

## Quarterly Activities Report

September 2017



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### ASX: PNX

Issued Capital as at 31/10/17:  
978,737,423

### 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 31/10/17:

BNP Paribas Nominees Pty Ltd 7.30%  
Marilei International Limited 6.04%  
Potezna Gromadka Limited 6.02%  
Sochrastem SA 5.17%

### 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)

## Quarterly Highlights

- Progression of the Hayes Creek Definitive Feasibility Study (DFS)
- Identification of new zinc anomalies at the Moline Project following a large scale soils sampling and mapping program
- Completion of 16 hole exploration drilling program at Moline with numerous gold intersections

## Corporate

- \$3.1 million (net of costs) raised during the quarter from the forward sale of future silver production from the Hayes Creek Project (\$0.8 million) and from an oversubscribed share placement and SPP (\$2.3 million)
- \$3.0 million cash on hand at 30 September 2017, with a further \$0.5 million received in early October upon final receipt of funds from a Share Purchase Plan (SPP)
- Agreement reached to convert existing convertible notes (\$0.6 million) and a loan (\$1.2 million) into PNX ordinary shares at an average price of 1.73 cents per share (approved by shareholders at the Company's AGM on 25 Oct 2017)

## Planned Activities: December 2017 Quarter:

### **Definitive Feasibility Study (DFS) - Hayes Creek**

- 4,000 metre RC and diamond drill program at Hayes Creek commenced October for resource extension, mine planning, hydrology, metallurgical and waste characterisation purposes
- Environmental Impact Statement (EIS) related studies
- Metallurgical variability locked-cycle testwork
- Finalisation of access to the Fountain Head mineral leases

### **Regional Exploration – Moline, Burnside & Chessman projects**

- Ground IP over geochemical zinc anomalies at Moline to refine targets for drill testing
- Drill testing of priority targets

## Northern Territory Project Development

### Hayes Creek Zinc and Precious Metals Project

As announced on 12 July 2017, PNX has completed a PFS over its Hayes Creek Project (Project), confirming the opportunity for an economically viable, low-cost, high margin zinc and precious metal mine that could create significant value for the Company's shareholders.

The PFS was based on the Iron Blow and Mt Bonnie zinc-gold-silver deposits which are located less than 3km apart on wholly owned Mineral Leases within the Pine Creek region of the Northern Territory ('NT'), 170km south of Darwin<sup>1</sup> (Figure 1).

The PFS forecasts the Project to generate an NPV<sub>10</sub> of \$133 million, based on net smelter revenue from the sale of zinc and precious metals concentrates of \$628 million over a 6.5 year mine life. Annual production is estimated as 18,200t zinc, 14,700oz gold, and 1.4Moz silver (39,100t of zinc equivalent). With a low \$58 million initial capital expenditure requirement, the Project is forecast to have a 73% IRR, and very short pay-back period of 15 months.

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.

A Definitive Feasibility Study ('DFS') is progressing well and expected to be completed in 2018. The DFS is expected to provide increased confidence in all aspects of the Project as well as investigate opportunities to improve overall Project economics thereby increasing the prospect of favourable development finance terms and structure.

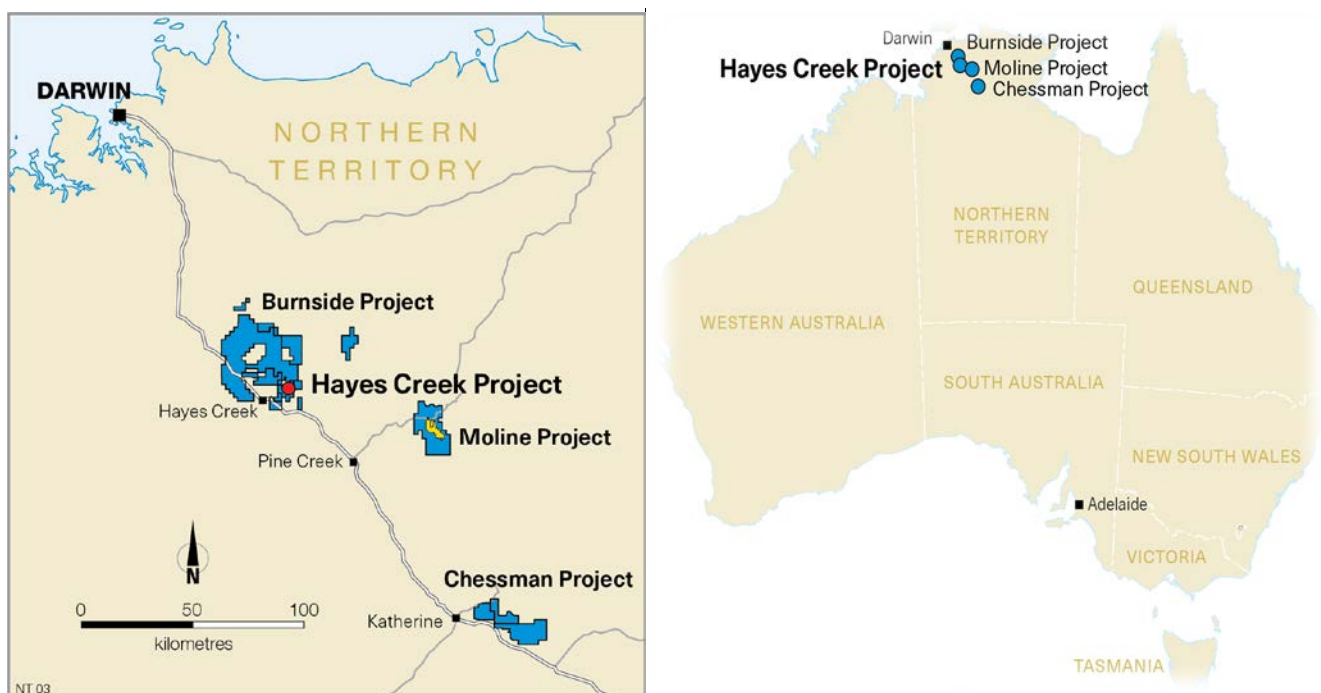


Figure 1: NT Project locations

### Definitive Feasibility Study

During the quarter, DFS work was focussed on the environmental studies that will inform the EIS (Environmental Impact Statement) and the engineering studies that will inform the Ore Reserve Statement.

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

An approximate 4,000 metre drill program (comprising 3,000m RC drilling and 1,000m diamond core drilling) commenced in mid-October. The purpose is to provide geotechnical, grade control/resource, hydrological, and metallurgical information to inform the engineering and environmental studies, as well as to test for southern extensions to the Mt Bonnie mineralisation.

### **NT Regional Exploration: Burnside, Moline & Chessman Projects**

Near-mine and regional exploration programs are underway across PNX's ~1,700km<sup>2</sup> Moline, Burnside, and Chessman tenements, proximate to the proposed mine infrastructure at Hayes Creek. The aim of current exploration is to discover and delineate additional high-value base metals and/or gold deposits to provide a pipeline of growth opportunities to complement the proposed development at Hayes Creek or other existing free milling gold infrastructure in the region.

The Burnside, Moline and Chessman Projects form part of PNX's farm-in agreement with Newmarket Gold NT Holdings Pty Ltd (Newmarket), a subsidiary of TSX-listed Kirkland Lake Gold Ltd (TSX:KL). PNX currently holds a 51% interest (excluding uranium) in these project areas, which consist of 19 Exploration Licences and 4 Mineral Leases covering approximately 1,700km<sup>2</sup> in the Pine Creek region of the Northern Territory (Figure 1). The Pine Creek region is considered to be an under-explored and highly prospective region of the NT.

PNX has proceeded to the second stage of the farm-in to earn a 90% interest (excluding uranium) in the tenements with expenditure of a further \$2 million by 15 December 2018. Approximately \$1.3 million had been spent toward the \$2 million as at 30 September 2017.

### **Moline Project – New priority Zinc Targets**

As announced to the ASX on 5 October 2017, a number of new, high priority zinc targets have been identified at the Moline Project, located less than 1.5km off the Kakadu Highway, and approximately 65km to the east of the Hayes Creek Project. The newly identified prospects are **Waterhole**, **Mango** and **Swan**.

#### **Waterhole**

The Waterhole Prospect is the strongest geochemical target identified by PNX to date in its NT Projects and measures **1,300m x 400m** at >500ppm zinc in soils (with associated lead) with a peak value of 1,558ppm zinc. The anomaly is very similar to what was observed over the Woodcutters deposit. The elongated anomaly is oriented along a north-south structure, believed to be the important orientation in controlling the high-grade gold shoots at the historic Moline gold deposits. There is no known historical drilling in this area, situated on the southwestern boundary of ML24173 and EL28616 (**Figure 2**) and as such Induced Polarisation (IP) surveying will now be used to identify bedrock targets for drill testing.

#### **Mango**

The Mango Prospect is a discrete north-south trending **800m x 100m** zinc-lead (>500ppm zinc) in soils anomaly associated with hematite altered sediments at the base of the Mt Bonnie Formation.

Mango is located 2km east of the Evelyn base metal mine which was a small lead-zinc-silver rich deposit previously mined in the 1970s (**Figure 2**). There is no known historical drilling on this Prospect and IP surveying will be used to identify targets for drill testing.

#### **Swan**

At Swan, recent drilling (discussed below in more detail) intersected **1m @ 4.66% Zn, 11.37g/t Au, 95.5g/t Ag and 0.90% Pb** (MORC026 from 45m), and fieldwork has also identified a large approximately **700m in length** zinc-lead anomaly immediately to the north of the above drill intersection (**Figure 2**). Further soil geochemical definition is underway. The results from drilling combined with soils analysis suggest this is another sizeable target area prospective for base metals mineralisation with limited previous drilling.



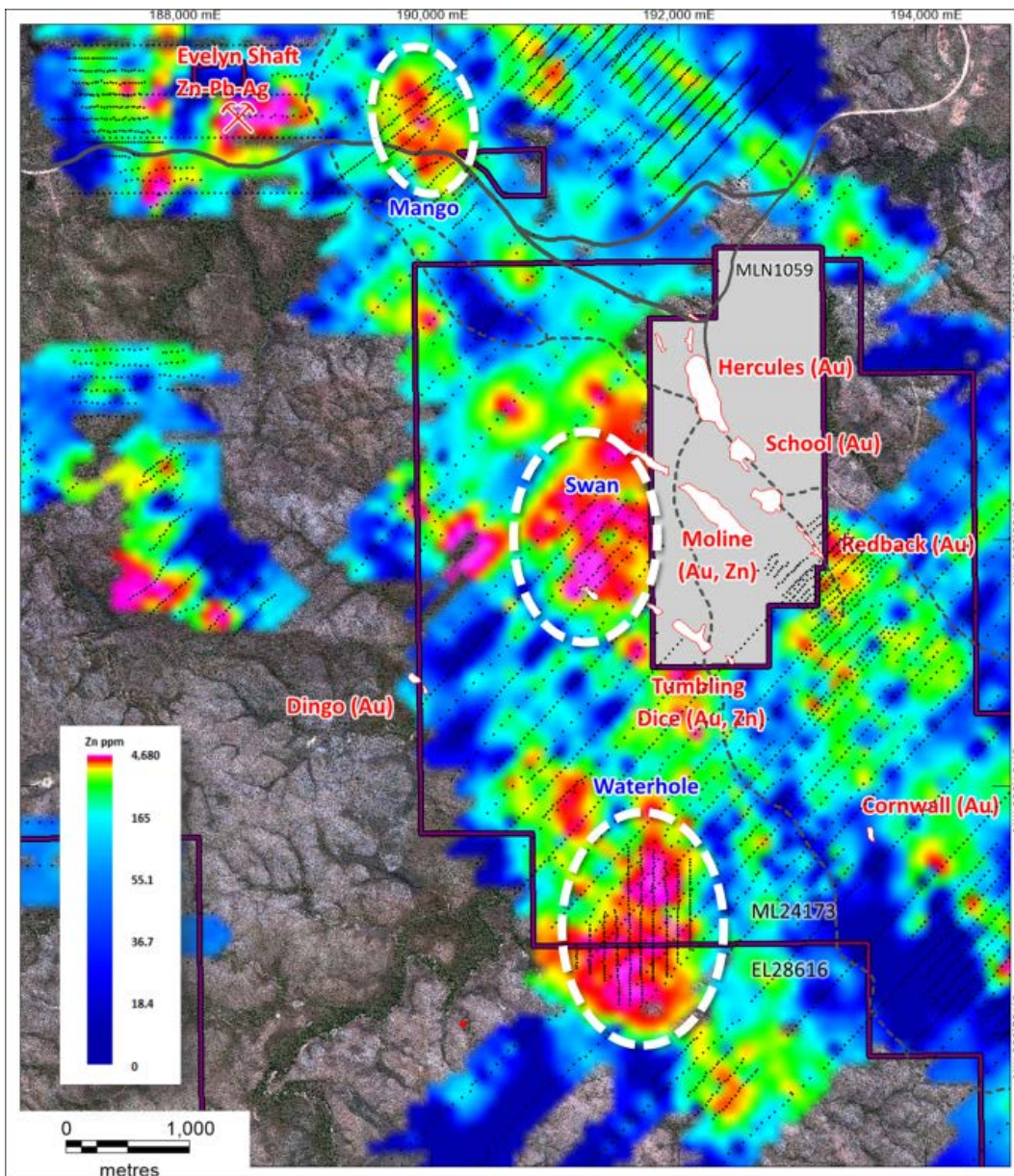
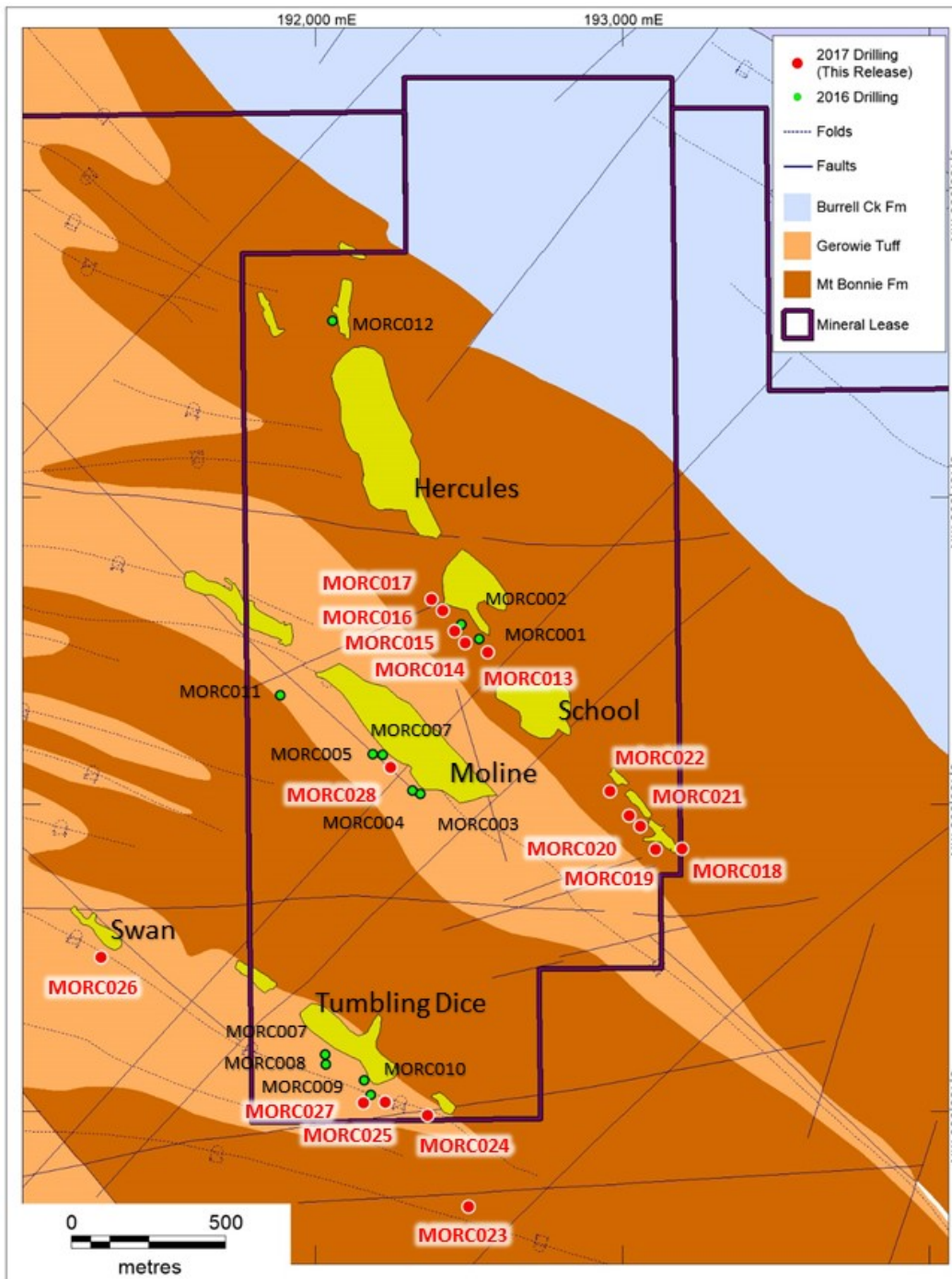


Figure 2: Zinc in soil image over aerial photo, showing prospect areas and historical pits

### Moline - Drilling Program

During the quarter, PNX completed a 16 hole 1,609 metre reverse circulation (RC) drill program at the Moline Project (MLN1059 and ML24173) (Figure 3). The objective of the drilling program was to test three highly prospective targets that returned excellent intersections of gold and base metals mineralisation during drilling by PNX in 2016. Highlights of the 2017 program included the following high-grade gold intercepts:

- 3m @ 7.6 g/t Au from 138m in MORC15 at School;
- 2m @ 5.94 g/t Au, 95.5g/t Ag, 2.53% Zn, 0.9% Pb, and 0.26% Cu from 45m in MORC026 at Swan, including
  - 1m @ 11.37 g/t Au, 128g/t Ag, 4.66% Zn, 0.98% Pb, and 0.48% Cu from 45m
- 3m @ 2.5 g/t Au from 71m and 9m @ 1.55 g/t Au from 96m in MORC028 underneath the historic Moline pit



**Figure 3:** Moline Project drill collar locations

The occurrence of new gold and base metal sulphide mineralisation along the Moline and Tumbling Dice line of lode, including the newly discovered mineralisation at the Swan prospect, is particularly encouraging due to the similarities with PNX's Hayes Creek Project. Importantly, very little of the mineralisation discovered to date has been closed off at depth.

A 1 to 3 metre true thickness continuous base metals sulphide zone, spatially associated with gold mineralisation, has been defined over an approximate 350m strike length below the limit of the historical Moline pit.

A high-grade gold shoot controlled by cross structures intersecting the main lines of lode, has also been encountered at the School prospect. The depth extent of this gold mineralisation is now in excess of 100m.



The two drill programs completed to date, in conjunction with existing datasets, have provided sufficient information to allow modelling to take place in order to assess the resource potential, and to assist with identifying new areas to target with further drilling.

### **Planned Regional Exploration Work program**

The newly identified geochemically anomalous targets at Waterhole, Mango, and Swan are being followed up with IP surveys to refine the targets prior to drill testing.

The geochemical sampling program at Moline is part of a broader field exploration program being undertaken across PNX's NT projects over the coming months. Considerable activity is scheduled prior to the onset of the wet season:

- SkyTEM aerial survey - the intent of the survey was to identify bedrock conductors within the highly prospective Mt Bonnie Formation at the Burnside Project; *survey completed, results undergoing interpretation and are due shortly*
- Follow-up IP surveys over priority geochemical targets to define drilling targets; *expected to be completed by the end of October; modelling of the data and drilling of the highest priority targets anticipated to occur during November*
- Mapping and geochemical sampling at Moline and Burnside; *further results from Burnside expected within 2-3 weeks*
- Modelling of magnetic data at the Margaret (Zn-Pb-Au-Ag) prospect, located less than 1.5km from the Iron Blow deposit at Hayes Creek
- Exploration drilling of other priority regional targets; *November*

## **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 Adelaide Geosyncline exploration tenements. The tenements remain in good standing.

During the quarter, the Company entered into an agreement with Ausmex Mining Group Limited ('Ausmex') whereby PNX granted Ausmex an option to farm-in to the Company's tenement holdings in the Burra area of South Australia in return for Ausmex conducting \$50,000 of geophysical survey work over the area. Should Ausmex exercise its option, it can earn up to a 90% interest in the 8 exploration licences held by PNX in the Burra region. The proposed farm-in has 2 stages (60% and 90%), each requiring Ausmex to spend a minimum of \$300,000 on diamond drilling or other agreed exploratory work.

## **Financial & Corporate**

Cash on hand at 30 September 2017 was \$3.05 million, with a further \$0.5 million received in early October from the Share Purchase Plan (SPP) noted below. A total of \$3.3 million (\$3.1 million after costs) was raised during the quarter, as follows:

- \$0.8 million from sale of additional silver from the Hayes Creek Project following the exercise of an option held by each of the two parties to the silver streaming agreements;
- \$1.9 million from a share placement to sophisticated and professional investors at 1.05 cents per share; and
- \$0.6 million from an SPP at 1.05 cents per share (of which \$0.5m was received in early October).

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## Capital Structure

At 30 September 2017, the Company had on issue 923,975,537 fully paid ordinary shares. During the quarter 179.8 million shares were issued under the share placement described previously, and a further 54.8 million shares were issued under the SPP in early October 2017. As at the date of this report there are 978,737,423 shares on issue.

During the quarter, the Company reached agreement with Marilei International Limited and Sochrastem SA as follows:

- \$1.2 million loan held by Marilei will be converted into 80,000,000 PNX shares (1.5 cents per share);
- \$0.3 million convertible notes held by Marilei will be converted into 12,000,000 shares (2.5 cents per share); and
- \$0.3 million convertible notes held by Sochrastem will be converted into 12,000,000 shares.

The average price at which the loan and convertible notes are to convert is 1.73 cents per share, representing a premium of 65% to the placement and SPP issue price.

The proposed issue of shares to Marilei and Sochrastem was approved by PNX shareholders at the Annual General Meeting held on 25 October 2017. The issue of shares to Marilei to convert the loan is still subject to approval from the Foreign Investment Review Board.

Also at the 2017 AGM, shareholders approved the issue of 20 million unquoted options to a subsidiary of Hartleys Limited, with an exercise price of 1.47 cents per share expiring 3 years after the date of issue. The options are expected to be issued in early November 2017.

At 30 September 2017 and as at the date of this report, the Company had on issue 65,450,000 unquoted options and 8,320,000 performance rights. During the quarter 3.1 million performance rights held by PNX personnel vested and an equivalent number of shares were issued.

### James Fox

Managing Director & CEO

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## TENEMENTS

### Northern Territory

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
<b>Total Hayes Creek</b>			<b>168.0</b>
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
<b>Total Mineral Leases</b>			<b>290.2</b>
EL31099	Bridge Creek	PNX Metals Ltd 100%	60.2km <sup>2</sup>

### Northern Territory - Farm-in Tenements\*

Tenement	Name	Holder	(Area sq km)
<b>Burnside Project</b>			
EL10012	Mt Ringwood	PNX Metals Limited 51%, Newmarket 49%	14.9
EL10347	Golden Dyke	PNX Metals Limited 51%, Newmarket 49%	10.0
EL23431	Thunderball	PNX Metals Limited 51%, Newmarket 49%	13.4
EL23536	Brocks Creek	PNX Metals Limited 51%, Newmarket 49%	70.4
EL23540	Jenkins	PNX Metals Limited 51%, Newmarket 49%	16.7
EL23541	Cosmo North	PNX Metals Limited 51%, Newmarket 49%	3.3
EL24018	Hayes Creek	PNX Metals Limited 51%, Newmarket 49%	23.4
EL24051	Margaret River	PNX Metals Limited 51%, Newmarket 49%	86.9
EL24058	Yam Creek	PNX Metals Limited 51%, Newmarket 49%	3.3
EL24351	McCallum Creek	PNX Metals Limited 51%, Newmarket 49%	30.1
EL24405	Yam Creek	PNX Metals Limited 51%, Newmarket 49%	4.1
EL24409	Brocks Creek South	PNX Metals Limited 51%, Newmarket 49%	22.1



EL24715	Mt Masson	PNX Metals Limited 51%, Newmarket 49%	56.8
EL25295	Margaret Diggings	PNX Metals Limited 51%, Newmarket 49%	10.0
EL25748	Burnside	PNX Metals Limited 51%, Newmarket 49%	643.1
EL9608	Mt Bonnie	PNX Metals Limited 51%, Newmarket 49%	10.0
<b>Chessman Project</b>			
<b>Tenement</b>	<b>Name</b>		
EL25054	Maud	PNX Metals Limited 51%, Newmarket 49%	64.0
EL28902	Maud	PNX Metals Limited 51%, Newmarket 49%	288.2
ML30293	Chessman	PNX Metals Limited 51%, Newmarket 49%	1.1
<b>Moline Project</b>			
<b>Tenement</b>	<b>Name</b>		
EL28616	Moline	PNX Metals Limited 51%, Newmarket 49%	262.5
ML24173	Moline	PNX Metals Limited 51%, Newmarket 49%	31.3
MLN1059	Moline	PNX Metals Limited 51%, Newmarket 49%	4.2
MLN41	Mt Evelyn	PNX Metals Limited 51%, Newmarket 49%	0.1
			<b>1669.9</b>

\*PNX has elected to proceed with the farm-in (under an agreement with Newmarket Gold NT Holdings Pty Ltd) toward earning a 90% interest in all tenements.

#### South Australia

Exploration Licences	Name	Holder	(Area sq. km)
<b>Adelaide Geosyncline</b>			
EL5382	Burra Central	PNX Metals Ltd 100%	84
EL5874	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
EL5910	Spalding	PNX Metals Ltd 100%	157
EL5557	Washpool	PNX Metals Ltd 100%	135
			<b>1,190</b>
<b>Yorke Peninsula</b>			
ELA281/12	Minlaton	Wellington Exploration Pty Ltd 100%	547
EL5491	Koolywurtie	PNX Metals Ltd 100%	255
EL5196	Coonarie	PNX Metals Ltd 100%	254
			<b>1,056</b>

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

**Name of entity**

PNX METALS LIMITED

**ABN**

67 127 446 271

**Quarter ended ("current quarter")**

30 SEPT 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter</b>	<b>Year to date</b>
	<b>\$A'000</b>	<b>(3 months)</b>
		<b>\$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(701)	(701)
(b) development	-	-
(c) production	-	-
(d) staff costs*	(94)	(94)
(e) administration and corporate costs	(204)	(204)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(993)</b>	<b>(993)</b>

\*net of staff costs included in exploration expenditure

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter</b>	<b>Year to date (3 months)</b>
	<b>\$A'000</b>	<b>\$A'000</b>
(d) other non-current assets	-	-
<b>2.2</b> Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
<b>2.3</b> Cash flows from loans to other entities	-	-
<b>2.4</b> Dividends received (see note 3)	-	-
<b>2.5</b> Other	-	-
<b>2.6</b> <b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b> <b>Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	1,933*	1,933
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(122)	(122)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other – silver stream fwd sale receipts	800	800
<b>3.10</b> <b>Net cash from / (used in) financing activities</b>	<b>2,611</b>	<b>2,611</b>

\*a further \$512k (net of fees) was received in early October upon completion of an SPP

<b>4.</b> <b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	1,431	1,431
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(993)	(993)

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter</b>	<b>Year to date (3 months)</b>
		<b>\$A'000</b>	<b>\$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,611	2,611
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,049</b>	<b>3,049</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b>	<b>Current quarter</b>	<b>Previous quarter</b>
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>\$A'000</b>	<b>\$A'000</b>
5.1	Bank balances	2,549	781
5.2	Call deposits	500	650
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,049*</b>	<b>1,431</b>

\*a further \$512k (net of fees) was received in early October upon completion of an SPP

## **6. Payments to directors of the entity and their associates**

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter</b>
<b>\$A'000</b>
41
-

Directors' fees of \$39k related to the June 2017 quarter and \$2k of legal costs paid to a firm associated with a director (Peter Watson).



<b>7. Payments to related entities of the entity and their associates</b>		<b>Current quarter \$A'000</b>
7.1	Aggregate amount of payments to these parties included in item 1.2	-*
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

\*None other than those payments described in Item 6 above.

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>		<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1	Loan facilities	1,200	1,200
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Unsecured loan from a Company shareholder Marilei International Limited, maturing 6 November 2019 with annual interest of 7.5% (interest payable in cash or ordinary shares of the Company, at the option of the Company). As announced to the ASX on 7 September 2017, agreement has been reached with Marilei to convert the loan into 80 million fully-paid ordinary shares (1.5 cents per share). This transaction was approved by PNx shareholders at the 25 October 2017 Annual General Meeting, however may still be subject to Foreign Investment Review Board approval.

<b>9. Estimated cash outflows for next quarter</b>		<b>\$A'000</b>
9.1	Exploration and evaluation	1,000
9.2	Development	-
9.3	Production	-
9.4	Staff costs (net of outflows included in item 9.1 exploration)	88
9.5	Administration and corporate costs	212
9.6	Other (provide details if material)	-
<b>9.7</b>	<b>Total estimated cash outflows</b>	<b>1,300</b>

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	EL4983	Exploration Licence – South Australia	100%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-		

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 31 Oct 2017

Print name: Tim Moran

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.