

Quarterly Activity Report

September 2016



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ASX: PNX

Issued Capital as at 31/10/16:
588,691,875

Board & Management:

Non Exec Chairman: Graham Ascough
Non Exec Director: Paul J Dowd
Non Exec Director: Peter J Watson
Non Exec Director: David Hillier
MD/CEO: James Fox
CFO/Co Secretary: Tim Moran

Top Shareholders as at 31/10/16:

HSBC Custody Nominees - 9.91%
Marilei International Limited – 9.21%
Sochrastem SA – 8.46%
Asia Image Ltd – 7.44%

Share Registry:

Computershare
Investor Services Pty Ltd
Level 5 115 Grenfell Street
Adelaide South Australia 5000
Phone: 1300 305 232
(within Australia)
+61 3 9415 4657
(outside Australia)

September 2016 Quarterly Activities Report

Drilling to Complete Pre-Feasibility Study - Hayes Creek

- 27 hole infill and extensional RC and diamond drill program completed at Mt Bonnie with excellent assay results received from the first 13 holes (*ASX releases 06 and 26 Oct 2016*), awaiting the results for remaining holes
- RC and diamond drilling commenced at Iron Blow deposit, continuing to the end of CY2016

Exploration – NT Regional

- Completion of the acquisition of 3 mineral leases containing gold prospects close to the Hayes Creek project (*ASX release 02 March 2016 for details of acquisition*)
- Additional exploration licence granted adjacent to the Burnside project area, located over the northern portion of the Cosmo-Howley trend
- Exploratory RC drilling program completed at Langleys (*ASX release 19 Sept 2016*)
- NT government co-funded greenfield diamond drilling commenced at Barossa (*ASX releases 28 June and 13 Oct 2016*)

Corporate

- \$2.5 million cash on hand at 30 September 2016
- \$1.5 million raised during the quarter from placements to sophisticated and institutional investors, and a \$0.25 million commitment was received for a further placement, subject to shareholder approval at the Company's AGM
- Company presented at Hong Kong 121 Investor Conference and Proactive Investor Conferences
- On 31 October 2016, Resilience Mining Australia Limited exercised its option to acquire Leigh Creek Copper Mine Pty Ltd, with completion scheduled for 21 November 2016

Planned Activities: December Quarter:

- Pre-Feasibility Study - Hayes Creek
 - Completion of resource drilling at Iron Blow, receipt and interpretation of assay results for commencement of new JORC 2012 resource estimate
 - New JORC 2012 resource estimate for Mt Bonnie
 - Ongoing metallurgical optimisation test work on Mt Bonnie & Iron Blow ore
 - Continue approvals and stakeholder engagement process toward a decision to mine
 - Geochemistry for waste, tailings testing, and ongoing site selection analysis
- NT Regional drilling at greenfield targets: Barossa & Tractor Corner (base metals) and Moline (gold)

Northern Territory Exploration

Hayes Creek Pre-Feasibility Study

The Hayes Creek Project ('Project') contains the Iron Blow and Mt Bonnie Au-Ag-Zn deposits, located less than 3km apart and situated on granted Mineral Leases wholly owned by PNX within the Pine Creek region of the Northern Territory, 180km south of Darwin (Figure 1)¹.

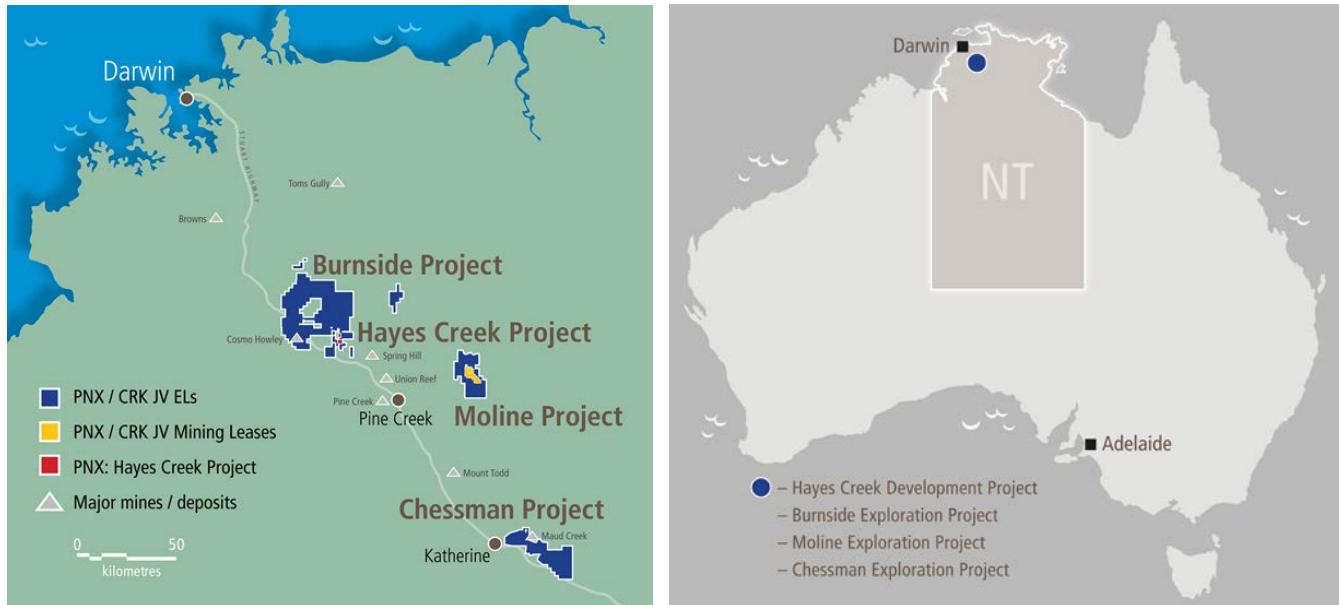


Figure 1: NT Project locations

The Project is located in a favourable mining jurisdiction where the development scenario considers and utilises existing infrastructure that includes rail, road, high voltage power lines and water, further enhancing project fundamentals and lowering development risks. The Project is underpinned by total estimated Inferred and Indicated mineral resources (JORC Code 2012) containing 257Koz gold, 16.3Moz silver, 178Kt zinc, 41Kt lead and 11.5Kt copper (750Koz AuEq) (see ASX releases 1 November 2014 for Iron Blow Resource Estimate, and 1 February 2016 for Mt Bonnie Resource Estimate).

A fully-funded Pre-Feasibility Study (PFS) is underway with targeted completion by May 2017. The PFS aims to improve on the Scoping Study completed in March 2016 that identified a robust economic base case and confirmed the potential for the Project to become an economically viable operation. The scoped level of capital investment provides for a modest mining and ore throughput rate and demonstrates, at the metal prices assumed a potentially fast Project payback period (see ASX release 31 March 2016).

¹ See PNX ASX release 18/08/14 for further details of agreement, including Newmarket option to clawback up to 30% of the Project for 3x PNX spend upon completion of a feasibility

Hayes Creek PFS Drilling

In September 2016, the Company commenced a 7,500 metre infill and extensional RC and diamond drilling program at the Iron Blow and Mt Bonnie (Figure 2) VMS deposits. The purpose of the program is to:

- Define additional near-surface massive sulphide mineralisation to complement the already significant Mineral Resources that have been defined
- Generate infill data to increase the confidence in the majority of the Mineral Resource estimate to at least Indicated Resource status in order to underpin the PFS
- Provide samples for metallurgical optimisation and variability test work

Subsequent to quarter end, assays from the first 13 holes of drilling at Mt Bonnie were received, with results from the remaining 14 holes expected in early November. The results so far have been excellent and have exceeded expectations. Significant intersections include

- **22m @ 2.33g/t Au, 143g/t Ag, 7.42% Zn, 1.24% Pb, 0.34% Cu from 27m** in MBRC040, including
 - **6m @ 4.80g/t Au, 236g/t Ag, 12.56% Zn, 1.91% Pb, 0.69% Cu from 40m**
- **7m @ 3.08g/t Au, 446g/t Ag, 10.93% Zn, 3.19% Pb, 0.50% Cu from 72m** in MBRC063

The results indicate potential to increase the near-surface gold and silver grades estimated in the existing resource, as well as the potential to expand the resource at depth and near-surface to the south.

Most of the assay results received to date (Table 1, page 10) are from the infill portion of the drill program, and continue to provide consistent grades and widths of near-surface sulphide mineralisation as predicted by the geological model. ***Silver assays from within the mineralised envelope appear to be consistently better than previously modelled.***

Of note, MBRC040 (Figure 3), drilled in the area most likely to be mined early in the mining schedule, intersected a broad mineralised interval (as highlighted above) that included a zone where gold grades are considerably higher than previously encountered in the sulphide resource:

- **6m @ 4.80g/t Au, 236g/t Ag, 12.56% Zn, 1.91% Pb, 0.69% Cu (12.7g/t AuEq/19.8% ZnEq) from 40m**

Located on the northern edge of the historical pit, MBRC044 (Figure 3) intersected thick massive sulphides with consistent grades of silver, lead and zinc, including:

- **10m @ 1.40g/t Au, 397g/t Ag, 11.13% Zn, 4.08% Pb, 0.60% Cu from 46m (12.6g/t AuEq/19.6% ZnEq) from 46m**

Furthermore, the following excellent results in MBRC057 (Figures 3 and 4) have shown mineralisation to extend beyond the predicted depth of the existing resource boundary and provide the potential to model an expanded open-pit scenario for inclusion in the fully-funded Hayes Creek PFS:

- **9m @ 0.65g/t Au, 230g/t Ag, 2.13% Zn, 0.96% Pb, 0.08% Cu (4.3g/t AuEq/6.7% ZnEq) from 74m,**

The results from MBRC057 are significant as the base metals mineralisation intercepted is weakly conductive, non-magnetic, hosted by disseminated sulphides within strongly carbonate altered sediments and sits outside of the existing geophysics model. This is in contrast with the highly-conductive and magnetic massive sulphides associated with the main mineralised zone to the north-east which exhibit a strong geophysical signature. ***This new knowledge opens up new areas in close proximity to Mt Bonnie and Iron Blow with the potential for resource extension and exploration.***

Full interpretation of the results and their impact on the Mt Bonnie Mineral Resource will occur once the assays from all 27 holes have been received. An updated mineral resource estimate is expected by the end of 2016 which will be a key component of the fully funded Hayes Creek PFS.



Figure 2: Mt Bonnie historical open pit looking to the south towards the Southern Gossan (where the excavator is parked)

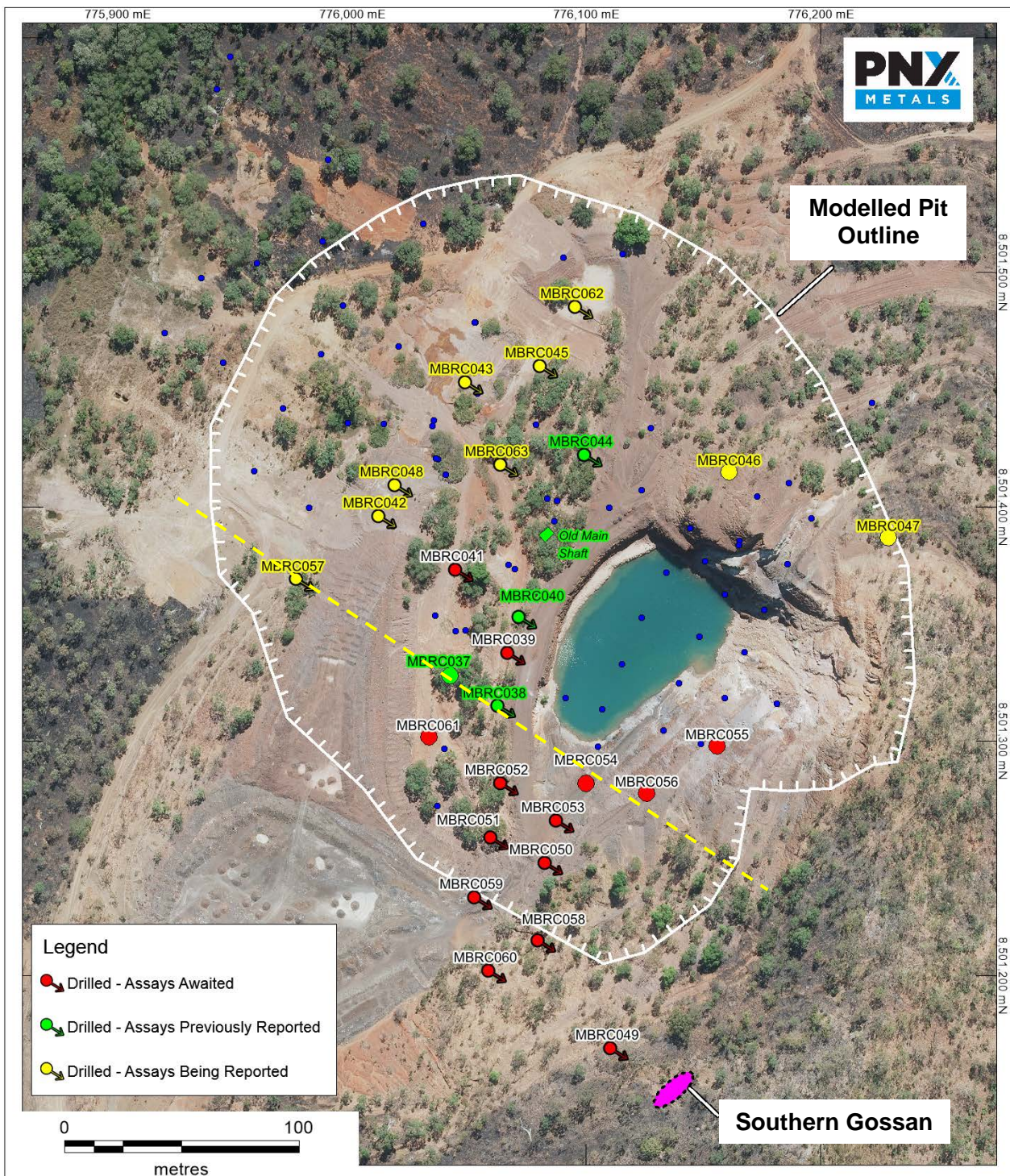


Figure 3: Mt Bonnie drilled holes Sept 2016 awaiting assays (red) with assays received (yellow), assays reported previously (green), previous drill holes (blue), and superimposed Scoping Study open pit outline (white)

In addition to the RC drill holes completed at Mt Bonnie (of which two were pre-collars for the metallurgical holes), two diamond holes were drilled to provide full core for metallurgical optimisation test-work. These holes (MBRC039D & MBRC041D) were drilled in the central portion of the deposit and returned thick intersections of sulphide mineralisation, which is consistent with the resource model.

Infill diamond drilling at Iron Blow, also part of the Hayes Creek project, is ongoing with two holes completed. This program is expected to continue until the end of 2016.

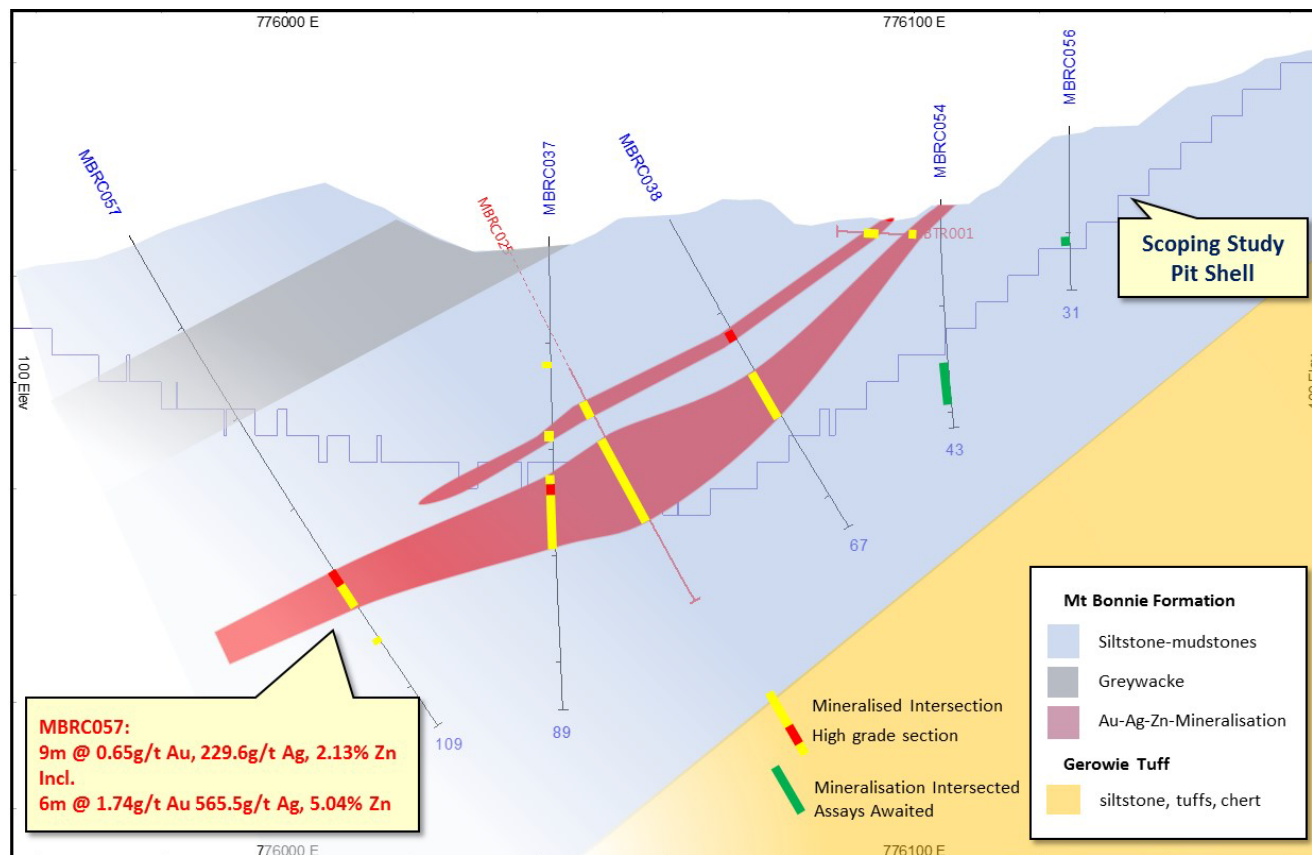


Figure 4: Cross section through MBRC057 (refer yellow hashed line in Figure 3)

Research & Development program – Metallurgy

BHM Consultants and Nagrom (Perth) have commenced the PFS test work programme on separate Iron Blow and Mt Bonnie composite ore samples.

The aim of the program is to adequately satisfy the level of technical input data for the PFS including:

- Comminution properties
- Flotation recoveries and product grades at various grind sizes, to also include locked cycle float tests
- Operating cost minimisation via power and reagent optimisation

Unconfined compressive strength (UCS) testing of Mt Bonnie diamond drill holes MBRC041D and MBRC039D have been completed with the results being analysed.

A sampling and testing program is also being developed to determine the characteristics of the Mt Bonnie southern gossan/oxide materials for inclusion in the PFS.

Results from the full test work program will be available in early CY2017.

Northern Territory Regional Exploration: Burnside, Moline & Chessman Projects

The Burnside Project (including Barossa), Moline and Chessman (including Tractor Corner) prospects form part of PNX's farm-in agreement with Newmarket Gold NT Holdings Pty Ltd, a subsidiary of Newmarket Gold Inc. where PNX is earning up to 90 per cent, in two stages, of nineteen Exploration Licenses and four Mineral Leases (see ASX release 18 August 2014 for further details of the agreement) covering approximately 1,700km².

By the end of the September 2016 quarter, total expenditure for the purpose of the first stage of the farm-in was approximately \$1.75 million. A further \$0.25 million will be spent by 15 December 2016 to achieve the 51% Stage One earn-in.

During the quarter, PNX applied for a new tenement (EL31099) in the Burnside project area, which was granted on 4 August 2016. This tenement is located along the highly prospective Howley anticline adjacent to the Burnside project.

Exploration Drilling - Langleys and Shady Camp prospects (Burnside)

An 8-hole RC drilling program was completed in September 2016 for 602 metres at the Langleys and Shady Camp prospect, one of many gold targets within the Golden Dyke Dome and approximately 3km from the Hayes Creek project. The best intercept drilled was:

- **2m @ 5.10 g/t Au from 72m in LAR006**

Four of the holes drilled contained narrow zones of gold mineralisation and assay results received were, in general, of a lower grade and narrower width than historically drilled. As such the gold mineralisation intercepted is unlikely to be economic and based on current knowledge and geological interpretation of the results, the mineralising system appears to be pinching out. Whilst the mineralisation system remains open and there is potential for it to swell in thickness at depth, Langleys is now considered a lower priority target.

Co-funded Greenfield Drilling - Barossa (Burnside) and Tractor Corner (Chessman)

Late in the quarter drilling activities commenced at the Barossa VMS target located within the Burnside Project and less than 20km to the north-west of the Hayes Creek project.

As previously reported, PNX was awarded Government Grants totalling approximately \$85,000 to co-fund diamond drilling of two new prospects at Barossa and Tractor Corner.

Barossa exhibits a cluster of volcanogenic massive sulphide (VMS) style strong late-time airborne electromagnetic (VTEM) anomalies, consistent with that of VMS camps, including the nearby Iron Blow and Mt Bonnie gold-silver-zinc VMS deposits (Figure 5).

The VTEM anomalies at Barossa are of a strength and geometry consistent with concentrations of massive sulphides. The host stratigraphy (Mount Bonnie formation) and structural setting are also identical to those observed at the Iron Blow and Mt Bonnie deposits.

Two initial diamond drill holes for a total of 235 metres are proposed to test the highest-priority electromagnetic responses among the nine VTEM anomalies, being BLT021 and BLT018 (Figure 5). Drilling is yet to be completed with assay results and interpretation of information expected in November 2016.

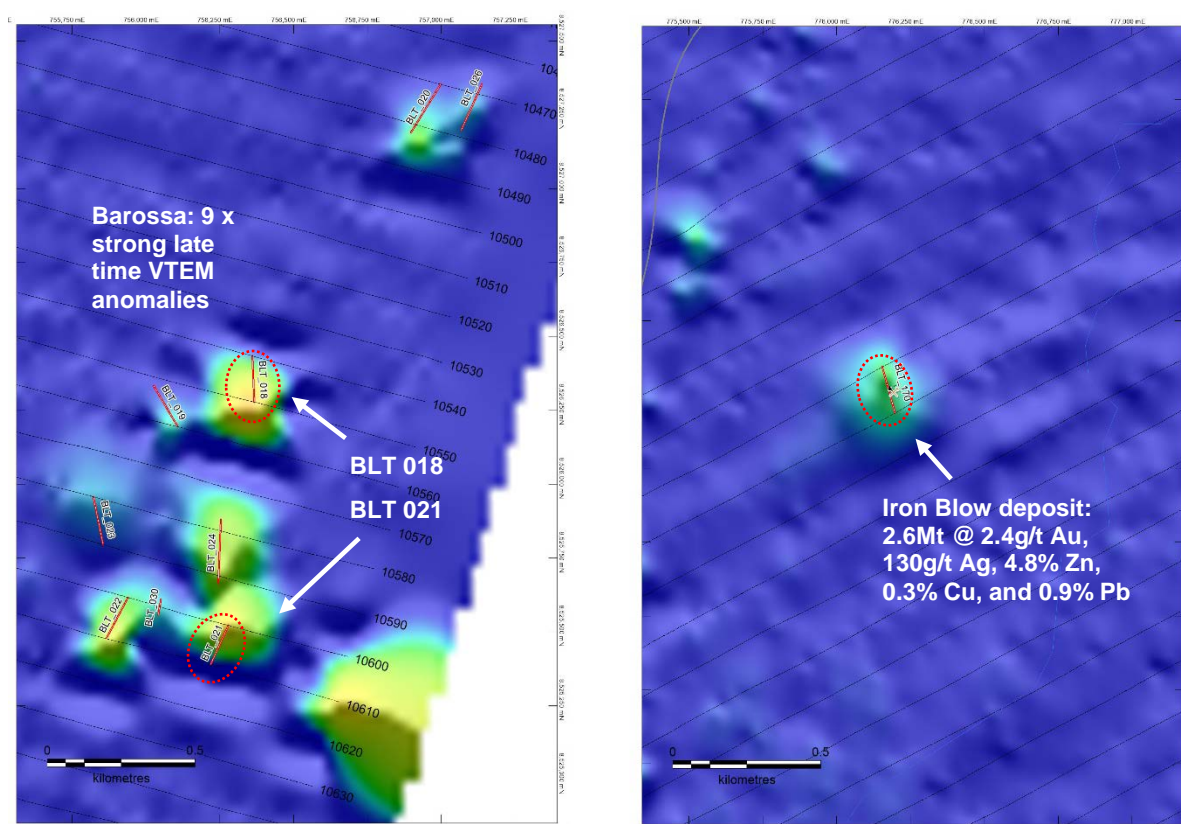


Figure 5: Barossa VTEM Targets and Iron Blow Deposit on VTEM Time Channel 42 (same scale)

Drilling at the Tractor Corner SEDEX target (Chessman project) is due to commence before the end of October 2016. Tractor Corner is a sedimentary exhalative (SEDEX) style zinc-lead target situated on the margin of the Cambrian Daly Basin and the Proterozoic Pine Creek Orogen, a favourable setting for such deposits.

South Australia Exploration

Yorke Peninsula & Adelaide Geosyncline Projects

No on-ground exploration activities were undertaken during the quarter on the Company's Yorke Peninsula or Leigh Creek exploration tenements. The tenements remain in good standing.

Leigh Creek Copper Mine

On 31 October 2016, Resilience Mining Australia Limited ('RMA', previously Hillsgold Resources Pty Ltd) provided notice to the Company that it has exercised its option to acquire Leigh Creek Copper Mine Pty Ltd (**LCCM**) as well as two exploration licences held by PNX in the vicinity of Leigh Creek. Completion of the transaction is to occur on 21 November 2016.

On completion, RMA will acquire LCCM, and the two exploration licences mentioned, from the Company for nil up-front consideration (other than the assumption of the rehabilitation obligations at Mountain of Light) with a contingent payment to the Company of \$100,000 if and when 3,000 tonnes of copper are produced from future operations at any of the three mining leases.

To assist RMA with its costs of transitioning to ownership of LCCM, the Company agreed to provide RMA with a loan of \$50,000. The loan, which can be drawn anytime within a 28 day period following the 21 November 2016 Completion Date, is secured by specified plant and equipment at Mountain of Light, and bears interest at 6% payable semi-annually. The loan is to be re-paid at the earliest of the following:

- 31 October 2018;
- The date that is 6 months after first production from any of the three mining leases held by LCCM;
- Following an equity capital raise by RMA in excess of \$1.5 million (cumulative from 31 October 2016); or
- The date RMA sells or transfers any of the acquired tenements.

Financial & Corporate

Cash on hand at 30 September 2016 was \$2.5 million.

During the quarter, the Company raised \$1.5 million before costs via the placement of 79 million shares at 1.9 cents each to sophisticated and institutional investors, and received a commitment for a further share placement of \$0.25 million, if approved by shareholders at the Company's 10 November 2016 annual general meeting.

Capital Structure

At 30 September 2016, the Company had on issue 588,691,875 fully paid ordinary shares following the issue of shares noted above, and no performance rights or options on issue.

During the quarter, the Board resolved to issue 1,000,000 shares to Company Managing Director & CEO James Fox and grant him 1,250,000 performance rights, with both awards subject to shareholder approval at the Company's 2016 AGM. Details of the proposed issue of shares and performance rights are contained in the Company's Notice of Meeting for the 2016 AGM, which was issued on 7 October 2016.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Bennett, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Bennett has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity being undertaken 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 Bennett is a full time employee of PNX Metals Ltd and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

James Fox

Managing Director & CEO

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Table 1 – Mt Bonnie Assay results to date

Hole ID	East MGA	North MGA	Dip	Azi MGA	Total Depth		From	To	Int	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)	AuEq (g/t)*	ZnEq (%)*
MBRC037	776042	8501328	-90	0	89		24	25	1	0.49	69.0	1.20	1.99	0.14	2.36	3.68
						and	37	39	2	0.43	6.5	6.67	0.12	0.07	3.83	5.96
						and	45	59	14	0.42	31.9	3.21	0.21	0.10	2.37	3.69
						incl.	47	49	2	1.65	51.0	15.02	0.31	0.38	9.59	14.91
						and	79	82	3	1.39	6.0	1.83	0.12	0.15	1.90	2.96
MBRC038	776061	8501316	-60	122	67		24	26	2	0.24	127.0	6.76	0.95	0.07	5.32	8.28
						and	33	43	10	0.53	3.7	1.23	0.05	0.10	1.06	1.65
MBRC039D	776065	8501339	-60	122	59.8	Assays Pending (Met hole - diamond tail)										
MBRC040	776070	8501354	-60	122	76		27	49	22	2.33	143.2	7.42	1.24	0.34	7.27	11.30
						incl.	30	33	3	2.74	280.7	12.21	3.30	0.39	12.10	18.82
						incl.	37	47	10	3.57	199.8	11.07	1.55	0.59	10.73	16.69
						incl.	40	46	6	4.80	236.0	12.56	1.91	0.69	12.72	19.79
MBRC041D	776043	8501374	-60	122	98.9	Assays Pending (Met hole - diamond tail)										
MBRC042	776010	8501397	-60	122	115		77	81	4	0.30	56.3	1.00	0.48	0.02	1.44	2.25
						and	85	88	3	0.23	54.3	2.45	0.39	0.02	2.10	3.27
						and	96	104	8	1.01	4.0	1.97	0.06	0.13	1.72	2.68
MBRC043	776047	8501454	-60	122	109		88	95	7	0.83	158.3	5.12	1.32	0.18	5.35	8.32
						incl.	88	91	3	1.85	351.0	9.70	2.94	0.35	10.96	17.05
MBRC044	776098	8501423	-60	122	70		41	42	1	0.02	166.0	0.15	0.06	0.04	1.93	3.00
						and	46	59	13	1.12	312.8	8.79	3.21	0.47	9.92	15.42
						incl.	46	56	10	1.40	397.2	11.13	4.08	0.60	12.57	19.55
MBRC045	776079	8501461	-60	122	90		71	75	4	0.20	120.5	2.67	0.76	0.12	3.12	4.86
						incl.	73	74	1	0.29	366.0	9.45	2.19	0.39	10.01	15.56
MBRC046	776161	8501415	-90	0	61		38	43	5	0.18	60.2	1.02	0.52	0.03	1.46	2.27
MBRC047	776229	8501387	-90	0	25	NSI										
MBRC048	776017	8501410	-60	122	109		75	104	29	1.02	187.2	5.26	1.44	0.29	5.97	9.29
						incl.	76	78	2	1.64	441.0	9.94	4.29	0.35	12.36	19.22
						incl.	87	95	8	1.25	387.8	10.01	2.73	0.51	11.31	17.59
MBRC049	776109	8501170	-90	0	73	Assays Pending										
MBRC050	776081	8501249	-60	122	30	Assays Pending										
MBRC051	776058	8501260	-60	122	46	Assays Pending										
MBRC052	776062	8501283	-60	122	65	Assays Pending										
MBRC053	776086	8501267	-60	122	49	Assays Pending										
MBRC054	776100	8501282	-90	0	43	Assays Pending										
MBRC055	776156	8501298	-90	0	25	Assays Pending										
MBRC056	776126	8501278	-90	0	31	Assays Pending										
MBRC057	775975	8501370	-60	122	109		74	83	9	0.65	229.6	2.13	0.96	0.08	4.27	6.65
						incl.	74	76	2	1.74	546.5	5.04	2.34	0.19	10.27	15.97
MBRC058	776078	8501216	-60	122	73	Assays Pending										
MBRC059	776051	8501234	-60	122	79	Assays Pending										
MBRC060	776057	8501203	-60	122	61	Assays Pending										
MBRC061	776033	8501302	-90	0	79	Assays Pending										
MBRC062	776094	8501486	-60	122	91	NSI										
MBRC063	776062	8501419	-60	122	111		72	91	19	1.68	212.0	5.24	1.50	0.25	6.54	10.18
						incl.	72	79	7	3.08	445.6	10.93	3.19	0.50	13.47	20.95

EXPLORATION PHYSICALS Quarter ended 30 Sept 2016

Hayes Creek project

Drilling Geochemistry = 4,104 measurements (fpXRF + assays)

Holes Completed = 29

RC & Rotary Metres = 2,623.9m (1,826m Mt Bonnie + 797.9m Iron Blow (pre-collars))

DD Metres = 124.8m (108.4m Mt Bonnie + 16.4m Iron Blow)

Surface Geochemistry = 3 (rock chips)

Exploration – Burnside, Moline, & Chessman projects

Surface Geochemistry = 1,630 (soils, fpXRF and rock chips)

Drilling Geochemistry = 254 measurements (fpXRF + assays)

Holes Completed = 8

RC Metres = 602m (Langleys and Shady Camp)

TENEMENTS

Northern Territory PNX Tenements

Tenement	Name	Holder	Area Hectare
ML30512	Mt Bonnie	PNX Metals Ltd 100%	6.4
ML30589	Mt Bonnie	PNX Metals Ltd 100%	31.6
MLN1033	Mt Bonnie	PNX Metals Ltd 100%	4.8
MLN1039	Mt Bonnie	PNX Metals Ltd 100%	1.2
MLN214	Iron Blow	PNX Metals Ltd 100%	6.3
MLN341	Iron Blow	PNX Metals Ltd 100%	14.9
MLN342	Mt Bonnie	PNX Metals Ltd 100%	13.7
MLN343	Iron Blow	PNX Metals Ltd 100%	14.9
MLN346	Mt Bonnie	PNX Metals Ltd 100%	16.0
MLN349	Iron Blow	PNX Metals Ltd 100%	15.0
MLN405	Mt Bonnie	PNX Metals Ltd 100%	12.0
MLN459	Mt Bonnie	PNX Metals Ltd 100%	15.0
MLN811	Mt Bonnie	PNX Metals Ltd 100%	8.1
MLN816	Mt Bonnie	PNX Metals Ltd 100%	8.1
Total Hayes Creek			168.0
MLN794	Fishers-1	PNX Metals Ltd 100%	8.1
MLN795	Fishers-2	PNX Metals Ltd 100%	8.1
ML30936	Good Shepherd	PNX Metals Ltd 100%	106
Total Mineral Leases			290.2
EL31099	Bridge Creek	PNX Metals Ltd 100%	60.2km ²

Northern Territory - Farm-in Tenements*

Tenement	Name	Holder	(Area sq km)
Burnside Project			
EL10012	Mt Ringwood	Newmarket Gold NT Holdings Pty Ltd 100%	14.9
EL10347	Golden Dyke	Newmarket Gold NT Holdings Pty Ltd 100%	10.0
EL23431	Thunderball	Newmarket Gold NT Holdings Pty Ltd 100%	13.4
EL23536	Brocks Creek	Newmarket Gold NT Holdings Pty Ltd 100%	70.4
EL23540	Jenkins	Newmarket Gold NT Holdings Pty Ltd 100%	16.7
EL23541	Cosmo North	Newmarket Gold NT Holdings Pty Ltd 100%	3.3
EL24018	Hayes Creek	Newmarket Gold NT Holdings Pty Ltd 100%	23.4
EL24051	Margaret River	Newmarket Gold NT Holdings Pty Ltd 100%	86.9
EL24058	Yam Creek	Newmarket Gold NT Holdings Pty Ltd 100%	3.3
EL24351	McCallum Creek	Newmarket Gold NT Holdings Pty Ltd 100%	30.1
EL24405	Yam Creek	Newmarket Gold NT Holdings Pty Ltd 100%	4.1
EL24409	Brocks Creek South	Newmarket Gold NT Holdings Pty Ltd 100%	22.1
EL24715	Mt Masson	Newmarket Gold NT Holdings Pty Ltd 100%	56.8
EL25295	Margaret Diggings	Newmarket Gold NT Holdings Pty Ltd 100%	10.0
EL25748	Burnside	Newmarket Gold NT Holdings Pty Ltd 100%	643.1
EL9608	Mt Bonnie	Newmarket Gold NT Holdings Pty Ltd 100%	10.0
Chessman Project			
Tenement	Name		
EL25054	Maud	Newmarket Gold NT Holdings Pty Ltd 100%	64.0
EL28902	Maud	Newmarket Gold NT Holdings Pty Ltd 100%	288.2
ML30293	Chessman	Newmarket Gold NT Holdings Pty Ltd 100%	1.1
Moline Project			
Tenement	Name		
EL28616	Moline	Newmarket Gold NT Holdings Pty Ltd 100%	262.5
ML24173	Moline	Newmarket Gold NT Holdings Pty Ltd 100%	31.3
MLN1059	Moline	Newmarket Gold NT Holdings Pty Ltd 100%	4.2
MLN41	Mt Evelyn	Newmarket Gold NT Holdings Pty Ltd 100%	0.1
			1669.9

*PNX is earning up to 90% in these tenement in two stages. PNX's interest at the date of this report is zero

South Australia

Exploration Licences	Name	Holder	(Area sq. km)
Adelaide Geosyncline			
EL5382	Burra Central	PNX Metals Ltd 100%	84
EL4807	Burra West	PNX Metals Ltd 100%	69
EL4970	Burra North	PNX Metals Ltd 100%	300
EL5411	Mongolata	PNX Metals Ltd 100%	60
EL4809	Princess Royal	PNX Metals Ltd 100%	314
EL5473	Bagot Well	PNX Metals Ltd 100%	71
EL5169	Tarnma	PNX Metals Ltd 100%	128
EL4886	Spalding	PNX Metals Ltd 100%	157
EL5557	Washpool	PNX Metals Ltd 100%	135
			1,318
Yorke Peninsula			
ELA281/12	Minlaton	Wellington Exploration Pty Ltd 100%	547
EL5491	Koolywurtie	PNX Metals Ltd 100%	255
EL4983	Weaver Hill	PNX Metals Ltd 100%	104
EL5196	Coonarie	PNX Metals Ltd 100%	254
			1,160
Leigh Creek			
EL5264	Nantawarrinna	PNX Metals Ltd 100%	317
EL5300	Mt Elkington	PNX Metals Ltd 100%	618
			935
		TOTAL ELs - South Australia	3,413
Mineral Leases	Name	Holder	(Area Hectare)
ML5467	Mountain of Light	LCCM 100%	250
ML5741	Mount Coffin	LCCM 100%	200
ML5498	Lorna Doone	LCCM 100%	122