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**ALCHEMY RESOURCES LIMITED**

**ACN 124 444 122**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 10.00am (WST)

**DATE:** 25 November 2011

**PLACE:** BDO Audit (WA) Pty Ltd  
38 Station Street, Subiaco, Western Australia 6008

*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 4400.*

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

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The Annual General Meeting of the Shareholders of Alchemy Resources Limited to which this Notice of Meeting relates will be held at 10.00am (WST) on Friday, 25 November 2011 at BDO Audit (WA) Pty Ltd, 38 Station Street, Subiaco, Western Australia 6008.

### YOUR VOTE IS IMPORTANT

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The business of the Annual General Meeting affects your shareholding and your vote is important.

### VOTING IN PERSON

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To vote in person, attend the Annual General Meeting on the date and at the place set out above.

### VOTING BY PROXY

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New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

#### *Proxy vote if appointment specifies way to vote*

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and

- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

***Voting by Proxy***

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Security Transfer Registrars Pty Ltd, PO Box 535, Applecross, Western Australia 6953;
- (b) post to Security Transfer Registrars Pty Ltd, Alexandria House, Suite1, 770 Canning Highway, Applecross, Western Australia 6153; or
- (c) facsimile to Security Transfer Registrars Pty Ltd on facsimile number (08) 9315 2233 (International: +61 8 9315 2233),

so that it is received not later than 10.00am (WST) on Wednesday, 23 November 2011.

**Proxy forms received after this time will be invalid.**

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of Alchemy Resources Limited will be held at BDO Audit (WA) Pty Ltd, 38 Station Street, Subiaco, Western Australia 6008 at 10.00am (WST) on Friday, 25 November 2011.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at the close of business on 23 November 2011.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

### AGENDA

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#### 1. ORDINARY BUSINESS

##### Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2011 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

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#### 2. RESOLUTION 1 - REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the year ended 30 June 2011."*

**Voting Note:** The Directors' Report is included in the Company's Annual Report for the year ended 30 June 2011. The Remuneration Report is included in the Directors' Report. Whilst the Corporations Act requires this report to be put to the vote, the vote on this resolution is advisory only and does not bind the Directors of the Company.

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Prohibition Statement:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (d) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

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**3. RESOLUTION 2 - RE-ELECTION OF DIRECTOR - JOHN PHILLIP ARBUCKLE**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, for the purposes of clause 11.3 of the Constitution and for all other purposes, Mr John Phillip Arbuckle, a Director who retires by rotation, and being eligible, is re-elected as a Director.”*

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**4. RESOLUTION 3 - RE-ELECTION OF DIRECTOR - JEFFREY MOORE**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, for the purposes of clause 11.12 of the Constitution and for all other purposes, Mr Jeffrey Moore, a Director who was appointed on 1 December 2010, retires, and being eligible, is re-elected as a Director.”*

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**5. RESOLUTION 4 - RE-ELECTION OF DIRECTOR - ROBERT BRIERLEY**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, for the purposes of clause 11.12 of the Constitution and for all other purposes, Mr Robert Brierley, a Director who was appointed on 11 April 2011, retires, and being eligible, is re-elected as a Director.”*

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**6. RESOLUTION 5 - APPROVAL OF PERFORMANCE RIGHTS PLAN**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, for the purposes of the ASX Listing Rule 7.2 (Exception 9) and for all other purposes, approval is given for the establishment of the Company’s Performance Rights Plan and to administer and issue securities under the Performance Rights Plan as an exception to Listing Rule 7.1 in the manner set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**7. RESOLUTION 6 - ISSUE OF PERFORMANCE RIGHTS TO ROBERT BRIERLEY UNDER PERFORMANCE RIGHTS PLAN**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, subject to Resolution 5 being passed, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Directors to issue up to a total of 3,000,000 Performance Rights to Mr*

*Robert Brierley pursuant to the Performance Rights Plan on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** In accordance with Listing Rule 10.15.5 and section 208 of the Corporations Act, the Company will disregard any votes cast on this Resolution by Mr Robert Brierley, his nominee or any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:** A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**DATED: 14 OCTOBER 2011**

**BY ORDER OF THE BOARD**

A handwritten signature in blue ink, appearing to read "AB Crawford".

**BERNARD CRAWFORD  
COMPANY SECRETARY  
ALCHEMY RESOURCES LIMITED**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10.00am (WST) on Friday, 25 November 2011 at BDO Audit (WA) Pty Ltd, 38 Station Street, Subiaco, Western Australia 6008.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1. FINANCIAL STATEMENTS AND REPORTS

The Corporations Act requires the Company to lay its Financial Report, Directors' Report and Auditor's Report for the last financial year before the Annual General Meeting.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the reports and the management and performance of the Company.

The Company's Auditor will also be present at the meeting and Shareholders will be given the opportunity to ask the Auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the Auditor.

The Company's 2011 Annual Report is available on the Company's website at [www.alchemyresources.com.au/investors/annual-reports/](http://www.alchemyresources.com.au/investors/annual-reports/).

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### 2. RESOLUTION 1 - REMUNERATION REPORT

#### 2.1 Introduction

Under the Corporations Act, the Company is required to include in the Directors' Report a detailed Remuneration Report setting out certain prescribed information relating to directors' and executives' remuneration, and submit this for adoption by resolution of Shareholders at the Annual General Meeting.

The Directors' Report for the year ended 30 June 2011 contains such a Remuneration Report. A copy of the Report is set out in pages 12 to 15 of the 2011 Annual Report, which is available on the Company's website at [www.alchemyresources.com.au/investors/annual-reports/](http://www.alchemyresources.com.au/investors/annual-reports/).

The Remuneration Report sets out matters including (but not limited to):

- a) Company's policies for determining the remuneration of directors and executives;
- b) the Remuneration arrangements for directors and executives;
- c) If the remuneration of directors and executives is performance based, details of these performance conditions; and
- d) certain 'prescribed details' of specified directors and executives of the Company.

Shareholders are asked to adopt the Remuneration Report.

The Shareholder vote is advisory only and does not bind the directors of the Company.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2012 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company ("Spill Resolution").

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting ("Spill Meeting") within 90 days of the Company's 2012 annual general meeting. All of the Directors who were in office when the Company's 2012 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2011.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

## **2.2 Voting on the Remuneration Report**

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution 1, you must direct the proxy how they are to vote. Where you do not direct the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Party of that member on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

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## **3. RESOLUTION 2 - RE-ELECTION OF DIRECTOR - JOHN PHILLIP ARBUCKLE**

Clause 11.3 of the Constitution requires that at the Annual General Meeting in every year one-third of the Directors for the time being, or, if their number is not 3 nor a multiple of 3, then the number nearest one-third, and any other Director not in such one-third who has held office for 3 years or more (except the Managing Director), must retire from office.

A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

Mr John Phillip Arbuckle was elected to the board on 16 March 2007, retires by rotation and seeks re-election.



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**4. RESOLUTION 3 - RE-ELECTION OF DIRECTOR - JEFFREY MOORE**

Clause 11.12 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following Annual General Meeting and is then eligible for re-election.

Mr Jeffrey Moore, elected to the board on 1 December 2010, retires in accordance with clause 11.12 of the Constitution and being eligible, seeks re-election.

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**5. RESOLUTION 4 - RE-ELECTION OF DIRECTOR - ROBERT BRIERLEY**

Clause 11.12 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following Annual General Meeting and is then eligible for re-election.

Mr Robert Brierley, elected to the board on 11 April 2011, retires in accordance with clause 11.12 of the Constitution and being eligible, seeks re-election.

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**6. RESOLUTION 5 - APPROVAL OF PERFORMANCE RIGHTS PLAN**

**6.1 Background**

The Company has established a Performance Rights Plan ("the Plan"), the terms of which are set out in Annexure A to this Notice of Annual General Meeting.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

An exception to ASX Listing Rule 7.1 is set out in ASX Listing Rule 7.2 (Exception 9) which provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the plan as an exception to ASX Listing Rule 7.1.

Resolution 5 seeks Shareholder approval in accordance with Exception 9 of Listing Rule 7.2 of the ASX Listing Rules for the Directors to adopt the Plan for the Company to issue securities under the Plan without prior Shareholder approval and in reliance on the exception to Listing Rule 7.1.

**6.2 Information required by ASX Listing Rule 7.2 (Exception 9)**

As at the date of this Notice of Annual General Meeting the Company has not issued any Shares under the Plan.

The full terms and conditions of the Plan are set out in Annexure A and may be obtained free of charge by contacting the Company during normal business hours.

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## **7. RESOLUTION 6 - ISSUE OF PERFORMANCE RIGHTS TO ROBERT BRIERLEY UNDER PERFORMANCE RIGHTS PLAN**

### **7.1 Background**

Resolution 6 seeks Shareholder approval for the issue of 3,000,000 Performance Rights to Mr Robert Brierley (a "Related Party"), who is a Director of the Company, pursuant to the Plan and subject to the additional terms and conditions set out in Annexure B.

The Performance Rights will be issued to Mr Brierley for no consideration.

The Performance Rights are to be issued for the purpose of aligning the interests of Mr Brierley with the Company and to secure the ongoing commitment of Mr Brierley to the continued growth of the Company.

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained. Performance rights are securities for the purposes of the ASX Listing Rules.

The issue of the Performance Rights to Mr Brierley requires the Company to obtain Shareholder approval as this constitutes giving a financial benefit and, as a Director, Mr Brierley is a related party of the Company.

Accordingly, Shareholder approval is sought for the issue of Performance Rights to Mr Brierley.

### **7.2 Section 219 of the Corporations Act**

In accordance with the requirements of Section 219 of the Corporations Act, the following information is provided to enable Shareholders to assess the proposed issue of Performance Rights to Mr Brierley:

- a) the Related Party is Mr Brierley being a Director of the Company;
- b) the nature of the financial benefit being provided to Mr Brierley is the issue of 3,000,000 Performance Rights which will result in the issue of Shares subject to the terms and conditions of the Plan set out in Annexure A and the additional terms set out in Annexure B;
- c) the maximum number of Performance Rights to be issued under Resolution 6 is 3,000,000 Performance Rights to Mr Brierley;
- d) subject to the achievement of the conditions set out in Annexure B, the Performance Rights will vest into Shares issued for no consideration;
- e) in determining the number of Performance Rights to be issued to Mr Brierley, consideration was given to the respective relevant experience and

role of Mr Brierley, his overall remuneration terms, and the terms of share packages granted to managing directors of similar companies. The number of Performance Rights to be issued to Mr Brierley was agreed to in his services contract with the Company;

- f) if the Performance Rights vest, the Shares issued will be fully paid ordinary shares in the capital of the Company and, subject to the restrictions on transfer contained in section 6 of the Plan (as set out in Annexure A) and the satisfaction of the conditions set out in Annexure B, the Shares will rank equally with all of the Shares of the Company currently on issue;
- g) as at the date of this Notice of Annual General Meeting, the annual remuneration (exclusive of superannuation) paid to Mr Brierley for the year ended 30 June 2011 was \$66,667 (2010: \$Nil);
- h) as at the date of this Notice of Annual General Meeting, Mr Brierley had notifiable interests in 200,000 Shares in the Company and nil options;
- i) if Shareholders approve the issue of the Performance Rights to Mr Brierley and the Performance Rights vest into Shares, the effect will be to dilute the shareholding of existing Shareholders by approximately 3.0% on an undiluted basis (based on 97,447,408 Shares being currently on issue);
- j) in the 12 months preceding the date of this Notice of Annual General Meeting, the highest, lowest and last trading price of Shares on ASX are as set out below:

Highest	\$0.815 on 19 November 2010
Lowest	\$0.125 on 8 August 2011 and 23, 26 and 27 September 2011
Last	\$0.14 on 13 Oct 2011

- k) the value of the financial benefit provided to Mr Brierley is \$135,000. The Company has obtained an independent valuation of the Performance Rights proposed to be issued to Mr Brierley. In arriving at the value of the Performance Rights the independent valuer has used the closing share price of the Company on ASX as at 7 September 2011 which was 15 cents, subject to the directors estimation on how many Performance Rights will vest and over what period(s). The directors have estimated that the value of one Performance Right (in each of the three tranches) is 4.5 cents each, that is the total of 3,000,000 Performance Rights are valued at \$135,000. The Performance Rights have been valued based upon the following assumptions:
  - (i) Current price: \$0.15 as at 7 September 2011, being the date of the valuation;
  - (ii) Expiry date of the Performance Rights being 5 years from the date of Mr Brierley's employment contract i.e. 10 April 2016; and

- (iii) The directors estimate that the probability of each vesting condition being met is 30%.
- l) the primary purpose of the issue of the Performance Rights to Mr Brierley is to provide cost effective remuneration to Mr Brierley for his ongoing commitment and contribution to the Company in his role as Managing Director. The Board does not consider that there are any significant opportunity costs or benefits foregone by the Company in issuing the Performance Rights upon the terms proposed;
- m) Mr Brierley declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution;
- n) Mr Warwick Davies, who does not have a material interest in the outcome of Resolution 6, recommends that Shareholders vote in favour of Resolution 6 for the following reasons:
  - (i) the grant of Performance Rights to the Related Parties, in particular, the vesting conditions of the Performance Rights, will align the interests of the Related Parties with those of Shareholders;
  - (ii) the grant of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
  - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance rights upon the terms proposed.

Mr Warwick Davies is not aware of any other information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 6;

- o) Mr John Arbuckle, who does not have a material interest in the outcome of Resolution 6, recommends that Shareholders vote in favour of Resolution 6 for following reasons:
  - (i) the grant of Performance Rights to the Related Parties, in particular, the vesting conditions of the Performance Rights, will align the interests of the Related Parties with those of Shareholders;
  - (ii) the grant of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
  - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance rights upon the terms proposed.

Mr John Arbuckle is not aware of any other information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 6; and

- p) Mr Jeffrey Moore, who does not have a material interest in the outcome of Resolution 6, recommends that Shareholders vote in favour of Resolution 6 for the following reasons:
- (i) the grant of Performance Rights to the Related Parties, in particular, the vesting conditions of the Performance Rights, will align the interests of the Related Parties with those of Shareholders;
  - (ii) the grant of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
  - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance rights upon the terms proposed.

Mr Jeffrey Moore is not aware of any other information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 6.

### **7.3 ASX Listing Rule 10.14**

ASX Listing Rule 10.14 provides that a company must not permit any of the following persons to acquire securities under a performance rights plan without the approval of holders of ordinary securities of the acquisition:

- a) a director of the company;
- b) an associate of a director; or
- c) a person whose relationship with the company or a person referred to in (a) or (b) above is, in ASX's opinion, such that approval should be obtained.

If Resolution 6 is passed, Performance Rights will be issued to Mr Brierley as a related party of the Company by virtue of him being a Director of the Company.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Performance Rights as approval is being obtained under ASX Listing Rule 10.14 and Exception 9(b) of ASX Listing Rule 7.2. The issue of Performance Rights to Mr Brierley will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

### **7.4 ASX Listing Rule 10.15A**

A notice of meeting to obtain approval under ASX Listing Rule 10.14 must comply with either ASX Listing Rule 10.15 or 10.15A. The information required to be

provided for the purposes of approval under ASX Listing Rule 10.14 is set out below, in accordance with ASX Listing Rule 10.15A:

- a) Mr Brierley is a Director of the Company;
- b) the maximum number of Performance Rights to be issued to Mr Brierley is 3,000,000 Performance Rights;
- c) the Performance Rights will be issued for no consideration and have a zero exercise price;
- d) other than as contemplated by Resolution 6, no other person has received Performance Rights under the Plan;
- e) the only persons referred to in ASX Listing Rule 10.14 who are eligible to participate in the Plan as at the date of this Notice are Robert Brierley, Warwick Davies, John Arbuckle and Jeffrey Moore (being the Directors) and any full time or part time employees of the Company who the Board have declared to be eligible;
- f) details of any Performance Rights issued under the Plan will be published in each annual report of the Company relating to a period in which the Shares have been issued, and approval for the issue of Performance Rights will be obtained under ASX Listing Rule 10.14;
- g) any additional directors (or associates of directors) who become entitled to participate in the Plan after Resolution 6 is approved, and who are not named in paragraph (e) of this Notice of Meeting, will not participate until approval is obtained under ASX Listing Rule 10.14; and
- h) the Performance Rights referred to in paragraph (b) above will be issued under the Plan within 3 years of being granted.

The proposed Plan is attached as Annexure A and will be sent free to any Shareholder upon request, or may be inspected at the Company's registered office during normal business hours.

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## GLOSSARY

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**\$** means Australian dollars.

**Annexure** means an annexure to this Explanatory Statement.

**Annual General Meeting** means the meeting convened by the Notice of Meeting.

**ASIC** means the Australian Securities and Investment Commission.

**ASX** means Australian Securities Exchange Limited.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that the ASX declares is not a business day.

**Closely Related Party** of a member of the Key Management Personnel means:

- a) a spouse or child of the member;
- b) a child of the member's spouse;
- c) a dependent of the member or the member's spouse;
- d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- e) a company the member controls; or
- f) a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** means Alchemy Resources Limited (ACN 124 444 122).

**Constitution** means the Company's constitution.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice of Meeting.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Meeting** means the meeting convened by the Notice of Meeting.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

**Performance Right** means an entitlement to a Share subject to satisfaction of any conditions and the corresponding obligation of the Company to provide the Share, as set out in the Performance Rights Plan.

**Performance Rights Plan or Plan** means the plan adopted by the Company for the granting of Performance Rights, as set out in Annexure A of this Notice of Meeting.

**Resolutions** means the resolutions set out in the Notice of Meeting, or any of them, as the context requires.

**Share** means a fully paid ordinary share in the capital of the Company, unless specified to the contrary.

**Shareholder** means a holder of a Share.

**WST** means Western Standard Time as observed in Perth, Western Australia.



**PROXY FORM**

**Enclosed**

ANNEXURE A

**ALCHEMY RESOURCES LIMITED  
ACN 124 444 122**

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**PERFORMANCE RIGHTS PLAN**

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**ALCHEMY RESOURCES LIMITED PERFORMANCE RIGHTS PLAN RULES**

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**1. DEFINITIONS AND INTERPRETATION****1.1 Definitions**

In this Agreement:

**ASX** means the ASX Limited (ACN 008 624 691).

**ASX Listing Rules** means the official Listing Rules of the ASX as they apply to the Company from time to time.

**Board** means the board of directors of the Company or committee appointed by the Board for the purposes of the Plan.

**Company** means Alchemy Resources Limited (ACN 124 444 122).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Eligible Participant** means any full time or part time employee or director of a Group Company who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan.

**Expiry Date** means the date on which a Performance Right lapses (if it has not already otherwise lapsed in accordance with the Plan) as advised by the Company under rule 2.3.

**Group Company** means the Company, its Subsidiaries and any other entity declared by the Board to be a member of the group for the purposes of the Plan.

**Holding Lock** has the meaning given to that term in the ASX Listing Rules.

**Offer** means an offer made by the Company to an Eligible Participant to participate in the Plan.

**Participant** means a person who holds Performance Rights from time to time.

**Performance Right** means an entitlement to a Share subject to satisfaction of any Vesting Conditions and the corresponding obligation of the Company to provide the Share, pursuant to a binding contract made by the Company and an Eligible Participant in the manner set out in these rules.

**Plan** means the Alchemy Resources Limited Performance Rights Plan as set out in these rules, subject to any amendments or additions made under rule 9.

**Severe Financial Hardship** means the Eligible Participant is unable to provide themselves, their family or other dependents with basic necessities such as food, accommodation and clothing, including as a result of family tragedy, financial misfortune, serious illness, impacts of natural disaster and other serious or difficult circumstances.

**Share** means a fully paid ordinary share in the capital of the Company.

**Subsidiary** has the meaning given in section 9 of the Corporations Act.

**Takeover Bid** means a takeover bid (as defined in the Corporations Act) to acquire the Company's Shares.

**Total and Permanent Disability** means that the Eligible Participant has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Eligible Participant unlikely ever to engage in any occupation with the Company or its Associated Bodies Corporate for which he or she is reasonably qualified by education, training or experience.

**Vesting Conditions** means one or more conditions which must be satisfied or circumstances which must exist before the Performance Rights vest, as determined by the Board.

## 1.2 Interpretations

In this Plan unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) any reference in the Plan to any enactment of the ASX Listing Rules includes a reference to that enactment or those ASX Listing Rules as from time to time amended, consolidated, re-enacted or replaced;
- (c) any words denoting the singular include the plural and words denoting the plural include the singular;
- (d) any words denoting one gender include the other gender;
- (e) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning.

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## 2. GRANT OF PERFORMANCE RIGHTS

### 2.1 Grant

- (a) Subject to rule 2.2, the Board may, from time to time, at its absolute discretion and only where an Eligible Participant continues to satisfy any relevant conditions imposed by the Board (which may include without limitation that an Eligible Participant continues to be an employee of a Group Company at the relevant time) grant Performance Rights to Eligible Participants with effect from the date determined by the Board, upon the terms set out in the Plan and upon such additional terms and Vesting Conditions as the Board determines.
- (b) Unless the Board otherwise determines, an Eligible Participant will not be required to make any payment in return for a grant of Performance Rights.

### 2.2 Limitation of Offers

The Company shall not make an Offer to grant Performance Rights to an Eligible Participant where the number of Shares to be issued on exercise of the Performance Rights the subject of the Offer aggregated with the total number of Shares to be issued on exercise of all outstanding Performance Rights exceeds

15% of the undiluted number of Shares on issue in the Company as at the date of the purported Offer.

### **2.3 Information to be provided to Eligible Participants**

The Board will advise each Eligible Participant of the following minimum information regarding the Performance Rights:

- (a) the number of Performance Rights being offered (each entitling its holder to one Share upon vesting of that Performance Right);
- (b) any applicable Vesting Conditions;
- (c) the period or periods during which any vested Performance Rights may be exercised;
- (d) the dates and times when the Performance Rights lapse (**Expiry Date**);
- (e) any amount that will be payable upon exercise of a Performance Right; and
- (f) any other relevant conditions to be attached to the Performance Rights or the Shares.

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### **3. TRANSFER OF PERFORMANCE RIGHTS**

- (a) A Performance Right granted under the Plan is only transferable:
  - (i) with the consent of the Board; or
  - (ii) by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.
- (b) Where the Participant purports to transfer a Performance Right other than in accordance with rule 3(a) the Performance Right immediately lapses.

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### **4. VESTING AND EXERCISE OF PERFORMANCE RIGHTS**

#### **4.1 Vesting pre-conditions**

- (a) Subject to rule 7, a Performance Right granted under the Plan will not vest unless the Vesting Conditions (if any) advised to the Participant by the Board pursuant to rule 2.3 have been satisfied and the Board has notified the Participant.
- (b) The exercise of any vested Performance Right granted under the Plan will be effected in the form and manner determined by the Board, and, if an amount is payable on exercise of the Performance Right, will be accompanied by payment of that amount, unless the manner of payment of the amount payable on vesting the Performance Right is otherwise provided for by the Board.
- (c) Unless the Board decides otherwise, any vested Performance Right that has not been exercised, or otherwise lapsed, within one (1) year of becoming vested, shall automatically lapse.

- (d) The delivery of a Share on the exercise of a Performance Right will constitute satisfaction of the condition precedent to performance of the Company's obligation to provide a Share to the Participant under that Performance Right pursuant to rule 5.1.

#### **4.2 Lapse of a Performance Right**

A Performance Right will lapse upon the earlier to occur of:

- (a) failure to meet the Performance Right's Vesting Conditions;
- (b) the Expiry Date;
- (c) the Performance Right lapsing in accordance with rule 3(b);
- (d) the Performance Right lapsing in accordance with a provision of this rule 4; or
- (e) the 5 year anniversary of the date of grant of the Performance Right.

#### **4.3 Ceasing to satisfy relevant conditions – vested Performance Rights**

If, for any reason, a Participant ceases to be an Eligible Participant or otherwise ceases to satisfy any other relevant condition imposed by the Board after a Performance Right has vested but before a Performance Right has been exercised, the Participant may exercise those vested Performance Rights within the 6 month period after ceasing to be an Eligible Participant or ceasing to satisfy any other relevant conditions (as appropriate) or such other period (longer or shorter) as the Board determines, after which they lapse. The period is subject to, and cannot exceed, the one (1) year period set under clause 4.1(c).

#### **4.4 When employment ceases**

An Eligible Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation before the exercise of a Performance Right under the Plan will be treated for those purposes as not having ceased to be such an employee.

#### **4.5 Fraudulent or dishonest actions**

- (a) Where, in the opinion of the Board, a Participant:
  - (i) acts fraudulently or dishonestly; or
  - (ii) is in breach of his or her obligations to any Group Company,
  - (iii) then the Board may:
    - (iv) deem any unvested Performance Rights of the Participant to have lapsed;
    - (v) deem any vested but unexercised Performance Rights of the Participant to have lapsed.
- (b) Where, in the opinion of the Board, a Participant's Performance Rights vest as a result of the fraud, dishonesty, or breach of obligations of another person and, in the opinion of the Board, the Performance Rights

would not otherwise have vested, the Board may determine that the Performance Rights have not vested and, subject to applicable laws:

- (i) where Shares have not been issued or transferred upon the exercise of a vested Performance Right, that the Performance Rights have not vested and reset the Vesting Conditions applicable to the Performance Rights; or
- (ii) take such other action as is necessary in relation to Performance Rights to ensure no unfair benefit is obtained by a Participant as a result of such actions of another person.

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## **5. ISSUE OF SHARES**

### **5.1 Exercise of Performance Rights**

Subject to compliance with the Corporations Act, the ASX Listing Rules and this Plan, the Company must issue to or procure the transfer to the Participant or his or her personal representative (as the case may be) the number of Shares in respect of which vested Performance Rights are exercised, within 10 business days of the Performance Rights being exercised (provided any payment due on exercise of the Performance Rights has been duly made).

### **5.2 Share ranking**

All Shares allotted under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their allotment.

### **5.3 Listing of Shares on ASX**

If Shares of the same class as those allotted under the Plan are listed on the ASX the Company will apply to the ASX within 10 business days of Shares being allotted for those Shares to be listed on ASX.

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## **6. RESTRICTION ON DISPOSAL OF SHARES**

### **6.1 Restriction**

Any Share acquired by a Participant on the exercise of a Performance Right must not be disposed of or dealt with in any way by that Participant until the earlier of:

- (a) the time when an event occurs so that the Eligible Participant to whom the Offer was originally made is not employed by any of:
  - (i) any Group Company; and
  - (ii) the company which employed the Eligible Participant at the time the Participant acquired the Performance Right, whether or not that company is still a Group Company;
- (b) the Board, in its sole and absolute discretion, approving that the restriction on disposal in this rule 6.1 be released where the Eligible Participant to whom the Offer was originally made suffers:

- (i) Total and Permanent Disability; or
- (ii) Severe Financial Hardship;
- (c) an event set out in Section 7 occurs; and
- (d) the five year anniversary of the date of grant of the Performance Rights.

## **6.2 Enforcing the disposal restriction**

The Company may make such arrangements as it considers necessary to enforce the restriction on disposal of Shares under rule 6.1 and the Participant must agree to such arrangements.

## **6.3 Holding Locks**

Without limiting rule 6.2, and subject to the ASX Listing Rules, the Company may procure that a Holding Lock be put on those Shares while the Shares are subject to the restriction on disposal under rule 6.1.

## **6.4 Removing the restriction**

Within 10 business days of the Company becoming aware that the restriction on disposal of Shares under rule 6.1 no longer applies, the Company must procure that any restriction on dealing with that Share pursuant to these rules no longer applies.

## **6.5 Removing Holding Locks**

Without limiting rule 6.4, when the Company becomes aware that a Share is no longer subject to the restriction on disposal in rule 6.1, the Company must, within 10 business days, procure that any Holding Lock on that Share is removed.

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# **7. TAKEOVER, SCHEME OF ARRANGEMENT, WINDING-UP AND CHANGE OF CONTROL**

## **7.1 Takeovers**

In the event a bona fide Takeover Bid is declared unconditional, unvested Performance Rights immediately vest.

## **7.2 Compromise or arrangement**

The Board may, in its absolute discretion, determine that all or a specified number of a Participant's Performance Rights vest where:

- (a) a Court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
- (b) any person becomes bound or entitled to acquire Shares in the Company under:
  - (i) section 414 of the Corporations Act; or
  - (ii) Chapter 6A of the Corporations Act;
- (c) the Company passes a resolution for voluntary winding up; or



(d) an order is made for the compulsory winding up of the Company.

If no determination is made or if the Board determines that some or all of a Participant's Performance Rights do not vest, those Performance Rights will automatically lapse.

### **7.3 Change of control**

In the event a person or a group of associated persons becomes entitled, subsequent to the date of grant of Performance Rights to a Participant, to control of the Company (as defined in Section 50AA of the Corporations Act), where such control was not already held by a person associated with such person or group of associated persons, the Participant's unvested Performance Rights automatically vest.

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## **8. BONUS ISSUES, RIGHTS ISSUES, RECONSTRUCTION**

### **8.1 Adjustment for bonus issues**

If Shares are issued pro rata to the Company's shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation of reserves or distributable profits, the number of Performance Rights to which each Participant is entitled, or any amount payable on exercise of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage or disadvantage accrues to the Participant as a result of the bonus issue.

### **8.2 Adjustment for reorganisation**

In the event of any reorganisation (including consolidation or subdivision,) of the issued capital of the Company, the number of Performance Rights to which each Participant is entitled, or any amount payable on exercise of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage or disadvantage accrues to the Participant as a result of such corporate actions.

### **8.3 No other participation**

Subject to rules 8.1 and 8.2, during the currency of any Performance Rights and prior to exercise, Participants are not entitled to participate in any new issue of securities of the Company as a result of their holding Performance Rights. In addition, Participants are not entitled to vote nor to receive dividends as a result of their holding Performance Rights.

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## **9. AMENDMENTS**

### **9.1 Power to amend Plan**

Subject to rule 9.2 and the ASX Listing Rules, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Performance Right granted under the Plan.

### **9.2 Restrictions on amendments**

Without the consent of the Participant, no amendment may be made to the terms of any granted Performance Right which reduced the rights of the

Participant in respect of that Performance Right, other than an amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake; or
- (c) to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.

### **9.3 Notice of amendment**

As soon as reasonably practicable after making any amendment under rule 9.1, the Board will give notice in writing of that amendment to any Participant affected by the amendment.

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## **10. MISCELLANEOUS**

### **10.1 Rights and obligations of Participant**

The rights and obligations of Eligible Participant under the terms of their office, employment or contract with a Group Company are not affected by their participating in the Plan. These rules will not form part of and are not incorporated into any contract of any Eligible Participant (whether or not they are an employee of a Group Company). No Eligible Participant will have any rights to compensation or damages in consequence of the termination of their office, employment or other contract with a Group Company for any reason whatsoever insofar as those rights arise or may arise their ceasing to have rights under the Plan as a result of such termination.

### **10.2 Power of the Board**

- (a) The Plan is administered by the Board which has power to:
  - (i) determine appropriate procedures for administration of the Plan consistent with these rules; and
  - (ii) delegate to any one or more persons for such period and on such conditions as it may determine the exercise of any of its powers or discretions arising under the Plan.
- (b) Except as otherwise expressly provided in this Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan or any Performance Rights under the Plan and in the exercise of any power or discretion under the Plan.

### **10.3 Dispute or disagreement**

In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any

Performance Rights granted under it, the decision of the Board is final and binding.

#### **10.4 Non-residents of Australia**

- (a) The Board may adopt additional rules of the Plan applicable in any jurisdiction outside Australia under which rights offered under the Plan may be subject to additional or modified terms, having regard to any securities, exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the rights. Any additional rule must conform to the basic principles of the Plan.
- (b) When a Performance Right is granted under the Plan to a person who is not a resident of Australia the provisions of the Plan apply subject to such alterations or additions as the Board determines having regard to any securities, exchange control or taxation laws or regulation or similar factors which may apply to the Participant or to any Group Company in relation to the Performance Right.

#### **10.5 Communication**

- (a) Any notice or other communication under or in connection with the Plan may be given by personal delivery or by sending the same by post or facsimile, in the case of a company to its registered office, and in the case of an individual to the individual's last notified address, or, where a Participant is a director or employee of a Group Company, either to the Participant's last known address or to the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of the Participant's office of employment.
- (b) Where a notice or other communication is given by post, it is deemed to have been received 48 hours after it was put into the post properly addressed and stamped. Where a notice or other communication is given by facsimile, it is deemed to have been received on completion of transmission.

#### **10.6 Laws governing Plan**

This Plan and any Performance Rights issued under it are governed by the laws of Western Australia and the Commonwealth of Australia.

## Annexure B

### Further Terms and Conditions of the Performance Rights for the Purpose of Resolution 6

1. A total of 3,000,000 Performance Rights to be issued as follows:
  - a) 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 in accordance with the terms of the Plan and subject to Shareholder approval of Resolution 6;
  - b) 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 in accordance with the terms of the Plan and subject to Shareholder approval of Resolution 6; and
  - c) 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 in accordance with the terms of the Plan and subject to Shareholder approval of Resolution 6.
  
2. The Performance Rights will be issued subject to the terms and conditions of the Plan (as detailed in Annexure A to this Notice of Annual General Meeting). Subject to Shareholders approving Resolution 6, Mr Brierley must not sell or transfer any Share acquired on exercise of a Performance Right until the earlier of:
  - a) the expiry of Mr Brierley's employment with the Company or any Group Company;
  - b) the Board, in its sole discretion, approving the restriction of disposal be released where Mr Brierley suffers total and permanent disability or severe financial hardship (the definitions of which are set out in the Plan);
  - c) there is a takeover, scheme of arrangement, winding up or change of control of the Company; or
  - d) the five year anniversary of the date of grant of the Performance Rights.

**PROXY FORM**

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**ALCHEMY RESOURCES LIMITED**

ABN: 17 124 444 122

REGISTERED OFFICE:  
LEVEL 2  
72 KINGS PARK ROAD  
WEST PERTH WA 6005

SHARE REGISTRY:  
Security Transfer Registrars Pty Ltd  
All Correspondence to:  
PO BOX 535,  
APPLECROSS WA 6953 AUSTRALIA  
770 Canning Highway,  
APPLECROSS WA 6153 AUSTRALIA  
T: +61 8 9315 2333 F: +61 8 9315 2233  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

Code:

Holder Number:

**SECTION A: Appointment of Proxy**

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

OR

The meeting Chairperson  
(mark with an "X")

The name of the person you are appointing  
(if this person is someone other than the Chairperson of the meeting).

or failing the person named, or if no person is named, the Chairperson of the Meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10.00am (WST) on Friday, 25 November 2011 at BDO Audit (WA) PTY LTD, 38 Station Street, Subiaco WA 6008 and at any adjournment of that meeting.

**SECTION B: Voting Directions to your Proxy**

Please mark "X" in the box to indicate your voting directions to your Proxy.

Resolution	For	Against	Abstain*
1. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director - John Phillip Arbuckle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Director - Jeffrey Moore	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Re-election of Director - Robert Brierley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Issue of Performance Rights to Robert Brierley under Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

\* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If you wish to appoint the Chairperson as your proxy and you do not wish to direct the Chairperson how to vote, please mark "X" in the box.

By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome of resolution 1 or resolution 5 and votes cast by him/her other than as a proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on resolution 1 and resolution 5 and your votes will not be counted in calculating the required majority if a poll is called on resolution 1 and resolution 5. The Chairperson of the Meeting intends to vote undirected proxies in favour of resolution 1 and resolution 5.

Important for Resolution 1: If the Chair of the Meeting or any member of the Key Management Personnel of the Company or a Closely Related Party of a member of the Key Management Personnel of the Company is your proxy and you have not directed the proxy to vote on Resolution 1, the proxy will be prevented from casting your votes on Resolution 1. If the Chair, another member of the Key Management Personnel of the Company or Closely Related Party of a member of the Key Management Personnel is your proxy, in order for your votes to be counted on Resolution 1, you must direct your proxy how to vote on Resolution 1.

**SECTION C: Please Sign Below**

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder	Security Holder 2	Security Holder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

8577420238 Reference Number:

1

ALY 1

My/Our contact details in case of enquiries are:

**NAME**

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**TELEPHONE NUMBER**

( 

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## NOTES

### 1. Name and Address

This is the name and address on the Share Register of Alchemy Resources Limited. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

### 2. Appointment of a Proxy

If you wish to appoint the Chairperson of the Meeting as your Proxy please mark "X" in the box in Section A. Please also refer to Section B of this proxy form and ensure you mark the box in that section if you wish to appoint the Chairperson as your Proxy.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a Shareholder of Alchemy Resources Limited.

### 3. Directing your Proxy how to vote

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

### 4. Appointment of a Second Proxy

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by telephoning the Company's share registry +61 8 9315 2333 or you may photocopy this form.

To appoint a second Proxy you must:

- (a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- (b) Return both forms in the same envelope.

### 5. Signing Instructions

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

### 6. Lodgement of Proxy

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than 10.00am (WST) on Wednesday, 23 November 2011, being 48 hours before the time for holding the meeting. Any Proxy form received after that time will not be valid for the scheduled meeting.

**Security Transfer Registrars Pty Ltd  
PO BOX 535  
Applecross, Western Australia 6953**

**Street Address:  
Alexandrea House, Suite 1  
770 Canning Highway  
Applecross, Western Australia 6153**

**Telephone +61 8 9315 2333**

**Facsimile +61 8 9315 2233**

**Email registrar@securitytransfer.com.au**

## PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.