

**ASX  
ANNOUNCEMENT**

**11 AUGUST 2016**

**CODE: ALY**

**BOARD OF DIRECTORS**

**Mr Oscar Aamodt**  
Non-Executive Chairman

**Ms Liza Carpena**  
Non-Executive Director

**Mr Lindsay Dudfield**  
Non-Executive Director

**Mr Anthony Ho**  
Non-Executive Director

**ISSUED CAPITAL**

SHARES 230,788,035

OPTIONS 10,500,000 (Unlisted)

**PROJECTS**

BRYAH BASIN (80-100%)

KARONIE (100%)

LACHLAN (earning up to 80%)

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## IGO commences drilling at Bryah Basin copper-gold project

- *Alchemy advised by IGO that aircore drilling of selected regional targets has commenced*
- *Drilling follows up high-order multi-element geochemical anomalies at the Neptune prospect & extends effective coverage along prospective Karalundi–Naracoota sequence*

Alchemy Resources Limited (ASX: **ALY**) (“**Alchemy**”) is pleased to announce that Independence Group NL (ASX: **IGO**) (“**IGO**”) has commenced an Aircore (AC) drilling program at the Bryah Basin Project (*Figure 1*). The program is part of the exploration Farm-in and Joint Venture Agreement covering Alchemy’s interests\* in the whole and part tenements that cover the base metal prospective part of the Project (*see ASX announcement dated 5 November 2014*).

The Bryah Basin Project contains more than 40km of strike extent of the Karalundi–Naracoota sequence, host to Sandfire Resources’ DeGrussa and Monty copper-gold deposits (*Figure 1*), and considered by IGO as a belt-scale opportunity prospective for discovery of volcanic massive-sulphide (VMS) copper-gold deposits. Previous drilling in the Neptune area (*Figure 1*) defined a 2.5km zone of strike-parallel, high-order, multi-element VMS pathfinder anomalism, localised along the Karalundi–Naracoota contact (*see ASX announcement dated 27 January 2016*).

The 7,500 metre AC drilling program follows-up potential strike extensions in the Neptune area, as well as targeting geochemical anomalies in historic RAB/AC drilling and soil sampling in the Churchill, Moby and Magnus areas (*Figure 1*). In addition, the program extends effective aircore drilling coverage along the largely untested prospective sequence in the eastern part of the project area, where an integrated geological–geophysical interpretation suggests that zones deeper in the Karalundi sequence are also highly prospective for VMS-style mineralisation.

The drilling program is expected to take approximately three to four weeks to complete. Composite samples taken down-hole and bottom-of-hole samples for litho-geochemistry will improve the understanding of project stratigraphy and help identify potential VMS host horizons.

Interpretation of the results from the AC drilling will be integrated with existing data sets by IGO to identify potential priority exploration targets along the prospective sequence.

\* Alchemy holds 100% interest in the landholding with the exception of several tenements in joint-venture with Jackson Minerals Pty Ltd (20%), a subsidiary of Fe Ltd (ASX: **FEL**).

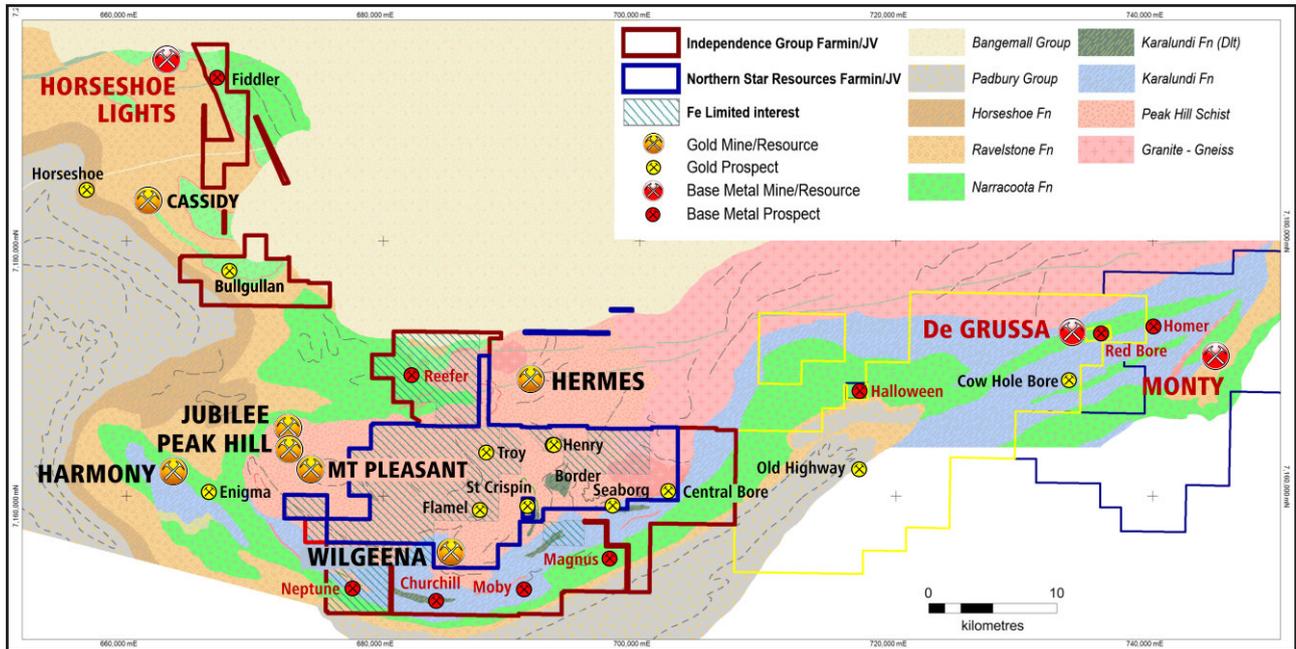


Figure 1: Bryah Basin Project showing Independence Farm-in/JV area and base metal and gold prospects over geology.

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Please direct enquiries to: Mr Oscar Aamodt (Chairman)  
 Dr Kevin Cassidy (Chief Executive Officer)  
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## ABOUT ALCHEMY RESOURCES

Alchemy is an emerging Australian minerals exploration company. The company has key assets with exposure to gold and base metals, including the Bryah Basin, Karonie and Lachlan Projects.

Alchemy's Bryah Basin Project comprises over 500km<sup>2</sup> of highly prospective tenements located about 130km north of Meekatharra, Western Australia. The Bryah Basin Project contains more than 40km of strike extent of the Narracoota Volcanic Sequence, host to Sandfire's DeGrussa copper-gold deposit and highly prospective for the discovery of VMS-style base metal deposits. In January 2014 Independence Group NL (ASX: **IGO**) entered into an Agreement to explore and earn an interest in the base metal prospective part of Alchemy's Bryah Basin Project (see ASX announcement dated 30 January 2014).

In April 2015 Northern Star Resources (ASX: **NST**) commenced a Farm-in and Joint Venture Agreement to explore and earn an interest in the remaining gold prospective Bryah Basin landholding (see ASX announcement dated 24 February 2015), including existing gold resources at the Wilgeena gold deposit (Indicated Resource of 1.36 @ 1.99g/t, equivalent to 87,373 ounces of gold: see ASX announcement dated 22 October 2012) and significant exploration upside.

In May 2016 Alchemy secured the Karonie Project located about 100km east of Kalgoorlie, Western Australia (see ASX announcement dated 24 May 2016). The Karonie Project contains over 40km strike of highly prospective Archean greenstone belt, surrounding and adjacent to Silver Lake Resources' Harry's Hill / French Kiss gold resource areas and along strike from Breaker Resources' Lake Roe Project. The Karonie Project contains priority targets with historic, high-grade gold intercepts with further exploration planned.

Alchemy commenced a Farm-in and Joint Venture Agreement in May 2016 with Heron Resources (ASX: **HRR**) to explore and earn up to 80% interest in three gold and base metal projects in the highly prospective central Lachlan province, New South Wales (see ASX announcement dated 30 May 2016). The Lachlan Projects consist of the Overflow Gold-Base Metal Project, the Eurow Copper-Gold Project and the Girilambone Copper Project. Each of the projects in the large 674km<sup>2</sup> land package contains identified gold and / or base metal targets, including drill-ready priority targets at the Overflow Project.

### **COMPETENT PERSONS STATEMENT**

*The information in this report that relates to Exploration Results is based on information compiled by Dr Kevin Cassidy, who is a part-time employee and security holder of Alchemy Resources Limited and fairly represents this information. Dr Cassidy is a Fellow of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ('JORC Code 2012'). Dr Cassidy consents to the inclusion in this report of the matters based on information in the form and context in which it appears.*

*The information in this report that relates to Mineral Resources at the Wilgeena Gold Deposit is based on information compiled by Simon Coxhell, who is an employee of CocksRocks Pty Ltd, a consultant to Alchemy Resources Limited, and fairly represents this information. Mr Coxhell is a Member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ('JORC Code 2004'). Mr Coxhell consents to the inclusion in this report of the matters based on information in the form and context in which it appears.*

*Alchemy confirms that the Exploration Results and the Indicated Mineral Resource at the Wilgeena Gold Deposit were prepared and first disclosed under JORC 2004. These have not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since last reported on 22 October 2012, and is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.*