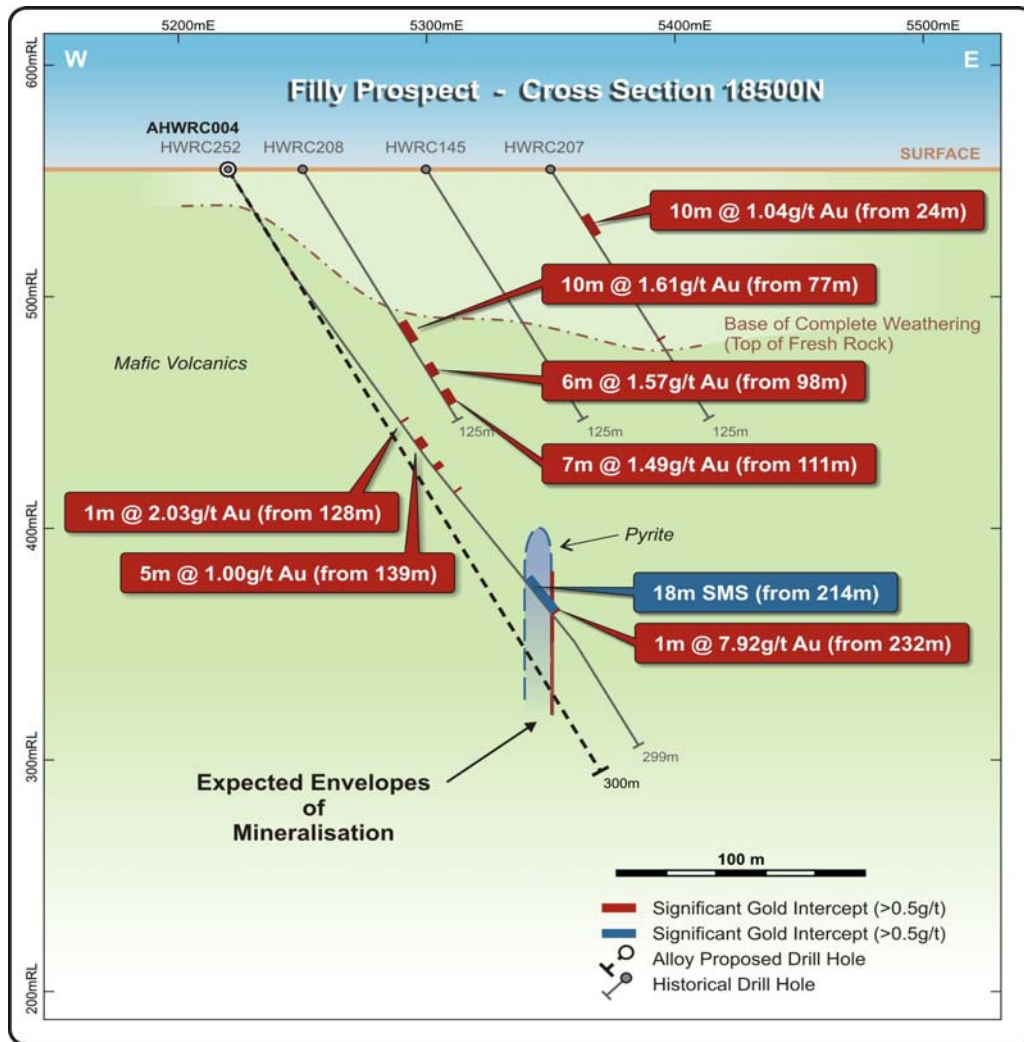


Figure 3 : Filly base metal and gold drill program

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.*