

19 February 2014

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

Dear Sir/Madam

ENTITLEMENT ISSUE – ACCEPTANCES AND UNDER SUBSCRIPTION

Alchemy Resources Limited (**Alchemy** or the **Company**) advises that the pro rata non-renounceable 1 for 2 offer of up to 78,426,477 ordinary fully paid shares (the **Issue**) at a price of \$0.025 per share announced on 11 December 2013 closed at 5.00 pm (WST) on Friday 14 February 2014 raising \$715,044 (before costs).

Applications for 9,453,944 new shares and 5,147,802 shortfall shares were received representing a take up of 18.6%. The partial underwriters to the Issue, Cardinal Management Services Pty Ltd, an entity controlled by Mr Oscar Aamodt (the Company's chairman) and Lindsay Dudfield and Yvonne Dudfield as trustees of the LG Dudfield Pension Fund, an entity controlled by Lindsay Dudfield (non-executive Director) have taken up their obligations of 4,000,000 and 10,000,000 shortfall shares respectively. The Company will now actively seek to place the remaining shortfall of 49,824,731 shares within 3 months following the close of the Issue at a price that is not less than \$0.025.

The Company expects that the new shares will be allotted and all holding statements dispatched to shareholders on or before 24 February 2014.

The Company would like to thank all shareholders who participated in the Issue for their ongoing support of the Company's activities.

Yours faithfully

Bernard Crawford

Company Secretary