



Tomingley Gold Operations Quarterly Update

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Production ramps up

Tomingley Gold Operations has continued mining and producing gold at an excellent rate over the past few months. The processing plant, after resuming with a three-panel roster following the summer shutdown, was ramped up to four crews and 24/7 production at the beginning of May, bringing the plant back up to full capacity.

We are processing a mix of underground ore and low-grade stockpiles. In addition, we are currently undertaking a short mining campaign in the Caloma One pit, which is also contributing to the plant feed.

The underground development continues on schedule, with several areas set up for mining. Surface resource definition drilling is ongoing to test the planned underground development below the Caloma Two open pit. This is planned to be completed in the next few months.

Operations extended with MOD 4 approval

In May, TGO received consent from the NSW Department of Planning, Industry and Environment for the following approval modifications (MOD 4):

- Increasing the capacity of our residue storage facility (RSF) by further raising the height of the walls. Construction of wall lift stages 7 to 9 will increase the wall height by 6m.
- Using the mine site and associated infrastructure to support underground exploration operations to the south (see our update on the Tomingley Gold Extension Project following), including disposal of waste rock and processing of bulk ore samples.

The MOD 4 green light secures employment for the current mine work force for the next few years, and represents a substantial boost to our ravaged economy on a regional, state and national scale. We hope to commence the next wall lift (stage 7) in August this year.





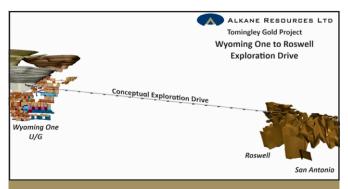
Tomingley Gold Extension Project

Alkane's intensive exploration program is continuing in the gold corridor immediately to the south of TGO, with the view to providing additional ore feed for TGO.

In recent months, we've had up to five drill rigs on site at any given time, representing an increase in drilling activity within the Roswell and San Antonio prospects. The first Inferred Resource for the San Antonio deposit was announced on 20 April, after the first Inferred Resource for Roswell was announced earlier in the year.

The Resources at TGO and the exploration tenements to the south are now in excess of 1 million ounces of contained gold.

In May, Alkane received approval from the NSW Resources Regulator to develop an underground exploration drive from the existing Wyoming One underground operations to the Roswell and San Antonio deposits. The exploration drive will extend approximately 4km to the south of TGO and allow further assessment of the corridor not readily available from the surface. Development commenced in June.



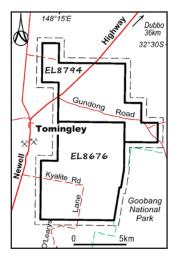
Approval has been granted for an underground exploration drive

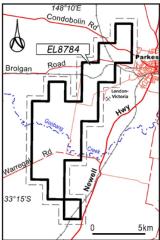
We are continuing with stakeholder consultations and planning as part of preparations to seek approval from the Department of Planning, Industry and Environment for mining development.

Aerial magnetic survey

In mid-June, an aerial magnetic survey was conducted over areas to the east of Tomingley and to the southwest of Parkes, where Alkane has exploration licences. The survey involved a small aeroplane flying approximately 35-40 metres above the land surface, along a continuous series of east-west oriented lines, spaced 100 metres apart.

This exploration technique will provide information on the magnetic nature of the rocks hidden by soil cover. This will aid us in mapping the rocks and determining the mineral prospectivity of the area for additional gold resources for processing at TGO.





Aerial magnetic surveys were conducted over these tenements in June.





After the rains

The good rains in April and May have filled Gundong Creek, which flows near the site. In keeping with our environmental obligations, we're taking weekly water quality measurements upstream and downstream of the site while the creek is in flow.



The rains have also ensured strong growth of vegetation on our rehabilitated and re-seeded waste rock emplacements.



TGO Environmental Technician Jon Lamont inspecting rehabilitation work on top of WRE2.

Response to COVID-19

TGO has continued to operate during the global pandemic – including ramping up production and employing new staff – while complying with the safety measures recommended by the NSW and federal governments. We are fortunate there are only a few active COVID-19 cases in the region, with none in the vicinity of TGO.

In response to the pandemic, we've implemented a range of recommended safety measures, including:

- heightened cleaning protocols and stringent hygiene practices
- physical distancing in shared office spaces and onsite – including outdoor shift handover meetings and rationed use of mine transport vehicles
- health screening including temperature testing and wellness declarations for employees, contractors and visitors.

TGO also covered the cost of flu shots for all employees and their partners in a bid to take the flu virus out of the equation. During the period when hand sanitiser was hard to come by, TGO provided 250ml bottles to our employees to take home for family use. We remain committed to protecting the health and safety of our people, contractors and the communities they live in.



Flora and fauna survey

A team of specialists from Dubbo-based AREA Environmental Consultants & Communication has commenced a flora and fauna survey of the Tomingley Gold Extension Project area. The survey began in April and is continuing throughout June, to be followed by further work in spring and early summer.

The survey includes recording and measuring vegetation in a series of 20 by 50 metre plots across at least six different plants community types. The team is also making observations of birds and other animals in the area, with particular effort going into identifying threatened species or habitat types.



One species that is subject to a target search is the Brushtailed Phascogale, a small, tree-dwelling carnivorous marsupial. Camera traps baited by a sweet nectar have been set to see if this species occurs in the Tomingley area. Any motion around the container will trigger a photograph to be taken.



Community Fund

The pandemic disrupted several of the projects seeking support from the March/April TGO Community Fund, so the recipients have not been finalised. However, the next round of applications will open in July. See the Alkane website for further information on how to apply.

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



Thanks to the following local suppliers



Aquawest Narromine supplies piping and pumps for TGO, demonstrating exceptional service with fast turnaround time and ease of supply. The company specialises in design and construction of water reticulation systems as well as pumps of all sizes. Phone 02 6889 7375 or find out more on <u>Facebook</u>.



Parkes Top Town Traders supplies a variety of products to TGO – from 12-volt batteries through to workshop tooling and welding consumables. The team provides great communication and prompt delivery, not to mention exceptional service when sourcing hard to find items. This family-owned and operated one-stop tool shop for construction and maintenance projects has been servicing Parkes and surrounding areas since 2005. Phone 02 6862 1899 or visit their website.



The **Sullivans Mining and Hardware** branch in Parkes provides warehouse consumables, Milwaukee gear and other mining supplies for TGO. The level of service from this company is outstanding – fast turnaround and they are always happy to seek out the best price. The company has been servicing Parkes and surrounding areas since 1991 and provides a wide range of industrial, mining and construction-related products. Phone 02 6863 4011 or find out more on Facebook.



Based in Parkes, **Advance Global** supplies all motor vehicle filters and lighting, as well as other auto electrical equipment for TGO. The team provides great communication and it's no trouble for them to make site visits to ensure the correct product is selected for the right job. This family business has been providing safety and compliance to the mining industry in the Parkes area since 1979. Phone 1800 624 088 or visit their website.