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Alchemy Resources Limited

ABN 17 124 444 122

23 June 2009

The Manager
Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

ALCHEMY DISCOVERS SHALLOW HIGH GRADE GOLD AT HERMES

HIGHLIGHTS

- **Best Results include:**
  - **5m @ 6.4 g/t gold from 3m (including 1m @ 23.4 g/t gold); and**
  - **15m @ 3.2 g/t gold from 34m (including 1m @ 7.5 g/t gold & 1m @ 10.8 g/t gold).**

Alchemy Resources Limited (ASX Code: ALY) ("Alchemy") has completed an aircore (AC) drilling program which has discovered a zone of shallow high-grade gold mineralisation at its Hermes Gold Project, which is located 60 kilometres southwest of the Plutonic Gold Mine in Western Australia's Gascoyne district (Figs. 1 & 2).

Best results from the AC program include **5m @ 6.4 g/t Au** from 3m (including **1m @ 23.4 g/t Au**) and **15m @ 3.2 g/t Au** from 34m (including **1m @ 7.5 g/t Au** and **1m @ 10.8 g/t Au**).

The AC drilling discovered shallow gold mineralisation along strike and on both sides of the Hawkeye gold deposit and over the recently discovered Trapper West zone, where RC hole TRC236 intersected three (3) zones of high-grade gold mineralisation (Fig. 3).

The aircore program follows a highly successful 12 hole RC drilling program in May 2009, which identified two new high-grade zones of gold mineralisation of which the best results were **5m @ 34.0 g/t Au** from 34m (including **1m @ 118.2 g/t. Au**) and **8m @ 10.3 g/t Au** from 156m (including **1m @ 64.9 g/t Au**).

Alchemy Managing Director, Michael Hannington said, "Our AC program shows Hermes to be a much larger and higher grade gold system than previous drilling indicated. For this reason, Alchemy needs to reappraise its capital requirements to fund a much larger and more aggressive drilling program."

Future exploration at Hermes will include a series of RC (Reverse Circulaton), AC and diamond drilling over the coming 12-18 months, to test surface, depth and strike extensions of the Trapper and Hawkeye gold deposits and other target areas within the Hermes Gold Project.

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Since purchasing the Hermes Gold Project from Troy Resources NL in July 2008, Alchemy has focussed on upgrading the Trapper and Hawkeye deposits' existing JORC code compliant indicated resource of **1.7Mt @ 2.4 g/t Au** (equating to 131,000 ounces of contained gold).

Previous RC drilling in May 2009 at the Hermes Gold Project concluded that the gold mineralisation is similar in tenor to Barrick Gold's Plutonic Gold Mine, which lies 60 kilometres from Hermes and is hosted by the same Marymia Inlier Archaean rocks.

The Hermes Gold Project is situated on Granted Mining Lease M52/685 and forms part of Alchemy's greater Three Rivers Gold Project (Figs. 1 & 2).

Alchemy has engaged geological consultants, Jigsaw Geoscience Pty Ltd ("Jigsaw") to provide expert technical advice on the Hermes Gold Project. Jigsaw will work closely with Alchemy's management to develop an expanded drilling program and a better understanding of the geology and mineralisation at Hermes.

ENDS

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The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Cowin, who is a Member of the Australasian Institute of Geoscientists and is an employee of Cowin Holdings Pty Ltd which consults to Alchemy Resources Limited. Mr Cowin 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'. Mr Cowin consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Figure 1. - Three Rivers Project Location Map

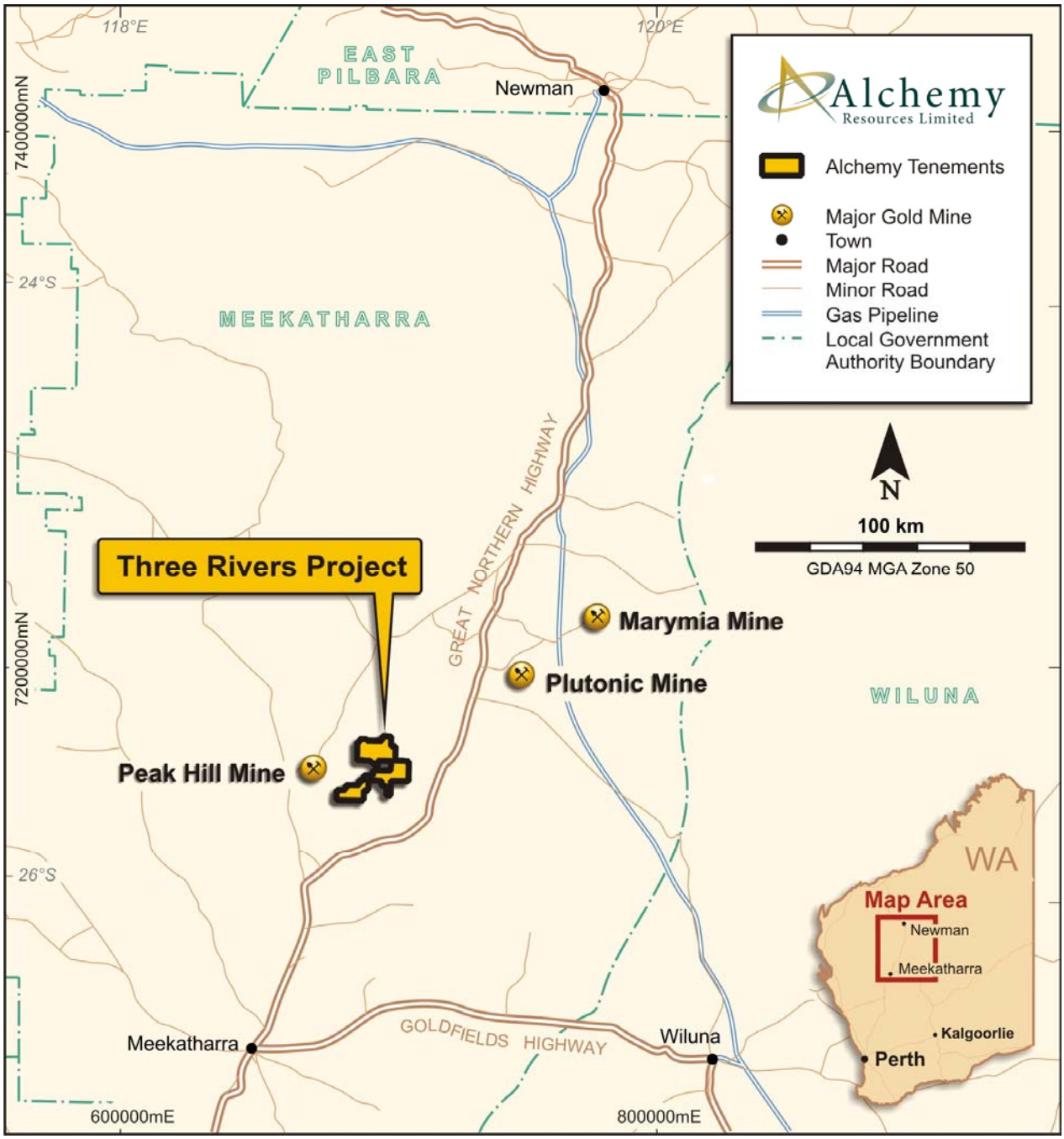

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Figure 2. - Hermes Gold Project Location Map

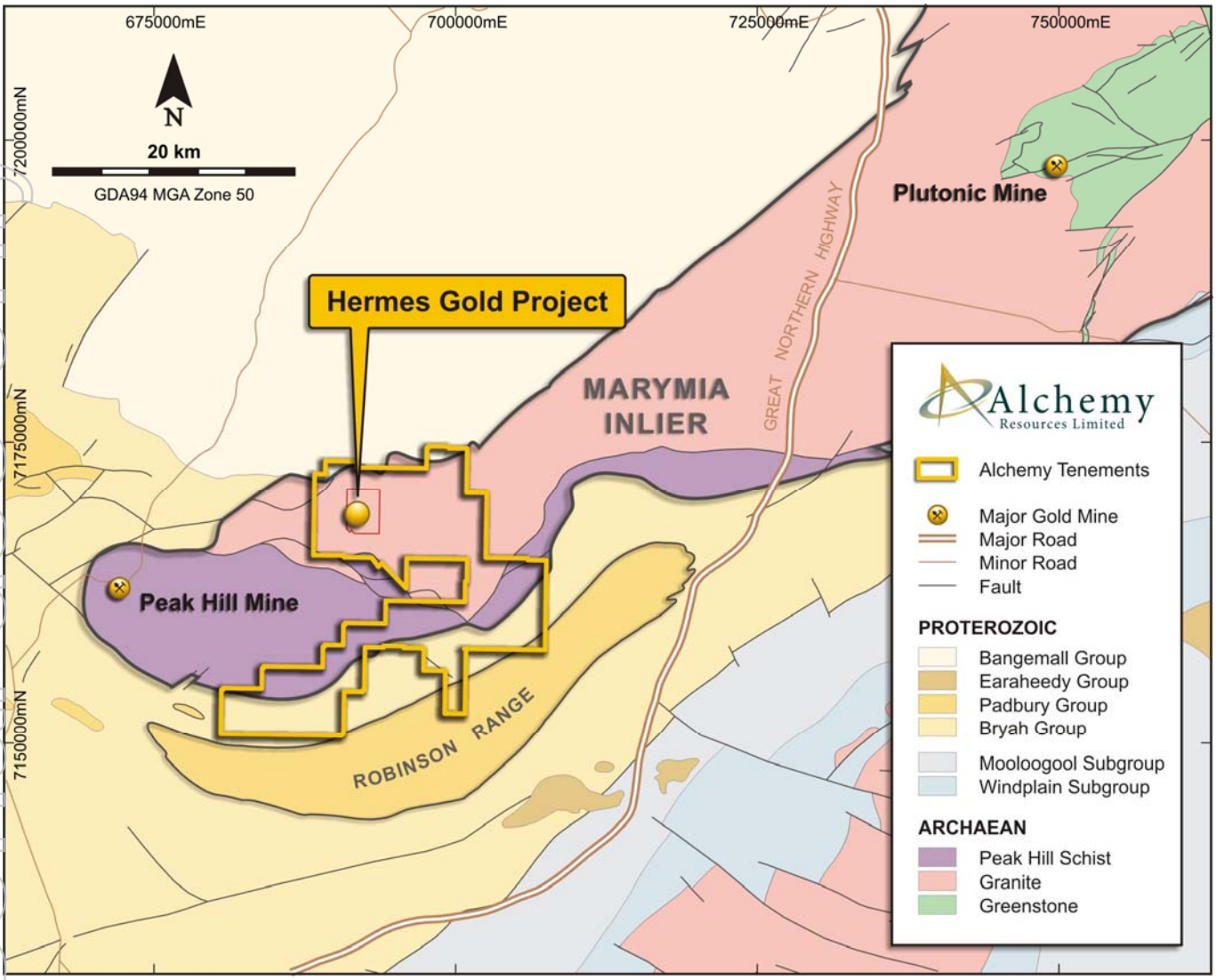

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Figure 3. - Aircore Drilling May 2009

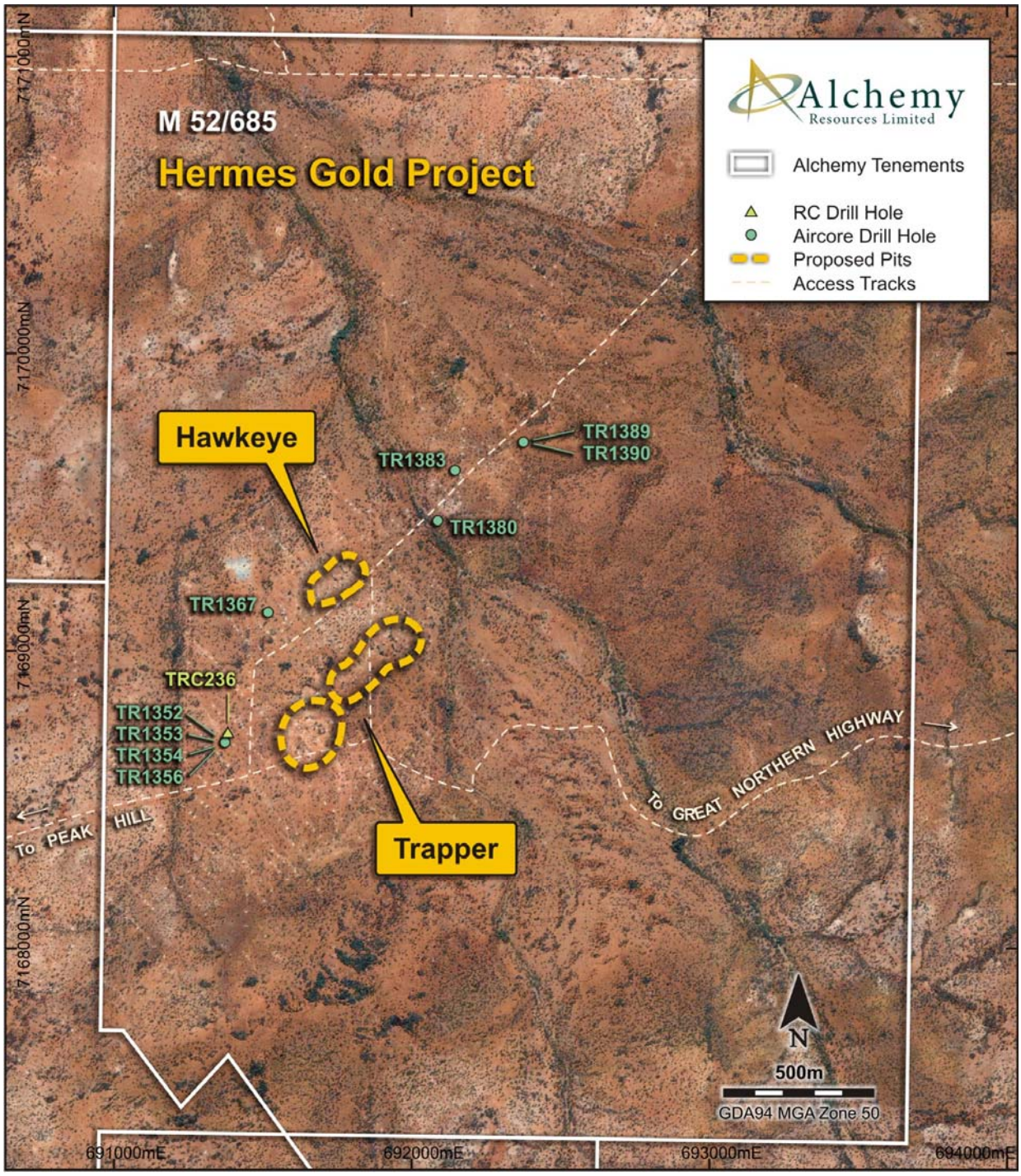

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Table 1. - Significant Aircore Drilling Results from Hermes Gold Project

Aircore Hole ID	East MGA94	North MGA94	From (m)	To (m)	Down Hole Interval (m)	Grade (g/t Au)	Including (g/t Au)
TR1353	691372	7168692	3	8	5	6.4	1m @ 23.4
TR1352	691391	7168670	3	6	3	1.7	
			24	28	4	1.2	
			34	49	15	3.2	1m @ 7.5 & 1m @ 10.8
TR1354	691351	7168713	35	37	2	1.4	
			38	41	3	2.8	1m @ 4.8
TR1356	691426	7168676	31	32	1	3.1	
TR1367	691517	7169129	48	52	4	2.0	4m composite
TR1380	692086	7169438	0	4	4	2.7	4m composite
TR1383	692143	7169607	27	32	5	1.9	1m @ 4.9
			39	42	3	1.3	1m @ 2.2
TR1389	691805	7169036	1	3	2	0.9	
TR1390	692362	7169714	0	4	4	1.5	1m @ 2.2

All assay results reported using Aqua Regia digest. Follow up Fire Assay method assays will be completed on all assays that graded > 0.5 g/t Au.

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