

POLICY ON ASSESSING THE INDEPENDENCE OF DIRECTORS

ALCHEMY RESOURCES LIMITED ("COMPANY")

An independent Director is a non-executive Director who is not a member of management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement.

It is the Board's policy that in determining a Director's independence the Board considers the relationships which may affect independence as set out in Recommendation 2.3 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* as follows:

When determining the independent status of a Director the Board should consider whether the Director:

1. is a substantial security shareholder¹ of the Company or an officer of, or otherwise associated with, a substantial security shareholder of the Company;
2. is, or has been, employed, in an executive capacity by the Company or any of its group entities, and there has not been a period of at least 3 years between ceasing such employment and serving on the Board;
3. is, or has within the last 3 years been, a partner, director or senior employee of a provider of a material professional services to the Company or any of its group entities;
4. is, or has been within the last 3 years, in a material business relationship (eg as a supplier or customer) with the Company or any of its group entities, or an officer of, or otherwise associated with, someone with such a relationship;
5. has a material contractual relationship with the Company or any of its group entities other than as a Director;
6. has close family ties with any person who falls within any of the categories described above; or
7. has been a director of the Company for such a period that his or her independence may have been compromised.

¹ For this purpose a "substantial holder" is a person with a substantial holding as defined in section 9 of the Corporations Act. [currently this equals 5% or more].

Family ties and cross-directorships may be relevant in considering interests and relationships which may affect independence, and should be disclosed to the Board.

For the purposes of determining materiality, the Company discloses its Materiality Thresholds in its Board Charter.