ASX ANNOUNCEMENT

9 June 2020

CODE: ALY

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Significant Copper-Gold Targets Identified at Yellow Mountain (NSW)

Highlights

- Major hydrothermal alteration system with chemical signatures similar to large porphyry copper-gold deposits confirmed at **Melrose** prospect.
- Strong IP conductivity anomaly identified at **Yellow Mountain Mine** prospect, down dip of broad copper-gold intercepts.

Alchemy Resources Limited (ASX: ALY) ("Alchemy") is pleased to announce that a recent review of open file data research has identified two significant exploration targets within the Yellow Mountain tenement (EL 8356) in the Lachlan Fold Belt, NSW.

Both targets are located adjacent to the Gilmour Suture, a crustal scale structure associated with several gold deposits in the district, including the Cowal gold mine (current resources 8.6Moz[1]), located 130km south of Yellow Mountain and owned by Evolution Mining (ASX: EVN). The Yellow Mountain licence forms part of a Joint Venture with Heron Resources (ASX: HRR) where Alchemy is earning an 80% interest *(Figure 1)*.

Melrose

Specialised analysis completed on magnetite and molybdenite samples from the 12km long Melrose magnetite anomaly *(Figure 2),* has confirmed chemical signatures similar to porphyry Cu-Au mineralisation. Al/Ti and V/Ti ratios within the Melrose magnetite samples are typical of lower temperature hydrothermal magnetites, similar to those from porphyry Cu-Au systems elsewhere in Australia and overseas including the Cadia-Ridgeway system, and are indicative of an oxidised mineralising fluid with the potential to develop significant copper-gold mineralisation[2].

The rhenium (Re) content of a molybdenite sample from within the Melrose Magnetic Anomaly was very high (939 ppm Re)[3], which is also a characteristic of molybdenites analysed from numerous other porphyry Cu-Au systems.

[1] *Refer to https://evolutionmining.com.au/reservesresources/*

[2] *Refer to Triako Resources Limited Annual Report for EL5721, 5787 (Appendix) dated June 2003, Authors: M Erceg, I Mackenzie, C Miller, and J Randell.*

[3] *Refer to Triako Resources Limited Annual Report for EL5721, 5787 (Appendix) dated June 2004, Authors: I Mackenzie, C Miller, and J Randell.*

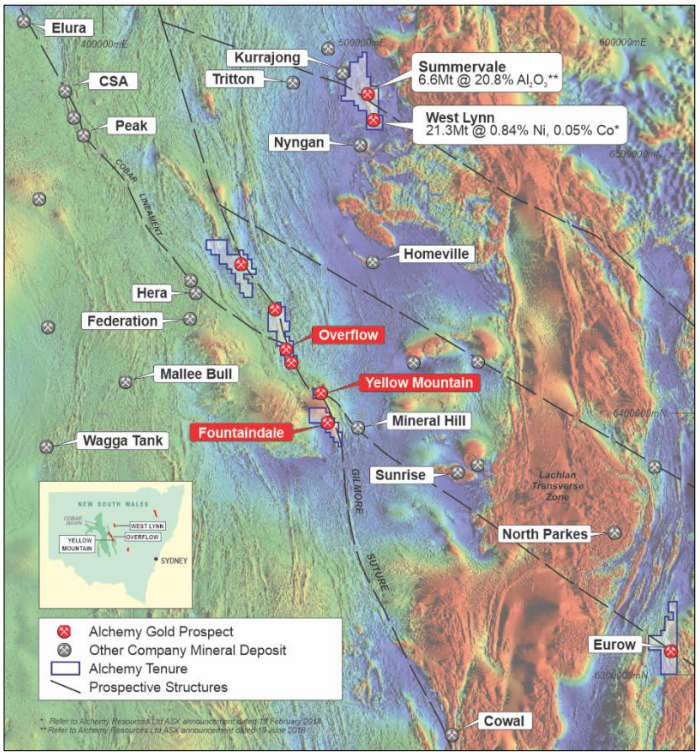

Figure 1: *NSW Alchemy / Heron Farm-in / Joint Venture Projects*

Rhenium–osmium (Re-Os) age dating completed on the Melrose magnetic anomaly molybdenite sample returned a model age of 424.7 ± 1.5 Ma[4] which is similar to igneous rocks associated with the Mineral Hill mineralisation just 10km to the east, and similar to Pb model age on sulfides from the Mineral Hill mine. This implies that the Melrose hydrothermal alteration was formed at a similar time to the mineralisation at Mineral Hill where past production and current resources and reserves total 460,000oz Au, 36,000t Cu, 1.1Moz Ag, 16,000t Pb and 15,000t Zn[5]

Previous drilling within the Melrose alteration zone has focussed on the Fountaindale Prospect, a NE plunging, 800m wide granodiorite intrusion (plug) clearly seen and modelled as a magnetic low within the larger Melrose magnetic anomaly *(Figure 3)*. Six diamond holes and five RC holes all <190m deep, except for a 458m diamond hole completed in 1968, have been drilled into the Fountaindale intrusive returning gold intercepts associated with quartz veined sericite altered granodiorite including[6]:

- 2m @ 3.1g/t Au from 56m (TYMAC069)
- 2.5m @ 3.1g/t Au, 1.54% As from 70m (TYMD003)
- 1m @ 5.5g/t Au from 150m (TYM065)
- 1m @ 4.5g/t Au from 44m (TYMAC101)
- 3.3m @ 3.1g/t Au from 73m (TYMD004)
- 1m @ 5.0g/t Au from 135m (TYMD005)

Alchemy considers the Fountaindale intrusive to be an apophysis off a related potentially mineralised intrusive at depth, that is likely the cause of the 12km long magnetite alteration zone. The Fountaindale intrusive is surrounded by chlorite-epidote-albite-magnetite altered and brecciated sediments and volcaniclastic rocks that form the Melrose magnetic high and probably represent hydrothermal recrystallisation associated with buried oxidised I-type intrusions. Historic data shows that parts of the Melrose magnetic anomaly have not been covered by IP surveys, and Alchemy intends to conduct IP surveys over these areas to better define targets for drill testing.

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[4] *Refer to Triako Resources Limited Annual Report for EL5721, 5787 (Appendix) dated June 2004, Authors: I Mackenzie, C Miller, and J Randell.*

[5] *Refer to https://www.ferrierhodgson.com/au/-/media/ferrier/files/documents/business-assets/2016/kbl-assets-for-sale-flyer.pdf*

[6] *Refer to Golden Cross Resources Limited June Quarterly Report 2004 dated 30 July 2004, CP - D. Timms*

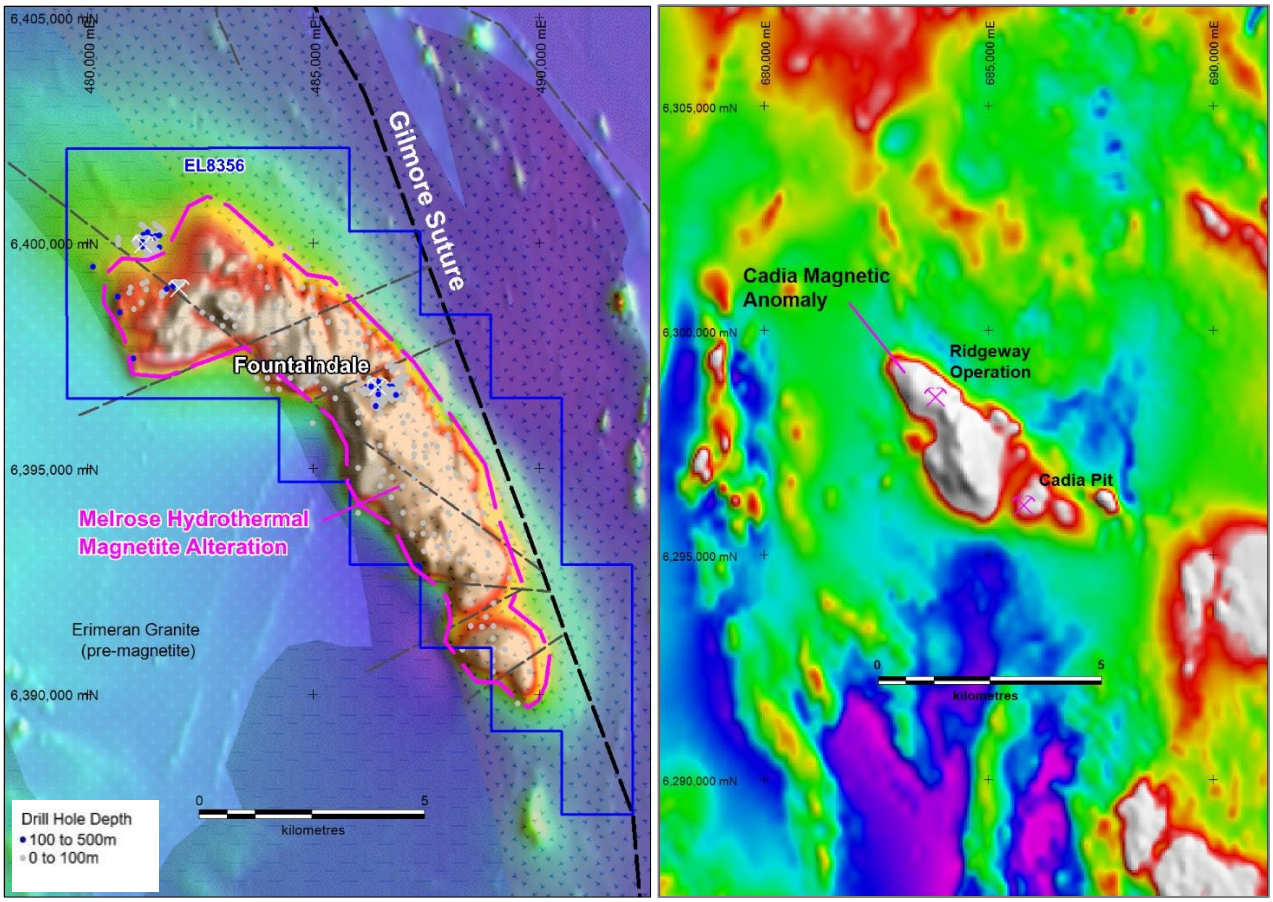

Figure 2: *Melrose (left) and Cadia-Ridgeway (right) magnetite anomalies at the same scale.*

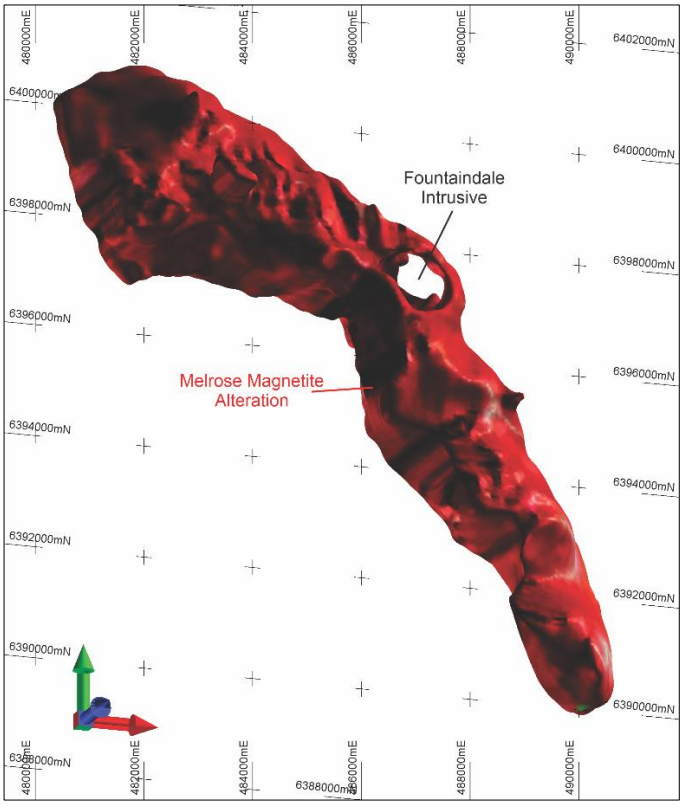

Figure 3: *3D model of the Melrose magnetite alteration anomaly (looking down to the NE) showing the Fountaindale intrusive as a distinct hole in the alteration zone.*

Yellow Mountain Mine

The open file data research also identified a poorly tested strong conductivity high centred over the depth extensions of the Yellow Mountain Mine copper-gold mineralisation *(Figures 4 & 5)*.

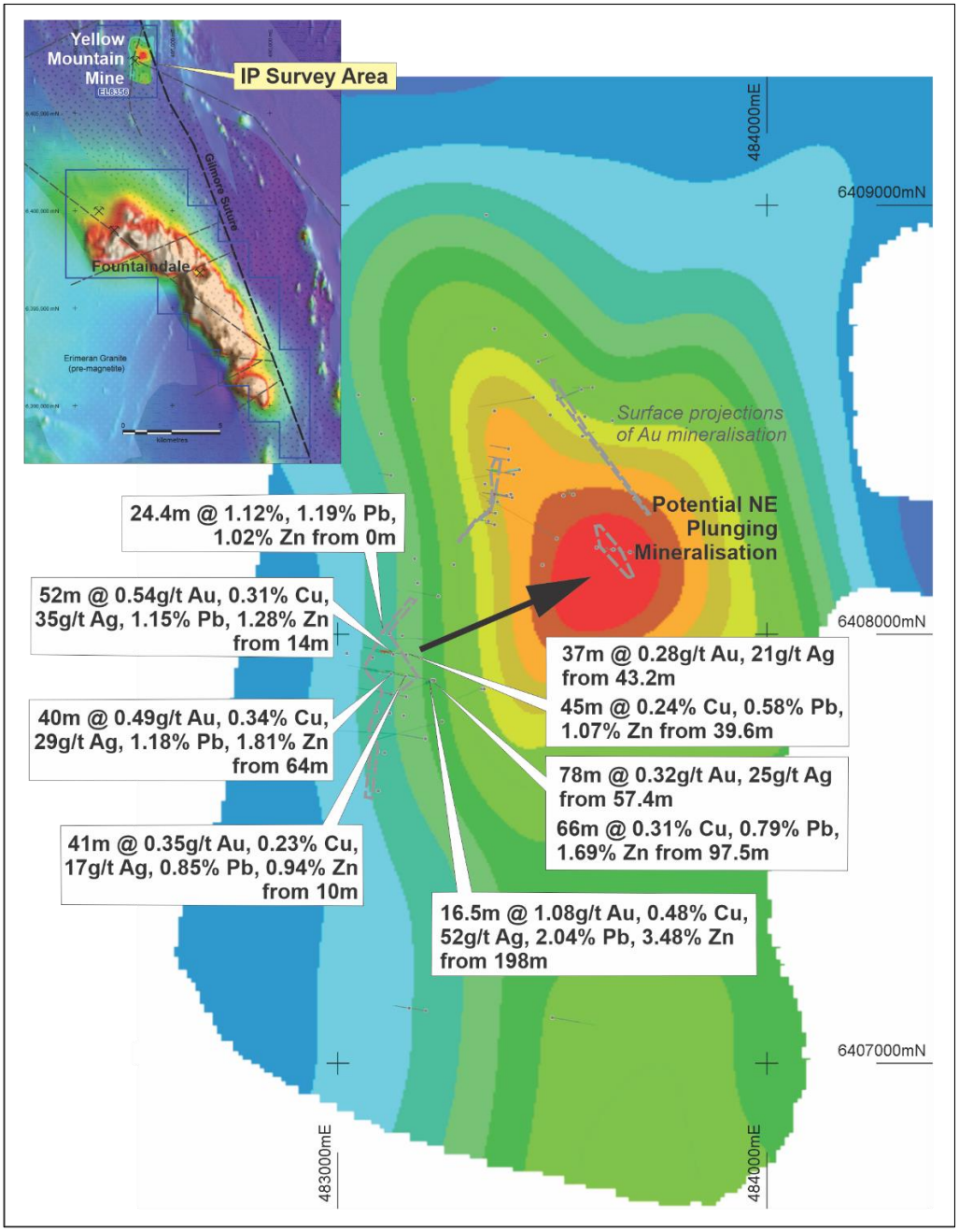

Figure 4: *Yellow Mountain Mine prospect IP conductivity plan (300m RL)*

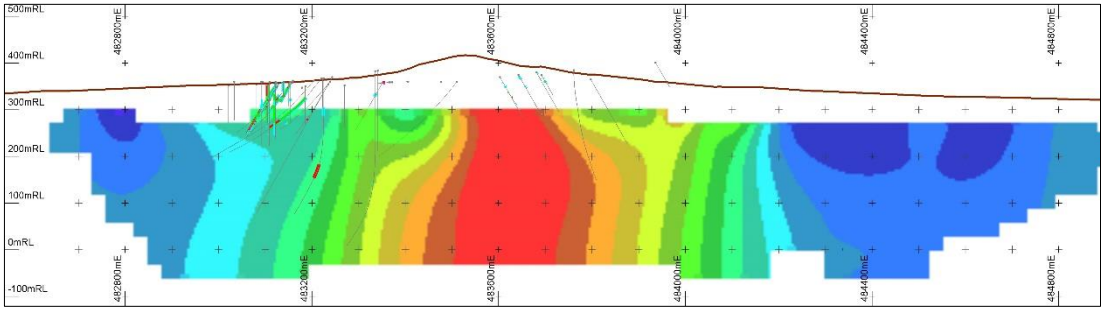

Figure 5: *Yellow Mountain Mine IP conductivity cross section (6408200N) – same scale as Figure 4.*

The Yellow Mountain Mine prospect contains strong silica-sericite-pyrite alteration associated with gold-copper-lead-zinc-silver mineralisation within fine grained clastic sediments and siltstones, located stratigraphically beneath a highly resistive dacitic volcanic unit. Mineralisation at the prospect is interpreted to be an exhalative, stratabound VMS system with a structurally controlled Cu-Au mineralisation overprint associated with quartz veins in high strain zones. 3D analysis of the historic drilling results and the IP data suggest the conductivity high could represent the down plunge component of a NE-plunging ore shoot *(Figure 4)*.

Historic drilling at the Yellow Mountain Mine Prospect *(Figure 4)* returned broad zones of copper and gold mineralisation including:

- 52m @ 0.54g/t Au, 0.31% Cu, 35g/t Ag, 1.15% Pb, 1.28% Zn from 14m (PYM011) [7]
- 40m @ 0.49g/t Au, 0.34% Cu, 29g/t Ag, 1.18% Pb, 1.81% Zn from 64m (PYM012) [7]
- 41m @ 0.35g/t Au, 0.23% Cu, 17g/t Ag, 0.85% Pb, 0.94% Zn from 10m (PYM013) [7]
- 78m @ 0.32g/t Au, 25g/t Ag from 57.4m (YD02) [8]
- 66m @ 0.31% Cu, 0.79% Pb, 1.69% Zn from 97.5m (YD02) [9]
- 37m @ 0.28g/t Au, 21g/t Ag from 43.2m (YD05) [8]
- 45m @ 0.24% Cu, 0.58% Pb, 1.07% Zn from 39.6m (YD05) [9]
- 16.5m @ 1.08g/t Au, 0.48% Cu, 52g/t Ag, 2.04% Pb, 3.48% Zn from 198m (YD13) [10]
- 24.4m @ 1.12% Cu, 1.19% Pb, 1.02% Zn from surface (YP05A) (no Au or Ag assays) [9]

Alchemy's Managing Director, Leigh Ryan said:

"These significant drill targets have been largely overlooked by previous explorers with only 11 holes deeper than 100m drilled into the 12km long Melrose alteration zone, and no drilling deep enough to test the strong Yellow Mountain Mine conductivity high. As soon as the state borders re-open Alchemy aims to conduct the deep diamond drilling at the Overflow prospect, just 20km to the north of Yellow Mountain, and also design programs that will properly test the exciting new targets at Melrose and the Yellow Mountain Mine."

"In Western Australia reconnaissance soil and rock chip sampling has been ongoing at the Karonie Gold Project with RC drilling due to commence at the Parmelia and Taupo prospects later this week."

Table A: Fountaindale Prospect Drill Collar Information

Hole ID	Hole Type	Easting*	Northing*	RL	Dip (degrees)	Azimuth* (degrees)	Total Depth (m)	Year Drilled	Company
TYMAC069	AC	486548	6396604	300	-90	0	65	2003	Triako
TYMAC101	AC	486563	6397034	300	-90	0	57	2004	Triako
TYM065	RC	486383	6396984	300	-60	90.5	178	2003	Triako
TYMD003	DD	486563	6397109	300	-55	181	147.5	2004	Triako
TYMD004	DD	486563	6396959	300	-55	1	150.5	2004	Triako
TYMD005	DD	486949	6396809	300	-58	226	150.7	2004	Triako

** GDA94 zone 55*

Table B: Fountaindale Prospect Significant Drilling Results

Hole_ID	EOH Depth (m)	From	To	Width	Au (g/t)*	As (%)
TYMAC069	65	56	58	2	3.1	NA
TYMAC101	57	44	45	1	4.5	NA
TYM065	178	150	151	1	5.5	NA
TYMD003	147.5	70	72.5	2.5	3.1	1.54
TYMD004	150.5	73	76.3	3.3	3.1	NA
TYMD005	150.7	135	136	1	5.0	NA

** 0.2g/t Au lower cut-off, no upper cut-off, no internal waste, all intercepts >3g/t Au reported*

[7] *Refer to NSW DIGS Open file report (R00009421) BP Minerals Australia Six Monthly Report for EL2350 dated January 1987.*

[8] *Refer to NSW DIGS Open file report (RE0003757) Eighth Annual Report for EL6325 dated October 2012, Author: G Curnow.*

[9] *Refer to NSW DIGS Open file reports (R00024525) Cyprus Mines Corp Quarterly Report for EL123 dated November 1971.*

[10] *Refer to NSW DIGS Open file reports (R00024537 & R00024538) Cyprus Mines Corp Results of Drilling Program for EL123 dated August 1971.*

Table C: Yellow Mountain Mine Prospect Drill Collar Information

Hole ID	Hole Type	Easting*	Northing*	RL	Dip (degrees)	Azimuth* (degrees)	Total Depth (m)	Year Drilled	Company
PYM011	RC	483129	6407954	300	-60	270	87	1986	BPMA
PYM012	RC	483125	6407907	300	-90	0	130	1986	BPMA
PYM013	RC	483158	6407902	300	-60	270	51	1986	BPMA
YD02	DD	483220	6407893	316	-50	280	259.4	1970	Cyprus
YD05	DD	483159	6407952	307	-50	280	154.8	1970	Cyprus
YD13	DD	483225	6407892	300	-90	0	305.7	1971	Cyprus
YP05A	PERC	483105	6408003	300	-90	0	82.3	1970	Cyprus

** GDA94 zone 55*

Table D: Yellow Mountain Mine Prospect Significant Drilling Results

Hole_ID	EOH Depth (m)	Hole Type	From	To	Width	Au (g/t)*	Cu (%)#	Ag (g/t)	Pb (%)	Zn (%)
PYM011	87	RC	14	66	52	0.54	0.31	35	1.15	1.28
PYM012	130	RC	64	104	40	0.49	0.34	29	1.18	1.81
PYM013	51	RC	10	51	41	0.35	0.23	17	0.85	0.94
YD02	259.4	DD	57.4	135.4	78	0.32	NA	25	NA	NA
YD02			97.5	163.5	66	NA	0.31	NA	0.79	1.69
YD05	154.8	DD	43.2	80.2	37	0.28	NA	21	NA	NA
YD05			39.6	84.6	45	NA	0.24	NA	0.58	1.07
YD13	305.7	DD	198	214.5	16.5	1.08	0.48	52	2.04	3.48
YP05A	83	PERC	0	24.4	24.4	NA	1.12	NA	1.19	1.02

** Intercepts for all PYM prefixed holes used a 0.2g/t Au lower cut-off, no upper cut-off, and max 1m internal waste.*

** Intercept for YD13 used a 0.4g/t Au lower cut-off grade, no upper cut off grade, and no internal waste.*

** Au & Ag intercepts for YD02 and YD05 used a 0.1g/t Au lower cut-off grade, no upper cut off grade, and max 1m internal waste.*

 # Cu-Pb-Zn intercepts for YD02, YD05 & YP05A used a 0.1% Cu lower cut-off grade, no upper cut off grade, and max 1m internal waste.

Please direct enquiries to Alchemy's authorised representative:

Mr Leigh Ryan – Managing Director

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Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Leigh Ryan, who is the Managing Director of Alchemy Resources Limited and holds shares and options in the Company. Mr Ryan 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 Ryan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This report may include forward looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Alchemy. Actual values, results or events may be materially different to those expressed or implied in this report. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward looking statements in this presentation speak only at the date of issue of this presentation. Subject to any continuing obligations under any applicable law and the ASX Listing Rules, Alchemy does not undertake any obligation to update or revise any information or any of the forward looking statements in this presentation of any changes in events, conditions or circumstances on which any such forward looking statement is based.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Samples referred to in this Public Report are diamond core, percussion, reverse circulation (RC), and Aircore (AC) drill samples obtained using a variety of sampling techniques most of which have not been documented in the historic reports. Additional samples referred to in this report include rock chip samples and polished thin sections (magnetite study), a molybdenite sample obtained from the Melrose magnetite anomaly. No sampling technique information found for YD prefixed diamond holes, YP prefixed percussion holes or TYM prefixed AC drill holes. TYM prefixed diamond holes were NQ size and 1/3 core samples submitted for analysis. TYM prefixed RC drill holes were sampled in 1m and 4m composite intervals by an unknown method. 1m samples were submitted for analysis where 4m composite results were >0.2g/t Au. PYM prefixed RC holes were sampled at 2m intervals with a sample split of ~4kg sent for sample prep and analysis. Where sample information is available the samples are considered to be representative of the material drilled.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	Drill types are included in the tables within the body of the report. All TYMAC prefixed holes were completed by Budd Drilling using industry standard drill rigs and drill bits. No detailed drilling technique information has been reported for the Yellow Mountain Mine drilling other than drill type and diamond core size (see below).
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	Very little sample recovery and moisture content information has been found in the historic reports, and subsequently relationships between sample recovery and grade, and bias as a result of loss/gain of material could not be determined.

Criteria	JORC Code explanation	Commentary
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* *The total length and percentage of the relevant intersections logged.*	Geological logging was completed on all AC, RC, percussion and diamond holes, with normal geological logging practices observed including colour, weathering, grain-size, lithology, alteration, mineralogy, veining, textures/structure and comments on other significant features noted. Logging of sulphide mineralisation and veining is quantitative. All holes were logged in full. No judgement has yet been made by independent qualified consultants as to whether diamond, RC, percussion or AC samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	No sub-sampling technique or sampling preparation information was found for YD prefixed diamond holes, YP prefixed percussion holes or TYM prefixed AC drill holes. TYM prefixed diamond holes were NQ size and 1/3 core samples submitted for analysis. TYM prefixed RC drill holes were sampled in 1m and 4m composite intervals by an unknown method. 1m samples were submitted for analysis where 4m composite results were >0.2g/t Au. PYM prefixed RC holes were sampled at 2m intervals with a sample split of ~4kg sent for sample prep and analysis. YD prefixed holes were pre-collared with RC to base of dacite then NQ to fault at footwall then reduced to BQ. Very little information on sampling quality control procedures or sample size information was reported for the Yellow Mountain Mine or Fountaindale prospects.

Criteria	JORC Code explanation	Commentary
		The stated drilling methods used normally provide sample sizes appropriate to the material being sampled and analysed.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	All TYM prefixed hole samples were submitted to ALS Orange, NSW for analysis using ALS methods Au-AA26 / Fire assay (50g) / ME-ICP41 / ICP 4 acid digest. All YD and YP prefixed holes (1970/71) were submitted to GSC Laboratories Alexandria, NSW for Cu, Pb, Zn analysis. All PYM prefixed holes (1986) were submitted to BPMA Laboratory Welshpool, WA for Au, Ag, Cu, Pb, Zn, As Method PM2 / AAS. Reporting of QAQC samples has been poor especially at the Yellow Mountain Mine. Duplicate samples for Fountaindale were reported but no internal laboratory standards using certified reference material and blanks were located. Polished sections were probed using the new Cameca SX100 at the Australian National University and analysed for Si, Ti, V, Ti, Fe, Ca, Mg, Mn and Zn with detection limits of ~25 ppm. The Re-Os dating method is based on the decay of ^{187}Re to ^{187}Os. Molybdenite is ideal for this technique as it naturally contains high concentrations of Re. It can also be assumed that molybdenite contains no original ^{187}Os. Thus, all Os measured in the sample can be assumed to have been derived from the radioactive decay of ^{187}Re All uncertainties were 2 sigma fully propagated but do not include uncertainty on the Re decay constant. The age date does not include weighing uncertainties as a mixed spike was used. The ppb and ppm values do include weighing uncertainties.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes* *Documentation of primary data, data entry procedures, data verification,*	Reported drill hole intercepts are compiled by the Company's competent person. No twinned holes were drilled. Data was collected by qualified geologists and supervised geo-technicians. All data has been entered into Excel spreadsheets.

Criteria	JORC Code explanation	Commentary
	data storage (physical and electronic) protocols. *Discuss any adjustment to assay data.*	Validation rules are in place to ensure no data entry errors occur. Data is loaded into a Datashed database by an experienced database administrator, and reviewed by an Alchemy geologist, who is a competent person. No assay data adjustments have been made. TYMD005 was not reported in any open file Annual Reports except for collar and intercept information, no individual assay or geology data is available
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	A DGPS was used to locate all Fountaindale drill collars (TYM prefix), with an expected +/-1m vertical and horizontal accuracy. All YD and YP prefixed holes were located on an imperial local grid using a theodolite. A local grid geology map containing all drill hole collars and all local grid lines was georeferenced using topographic features. The same plan was used to locate dipole-dipole IP data. Topographic control for drill hole collars was obtained from 20m contours digitised from 1:100,000 scale topographic maps. No down hole surveys were collected for AC or RC holes (TYM and TYMAC prefixed) drilled at the Fountaindale Prospect. Down hole surveys were collected approximately every 30m in TYMD prefixed diamond holes using a downhole survey camera. No down hole surveys were collected for PYM and YP prefixed holes. Down hole surveys were collected approximately every 30m in all YD prefixed holes using a variety of techniques including Tropari, and etch test methods. The grid system reported for all collar locations is the UTM Geocentric Datum of Australia 1994 (GDA94 Zone 55). The drill collar and down hole location accuracy is considered appropriate for this stage of exploration.

Criteria	JORC Code explanation	Commentary
		The location accuracy for dipole-dipole IP data is also considered appropriate for this stage of exploration.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Drill line spacings range from 50m to 150m within each prospect area, and on these drill lines hole spacings vary from ~20m to ~100m. Yellow Mountain IP survey used both a 600ft line spacing and 400ft dipole spacing, and infill using 200ft lines and 100ft dipoles. No Mineral Resource or Reserve has been reported for this drilling.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drill holes within the Fountaindale intrusive have been drilled to the north, south, east, NE, SW and vertically, however gold-copper bearing structures are related to stockwork quartz veining and brecciation and have no consistent orientation that may cause a bias in drill samples. Mineralisation at Yellow Mountain is both stratabound / VMS (associated with shallow east and west dipping sediments and volcanics in a shallow syncline) and associated with quartz veins in steep east dipping high strain zones sub-parallel to the granite – sediment contact. Drilling in the area is generally oriented at right angles to both lithological contacts and shearing however some variation occurs as the dip component of drill holes lifts or steepens. The majority of holes at Yellow Mountain Mine have been drilled to the WNW on the west side of the syncline, and to the ESE on the east side of the syncline in order for the drill sample orientation to be as close to right angles as possible. The collar inclination of holes at Yellow Mountain Mine has been -50, -60 and -90 degrees. IP lines were run at right angles to the mineralisation, lithologies and fold axis of the Yellow Mountain syncline. No orientation biased sampling bias has been identified.

Criteria	JORC Code explanation	Commentary
Sample security	*The measures taken to ensure sample security.*	No information on sample security was reported.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No external audit or review of the sampling techniques or sample data capture has been conducted to date.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Type - Exploration Licence (currently in good standing) Reference name –Yellow Mountain Reference number – EL8356 Location – 50km north of Condobolin, NSW. Ownership – 51% Alchemy Resources (NSW) Pty Ltd (a wholly owned subsidiary of Alchemy Resources Limited), 49% Ochre Resources Pty Ltd (a wholly owned subsidiary of Heron Resources Limited) Overriding royalties - none The land is 100% freehold (apart from road reserves). No Wilderness Reserves, National Parks, Native Title sites or registered historical sites are known. Ngemba, Ngiyampaa, Wangaaypuwan and Wayilwan native title determination application (NSD415/2012) covers the northern part of the licence, however freehold land is excluded from Native Title in NSW. No environmental issues are known.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Previous exploration within the area covered by EL8365 has included desktop studies, geological mapping, soil sampling, rock chip sampling, Aircore, RC and diamond drilling, petrological descriptions, lead isotope interpretation, magnetite composition determinations, Re-Os age dating, U-Pb age dating and various ground geophysical surveys (including ground magnetics, and IP).

Criteria	JORC Code explanation	Commentary
		The majority of the work was completed by Cyprus Mines Corporation, Triako Resources Ltd and Paradigm Metals Ltd.
Geology	*Deposit type, geological setting and style of mineralisation*	Geological setting – EL8356 is located in the Canbelego-Mineral Hill Volcanic Belt at the intersection of the Gilmore Suture, which hosts the Cowal and Overflow mineralisation, and the Lachlan Transverse Zone, which hosts the Cadia Valley and Northparkes copper-gold deposits. The regional geology is dominated by the lower Ordovician Girilambone Group, which consist of quartzo-feldspathic schist, sandstone and siltstone, and have been intruded by the Silurian Erimeran Granite (porphyritic biotite-muscovite granite) along the western margin of the tenement. The Ordovician siltstones and sandstones of the Girilambone Group are unconformably overlain to the northeast by the northwest-trending Siluro-Devonian Kopyje Group. The Kopyje Group rocks comprise tuffs, lava flows and minor siltstones and tuffaceous sediments of the Majuba Volcanics which have undergone extensive hydrothermal magnetite alteration. Deposit type and style of mineralisation – four main styles of mineralisation have been reported in the Yellow Mountain Project area: • Exhalative Volcanogenic Massive Sulphide Cu-Pb-Zn-Ag-Au mineralisation with a structurally controlled Cu-Au mineralisation overprint associated with quartz veins in high strain zones (Yellow Mountain Mine). • Disseminated gold (+/- arsenic) mineralisation in Ordovician sedimentary and volcanic rocks at Quarry Hill, possibly related to distal porphyry mineralisation, or alternatively to 'Carlin-style' sediment-hosted gold deposits. • Porphyry copper-gold style mineralisation within the Fountaindale granodiorite intrusive at the Fountaindale Prospect.

Criteria	JORC Code explanation	Commentary
		• Skarn (including Cu-Zn-Ag-As sulphide) mineralisation at the contact between the Majuba Volcanics / Sediments and the Yellow Mountain Granite, and at the Erimeran Granite Girilambone Group contact.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	All drill hole information is tabulated within the body of the announcement.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	A weighted average was used to calculate all mineralisation intercepts. Intercepts for all TYM prefixed holes used a 0.2g/t Au lower cut-off, no upper cut-off, no internal waste, and all intercepts >3g/t Au were reported. Intercepts for all PYM prefixed holes used a 0.2g/t Au lower cut-off, no upper cut-off, and max 1m internal waste. The intercept for YD13 used a 0.4g/t Au lower cut-off grade, no upper cut off grade, and no internal waste. Au and Ag intercepts for YD02 and YD05 used a 0.1g/t Au lower cut-off grade, no upper cut off grade, and max 1m internal waste.

Criteria	JORC Code explanation	Commentary
		Cu-Pb-Zn intercepts for YD02, YD05 & YP05A used a 0.1% Cu lower cut-off grade, no upper cut off grade, and max 1m internal waste. YD prefixed hole intercepts have been converted from feet to metres by dividing by 0.3048. Au and Ag intercepts in YD13 were converted from oz/long ton to g/t by multiplying by 30.6122. The intercept for TYMD004 reported in Golden Cross Resources Limited June Quarterly Report dated 30 July 2004 did not state an aggregate procedure so the raw data was used to recalculate the intercept over a 3.3m interval.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	All intercepts reported are downhole widths. It is estimated that the angle between the drill hole direction and the plane of mineralisation at Yellow Mountain is between 45^0 and 90^0 which implies that downhole intercept is between width x ~0.7 (for 45^0) and x 1 (for 90^0) = true intercept width. The angle between the drill hole direction and the plane of mineralisation at Fountaindale is unknown and potentially quite variable due to this style of mineralisation (stockwork quartz veining and breccia - Porphyry Cu-Au style)
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Appropriate plans, cross sections and tables have been included in the body of this announcement and below.

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		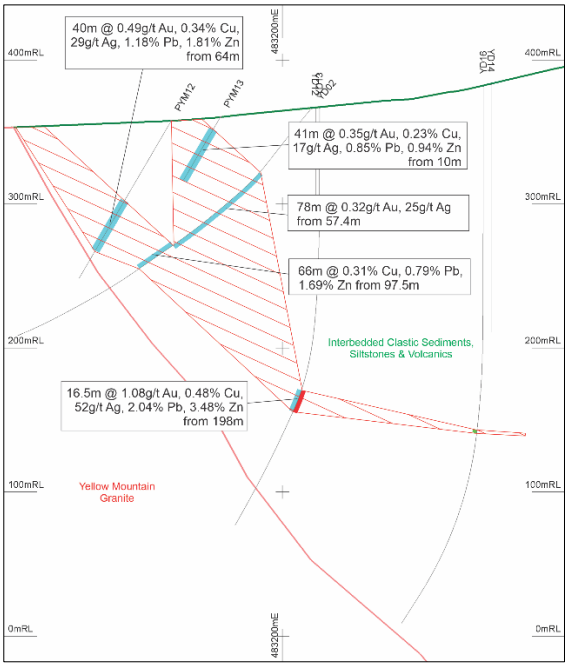 Yellow Mtn Mine Prospect Cross Section 6407900N Due to the thin nature of the intercepts and the breccia/stockwork nature of mineralisation at Fountaindale detailed cross sections and plans have not been produced.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All gold drill intercepts >3g/t Au have been reported for the Fountaindale Prospect. Reported drill intercepts from the Yellow Mountain Mine area include only those >10m & Au (>0.25g/t) & Cu (>0.2%) & Ag (>20g/t) & Pb (>0.5%) & Zn (0.9%).
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Yellow Mountain Induced Polarisation - Cyprus Mines Corporation completed by Heinrichs Geoexploration (Australasia) Pty Ltd in August 1968, July 1969, and March 1970. The IP equipment used for all 3 surveys was a multi-selectable frequency type, with a high-power generator used in conjunction with a heavy-duty sender having a power range to 10 amps. Dual frequencies of 1.0 Hz and 0.5 Hz were used. In survey 1 spreads were run using a symmetrical-co-linear dipole-dipole electrode configuration, with a standard of 5 current electrodes per spread. 400ft dipole spacing on 600ft lines.

Criteria	JORC Code explanation	Commentary
		In survey 2, 7 current electrodes were used and data was taken to N=6 and continues to N=5 on a symmetrical, collinear dipole-dipole configuration. 100ft dipole spacing on 200ft lines. Survey 3 comprised 39 spreads run on 26 lines using a 200ft dipole spacing and a 300ft line separation. The spreads were run using a symmetrical, collinear dipole-dipole electrode configuration with 7 to 9 current electrodes per spread.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	At the Yellow Mountain Mine Prospect, RC and or diamond drilling is planned to test the interpreted down plunge extension of Au-Ag-Cu-Pb-Zn mineralisation located on section 6407900N. Additional dipole-dipole IP surveys will be conducted across the Melrose magnetite alteration zone in order to detect significant conductors related to disseminated sulphides at depth prior to conducting deep diamond drilling designed to test for porphyry copper-gold mineralisation.