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# Tomingley Gold Operations Quarterly Update

ISSUE 020 / NOV 2019

## Extending the life of TGO

For the past six months or so, Alkane has been resource definition drilling at three prospects in the 'gold corridor' between Tomingley and Peak Hill. This is part of an intensive exploration program aimed at providing additional ore feed, either at surface or underground, for future processing at TGO.

The results to-date at the three prospects (San Antonio, Roswell and El Paso) have been extremely encouraging, suggesting there is potential for mine development in that area. The ore is very similar

geologically to that of the Caloma and Wyoming deposits at Tomingley.

Assay results have been received for 18,208 metres so far, out of a planned 60,000 metre drilling program. The first inferred Resource model is expected to be released for Roswell in mid-December and for San Antonio in February 2020.

(For more information about the exploration and resource drilling, refer to the following ASX announcements on the Alkane website ([www.alkane.com.au](http://www.alkane.com.au)): 9 July, 12 August, 23 September and 6 November 2019.)



Exploration drilling near TGO. (Photo courtesy Mitchell Services)

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## Underground exploration drive – seeking approval

In view of these strong results, we are now seeking approval from the Regulator to develop an underground exploration drive – starting from our current underground operations in Wyoming One. This exploration drive will head south from the decline beneath Wyoming One towards the San Antonio and Roswell prospects.

Members of the community with questions about this development are encouraged to contact Mike Sutherland (Alkane General Manager NSW) on: **02 6882 2866**

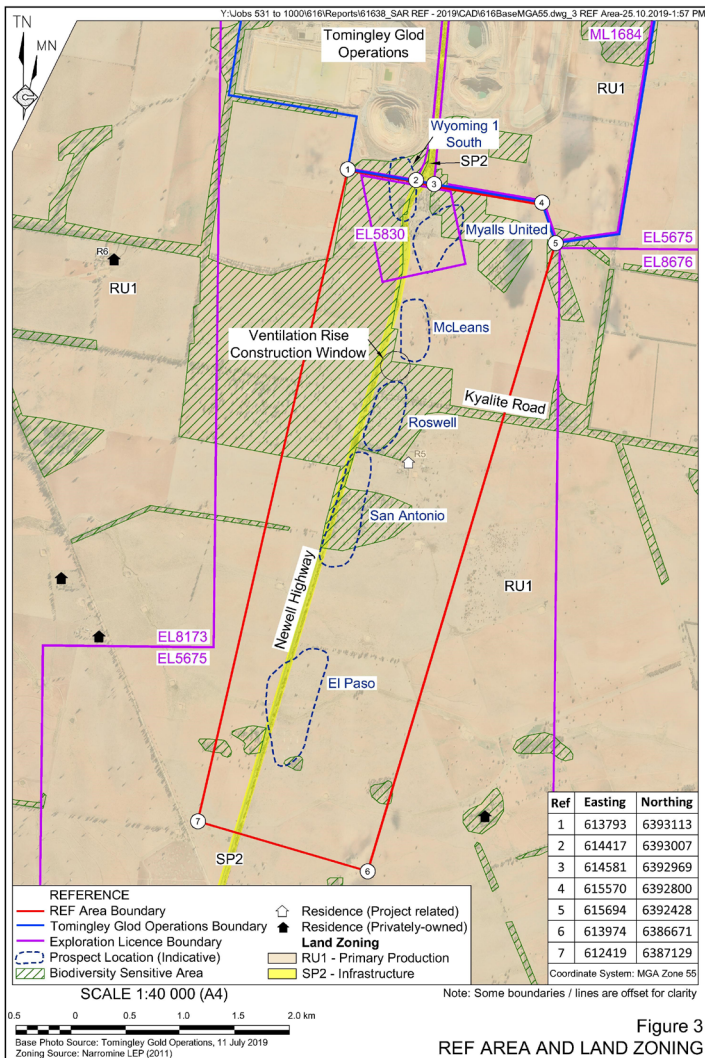
The purpose of the exploration drive is to allow exploration that cannot be done from the surface, including bulk sampling of the ore. It will be developed with minimal impact to the local community, with the only surface disturbance being a ventilation rise, located just north of Kyalite Road. TGO is currently negotiating purchase of this land.

To progress this work, we are applying to the NSW Resources Regulator for approval for the exploration drive and conducting community consultation throughout the process.

The overall exploration and resource definition program (Tomingley Gold Extension Project) is expected to take another nine months. If the project looks economically feasible, the next steps would be to commence an application to the Department of Planning, Industry and Environment, followed by environmental studies (including an Environment Impact Statement), landowner discussions and obtaining all the required approvals and licences for an underground and open cut mining development. Such a development could add several years to the life of TGO.

## Underground update

Spiralling down below the Wyoming One open cut, the TGO underground development continues at the excellent rate of in excess of 300 metres per month using a single jumbo – and is on budget and ahead of schedule. The main decline has passed the third of several levels of ore, and a small volume of ore has been extracted and processed.



*The proposed exploration drive will be located within the red box*

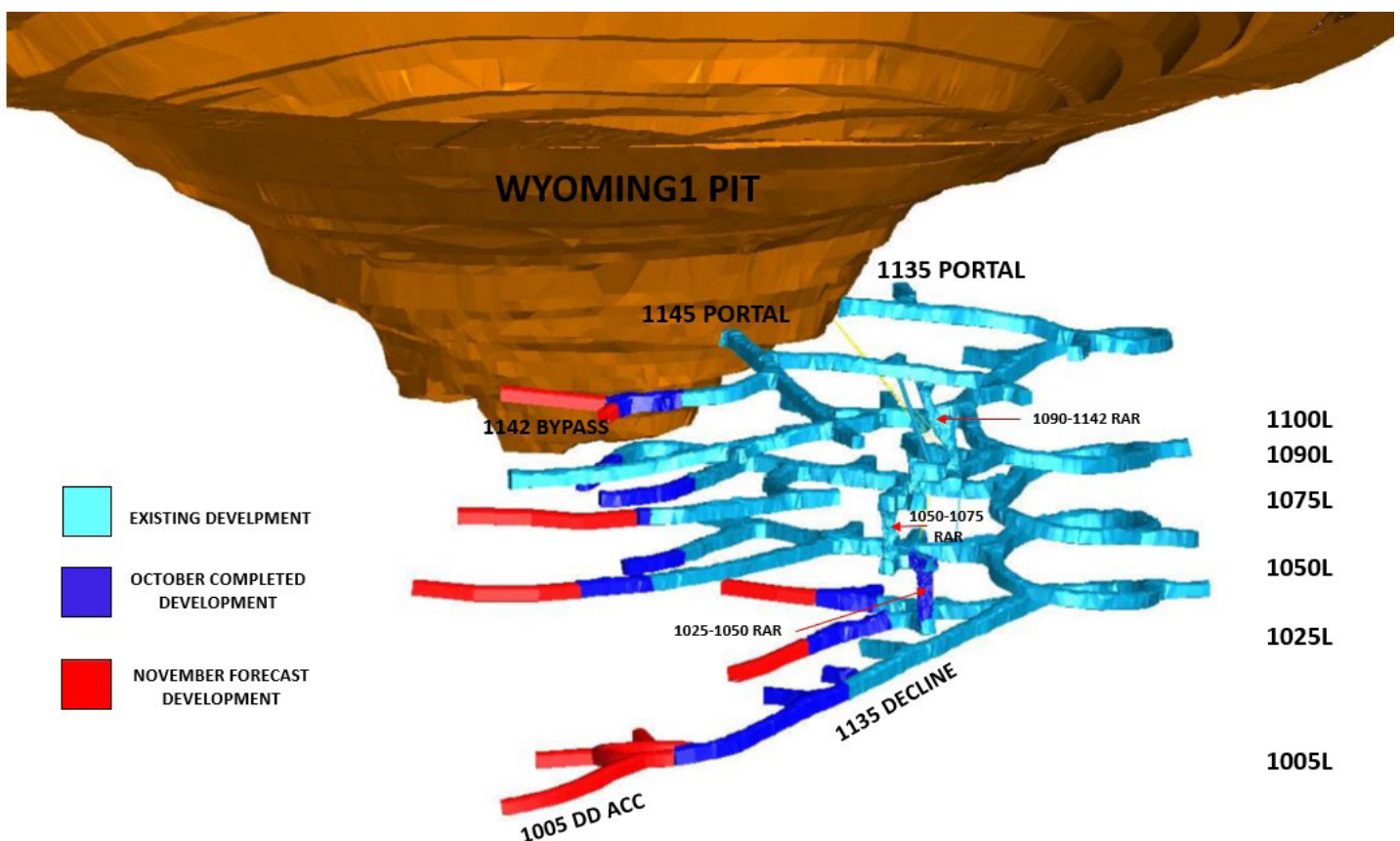


Grade control drilling also continues from both underground and the surface, and we've identified additional ore to the original resource model. Together with a review of cut-off grade for stope design, the additional ore indicates the potential for increased tonnage and a possible mine life extension. We're currently reviewing and updating the mine plan to reflect this.

A second jumbo, as well as a third bogger and truck (as well as other miscellaneous equipment), has recently been purchased to allow for development of the exploration drive, as well as use in our existing operations as needed.



*Underground dump truck in action*



*Status of underground operations*

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## Processing plant

The processing plant has continued to process low-grade stockpiles since open cut mining finished last January – although a small volume of underground ore was recently processed to confirm our grade and recovery assumptions. The plant will be shut down from mid-December for planned maintenance activities, as well as the build-up of sufficient underground ore stockpiles. It is expected the plant will be shut down for a period of 2-3 months; when it resumes production activities, processing of underground ore will be undertaken on a campaign basis.

## Site rehabilitation and maintenance

Seeding and strawing of TGO's waste rock emplacement 3 (WRE3) have been completed as the last stage of rehabilitation works – now we just need rain to promote germination and growth. Final works on WRE2 are planned to be completed this month.

## TGO community activities

TGO helps develop a resilient community by building regional infrastructure, providing training and career opportunities for residents, preferring nearby suppliers where possible, and supporting and sponsoring local projects, activities and events.

We're delighted to have become involved with the Narromine Junior Jets Rugby League Club through a sponsorship of \$6000 to assist with the purchase of jerseys for the 2020 and 2021 seasons. The Junior Jets is a very important and successful sporting organisation within the Narromine community, having over 220 players and fielding teams from the Under 6's to Under 16's in the local regions rugby league competition.



*TGO processing plant*

TGO is also coordinating a fundraising appeal to purchase a bus for the Narromine Jets Under 18 team to travel to and from games in the Group XI rugby league competition. We are working with our main contractors and suppliers to raise the \$20,000 required.

In addition, the latest recipients of the Tomingley Gold Project Community Fund were the Narromine Show Society, Mungery recreation reserve for painting of the local hall, Narromine Clay Target Club, and Tomingley sport and recreation ground for a dam desilting project.

## Contacting Us

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

[www.alkane.com.au](http://www.alkane.com.au)

Or you can contact our 24 Hour Community Information Line:

02 6882 1661