



ASX Announcement

8 July 2011

Managing Director's Contract

Alchemy Resources Limited ("Alchemy" or "the Company") (**ASX: ALY**) is pleased to advise that Managing Director Mr Robert Brierley completed his probationary period with the Company on 30 June 2011.

A summary of the key terms and conditions of Mr Brierley's executive services agreement are detailed below:

Contract Term

The contract is for a term of five years.

Total Fixed Remuneration

Total fixed remuneration is \$300,000 per annum (plus statutory superannuation).

Incentive Arrangements

The Company will seek approval from shareholders at its upcoming Annual General Meeting for the establishment of a Performance Rights Plan ("the Plan"). Mr Brierley will, subject to shareholder approval, be issued the following Performance Rights under the Plan, the pricing of which was determined on 30 June 2011:

1,000,000 Shares on vesting of 1,000,000 Performance Rights subject to Mr Brierley completing 12 months of continuous service and the Alchemy Share Price reaching a Volume Weighted Average Price ("VWAP") for 20 continuous trading days of not less than \$0.25.

1,000,000 Shares on vesting of 1,000,000 Performance Rights subject to Mr Brierley completing 24 months of continuous service and the Alchemy Share Price reaching a VWAP for 20 continuous trading days of not less than \$0.37.

1,000,000 Shares on vesting of 1,000,000 Performance Rights subject to Mr Brierley completing 36 months of continuous service and the Alchemy Share Price reaching a VWAP for 20 continuous trading days of not less than \$0.50.

Termination

The Company may terminate Mr Brierley's employment by giving 6 months notice or making a payment of 6 month's salary in lieu of notice. In certain circumstances where the position becomes redundant 12 month's salary is payable. Mr Brierley may terminate his employment by giving 6 months written notice to the Company.

ENDS

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