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Tomingley Gold Operations COMMUNITY UPDATE

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ASX : ALK

Project updates

Tomingley Gold Operations (TGO) remains committed to developing the San Antonio and Roswell (SAR) deposits, located immediately south of the current operation. We're currently finalising the infrastructure layout plan for the Tomingley Gold Extension Project (TGEP) and have included the latest version of that design in this newsletter.

We commenced the application process for State Significant Development (SSD) last year, as outlined in our August 2020 update. In the coming weeks we anticipate submitting the Scoping Report for the project to the NSW Department of Planning, Industry and Environment (DPIE) to obtain SEARS (Secretary's Environmental Assessment Requirements). This will allow us to prepare and finalise the Environmental Impact Statement (EIS).



At this stage, we are aiming to submit the EIS for Adequacy Review in August/September, with public exhibition to follow before Christmas.

Updates to the project

The current design for the project is presented in Figure 1. The main changes since our August 2020 update include the following.

- **SAR open cut** – The pit will be slightly wider, particularly in the north, but otherwise largely unchanged.
- **Waste Rock Emplacement (WRE)** – The eastern WRE has been largely removed and the western WRE has been moved further south. This is to minimise ecological impacts.
- **Haul road** – This is now planned to be constructed on the western side of the open cut, with an amenity bund on the western side of the road to limit views from the Newell Highway.
- **Administration area and soil stockpiles** – These will be positioned to minimise ecological and agricultural impacts.
- **Newell Highway realignment** – This will be largely unchanged.
- **Kyalite Road realignment** – We've settled on the realignment option where a bridge will allow Kyalite Road to pass over the proposed mine haul road.

If approved, the first stage of site construction will involve establishing the realigned Newell Highway and Kyalite Road, as well as site infrastructure. Once digging commences, we'll commence in the southernmost section of the SAR open cut and progress to the north. Waste rock and soil will be first used to construct the amenity bund and the lower outer sections of the WRE to

minimise visual and noise impacts. Waste rock will then be used to backfill the Caloma open cuts, as well as the southern and central sections of the SAR open cut once mining has been completed. Ore will be transported to TGO and processed using the existing processing plant, with residue placed into a second residue storage facility (RSF) located to the south of the existing RSF.

The TGEP is expected to add more than nine years to the life of TGO and ensure continued employment and economic contributions for that period.

The final landform will include one final void and a rehabilitated WRE. We are committed to maintaining agricultural productivity, as well as protecting, enhancing and re-establishing areas of native vegetation during and following the life of operation.

MOD5

While we progress the SSD approval process for TGEP, we've recently been granted approval to commence building the second residue storage facility (RSF2) – the fifth modification to TGO's approval (MOD5). This will allow tailings storage for the current operation, as well as the early stages of TGEP. MOD5 also extends the life of TGO from December 2022 to December 2025 to ensure continued operations while TGEP is assessed and approved.

Operations

Meanwhile, mining and production continues at TGO. We've been mining a cutback in the east of the Caloma open cut, and opened another underground portal from the base of the Caloma pit. This new drive has now connected into the underground drive from Wyoming One.

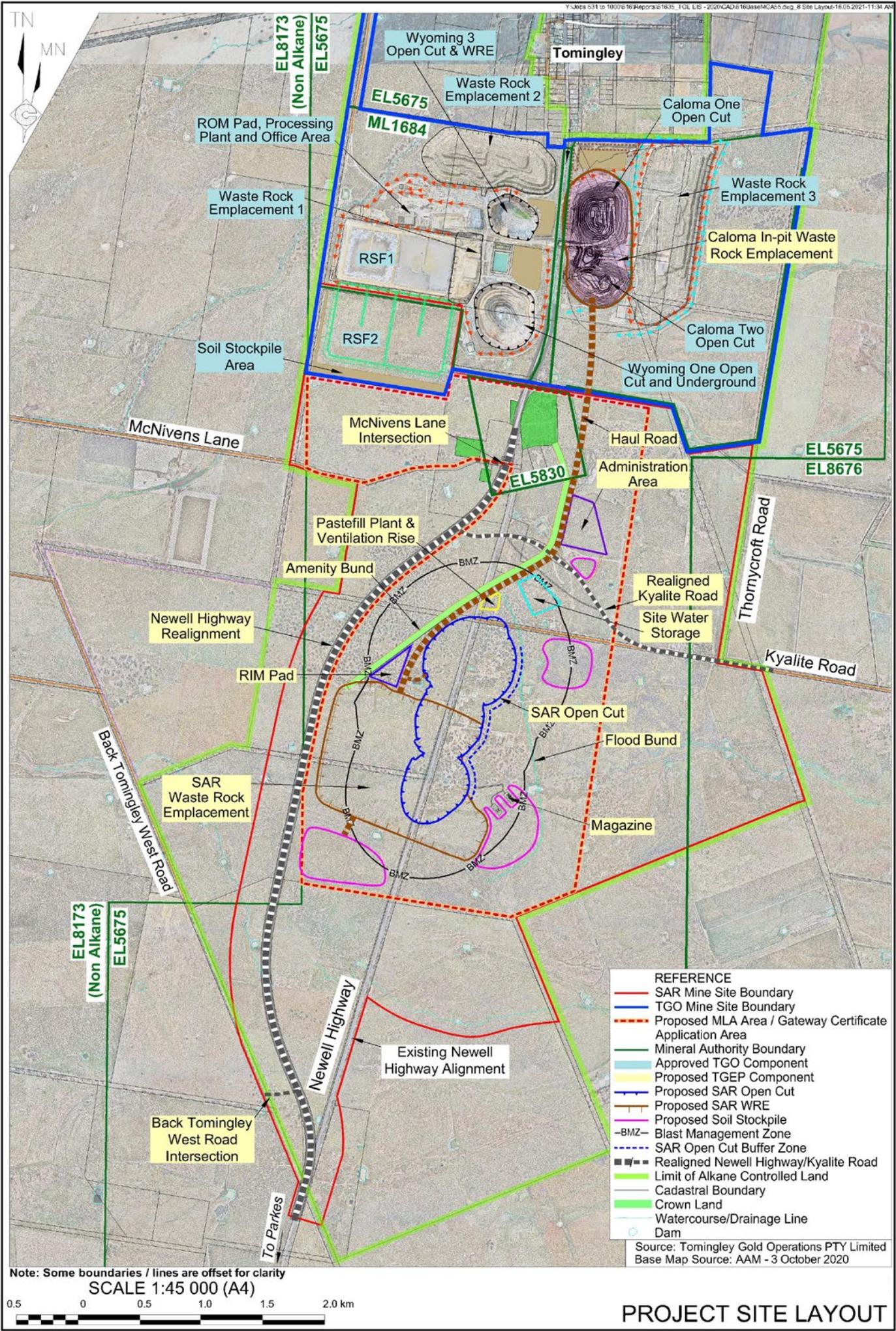


Figure 1 – Updated infrastructure layout plan for the Tomingley Gold Extension Project

Community consultations about Kyalite Rd

Independent consultant Susan Benedyka, who is leading the social impact assessment for TGEP, recently spent a few days in Tomingley to meet with the property owners and stakeholders who will be most affected by the proposed Kyalite Rd realignment.

Kyalite Rd needs to be realigned, since it currently runs through the proposed open cut. It also needs to remain outside the 500m blast exclusion zone. In close consultation with key stakeholders, including Narromine Shire Council and Transport for NSW, TGO designed two realignment options:

- Option 1 – Kyalite Rd would be diverted slightly northwest via an overpass over the proposed haul road. Kyalite Rd would intersect the Newell Highway about 770m north of the current intersection. Option 1 would cost more than Option 2 to construct.
- Option 2 – Kyalite Rd would be diverted north (initially along Thornycroft Rd) for several kilometres, then west to intersect with the Newell Highway in Tomingley village, several km north of the current intersection.

Susan spoke with representatives of nine properties, meeting most of them face-to-face on a one-on-one basis. She was seeking impressions about TGEP and specific feedback on the above two Kyalite Rd realignment options.

Most residents and landholders preferred Option 1, citing the more direct route to the Newell Highway as a key factor. (The second option adds several kilometres to journeys headed south to nearby Peak Hill.)

Susan also consulted the Peak Hill school bus operator, who indicated a preference for Option 1.

Susan spent three nights in Tomingley's Lucky Strike Motel and enjoyed mealtimes in the local Crossroads Hotel and the BP Truckstop. She reports everyone was friendly and open, and she enjoyed catching up with residents, business owners and landholders she'd spoken with in the past.

Following the consultation, TGO and Alkane have decided to progress with the community's majority preferred Option 1 for the Kyalite Rd realignment.



Concept for the proposed Kyalite Rd realignment (Option 1).

Rehabilitation and landform design

We're getting closer to finalising the waste rock emplacement (WRE) design for the new TGEP development. Contrary to what you might expect, there is a lot of work that goes into this.

Most significantly, the TGEP team is investigating an alternative landform designed to look more natural in the landscape, compared with the rehabilitated WREs near the Caloma and Wyoming deposits. Instead of stepped batters, it will feature gentler contours to reside more sympathetically within the environment.

The final design and footprint will depend on the balance of two main variables: the volume of waste rock we need to move and the quality of available topsoil. Climate is also a key factor, as the amount of rainfall and its distribution greatly influence vegetation growth and the potential for erosion.

The gradient and form of the batters will therefore be informed by a combination of factors that consider likely rainfall, length and shape of batter slopes, and the properties of the different soil types (which are highly variable in quality).

We've engaged environmental consultancy Landloch to assess soil 'erodibility' and model the available design options. They've collected one cubic metre soil samples from across the site, and subjected them to simulated rainfall and erosion stresses in a specialised laboratory. The resulting site-specific input data allows them to explore a range of scenarios using erosion software. This data will inform the final WRE landform design.

According to Landloch's Simon Buchanan, regulators are starting to encourage mining companies to adopt landform designs that consider the erodibility of the materials, with Western Australia leading the way in this regard. We're pleased to be ahead of the game in NSW.

Meanwhile, vegetation growth on our two rehabilitated WREs has accelerated over the past year, thanks to all the rain we've been having. The two aerial images of WRE3 show the stark contrast in cover since the drought broke.



The difference a year (and some rain) makes. WRE3 in 2019 (above) and 2020 (below).



TGO team updates

As our organisation grows, we've made some appointments and changes to key management positions at TGO.

General Manager

Jason Hughes has been promoted into the role of General Manager – Tomingley Gold Operations. This role reports to Simon Parsons, who is now Alkane Executive General Manager – Operations. Jason is the former Underground Manager, having worked at TGO for three years. Simon was the General Manager Operations and prior to that the Open Cut Mining Manager, having been at TGO since 2015.

Environment and Community Manager

David Pritchard has been appointed Environment and Community Manager. David joined TGO in January 2020 in the role of Environmental Coordinator. The Environment and Community Manager role has been separated from Work Health and Safety, which will continue to be managed by Ken Bermingham. David's responsibilities include managing all environmental and community liaison, data and information, including representing TGO on the Community Consultative Committee.

David can be contacted on dpritchard@alkane.com.au or (02) 6867 9780.

HR Manager

Finally, we're pleased to welcome Belinda Hollingworth to TGO as Human Resources Manager. Belinda brings more than a decade of HR experience working for Narramine Shire Council to this new role. In addition to managing the needs and recruitment of our growing workforce, Belinda has also launched a number of health and wellbeing programs for our employees.



David Pritchard is now Environment and Community Manager.



Belinda Hollingworth (HR Manager) and Jason Hughes (GM TGO) check out TGO's new Cat 2900G Underground loader.

Alkane sponsors Clontarf Foundation

We are proud to have strengthened our relationship with the Clontarf Foundation through the establishment of a major new annual sponsorship of the Foundation's Narromine Academy.

The sponsorship represents Alkane's long-term investment in capacity building for young Aboriginal and Torres Strait Islander men. The Clontarf Foundation equips these young men to participate more meaningfully in society by improving their education, discipline, self-esteem, life skills and employment.

A key element of our enhanced relationship will involve an annual program of student interaction, celebrations of achievements, employment pathway support, and visits between the TGO workplace and the Narromine Academy. We look forward to building strong relationships between the students, Academy staff and Alkane employees.

Rugby League Super Training Session

One of the first events under the program took place on 3 March, when we were invited to a before-school Rugby League "Super Training Session" hosted by Clontarf Narromine Academy.

The event was held at Narromine High School and also attended by Clontarf students from the three Dubbo High Schools and Wellington High School. More than 80 indigenous students participated in various Rugby League training drills, prior to enjoying a nutritious breakfast.

Belinda Hollingworth (HR Manager) and David Pritchard (Environment and Community Manager) represented TGO at the session, which was also attended by other Clontarf partners, including representatives from Narromine Shire Council and NSW Police. The event provided a networking opportunity for Clontarf staff and

partner organisations. It also demonstrated some of the work the Clontarf Foundation undertakes to encourage young indigenous people to complete their education and pursue employment after completing Year 12.



TGO is now a major sponsor of the Clontarf Foundation's Narromine Academy, which held a Rugby League "Super Training Session" in March.



CCC farewells Sallie McGaw

The team at TGO wishes to extend our thanks and very best wishes to Sallie McGaw, who has resigned from our Community Consultative Committee (CCC).

A resident of the Tomingley area for over 30 years, Sallie was an inaugural member of the CCC, attending the committee's first meeting on 9 May 2013. She brought her active participation in the area's social and community activities to her role on the CCC, and undertook her duties as a committee member to a very high standard.

Having watched our mining operation develop from conception, Sallie and her family recently moved from the family farm at Tomingley to Dubbo. Her final meeting was on 18 February, a few months shy of an eight-year tenure on the CCC.



TGO thanks Sallie McGaw for her service to the CCC.

As always, members of the community are invited to approach CCC representatives to seek information about TGO's activities. The purpose of the CCC is to facilitate communication and discussion about mine operations and environmental performance. Its representatives

include members of the local community, local council, TGO and other key stakeholders.

Community Fund

Due to the pandemic, 2020 was not a great year for community projects. However, we were pleased to award \$30,668 to the Tomingley Advancement Association for a gazebo, play area and BBQ adjacent to the Tomingley Community Hall. Construction of these facilities is yet to commence.

The first round of community fund applications for 2021 were approved in April, with the following applicants successful:

- Narromine Clay Target Club – \$2,085 for an upgrade of the target release system
- Narromine CWA – \$300 for assistance with a schools public speaking competition
- Narromine Lions Club – \$1,000 for assistance with participants attending Camp Licola
- Narromine Agricultural (Show) Society – \$3,000 sponsorship
- Narromine Soccer Club – \$1,000 for increasing awareness and presence of the soccer club
- Tomingley Picnic Race Club – \$5,000 for Tomingley Cup Prize Money, \$10,000 for fencing and \$5,000 for a shade structure.

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