

Tomingley Gold Operations Quarterly Community Update

ISSUE 003 / DEC 2013

The Tomingley Gold Project (TGP) and the Tomingley Gold Operations (TGO) team are busily engaged in the construction and mine operations of the Tomingley Gold Mine. Since the July update, many milestones have been achieved and construction is ramping up into its final stages. In addition mining has begun with the removal of the topsoil and waste overburden (soil and rock above the ore deposit) of the Wyoming 3 deposit.

In this update, we will look at the many milestones in construction achieved, what's happening to date and new mining and construction projects commencing.

Construction

Since the last update, the following construction milestones have been reached:

- All six carbon in leach (CIL) tanks are in place
- Major steel structures are in place
- Major workshops and facilities are erected and currently being fitted out
- All earthworks have been completed on both sides of the Newell Highway
- The diversion road for the underpass has been completed
- The administration building and crib/training room is now in place
- The 22kV power line has been re-located from the eastern side of the Newell Highway to the western side
- The substation has been constructed.

Almost 85% of total construction activities have now been completed. The TGP team anticipates that the processing plant will be ready for commissioning early in Quarter 1 of 2014.

Throughout the remainder of 2013, the following activities are expected to be completed:

- Completion of all the electrical wiring on site
- Construction of all warehouses and labs
- Construction of the run of mine (ROM) pad (where mined ore is stored ready to be crushed)
- Completion of visual bunds (wall enclosures) and partial completion of noise bunds.



The processing plant 85% complete



200t excavator loading a 777 dump truck with top soil

Construction at the Newell Highway underpass, which connects the Caloma deposits with the processing plant on the western side of the highway, commenced in October 2013. It is scheduled for completion in January 2014.

In the coming quarter, we expect to undertake the following activities:

- Tree clearing for the 66kV power line
- Stringing of the 66kV power line
- Continual environmental monitoring of water, dust and noise
- Site vegetation rehabilitation
- Commissioning of the processing plant.

Operations

In addition to the construction milestones, mining operations are currently underway.

- A local contractor MAAS was awarded for topsoil stripping and overburden removal
- Removal of topsoil and overburden is underway on Wyoming 3 and will advance to Caloma deposit in the following weeks.
- The Blast Management Plan was submitted for review to relevant authorities.
- Pre-blasting structural surveys were completed as part of the TGO Management plans. Alkane offered surveys of buildings before blasting activities within a 2km radius of site to understand the base level noise prior to operations. Twenty properties in Tomingley had an engineering report completed.
- Dust tests were completed and monitoring results show that the results are within the target range for consent conditions. The required limits were not exceeded.

Throughout the remainder of 2013, the following activities are forecast for completion:

- Award of several contracts including Dry Hire of Mining Equipment, Blast Hole Drilling, Grade Control Drilling
- Finalising several reagent and processing consumables' supply agreements
- Delivery of first ore to the ROM Pad

In the coming quarter, we expect to undertake the following new activities:

- Establishment of Caloma side noise bund
- Start grade control and blast hole drilling
- Start blasting activities
- Bring on new TGO personnel to undertake both commissioning then operation of the processing plant and dry hire mining

New Environment & Community Manager

Tomingley residents can expect to meet the newly-appointed Environment and Community Manager for Tomingley Gold Operations in the coming week, with environmental scientist and work health safety specialist Mark Williams being appointed to the role.

For the past two years, Mark has held a range of environmental and safety roles within the mining sector, and boasts more than 17 years in planning, development assessment, environmental management and community development positions in a range of government organisations. His experience spans a range of regional and rural communities, including the NSW Southern Riverina and Murray Regions, Cobar, King Island and the Torres Strait.

Please feel free to contact Mark via the community information line if you have any questions relating to TGO mining operations and your area.

TGP Community Fund

The TGP community fund is now open for applications. It aims to foster close relations between the TGO team and the local Narromine Shire community.

Information on how your project can be supported and the application form are available on the Alkane web site on the community page. Further promotion of the fund will commence in January 2014 with submissions closing at the end of February 2014. Consideration of submissions for this round will take place during March 2014.



Mark Williams, Environment & Community Manager

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