

ASX ANNOUNCEMENT

18 MARCH 2015

CODE: ALY

BOARD OF DIRECTORS

Mr Oscar Aamodt
Non-Executive Chairman

Ms Sofia Bianchi
Non-Executive Director

Ms Liza Carpene
Non-Executive Director

Mr Lindsay Dudfield
Non-Executive Director

Mr Anthony Ho
Non-Executive Director

ISSUED CAPITAL

SHARES 228,788,035

OPTIONS 3,975,000 (Unlisted)

PROJECTS

BRYAH BASIN (80-100%)

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A focus on exploration

Hermes Sale Completed

Alchemy Resources Limited (ASX: **ALY**) ("Alchemy" or the "Company") is pleased to announce that it has completed the Sale and Purchase Agreement ("Agreement") with leading Australian gold producer Northern Star Resources Limited (ASX: **NST**) ("Northern Star") (see ASX announcement dated 24 February 2015).

Pursuant to the Agreement Northern Star has purchased the tenement containing the Hermes gold resource and adjacent tenements in return for \$1.45M cash and a royalty payable on refined gold recovered from the Hermes tenements. Northern Star has also invested \$500,000 in Alchemy in return for 33.33M fully paid ordinary shares in the Company making Northern Star Alchemy's largest shareholder with 14.57% of issued capital.

Alchemy is pleased to announce the appointment of Ms Liza Carpene to the Board of the Company as Northern Star's nominee director. Ms Carpene's background details are listed overleaf.

"We are delighted that Liza has agreed to join the Alchemy Board and we look forward to benefitting from her experience and the support of Northern Star as we seek to transform Alchemy for our shareholders" Oscar Aamodt, Alchemy's Chairman said.

Northern Star is owner of the nearby Plutonic gold processing plant and development of Hermes may increase the chances of other deposits in the Bryah Basin Project area being mined.

Following completion of the Agreement, Alchemy has sufficient funds to focus on identification and exploration of additional high-value gold and base metal projects. A key element of the Agreement is that Northern Star expressed an intention to introduce Alchemy where possible to projects which do not fit the Northern Star business model.

Alchemy retains its interest in the remaining gold and base metal prospective Bryah Basin Project through farm-in and joint venture agreements with Northern Star (see ASX Announcement 24 February 2015) and Independence Group NL (ASX: **IGO**) ("Independence") (see ASX Announcement dated 5 November 2014). Should a high-value gold or base metal discovery be made by Northern Star or Independence, Alchemy retains the right to participate as a 20% partner, an equity position that should deliver significant value to shareholders.

– ENDS –

Please direct enquiries to: Mr Oscar Aamodt (Chairman)
Dr Kevin Cassidy (Chief Executive Officer)
Telephone: +61 8 9481 4400

Background on Liza Carpena (MBA, AGIA, ACIS, GAICD)

Ms Carpena has worked in the resources industry for more than 19 years and is currently Company Secretary and Head of Business Administration Services for Northern Star. In this role, Ms Carpena is part of the executive team responsible for acquiring the Plutonic, Kanowna Belle, Kundana and Jundee operations in 2014, and has significant experience in corporate administration, HR, legal, IT and stakeholder relations.

Prior to Northern Star, Ms Carpena was Company Secretary/CFO for listed explorers Venturex Resources and Newland Resources, and previously held various site and Perth based management roles with Great Central Mines, Normandy Mining, Newmont Australia, Agincourt Resources and Oxiana.