

24 April 2024

Quarterly Activities Report to 31 March 2024

Tomingley Gold Operations (Tomingley)

- Gold production of 10,861oz was below forecast for the quarter due to lower recoveries from Caloma Two ore, with site operating cash costs at A\$1,953/oz and AISC of A\$2,454/oz. Site operating cash flow was A\$5.9m for the quarter.
- Gold sales for the quarter of 10,385oz for revenue of A\$30.5m at an average price of A\$2,933/oz.
- FY2024 guidance for Tomingley remains unchanged at 60,000oz to 65,000oz production at an AISC of \$A1,750/oz to \$2,100/oz, with production expected to be at the lower end of guidance and costs at the upper end of guidance.

Tomingley Gold Extension Project (TGEP)

- The updated Mineral Resource and Reserve for the Roswell Deposit (see ASX Announcement 27 February 2024) was estimated at:

Resource

Open Cut – 3,900kt at 1.7g/t Au for 213koz Au

Underground – 5,550kt at 2.7g/t Au for 489koz Au

Reserve

Open Cut – 3,900kt at 1.7g/t Au for 213koz Au

Underground – 3,209kt at 2.3g/t Au for 237koz Au

- Concrete works for the paste plant have been completed with the belt filter lifted into place.
- Stope mining of ore at Roswell has commenced post quarter end.
- Concrete works at the process plant flotation and fine grinding circuit are nearing completion.

Exploration

- Assay results were received from diamond core and RC drilling at Kaiser during the quarter as part of the ongoing infill drilling to allow the updated mineral resource. Significant intercepts included:

KAI124	1m grading 37.8g/t AuEq* (37.7g/t Au, 0.24% Cu) from 129m
and	120.5m grading 1.00g/t AuEq (0.44g/t Au, 0.40% Cu) from 351m
incl	12m grading 2.84g/t AuEq (1.05g/t Au, 1.30% Cu) from 351m
also	6m grading 3.46g/t AuEq (1.32g/t Au, 1.56% Cu) from 412m
KAI147	10m grading 1.95g/t AuEq (1.89g/t Au, 0.05% Cu) from 273m
incl	2m grading 7.11g/t AuEq (7.04g/t Au, 0.06% Cu) from 276m
and	66m grading 1.51g/t AuEq (0.52g/t Au, 0.72% Cu) from 305m

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incl	24m grading 2.47g/t AuEq (1.03g/t Au, 1.05% Cu) from 321m
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incl	45m grading 2.60g/t AuEq (0.86g/t Au, 1.26% Cu) from 424m
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KAI159	8.6m grading 14.8g/t AuEq* (14.5g/t Au, 0.24% Cu) from 316.4m
incl	3.5m grading 31.3g/t AuEq (30.6g/t Au, 0.51% Cu) from 318m
incl	1m grading 62.2g/t AuEq (60.4g/t Au, 1.33% Cu) from 320m
and	17m grading 0.90g/t AuEq (0.85g/t Au, 0.04% Cu) from 344m
incl	1m grading 11.1g/t AuEq (11.1g/t Au, 0.02% Cu) from 360m
and	30m grading 0.75g/t AuEq (0.42g/t Au, 0.25% Cu) from 673m
KAI161	14m grading 1.03g/t AuEq (0.81g/t Au, 0.16% Cu) from 158m
and	162m grading 2.13g/t AuEq (1.09g/t Au, 0.76% Cu) from 246m
incl	49m grading 3.06g/t AuEq (1.68g/t Au, 1.01% Cu) from 286m
also	22m grading 3.40g/t AuEq (2.03g/t Au, 1.00% Cu) from 357m
KAI198	41m grading 3.05g/t AuEq* (1.39g/t Au, 1.21% Cu) from 1m
incl	14m grading 8.05g/t AuEq (3.80g/t Au, 3.09% Cu) from 18m
KAI206	62m grading 1.31g/t AuEq (0.47g/t Au, 0.61% Cu) from surface
incl	16m grading 2.94g/t AuEq (1.11g/t Au, 1.33% Cu) from 42m

- Kaiser's updated mineral resource estimation will be completed by the end of April 2024. A scoping level assessment of potential project economics is expected to be completed in Q2 CY2024.

Corporate

- Cash, bullion, and listed investments position totalled A\$41.1m. Including the undrawn project finance facility of \$50m, total liquidity was \$91.1m at the end of the March quarter.
- Significant investments of \$31 million were made during the quarter in the Tomingley expansion – details further discussed in the Corporate section of the report.
- Shareholding in ASX-listed gold producer Calidus Resources Ltd (ASX:CAI) represents ~7.0% ownership of issued capital in Calidus at the end of the March quarter.

Alkane Managing Director, Nic Earner said: "We've had a difficult quarter at Tomingley, mining through a low recovery area at Caloma Two. Happily, that is now behind us as we ramp up mining at Roswell, both higher grade and higher recovery. The quarter saw the release of our updated Roswell Resource, with a large increase in Reserve.

"Our expansion capital work continues with both the Paste Plant and Processing upgrades on track for commissioning later in the year. We're currently reviewing the budget for Tomingley and expect to have that completed in June.

"The updated resource for Kaiser will be completed and announced by the end of April. The scoping study for Boda and Kaiser will be completed in the current quarter. A lot is happening within both projects, and we look forward to communicating progress in the coming months."

**The equivalent calculation formula is $AuEq(g/t) = Au(g/t) + Cu\%/100 * 31.1035 * copper\ price(\$ / t) / gold\ price(\$ / oz)$. The prices used were 12-month averages of US\$1,950/oz gold and US\$8,600/t copper, and A\$:US\$0.67. Recoveries are estimated at 81% Cu and 71% gold from metallurgical studies at Kaiser. Alkane considers the elements included in the metal equivalents calculation to have a reasonable potential to be recovered and sold.*



TOMINGLEY GOLD OPERATIONS

Tomingley Gold Operations Pty Ltd 100%

Tomingley Gold Operations (Tomingley) is a wholly owned subsidiary of Alkane, located near the village of Tomingley, approximately 50km southwest of Dubbo in Central Western New South Wales. Tomingley has been operating since 2014. Mining occurs underground on four gold deposits (Wyoming One, Caloma One, Caloma Two and Roswell).

Operations Performance

Tomingley had a difficult March quarter with production below forecast. The main reason was the mining of stopes in Caloma Two, which had lower than predicted recovery due to the presence of preg-robbing carbonaceous material. This means that gold recovery using the carbon-in-leach circuit is reduced by competing carbon-containing materials in the ore. A reduction in recovery was anticipated, however the impact was larger than modelled. This area has now been mined through, and the other areas scheduled from Caloma Two have been re-sampled for similar material, which is not predicted to have the same carbon concentration in the future.

A total of 10,861 ounces of gold was poured for the quarter. The site cash costs for the quarter were A\$1,953/oz with an all-in sustaining cost (AISC) of A\$2,454/oz. Operating spend was not materially higher, the lower production primarily drives the AISC. FY2024 guidance for Tomingley is unchanged at 60,000oz to 65,000oz production at an AISC of \$A1,750/oz to \$2,100/oz with production expected to be at the lower end of guidance and costs at the upper end of guidance. Mining of stope ore at Roswell has commenced post quarter end, successful ramp up of stoping this higher-grade material is needed to meet the quarterly forecast.

Gold sold for the quarter was 10,385 ounces at an average sales price of A\$2,933/oz, generating revenue of A\$30.5m. Bullion stocks were 1,796 ounces (fair value of A\$6.1m at quarter end). The site's operating cash flow was A\$5.9m for the quarter.

The updated Mineral Resource and Reserve for the Roswell Deposit (see ASX Announcement 27 February 2024) was estimated at:

Resource

Open Cut – 3,900kt at 1.7g/t Au for 213koz Au

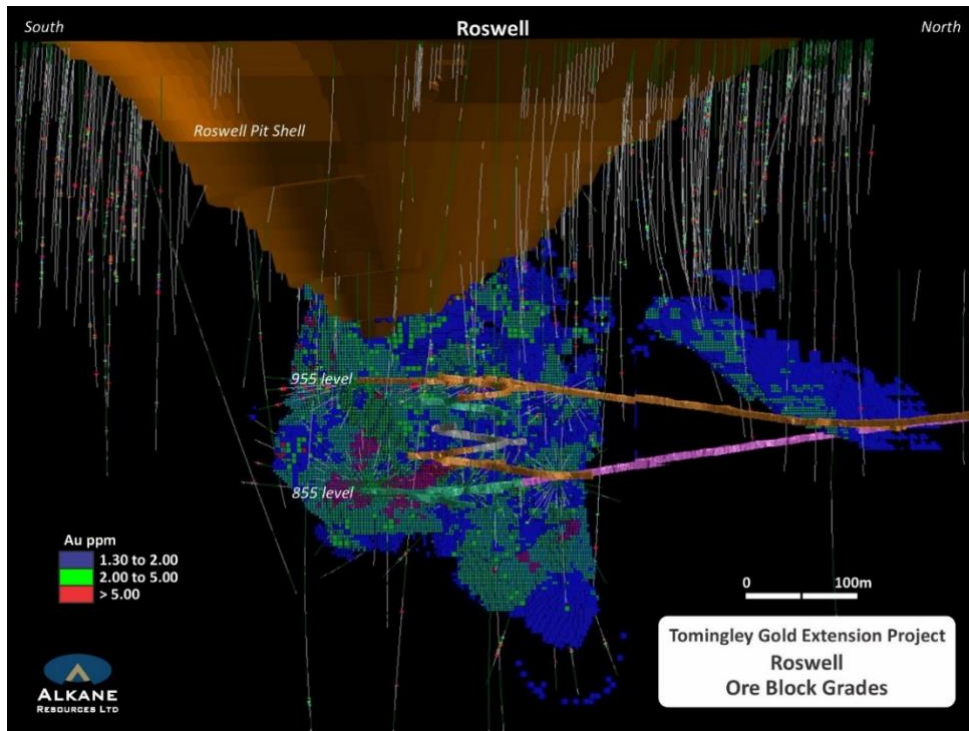
Underground – 5,550kt at 2.7g/t Au for 489koz Au

Reserve

Open Cut – 3,900kt at 1.7g/t Au for 213koz Au

Underground – 3,209kt at 2.3g/t Au for 237koz Au

Grade control and resource extension drilling continue at Roswell.



Roswell Underground Ore Block Grades

Tomingley Gold Extension Project

Concrete works for the paste plant have been completed with the belt filter lifted into place. Concrete works at the process plant flotation and fine grinding circuit are nearing completion. Both projects are currently on schedule for commissioning in the September CY2024 quarter.



Process flotation and fine grind circuit concrete works



Paste plant concrete and belt filter



Internal light vehicle and pipeline corridor construction between Caloma Two and Roswell

Exploration

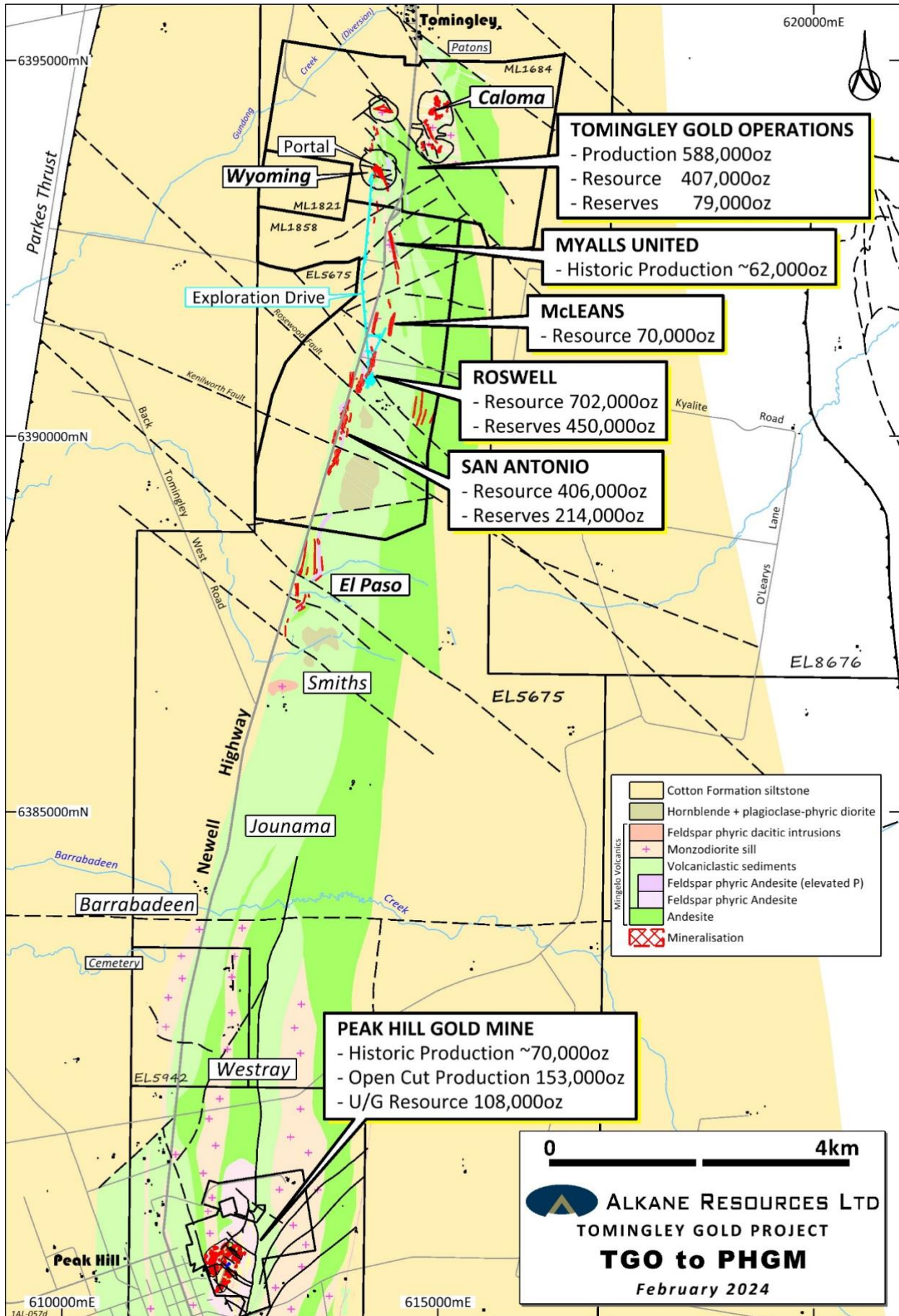
Aircore drilling at the Allendale prospect, located in the exploration tenements surrounding Tomingley, occurred during the quarter. Aircore drilling also occurred at the Armstrongs prospect, near Parkes.



Tomingley FY 2024 Quarterly and Annual Production Figures

Tomingley Production		FY 2023	Sep Quarter 2023	Dec Quarter 2023	Mar Quarter 2024	FY 2024
Underground						
Ore mined	Tonnes	822,585	241,591	277,547	230,694	749,832
Grade	g/t	2.50	2.12	1.88	1.82	1.94
Ore milled	Tonnes	1,069,331	276,654	287,550	296,644	860,849
Head grade	g/t	2.42	2.10	1.84	1.69	1.87
Recovery	%	84.3	81.9	77.9	67.6	76.1
Gold poured	Ounces	70,253	15,855	13,182	10,861	39,898
Revenue Summary						
Gold sold	Ounces	70,498	16,090	14,507	10,385	40,982
Average price realised	A\$/oz	2,703	2,897	2,926	2,933	2,916
Gold revenue	A\$M	190.5	46.6	42.4	30.5	119.5
Cost Summary						
Surface works	A\$/oz	134	30	29	53	36
Mining	A\$/oz	461	682	771	860	759
Processing	A\$/oz	388	435	444	750	518
Site Support	A\$/oz	141	175	220	289	220
C1 Site Cash Cost	A\$/oz	1,124	1,322	1,464	1,953	1,532
Royalties	A\$/oz	93	93	82	85	87
Sustaining capital	A\$/oz	364	429	508	340	434
Gold in circuit and inventory movements	A\$/oz	-49	223	51	(36)	97
Rehabilitation	A\$/oz	22	32	29	16	27
Corporate	A\$/oz	47	57	65	96	70
AISC¹	A\$/oz	1,602	2,156	2,200	2,454	2,247
Bullion on hand	Ounces	2,890	2,651	1,322	1,796	1,796
Stockpiles						
Ore for immediate milling	Tonnes	328,594	289,287	281,701	215,751	215,751
Grade	g/t	1.04	0.94	0.95	0.86	0.86
Contained gold	Ounces	10,940	8,757	8,621	5,975	5,975

¹AISC = All in Sustaining Cost comprises all site operating costs, royalties, mine exploration, sustaining capex, mine development and an allocation of corporate costs, calculated on the basis of ounces sold. AISC does not include share-based payments or net realisable value provision for ore inventory.





CORPORATE

Cash, Bullion and Listed Investments

Description	Dec-23 Quarter A\$M	Mar-24 Quarter A\$M
Cash	57.3	28.4
Bullion	4.0	6.1
Cash and bullion sub-total	61.3	34.5
Listed investments	12.1	6.6
Total cash, bullion and listed investments	73.4	41.1

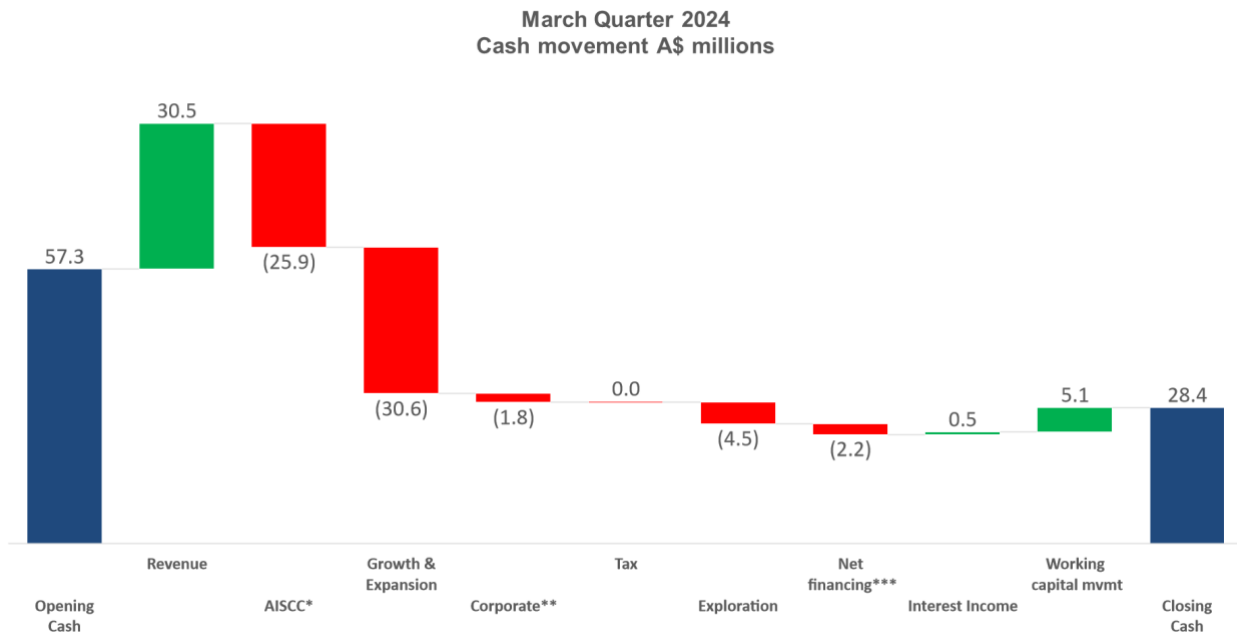
Banking Facilities

At the end of the quarter, the Company had \$8.9 million of mobile equipment financing.

Alkane has a Project Loan Facility of \$50 million with Macquarie Bank Limited (Macquarie) to develop the Tomingley Gold Extension Project. This facility was undrawn at the end of the quarter as development activities to date have been funded from cash. In April, post quarter end, the facility was increased to \$60 million and \$23 million subsequently drawn to fund capital works and the purchase of put options (therefore not included in the end of March balance shown above).

Cashflows

The waterfall chart below summarises the quarterly movement in cash held (excludes bullion and investments held at the beginning and end of the period):



*AISCC – 10,385ozs sold x \$2,454/oz. The Gold in circuit movement from the AISC table on page 6 is a non-cash movement so is excluded from the cashflow waterfall above.

** Corporate costs of \$995k are included in the AISCC.

*** Net financing outflows detailed in the commentary below.



Cashflow Discussion and Analysis

Revenue **\$30.5 million**

During the quarter Tomingley Gold Operations sold 10,385 ounces at an average price of A\$2,933/oz. This included the delivery of 5,900 ounces into forward sales contracts at an average of \$2,744/oz. Further details of the current forward sales can be found below.

AISCC (All-In Sustaining Cash Cost) **\$25.9 million**

All in sustaining cash outflows for the quarter were \$25.9 million (note this excludes the gold in circuit and inventory movement from the table on page 6 as these are non-cash). Sustaining capital was \$340/oz or \$3.5m for the quarter. The major item of spend during the quarter were works associated with construction of the second residue storage facility and an underground truck rebuild.

Higher than planned unit costs per ounce were driven by the factors discussed in the operations performance (page 3).

Growth and Expansion **\$30.9 million**

Outflows for the quarterly were in line with planned pre-development and capital mine development plans associated with the Tomingley Gold Extension Project

The major items of expenditure were on the Roswell capital decline, underground pre-commercial mine development, ongoing work on the Paste Plant and Process Plant Upgrade capital projects.

Exploration **\$4.5 million**

The focus of exploration expenditure was the Northern Molong Porphyry Project, particularly drilling at the Kaiser prospect.

Net Financing **\$2.2 million**

Net financing outflows represent mobile equipment fleet lease repayments. The outstanding principal owing on mobile equipment lease finances was \$8.9 million.

Working Capital **\$5.1 million**

Includes trade creditors and accruals at March month-end associated with Paste Plant and Process Plant growth capital projects (the accrued outflows are reported in the Growth and Expansion expenditure of \$30.9 million above). These invoices were paid in early April.

Investments

At the end of the quarter, Alkane holds ~9m shares in Sky Metals (ASX:SKY). Alkane maintains an ownership position of ~7.0% of Calidus Resources Ltd (ASX:CAI). Alkane did not participate in the recent capital raising by Calidus.

Gold Forward Sale Contracts



The Company holds the following forward sale contracts.

Quarter	Average Forward Price A\$/oz	Delivery Ounces
June 2024	2,762	7,300
September 2024	2,778	8,600
December 2024	2,791	9,400
March 2025	2,804	9,800
June 2025	2,818	8,700
September 2025	2,832	8,600
December 2025	2,843	8,200
March 2026	2,855	8,700
June 2026	2,870	8,500
September 2026	2,884	7,800
December 2026	2,896	8,500
Total	2,830	94,100

Subsequent to the quarter end, the Company purchased 140,799 put options with a strike price of A\$3,000/oz at a cost of \$7.7m. This was funded from the first drawdown of the expanded debt facility. The purchase of the options means that nearly 100% of the non-hedged ounces forecast to be produced from underground over FY2025-27 cannot receive revenue less than A\$3,000/oz. This further protects the Company's revenue during a growth period, allows for more accurate planning of marginal ounces and leaves the upside open to any further price increases. The options and their expiry are shown in the table below.



Expiry Date	Strike Price A\$/oz	Put Option Ounces
30 July 2024	3,000	2,873
29 August 2024	3,000	2,873
26 September 2024	3,000	2,873
29 October 2024	3,000	3,467
28 November 2024	3,000	3,467
27 December 2024	3,000	3,467
29 January 2025	3,000	3,537
26 February 2025	3,000	3,537
31 March 2025	3,000	3,537
30 April 2025	3,000	3,896
30 May 2025	3,000	3,896
30 June 2025	3,000	3,896
29 July 2025	3,000	3,899
28 August 2025	3,000	3,899
26 September 2025	3,000	3,899
29 October 2025	3,000	3,870
27 November 2025	3,000	3,870
29 December 2025	3,000	3,870
29 January 2026	3,000	4,983
26 February 2026	3,000	4,983
27 March 2026	3,000	4,983
28 April 2026	3,000	4,386
28 May 2026	3,000	4,386
26 June 2026	3,000	4,386
29 July 2026	3,000	4,196
27 August 2026	3,000	4,196
28 September 2026	3,000	4,196
29 October 2026	3,000	3,877
26 November 2026	3,000	3,877
29 December 2026	3,000	3,877
28 January 2027	3,000	3,920
25 February 2027	3,000	3,920
29 March 2027	3,000	3,920
28 April 2027	3,000	4,029
27 May 2027	3,000	4,029
28 June 2027	3,000	4,029
Total	3,000	140,799



NORTHERN MOLONG PORPHYRY PROJECT (NMPP) (gold-copper)

Alkane Resources Ltd 100%

During the quarter, drill results from Kaiser were received (see ASX Announcements 12 February 2024 and 15 March 2024).

Kaiser Deposit

The Kaiser deposit, centred about 1km northwest of Boda, comprises a thick sequence of basaltic to andesitic volcanics and volcanoclastics that have been intruded by a series of dykes and stocks of mafic to intermediate composition. Porphyry gold-copper mineralisation is centred over the magnetic Kaiser Intrusive Complex (KIC). It is associated with northwest trending zones of calc-potassic alteration that host chalcopyrite-bornite \pm pyrite as veins and disseminations. Intrusive-hydrothermal breccias driven by a monzonitic magmatic component are responsible for intervals of higher-grade mineralisation of bornite-chalcopyrite \pm chalcocite forming as blebs and as breccia cement. The alteration appears more siliceous and mostly has a higher component of copper mineralisation, possibly indicating Kaiser was formed at a deeper level in the porphyry system than at Boda. Furthermore, the Solar and Kaiser thrust faults bound the core of the Kaiser system with an estimated 400m or more vertical displacement above the Boda erosion level.

Significant assay results received during the quarter (see ASX Announcements 12 February 2024 and 15 March 2024) included:

KAI124	1m grading 37.8g/t AuEq* (37.7g/t Au, 0.24% Cu) from 129m
and	120.5m grading 1.00g/t AuEq (0.44g/t Au, 0.40% Cu) from 351m
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The updated Kaiser resource is expected to be completed by the end of April 2024. A scoping-level assessment of potential project economics is expected to be completed in Q2 CY2024.

Current Drilling

At Boda 2-3, a drill rig is in operation testing the strike and dip of the high-grade zone mineralisation identified in BOD094.

During the quarter, RC and diamond drilling occurred at Konigin, Driell Creek and Murga. These results will be received and assessed prior to the next phase of drilling, later in Q2 CY2024.

SOUTHERN JUNEE PORPHYRY PROJECT (SJPP) (gold-copper)

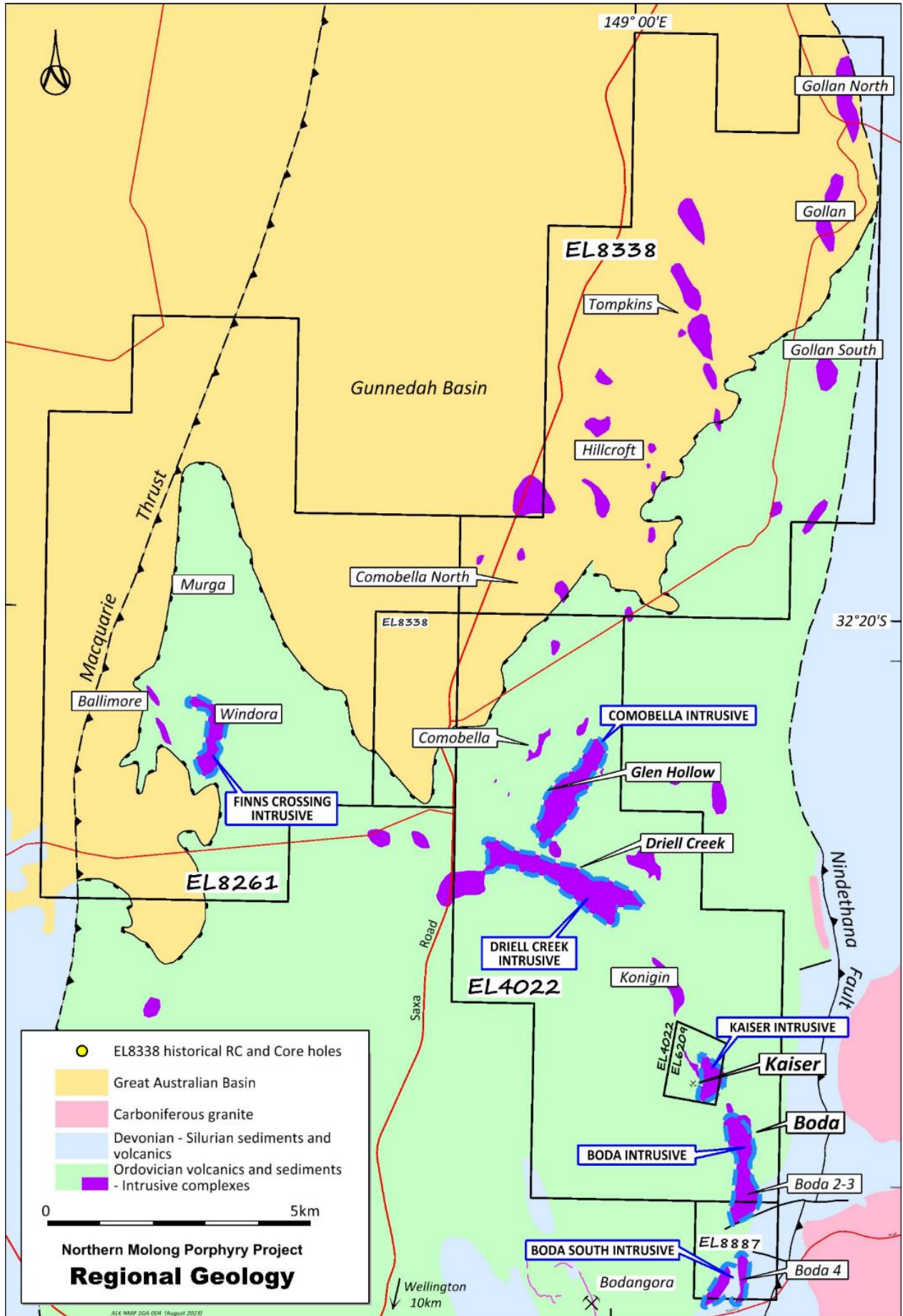
Alkane Resources Ltd 100%

All the historic drill core from the Project has been compiled at the Peak Hill exploration base and is being catalogued for future reference. Interpretation of the recent gravity data is progressing.

ROCKLEY (gold-base metals)

Alkane Resources Ltd 100%

Data from the fixed loop ground EM survey at the Apsley target area is being assessed. A seven hole RC program to test outcropping mineralisation is in progress.





Competent Person

Unless otherwise advised above or in the Announcements referenced, the information in this report that relates to mineral resources and ore reserves is based on information compiled by Mr D I Chalmers, FAusIMM, FAIG, (director of the Company) who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Chalmers consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Previously Reported Information

The information in this report that references previously reported exploration results, ore reserves and mineral resources is extracted from the Company's ASX market announcements released on the date noted in the body of the text where that reference appears (specifically the information in this report that relates to Mineral Resources at Boda and Kaiser is extracted from the reports dated 12 December 2023 and 27 February 2023). The previous market announcements are available to view on the Company's website or on the ASX website (www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

This report contains certain forward looking statements and forecasts, including possible or assumed reserves and resources, production levels and rates, costs, prices, future performance or potential growth of Alkane Resources Ltd, industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Alkane Resources Ltd. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors. Nothing in this report should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

This document has been prepared in accordance with the requirements of Australian securities laws, which may differ from the requirements of United States and other country securities laws. Unless otherwise indicated, all ore reserve and mineral resource estimates included or incorporated by reference in this document have been, and will be, prepared in accordance with the JORC classification system of the Australasian Institute of Mining, and Metallurgy and Australian Institute of Geoscientists.

This document has been authorised for release to the market by Nic Earner, Managing Director.

ABOUT ALKANE - www.alkane.com.au - ASX: ALK

Alkane Resources intends to grow to become one of Australia's multi-mine gold and copper producers.

The Company's current gold production is from the Tomingley Gold Operations in Central West New South Wales, which has been operating since 2014 and has the resources to continue to operate beyond 2030.

Alkane has an enviable exploration track record and controls several highly prospective gold and copper tenements. Its most advanced exploration projects are in the tenement area between Tomingley and Peak Hill, which has the potential to provide additional ore for Tomingley's operations.

Alkane's exploration success includes the landmark porphyry gold-copper mineralisation discovery at Boda in 2019. With drilling ongoing adjacent to the initial resource identified at Boda, Alkane is confident of further consolidating Central West New South Wales' reputation as a significant gold and copper production region.

Alkane's gold interests extend throughout Australia, with strategic investments in other gold exploration and aspiring mining companies, including ~7.0% of Calidus Resources (ASX: CAI).

