

ASX ANNOUNCEMENT

11 JUNE 2020

CODE: ALY

BOARD OF DIRECTORS

Mr Lindsay Dudfield
Non-Executive Chairman

Mr Leigh Ryan
Managing Director

Ms Liza Carpena
Non-Executive Director

Mr Anthony Ho
Non-Executive Director

ISSUED CAPITAL

SHARES 550,524,351

OPTIONS 27,000,000 (Unlisted)

PROJECTS

KARONIE (100%)

WEST LYNN (51% earning up to 80%)

LACHLAN (51% earning up to 80%)

BRYAH BASIN (10-20%)

Suite 8/8 Clive Street
WEST PERTH WA 6005

Phone: +61 8 9481 4400
Facsimile: +61 8 9481 4404

www.alchemyresources.com.au



Drilling Commences at the Karonie Gold Project, Eastern Goldfields, WA

Highlights

- Drilling is underway at Alchemy's Karonie Project to identify Karonie style gold mineralisation immediately along strike of the Aldiss Mining Centre.
- 1,000m of RC drilling planned at Parmelia and Taupo Prospects.
- Assay results expected by mid to late July.

Alchemy Resources Limited (ASX: ALY) ("Alchemy") is pleased to announce the commencement of ~1,000m of reverse circulation (RC) drilling within the 100% owned Karonie Gold Project in the Eastern Goldfields, WA (*Figure 1*). Drilling has been designed to test high priority Karonie style gold targets immediately along strike to the north and south of the Silver Lake Resources Ltd (ASX: SLR) Aldiss Mining Centre.

Drilling is underway on five RC holes at the Parmelia Prospect to the south of Silver Lake's Tank South Prospect which has previously returned some spectacular results including 17m @ 24.7g/t Au, 24m @ 9.4g/t Au, 10m @ 10.1g/t Au, and 31m @ 4.4g/t Au ¹. The Parmelia RC holes are targeting the up dip, and down plunge positions relative to previous RC drill intercepts (*Figure 2*) including 26m @ 1.6g/t Au from 83m² (Alchemy – 2019) and 20m @ 1.0g/t Au from 32m³) (Gold Fields Australasia Pty Ltd – 2002).

The planned drilling of the Taupo Prospect will include six RC holes targeting the strike extensions of several previous drill intercepts including 26m @ 1.8g/t Au from 36m³, 10m @ 1.8g/t Au from 68m², 6m @ 1.7g/t Au from 36m to EOH², and 4m @ 2.8g/t Au from 76m² (*Figure 3*).

Both the Taupo and Parmelia prospects are located directly along strike to the north and south of the Karonie Main and Harry's Hill Open Cut mines. The drilling is expected to be completed in ten days with the first assay results expected by mid-July.

¹ Refer to Silver Lake Resources Limited ASX announcement dated 18 June 2019

² Refer to Alchemy Resources Limited ASX announcement dated 18 December 2019

³ Refer to Gold Fields Australasia Pty Ltd open file annual report (C63/2000) dated 5 December 2002

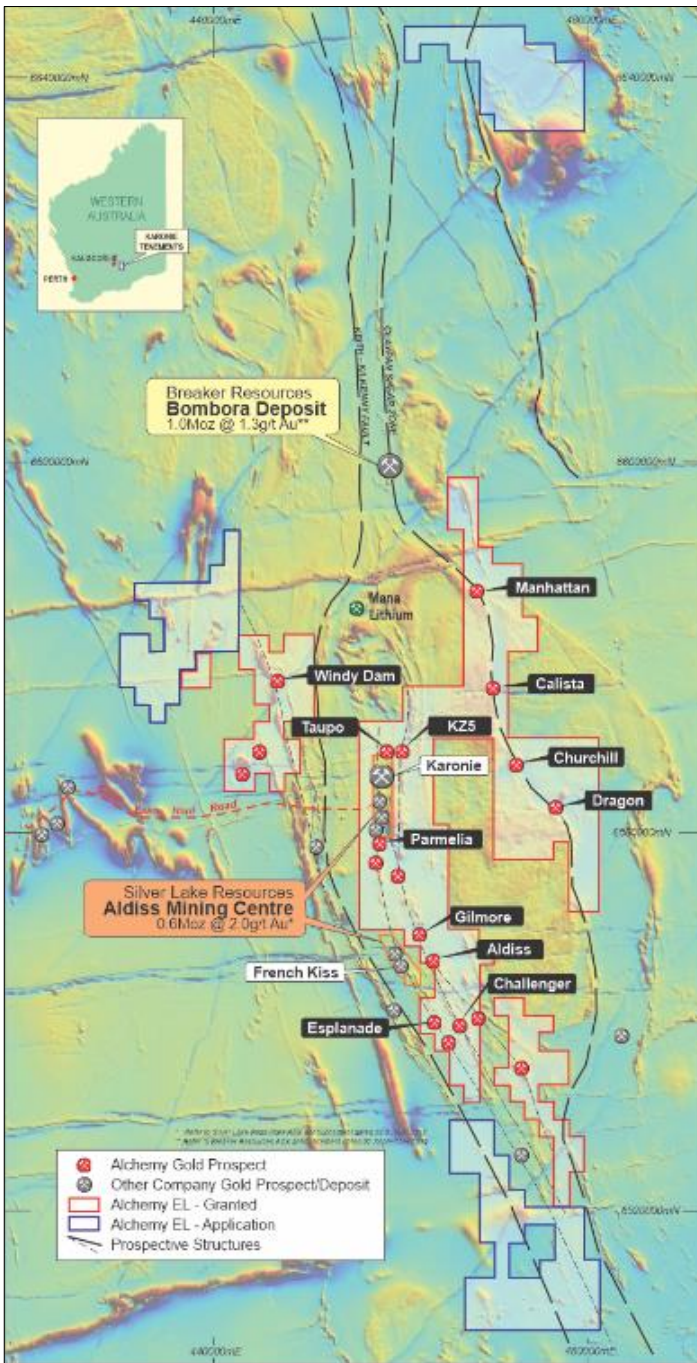


Figure 1: Karonie Project tenements, prospects and interpreted structures over aeromagnetic image.

Please direct enquiries to:

Mr Leigh Ryan – Managing Director

Telephone: +61 8 9481 4400 Email:

Leigh@alchemyresources.com.au

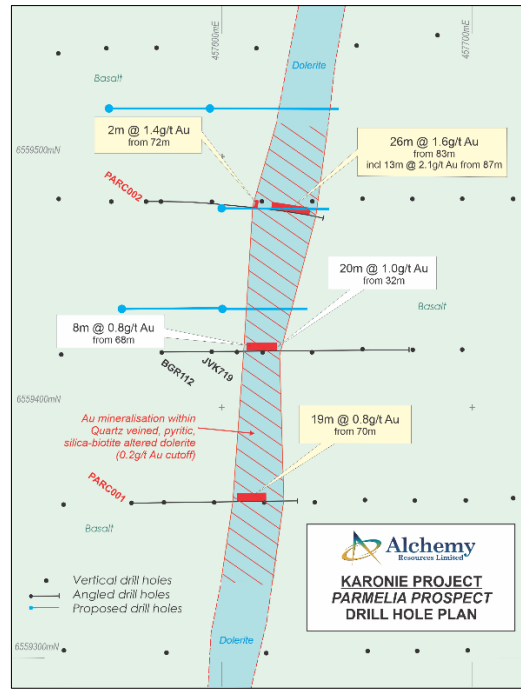


Figure 2: Parmelia prospect proposed RC drilling and previous drilling over interpreted geology

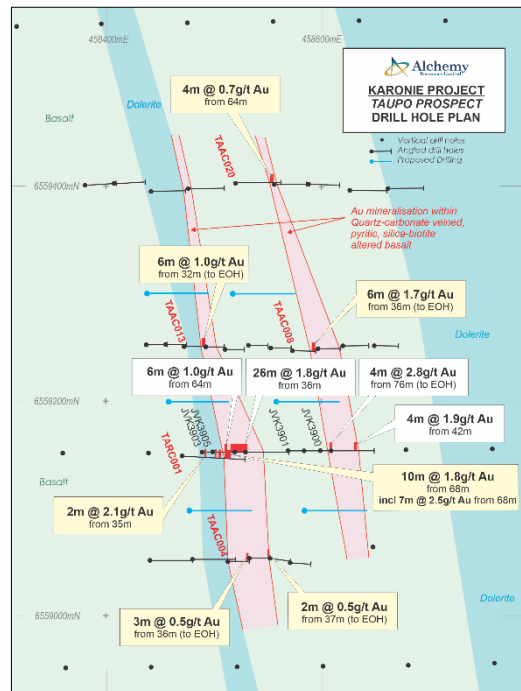


Figure 3: Taupo prospect proposed RC drilling and previous drilling over interpreted geology

The information in this report that relates to Exploration Results is based on information compiled by Mr Leigh Ryan, who is the Managing Director of Alchemy Resources Limited and holds shares and options in the Company. Mr Ryan is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ('JORC Code 2012'). Mr Ryan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.