

ASX ANNOUNCEMENT

25 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%)

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Drilling Program Completed at the Karonie Gold Project, Eastern Goldfields, WA

Highlights

- RC drilling successfully completed at Alchemy's Karonie Project to identify Karonie style gold mineralisation along strike of the Aldiss Mining Centre.
- 1,154m of RC drilling completed at Parmelia and Taupo Prospects.
- Assay results expected by mid-July.

Alchemy Resources Limited (ASX: ALY) ("Alchemy") is pleased to announce the completion of 1,154m of reverse circulation (RC) drilling within the 100% owned Karonie Gold Project in the Eastern Goldfields, WA (*Figure 1*). The drilling tested 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 at the Taupo Prospect included six RC holes (637m) targeting the strike extensions of several previous drill intercepts including 26m @ 1.8g/t Au from 36m¹, 10m @ 1.8g/t Au from 68m², 6m @ 1.7g/t Au from 36m to EOH², and 4m @ 2.8g/t Au from 76m to EOH² (*Figure 2*). The drilling intersected variably altered, quartz veined basalt and minor dolerite close to interpreted strike extension locations.

Five RC holes (517m) were completed 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 Au³. Alteration and quartz veining were intersected close to interpreted up dip, and down plunge positions relative to previous RC drill intercepts including 26m @ 1.6g/t Au from 83m² and 20m @ 1.0g/t Au from 32m¹ (*Figure 3*).

It must be cautioned that visual observations and estimates are uncertain in nature and hence in no way are intended to be a substitute to analytical results.

All RC drilling samples have been submitted to ALS Perth with gold assays expected by mid-July. Additional drilling is planned subject to results.

¹ Refer to Gold Fields Australasia Pty Ltd open file annual report (C63/2000) dated 5 December 2002

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

³ Refer to Silver Lake Resources Limited ASX announcement dated 18 June 2019

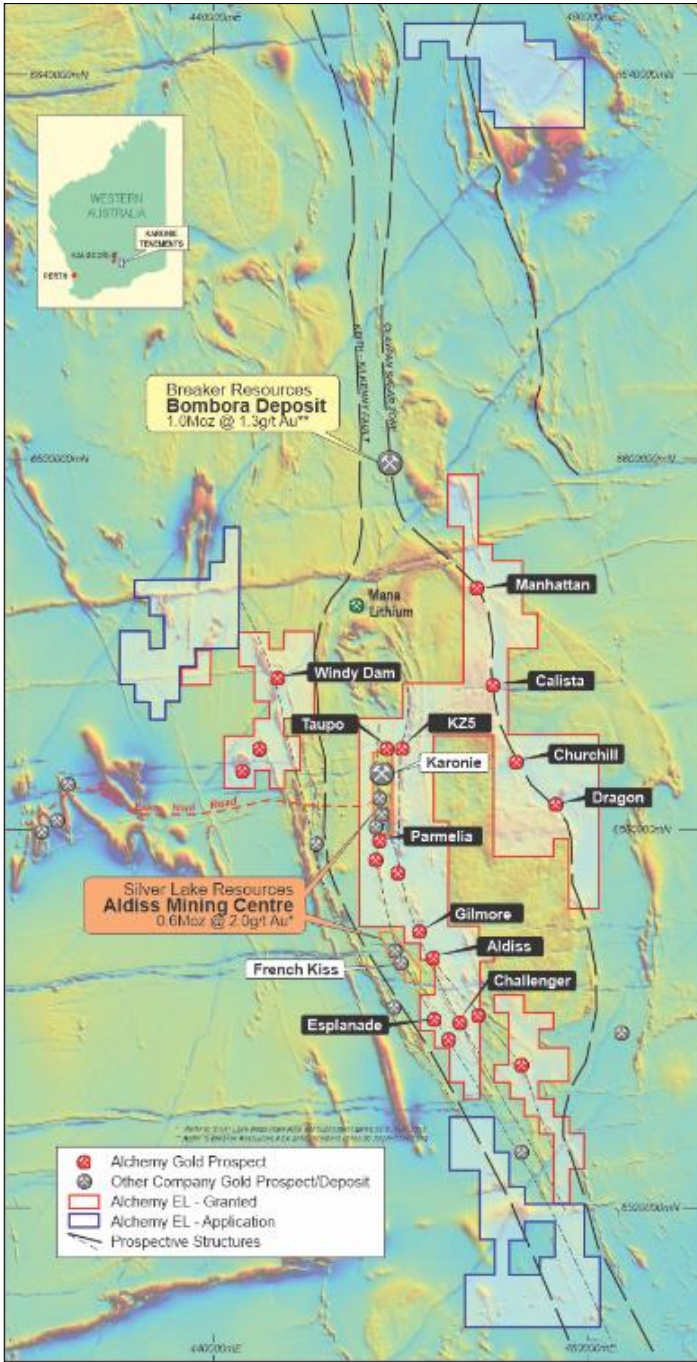


Figure 1: Karonie Project tenements, prospects and interpreted structures over aeromagnetic image.

Please direct enquiries to:

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 Email: Leigh@alchemyresources.com.au

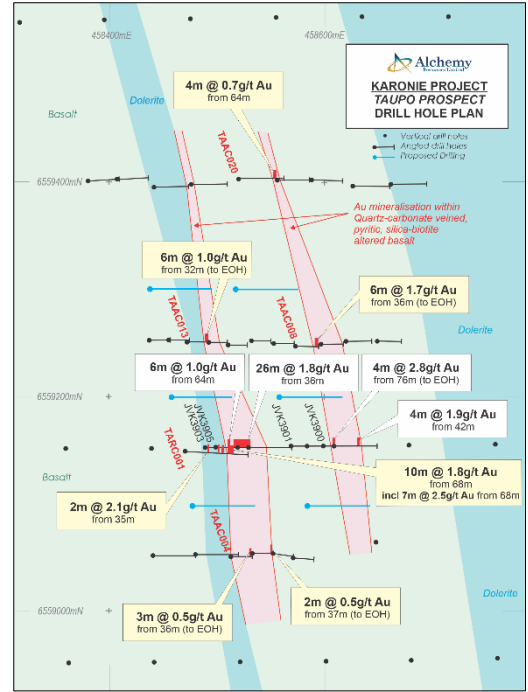


Figure 2: Taupo Prospect proposed (now completed) RC drilling and previous drilling over interpreted geology

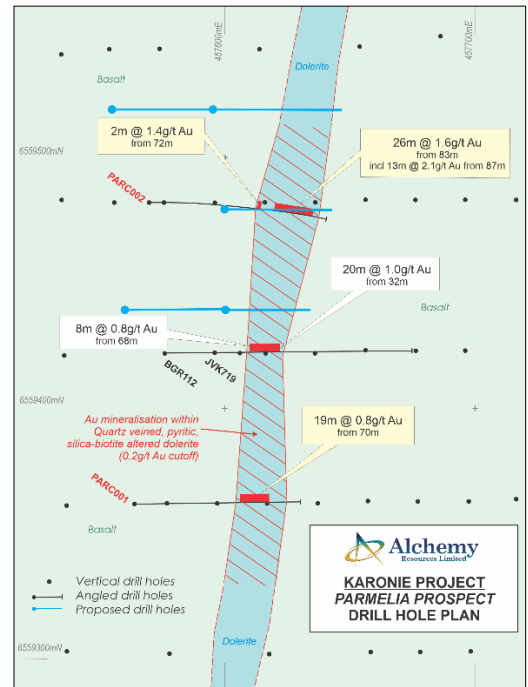


Figure 3: Parmelia Prospect proposed (now completed) RC drilling and previous drilling over interpreted

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.