Alchemy Resources Limited
ACN 124 444 122

21 December 2011

Mr Dave Filov
Australian Securities Exchange
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Mr. Filov

UPDATED GENERAL MEETING PRESENTATION

Please find attached the updated presentation made to Shareholders at the recent General Meeting held on 16 December 2011. The presentation now includes slides clarifying the Resource Estimates and Exploration Targets.

Yours sincerely

AB Crawford.

Bernard Crawford
Company Secretary

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Alchemy Resources Limited

ASX: ALY

Giving investors a slice of the rich Bryah Basin, Australia's hottest new exploration frontier

Presentation to Shareholders

16 December 2011

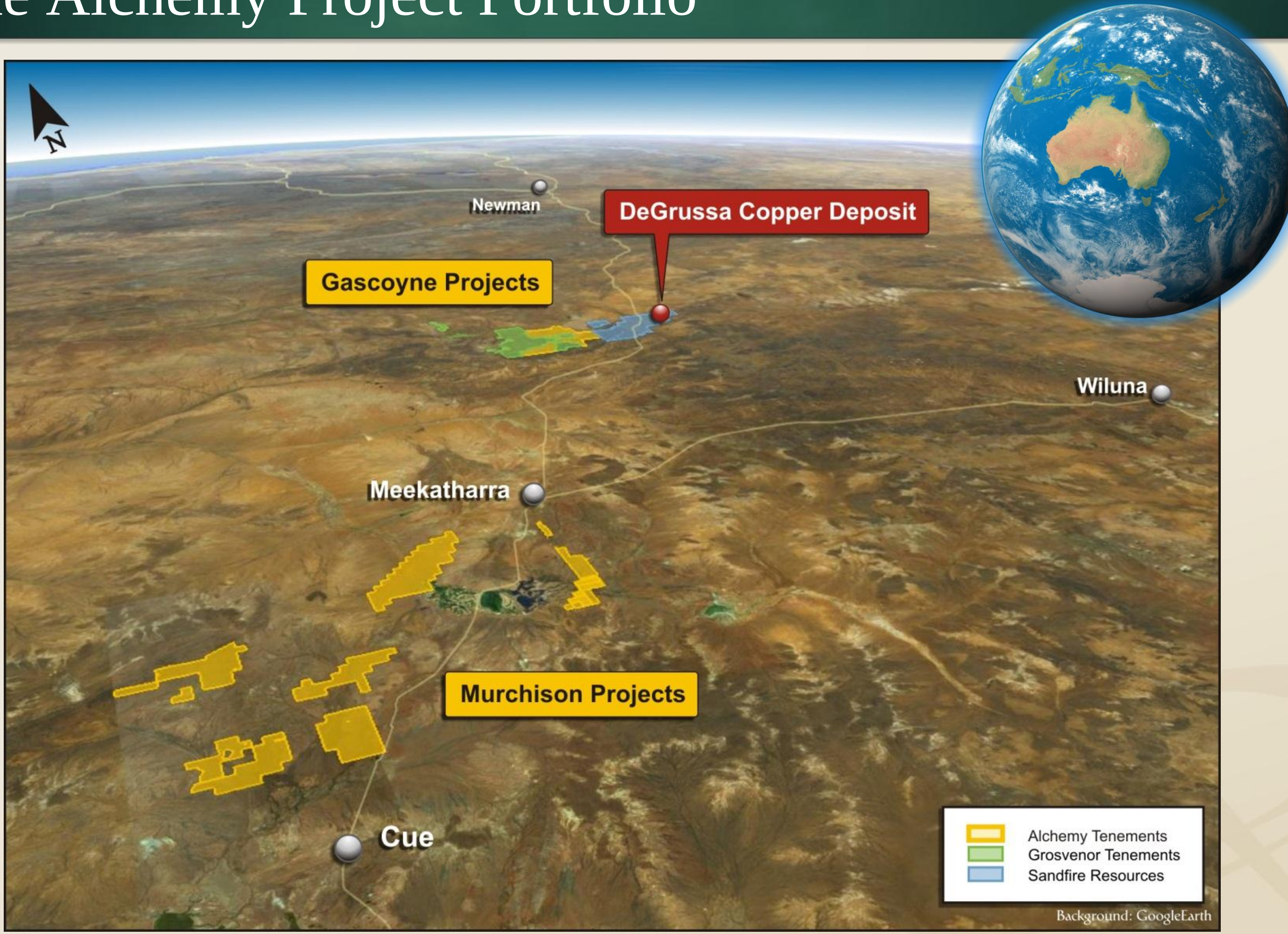
Creating shareholder wealth through exploration

- Extensive land holding in the heart of WA's rich Bryah Basin
- Grosvenor deal (settlement late Dec, 2012) will increase Bryah Basin land holding from 274km^2 to 630km^2
- Bryah Basin hosts Sandfire's DeGrussa Copper-Gold Project. The key DeGrussa geological structures and host units continue into Alchemy ground
- Indicated Mineral Resource of 246,000oz gold at an average grade of 2.22g/t, close to existing processing plants
- Plus, Murchison Project: >700km^2 prospective for gold and base metals
- Cash ~$3.5M at 30 September 2011; $4M capital raising proposed
- Main focus for 2012 is discovering more DeGrussas

Capital structure - current

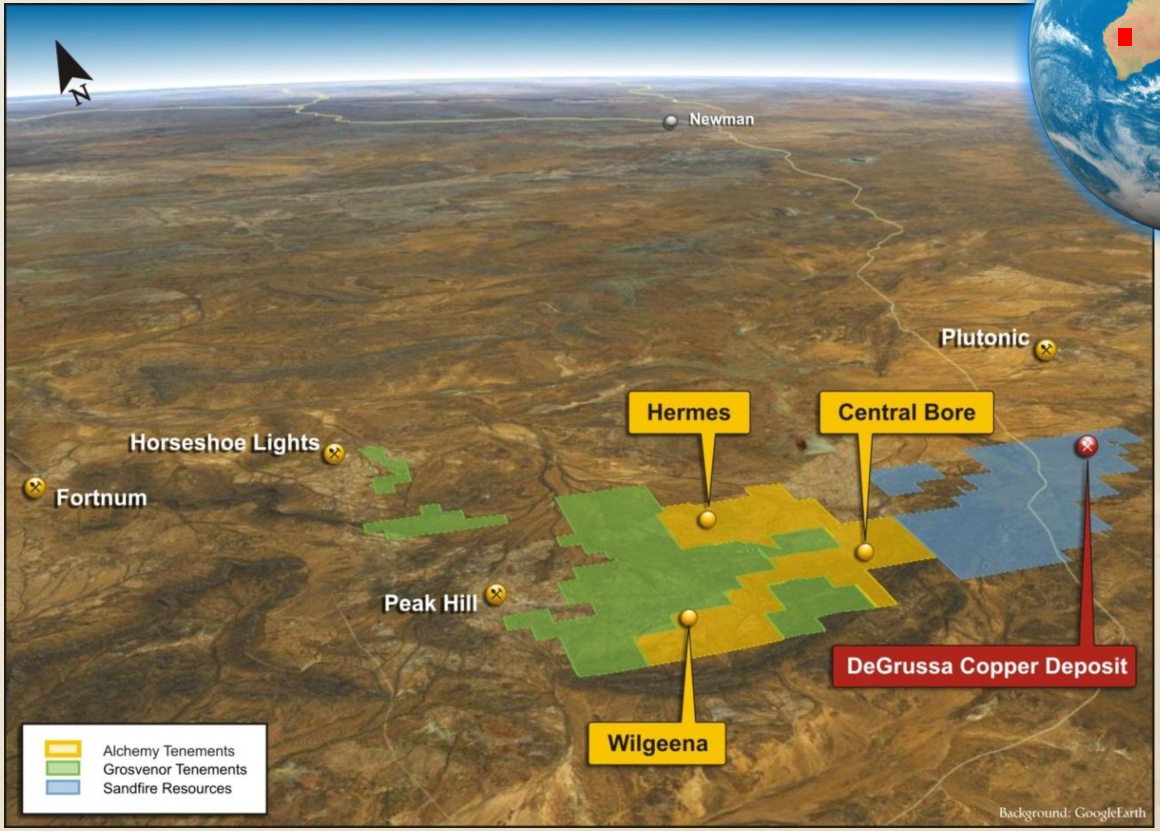
Listed on ASX in November 2007	**Code: ALY**		
Shares on issue	97.45m		
Options – unlisted	2.80m		
Cash (30 September 2011)	$3.5m		
Top 3 Shareholders	Jindalee Resources	9.80m	(10.1%)
	Stella Downey	4.92m	(5.1%)
	Richard Barry	3.02m	(3.1%)
Directors	Oscar Aamodt	(Non-executive Chairman, Independent)	
	Lindsay Dudfield	(Non-executive)	
	Anthony Ho	(Non-executive, Independent)	

The Alchemy Project Portfolio

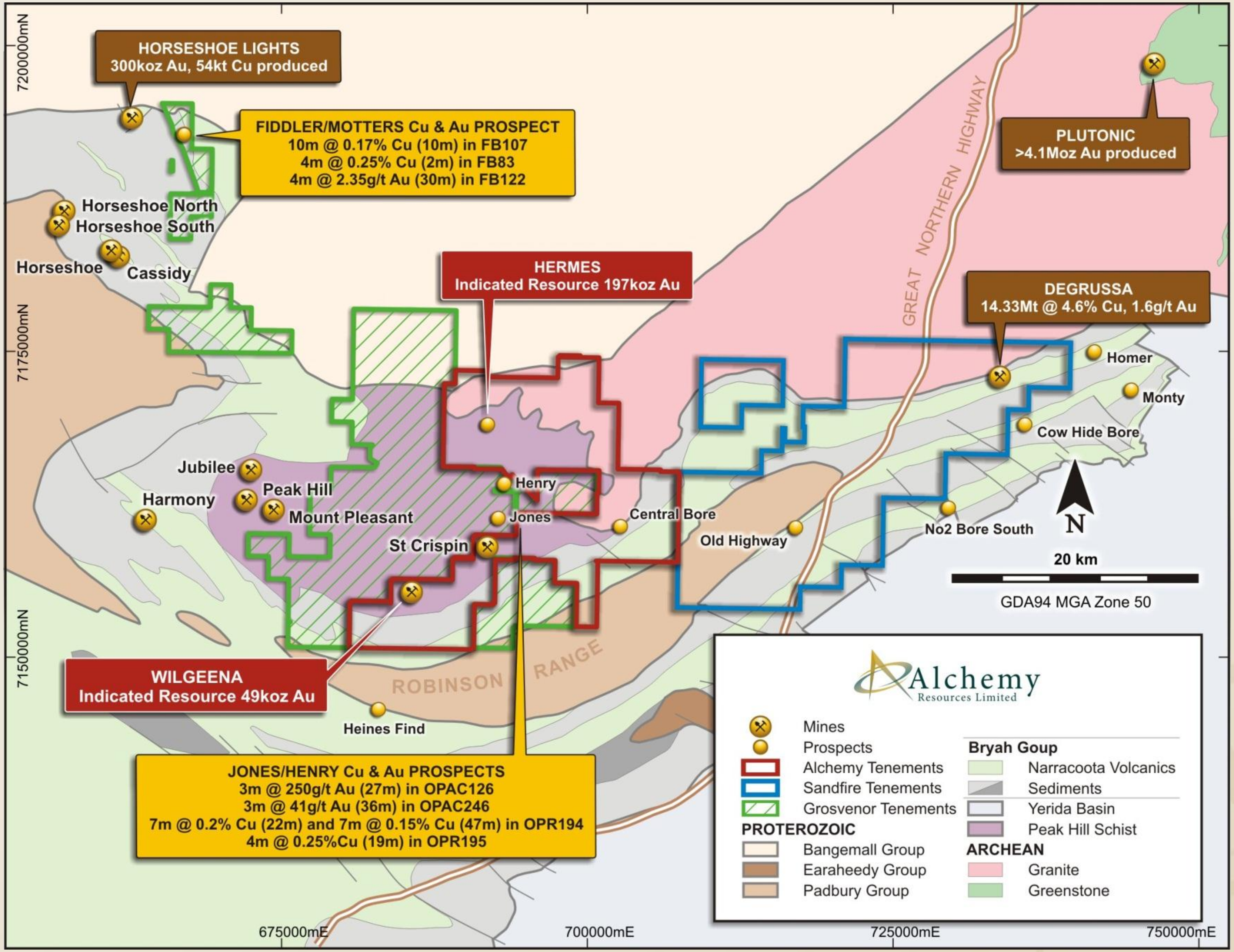


Grosvenor deal: More land = more exploration upside

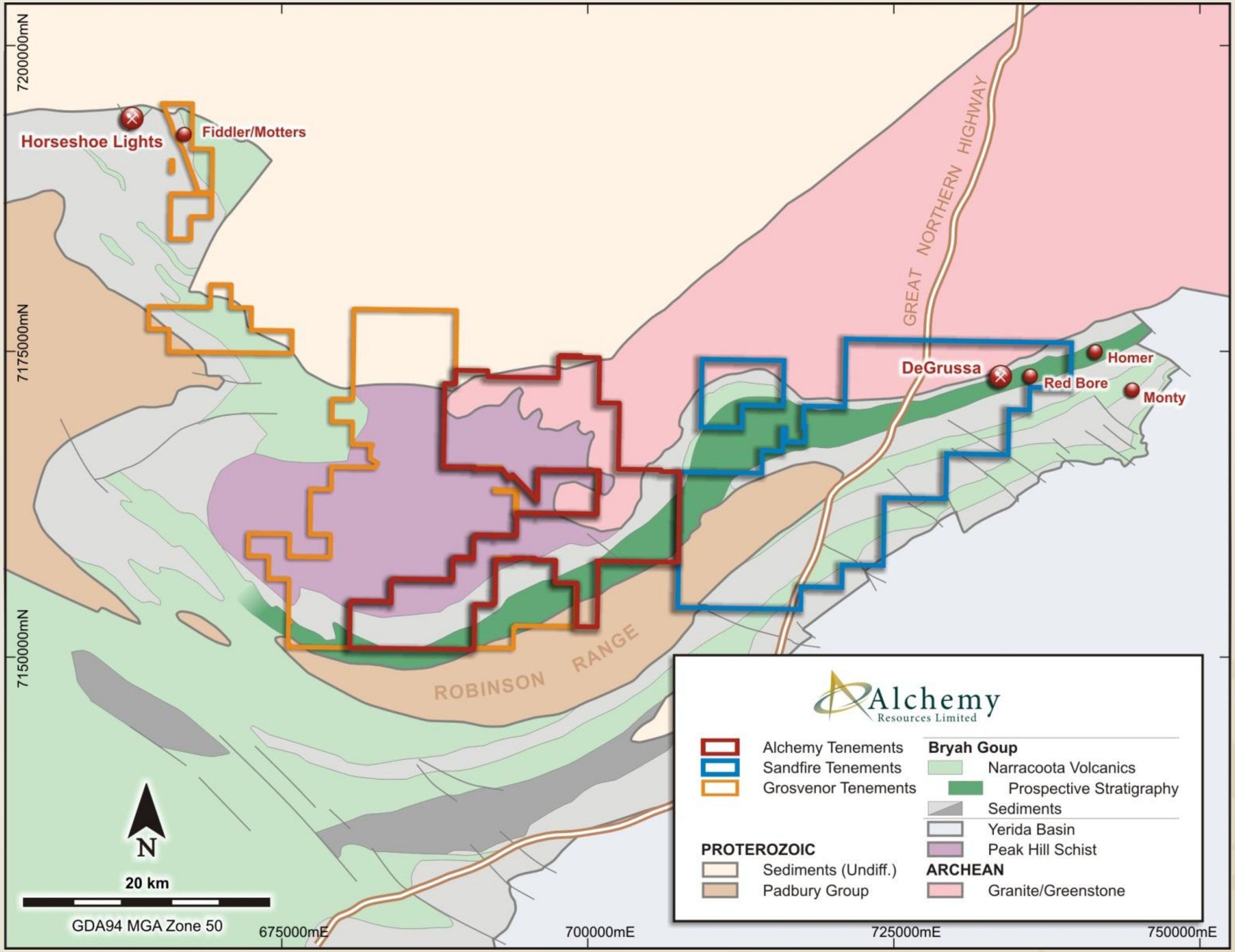
- Tenement position in Bryah Basin more than doubles to 630km^2
- Consideration of $3.5M in Alchemy scrip
- Discussions with potential Strategic Investors regarding $4M raising are underway



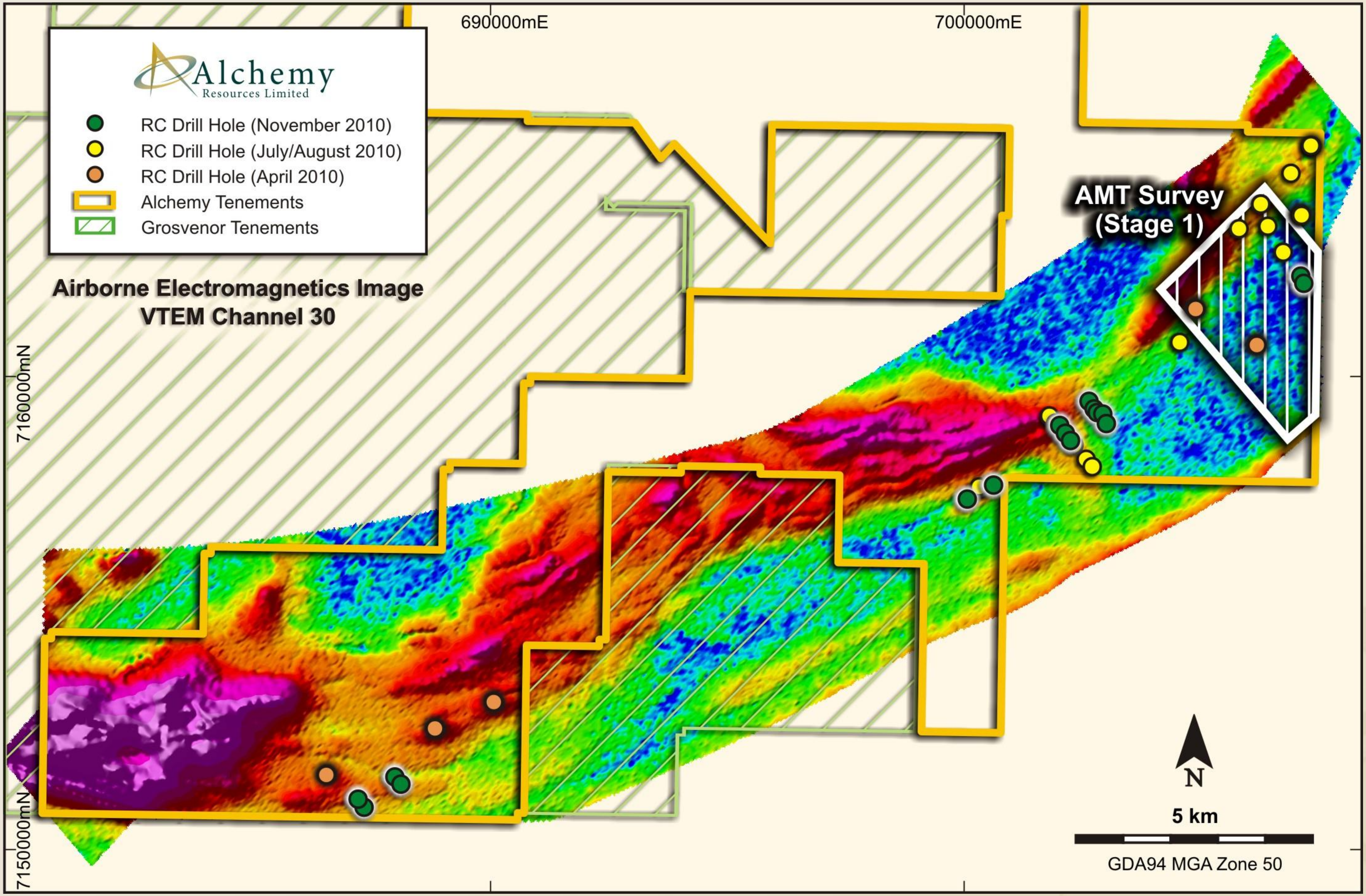
A dominant position in the heart of the Bryah Basin



The best Cu-Au ground in the Basin after Sandfire

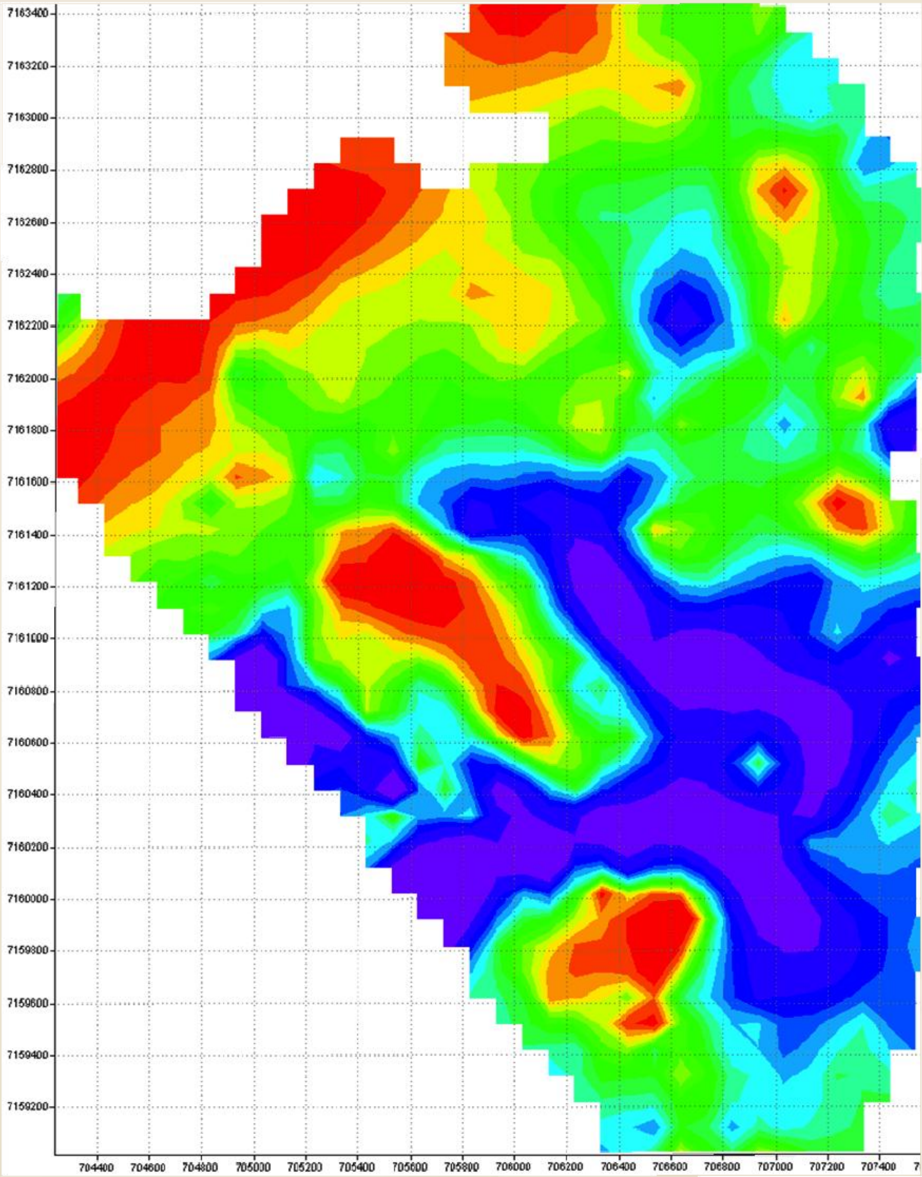


Bryah Basin: the start of an exciting exploration story

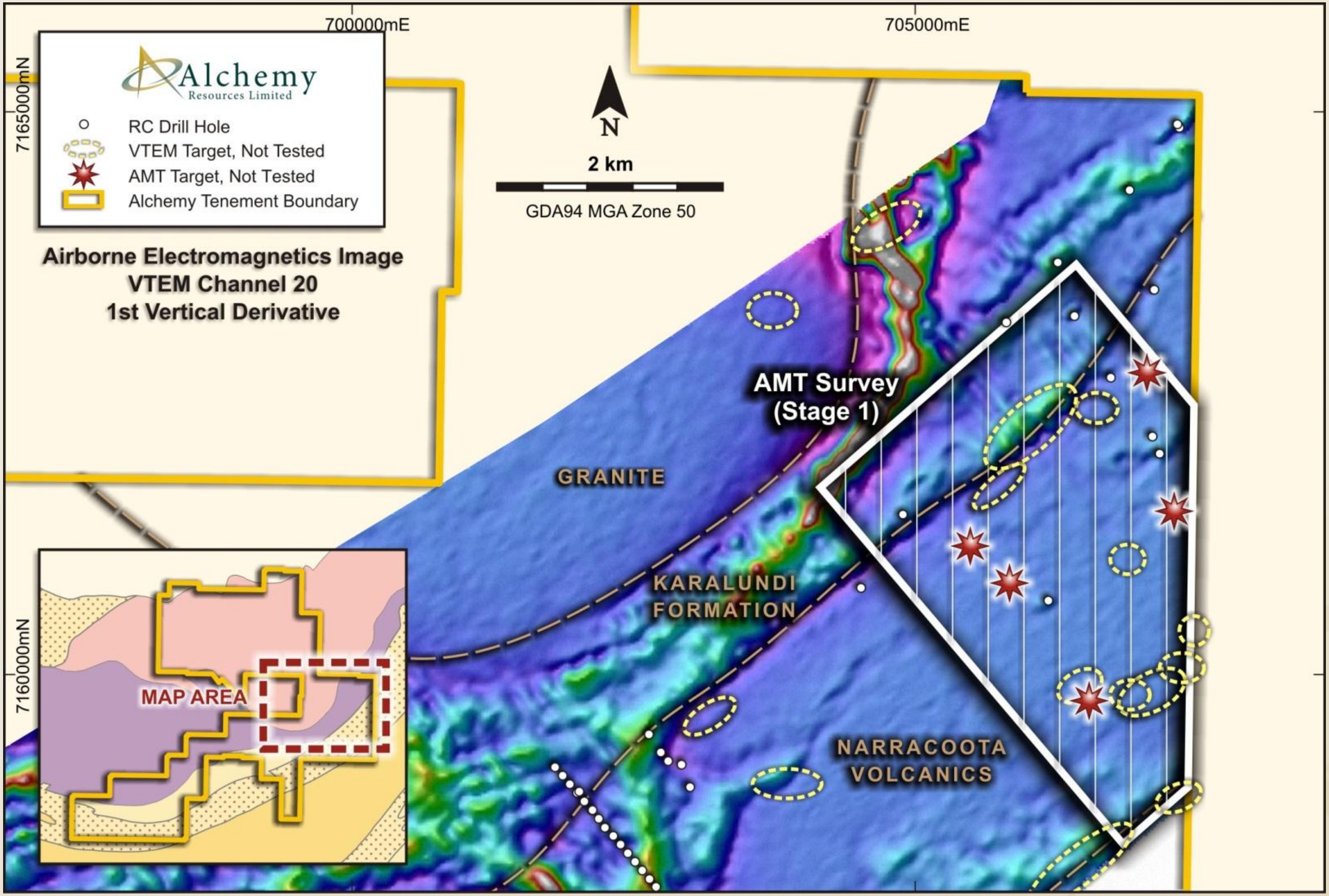


Using smart science to identify targets under cover

- Stage 1 Audio Magneto-Telluric (AMT) survey recently completed after May 2011 pilot lines
- Stage 1 acquired data over ~3km strike extent of Narracoota Volcanics (Magnus East prospect) to in-fill pilot study lines
- AMT method has greater depth penetration and results correlate well with other geophysical methods
- Drill targets (conductors = potential massive sulphide lenses) defined at depth and along trend

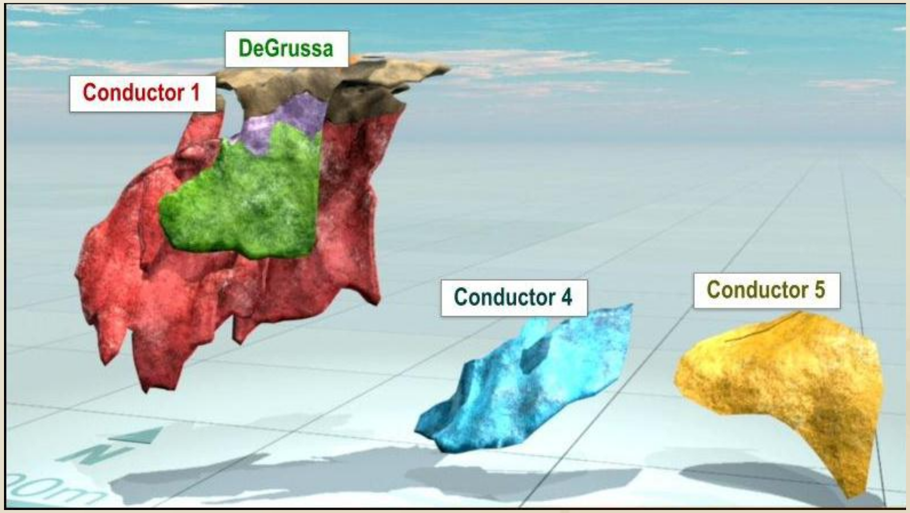


Bryah Basin: our understanding is evolving quickly



DeGrussa – Highlighting Alchemy's enormous upside

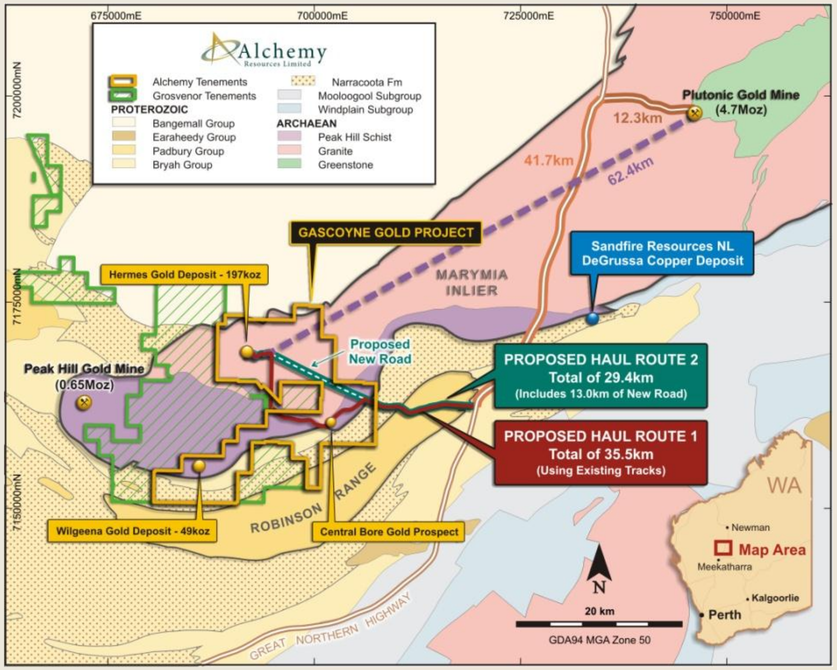
- Discovered April 2009 (Sandfire testing shallow gold target)
- DeGrussa is VMS deposit located near base of Narracoota Volcanic Ftmn
- Primary mineralization in near-vertical lenses that commence at >100m below surface and have been encountered at >500m depth
- Strike extent of DeGrussa resources = 1.4km
- DeGrussa is high-grade (>6% Cu Eq; in situ value ~A$7B) and low cost (C1 costs ~ US$1/lb); scheduled for production mid 2012

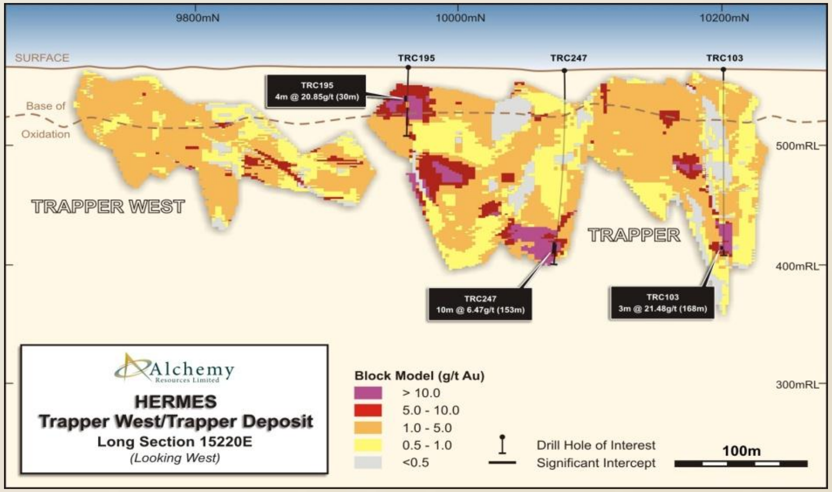


Why Alchemy's ground is so prospective

- Alchemy will control ~47km of strike extent of the Narracoota Volcanics after Grosvenor transaction (~23km currently)
- VMS deposits typically occur in clusters in favourable parts of stratigraphy
- Prospective stratigraphy mostly soil covered, never explored for copper
- Alchemy's main focus for 2012 (and beyond) will be the discovery of more DeGrussa's
- Native Title extinguished over >95% of area

Gascoyne Gold Project

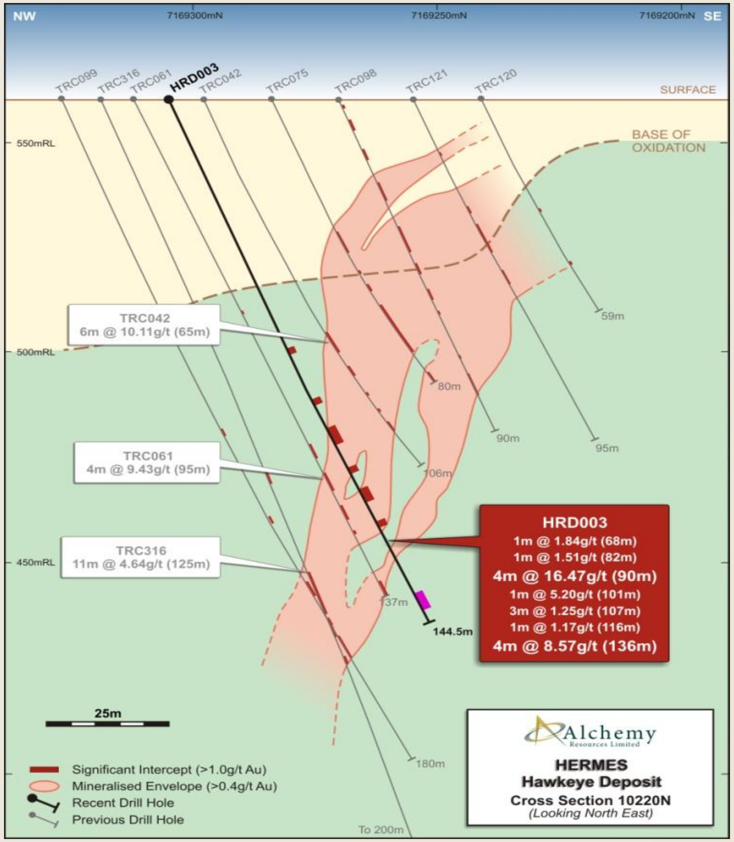


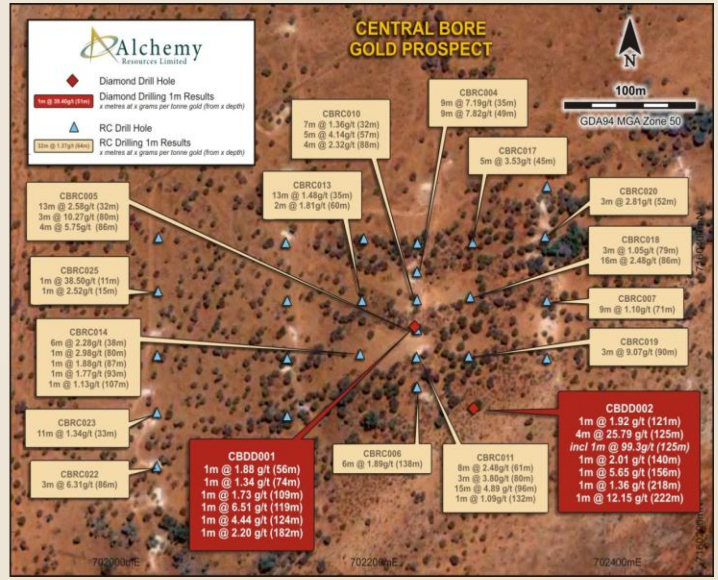


- Acquired from Troy Resources in July 2008 with 131,000oz Au Indicated resource
- Indicated resources now total 246,000oz at Hermes and Wilgeena with potential for growth through depth and strike extent of existing resources and at Central Bore
- Target to delineate >350,000oz by mid 2012 *
- Grosvenor tenement acquisition adds to resource growth potential

*Refer Exploration Target Slide

Strong potential for rapid growth in resources





Hermes Gold Deposit

- New zone of mineralisation identified (4m @ 8.57g/t Au from 136m)
- Open at depth, <3% of holes >125m vd
- RC drill program completed Dec 2011

Central Bore Gold Prospect

- Discovered late 2010
- Significant intercepts:

  4m @ 25.79 g/t Au from 125m

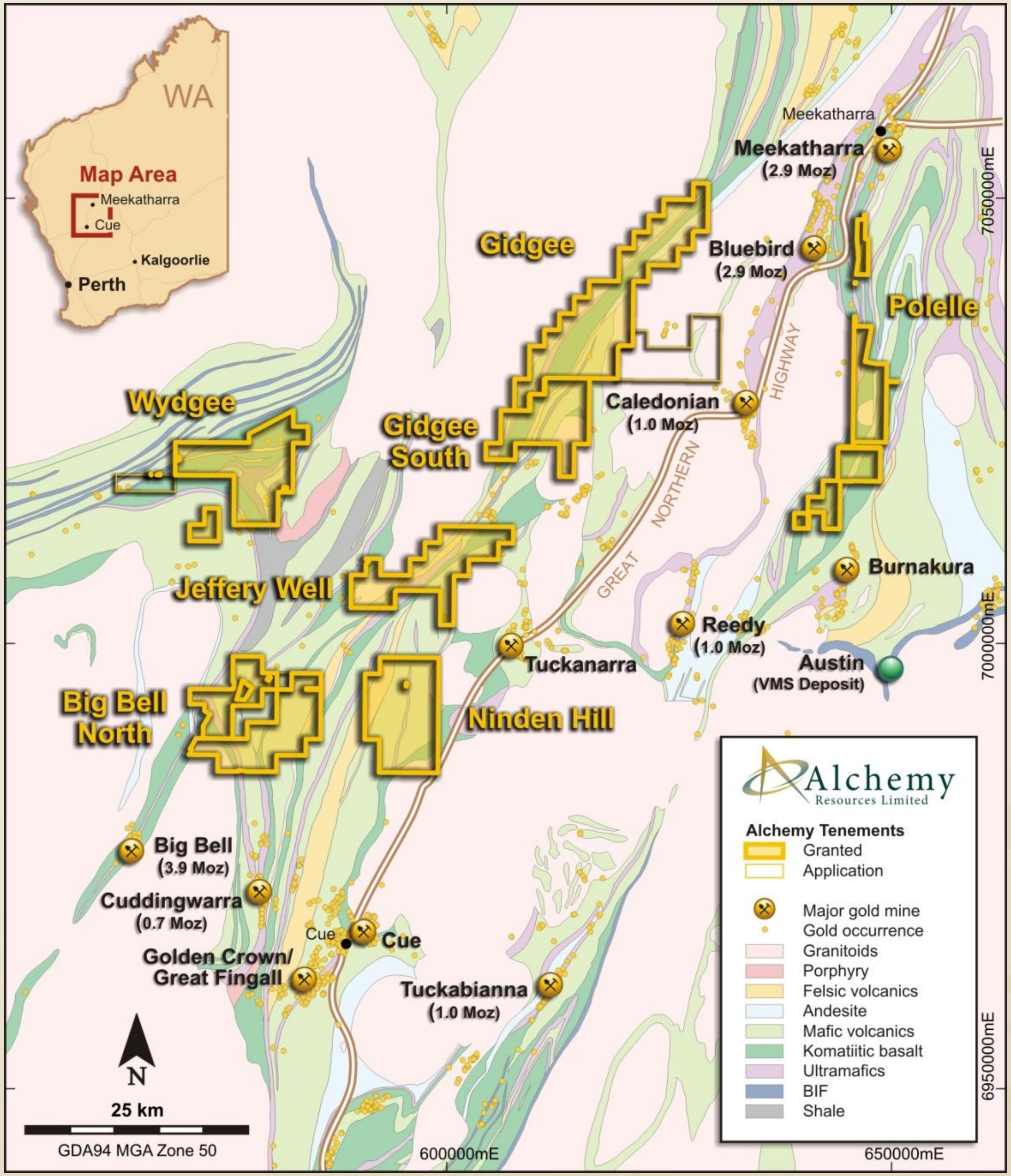
  3m @ 10.27 g/t Au from 80m

  15m @ 4.89 g/t Au from 96m

  9m @ 7.82 g/t Au from 40m

Murchison Project

- 80% owned by Alchemy, with some recently acquired wholly owned prospects
- >700 sq km tenement package
- In close vicinity to several >1Moz gold deposits and recommissioned operations at Big Bell, Bluebird and Cue
- Prospective for gold and base metals
- AC drilling at Jeffery Well outlines >1km gold anomaly



Capitalising on a golden opportunity

- **Focus on discovering DeGrussa-style Cu-Au**
- **Dominant footprint in Bryah Basin**
  - Emerging mineral province, highly prospective for copper and gold
  - Exploration spend by others in the region of >$3M per month
  - Deep weathering, sparse outcrop, geology poorly understood, smart science needed!
- **A rich prize awaits…..**
  - VMS style deposits occur in clusters in favourable stratigraphy
  - High grade mineralization targeted (DeGrussa: 5.6% Cu, 1.8g/t Au)
- **Unlock the value of gold resources**
  - Targeting additional mineral resources to gain critical mass
  - Grosvenor transaction increases opportunities
  - Investigating near-term commercialization

Step-by-step strategy to creating shareholder wealth

December 2011 Q

- Resource definition RC drilling at Hermes (Au) completed Dec 2011
- Complete interpretation of Stage1 AMT survey & define drill targets
- Finalise Grosvenor tenement acquisition

March 2012 Q

- Diamond drilling of Stage1 AMT targets
- Stage 2 & 3 AMT survey data acquisition and interpolation
- RC program at Central Bore gold prospect
- Complete data review of Grosvenor tenements and plan drilling

June 2012 Q

- Test Stage 2 & 3 AMT drill targets
- Re-estimate gold resources
- Follow up new copper and gold discoveries!

Resource Estimates

Deposit	Classification	Tonnes (Thousand)	Au (g/t)	Au (oz)
Hermes	Indicated	2,790	2.19	196,650
Wilgeena	Indicated	659	2.34	49,536
	Total	3,449	2.22 (Avg)	246,186

Exploration Targets

Central Bore:

Exploration Target is between 100Mt and 900Mt at grades of between 3g/t and 5g/t for totals of approx. 50,000oz Au (range 15,000 to 85,000oz Au). This target is to a depth of 150m below surface and mineralisation within the zones can be expected to continue down plunge.

The target is based on the following criteria and dimension ranges:

- 75m to 150m strike length
- 5m to 10m cross strike width
- 100m to 250m down plunge extent
- Available assays
- Assumed density of 2.5 g/cm3

Hermes:

Exploration Target is between 300Mt and 700Mt at grades of between 2.5g/t and 5g/t for totals of approx. 50,000oz Au (range 25,000 to 100,000oz Au). This target is depth extensions between 150m and 200m below surface of currently indicated resources and mineralisation within the zones can be expected to continue down plunge.

The target is based on the following criteria and dimension ranges:

- The dimensions were estimated from extrapolation of zones of mineralisation down plunge of the block model developed for the currently indicated resource.
- Available assays
- Density of 2.7 g/cm3 based on SG determinations on fresh rock

Note: The Exploration Targets were derived using available drilling information. The potential quantity and grade of the Exploration Targets is conceptual in nature and exceeds the limits of current drilling. At this stage of the drilling program there is insufficient exploration (drillhole) data available to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

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Competent Person's 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 an 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 which 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.