

15 May 2026

Alkane Delivers Record Q3 Profit of \$93 million

Perth, Western Australia - Alkane Resources Limited (ASX: ALK, TSX: ALK, OTCQX: ALKRY) (“Alkane” or the “Company”) is pleased to announce financial results for the third quarter ended 31 March 2026 (the “quarter” or “Q3 2026”).

The Company’s condensed and consolidated interim financial result for the quarter, together with the Management’s Discussion and Analysis (“MD&A”) for the corresponding period, can be accessed under Alkane’s profile on www.sedarplus.ca, on the Australian Securities Exchange (“ASX”) and on Alkane’s website at www.alkres.com. All currency references in this press release are in Australian dollars except as otherwise indicated.

Third Quarter 2026 Highlights: ¹²

- **Record Revenues:** Gold equivalent sales for the third quarter of 43,373 ounces generated revenues of \$274 million at an average gold price realised of \$6,315/oz and an average antimony price of \$34,394/t.
- **Record Production:** Gold and antimony production was 44,669 ounces and 377 tonnes, respectively; Company is on track to meet 2026 guidance.
- **Record Cash Generation:** EBITDA was \$161 million with Cash Generated from Operating Activities of \$161 million.
- **Record income earned:** Net profit of \$93 million or 6.81 cents per share.
- **Robust Financial Position:** Cash, bullion and listed investment balance of \$374 million.
- **Conference call and webcast:** Management will host a conference call and webcast to discuss the results of Q3 2026 at 8:30pm AWST (Perth time) / 8:30am EDT (Toronto time) on Friday, 15 May 2026. Details are noted below.

Managing Director, Nic Earner, commented:

“Alkane has just delivered the strongest quarter in its history. During a period of high gold and antimony prices, the power of our three mine portfolio delivered exceptional operating results as they produced a record 44,669 ounces of gold and 377 tonnes of antimony, which generated record profit after taxes of \$93 million. The Company ended the quarter in with cash and bullion of \$362 million which will provide the support for Alkane’s growth plans. Given the strong performance to date, we move into the second half of the year with momentum and are on track to meet our production and cost guidance for 2026.”

¹ Gold equivalent ounces calculated by multiplying quantities of gold and antimony in period by respective average market price of commodities in period, adding the two amounts to get ‘total contained value based on market price’ and dividing that total contained value by the average market price of gold in period. I.e., $AuEq = ((Au\ Produced \times Au\ \$/oz) + (Sb\ Produced\ pre-payability \times 70\% \text{ payability} \times Sb\ \$/t)) / (Au\ \$/oz)$. Average market prices for gold and antimony sourced respectively from LMBA daily PM price (www.lmba.org.uk) and Shanghai Metal Market Price (www.metal.com). Average market prices for the March quarter were A\$7,015/oz Au and A\$29,449/t Sb. For the December quarter, the average market prices were A\$6,299/oz Au and A\$30,245/t Sb and for the September quarter were A\$5,382/oz Au and A\$33,859/t Sb using an AUD: USD exchange rate of 0.6946, 0.6565 and 0.6544 respectively. Gold equivalent ounce, cash operating cost and all-in sustaining cost (AISC) are non-IFRS performance measures with no standard definition under IFRS. For more details refer to the Non-IFRS Performance Measures section at the end of this press release.

² As the merger with Mandalay Resources completed on 5 August 2025, Alkane’s FY2026 statutory reported production reflects production from Costerfield and Björkdal only from that date. See ALK announcement dated 9 Sep 2025 and titled ‘Alkane Announces Financial Year 2026 Guidance’.

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Third Quarter 2026 Financial Highlights

The following table summarises the Company's consolidated financial results for the three and nine months ended 31 March 2026 and 31 March 2025:

Financial and Operational Highlights				
(Expressed in Australian dollars thousands, except where indicated)				
	Three months ended 31 March		Nine months ended 31 March	
	2026	2025	2026	2025
Financial Data				
Revenue	274,374	63,204	678,324	184,704
Cost of sales	148,735	53,357	432,809	152,259
Gross profit	125,639	9,847	245,515	32,445
Net profit	92,991	8,097	157,888	21,189
Per share ("EPS" in cents)	6.81	1.34	12.44	3.51
EBITDA ¹	161,236	28,081	334,145	67,280
Cash operating costs per ounce gold eq. produced (\$) ^{1 2}	2,037	2,037	2,086	2,020
All-in sustaining costs per ounce gold eq. produced (\$) ^{1 2}	2,928	2,590	2,883	2,672
Average realised gold price (\$ per ounce) ¹	6,315	3,839	5,752	3,608
Average realised antimony price (\$ per tonne) ¹	34,394	-	38,578	-
Cash generated from operating activities	161,428	20,799	315,182	50,536
Sustaining capital expenditures ¹	24,305	7,010	59,885	25,067
Non-sustaining capital expenditures ¹	22,561	6,069	56,975	48,924
Total capital expenditure	46,866	13,079	116,860	73,991
Free cash flow ¹	127,608	7,667	213,041	(23,626)
Free cash flow per ounce gold eq. sold (\$) ¹	2,942	464	1,814	(461)

¹ Average realised gold and average realised antimony price, sustaining and non-sustaining capital expenditures, cash operating costs and all-in sustaining costs, free cash flow, free cash flow per ounce gold eq. sold and EBITDA are non-IFRS performance measures with no standard definition under IFRS. Refer to the Non-IFRS Performance Measures section of the MD&A.

² Cash operating costs and All-in sustaining costs per ounce were previously calculated based on ounces sold. Since Q1 2026, the calculation methodology has been revised to use ounces produced instead of ounces sold. Accordingly, the comparative figures for the previous quarter have been restated.

Revenue for Q3 2026 was \$274.4 million, compared to \$63.2 million in Q3 2025. The increase in revenue was mainly due to increased production and gold sales following the addition of Costerfield and Björkdal to the portfolio, combined with higher realised gold prices.

Operating costs excluding depreciation and amortisation totaled \$114.0 million during Q3 2026, compared to \$39.3 million in Q3 2025 with the increase mainly reflecting the larger Company following the combination with Mandalay (Costerfield \$28.0 million and Björkdal \$33.8 million).

Cash operating costs per ounce of gold equivalent produced were \$2,037 in Q3 2026 compared to \$2,037 in Q3 2025. Tomingley's cash operating costs per ounce of gold during the quarter were \$2,021 compared to \$2,037 in Q3 2025, a slight decrease due to increase in produced ounces of gold, this was partly offset by higher operational costs, mainly due to higher processing costs which include the costs for the rental mobile crusher.

Sustaining capital amounted to \$24.3 million in Q3 2026, compared to \$7.0 million in Q3 2025. The increase in sustaining capital was mainly due the addition of \$19.0 million of capital expenditures following the combination with Mandalay (Björkdal and Costerfield at \$14.5 million and \$4.6 million respectively) of which \$7.1 million was underground capital development at Björkdal. Additionally, capital required to maintain stable production at both acquired operations included ongoing equipment replacements totalling \$9.5 million.

All-in sustaining costs per ounce of gold equivalent produced were \$2,928 in Q3 2026, compared to \$2,590 in Q3 2025. The AISC per ounce at Tomingley decreased to \$2,444 for the quarter from \$2,590 in Q3 2025,

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mainly due to the aforementioned increased gold production and offsetting increased cash operating costs coupled with lower sustaining capital expenditures.

Total capital expenditure during Q3 2026 of \$46.9 million, compared to \$13.1 million in Q3 2025. The capital expenditure during the quarter included \$10 million investment in growth projects, mainly at Tomingley for the Newell Highway realignment. This project is due for completion in the first half of 2027. The major item of spend in the comparative quarter (Q3 2025) was underground capital development, underground truck refurbishments and a wheel loader replacement at Tomingley. During the quarter, \$12.5 million of investment in exploration drilling was made, \$6.6 million at Costerfield, \$2.8 million at Björkdal and \$3.0 million of non-operation exploratory drilling in NSW.

Free cash flow in Q3 2026 was \$127.6 million compared to \$7.7 million in Q3 2025.

Alkane generated EBITDA of \$161.2 million in the third quarter of 2026 compared to \$20.8 million in the third quarter of 2025.

Consolidated net profit was \$93.0 million for the third quarter of 2026, versus \$8.1 million profit in the third quarter of 2025.

Alkane closed the quarter with cash, bullion and liquid investments of \$374 million – comprising \$328 million in total cash, bullion (\$34 million) and liquid investments (\$12 million). This increased cash balance was driven by sales of 43,373 gold equivalent ounces at record realised gold price of \$6,315/oz (Q2 2026: \$5,785/oz) and a realised antimony price of \$34,394/t (Q2 2026: \$42,488/t) generating \$274 million in revenue.

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Third Quarter 2026 Operational Summary^{1,2}

The table below summarises the Company's production and operational unit costs for the three months ended 31 March 2026, 31 December 2025 and 30 September 2025.

	Q3 2026	Q2 2026	Q1 2026
Tomingley			
Tonnes of ore mined (t)	338,016	275,079	301,692
Mined ore gold grade (g/t)	2.32	2.61	2.27
Processed ore (t)	314,997	318,851	314,970
Processed ore - milled head grade gold (g/t)	2.41	2.50	2.15
Recovery gold (%)	90.11	89.84	85.78
Gold produced (oz.)	21,652	22,089	18,335
Gold sold (oz.)	18,949	22,491	18,456
Cash operating cost (\$ per oz produced) ^{1 2}	2,021	1,811	2,120
All-in sustaining cost (\$ per oz produced) ^{1 2}	2,444	2,216	2,628
Costerfield			
Tonnes of ore mined (t)	36,086	39,698	24,832
Mined ore gold grade (g/t)	9.42	8.36	8.50
Mined ore antimony grade (t)	1.12	0.93	0.76
Processed ore (t)	35,598	34,732	22,671
Processed ore - milled head grade gold (g/t)	10.21	10.44	8.48
Processed ore - milled head grade antimony (%)	1.21	0.91	0.68
Recovery gold (%)	93.58	93.94	92.71
Recovery antimony (%)	85.93	86.77	81.99
Gold produced (oz.)	10,584	10,790	5,643
Antimony produced (t)	377	267	124
Gold equivalent produced (oz.) ^{1 3}	11,691	11,686	6,189
Gold sold (oz.)	11,367	11,042	4,881
Antimony sold (pre-payability) (t)	280	409	89
Antimony sold (post-payability) (t)	165	228	62
Gold equivalent sold (oz.) ^{1 3}	12,190	12,417	5,273
Cash operating cost (\$ per oz. eq. produced) ¹	1,567	1,701	1,927
All-in sustaining cost (\$ per oz. eq. produced) ¹	2,521	2,149	2,451
Björkdal			
Tonnes of ore mined (t)	246,019	266,217	153,303
Mined ore gold grade (g/t)	1.32	1.27	1.26
Processed ore (t)	323,417	329,652	233,789
Processed ore - milled head grade gold (g/t)	1.52	1.04	0.94
Recovery gold (%)	90.43	87.43	85.56
Gold produced (oz.)	12,433	9,888	5,987
Gold sold (oz.)	12,234	9,176	6,281
Cash operating cost (\$ per oz. eq. produced) ¹	2,506	2,910	2,805
All-in sustaining cost (\$ per oz. eq. produced) ¹	3,699	4,117	4,010
Consolidated			
Tonnes of ore mined (t)	620,121	580,994	479,827
Mined ore gold grade (g/t)	2.33	2.39	2.27
Mined ore antimony grade (t)	1.12	0.93	0.76
Processed ore (t)	674,011	683,235	571,429
Processed ore - milled head grade gold (g/t)	2.40	2.20	1.91
Processed ore - milled head grade antimony (%)	1.21	0.91	0.68
Recovery gold (%)	91.38	90.40	88.02
Recovery antimony (%)	85.93	86.77	81.99
Gold equivalent produced (oz.) ^{1 3}	45,776	43,663	30,511
Gold equivalent sold (oz.) ^{1 3}	43,373	44,084	30,010
Cash operating cost (\$ per oz. eq. produced) ^{1 2}	2,037	2,031	2,215
All-in sustaining cost (\$ per oz. eq. produced) ^{1 2}	2,928	2,739	2,988

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¹ Cash operating costs, All-in sustaining costs and Gold equivalent ounce are non-IFRS Performance Measures with no standard definition under IFRS. Refer to the Non-IFRS Performance Measures section of the MD&A.

² Cash operating costs and All-in sustaining costs per ounce were previously calculated based on ounces sold. From Q1 2026, the calculation methodology has been revised to use ounces produced instead of ounces sold. Accordingly, the comparative figures for the previous quarters have been restated.

³ Refer to Note 1 on page 4 of this MD&A for gold equivalent definition.

Consolidated gold equivalent production in Q3 2026 was 45,776 ounces compared to 17,657 ounces in Q3 2025, mainly due to the addition of production from Björkdal and Costerfield following the combination with Mandalay in Q1 2026. The Q3 2026 result is based upon 21,652 ounces of gold production from Tomingley, 12,433 ounces of gold production from Björkdal and 11,691 ounces of gold equivalent production (consisting of 10,584 ounces of gold and 377 tonnes of antimony from Costerfield).

Cash operating costs per ounce of gold equivalent produced were \$2,037 in Q3 2026 compared to \$2,037 in Q3 2025 and All-in sustaining costs per ounce of gold equivalent produced were \$2,928 in Q3 2026, compared to \$2,590 in Q3 2025.

Tomingley Gold Operations - NSW (Tomingley)

Tomingley Gold Operations Pty Ltd (100%)

The primary source of ore continues to be from Roswell. Underground Ore mined was slightly below plan primarily due to stope performance issues on several stopes requiring rework, however this was off-set by higher development ore tonnages.

Processing continues to perform well with milling exceeding plan primarily as a result of the insertion of a mobile crusher to pre-crush material prior to entering the processing circuit. Mill grade was above plan and recovery was in line with expectations. Pre-crushing of material to different sizes prior to entering the circuit continues and has seen a nominal increase in milling rates to approximately 1.3mtpa, work continues in this area.

A total of 21,652 ounces of gold was produced for the quarter, higher than the comparative quarter (17,657 ounces of gold) due to higher throughput and mill head grades. The increase in processed ore was mainly due to the usage of a mobile crusher which is used to increase crushing capacity resulting in an increased mill throughput. The betterment of the mill head grade was mainly due to the commissioning of the paste plant and process plant (fine grind circuit) growth projects during 2025.

Cash operating costs per ounce of gold during the quarter were \$2,021 compared to \$2,037 in Q3 2025, a slight decrease due to increase in produced ounces of gold, this was partly offset by higher operational costs, mainly due to higher processing costs which include the costs for the rental mobile crusher.

The AISC per ounce decreased to \$2,444 for the quarter from \$2,590 in Q3 2025, mainly due to the aforementioned increased gold production and offsetting increased cash operating costs coupled with lower sustaining capital expenditures.

Gold sold for the quarter was 18,949 ounces at an average sales price of \$5,096/oz, generating revenue of \$96.6 million. Bullion stocks were 8,599 ounces.

Costerfield Gold-Antimony Operations - Victoria (Costerfield)

Mandalay Resources Costerfield Operations Pty Ltd (100%)

Costerfield delivered steady operational performance during the quarter, with both ore mining and milling rates exceeding planned rates. Costerfield had strong mining performance in terms of tonnes mined for the quarter, however grades were different to those aimed for, despite complying reasonably well with forecast mining advance per area each month. Some mined areas did not perform as well as expected in forecast models due to grade variability.

The operation continues to work on targeted improvement programs including drill and blast optimisation, capital development optimisation, enhanced operator training, and the transition to emulsion explosives to improve recovery and reduce dilution.

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Processing continued to focus on blend control to maximise throughput, recoveries and produced metal. Successful trials occurred during the quarter with respect to pre-crushing ore feed and screening lower grade ore stockpiles to further improve throughput, crusher downtime and blend control. Work will continue in this area in Q4. Processing operations performed reliably, with higher mill throughput supported by successful pre-crushing trials. Continuous optimisation of blending and recovery remains a focus. Work continues to prioritise operational consistency across all aspects of the operation.

A total of 11,691 gold equivalent ounces was produced during the quarter (Q2 2026: 11,686 AuEq oz). The site cash costs for the quarter were \$1,597/AuEq oz (Q2 2026: \$1,701/AuEq oz) with an AISC of \$2,521/AuEq oz (Q2 2026: \$2,149/AuEq oz). Gold sold for the quarter was 11,367 ounces at an average sales price of \$7,204/oz and antimony sold for the quarter was 280 tonnes (165 tonnes post payability) at an average sales price of \$34,394/t, generating revenue of \$87.6 million.

Björkdal Gold Operations - Sweden (Björkdal)

Björkdalsgruvan AB (100%)

Björkdal delivered another quarter of consistent mining performance. Resources were allocated to capital development activities in preference to operating development in some areas. Mined grade was in line with planned grades, with a higher mining contribution from below the marble mining area.

Mill throughput increased slightly and recoveries also improved as compared to the previous quarter, albeit in line with increased head grade. During the quarter a trial of processing a parcel of off-site ore from a small mine to the west of Björkdal was successfully conducted.

A total of 12,433 gold ounces was produced during the quarter (Q2 2026: 9,888oz). The site cash costs for the quarter were \$2,506/oz (Q2 2026: \$2,910/oz) with an AISC of \$3,699/oz (Q2 2026: \$4,117/oz). Gold sold for the quarter was 12,234 ounces at an average sales price of \$7,376/oz, generating revenue of \$90.2 million.

FY 2026 Guidance

Given the Company's strong production, cost management, rate of investments in sustaining and growth capital and exploration expenditures in the first half of the year, Alkane expects to meet FY2026 guidance as outlined below:

		Tomingley	Costerfield	Björkdal	Consolidated
		2026			
Gold produced	Oz	75,000 - 80,000	37,000 - 41,000	37,000 - 40,000	149,000 - 161,000
Antimony produced	Tonnes	N/A	750 - 850	N/A	750 - 850
Gold equivalent produced ¹	Oz	75,000 - 80,000	43,000 - 48,000	37,000 - 40,000	155,000 - 168,000
All-in sustaining costs ²	\$/AuEq oz	2,300 - 2,550	2,400 - 2,650	4,050 - 4,450	2,600 - 2,900
Growth & Exploration capital expenditures	\$ million	47 - 52	24 - 28	7 - 8	78 - 88

¹Assumes average metal prices of: Au \$5,000/oz, Sb \$38,462t

²All-in sustaining costs are non-IFRS financial performance measures with no standard definition under IFRS. Refer to the Non-IFRS Financial Performance Measures section of the MD&A.

Conference Call and Webcast

Alkane's Managing Director & CEO, Nic Earner, and CFO, James Carter, will host a conference call and webcast for investors and analysts to discuss the Company's financial and operating results.

Details to participate are as follows:

Date/Time: **Canada:** 8:30am ETC, Friday, 15 May 2026
Australia: 8:30pm AWST/10:30pm AEST, Friday, 15 May 2026

Conference Call: [HERE](#)

Webcast: [HERE](#)

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- The accompanying presentation slides will be available on the Company’s website – [HERE](#).
- A replay of the webcast will be available on the Company’s website – [HERE](#).
- Investors may submit questions for the event by sending their questions to info@alkres.com

Abbreviation	Period	Abbreviation	Period
FY 2026	1 July 2025–30 June 2026	FY 2025	1 July 2024–30 June 2025
HY 2026	1 July 2025–31 December 2025	HY 2025	1 July 2024–31 December 2024
Q1 2026	1 July 2025–30 September 2025	Q1 2025	1 July 2024–30 September 2024
Q2 2026	1 October 2025-31 December 2025	Q2 2025	1 October 2024-31 December 2024
Q3 2026	1 January 2026 –31 March 2026	Q2 2025	1 January 2025–31 March 2025

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

ABOUT ALKANE

Alkane Resources (ASX:ALK; TSX:ALK; OTCQX:ALKRY) is an Australia-based gold and antimony producer with a portfolio of three operating mines across Australia and Sweden. The Company has a strong balance sheet and is positioned for further growth.

Alkane’s wholly owned producing assets are the **Tomingley** open pit and underground gold mine southwest of Dubbo in Central West New South Wales, the **Costerfield** gold and antimony underground mining operation northeast of Heathcote in Central Victoria, and the **Björkdal** underground gold mine northwest of Skellefteå in Sweden (approximately 750km north of Stockholm). Ongoing near-mine regional exploration continues to grow resources at all three operations.

Alkane also owns the very large gold-copper porphyry **Boda-Kaiser Project** in Central West New South Wales and has outlined an economic development pathway in a Scoping Study. The Company has ongoing exploration within the surrounding Northern Molong Porphyry Project and is confident of further enhancing eastern Australia’s reputation as a significant gold, copper and antimony production region.

More information available at www.alkres.com

Interactive Analyst Centre™

Comprehensive financial, operational, resource and reserve information for Alkane Resources is available through the Interactive Analyst Centre™ located in the Investors section of our website at alkres.com.

Forward-Looking Statements

Certain statements contained in this document constitute “forward-looking statements.” Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. Such factors include, among others, the following: mining industry risks; fluctuations in the market price of mineral commodities; project development; expansion targets and operational delays; environmental risks and hazards; requirement of additional financing; health and safety; uncertainty as to calculations of mineral deposit estimates; marketability; licenses and permits; title matters; governmental regulation of the mining industry; cybersecurity events; current global financial conditions including inflation; currency risk; uninsured risks; competition; repatriation of earnings; properties without known mineral reserves; dependence upon key management personnel and executives; dependence on major customers; infrastructure; litigation; potential volatility of market price of common shares; possible conflicts of interest of directors and officers of the Company; risk of dilution; payment obligations relating to properties; instability of political and economic environments; and integration of acquisitions. Specific reference is

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made to the Annual Information Form for a discussion of some of the factors underlying forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

Non-IFRS Performance Measures

Investors should be aware that financial data in this press release includes Non-IFRS performance measures under Regulatory Guide 230 Disclosing Non-IFRS Financial Information published by the Australian Securities and Investments Commission and Non-GAAP performance measures within the meaning of National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure published by the Canadian Securities Administrators. This press release may contain references to adjusted EBITDA, adjusted net profit, free cash flow, cash operating cost per ounce of gold equivalent produced and all-in sustaining cost all of which are Non-IFRS/Non-GAAP performance measures and do not have standardised meanings under IFRS. Therefore, these measures may not be comparable to similar measures presented by other issuers.

Management uses EBITDA and free cash flow as measures of operating performance to assist in assessing the Company's ability to generate liquidity through operating cash flow in order to fund future working capital needs and to fund future capital expenditures, as well as in measuring financial performance from period to period on a consistent basis. The Company believes that these measures are used by and are useful to investors and other users of the Company's financial statements in evaluating the Company's operating and cash performance because they allow for analysis of its financial results without regard to special, non-cash and other non-core items, which can vary substantially from company to company and over different periods.

The Company defines EBITDA as net profit before interest and finance charges, taxes, amortisation and depreciation. A reconciliation between EBITDA and net profit is included in the MD&A.

The Company defines free cash flow as a measure of the Company's ability to generate and manage liquidity. It is calculated starting with the net cash flows from operating activities (as per IFRS) and then subtracting capital expenditures and lease payments. Refer to "Non-IFRS Financial Performance Measures" section of the MD&A for a reconciliation between free cash flow and net cash flows from operating activities.

For Costerfield, gold equivalent ounces are calculated by multiplying quantities of gold and antimony in the period by respective average market price of commodities in period, adding the two amounts to get 'total contained value based on market price' and dividing that total contained value by the average market price of gold in period. I.e., $\text{Gold equivalent} = ((\text{Au Produced} \times \text{Au } \$/\text{oz}) + (\text{Sb Produced pre-payability} \times 70\% \text{ payability} \times \text{Sb } \$/\text{t})) / (\text{Au } \$/\text{oz})$. The average market price for gold is the average of the daily PM price, sourced from www.lbma.org.uk and the average market price for antimony is the average Shanghai Metal Market Price sourced from www.metal.com. The cash operating cost excludes royalty expenses. Site all-in sustaining costs include total cash operating costs, sustaining mining capital, royalty expense and accretion of reclamation provision. Sustaining capital reflects the capital required to maintain each site's current level of operations. The site's all-in sustaining cost per ounce of gold equivalent in a period equals the all-in sustaining cost divided by the equivalent gold ounces produced in the period.

For Björkdal and Tomingley, the total cash operating cost associated with the production of gold ounces produced in the period is then divided by the gold ounces produced to yield the cash operating cost per gold ounce produced. The cash operating cost excludes royalty expenses. Site all-in sustaining costs include total cash operating costs, sustaining mining capital, royalty expense and accretion of reclamation provision. Sustaining capital reflects the capital required to maintain each site's current level of operations. The site's all-in sustaining cost per ounce of gold in a period equals the all-in sustaining cost divided by the gold ounces produced in the period.

For the Company as a whole, cash operating cost per gold equivalent ounce is calculated by summing the gold equivalent ounces produced by each site and dividing the total by the sum of cash operating costs at the sites. Consolidated cash operating cost excludes royalty and corporate level general and administrative

expenses. All-in sustaining cost per ounce gold equivalent in the period equals the sum of cash operating costs associated with the production of gold equivalent ounces at all operating sites in the period plus corporate overhead expense in the period plus sustaining mining capital, royalty expense, and accretion of reclamation provision, divided by the total gold equivalent ounces produced in the period. A reconciliation between cost of sales and cash operating costs, and also cash operating cost to all-in sustaining costs are included in the MD&A.

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