

16 February 2012

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

Dear Sir/Madam

ENTITLEMENT ISSUE – ACCEPTANCES AND UNDER SUBSCRIPTION

Alchemy Resources Limited's pro-rata non-renounceable 1 for 3 offer of 32,482,470 ordinary fully paid shares (the **Issue**) at a price of \$0.13 per share has closed with the acceptance of 10,850,304 shares and an under subscription of 21,632,166 shares.

The directors are pleased to announce that, in addition, applications for 4,025,983 of the shortfall shares have been received and accepted at the issue price of \$0.13 per share, in accordance with the provisions of Section 7.5 of the Prospectus.

The underwriters to the Issue, Jindalee Resources Limited and Grandor Pty Ltd, have taken up their entitlements and under the terms of the Underwriting Agreement have fully underwritten the balance of the shares offered under the Issue. Upon completion, the total capital raised from the Issue will be \$4,222,721 before costs.

The Company expects that the new shares will be allotted and all holding statements dispatched to shareholders on or before 21 February 2012.

Yours faithfully

Bernard Crawford

Company Secretary