



Tomingley Gold Operations Quarterly Update

ISSUE 018 / FEB 2019

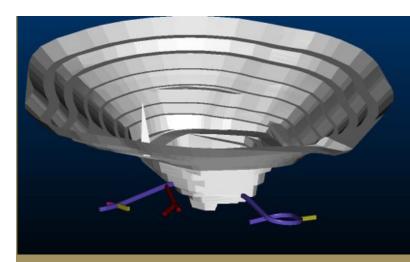
Underground Operations Have Commenced!

Towards the end of last year, Alkane decided to proceed with underground mining beneath the Wyoming One open cut. We purchased secondhand underground mining equipment and refurbished it to suit the operation's needs. Then, on 2 January this year, a specialist underground mining workforce came onboard at TGO.

The first blast took place on 7 January, leading to the development of two portals off the northern ramp in the Wyoming One open cut. From there, two declines (5m wide, 5.5m high, gradient of 1:7) will spiral down below the surface to provide access for the mining equipment. At publication, the underground development has progressed over 100m.



Underground Portal



Projected development illustration for underground operation

Farewell to Open Cut Mining Meanwhile, open cut mining is in its final stages. The Wyoming Three pit has been partially backfilled and a goodbye cut added in the Wyoming One and Caloma Two pits.

We have almost completed final shaping of the residual landforms – the two large waste rock emplacements (WREs) have been shaped and topsoiled. Final shaping of these WREs will be completed by mid-year followed by hydroseeding of the batters to progress rehabilitation. (Underground operations will not markedly change the final landforms.)





Shaped waste rock emplacements at TGO

Exploration Nearby

Alkane's exploration team has been busy exploring gold prospects in the region between Tomingley village and Peak Hill (Roswell, El Paso and San Antonio Prospects). This program aims to find economically viable targets that could contribute ore to the TGO processing plant. The results have been encouraging so far.



Reverse Circulation drilling at Roswell prospect 24 January 2019

We've also commenced a ten-hole diamond drilling program at Peak Hill to test the sulphide ore below the Proprietary Pit – a site of earlier mining. To minimise noise from the drill rig, which is operating 24/7, we've built a sound wall of hay bales. This drill program is filling in data gaps in the ore resources. The previous drilling was completed in 1998.



Diamond drilling near Peak Hill in January



Dusty December

As you know, TGO continuously monitors air quality to ensure our activities don't negatively impact the community. Unfortunately, we can't do much about the natural environment! During December, worsening drought conditions and dust storms blown in from western NSW caused our readings to spike.

Our monitors record particulate matter <10 micron, averaged over a 24-hour period. Anything over 50 micrograms per cubic metre in 24 hours exceeds the EPA's short-term criterion. In December, we recorded 10 instances of this (known as exceedances). On 31 December, a reading of 211.4 micrograms per cubic metre over 24 hours was recorded at our 'Woodlands' monitor in Tomingley. The picture below may indicate why!

Community Fund

The Tomingley Gold Project Community fund continues to sponsor projects and organisations within the community. The recipients of the October round of funding were the Li'l Tackers Playgroup in Tomingley village and the Narromine Show Society.

Li'l Tackers Playgroup Tomingley
Currently located in the old Tomingley School
building, the Li'l Tackers Playgroup services farms
and villages in the vicinity of Tomingley. Funding
of \$3590 was granted to support the creation of
a 'Baby Safe Zone'. This provides a separate safe
space for the littlest kids to play, out of range of
the older children.



Dust storm approaching TGO from the west near sunset on NYE 2018. Photo by Jason Walters from the top of the processing plant.

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Narromine Show Society

The Narromine show society received \$2500 to support the running of the Narromine Agricultural Show. The 2018 show was the 113th of this popular community event, in itself a significant accomplishment. The funds helped provide entertainment and contributed to the prize money for Art & Craft, Photography, Farm & Garden Produce, Preserves, Pickles & Jams and Flower competitions in the show pavilion.

Changes to the TGO Community Team Ken Bermingham, who has long been WHS Manager at TGO, is now also the primary point of contact for environment and community matters. Mark Williams, formerly Environment and Community Manager, departed TGO in December, while Cameron Hope will also be pursuing other opportunities in March 2019. TGO is currently recruiting to fill Cameron's role.

We wish both Mark and Cameron all the best in their future careers. Ken Birmingham can be contacted on (02) 6867 9780 and 0417 167 532.

Contacting Us

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

www.alkane.com.au

Or you can contact our 24 Hour Community Information Line:

02 6882 1661



Ken Bermingham, TGO WHS & Environment Manager



Native grasses such as Barbed Wire Grass (Cymbopogon refractus) are regenerating well along the biodiversity offset at Gundong Creek.