
ALCHEMY RESOURCES LIMITED

ACN 124 444 122

NOTICE OF GENERAL MEETING

TIME: 10.30am (WST)

DATE: 14 September 2009

PLACE: The Celtic Club
Level 1, 48 Ord Street, West Perth, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 4400.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders of Alchemy Resources Limited to which this Notice of Meeting relates will be held at 10.30am (WST) on Monday, 14 September 2009 at The Celtic Club, Level 1, 48 Ord Street, West Perth, Western Australia.

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Alchemy Resources Limited, 18 Emerald Terrace, West Perth, Western Australia 6005; or
- (b) facsimile to the Company on facsimile number (08) 9481 4404 (International: +61 8 9481 4404),

so that it is received not later than 10.30am (WST) on Thursday, 10 September 2009.

Proxy forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Alchemy Resources Limited will be held at The Celtic Club, Level 1, 48 Ord Street, West Perth, Western Australia at 10.30am (WST) on Monday, 14 September 2009.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at the close of business on 10 September 2009.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

Resolution 1 - Ratification of Share Issue

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 6,875,000 Shares at an issue price of \$0.16 per Share on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 2 - Placement of Shares

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That, pursuant to Listing Rule 7.1 of the Listing Rules and all other purposes, the Company approve and authorise the Company to allot and issue up to 7,000,000 Shares in the capital of the Company to the persons referred to in the Explanatory Statement at an issue price of \$0.20 and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed and any person associated with these persons.

Resolution 3 - Granting of Options

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That, pursuant to Listing Rule 7.1 of the Listing Rules, the Company agrees to the allotment to Kyle Parade Pty Ltd (or its nominees) of 3,000,000 Options with an exercise price of 25 cents on or before 30 September 2012 on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Kyle Parade Pty Ltd, any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed and any person associated with these persons.

DATED: 7 AUGUST 2009

BY ORDER OF THE BOARD



**JOHN ARBUCKLE
DIRECTOR/COMPANY SECRETARY
ALCHEMY RESOURCES LIMITED**

Voting Exclusion Note:

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at The Celtic Club, Level 1, 48 Ord Street, West Perth, Western Australia at 10.30am (WST) on Monday, 14 September 2009.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. RESOLUTION 1 - RATIFICATION OF SHARE ISSUE

1.1 BACKGROUND

As announced to ASX on 28 July 2009, the Company resolved to proceed with a capital raising of \$2,500,000. The capital raising comprises a placement of 13,875,000 Shares to sophisticated and professional investors ("**Placement**").

The Placement has and will be made in two tranches. The first tranche, of 6,875,000 Shares at 16 cents each, was allotted on 28 July 2009 under the Company's 15% placement capacity. The ratification of this first tranche is the subject of this Resolution 1.

The second tranche of 7,000,000 Shares at 20 cents is the subject of Resolution 2.

The proceeds of the Placement will be used to:

- conduct further drilling at the Hermes Gold Project to increase the existing JORC Code compliant indicated resource and to follow up recent drilling results that found intersections (**5m @ 34g/t gold** from 34m and **9m @ 5.1g/t gold** from 108m in TRC236 and **12m @ 7.3g/t gold** from 152m in TRC347) outside of the existing resource;
- obtain development approvals to commence mining the existing JORC Code compliant indicated resource;
- conduct studies to determine the most cost effective method of undertaking an excavate, load and haul operation to deliver ore to the Plutonic processing plant; and
- for working capital purposes.

1.2 LISTING RULES 7.1 AND 7.4

ASX Listing Rule 7.1 requires a listed company to obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than 15% of the issued capital of that company in any 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. This rule provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under ASX Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

Prior to the Meeting, the Company completed the Placement of 6,875,000 Shares at \$0.16 each. None of the subscribers pursuant to the Placement were related parties of the Company. Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of the 6,875,000 Shares (“**Ratification**”).

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% threshold set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 6,875,000 Shares were allotted and issued to sophisticated and professional investors, none of which are related parties to the Company;
- (b) the issue price of each of the Shares was \$0.16 each;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company; and
- (d) the funds raised will be used to conduct further drilling at the Hermes Gold Project to increase the existing JORC Code compliant indicated resource and to follow up recent drilling results that found intersections (5m @ 34g/t gold from 34m and 9m @ 5.1g/t gold from 108m in TRC236 and 12m @ 7.3g/t gold from 152m in TRC347) outside of the existing resource; obtain development approvals to commence mining the existing JORC Code compliant indicated resource; conduct studies to determine the most cost effective method of undertaking an excavate, load and haul operation to deliver ore to the Plutonic processing plant; and for working capital.

2. RESOLUTION 2 - PLACEMENT OF SHARES

2.1 BACKGROUND

Listing Rule 7.1 requires Shareholders’ approval to the proposed capital raising by the issue of Shares.

For the purposes of Listing Rule 7.3, the following information is provided in relation to Resolution 2 to allow Shareholders to assess the proposed issue of Shares:

- (a) The maximum number of Shares to be allotted and issued is up to a maximum of 7,000,000;
- (b) The Shares will be issued no later than three (3) months after the date of this Meeting or such later date as approved by ASX. The Shares will be allotted progressively;
- (c) The issue price of the Shares in the capital of the Company proposed to be allotted and issued is \$0.20 each;
- (d) The allottees will be pursuant to an excluded offer under Section 708 of the Corporations Act to be issued by the Company to sophisticated and professional investors;
- (e) The sum of up to \$1,400,000 will be raised by the issue of the Shares;

- (f) The Shares to be issued will rank pari passu on allotment and issue with the existing ordinary shares of the Company; and
- (g) The Company intends to use the funds raised by the issue of Shares to conduct further drilling at the Hermes Gold Project to increase the existing JORC Code compliant indicated resource and to follow up recent drilling results that found intersections (5m @ 34g/t gold from 34m and 9m @ 5.1g/t gold from 108m in TRC236 and 12m @ 7.3g/t gold from 152m in TRC347) outside of the existing resource; obtain development approvals to commence mining the existing JORC Code compliant indicated resource; conduct studies to determine the most cost effective method of undertaking an excavate, load and haul operation to deliver ore to the Plutonic processing plant; and for working capital.

3. RESOLUTION 3 - GRANTING OF OPTIONS

Listing Rule 7.1 requires Shareholders' approval to the proposed granting of Options.

For the purposes of Listing Rule 7.3, the following information is provided in relation to Resolution 3 to allow Shareholders to assess the proposed issue of Options convertible to Shares in the capital of the Company:

- (a) The maximum number of Options to be granted is 3,000,000;
- (b) The Options will be issued no later than three (3) months after the date of this Meeting or such later date as approved by ASX;
- (c) The exercise price per Option is 25 cents exercisable on or before 30 September 2012;
- (d) The allottee will be Kyle Parade Pty Ltd (or its nominees);
- (e) The Options are to be issued for nil consideration as payment for services in assisting with raising capital for the Company. Given this purpose, the Directors do not consider that there are any opportunity costs to the Company in granting the Options on the terms proposed;
- (f) The Options will vest immediately;
- (g) The Shares to be issued upon exercise of the Options will rank pari passu on allotment and issue with the existing ordinary shares of the Company.

The terms and conditions for the Options are set out in Annexure A.

GLOSSARY

\$ means Australian dollars.

General Meeting means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investment Commission.

ASX means Australian Securities Exchange Limited.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that the ASX declares is not a business day.

Company means Alchemy Resources Limited (ACN 124 444 122).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Meeting means the meeting convened by the Notice of Meeting.

Notice of Meeting or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Resolutions means the resolutions set out in the Notice of Meeting, or any of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company, unless specified to the contrary.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A - TERMS OF OPTIONS

The terms and conditions of the Options are as follows:

1. No monies will be payable for the issue of the options.
2. A certificate will be issued for the Options.
3. The Options expire at 5pm WST on 30 September 2012.
4. The Options will vest immediately.
5. The Options is a right in favour of the option holder to subscribe for one fully paid ordinary share in the capital of the Company ("Share"). The Company shall not apply to have the options listed for Official Quotation.
6. The option holder may exercise Options any time prior to the Expiry Date.
7. Shares allotted to option holders on exercise of Options shall be issued at \$0.25 each ("Exercise Price").
8. The Exercise Price of Shares the subject of the Options shall be payable in full on exercise of the Options.
9. Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the option holder to:
 - 9.1 exercise all or a specified number of Options; and
 - 9.2 pay the subscription monies in full for the exercise of each Option.
10. The notice must be accompanied by the option certificate and a cheque made payable to the Company for the subscription monies for the Shares. An exercise of only some Options shall not affect the rights of the option holder to the balance of the Options held by the option holder.
11. The Company shall allot the resultant Shares and deliver the holding statement within ten business days of the exercise of the Option.
12. Subject to any restrictions on transfer agreed between the Company and the option holder, the Options shall be freely transferable.
13. Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing ordinary fully paid Shares of the Company in all respects.
14. The Company shall, in accordance with the ASX Listing Rules, make application to have Shares allotted pursuant to an exercise of options listed for Official Quotation.
15. In the event of any re-organisation of the issued capital of the Company (including consolidation, subdivisions, reduction or return), the rights of an option holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a re-organisation of capital at the time of the re-organisation.
16. The Options will not confer any right to attend General Meetings nor the right to vote at any General Meetings nor give any right to participate in dividends, bonus issues or entitlement issues until Shares are allotted pursuant to the exercise of the relevant Options. The option holder will be afforded the period of ten business days prior to and inclusive of the record date (to determine entitlements to the issues to exercise the Options). There is no right to change the exercise price of Options nor the number of underlying Shares over which the Options can be exercised, if the Company completes a bonus or entitlements issue.

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PROXY FORM

APPOINTMENT OF PROXY
ALCHEMY RESOURCES LIMITED
ACN 124 444 122

I/We

(Name of shareholder)

Of

(Address)

being a Member/Members of Alchemy Resources Limited entitled to attend and vote at the General Meeting, hereby

Appoint

(Name of proxy)

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chairman's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at 10.30am (WST) on Monday, 14 September 2009 at The Celtic Club, Level 1, 48 Ord Street, West Perth, Western Australia and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all of the resolutions.

Voting on Business of the General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of Share Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Granting of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you do **not** wish to direct your proxy how to vote, please place a mark in this box

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of the interest. The Chairman will vote in favour of the resolution if no directions are given.

YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY FORM WILL BE DISREGARDED.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

Signed this day of 2009

By:

Individuals and joint holders

Signature

Signature

Signature

Companies (affix common seal if appropriate)

Sole Director/Company Secretary

Director

Director/Company Secretary

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ALCHEMY RESOURCES LIMITED
ACN 124 444 122

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A shareholder entitled to attend and vote at a General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If a shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a shareholder of the Company.
2. **(Direction to Vote):** A shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the shareholders must sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual shareholders from attending the General Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Alchemy Resources Limited, 18 Emerald Terrace, West Perth, Western Australia 6005; or
 - (b) facsimile to the Company on facsimile number (08) 9481 4404 (International: +61 8 9481 4404),

so that it is received not later than 10.30am (WST) on 10 September 2009.

Proxy forms received later than this time will be invalid.

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