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## EXPLORATION LICENCE APPLICATION POTENTIAL FOR MOLYBDENUM-TUNGSTEN-COPPER-GOLD *MT PLEASANT, NEW SOUTH WALES*

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Alliance Resources Limited (Alliance)<sup>1</sup> announces that it has lodged an exploration licence application with potential for molybdenum-tungsten-copper-gold, located 30 km south of Mudgee in New South Wales (Figure 1).

The application is located in the Rockley-Gulgong Volcanic Belt and contains the Mt Pleasant porphyry style molybdenum-tungsten occurrence hosted by acid to intermediate volcanics and granite. Mineralisation is stockwork in style over a 3 to 4 km<sup>2</sup> area.

Alliance has selected the area to assess the potential of the Mt Pleasant prospect and surrounding areas for porphyry-style copper-gold mineralisation.

There has been no drilling at this project since 1983.

### **Previous Exploration**

Pacminex Pty Ltd (EL628, 1971-1979) undertook extensive work including regional geological mapping, stream sediment and rock chip sampling, petrographic studies and magnetic and induced polarization (IP) geophysical surveys and six diamond drill holes. Pacminex identified four prospects and Mt Pleasant proved to be the best.

CSR Ltd (EL1213, 1979-1983) undertook extensive exploration at the Mt Pleasant prospect, including stream sediment sampling; further petrographic work; magnetic and gravity surveys; photogeology survey and 45 diamond and percussion drill holes. CSR discovered the Mt Pleasant molybdenum occurrence with the second drill hole of the program and in 1983 reported a molybdenum-tungsten resource estimate (pre JORC Code).

CRA Exploration Pty Ltd (EL4233, 1991-1993) conducted a literature review. CRAE considered that the Mt Pleasant prospect had been adequately explored by Pacminex and CSR during the 1970's and concluded that the potential for porphyry copper and gold mineralisation was downgraded by the review. No further work was carried out by CRAE.

Moly Ex Pty Ltd (EL6083, 2003-2012) completed desktop studies, and carried out block modelling of the occurrence using grade iso-shells together with geostatistical input resulting in two "inferred" mineral resource estimates (2004 and 2007), neither classified in accordance with the JORC Code, and which significantly downgraded the previous CSR average tonnage estimates for specific cut-off grades. Moly Mines concluded that the methodology and software used was not able to take account of the geological interpretation used in the original CSR estimate and may not be suitable for ongoing work at this prospect.

Clancy Exploration Ltd (EL8237, 2014-2016) carried a comprehensive open file review of all previous work and exploration data. Clancy noted that given the large percentage of pyrite in the Mt Pleasant occurrence

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<sup>1</sup> via its wholly owned subsidiary Alliance (NSW) Pty Ltd

(up to 10% over 3m intervals in drill core), the IP dataset collected in the 1970's by Pacminex is important. It has not been reviewed by previous workers. There are untested IP chargeability anomalies that have not been drill tested and re-processing of the IP dataset with modern software will be required. Clancy recommended expansion of the existing IP dataset with a 3D (pole-dipole) survey. No field work was carried out.

## Mineralisation

Mineralisation at the Mt Pleasant prospect is closely associated with the upper stockwork portion of the intrusive porphyritic granite unit. The strongest molybdenum mineralisation occurs at or adjacent to the upper contact of a porphyritic microgranite stock and the upper and basal regions of an intrusive metadolerite body in the central area of the prospect. Within the mineralised stockwork zone the metadolerite exhibits strong potassic alteration in the upper zone.

The previous exploration programmes indicate a large tonnage, low grade, currently sub-economic, stockwork molybdenum-tungsten occurrence exists at the Mt Pleasant project. Whilst the majority of previous drilling has focused on a 500m x 300m zone (Central Ridge zone), Alliance has noted from a review of the CSR drilling results that locally high copper grades were intersected in some of the earlier drilling in the area marginal to the main molybdenum-tungsten occurrence. These intersections have not received adequate investigation by previous explorers.

Alliance considers that the potential for porphyry style copper-gold mineralisation on the margins of the molybdenum-tungsten occurrence and at depth has not been adequately tested.

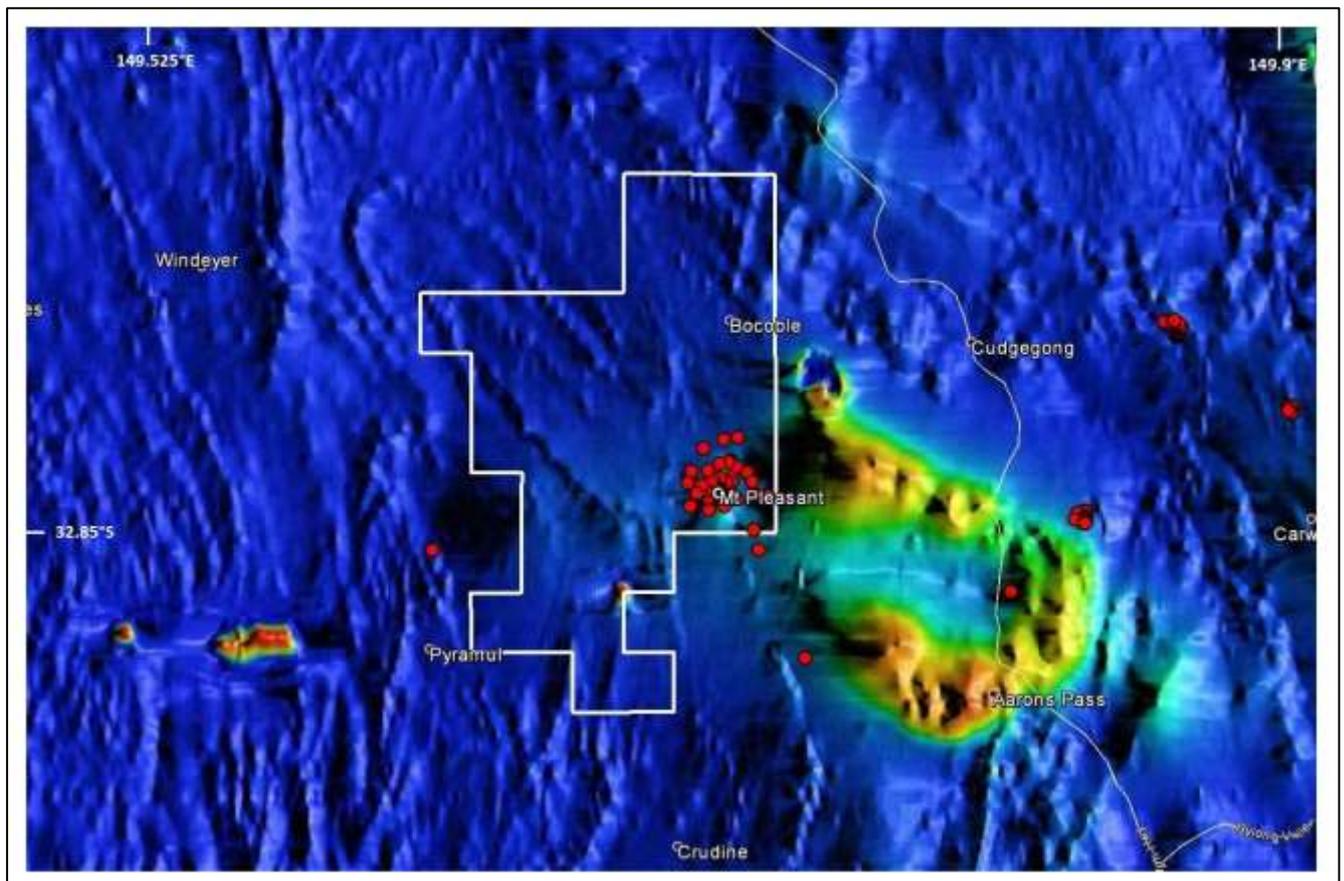


Figure 1: Mt Pleasant ELA location showing background Total Magnetic Intensity (RTP) and drill hole collars

## **Planned Work**

Proposed work includes reviewing the existing data with emphasis on hydrothermal alteration assemblages and geological/geochemical vectoring for possible extensions to known mineralisation or new discovery beneath cover and at depth; non-destructive re-sampling of available drill cores (portable XRF and PIMA tools); further geophysics and diamond drilling.

**Steve Johnston**  
**Managing Director**

*For further information about Alliance Resources Ltd, please visit [www.allianceresources.com.au](http://www.allianceresources.com.au)*

## **Competent Person's Statement**

The information in this report that relates to the Exploration Results is based on information compiled by Mr Stephen Johnston who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Johnston is a full time employee of Alliance Resources Ltd and 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Johnston consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.