

6 June 2014



## TOMINGLEY GOLD OPERATIONS AT DESIGN CAPACITY

### TOMINGLEY GOLD OPERATIONS (TGO) - *Alkane Resources Ltd 100%*

At the end of May, the Tomingley Gold Operation (TGO) had completed ramp-up and was operating at design capacity with an annualised rate of 1 million tonnes per annum ore throughput. 10,340 oz of gold was poured over the two months of April and May.

Mining operations have continued in the two active pits; Wyoming 3 and Caloma. The closing ROM ore stockpile is now over 140,000 tonnes.

As stated in previous announcements (Quarterly Report 28 April 2014, Company Interview 30 May 2014) reconciliations for mine to mill have been positive for both grade and tonnage for the project to date, giving an uplift of 15% on milled gold ounces above the reserve to date. This continues to be monitored to confirm it is a long term trend.

Production April – May 2014		
Ore mined	Tonnes	259,130
Grade*	g/t	1.34
Ore milled	Tonnes	140,506
Head grade	g/t	2.15
Recovery	%	91.5
Gold poured	Ounces	10,340
Stockpiles		
Ore for immediate milling	Tonnes	158,000
Grade*	g/t	1.40
Bullion on hand	Ounces	2,329

\* Grade as per reserve model

Processing throughput had been constrained by the cyanide detoxification circuit, in particular the oxygen supply capacity. A temporary liquid oxygen facility was installed in late April and the plant subsequently ramped to design capacity throughout May. A permanent, low capital cost, liquid oxygen facility is currently being designed for installation.

With TGO at design capacity, focus continues on stabilising the business; in particular site safety and environmental performance, mining productivity, further improvement in processing recovery and improving the resultant cash costs of the site. As a result of several significant rain events, and the cyanide detoxification circuit modifications, total gold production will be at the lower end of the financial year target of 22,000 to 27,000 ounces.

The group currently has hedging in place for 24,000 ounces at an average price of A\$1,444/oz deliverable over the next ten months. Production can be pre-delivered into hedges if required as a result of short term price weakness

---

CONTACT : IAN CHALMERS, MANAGING DIRECTOR, ALKANE RESOURCES LTD, TEL +61 8 9227 5677  
INVESTORS : NATALIE CHAPMAN, CORPORATE COMMUNICATIONS MANAGER, TEL +61 418 642 556  
MEDIA : WESTBROOK COMMUNICATIONS, CONTACT: IAN WESTBROOK, TEL +61 2 9231 0922 OR +61 407 958 137

65 Burswood Road, Burswood WA 6100, AUSTRALIA (PO Box 4384, Victoria Park WA 6979, AUSTRALIA)

Telephone: +61 8 9227 5677 Facsimile: +61 8 9227 8178

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



TGO Plant and RSF 110514. Image courtesy Judy Unger (Peak Hill)



Wyoming Three pit, 110514. Image courtesy Judy Unger (Peak Hill)



Newell Highway Underpass 110514. Image courtesy Judy Unger (Peak Hill)





### Competent Person

Unless otherwise advised above, the information in this report that relates to exploration results, 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 Targets, Exploration Results, Mineral Resources and Ore Reserves. Ian Chalmers consents to the inclusion in this report of the matters based on his information in the form and context in which it appears

### 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 Geosciences.

### ABOUT ALKANE - [www.alkane.com.au](http://www.alkane.com.au) - ASX: ALK and OTCQX: ANLKY

Alkane is a multi-commodity company focused in the Central West region of NSW Australia. Currently Alkane has two advanced projects - the Tomingley Gold Project (TGP) and the nearby Dubbo Zirconia Project (DZP). Tomingley commenced production early 2014. Cash flow from the TGP will provide funding to maintain the project development pipeline and will assist with the development of the DZP.

The DZP Environmental Impact Statement has been completed and a development decision is anticipated Q3 2014. Financing is in progress and this project will make Alkane a strategic and significant world producer of zirconium products and heavy rare earths when it commences production in 2016.

Alkane's most advanced gold copper exploration projects are at the 100% Alkane owned Wellington and Bodangora prospects. Wellington has a small copper-gold deposit which can be expanded, while at Bodangora a large 12km<sup>2</sup> monzonite intrusive complex has been identified with porphyry style copper-gold mineralisation. Encouraging gold-zinc mineralisation and alteration associated with a monzonite intrusive, have been identified at Cudal.



