ASX Announcement
14 November 2018

PNX Metals Limited (ASX: PNX) (“PNX” or “Company”) is pleased to advise that it has commenced a follow-up Reverse Circulation (RC) drill program at the Cookies Corner gold prospect located in the Pine Creek region of the Northern Territory, and less than 30km from PNX’s flagship Hayes Creek Zn-Au-Ag project.

A total of 20 new holes is planned for approximately 1,800m of drilling which will include extending three holes drilled in August that ended in gold mineralisation. Drilling is expected to take approximately three weeks to complete subject to weather conditions, with initial assay results expected in December.

The program is designed to extend mineralisation down dip and along the section based on the previous RC drilling (Figure 1), which tested only a small extent of a 1km, >0.1 g/t gold-in-soils anomaly. A series of NE-SW trending gold bearing quartz veins associated with NE-SW trending anticlines have been identified at surface through rock chip sampling which will also be drill tested.

Cookies Corner is one of a cluster of exciting new gold targets located in the north-west of PNX’s Burnside exploration project (Figure 2) at the convergence of two major gold-producing structural corridors, the Pine Creek Shear Zone and the Howley Anticline (host to Kirkland Lake Gold Limited’s Cosmo gold mine). The Cookies Corner geochemical anomaly is directly analogous to that observed over the historic Goodall Mine located 4km to the south-west. Goodall was discovered via geochemical sampling in 1981, mined from 1988-1993 and produced, on average over that time, 41,500 oz Au per year.

Managing Director Comment

PNX Managing Director James Fox said: “We are excited to commence Stage 2 drilling at Cookies Corner which is designed to test for extensions to gold mineralisation discovered in our successful initial drill program. We look forward to receiving the results of this new drill program which will assist in building our understanding of the controls over the gold mineralisation at Cookies Corner, and to then apply this knowledge to a number of other untested similar gold in soils anomalies in the area.”
The Cookies Corner drilling program is part of a broader exploration campaign PNX is undertaking on its NT projects aimed at defining additional resources that can either supplement at the Hayes Creek Project or support the development of a stand-alone mining operation.

Figure 1: Cookies Corner plan showing PNX completed (with select holes shown) & planned drilling, gold-in-soil anomaly and target structure on geology.
PNX holds a 51% interest (excluding uranium) in the Burnside project (16 tenements) covering ~940 km\(^2\) in the Pine Creek region of the NT, proximate to the proposed mine infrastructure at Hayes Creek. PNX is finalising its expenditure reporting for the Burnside and Chessman areas and expects to have completed the required expenditure to have achieve a 90% interest\(^i\).

**Figure 2**: NT Project locations

**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 consultant to 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.

For further information please visit the Company’s website [www.pnxmetals.com.au](http://www.pnxmetals.com.au) or contact us:

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\(^i\) Refer PNX ASX release 9 October 2018  
\(^i\) Refer PNX ASX release 18 August 2014 for full terms of the farm-in