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Tomingley Gold Operations Special Update

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Tomingley Gold Extension Project

For the past year or so, Alkane has focused on identifying additional gold resources that could be mined to feed the Tomingley Gold Operations processing plant and extend the life of the operation.

Earlier this year we released Inferred Resources for the Roswell and San Antonio deposits, which are located just south of Tomingley. In parallel with continued drilling to further define these resources, we have also commenced the process of seeking government approval to extend our mining operation and add at least seven years to the life of TGO.

This update contains an overview of the Tomingley Gold Extension Project, which is still in the early design phase, and outlines the next steps we are taking towards approval.

An important element of this is introducing a team of specialist consultants who are working with us to prepare



Strike Drilling working on the resource assessment at Roswell.

the Environmental Impact Statement (EIS). Listening to the questions and concerns of all stakeholders, including the local community, is an important part of the process and will help shape the final design of the project.



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Project overview

TGO is seeking approval for both open cut and underground mining at the San Antonio and Roswell (SAR) deposits. The current indicative site layout is illustrated on the next full page. It is likely this design will change as we complete additional studies and consult with the community; however, the map provides a general overview of the scope of this project.

The current indicative design includes:

- **A single SAR open cut**, combining the San Antonio and Roswell deposits, approximately 1.7km long, up to 700m wide and up to 300m deep. It is expected that this open cut would be mined in stages to allow progressive rehabilitation.
- **An underground operation**, with a portal within a completed stage of the open cut.
- Two new **waste rock emplacements** (WRE4 and WRE5) in the vicinity of the SAR open cut (exact size and design to be determined). We also propose to backfill the two Caloma open cuts. An additional WRE would involve backfilling a stage of the SAR open cut (some parts would likely remain open, as the resource may continue to the north and south).
- A **haul road** that will transport ore via the existing Newell Highway underpass from the SAR open cut to TGO, where the ore would be processed in the existing processing plant.
- A second **residue storage facility** (RSF) to the south of the existing RSF and TGO.

Our path to seeking approval will involve ongoing collaboration with Transport for NSW, as well as consultation with Narromine Shire Council, landowners, stakeholders and industry regarding proposed road realignments and intersections with local roads.

Road realignments

For this project to proceed as described, TGO will need to realign two of the roads in the vicinity of the development – a section of the Newell Highway and Kyalite Road. We'll undertake this to AustRoads standards at our expense and in consultation with stakeholders – including local residents, road user groups and Transport for NSW.

Newell Highway realignment

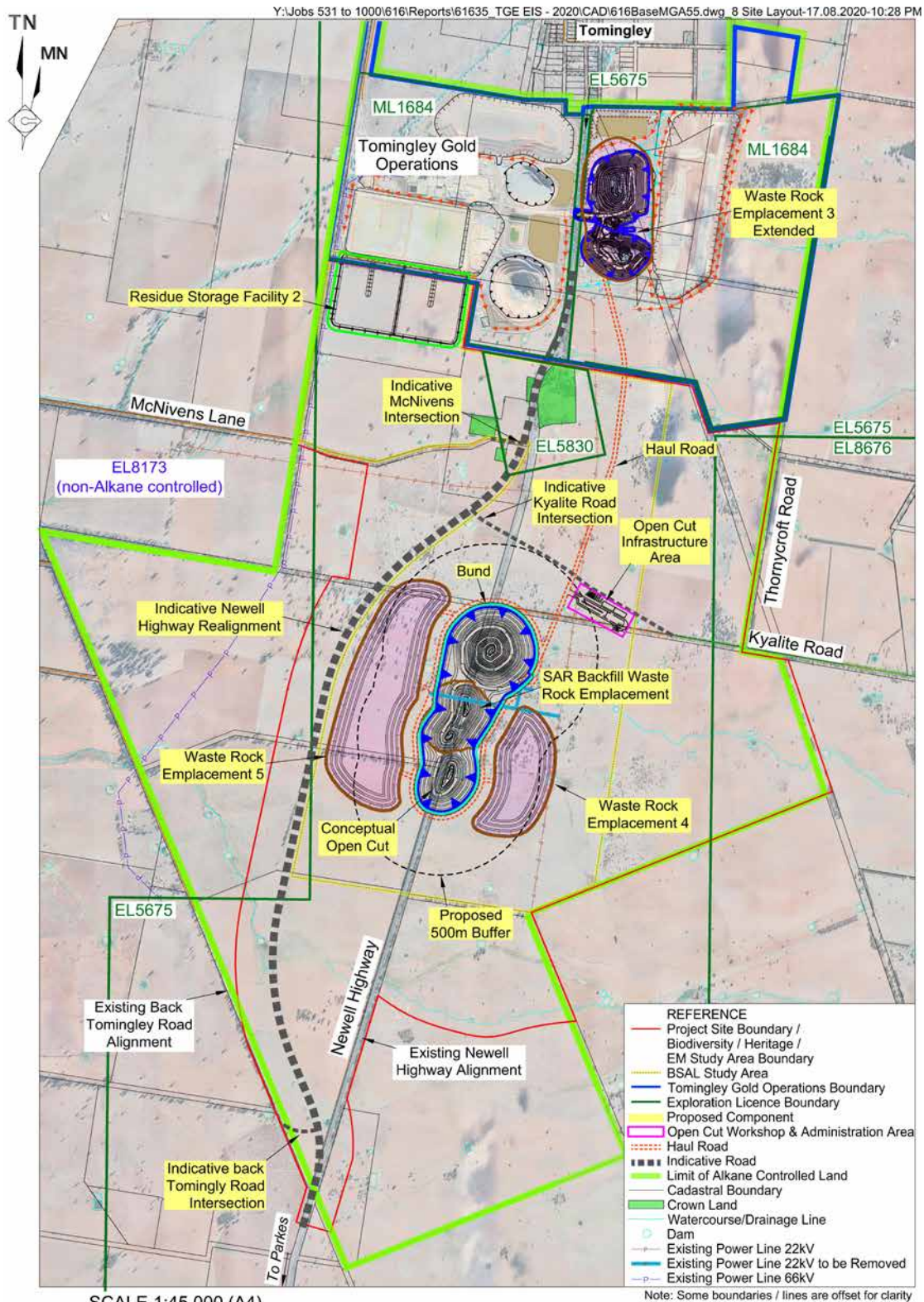
The San Antonio and Roswell deposits happen to be located very close to the Newell Highway. This means to develop the SAR open cut, we'll need to construct an alternate section of road that bypasses the development.

We have been consulting with Transport for NSW in relation to the design of this new section of road. The design will ensure there'll be no need to close the highway during routine blasting operations. Refer to the project map for an indicative path of the new section of road.

As mentioned, the realigned highway will be built to AustRoads standards and the design will take into account the local surface water flows that need to cross under the highway. The existing overtaking lanes and intersections will be replicated and reconstructed on the new section. Importantly, there will be minimal disruption to Newell Highway traffic during construction of the new, realigned section of road. As well as extensive community consultation, we'll be consulting the major industry and highway user groups in the coming weeks, working closely with Transport for NSW.

Kyalite Road realignment

We'd also need to realign Kyalite Road to ensure the road remains outside the 500m blast exclusion zone. The design of this realignment would be determined in close consultation with Narromine Shire Council, residents and industry using the road.



INDICATIVE PROJECT SITE LAYOUT



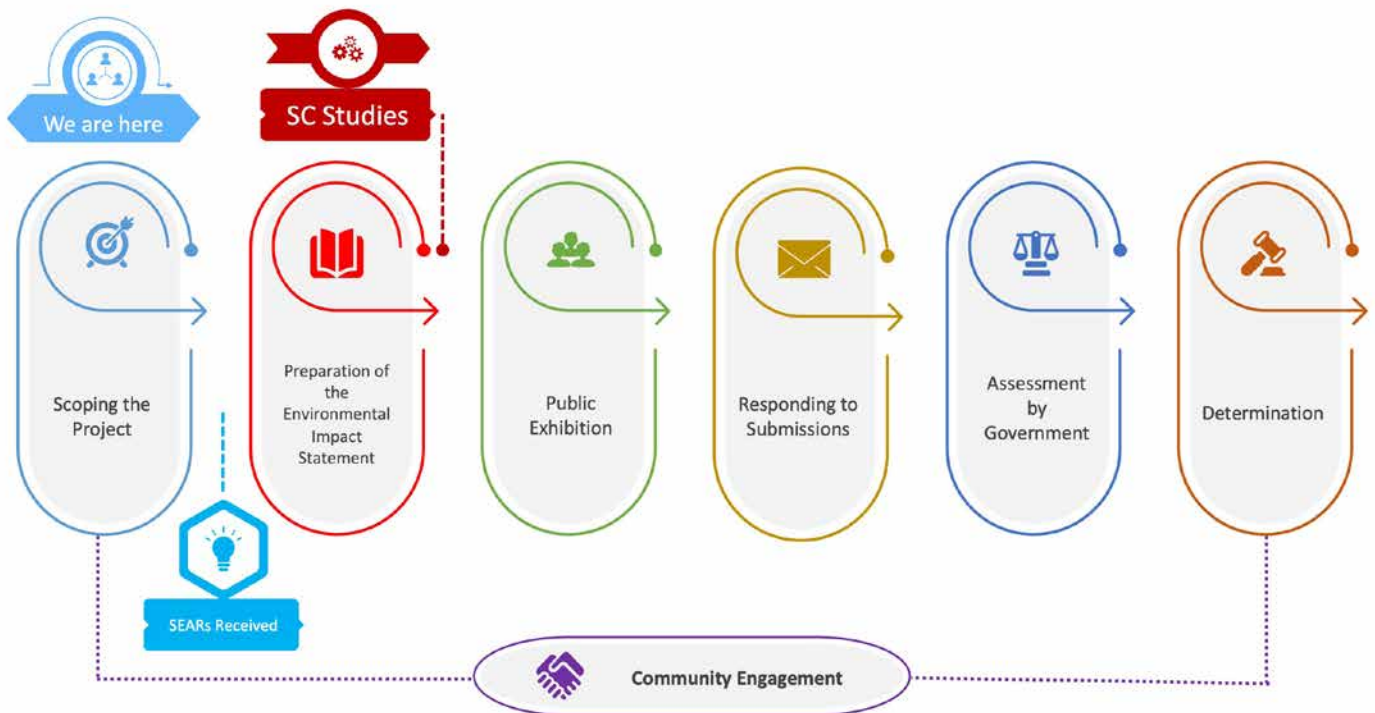
Approvals and application pathway

TGO has commenced the process of obtaining State Significant Development (SSD) approval from the NSW Government to progress this project. Other approvals and licences will also be required, but SSD approval is the most significant.

SSD approval involves a rigorous series of studies and discussions, where we (assisted by independent consultants engaged by TGO) assess the potential impact of the project on the environment, local community and the regional economy. The various stages of this process are represented in the accompanying graphic,

and more information can be obtained from the NSW Government Major Projects Website: <https://www.planningportal.nsw.gov.au/major-projects/assessment/state-significant-development/ssd-process>

TGO is currently in the “Scoping” phase, having commenced consultation with government agencies and begun the process of environmental impact assessment. Another important element of the scoping stage is communicating our plans to the local community and establishing a forum for ongoing feedback and discussion. These activities form part of a social impact assessment and economic impact assessment.





Environmental impact assessment

TGO has engaged a team of specialist consultants to undertake the environmental impact assessment that leads to the all-important Environmental Impact Statement (EIS). The EIS is a key part of the SSD approval process and informs the design and evaluation of the project.

The EIS team has commenced studies in the following areas related to the project:

- Ecology
- Heritage
- Soils and land capability
- Noise and vibration
- Air quality
- Surface and groundwater
- Rehabilitation and final landform design
- Social and economic – includes community consultation (see next section)

An application for Secretary’s Environmental Assessment Requirements (SEARs) outlining the matters to be addressed in the EIS will be submitted in August.



Electromagnetic survey (soils assessment) at Tomingley 8 July 2020



Pat Hulme assessing soil capability at Tomingley on 23 July 2020

Community consultation

Over the coming weeks and months, TGO and the EIS team will begin consulting with the community and key stakeholders regarding the project.

This is likely to occur in several different ways. Our team is collaborating with the existing TGO **Community Consultative Committee (CCC)** to shape a consultation process that meets the needs of the community and also complies with COVID-19 safe conditions.

If you have any questions or wish to channel feedback, contacting a member of the CCC is a great starting point. (For a list of CCC members with contact details, visit the Alkane website <http://www.alkane.com.au/projects/tomingley-gold-operations/community-resources/consultative-committee/>.)

Two independent consultants have come onboard to lead the social and economic impact assessments required for the EIS.

- **Susan Benedyka** specialises in working with regional communities and is committed to listening and understanding their needs.
- **Diana Gibbs** is an experienced resource and environmental economist who specialises in regional development planning.



Susan Benedyka



Diana Gibbs

Susan and Diana will be working closely with the CCC and the community (neighbours, residents and businesses) over the next several months. Mike Sutherland, Alkane's General Manager NSW, will also be on the ground talking with the community as permitted by COVID-19 restrictions.

In addition to the local community, the TGO team will consult with government agencies (local, state and federal), NGOs, Newell Highway users, local Aboriginal communities and all stakeholders with a genuine interest in the project. These early consultations with stakeholders will help inform the final design of the project – such as final landforms, realigned roads, water diversions and biodiversity offsets.

We're planning an array of consultations and communications using a variety of methods, which may include:

- In person small group meetings and open community meetings (COVID-19 safety requirements permitting)
- Direct written communications via email or in the letterbox (subscribe to the TGO community update at Alkane's website)
- General communications via Alkane ASX announcements, local newspapers, radio, digital and social media (subscribe to Alkane's ASX announcements and social media channels)
- Online meetings (as necessary) e.g. Microsoft Teams, Zoom meetings or other digital platforms
- Telephone and SMS
- Alkane's website (www.alkane.com.au)

Additionally, as part of the approval process, the project Environmental Impact Statement (EIS) will be put on public exhibition on the NSW Department of Planning, Industry and Environment's (DPIE) website, and the Independent Planning Commission will hold a public meeting while the EIS is on public exhibition.

To offer feedback or make inquiries about the EIS or the Tomingley Gold Extension Project in general, please contact Mike Sutherland via msutherland@alkane.com.au or (02) 6882 2866.

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