

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

ALCHEMY RESOURCES LIMITED

ABN

17 124 444 122

Quarter ended ("current quarter")

30 SEPTEMBER 2008

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(40)	(40)
(b) development	-	-
(c) production	-	-
(d) administration	(320)	(320)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	56	56
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(305)</b>	<b>(305)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1)	(1)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	3	3
1.12 Other: Acquisition of Three Rivers tenements	(310)	(310)
Exploration & evaluation expenditure	(171)	(171)
<b>Net investing cash flows</b>	<b>(479)</b>	<b>(479)</b>
1.13 Total operating and investing cash flows (carried forward)	(784)	(784)

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**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(784)	(784)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	151	151
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(2)	(2)
1.18	Dividends paid	-	-
1.19	Other – Transactions costs from issuing Options	(8)	(8)
	<b>Net financing cash flows</b>	141	141
	<b>Net increase (decrease) in cash held</b>	(643)	(643)
1.20	Cash at beginning of quarter/year to date	3,542	3,542
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	2,899	2,899

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	92
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes aggregate amounts paid to directors including salary, directors' fees, consulting fees, superannuation and office services.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Consideration for the purchase of the Three Rivers Gold Project tenements from Troy Resources NL included \$310,000 cash and 6,271,462 ordinary fully paid shares at a deemed value of \$0.1595 each equating to \$1 million. Denton Pty Ltd was paid 474,638 ordinary fully paid shares at 11.04 cents totalling \$52,400 for introducing the transaction to Alchemy.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

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### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	44	44
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	-
<b>Total</b>	<b>400</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,899	3,542
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2,899</b>	<b>3,542</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-

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**Appendix 5B**  
**Mining exploration entity quarterly report**

**Changes in interests in mining tenements (continued)**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.2		Interests in mining tenements acquired or increased			
		E52/698	Granted	-	100%
		E52/1139	Granted	-	100%
		E52/1363	Granted	-	100%
		E52/1364	Granted	-	100%
		E52/1472	Granted	-	100%
		E52/1582	Granted	-	100%
		P52/960	Granted	-	100%
		M52/684	Application	-	100%
		M52/685	Application	-	100%
		M52/686	Application	-	100%
		M52/687	Application	-	100%
		M52/688	Application	-	100%
		M52/689	Application	-	100%
		M52/690	Application	-	100%
		M52/691	Application	-	100%
		M52/722	Application	-	100%
		M52/723	Application	-	100%
		M52/737	Application	-	100%
		M52/753	Application	-	100%
		M52/795	Application	-	100%
		M52/796	Application	-	100%
		M52/797	Application	-	100%
		M52/810	Application	-	100%
		M52/811	Application	-	100%
		M52/819	Application	-	100%
		M52/820	Application	-	100%
		M52/822	Application	-	100%
		M52/823	Application	-	100%
		M52/824	Application	-	100%
		M52/825	Application	-	100%
		M52/826	Application	-	100%
		M52/839	Application	-	100%
		M52/840	Application	-	100%
	M52/841	Application	-	100%	
	M52/842	Application	-	100%	
	M52/843	Application	-	100%	
	M52/844	Application	-	100%	
	M52/845	Application	-	100%	
	M52/846	Application	-	100%	
	M52/847	Application	-	100%	
	M52/848	Application	-	100%	

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**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	46,346,100	31,614,500		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	6,746,100	6,746,100		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b>			<i>Exercise price</i>	<i>Expiry date</i>
Listed	25,484,000	21,536,250	\$0.25	31 August 2010
Unlisted (1)	5,250,000	-	\$0.37	30 June 2011
Unlisted (2)	1,000,000	-	\$0.50	30 June 2012
Unlisted (3)	1,000,000	-	\$0.25	30 June 2013
7.8 Issued during quarter	17,165,250	-	\$0.25	31 August 2010
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				

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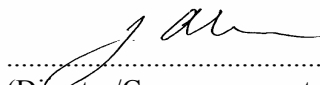
**Appendix 5B**  
**Mining exploration entity quarterly report**

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7.12	<b>Unsecured notes</b> ( <i>totals only</i> )		
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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 31 October 2008  
(Director/Company secretary)

Print name: John Arbuckle

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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