

# PEAK HILL COMMUNITY NEWSLETTER



## New drilling program at Peak Hill Gold Mine

### What's happening?

Over the last several years, Alkane has been re-looking at the potential of Peak Hill Gold Mine.

In February, we drilled an extra-deep diamond core hole beneath the old pits. We were testing for the existence of a copper-gold porphyry system far beneath the epithermal system that Alkane previously mined from 1996 to 2002.

The 1650m-long hole ended 1240m (more than a kilometre!) below the surface and took almost a month to drill. The results of the core extracted from that hole are still being assessed.

In parallel, we are returning our attention to the orebody originally mined more than 20 years ago. Drilling in 2018 defined an initial underground Inferred Mineral Resource of 108,000 ounces of gold, extending about 250m below the main Proprietary pit.

Now we intend to drill six new diamond core holes into the zone about 300–700m below the main pit. These holes will test whether the known orebody extends to a greater depth, with the view to potentially extending the underground resource.

In this newsletter, you will find:

- Further information about the planned drilling
- An explainer about how the Peak Hill deposit formed millions of years ago (and why we're investigating two different zones)
- Information about Alkane and our history in the Peak Hill community.

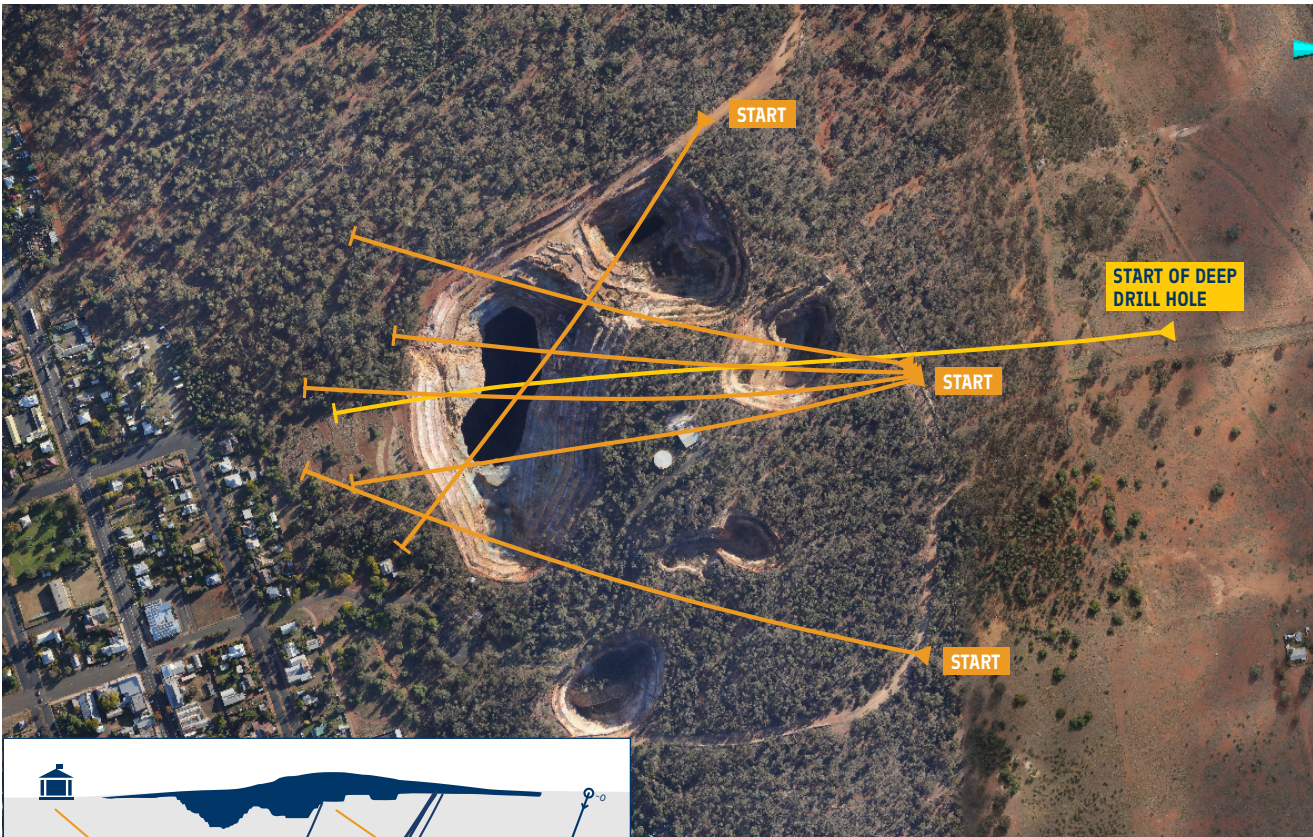
About the planned drilling

Beginning in late Spring/early Summer, Alkane will drill six diamond core holes from the former mine haul road on the eastern side of the hill. This will require part of the outer Open Cut Experience walking track to be closed for the duration of the drilling.

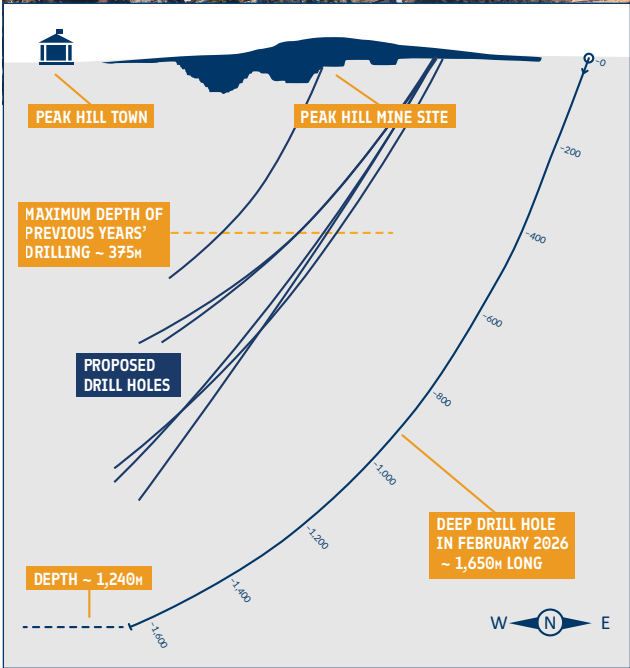
We hope to drill 24/7 and expect the program will take at least four months with a single drill rig. Given this drilling will produce noise, at exposed sites we are placing a high 'curtain' of hay bales around the rig to absorb and direct noise away from nearby residences.

The drilling is planned to test directly beneath the existing Peak Hill open pits and to not extend beneath the town. The drill holes will be several hundred metres below the surface at their closest points to the town and will not themselves produce any noticeable noise or vibration.

Also in the next six months, Alkane intends to conduct geotechnical drilling inside the pits. This program will test ground stability to inform future studies as to how the ore could be mined.



Aerial view of Peak Hill showing locations of deep drill hole and proposed drilling



Cross-section schematic of drilling profiles underground

Other field activities around Peak Hill

Alkane continues low-impact exploration at various sites in the Peak Hill area. We recently collected around 500 soil samples around Trewilga.

Over the next six months, we're planning to commence rock chip exploration in the Flora and Fauna Reserve (crown land managed by Parkes Shire Council) just south of the mine.

To the north of Peak Hill, we've been exploring at Westray to follow up on a shallow drilling campaign two years ago and one recent RC hole. Towards the end of this year, we hope to drill further RC and diamond core holes.

About Peak Hill Gold Mine

Alkane operated the Peak Hill Gold Mine from 1996 to 2005. Around 153,000 ounces of gold were recovered from the oxide cap (oxidised ore) of a large epithermal sulphide body, which was mined to a depth of 100 metres and processed via a heap leach operation.

Since mining ended in 2002, the site has been extensively rehabilitated. However, it remains an active Mining Lease with Environment Protection Licence and an initial underground resource.

Is Alkane planning to mine again at Peak Hill?

Two decades ago, it was not economical to produce gold from the non-oxidised sulphide orebody below

the oxide cap, but technological advances and gold price increases have made the Peak Hill deposit worth re-evaluating.

Advanced metallurgical testing has shown that the refractory ore can be pre-treated before processing at Tomingley Operations. We're evaluating the economics of this, alongside the potential for underground mining.

Depending on the outcomes of the planned exploration program, Alkane might conduct further resource definition drilling for a potential underground mine. However, any new mine development would require extensive community consultation, further environmental assessment and government approval.

Explainer

How gold deposits formed at Peak Hill

Some 440–450 million years ago, there was a chain of volcanoes in this area (like modern Japan or Indonesia). The volcanoes were caused by the downward movement of one tectonic plate beneath another (subduction).

At depths of greater than 50km below the surface, this subducting tectonic plate melted and formed plumes of molten rock that rose up through the crust, creating the volcanoes.

One such magma body tried to rise and erupt but got stuck a few kilometres down and began to cool and solidify. Water contained in the magma (with dissolved gold, copper, sulphur and other elements) was released as a superheated (>300°C), pressurised and highly acidic fluid known as a 'hydrothermal fluid'.

Epithermal orebody

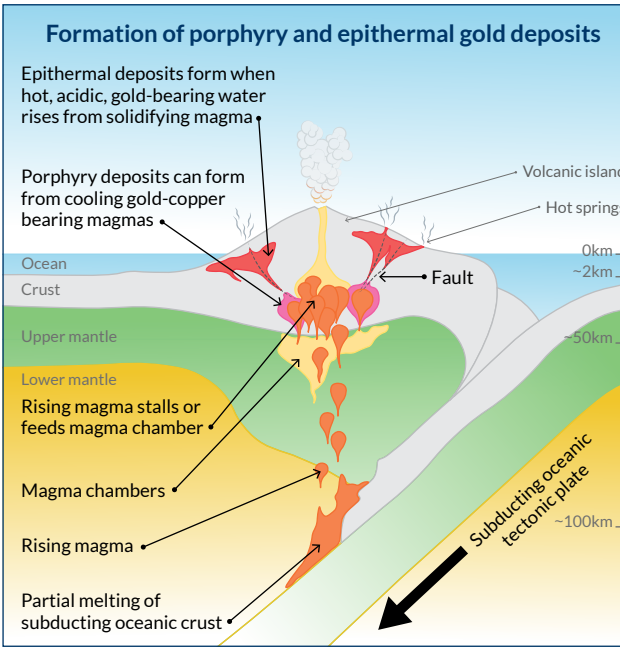
At Peak Hill, a plume of hydrothermal fluid worked its way up towards the surface, converting the rocks in its path to quartz and clay. The gold (and a little bit of copper) was deposited to become the sulphide orebody Alkane originally mined.

Such deposits are commonly called epithermal deposits, since they tend to form at shallow depths below boiling hot spring systems. (Due to the volcanic activity, there may once have been hot springs at Peak Hill.)

What about deeper down?

Epithermal deposits often form in combination with a porphyry deposit. Porphyry deposits tend to occur in and around the bodies of magma themselves, instead of the rising acidic hydrothermal plume that make epithermal deposits. They can contain significant amounts of copper and gold (Northparkes is mining a cluster of these porphyry deposits).

Alkane doesn't know if a porphyry deposit exists deep beneath Peak Hill, but we would like to find out.



# Alkane in your community

## A long history

Alkane has been embedded in the Peak Hill and Parkes Shire communities for more than three decades. Many of our employees live in the local area.



Peak Hill Show, August 2026

We've rehabilitated many hectares of lands surrounding the former mining operations. Thousands of native tree and shrub species were planted around the perimeter, and 20 years later these have evolved into a maturing woodland, home to many different species of birds and animals.

Alkane also owns historical buildings in Peak Hill that are leased at subsidised rents to community organisations; one of these is the Peak Hill Visitor Information Centre (Peak Hill Country Crafts).

We have sponsored numerous events and projects over the years — including establishment of the Open Cut Experience (tourist mine), contributions to the GP's house, refurbishment of the tennis courts and the former Carrington Hotel, and renovation/refurbishment of the Southern Cross Hall. We also annually sponsor and exhibit at the Peak Hill Show.

## About Alkane

Alkane is an Australia-based resources group with interests in gold, antimony and copper and three operating mines (following a merger with Mandalay Resources in August 2025): Tomingley Operations in NSW (gold), Costerfield Operations in central Victoria (gold and antimony) and Björkdal Operations in northern Sweden (gold).

We also own the large gold-copper porphyry Boda-Kaiser Project north of Wellington. Our NSW exploration team is based in Orange (with a core yard at Peak Hill Gold Mine), and our head office is in Perth. We also have a shopfront office in Dubbo.

## If you enjoy this newsletter...

Did you know you can subscribe to receive our newsletters by email? Scan the QR code below to sign up. We also have a full archive of PDFs on the Alkane website available for download. The Peak Hill Community Hub is a resource tailored for the Peak Hill and surrounding communities.

## How to find out more

### Talk to us directly

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