

11 October 2022

**BOARD AND MANAGEMENT**

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NON-EXECUTIVE CHAIRMAN

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CHIEF EXECUTIVE OFFICER

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NON-EXECUTIVE DIRECTOR

MR ANTHONY HO  
NON-EXECUTIVE DIRECTOR

MS CARLY TERZANIDIS  
COMPANY SECRETARY

**PROJECTS**

LAKE REBECCA (ALY 100%)

KARONIE (ALY 100%)

LACHLAN (ALY 80%, DVP 20%)

WEST LYNN (ALY 80%, DVP 20%)

BRYAH BASIN (ALY 20%, TSX-V SGI  
80%)

BRYAH BASIN (ALY 20%, SFR 80%)

## **\$5.5M CAPITAL RAISING TO FUND DRILLING ON WA & NSW PROJECTS**

### HIGHLIGHTS

- **Binding commitments received to raise \$5.5 million (before costs) through a strongly supported Placement at \$0.025 per share**
- **The Placement received support from new and existing institutional and sophisticated investors endorsing Alchemy's upcoming exploration programs**
- **The Placement leaves the Company well-funded to accelerate exploration on its high priority Lithium assets at Karonie and Lake Rebecca as well as the advanced suite of base and battery metals projects in NSW**

Alchemy Resources Limited (**ASX: ALY**) ("**Alchemy**" or "**the Company**") is pleased to announce that it has successfully received binding commitments for a single tranche Placement to raise \$5.5 million (before costs) at \$0.025 per share through its placement capacity under ASX Listing Rules 7.1 and 7.1A ("**Placement**"). The Placement introduced new institutional, sophisticated, and professional investors, whilst also being well supported by existing significant shareholders of the Company.

The completion of the Placement leaves Alchemy well positioned to proceed with ongoing exploration. Placement proceeds and existing pro-forma cash reserves of \$2 million<sup>1</sup> will enable Alchemy to fund:

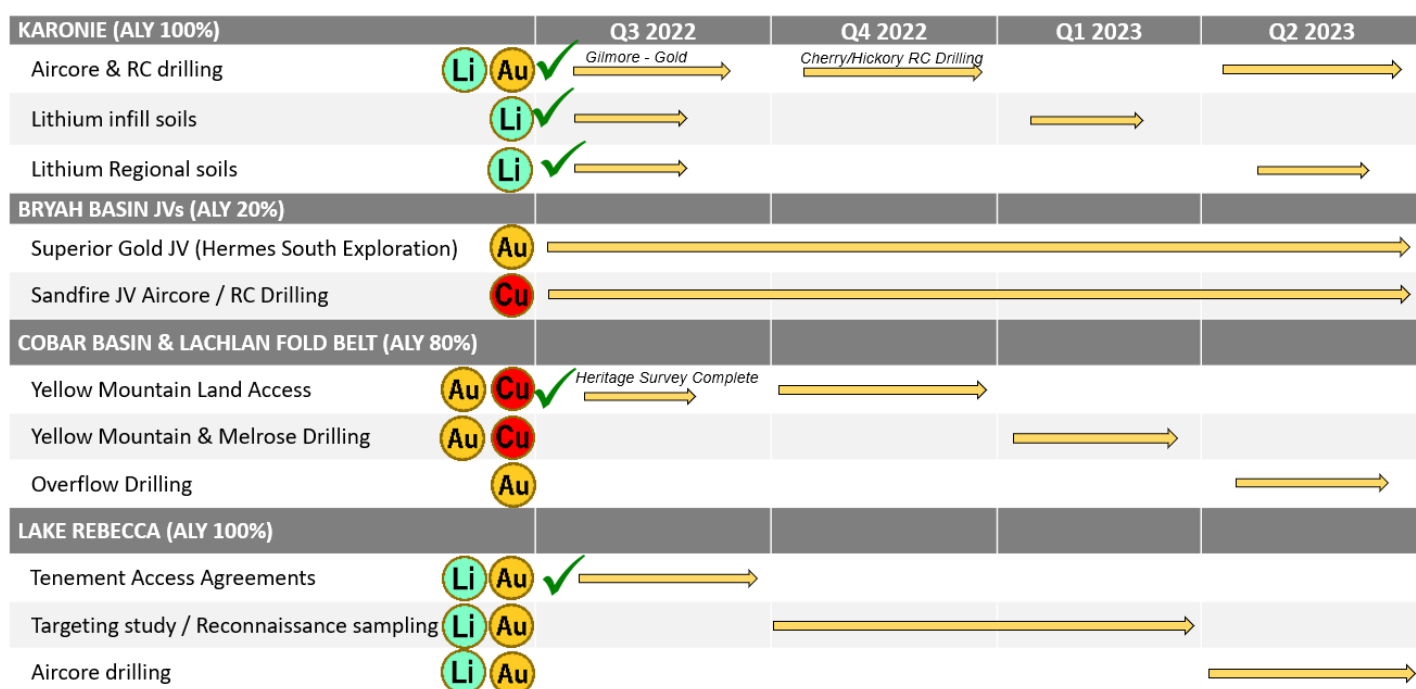
- Reverse Circulation ("**RC**") drilling, Aircore drilling ("**AC**") and soil sampling at the Karonie Lithium and Gold Projects;
- Exploration programs at the Lake Rebecca Project targeting Lithium and Gold;
- Diamond drilling ("**DD**") and RC drilling at the Overflow and Yellow Mountain Gold/Base Metals Projects in the Cobar Basin, New South Wales to test for extensions to existing mineralisation; and
- Corporate costs and general working capital requirements.

Alchemy's Chairman, Mr Lindsay Dudfield commented: "*Alchemy is delighted with the strong support for the capital raising and is pleased to welcome a number of new sophisticated and institutional shareholders to the Company. The success of the raising is an endorsement of both the prospectivity of Alchemy's lithium, gold and base metal assets and the quality of our exploration team led by CEO James Wilson. We now have the balance sheet to accelerate our exploration programs across Western Australia and New South Wales and we look forward to updating shareholders on the results of these programs over the coming months.*"

<sup>1</sup>Alchemy cash reserves as at 30 June 2022 totaled \$2 million

## INDICATIVE PROJECT ACTIVITY TIMELINE

Drilling at the 100% owned Karonie Lithium targets is expected to commence in October 2022 with a first pass program of 3,000-5,000m of RC drilling designed to test the high tenor anomalism at the Hickory Prospect and along strike. First pass reconnaissance exploration is due to commence at Lake Rebecca in Q4 targeting Lithium and Gold following the recent successful completion of land access agreements. In New South Wales, heritage surveys have been completed and land access agreements are nearing completion which will facilitate programs commencing to drill the high-grade copper, lead and zinc targets at Yellow Mountain. Follow-up exploration is also planned for the Overflow Project to the north to further enhance the high-grade gold, lead, zinc mineralisation already outlined in previous drill programs.



**Figure 1: Indicative Project activity timeline**

*This indicative timetable is based on ALY's current intentions and from company announcements regarding Joint Venture interests. It is indicative only and is subject to change*

## PLACEMENT

The Placement comprises the issue of 220,000,000 fully paid ordinary shares ("**Placement Shares**") at an issue price of \$0.025 to sophisticated and institutional investors, raising \$5.5 million (before costs). The issue price of \$0.025 represents a 24.2% discount to Alchemy's last close on 6 October 2022 of \$0.033, a 12.3% discount to the 5-day VWAP of \$0.0285 and a 10.2% discount to the 15-day VWAP of \$0.0278. Placement Shares will be issued on or about Monday, 17 October 2022 under Alchemy's existing Placement capacity under ASX Listing Rules 7.1 and 7.1A. A total of 132,961,438 new shares will be issued under Listing Rule 7.1 and 87,038,562 New Shares will be issued under Listing Rule 7.1A. Placement Shares will rank equally with existing fully paid ordinary shares.

Discovery Capital Partners Pty Ltd and Canaccord Genuity Australia Pty Ltd acted as Joint Lead Managers to the Placement.

## ABOUT THE KARONIE LITHIUM & GOLD PROJECT

The Karonie Project now includes 12 exploration licences and two exploration licence applications covering 1,220km<sup>2</sup> of highly prospective mineralised structures within Kurnalpi Terrain greenstones 100km east of Kalgoorlie (Figure 2). The tenements are located along strike of Silver Lake Resources' (ASX: SLR) Aldiss Mining Centre, are within 50km of Silver Lake's Randalls processing plant and cover 38km of the under-explored, gold endowed Claypan Shear Zone commencing just 12km along strike to the south of Breaker Resources' (ASX: BRB) Lake Roe deposit. Lithium pathfinder anomalism has recently been outlined within 8km of Global Lithium Resources' (GL1) Manna Lithium deposit.

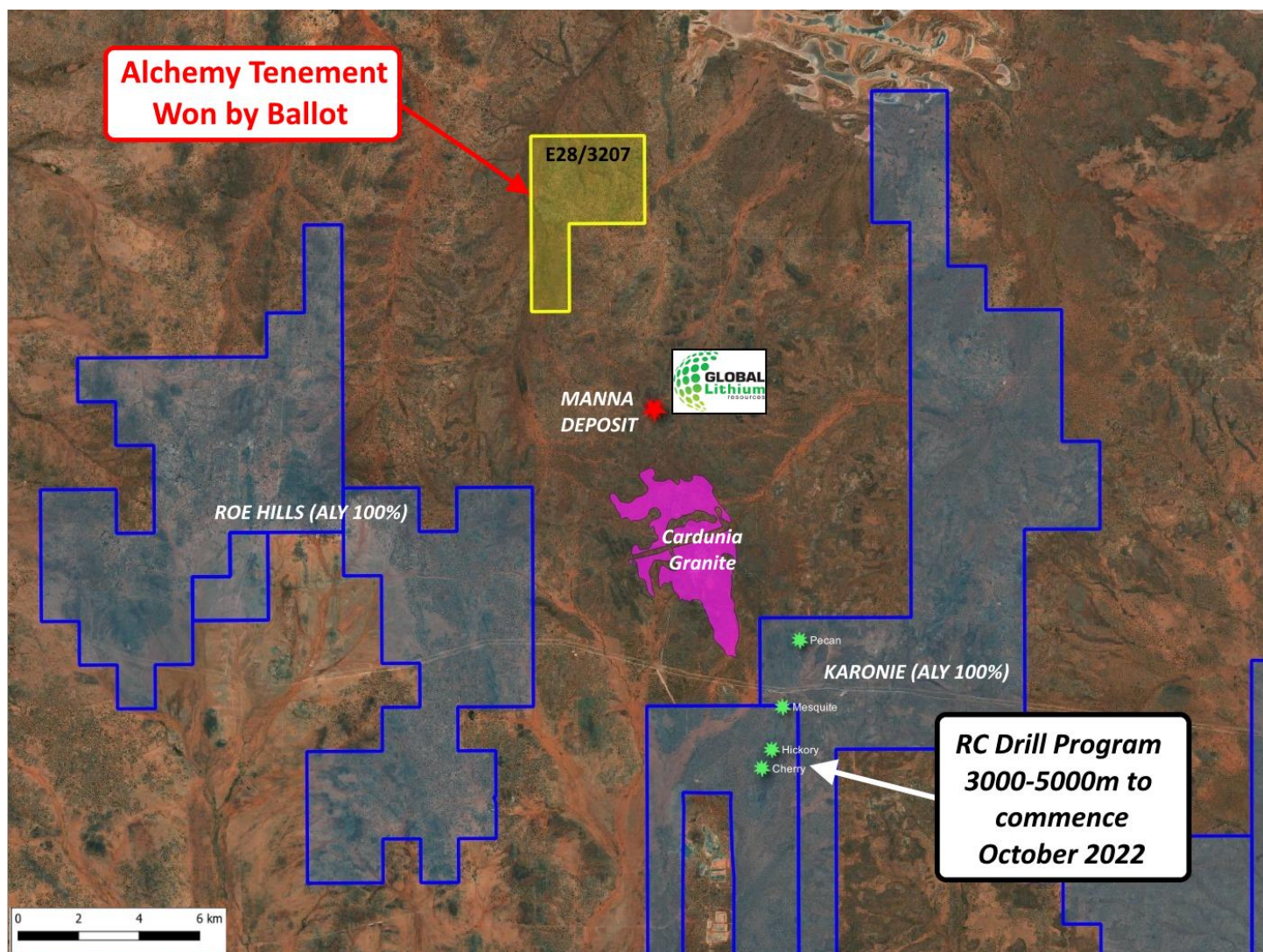


Figure 2: Alchemy's advanced Lithium prospects in proximity to nearby development projects

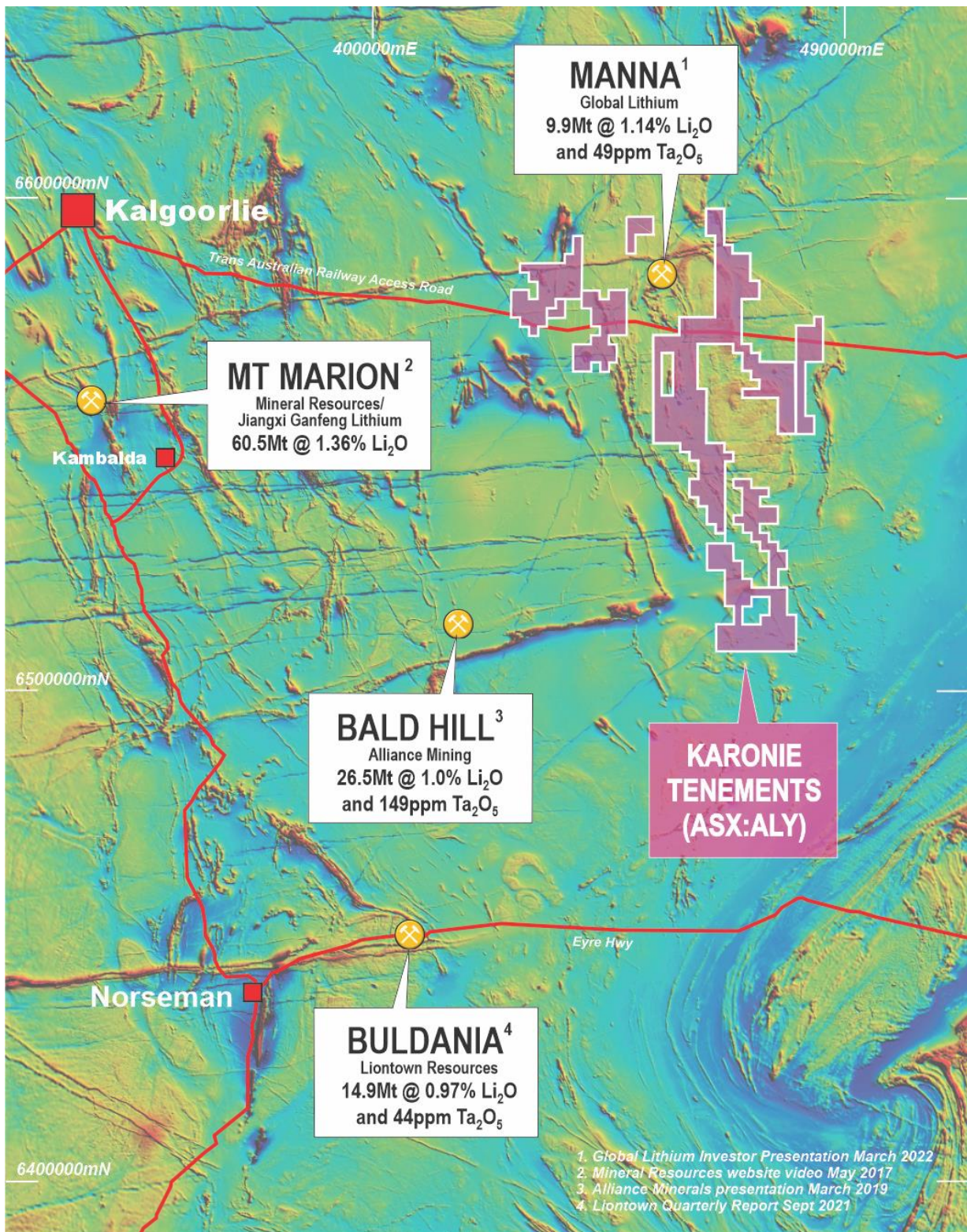


Figure 3: Karonie Projects and nearby Lithium development assets

## ABOUT ALCHEMY RESOURCES

Alchemy Resources Limited (ASX: ALY; “Alchemy” or the “Company”) is an Australian exploration company focused on growth through the discovery and development of gold, base metal, and battery metals within Australia. Alchemy has built a significant land package in the Carosue Dam - Karonie greenstone belt in the Eastern Goldfields region in Western Australia and has an 80% interest in the Lachlan/Cobar Basin Projects in New South Wales. Alchemy also maintains its interest in the Bryah Basin Project in the gold and base metal-rich Gascoyne region of Western Australia, where Superior Gold Inc. (TSX-V: SGI; “Superior”), and Sandfire Resources Limited (ASX: SFR; “Sandfire”) are continuing to advance gold and base metal exploration, respectively.

## COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Mr James Wilson, who is the Chief Executive Officer of Alchemy Resources Limited and holds shares and options in the Company. Mr Wilson is a Member 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’). Mr Wilson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

*This announcement has been approved for release by the Board.*

For further information please contact:

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Forward looking statements This announcement contains “forward-looking statements”, including statements about the scheduling of exploration and drilling programs. All statements other than those of historical facts included in this announcement, are forward-looking statements. Forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual events or results to differ materially from future events or results expressed, projected or implied by such forward-looking statements. The Company does not undertake to release publicly any revisions to any “forward-looking statement” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.