

COSTERFIELD COMMUNITY CHRONICLES



Company News

Merger with Alkane Resources

The merger of equals between Mandalay Resources and Alkane Resources, originally proposed in April, completed on 5 August 2025. As a result, Costerfield Mine is now wholly owned by the combined company, which has taken the name Alkane Resources (also known as the Alkane group).

Here at Costerfield Mine, it will remain business as usual – although you will see some changes to our branding.

Behind the scenes we are the same team operating in the same way.

Who is Alkane?

Alkane is an Australia-based resources group with interests in gold, copper and now antimony, thanks to Costerfield.

The company is headquartered in Perth and listed on the Australian and Toronto securities exchanges (ASX:ALK, TSX:ALK).

The combined company has three wholly owned operating mines: Costerfield, Björkdal (Sweden) and Tomingley (Central West NSW).

It also owns the Boda-Kaiser Project and several exploration tenements in Central West NSW, which is where most of Alkane's activities took place prior to the merger.

Tomingley is an open cut and underground gold mine near Tomingley village, approximately 50km southwest of Dubbo. Alkane discovered and developed the resources, with open cut operations commencing in 2014 (pausing in 2023), and underground mining commencing in 2019. The operation is currently extending to new resources 3km south of the original mine. In FY2025, Tomingley produced 70,120 ounces of gold.

The **Boda-Kaiser Project** is founded on a large, gold-copper porphyry system north of Wellington in Central West NSW. Alkane believes the Boda-Kaiser resources have the potential to support a long-term bulk-tonnage mining and processing operation. A scoping study for this project was released in July 2024.

Formerly owned by Mandalay, **Björkdal** is an underground gold mine northwest of Skellefteå in Sweden (approximately 750km north of Stockholm). It has operated since 1988 – initially open cut (until 2019), then underground since 2008. In 2024, the operation produced 42,323 ounces of gold.

For reference, here at Costerfield Mine in 2024 we produced 43,346 ounces of gold and 1,282 tonnes of antimony, a gold equivalent of 54,805 AuEq ounces.

Alkane’s Managing Director and CEO, Nic Earner, leads the Australia-based executive team of the combined company under a newly appointed Board of Directors.

For further details, visit Alkane’s official website: <https://alkres.com>.

Site News

New tailings dam completion

After nine months of construction, we’ve finished construction of the new tailings dam on Bradley’s Lane. It was commissioned in June 2025 and is now in use.

What are tailings?

Tailings are basically leftover slurry (residue) from the milling and flotation separation process.

After mined rock (ore) is fed into the crusher and broken down into smaller pieces, it goes through the mill, where gold and antimony are recovered from the crushed rock using a mix of gravity separation and flotation. The residue from the flotation process (a mix of crushed rock and water) is treated and pumped into the tailings dam for long-term storage.

Fast facts

- Capacity: 584,000m³, providing approximately five years of residue storage.
- Dimensions: The dam is approx. 500m long and approx. 300m wide, rising 20m from its lowest point to the crest. The site was excavated to a depth of approximately 10–11m.
- Lining: Constructed with a clay floor and a bituminous geomembrane (BGM) liner for enhanced sealing.
- Construction materials: A total of 485,500m³ of material, including waste rock from the mine, was used in the dam’s construction.



Costerfield Mine’s new tailings dam in operation.



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Sign up at alkres.com/subscribe to receive Alkane news and the Costerfield newsletter via email.

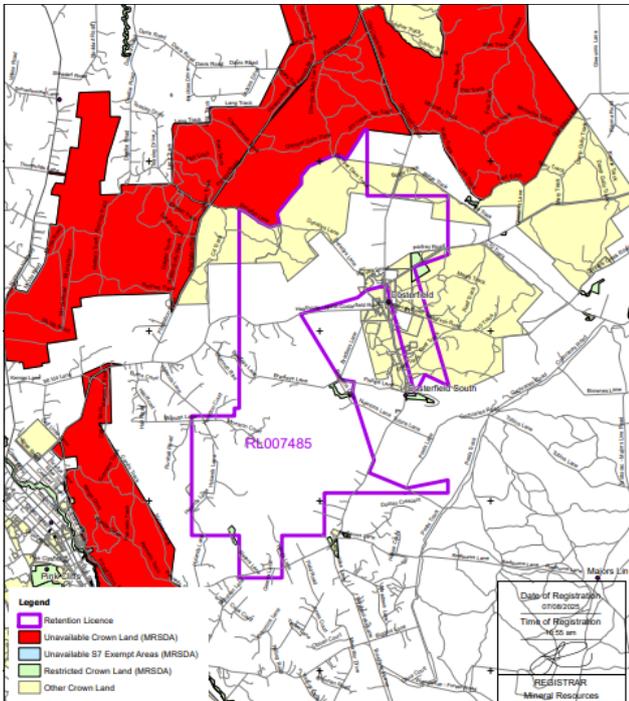
Retention licence granted

We're pleased to inform the community that the Victorian Government has officially granted **Retention Licence RL007485** to Costerfield Mine.

A retention licence (RL) is a type of mineral licence issued by the Victorian Government that allows a company to maintain rights to a known mineral resource. It is typically used when a resource has been identified but is not yet ready for development due to technical, environmental or economic considerations.

In this case, Costerfield Mine applied for the retention licence on the expiry of Exploration Licence 3310.

The RL covers a 3170.4ha area to the north, west and south of our mining leases, and includes the True Blue gold and antimony resource defined by our exploration team in February 2024.



Granting of RL007485 concludes a thorough and carefully managed application process, which included technical assessments, regulatory reviews, and community consultation.

It allows us to continue our work in the area, focusing on **further understanding and assessing True Blue**.

This includes ongoing studies, environmental monitoring and planning activities that help inform future decisions.

What does this mean for the community?

Holding a retention licence allows Costerfield Mine to:

- Continue monitoring and assessing the True Blue gold and antimony mineral resource.
- Undertake planning and studies to better understand the potential for future development of these resources/prospects.
- Maintain our legal right to the resource while ensuring compliance with environmental and community standards.

Importantly, a retention licence **does not permit mining activities**. Any future development would require a separate mining licence and go through a full regulatory and community consultation process.

We're committed to keeping the community informed and involved. Any activities under the retention licence will be communicated clearly, and feedback from local residents is welcomed.

The licence also requires the company to meet strict environmental and safety standards.

Mine Rescue Competition

Costerfield Mine was delighted to host the annual Victorian Mine Rescue Competition (VMRC) in March this year.

In one of the largest VMRCs ever, ten emergency response teams from Victoria, NSW and Tasmania competed against each other in a variety of simulated emergency situations overseen by emergency services agencies. The goal of the event is to provide training in a challenging but fun environment, build team relationships, and create a forum for ERT teams to meet and learn from each other.

Although the Costerfield Mine team did not place in the top three teams, their performance was marked by resilience, strategic growth and strong teamwork, and they consistently held their own against tough competition.

Congratulations to Fosterville for winning the overall competition!

Overall placegetters:

1st: Fosterville Gold Mine (central Victoria)

2nd: Cornwall Coal (eastern Tasmania)

3rd: Stawell Gold Mine (western Victoria)

Meet our new Community Advisor

Costerfield Mine is thrilled to welcome Natasha as our Community Advisor, part of the Sustainability team.

With her strong commitment to community engagement and a collaborative spirit, Natasha will help foster meaningful connections and ensure our operations continue to reflect the values and voices of the communities we serve.

We look forward to the positive impact she'll bring as we continue building trust, transparency and shared success.

Fast facts about Natasha

- **Local knowledge:** Mum of two kids at a Heathcote school and kindy.
- **Favourite drink:** Lemon, lime and bitters.
- **Favourite Books:** 'In Death' series by JD Robb.
- **Weird hobby:** Loves building Lego, currently building all the botanical flowers.



Exploration Update

Drilling programs

Costerfield Mine was delighted to host the annual Underground exploration drilling has continued at the near-mine areas of Sub King Cobra and Brunswick. Three diamond core drill rigs have been operating 24/7 to improve understanding of near-mine resources.

We're also undertaking regional target testing in the True Blue area, where three surface diamond core rigs have been operating Monday through Friday during the day shift.

An additional surface diamond core rig commenced drilling in August, operating 24/7 in the Brunswick South area to improve understanding of near-mine resources. This rig is fully contained in a sound attenuation shed to minimise impact to nearby residents.

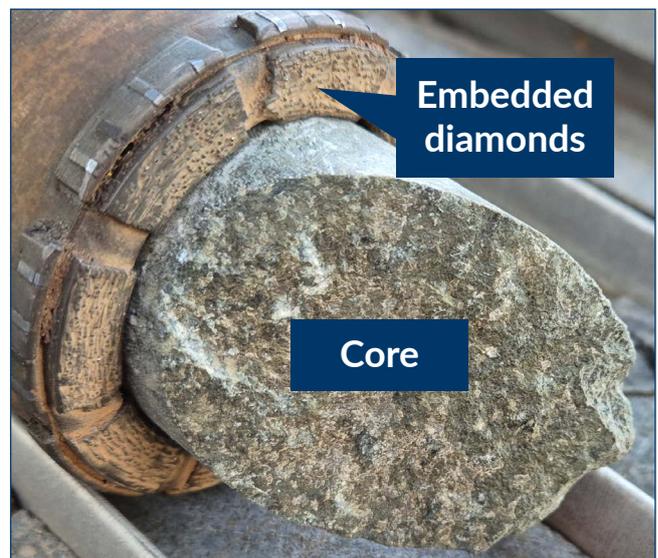
What is diamond core drilling, anyway?

The purpose of diamond core drilling is to extract cylinders of solid rock that geologists can examine to help identify the structure and type of rocks and minerals present beneath the surface.

The drill bit comprises a hollow steel cylinder embedded with tiny industrial diamonds. This is spun rapidly to cut into rock using abrasion – diamond being the one of the hardest known materials. The “core” of rock thus produced sits inside a nested tube and is conveyed back to the surface.

This “abrasive” cutting technique is the reason diamond core holes need water (for cooling and removal of ground rock) and take so long to drill. It can take around a week 24/7 to extract approximately 500m of core – which is all carefully logged with depth markers and analysed visually before being cut up and sent to a laboratory for chemical testing.

Our exploration team has drilled diamond core holes to more than two kilometres in length! That's a lot of rock to examine by our geologists.



Diamond core drill bit

Community News

Community sponsorships

The Costerfield Sponsorship Committee awarded eight sponsorship grants in the April 2025 round of funding.

Congratulations to the following community organisations and events:

- Sunshine Bendigo
- Heathcote Community House
- Graytown Community group
- Heathcote Men's Shed
- Heathcote Show
- Heathcote Pony club
- Courthouse Crafts
- Knowsley fire brigade

Not-for-profit community projects and organisations that have demonstrable benefits for the local community are invited to apply for the sponsorship program, which opens twice year in March and September.

Successful applicants for the October round will be notified shortly. The next round will open in March 2026. To apply, fill out the form that will soon be available on the Alkane website.

Did you know we sponsor these organisations too?

The Costerfield Mine team has been embedded in the local community surrounding Costerfield village, Heathcote and beyond for around two decades.

In addition to the biannual grants, we currently sponsor the following organisations:

Shine Bright Kindergarten in Heathcote – weekly fruit and vegetable boxes

St Vincent de Paul – towards weekly delivery of fruit for local primary schools

Heathcote Community House – towards food relief for vulnerable residents. Some of our team are also on the meal preparation roster, helping the service grow from 50–100 meals per month to approximately 450 meals per month. To-date, we have prepared over 2500 meals since 2023.

We also fund the transport of some local community groups taking day trips outside of the Heathcote area and provide meal support to residents of Costerfield village.



Students at Holy Rosary Primary School in Heathcote enjoying a Costerfield-sponsored fruit and vegetable box.

Student visits and supporting career pathways

At Costerfield Mine, we're proud to support the next generation of workers and professionals by opening our doors to students eager to explore the mining industry.

We're one of three Victorian mines participating in a program run by the Minerals Council of Australia, in which over 1000 students from more than 30 secondary schools have the opportunity to visit a working mine.

In June, we welcomed Years 10–11 students from St Augustine's College (Kyabram) and Creek Street Christian College (Bendigo). Their visit included a tour and technical talk, helping them see the wide range

of career paths available – from apprenticeships and entry-level roles to further study in technical fields. This includes engineers, geologists, metallurgists, diesel mechanics, electricians and many more.

Earlier in April, we hosted the AusIMM Melbourne Student Chapter, comprising university students from diverse disciplines with a shared interest in mining. Their visit allowed them to gain practical insight into underground operations and connect with industry professionals.

We're looking forward to welcoming the AusIMM Ballarat Student Chapter in the coming months for an underground tour and technical discussion, as we continue to encourage and inform future professionals in mining.



Student visit to Costerfield Mine

How to find out more

Alkane website

 alkres.com
alkres.com/community-hub

Subscribe to this newsletter

 alkres.com/subscribe

Follow our social channels

 (Formerly Twitter)
[@AlkaneResources](https://twitter.com/AlkaneResources)

 LinkedIn

linkedin.com/company/alkane-resources-ltd

Talk to us directly

 Community Information Line
costerfield-community@alkres.com

Reception: (03) 5431 0400
(Message bank available 24 hours)

Community Advisor: 0417 055 080