

ASX ANNOUNCEMENT

29 APRIL 2013

CODE: ALY

BOARD OF DIRECTORS

Mr Oscar Aamodt Non-Executive Chairman

Ms Sofia Bianchi Non-Executive Director

Mr Lindsay Dudfield Non-Executive Director

Mr Anthony Ho Non-Executive Director

ISSUED CAPITAL

SHARES 156,852,955

OPTIONS 2,050,000 (Unlisted)

PROJECTS

BRYAH BASIN (80-100%)

MURCHISON (80-100%)

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More high-grade gold at Central Bore

- High-grade gold returned in RC drilling program targeting extensional positions, including
 - 5 metres at 4.78 g/t gold from 128 metres, including 1 metre at
 21.2 g/t gold, and 11 metres at 1.25 g/t gold from 152 metres in
 CBRC057
 - 5 metres at 4.52 g/t gold from 61 metres, including 1 metre at
 20.7 g/t gold in CBRC059
- Drilling extends gold mineralisation along strike and remains open at depth

Alchemy Resources Limited (ASX: **ALY**) is pleased to report further high-grade gold assay results from the reverse circulation (RC) drilling program completed in March 2013. These holes targeted gold mineralisation at the Central Bore Prospect (*Figure* 1), part of Alchemy's Bryah Basin Project, located 130 kilometres north of Meekatharra, Western Australia.

Gold mineralisation at Central Bore is in high grade (>10 g/t gold) zones within a broad (40-60 metre thick) lower grade gold mineralised envelope, associated with a series of northeast-trending veins and structures in granite.

The step-out RC drilling program consisting of 6 holes for 918 metres was designed to test along strike extensional positions to the south-west and north-east of existing gold intersections.

Assay results for 4 metre composite samples and a limited number of 1 metre split samples returned intervals of high gold mineralisation (applying a 0.4 g/t gold lower cut-off and maximum 2 metres of internal dilution), and include best intersections of:

CBRC056 8 metres @ 1.27 g/t gold from 48 metres, and 4 metres @ 1.59 g/t gold from 66 metres
 CBRC057 5 metres @ 4.78 g/t gold from 128 metres, including 1 metre @ 21.2 g/t gold from 132 metres, and 11 metres @ 1.25 g/t gold from 152 metres
 CBRC059 5 metres @ 4.52 g/t gold from 61 metres,

including 1 metre @ 20.7 g/t gold from 64 metres

The attached *Figure 2* shows the location of the drill holes and *Table 1* lists all significant intercepts above 0.4 g/t gold. Previous drilling has indicated significant coarse gold and screen fire assays are currently being undertaken on selected highgrade samples.

Challenging drilling conditions resulted in three holes (CBRC058, CBRC059 and CBRC061) abandoned short of the target depth. Results for these holes indicate that drilling stopped within the gold mineralised envelope, with CBRC058 returning 8 metres at 1.00 g/t gold from 147 metres.

The drilling confirms and extends previously reported drilling results (see ASX announcements dated 10 December 2010, 15 July 2011 and 5 July 2012) and indicates that the high-grade intervals appear to have some continuity within the envelope of low grade gold mineralisation. Based on results to date, the high-grade gold mineralisation may form parallel shoots that plunge to the south-east (*Figure 2*).

Gold mineralisation remains open along strike to the southwest and northeast as well as at depth. Further drilling has the potential to expand the area of gold mineralisation outside of the known mineralised area.

Alchemy remains focussed on unlocking the copper – gold potential of its expanded Bryah Basin landholding with targeted drilling, geophysical surveys and geochemical sampling continuing across the project area.

Planning is underway for shallow drill testing of a number of geochemical and geophysical targets within the prospective Narracoota sequence. Two strike-extensive targets are directly along strike to the +7 km long multi-element anomaly recently delineated by Sandfire Resources at their North Robinson Range prospect. The shallow drilling will aim to identify secondary/oxide copper-gold anomalism within the weathered profile that will allow better delineation of primary sulphide targets to be tested by deeper RC drilling.

- ENDS -

Please direct enquiries to: Mr Osc

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ABOUT ALCHEMY RESOURCES

Alchemy is actively exploring two key areas; the Bryah Basin Project and the Murchison Project.

The Bryah Basin Project contains more than 45 kilometres of strike extent of the Narracoota Volcanic Sequence, host to Sandfire's DeGrussa copper deposit. Alchemy is undertaking systematic evaluation of its Bryah Basin landholding, which is highly prospective for the discovery of VMS-style copper deposits.

The Bryah Basin Project includes the Hermes and Wilgeena gold deposits and the Central Bore gold prospect. Hermes has an Indicated Resource of 3.34 Mt @ 1.98g/t gold (equivalent to 212,687 ounces of gold) and Wilgeena, located 15 kilometres south of Hermes, hosts an Indicated Resource of 1.36 @ 1.99g/t (equivalent to 87,373 ounces of gold).

The Murchison Project consists of more than 700 square kilometres of tenements located in the vicinity of several large (>1Moz) gold deposits. The project is being explored for gold and base metals.

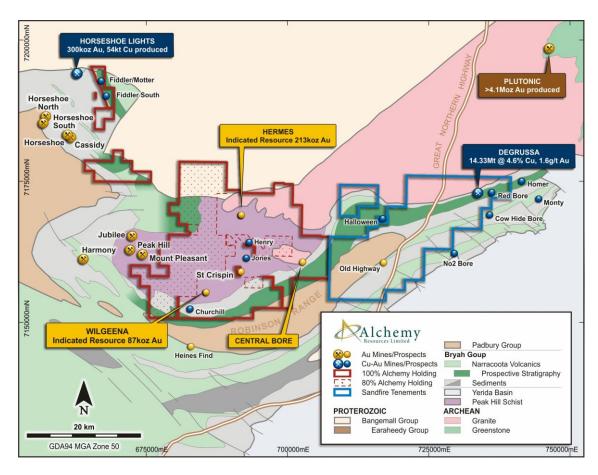


Figure 1. Bryah Basin Project – Central Bore gold prospect.

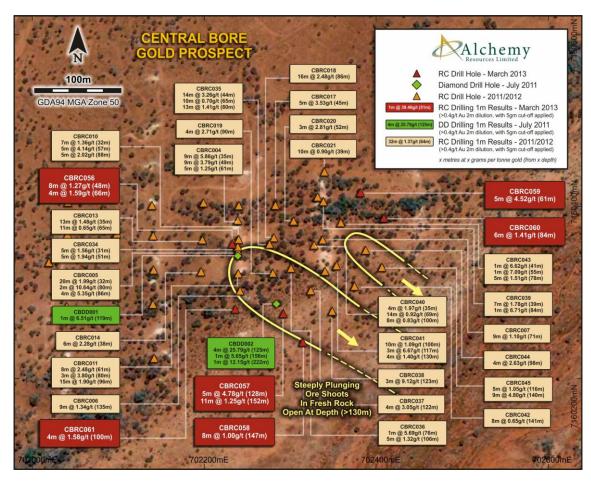


Figure 2. Bryah Basin Project - Central Bore gold prospect - recent RC drilling results (>0.4g/t gold, with 5 gm cut-off).

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 Fellow of the Australian Institute of Geoscientists and is a full-time employee of Alchemy Resources Limited. Dr Cassidy has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves'. Dr Cassidy consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at the Hermes Gold Deposit and Wilgeena Gold Deposit is based on information compiled by Mr Simon Coxhell of CoxsRocks Pty Ltd, who is a Member of the Australian Institute of Geoscientists and a Member of the Australasian Institute of Mining and Metallurgy and is a consultant to Alchemy Resources Limited. Mr Coxhell has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves'. Mr Coxhell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Table 1: Bryah Basin Project – Central Bore, RC drilling – Significant intervals from March 2013 RC drilling (0.4g/t gold)

Hole ID	Easting	Northing	RL	Hole	Dip	Azi	From	То	Intercept	Comment
	(m)	(m)	(m)	Depth (m)			(m)	(m)	(m)	
CBRC056	702233	7160355	575	150	-60	320	29	34	5m @ 0.87 g/t	
							37	43	6m @ 0.72 g/t	
							48	56	8m @ 1.27 g/t	
							66	70	4m @ 1.59 g/t	
							76	77	1m @ 0.88 g/t	
							81	85	4m @ 1.06 g/t	
							93	97	4m @ 0.55 g/t	
CBRC057	702292	7160274	571	222	-60 320	320	64	68	4m @ 0.79 g/t	
							84	88	4m @ 0.53 g/t	
							92	95	3m @ 0.78 g/t	
							113	114	1m @ 0.69 g/t	
							121	122	1m @ 0.65 g/t	
							128	133	5m @ 4.78 g/t	incl. 1m @ 21.2g/t (132m)
							152	163	11m @ 1.25 g/t	
							168	173	5m @ 0.51 g/t	
CBRC058	702315	7160241	576	156*	-60	320	147	155	8m @ 1.00 g/t	ends in mineralisation
CBRC059	702382	7160415	575	108*	-60	320	32	36	4m @ 0.42 g/t	
							44	48	4m @ 0.68 g/t	
							61	66	5m @ 4.52 g/t	incl. 1m @ 20.7g/t (64m)
							99	100	1m @ 0.47 g/t	
CBRC060	702409	7160385	572	138	-60	320	64	68	4m @ 0.70 g/t	
							84	90	6m @ 1.41 g/t	
							103	105	2m @ 0.62 g/t	
							111	112	1m @ 4.44 g/t	
CBRC061	702236	7160279	570	144*	-60	320	36	40	4m @ 0.48 g/t	
							100	104	4m @ 1.58 g/t	

^{*} Drill hole abandoned short of target depth

Calculation of Assay Results:

Quoted drill intersections are based on a lower cut-off of 0.4g/t gold with a maximum of 2 metres of internal dilution (i.e., samples with less than 0.4g/t gold). Intercepts are 'down-hole' metres and no estimate regarding true thickness is made or implied.

Collar positions of drill holes determined by handheld GPS achieving less than 10m accuracy and using MGA datum (Zone 50). All drill holes were drilled at -60 degrees to 320 degrees MGA azimuth.

Drilling (hole prefix CBRC) by reverse circulation face sampling hammer, and then 1 metre split and bagged. Four metre composite samples collected by spear sampling of 1 metre bulk bags.

 $Assay\ results\ were\ obtained\ from\ geochemical\ analysis\ of\ either\ 4\ metre\ composite\ or\ 1\ metre\ split\ samples.$

All samples were analysed at ALS Global Laboratories in Perth. Samples are prepared using single stage pulverization of the entire sample. Gold assays are obtained using 30g fire assay technique and atomic absorption spectrometry analysis finish. Analytical quality assurance - quality control is achieved using a suite of certified standards, laboratory standards, field duplicates, laboratory duplicates, repeats, blanks and grind size analysis.