

6 May 2009

The Manager  
Company Announcements Office  
Australian Securities Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

## **ALCHEMY COMMENCES DRILLING AT THREE RIVERS GOLD PROJECT**

### **HIGHLIGHTS**

- **Alchemy commences reverse circulation (RC) drilling program targeting high grade extensions that remain open at depth to the indicated gold resource at the Three Rivers Gold Project**
- **Drilling includes 46 hole RC program, that aims to extend the existing indicated JORC-code compliant gold resource of 131,000 ounces and 2500m aircore program to test near surface mineralisation**

Alchemy Resources Limited (ASX Code: ALY) ("Alchemy") has commenced a drilling program at the Hawkeye and Trapper deposits within the Three Rivers Gold Project in the Gascoyne district of Western Australia that aims to extend the existing JORC-code compliant, open pittable, indicated resource of 1.7Mt at 2.4 g/t gold.

Alchemy's drilling program will initially involve 2000m of RC drilling to test extensions to gold mineralisation that remain open at depth and 2500m of aircore drilling to test near surface mineralisation. The exploration program aims to test historical drilling of the Hawkeye and Trapper deposits by previous owners which intersected 4m at 20.4g/t gold from 111m and 6m at 8.3g/t gold from 90m.

Alchemy Managing Director, Michael Hannington said, "Alchemy has unlocked significant value in our Three Rivers Gold Project by obtaining a granted mining lease, developing a drilling program that follows up on drilling last undertaken in 1996 and implementing a plan to develop the gold resource as quickly as possible".

Since purchasing an 100% interest in the Three Rivers Gold Project in July 2008, Alchemy has identified that only 5% of historical drilling extended below 100 metres and only 15 holes had been drilled beneath 150 metres.

Alchemy has evaluated all previous exploration work over the Three Rivers Gold Project and identified areas close to the current gold resources that will also be drill tested over the coming weeks.

Alchemy intends to update the existing indicated JORC-code compliant gold resource once results from this drilling program are received and analysed.

### *History*

The Hawkeye and Trapper gold deposits were discovered in September 1995 by joint venture owners, North Star Resources NL and Troy Resources NL, following a stream sediment sampling program, where anomolous gold in stream sediments was followed up with a grid soil sampling program. Encouraging results from this survey convinced the joint venture to undertake a series of RAB and RC drilling programs during 1996. This early drilling at the Hawkeye deposit intersected 15m at 9.76g/t gold.

Between 1997 and 2004, a series of exploration drilling programs were undertaken regionally across the tenements. Between September 2004 until mid 2008 Plutonic Operations Limited managed exploration under a joint venture agreement with Troy Resources NL.

Mining lease applications covering the Project were recently granted by the Department of Mines and Petroleum. The Three Rivers Gold Project resource is now contained within granted mining lease M52/685.

### **ENDS**

For further information contact:

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*The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Cowin, who is a Member of the Australasian Institute of Geoscientists and is an employee of Cowin Holdings Pty Ltd which consults to Alchemy Resources Limited. Mr Cowin has sufficient experience that is relevant to the style of mineralisation, 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 Resource and Ore Reserves'. Mr Cowin consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*