



**ACN 124 444 122**

## **PROSPECTUS**

THIS PROSPECTUS IS BEING ISSUED FOR A NON-RENOUNCEABLE PRO-RATA OFFER TO ELIGIBLE SHAREHOLDERS ON THE BASIS OF ONE NEW SHARE FOR EVERY FOUR SHARES HELD ON THE RECORD DATE AT AN ISSUE PRICE OF \$0.015 EACH TO RAISE UP TO APPROXIMATELY \$1,321,258.

THE OFFER IS PARTIALLY UNDERWRITTEN BY L DUDFIELD & Y DUDFIELD ACTING AS TRUSTEES FOR THE LG DUDFIELD PENSION FUND, UP TO \$200,000. REFER TO SECTION 5.2 FOR FURTHER DETAILS OF THE UNDERWRITING.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.

IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.

## IMPORTANT INFORMATION

This Prospectus is dated 12 June 2018 and was lodged with the ASIC on that date with the consent of all Directors. Neither the ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Suite 8, 8 Clive Street, West Perth, Western Australia, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.5).

The Securities offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

Acceptances of Securities under the Offer can only be submitted on an original Entitlement and Acceptance Form sent with a copy of this Prospectus by the Company. If acceptance is by BPAY there is no need to return the original Entitlement and Acceptance Form.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed. No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 4. Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to WST unless otherwise indicated.

## CORPORATE DIRECTORY

### Directors

Mr Lindsay Dudfield	Non-Executive Chairman
Mr Leigh Ryan	Managing Director
Ms Liza Carpene	Non-Executive Director
Mr Anthony Ho	Non-Executive Director

### Share Registry

Security Transfer Australia Pty Ltd  
PO Box 52  
Collins Street West VIC 8007

### Company Secretary

Mr Bernard Crawford

### Lawyers

Bellanhouse  
Level 19, Alluvion, 58 Mounts Bay Road  
Perth WA 6000

### Registered Office

Suite 8  
8 Clive Street  
West Perth WA 6005  
Telephone: +61 (8) 9481 4400

### ASX Code: ALY

**Website:** [www.alchemyresources.com.au](http://www.alchemyresources.com.au)

Fax: +61 (8) 9481 4404  
Email: [admin@alchemyresources.com.au](mailto:admin@alchemyresources.com.au)

## PROPOSED TIMETABLE FOR ENTITLEMENT OFFER

Lodgement of Prospectus with ASIC and ASX Lodgement of Appendix 3B with ASX Notice of Entitlement Offer sent to Option holders	12 June 2018
Notice of Entitlement Offer sent to Shareholders	14 June 2018
Shares quoted on an “EX” basis	15 June 2018
Record Date for determining Entitlements	18 June 2018
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders	21 June 2018
Last day to extend the offer closing date	4 July 2018
Closing Date of Entitlement Offer (5pm WST)*	9 July 2018
Shares quoted on a deferred settlement basis	10 July 2018
Notification of shortfall	12 July 2018
Anticipated date for issue of Securities Deferred settlement trading ends	16 July 2018
Anticipated date for commencement of Shares trading on a normal settlement basis	17 July 2018

\* The Directors may extend the Closing Date by giving at least 3 Business Days’ notice to ASX prior to the Closing Date. As such, the date the Shares issued under the Entitlement Offer are expected to commence trading on ASX may vary.

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## LETTER FROM THE CHAIRMAN

Dear Shareholder

On behalf of your Directors, I am pleased to invite you to participate in this non-renounceable pro-rata 1-for-4 Entitlement Offer at an issue price of \$0.015 per Share to raise approximately \$1,321,258 (before payment of costs).

The issue price represents a discount of approximately 8.11% per cent to the 15 day VWAP of the Shares prior to the date of this Prospectus, providing Shareholders with an opportunity to increase their holdings at an attractive price.

Eligible Shareholders also have the opportunity to subscribe for any Shares that are not subscribed for under the Entitlement Offer pursuant to the Shortfall Offer under this Prospectus, with Eligible Shareholders who currently hold less than Marketable Parcels of Shares to receive priority under the Shortfall Offer.

The Company has been successful in its application to participate in the Junior Mineral Exploration Incentive Scheme (JMEI) for the 2018 Financial Year and has applied to participate in the JMEI for the 2019 Financial Year. Eligible Shareholders who participate in the Offer may therefore be eligible to be issued with JMEI credits. Refer to Sections 1.4 and 4.1(b) for additional information.

The LG Dudfield Pension Fund, my self-managed superannuation fund, has agreed to partially underwrite the Offer up to \$200,000 (see Section 5.2 of the Prospectus for a summary of the Underwriting Agreement). In addition, I intend to take up my entitlements under the Offer.

### Use of Funds

Subject to the satisfactory completion of the Offer, funds raised under the Entitlement Offer will be primarily used to advance the recently acquired West Lynn Nickel-Cobalt Project (including reporting a maiden resource estimate in accordance with the JORC Code 2012 Edition and undertaking initial metallurgical test work) and to fund ground geophysics and further drilling at the Overflow Project to follow up encouraging gold and base metal intercepts, as well as for general working capital and the costs of the Offer.

The Board recommends that you take up your Entitlement under the Offer after reading this Prospectus in its entirety including the risks outlined in Section 4.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferable. Full details of the Offer are set out in this Prospectus.

I look forward to your continued support and on updating you on the Company's progress.

Yours faithfully



Lindsay Dudfield  
Non-Executive Chairman

## INVESTMENT OVERVIEW

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Securities.

Key Information	Further Information
<p><b>Transaction specific prospectus</b></p> <p>This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 5.3
<p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <li>• <b>Exploration risks</b> - Whilst exploration by the Company and others justifies further exploration, the Company's tenements carry exploration risk.</li> <li>• <b>Future capital needs and additional funding</b> - The Company's future capital needs and additional funding may be required to complete the proposed exploration program.</li> <li>• <b>Securities investments and share market conditions</b> - As a junior explorer with no production or income, the Company is exposed to general market and economic condition risks.</li> </ul>	Section 4
<p><b>Entitlement Offer</b></p> <p>This Prospectus is for a non-renounceable entitlement issue of one new Share for every four existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.015 per new Share to raise up to approximately \$1,321,258 (before costs).</p>	Section 1.1
<p><b>Underwriting</b></p> <p>The Offer is partially underwritten by the LG Dudfield Pension Fund, up to \$200,000, being a maximum of 13,333,333 Shares.</p> <p>The Underwriter is a related party of the Company by virtue of being controlled by Mr Lindsay Dudfield, a Director of the Company. The Company, for the reasons outlined in Section 1.8, believes that the Underwriting Agreement was negotiated at arm's length and has therefore not sought Shareholder approval.</p>	Sections 1.7, 1.8 and 5.2

Key Information	Further Information
<p><b>Shortfall Offer</b></p> <p>Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.</p> <p>Eligible Shareholders may apply for Shares under the Shortfall Offer subject to such applications being received by the Closing Date.</p> <p>The issue price for each new Share to be issued under the Shortfall Offer shall be \$0.015 being the price at which new Shares have been offered under the Entitlement Offer.</p> <p>The allocation policy for the Shortfall Offer is outlined in Section 1.2. There is no guarantee that Eligible Shareholders will receive new Shares applied for under the Shortfall Offer.</p> <p>Any Shortfall Shares will be allocated firstly to Eligible Shareholders who apply for Shortfall Shares and who currently hold a less than Marketable Parcel of Shares to increase their holding to a Marketable Parcel. Any remaining Shortfall Shares will then be allocated to all Eligible Shareholders who apply for Shortfall Shares, and then to the Underwriter.</p>	Section 1.2
<p><b>Eligible Shareholders</b></p> <p>The Offer is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:</p> <ul style="list-style-type: none"> <li>• are the registered holder of Shares as at 5.00pm (WST) on the Record Date; and</li> <li>• have a registered address in Australia or, subject to the offer restrictions in Section 1.18, New Zealand.</li> </ul>	Sections 1.17, 1.18 and 1.19
<p><b>Use of funds</b></p> <p>Funds raised under the Offer are intended to be used primarily to advance the recently acquired West Lynn Nickel-Cobalt Project (including reporting a maiden resource in accordance with the JORC Code (2012 Edition) and undertaking initial metallurgical test work) and to fund ground geophysics and further drilling at the Overflow Project, as well as for general working capital and the costs of the Offer.</p>	Section 1.3
<p><b>Junior Mineral Exploration Incentive Scheme</b></p> <p>The Company has applied to be a participant in the Federal Government's Junior Mineral Exploration Incentive (JMEI) scheme for the tax year ending 30 June 2019.</p> <p>Subject to the Company receiving notification from the Australian Tax Office (ATO) that its application has been accepted and that it has been allocated JMEI credits, the JMEI scheme allows people who are required to lodge a tax return in Australia and who apply for and are issued Shares as part of the Company's capital raising activities between 1 July 2018 and 30 June 2019 (<b>JMEI Eligible Shareholders</b>) to receive JMEI credits from the ATO. JMEI credits entitle JMEI Eligible Shareholders to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies).</p> <p>The JMEI credits will be issued after the lodgement of the Company's 30</p>	Sections 1.4 and 4.1(b)



Key Information	Further Information												
<p>June 2019 tax return. JMEI Eligible Shareholders are expected to be notified by the Company of their JMEI credit entitlement in the approved form by 30 September 2019, and the JMEI credits will apply to their income tax assessment for the year ended 30 June 2019.</p> <p>Receiving a JMEI credit could have tax consequences and JMEI Eligible Shareholders should obtain independent tax advice specific to their personal circumstances.</p> <p>Please refer to Section 4.1(b) for disclosure regarding the risks.</p>													
<p><b>Effect on control of the Company</b></p> <p>The Company is of the view that the Offer will not affect the control of the Company. Shareholders should note that if they do not participate in the Offer, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in a table in Section 1.10.</p> <p>No other investor or existing Shareholder will hold a voting power greater than 20% as a result of the Offer.</p> <p>In the unlikely event that no Entitlements are taken up with the exception of Mr Dudfield's Entitlement (including the Underwriter's Entitlement, but excluding any participation by Jindalee Resources Limited), and the Underwriter is required to subscribe for all the Underwritten Shares, the maximum voting power of Mr Dudfield, (including the Underwriter) will be approximately 10.44%.</p>	<p>Sections 1.7, 1.9(d) and 1.10</p>												
<p><b>Indicative capital structure and pro-forma balance sheet</b></p> <p>The indicative capital structure upon completion of the Offer is set out below:</p> <table border="1" data-bbox="213 1240 1163 1545"> <thead> <tr> <th></th> <th>Shares</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Balance at the date of this Prospectus</td> <td>352,335,585</td> <td>29,500,000<sup>1</sup></td> </tr> <tr> <td>To be issued pursuant to the Offer</td> <td>88,083,896</td> <td>Nil</td> </tr> <tr> <td><b>Total</b></td> <td><b>440,419,481</b></td> <td><b>29,500,000<sup>1</sup></b></td> </tr> </tbody> </table> <p><b>Note:</b></p> <p>1. Comprising:</p> <ul style="list-style-type: none"> <li>(a) 7,500,000 Options exercisable at \$0.10 each on or before 31 May 2019;</li> <li>(b) 4,000,000 Options exercisable at \$0.04 each on or before 8 January 2021;</li> <li>(c) 4,000,000 Options exercisable at \$0.08 on or before 8 January 2021;</li> <li>(d) 4,000,000 Options exercisable at \$0.12 on or before 8 January 2021; and</li> <li>(e) 10,000,000 Options exercisable at \$0.05 each on or before 15 April 2021.</li> </ul> <p>The indicative pro-forma balance sheet showing the effect of the Offer is in Section 3.2.</p>		Shares	Options	Balance at the date of this Prospectus	352,335,585	29,500,000 <sup>1</sup>	To be issued pursuant to the Offer	88,083,896	Nil	<b>Total</b>	<b>440,419,481</b>	<b>29,500,000<sup>1</sup></b>	<p>Sections 3.1 and 3.2</p>
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Key Information	Further Information															
<p><b>Directors' interests in Shares and Entitlements</b></p> <p>The relevant interest of each of the Directors in Shares as at the date of this Prospectus, together with their respective Entitlement is set out in the table below:</p> <table border="1" data-bbox="213 434 1169 768"> <thead> <tr> <th data-bbox="213 434 533 501">Name</th> <th data-bbox="533 434 852 501">Existing Shares</th> <th data-bbox="852 434 1169 501">Entitlement</th> </tr> </thead> <tbody> <tr> <td data-bbox="213 501 533 568">Mr Leigh Ryan</td> <td data-bbox="533 501 852 568">500,000</td> <td data-bbox="852 501 1169 568">125,000</td> </tr> <tr> <td data-bbox="213 568 533 636">Ms Liza Carpene</td> <td data-bbox="533 568 852 636">-</td> <td data-bbox="852 568 1169 636">-</td> </tr> <tr> <td data-bbox="213 636 533 703">Mr Lindsay Dudfield*</td> <td data-bbox="533 636 852 703">20,287,036</td> <td data-bbox="852 636 1169 703">5,071,759</td> </tr> <tr> <td data-bbox="213 703 533 768">Mr Anthony Ho</td> <td data-bbox="533 703 852 768">-</td> <td data-bbox="852 703 1169 768">-</td> </tr> </tbody> </table> <p>It is the intention of Mr Ryan to take up his Entitlement specified above under the Entitlement Offer.</p> <p>(a) *Mr Dudfield has a relevant interest in 17,469,759 Shares in addition to those Shares specified above. It is the intention of Mr Dudfield to take up all of his Entitlement, excluding his interests held indirectly through Jindalee Resources Limited. Mr Dudfield has an interest in 17,469,759 Shares held by Jindalee Resources Limited (of which Mr Dudfield is an executive director). Investment decisions made in relation to those 17,469,759 Shares are made by the board of Jindalee Resources Limited without Mr Dudfield. Mr Dudfield makes no representation as to whether the Entitlement attaching those 17,469,759 Shares (that is 4,367,440 Shares) will be taken up.</p> <p>(b) The LG Dudfield Pension Fund, an entity controlled by Mr Dudfield may take up the Underwritten Shares on the terms and conditions of the Underwriting Agreement as summarised in Section 5.2. The potential affects the Underwritten Shares may have on the control of the Company are set out in Section 1.9(d).</p>	Name	Existing Shares	Entitlement	Mr Leigh Ryan	500,000	125,000	Ms Liza Carpene	-	-	Mr Lindsay Dudfield*	20,287,036	5,071,759	Mr Anthony Ho	-	-	<p>Section 5.8(b)</p>
Name	Existing Shares	Entitlement														
Mr Leigh Ryan	500,000	125,000														
Ms Liza Carpene	-	-														
Mr Lindsay Dudfield*	20,287,036	5,071,759														
Mr Anthony Ho	-	-														
<p><b>Forward looking statements</b></p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and</p>	<p>Key Information and Section 4</p>															

Key Information	Further Information
<p>investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.</p>	

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## 1. Details of the Offer

### 1.1 Entitlement Offer

The Company is making a non-renounceable pro-rata offer of ordinary fully paid Shares at an issue price of \$0.015 each to Eligible Shareholders on the basis of one Share for every four Shares held at 5:00pm (WST) on the Record Date (**Entitlement Offer**).

The market price of Shares at the date of this Prospectus is such that it is unlikely that any of the existing Options will be exercised before the Record Date. On the basis that no existing Options are exercised prior to the Record Date, the Entitlement Offer is for a maximum of 88,083,896 Shares, to raise up to approximately \$1,321,258 (before costs).

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded up to the nearest whole Share.

Further details on the rights and liabilities attaching to the Shares under the Offer are contained in Section 5.1.

### 1.2 Shortfall Offer

Any Entitlements not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus. The issue price of any Shortfall Shares will be \$0.015 each, which is the issue price at which Shares have been offered to Eligible Shareholders under the Entitlement Offer. Shortfall Shares will only be issued if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions.

The allocation policy for the issuance of Shortfall will be as follows:

- (a) To the extent there is a Shortfall (**First Shortfall**), each Eligible Shareholder with a less than Marketable Parcel who has validly applied for Shortfall Shares before the closing date of the Entitlement Offer will be allocated the number of Shortfall Shares necessary to bring their shareholding to a Marketable Parcel. If an Eligible Shareholder has made a valid application for Shortfall Shares but has applied for a lower number of Shortfall Shares than the amount of Shares which that shareholder would otherwise be allocated under this process, that Shareholder will be allocated the lower amount.
- (b) If, following the allocation of the First Shortfall, there remains a Shortfall between the allocated new Shares and the total number of new Shares proposed to be issued under the Entitlement Offer (**Second Shortfall**), then each Eligible Shareholder who has validly applied for Shortfall Shares before the closing date of the Entitlement Offer will be allocated their proportionate share of the Second Shortfall in proportion to their Shareholding as at the Record Date. If an Eligible Shareholder has made a valid application for Shortfall Shares but has applied for a lower number of Shortfall Shares than the amount of Shares which that shareholder would otherwise be allocated under this process, that Shareholder will be allocated the lower amount.

- (c) If, following the allocation of the Second Shortfall, there remains a Shortfall between the allocated new Shares and the total number of new Shares proposed to be issued under the Entitlement Offer (**Third Shortfall**), the above allocation process will be repeated in respect of the Third Shortfall and any subsequent shortfalls until either all the new Shares proposed to be issued under the Entitlement Offer have been allocated or all valid applications for Shortfall Shares have been satisfied in full.
- (d) If, following allocation of the Third Shortfall and any subsequent shortfalls in accordance with the above, there remains a Shortfall between the allocated new Shares and the total number of new Shares proposed to be issued under the Entitlement Offer (**Remaining Shortfall**), that Remaining Shortfall will be subscribed for by the Underwriter pursuant to the Underwritten Agreement, to a maximum of the Underwritten Amount.
- (e) If the Remaining Shortfall exceeds the Underwritten Amount, the balance of the Remaining Shortfall may be allocated at the discretion of the Directors within the three month period following the closing date of the Entitlement Offer.

Notwithstanding the above, no Shortfall Shares will be allocated or issued to any related party of the Company (including Directors and their associates (unless pursuant to the Underwriting Agreement)) or to any person to the extent that the Company is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law, including without limitation, a breach of section 606 of the Corporations Act.

Applications by Eligible Shareholders for Shortfall Shares are to be made by completing the appropriate section on their Application Form or by making payment for such New Shares using BPAY® (refer to Section 2.3).

Excess Application Monies for the Shortfall Offer will be refunded without interest.

It is a term of the Shortfall Offer that, should the Company scale back applications for Shortfall Shares in accordance with the allocation policy described above, the Applicant will be bound to accept such lesser number allocated to them.

Subject to the above, Directors reserve the right to issue the Shortfall at their discretion.

New Shares issued under the Shortfall Offer will be issued as fully paid ordinary shares and will rank equally in all respects with the existing Shares on issue. Further details on the rights and liabilities attaching to the new Shares proposed to be issued under the Shortfall Offer are contained in Section 5.1.

### **1.3 Use of funds**

Completion of the Offer will result in an increase in cash at hand of approximately \$1,321,258 (before payment of costs).

The following indicative table sets out the proposed use of funds raised under the Entitlement Offer:

Proposed use	\$	%
<b>West Lynn Nickel-Cobalt Project</b>		
Resource drilling (8,500m) at the West Lynn and Summervale Prospects to establish a JORC 2012 compliant Ni-Co-Al+/-Sc resource	380,000	28.76
Independent maiden resource report in accordance with the JORC Code (2012 Edition).	50,000	3.78
Initial metallurgical testwork	50,000	3.78
<b>Overflow Gold / Base Metal Project</b>		
Ground electromagnetic (EM) survey at Overflow to further define airborne EM conductivity anomaly down plunge of the known high-grade gold and base metal mineralisation	8,000	0.61
Diamond drilling (1000m) at the Overflow Prospect to test EM conductivity anomaly and the down plunge extent of high-grade gold and base metal mineralisation	350,000	26.49
Costs of the Offer	33,817	2.56
General working capital <sup>1</sup>	449,441	34.02
<b>Total</b>	<b>1,321,258</b>	<b>100.00</b>

**Notes:**

1. Working capital includes but is not limited to corporate administration and operating costs and may be applied to additional directors' fees or executive fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

The amounts and timing of the actual expenditures and investments may vary significantly and will depend on numerous factors including the success of exploration activities, access conditions, weather and any changes in the business and economic environment.

#### 1.4 Junior Mineral Exploration Incentive Scheme

The Company has applied to be a participant in the Federal Government's Junior Mineral Exploration Incentive (JMEI) scheme for the tax year ending 30 June 2019. Subject to the Company receiving notification from the Australian Tax Office (ATO) that its application has been accepted and that it has been allocated JMEI credits, the JMEI scheme allows JMEI Eligible Shareholders who applied for, and are issued, Shares in the Company's capital raising activities between 1 July 2018 and 30 June 2019 to receive JMEI credits, on a pro-rata basis, from the ATO. JMEI credits entitle JMEI Eligible Shareholders to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies).

The JMEI credits will be issued after the lodgement of the Company's 30 June 2019 tax return. JMEI Eligible Shareholders are expected to be notified by the Company of

their JMEI credit entitlement in the approved form by 30 September 2019, and the JMEI credits will apply to their income tax assessment for the year ended 30 June 2019.

Receiving a JMEI credit could have tax consequences and JMEI Eligible Shareholders should obtain independent tax advice specific to their personal circumstances. Refer to Section 4.1(b) regarding the risks associated with the potential participation in the JMEI Scheme.

## **1.5 Opening and Closing Dates**

For the Entitlement Offer, the Company will accept Entitlement and Acceptance Forms from the date it dispatches the Prospectus and Entitlement and Acceptance Forms until 5:00pm (WST) on Monday, 9 July 2018 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

The Shortfall Offer will remain open for a period of up to three months from the Closing Date (or such shorter period as determined by the Directors), however Eligible Shareholders who wish to participate in the Shortfall Offer must submit their Applications to the Company by no later than the Closing Date.

## **1.6 Minimum subscription**

There is no minimum subscription for the Entitlement Offer.

## **1.7 Underwriting**

L Dudfield and Y Dudfield as trustees for the LG Dudfield Pension Fund have been appointed as the underwriter (**Underwriter**) to partially underwrite the Offer up to \$200,000 (**Underwritten Amount**), being 13,333,333 Shares (**Underwritten Shares**).

A summary of the Underwriting Agreement is in Section 5.2.

Please refer to Section 1.2 for details regarding the allocation policy of the Shortfall.

## **1.8 Related Party Underwriting**

The Underwriter is a related party of the Company by virtue of being controlled by Mr Lindsay Dudfield, a Director of the Company.

The Company has not sought Shareholder approval for the execution of the Underwriting Agreement on the basis that it contains terms that are considered more favourable to the Company than those available from a third party dealing at arm's length and therefore falls within the exception in section 210 of the Corporations Act.

In support of this, the Company advises that:

- (a) Mr Dudfield has been excluded from any discussions by the Board in relation to the Underwriting Agreement;
- (b) the Company considered a number of alternative potential independent underwriters but the terms offered by the Underwriter were the most favourable;
- (c) the Underwriter will not benefit from the proposed use of capital, other than as a holder of Shares; and

- (d) it is the view of the Directors that the Offer period gives Shareholders reasonable opportunity to accept the Offer.

## **1.9 Effect on control of the Company**

### **(a) Summary**

The total number of Shares proposed to be issued under the Offer is 88,083,896 which will constitute 20% of the Shares on issue following completion of the Offer (assuming no other Shares are issued or Securities exercised or converted to Shares prior to the Record Date).

The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company.

No nominee has been appointed for Ineligible Foreign Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in item 10 of section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the Corporations Act. Eligible Shareholders who may be at risk of exceeding the 20% voting power threshold in section 606 as a result of acceptance of their Entitlement should seek professional advice before completing and returning their Entitlement and Acceptance Form.

### **(b) Majority Shareholder**

The Company's largest Shareholder is Northern Star Resources Limited (ASX: NST), which currently has a voting power in the Company of 14.19%. NST has indicated its intention to subscribe for a maximum of 12,500,000 Shares (equivalent to \$187,500) under the Offer. In the unlikely event that NST is the only participant in the Entitlement Offer and it subscribes for its full Entitlement of 12,500,000 Shares, that is, \$187,500, its voting power would increase to 17.13%. The Company will not issue Shares to NST under the Shortfall if it may result in NST acquiring a voting power in excess of the 20% threshold in section 606 of the Corporations Act.

### **(c) Other Shareholders**

No other Shareholder's voting power in the Company may increase to 20% or above as a result of the Offer.

### **(d) Underwriter**

The Underwriter is an entity controlled by Mr Dudfield, a Director of the Company and Mr Dudfield and his associated entities are presently substantial Shareholders of the Company.

As noted above in Section 1.2, the Underwritten Shares will only be allocated after the Shortfall Offer.

Mr Dudfield and his associated entities (excluding Jindalee Resources Limited) currently have a voting power in the Company of 5.76%. Mr Dudfield has indicated his intention, and that of his associated entities, to subscribe for a maximum of 5,071,759 Shares (equivalent to \$76,076) under the Offer. In the unlikely event that Mr Dudfield and his associated entities (excluding Jindalee Resources Limited) are the only participants in the Entitlement Offer and the LG Dudfield Pension Fund subscribes for all the Underwritten



Shares under the Underwriting Agreement his voting power would increase to 10.44%. If Jindalee Resources Limited also subscribes for its full Entitlement, and this is included with Mr Dudfield's voting power, the maximum voting power would increase to 16.14%. The Company will not issue Shares to Mr Dudfield if it may result in Mr Dudfield or his associated entities acquiring a voting power in excess of the 20% threshold in section 606 of the Corporations Act.

### 1.10 Potential dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer
Shareholder 1	45,000,000	12.77	11,250,000	45,000,000	10.22
Shareholder 2	22,500,000	6.39	5,625,000	22,500,000	5.11
Shareholder 3	11,250,000	3.19	2,812,500	11,250,000	2.55
Shareholder 4	5,500,000	1.56	1,375,000	5,500,000	1.25
Shareholder 5	2,000,000	0.57	500,000	2,000,000	0.45

**Notes:**

- The dilution effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

### 1.11 Substantial Shareholders

Based on available information as at the date of this Prospectus, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Number of Shares	Voting power %
Northern Star Resources Limited <sup>1</sup>	50,000,000	14.19
Mr Lindsay Dudfield <sup>2</sup>	20,287,036	5.76

**Note:**

- NST has indicated its intention to subscribe for a maximum of 12,500,000 Shares under the Offer.
- See Section 5.8(b) for details for Mr Dudfield's security holdings. See Sections 1.7 to 1.9 for details of the Underwriting Agreement.

### 1.12 No rights trading

The rights to Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your Entitlement

to any other party. If you do not take up your Entitlement to Shares under the Entitlement Offer by the Closing Date, the Entitlement Offer to you will lapse.

### **1.13 Issue Date and dispatch**

All Securities under the Offer are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Security holder statements will be dispatched at the end of the calendar month following the issue of the Shares under the Offer.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their holding statements do so at their own risk.

### **1.14 Application Monies held on trust**

All Application Monies received for the Shares under the Offer will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

### **1.15 ASX quotation**

Application has been or will be made for the official quotation of the Shares offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

### **1.16 CHESS**

The Company participates in the Clearing House Electronic Sub-Register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares, including a notice to exercise the Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by Security Transfer Australia Pty Ltd and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

### **1.17 Ineligible Foreign Shareholders**

This Prospectus, and any accompanying Entitlement and Acceptance Form, do not, and is not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Shares under the Offer.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Company believes that it is unreasonable to extend the Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Securities that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, Ineligible Foreign Shareholders will not be entitled to participate in the Offer.

### **1.18 New Zealand offer restrictions**

The Securities are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand at the Record Date.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

### **1.19 Notice to nominees and custodians**

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

### **1.20 Risk factors**

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

### **1.21 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

## **1.22 Major activities and financial information**

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2017, can be found in the Company's Annual Report announced on ASX on 18 August 2017 and, for the half-year ended 31 December 2017, the Half Year Accounts announced on ASX on 8 March 2018. The Company's continuous disclosure notices (i.e. ASX announcements) since 18 August 2017 are listed in Section 5.5. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

## **1.23 Privacy**

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's Shareholding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Acceptance or Application (as applicable).

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

## **1.24 Enquiries concerning Prospectus**

For enquiries concerning the Entitlement and Acceptance Form and the Prospectus, please contact Alchemy Resources Limited on +61 8 9481 4400.

For general shareholder enquiries, please contact Security Transfer Australia Pty Ltd on 1300 992 916 (within Australia) or +61 3 9268 220 (outside Australia).

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## **2. Action required by Shareholders**

### **2.1 Acceptance of Entitlement in full**

Should you wish to accept all of your Entitlement to Shares under the Entitlement Offer and you are not paying by BPAY, then applications for Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque, bank draft or money order for the amount indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Alchemy Resources Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at:

Security Transfer Australia Pty Ltd  
PO Box 52  
Collins Street West VICTORIA 8007

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

### **2.2 If you wish to take up only part of your Entitlement**

Should you wish to only take up part of your Entitlement under the Entitlement Offer and you are not paying by BPAY, then applications for Shares under the Entitlement Offer must be made on the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of Shares you wish to accept and the amount payable (calculated at \$0.015 per Share accepted), and attach a cheque, bank draft or money order for the appropriate Application Monies.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Alchemy Resources Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at the address indicated at Section 2.1.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

### **2.3 If you wish to apply for Shortfall Shares**

If you are an Eligible Shareholder and you wish to apply for Shares in excess of your Entitlement under the Entitlement Offer by applying for Shortfall Shares, you may do so by completing the relevant separate section of the Entitlement and Acceptance Form relating to the Shortfall Offer and which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Any Shares applied for in excess of your Entitlement will be applied for under the Shortfall Offer and will be issued in accordance with the allocation policy described in Section 1.2.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Alchemy Resources Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at the address indicated at Section 2.1.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the date and time mentioned above. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

The Company may also provide application forms to other investors who are invited to subscribe for Shortfall in accordance with the allocation policy described in Section 1.2.

### **2.4 Entitlements not taken up**

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

### **2.5 Entitlement and Acceptance Form**

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of Shares.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form, is final.

The Company will send this Prospectus, together with an Entitlement and Acceptance Form, to all Eligible Shareholders.

By completing and returning your Entitlement and Acceptance Form with the requisite Application Monies, or making a payment via BPAY, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the Shares to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (e) declare that you are the current registered holder of Shares as at the Record Date and have a registered address in Australia or subject to the offer restrictions in Section 1.18, New Zealand;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia.

## **2.6 Enquiries concerning your Entitlement**

For all enquiries concerning the Prospectus, please contact Alchemy Resources Limited on +61 8 9481 4400.

For all general shareholder enquiries, please contact Security Transfer Australia Pty Ltd on 1300 992 916 (within Australia) or +61 3 9628 2200 (outside Australia).

### 3. Effect of the Offer

#### 3.1 Capital structure on completion of the Offer

	Number of Shares	Number of Options
Balance at the date of this Prospectus	352,335,585	29,500,000 <sup>1</sup>
Maximum number of Shares to be issued under the Offer <sup>1</sup>	88,083,896	Nil
<b>TOTAL</b>	<b>440,419,481</b>	<b>29,500,000<sup>2</sup></b>

**Notes:**

1. This assumes that all Shares offered under the Offer will be issued. The actual number of Shares to be issued will vary based on the Shares subscribed for and issued pursuant to the Offer. This number is also subject to rounding.
2. Comprising:
  - (a) 7,500,000 Options exercisable at \$0.10 each on or before 31 May 2019;
  - (b) 4,000,000 Options exercisable at \$0.04 each on or before 8 January 2021;
  - (c) 4,000,000 Options exercisable at \$0.08 on or before 8 January 2021;
  - (d) 4,000,000 Options exercisable at \$0.12 on or before 8 January 2021; and
  - (e) 10,000,000 Options exercisable at \$0.05 each on or before 15 April 2021.

#### 3.2 Pro forma consolidated statement of financial position

Set out below is:

- (a) the reviewed consolidated statement of financial position of the Company as at 31 December 2017;
- (b) the unaudited consolidated statement of financial position of the Company as at 30 April 2018 (**Balance Date**);
- (c) the unaudited effects of the Offer (assuming it is fully subscribed); and
- (d) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraph 3.2(c) and the Offer, assuming the Offer is fully subscribed.

The statements of financial position have been prepared to provide Shareholders with information on the assets and liabilities of the Company and the pro forma assets and liabilities of the Company as noted below. The historical and pro forma information is presented in abbreviated form and does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.



	Reviewed 31-Dec-17 \$	Unaudited 30-Apr-18 \$	Pro Forma Adjustment \$	Pro Forma 30-Apr-18 \$
<b>Current Assets</b>				
Cash and cash equivalents	1,408,877	876,332	1,287,441	2,163,773
Trade and other receivables	33,450	31,380	-	31,380
Other current assets	22,315	16,928	-	16,928
<b>Total Current assets</b>	<b>1,464,642</b>	<b>926,640</b>	<b>1,287,441</b>	<b>2,212,081</b>
<b>Non-Current Assets</b>				
Exploration and evaluation	13,162,120	13,739,894	-	13,739,894
Property, plant and equipment	4,446	4,446	-	4,446
<b>Total Non-Current Assets</b>	<b>13,166,566</b>	<b>13,744,340</b>	<b>-</b>	<b>13,744,340</b>
<b>TOTAL ASSETS</b>	<b>14,631,208</b>	<b>14,668,980</b>	<b>1,287,441</b>	<b>15,956,421</b>
<b>Current Liabilities</b>				
Trade and other payables	130,939	42,124	-	42,124
Provisions	15,232	35,297	-	35,297
<b>Total Current Liabilities</b>	<b>146,171</b>	<b>77,421</b>	<b>-</b>	<b>77,421</b>
<b>TOTAL LIABILITIES</b>	<b>146,171</b>	<b>77,421</b>	<b>-</b>	<b>77,421</b>
<b>NET ASSETS</b>	<b>14,485,037</b>	<b>14,591,559</b>	<b>1,287,441</b>	<b>15,879,000</b>
<b>EQUITY</b>				
Contributed equity	30,914,072	31,104,072	1,287,441	32,391,513
Reserves	104,616	173,616	-	173,616
Accumulated losses	(16,533,651)	(16,686,129)	-	(16,686,129)
<b>TOTAL EQUITY</b>	<b>14,485,037</b>	<b>14,591,559</b>	<b>1,287,441</b>	<b>15,879,000</b>

### Basis of Preparation

The pro forma balance sheets have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the unaudited financial position as at 30 April 2018 and is adjusted to reflect the following assumptions:

- (a) the Offer is fully subscribed and \$1,321,258 is raised by the issue of 88,083,896 Shares at \$0.015 per Share; and
- (b) the costs of the Offer are approximately \$33,817.

Other than in the ordinary course of business or as described above, there have been no other material transactions between 30 April 2018 and the date of this Prospectus.

### **3.3 Market price of Shares**

The highest and lowest closing market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest:                   \$0.026 on 14, 20 and 26 to 28 March 2018

Lowest:                   \$0.013 on 8 May 2018.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.018 per Share on 8 June 2018.

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## 4. Risk Factors

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

### 4.1 Risks specific to the Offer

#### (a) Tax

The acquisition of, and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation point of view and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under this Prospectus.

#### (b) JMEI Credits

The Company has applied to be a participant in the Federal Government's Junior Mineral Exploration Incentive (JMEI) scheme for the tax year ending 30 June 2019. No allocation of JMEI credits to the Company has been made by the Australian Tax Office (ATO) as at the date of this Prospectus.

The JMEI scheme allows JMEI Eligible Shareholders who applied for, and are issued, Shares in the Company's capital raising activities between 1 July 2018 and 30 June 2019 to receive JMEI credits which will allow them to receive refundable tax offsets.

Subject to the Company receiving notification from the ATO that its application has been accepted and that it has been allocated JMEI credits, the JMEI scheme allows JMEI Eligible Shareholders who applied for, and are issued, Shares in the Company's capital raising activities between 1 July 2018 and 30 June 2019 to receive JMEI credits, on a pro-rata basis, from the ATO. JMEI credits entitle JMEI Eligible Shareholders to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies).

The issuance of JMEI credits is dependent on the Company completing the issue of Shares under the Offer before 30 June 2019. Further, JMEI credits cannot be created or issued to JMEI Eligible Shareholders until the Company lodges its 2019 income tax return. If the Company does not lodge its 2019 income tax return in accordance with the applicable tax law, the JMEI credits cannot be created or issued and there is a risk that JMEI Eligible

Shareholders will not receive any JMEI credits. The Company also cautions investors that there is no certainty that its application will be accepted by the ATO and that it will be allocated with JMEI credits.

## **4.2 Risks specific to the Company**

### **(a) Exploration**

Whilst exploration by the Company and others justifies further exploration, the Company's tenements carry exploration risk.

Exploration is a high risk undertaking. The Company does not give any assurance that exploration of its current projects or any future projects will result in the delineation or discovery of a significant mineral resource. Even if a significant mineral resource is identified, there can be no guarantee that it can be economically exploited.

### **(b) Future capital needs and additional funding**

The funds raised by the Offer will primarily be used to fund exploration on the Company's projects. There is a risk that these funds will not be sufficient to complete the proposed exploration and that further funding will be required.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, subsequent feasibility studies, development and mining, stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

### **(c) Joint venture**

The Company is currently, and may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. There is also the potential for a dispute to arise regarding matters of contractual interpretation of the parties' respective rights and obligations. This may have an adverse effect on the interests and prospects of the Company.

### **(d) Title risk**

The Company's granted tenements permit the Company to undertake exploration. Each tenement carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in a tenement if the conditions are not met or if there are insufficient funds available to meet expenditure commitments.

The Company also has tenement applications. There is no guarantee that these tenements will be granted and as such they should not be considered as current assets or projects of the Company. Various conditions may also be imposed as a condition of grant of any of these tenements.

**(e) Exploitation, exploration and mining licences**

The tenements that have been granted only permit the Company to undertake exploration on the tenements. In the event that the Company successfully delineates economic deposits on any of the tenements, it will need to apply for a mining lease to undertake development and mining on the tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for.

Potential investors should understand that mineral exploration is a high-risk undertaking. There can be no assurance that exploration of the Company's exploration tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

**(f) Commodity prices**

Commodities prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

**(g) Environmental**

The Company's projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Company's projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

**(h) Key personnel**

The responsibility of overseeing the day-to-day operations and the Company's strategic management depends substantially on its senior management and key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(i) **Native Title and Aboriginal heritage**

The Cobar Basin / Lachlan Gold Project is located within an area that is the subject of a native title determination claim and the southern part of the Karonie Gold Project is located within the Ngadju People non-exclusive native title claim area (WCD2014/004). *The Native Title Act 1993* (Cth) and related State native title legislation and aboriginal heritage legislation may affect the Company's ability to obtain access to certain exploration areas or to obtain mining production titles. Settling any such claims will incur costs to the Company. The degree to which this may impact on the Company's activities will depend on a number of factors, including the status of particular tenements and their locations. At this stage, the Company is not able to quantify the impact, if any, of such matters on its operations.

### **4.3 General Risks**

(a) **Securities investments and share market conditions**

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration and mining companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

(b) **Liquidity risk**

The market for the Company's Shares may be illiquid. As a consequence investors may be unable to readily exit or realise their investment.

(c) **Economic risk**

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

### **4.4 Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

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## **5. Additional information**

### **5.1 Rights and liabilities attaching to Shares**

A summary of the rights attaching to Shares in the Company is provided below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

**(a) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

**(b) Dividends**

Subject to the rights of holders of shares issued with any special rights (at present there are none), the profits of the Company which the Board may from time to time determine to distribute by way of dividend are divisible to each share of a class on which the Board resolves to pay a dividend in proportion to the amount for the time being paid on a share bears to the total issue price of the share. All Shares currently on issue and the shares to be issued under this Prospectus are fully paid Shares.

**(c) Future issues of securities**

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

**(d) Transfer of Shares**

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

**(e) Meetings and notices**

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules. Shareholders may requisition meetings in accordance with the Corporations Act.

(f) **Liquidation rights**

The Company has one class of shares on issue, ordinary shares, which rank equally in liquidation.

(g) **Variation of rights**

Subject to the Listing Rules, the rights attached to the Shares may be varied with the consent in writing of shareholders holding three-quarters of the Shares or by a special resolution passed at a separate meeting of the holders of the Shares in accordance with the Corporations Act.

(h) **Election of directors**

There must be a minimum of 3 but not more than 10 Directors. At every annual general meeting one third of the Directors (rounded to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.

(i) **Indemnities**

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(j) **Winding up**

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(k) **Shareholder liability**

The New Shares are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) **Alteration to the Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

(m) **Listing Rules**

The Company has been admitted to trading on the Official List of the ASX. Accordingly, despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to



contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

## 5.2 Underwriting Agreement

The Underwriter has agreed to partially underwrite the Offer pursuant to the terms of the Underwriting Agreement up to the Underwritten Amount.

The Underwriter will not be paid any underwriting fee but will be reimbursed an amount equivalent to all costs and expenses reasonably incurred by the Underwriter in relation to the Offer. Such costs and expenses are not to exceed \$2,000 without prior approval of the Company.

The Underwriting Agreement is subject to customary termination events, where the Underwriter may terminate the Underwriting Agreement by the provision of written notice on the occurrence of certain events set out in the Underwriting Agreement, including (but not limited to those set out below):

- (a) **Adverse change:** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a related corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a related corporation).
- (b) **Alteration of capital structure or constitution:** the Company alters its capital structure or its constitution without the prior written consent of the Underwriter.
- (c) **Banking facilities:** the Company's bankers terminate or issue any demand or penalty notice or amend the terms of any existing facility or claim repayment or accelerated repayment of any facility or require additional security for any existing facility.
- (d) **Default:** the Company is in default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement.
- (e) **Due diligence:** there is a material omission from the results of the due diligence investigation performed in respect of the Offer or the results of the investigation or the verification material are false or misleading.
- (f) **General meeting required:** ASX or the ASIC or any other governmental agency requires the Company to, or stipulates that the Company should, convene a general meeting to consider any aspect of the issue of the Shares, including, without limitation, the participation of the Underwriter.
- (g) **Index change:** the ASX All Ordinaries Index as determined at close of trading falls at least 10% below its level at the close of trading on the date of this Prospectus for any three consecutive trading days between the opening and closing dates of the Offers.

The Underwriting Agreement contains a number of indemnities, representations and warranties from the Company to the Underwriter and additional provisions, considered standard for underwriting agreements of this nature.

### 5.3 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with the ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.5 below). Copies of all documents announced to the ASX can be found at <http://www.alchemyresources.com.au/asx-releases/>.

### 5.4 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

### 5.5 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Entitlement Offer a copy of:

- (a) the financial statements of the Company for the financial year ended 30 June 2017, being the last financial statements for a financial year of the Company lodged with the ASIC before the issue of this Prospectus;
- (b) the financial statements of the Company for the half year ended 31 December 2017;
- (c) the annual report of the Company for the financial year ended 30 June 2017, being the last annual report of the Company lodged with the ASIC after lodgement of the financial statements referred to in paragraph 5.5(a) above and before the issue of this Prospectus; and
- (d) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in paragraph 5.5(a) above until the date of this Prospectus:

Date lodged	Subject of Announcement
15 May 2018	Significant Results from Drill Program at Hermes South
14 May 2018	Trading Halt

<b>Date lodged</b>	<b>Subject of Announcement</b>
14 May 2018	Investor Presentation
30 April 2018	Quarterly Activities Report
30 April 2018	Quarterly Cashflow Report
30 April 2018	Cobar Basin Drilling Results
17 April 2018	Ceasing to be a Substantial Holder from JRL
16 April 2018	Cleansing Notice and Appendix 3B
13 April 2018	Karonie RAB Drilling Results
13 April 2018	Alchemy Executes Ni-Co Option Agreement
26 March 2018	Significant Drill Intercept at Hermes South, Bryah Basin
19 March 2018	Drilling Completed at Karonie Project
19 March 2018	Drilling Completed at Cobar Basin NSW
14 March 2018	Alchemy Signs Ni-Co Option Agreement
12 March 2018	Alchemy Commences Drilling at Cobar Basin in NSW
8 March 2018	Half Yearly Report and Accounts
12 February 2018	Drilling Commences at Karonie Project
1 February 2018	Quarterly Activities Report
1 February 2018	Quarterly Cashflow Report
27 November 2017	Appendix 3Y - Leigh Ryan
27 November 2017	Appendix 3B
23 November 2017	Results of Annual General Meeting
23 November 2017	AGM Presentation
1 November 2017	Expiry of Unlisted Options
31 October 2017	Quarterly Activities Report
31 October 2017	Quarterly Cashflow Report
30 October 2017	Significant Gold Anomalies from Karonie Gold Project

<b>Date lodged</b>	<b>Subject of Announcement</b>
17 October 2017	Notice of Annual General Meeting/Proxy Form
2 October 2017	Successful completion of first-pass drilling at Karonie
7 September 2017	Alchemy Commences Drilling at Karonie Gold Project
21 August 2017	Investor Presentation
18 August 2017	Appendix 4G
18 August 2017	Corporate Governance Statement

The following documents are available for inspection throughout the period of the Entitlement Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.12 and the consents provided by the Directors to the issue of this Prospectus.

## **5.6 Information excluded from continuous disclosure notices**

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

## **5.7 Determination by ASIC**

The ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

## **5.8 Interests of Directors**

### **(a) Information disclosed in this Prospectus**

Other than as set out in this Prospectus, no Director holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with:
  - (A) its formation or promotion; or
  - (B) the Offer; or
- (iii) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director:

- (iv) as an inducement to become, or to qualify as, a Director; or
- (v) for services provided in connection with:
  - (A) the formation or promotion of the Company; or
  - (B) the Offer.

(b) **Security holdings**

The relevant interests of each of the Directors in Securities as at the date of this Prospectus is set out below.

Director	Shares	Options
Mr Leigh Ryan <sup>1</sup>	500,000	12,000,000
Ms Liza Carpene	Nil	Nil
Mr Lindsay Dudfield <sup>2</sup>	37,756,795 <sup>2</sup>	Nil
Mr Anthony Ho	Nil	Nil

**Notes:**

1. Mr Ryan's Shares and Options are held indirectly by Mr Leigh Ronald Ryan and Mrs Sandra Kay Ryan as trustees for the Ryan Super Fund. Mr Ryan has been granted the following Options as part of his remuneration and as approved by Shareholders on 23 November 2017:
  - (a) 4,000,000 Options exercisable at \$0.04 (vested 8 January 2018) and expiring 8 January 2021;
  - (b) 4,000,000 Options exercisable at \$0.08 vesting 8 January 2019 and expiring 8 January 2021; and
  - (c) 4,000,000 Options exercisable at \$0.12 vesting 8 January 2020 and expiring 8 January 2021.
2. Mr Lindsay Dudfield's interests are held as follows:
  - (a) 32,000 Shares are directly held by Mr Dudfield;
  - (b) 17,469,759 Shares are held indirectly through Jindalee Resources Limited (of which Mr Dudfield is an executive director);
  - (c) 565,335 Shares are held indirectly through Mrs Yvonne Dudfield (being Mr Dudfield's spouse);
  - (d) 1,077,634 Shares are held indirectly through Jopan Management Pty Ltd (of which Mr Dudfield's spouse is the sole director and beneficiary); and
  - (e) 18,612,067 Shares are held indirectly through the LG Dudfield Pension Fund.

It is the intention of Mr Ryan to take up all of his Entitlement under the Entitlement Offer. It is the intention of Mr Dudfield to take up all of his Entitlement, excluding his interests held indirectly through Jindalee Resources Limited. Mr Dudfield has an interest in 17,469,759 Shares held by Jindalee Resources Limited (of which Mr Dudfield is an executive director). Investment decisions made in relation to those 17,469,759 Shares are made by the board of Jindalee Resources Limited without Mr Dudfield. Mr Dudfield makes no representation to whether the Entitlement attaching those 17,469,759 Shares (that is 4,367,440 Shares) will be taken up

The LG Dudfield Pension Fund, an entity controlled by Mr Dudfield may take up the Underwritten Shares on the terms and conditions of the Underwriting

Agreement as summarised in Section 5.2. The potential affects the Underwritten Shares may have on Control are set out in Section 1.9(d).

(c) **Remuneration**

The Constitution provides that the Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors as the Directors shall determine, and in default of agreement then in equal Shares. The remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the Company where notice of the suggested increase shall have been given to Shareholders in the notice convening the meeting. No Non-Executive Director shall be paid as part or whole of his or her remuneration a commission on or a percentage of profits or a commission on or a percentage of operating revenue, and no Executive Director shall be paid as whole or part of his or her remuneration a commission on or percentage of operating revenue. The aggregate amount of compensation for non-executive directors is \$250,000 approved by Shareholders at the Company's annual general meeting held on 22 July 2008. There has been no change to these levels since 2008.

The remuneration of executive directors is to be fixed by the Board. The Company currently has one Executive Director, Mr Leigh Ryan. Mr Ryan's base salary is comprised of a base salary of \$150,000 per year (exclusive of superannuation, and a bonus of \$50,000 was paid upon satisfactory completion of 12 months service to the Company). Mr Ryan, was granted 12,000,000 Options, as approved by Shareholders at the Company's Annual General Meeting on 23 November 2017. See Section 5.8(b) for further details of the Options.

A Director may also be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Directors received the following remuneration for the year to 30 June 2017:

Director	Directors' fees, and salary (\$)	Super-annuation (\$)	Share based payments (\$)	Total (\$)
L Ryan <sup>1</sup>	72,260	6,865	21,913	101,038
Ms Liza Carpene	-	-	-	-
Mr Lindsay Dudfield	-	-	-	-
Mr Anthony Ho	19,998	-	-	19,998
Mr Oscar Aamodt <sup>2</sup>	22,916	-	-	22,916

Note to 2017 remuneration:

1. Mr Ryan was appointed as Managing Director on 9 January 2017
2. Mr Oscar Aamodt resigned on 1 June 2017.

Directors received the following remuneration for the year ended 30 June 2016:

Director	Directors' fees, and salary (\$)	Super-annuation (\$)	Share based payments (\$)	Total (\$)
Mr Oscar Aamodt	25,000	-	-	25,000
Ms Sofia Bianchi <sup>1</sup>	-	-	-	-
Ms Liza Carpene	-	-	-	-
Mr Lindsay Dudfield	-	-	-	-
Mr Anthony Ho	19,998	-	-	19,998

Note to 2016 remuneration:

1. Ms Bianchi resigned on 24 February 2016.

## 5.9 Related party transactions

The Company has entered into the Underwriting Agreement, a related party transaction. As detailed in Section 1.8 Shareholder approval has not been obtained as the Company considers that the transaction contains terms that are considered more favourable to the Company than those available from a third party dealing at arm's length.

The Company's policy in respect of related party arrangements is:

- a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

## 5.10 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

## 5.11 Expenses of Offer

The estimated expenses of the Offer are as follows:

	\$
ASIC fees	2,400
ASX quotation fee	6,417
Legal and preparation expenses	15,000
Printing, mailing and other expenses	10,000
<b>Total</b>	<u>33,817</u>

## 5.12 Consents

- (a) Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.
- (b) Each of the parties referred to in this Section:
  - (i) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
  - (ii) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.
- (c) Bellanhouse has given its written consent to being named as the Australian corporate solicitors to the Company in this Prospectus. Bellanhouse has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.
- (d) Security Transfer Australia Pty Ltd has given its written consent to being named as the share registry to the Company in this Prospectus. Security Transfer Australia Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.
- (e) L Dudfield & Y Dudfield as trustees for LG Dudfield Pension Fund has given its written consent to being named as the Underwriter to the Company in this Prospectus. L Dudfield & Y Dudfield as trustees for LG Dudfield Pension Fund has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.



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## 6. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:



Leigh Ryan  
**Managing Director**

Dated: 12 June 2018

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## 7. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**Acceptance** means a valid acceptance of Shares made pursuant to this Prospectus on a Form.

**Applicant** means a person who submits an Entitlement and Acceptance Form.

**Application** means a valid application for Shares made on an Entitlement and Acceptance Form.

**Application Monies** means application monies for Shares received by the Company.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 and where the context permits the Australian Shares Exchange operated by ASX Limited.

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** has the meaning given to it in Section 1.4.

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

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Eligible Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or New Zealand.

**Entitlement and Acceptance Form** means the entitlement and acceptance form provided by the Company with a copy of this Prospectus that describes the entitlement of Shareholders to subscribe for Shares pursuant to the Entitlement Offer.

**Entitlement** means the number of new Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being one new Share for every existing four Shares held on the Record Date.

**Entitlement Offer** means the offer under this Prospectus of up to approximately 88,083,896 new Shares to Eligible Shareholders in the proportion of one new Share for every four Shares held on the Record Date.

**Ineligible Foreign Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is not in Australia or New Zealand.

**Issuer Sponsored** means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**JORC Code** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

**JMEI Eligible Shareholders** means persons who are required to lodge a tax return in Australia and who apply for and are issued Shares as part of the Company's capital raising activities between 1 July 2018 and 30 June 2019.

**JMEI** means the Junior Minerals Exploration Incentive scheme introduced by the Federal Government on 1 July 2017.

**Listing Rules** means the listing rules of ASX.

**Marketable Parcel** means, for the purpose of this Prospectus, a parcel of 33,334 Shares as at the Record Date.

**Offer** means an offer under this Prospectus to subscribe for Shares namely, the Entitlement Offer and the Shortfall Offer.

**Option** means the right to acquire one Share in the capital of the Company.

**Prospectus** means this prospectus dated 12 June 2018.

**Record Date** means 5:00pm (WST) on the date identified in the proposed timetable.

**Section** means a section of this Prospectus.

**Securities** mean any securities including Shares or Options issued or granted by the Company.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Shortfall** means Shares not subscribed for under the Entitlement Offer.

**Shortfall Offer** means the offer of the Shortfall under this Prospectus, which includes the offer in relation to the Shortfall Shares.

**Shortfall Shares** means Entitlements not subscribed for under the Entitlement Offer.

**Underwriter** means L Dudfield & Y Dudfield as trustees for the LG Dudfield Pension Fund.

**Underwriting Agreement** means the underwriting agreement between the Company and the Underwriter dated 12 June 2018.

**Underwritten Amount** has the meaning set out in Section 1.7.

**Underwritten Shares** has the meaning set out in Section 1.7.

**VWAP** means volume weighted average price.

**WST** means Western Standard Time.