

Tomingley Gold Operations Quarterly Community Update

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Construction and operations update

Application to modify project approval

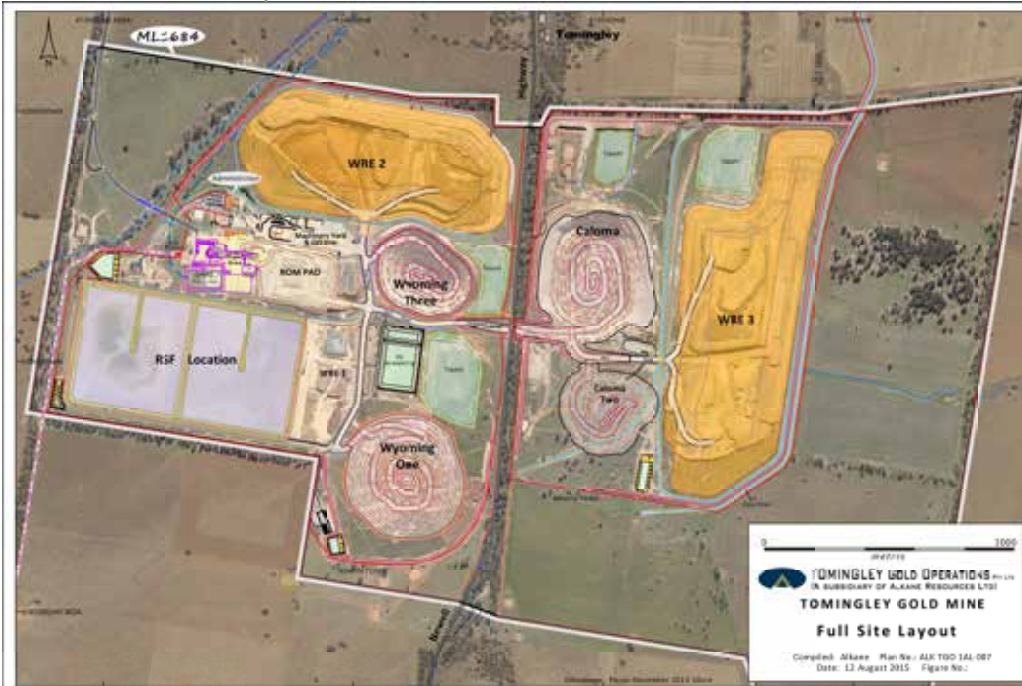
Tomingley Gold Operations (TGO) is preparing an application to the NSW Department of Planning and Environment to modify the terms of Project Approval for Tomingley Gold Mine. The proposed modifications include a change in location of the entrance to future underground mining activities (known as a decline), establishment of the Caloma Two open cut, and a small expansion to the existing Caloma pit.

Caloma Two open cut – The Caloma Two deposit was originally identified at the same time as the three deposits currently being mined. All environmental impacts associated with the proposed Caloma Two open cut were assessed as part of the original application, although permission for the Caloma Two open cut was not initially sought, because more drilling was required to define the resource. That drilling has now been completed.

The location of the Caloma Two pit will be south of the existing Caloma pit,

away from the town, and will not utilise any additional equipment. As a result, TGO does not anticipate any increased impact of noise or dust, both of which will be monitored and managed closely.

The land in question is predominantly cleared farm paddock, and all potential impacts to cultural heritage and biodiversity have been considered.



Schematic of proposed TGO modifications

Relocation of decline – TGO’s initial application indicated future underground mining operations, predominantly at the Wyoming One deposit. The original entrance to the decline was intended to be located at the bottom of the Wyoming One open cut; however, TGO is now seeking approval to relocate this entrance to either the Caloma or Wyoming Three pits.

TGO is currently assessing the potential impacts on ground water and ground vibration, both of which are expected to be minimal. Given that most mechanical activity will be underground, predominantly beneath the existing pits, it is unlikely underground operations will be noticeable to residents when it commences (either 2016 or 2017).

TGO is intending to lodge the application to modify Project Approval in September, and hopes to receive permission to commence Caloma Two activities in 2016. We will prepare an Environmental Assessment to support the application, and make this available for public comment soon. For inquiries, please contact Mark Williams. (mwilliams@alkane.com.au or 02 6867 9780).

Works in progress

Residue Storage Facility wall lift – The second stage of the wall lift on the residue storage facility (RSF) has commenced, as scheduled. This involves raising the height of the earth embankment to 7.5m to hold the residue pumped out of the processing plant.

Noise bund – Construction of the noise bund between Tomingley village & Caloma pit was further delayed by wet weather, but will be finished well before the start

of summer to ensure minimal impact of dust generated by the activity. Once completed, the noise bund will be spread with topsoil and seeded with pasture grasses as part of its rehabilitation, which will also maintain stability of the bund and visual amenity.

Check out our TGO blasting video!

Have you wondered what’s happening when ‘explosions’ come from the TGO site? We’ve uploaded a short YouTube video to reveal what happens during carefully controlled blasting within the Caloma open cut.

<https://youtu.be/t0vAyO-GAAY>



TGO takes responsibility for EPA incidents

TGO has taken full responsibility for two minor pollution incidents that occurred in March and April last year, when extremely heavy rain washed soil from TGO’s earthworks onto the Newell Highway and neighbouring property. At the time, TGO reported the incidents to the NSW Environmental Protection Agency (EPA) as part of its commitment to self-reporting, and recently pleaded guilty

for these incidents. No chemicals were involved and there has been no evidence of environmental damage. TGO has implemented changes to minimise the chances of this type of incident recurring.

Women in Resources awards: TGO finalist

Simone Painter, Processing Manager at TGO, was recently a NSW finalist in the 2015 Women in Resources National Awards (WIRNAs), hosted by the Australasian Institute of Mining and Metallurgy (Ausimm). She has now been nominated as the NSW representative for September's national awards.

With 20 years mining experience across WA, Queensland and NSW, Simone has forged a successful career in a traditionally male-dominated industry, while simultaneously raising a family. She has also mentored numerous other women in mining and considers one of her career highlights the employment of two young indigenous women trainees in WA, both whom have now graduated and are working as mine operators.



Simone Painter, TGO Processing Manager

At TGO, Simone led the team that successfully commissioned the processing plant safely and on schedule in January 2014, and in April 2014 held the first gold bar in her hands. The award winners will be announced at a dinner in Perth on Thursday 24 September. Good luck Simone!

Community update

Tomingley Gold Project Community Fund

TGO is delighted to continue supporting local community projects by means of the Tomingley Gold Project Community Fund, which is awarded twice a year on a submissions basis.

The first round of funding for 2015 was awarded in May to the following community initiatives selected by the TGP Community Fund Panel:

Narromine Shire Council in partnership with the Tomingley Advancement Association was granted \$20,000 for the provision of rainwater tanks for houses in Tomingley to supplement water supply. The funds will be held in trust until the program for works is established.

Tomingley Picnic Race Club was granted \$5,000 as sponsorship of the Tomingley Picnic Races.

Li'l Tacker Playgroup was granted \$1200 for the purchase of tennis equipment.

Submissions are now open for the second round of 2015 applications, with a deadline of 28 August 2015. See advertisement in this newsletter for details and conditions.

Gundong Creek in flow

The Gundong Creek, which runs through the TGO mine site, flowed for the first time since before construction started in early 2013. The creek is included in the site Biodiversity Offset, and the exclusion of stock from the creek banks has vastly improved the amount and quality of vegetation growing there.



Gundong Creek is included in the site Biodiversity Offset

Dubbo Zirconia Project development approval

On 29 May it was announced that the NSW Department of Planning and Environment (DPE) has approved the development application for Alkane Resources' significant Dubbo Zirconia Project (DZP) – a potential strategic supply of critical minerals (zirconium, hafnium, niobium, tantalum, yttrium and rare earths) for a range of high-tech and sustainable technologies.

The project is located near Toongi. Australian Zirconia Limited (AZL), a wholly owned subsidiary of Alkane Resources, is now moving ahead with applications for the Environmental Protection Licence (EPL) and Mining Lease, as well as securing project financing.

Once construction of the DZP gets underway, AZL predicts its workforce will rise to around 400 people (Alkane employees, consulting engineers and construction teams) during the two-year construction period – generating significant economic activity within Dubbo and surrounds.

Contacting Us

You can find out more information about Alkane Resources and the Tomingley Gold Operations on our website:

www.alkane.com.au

Or you can contact our 24 Hour Community Information Line:

02 6865 6116

Are you part of a community group seeking funding for a local project?

Alkane's Tomingley Gold Project Community Fund provides financial support for projects that contribute to community life within the Narromine Shire.

To be eligible, your project must fall into one of the following categories:

- Economic development
- Community connectivity
- Education and training
- Community infrastructure

Projects must be located in Narromine Shire.

Applications are now open, and close on Friday 28 August 2015.

For more information, or to download an application form, please visit:

<http://alkane.com.au/index.php/community> or contact Mark Williams, Environment and Community Manager at Alkane, on **(02) 68679780**.



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