

Rights Issue Closure and Shortfall Notification

PNX Metals Limited (**ASX: PNX**) ("PNX", "the Company") is pleased to advise that its underwritten non-renounceable pro-rata rights issue (ASX release 18 April 2019) ("Rights Issue") closed at 5:00pm (ACST) on 10 May 2019.

The Company received acceptances for 371,111,697 new shares at an issue price of \$0.006 per share for a total \$2,226,670, representing an approximate 41% take-up (including oversubscriptions). This included participation by a number of major shareholders, including DELPHI Unternehmensberatung Aktiengesellschaft ("DELPHI") which took up its full entitlement together with the Board and management of the Company.

Pursuant to the underwriting agreement, DELPHI will be allocated the remaining shortfall of 539,073,425 shares for a total consideration of \$3,234,441 ('Shortfall'). Following completion of the Rights Issue, DELPHI's shareholding in the Company will be approximately 40.6% on an undiluted basis.

PNX's Managing Director, James Fox, commented:

"On behalf of the board of PNX, I would like thank all our shareholders who have participated in this Rights Issue which will enable the Company to progress its flagship Hayes Creek zinc-gold-silver project, including completion of the Definitive Feasibility Study, and ongoing assessment of the high-grade Fountain Head gold project. We are grateful for the continued strong support of our major shareholders, and DELPHI's underwriting commitment for the Rights Issue is particularly appreciated."

New shares under the Rights Issue will be issued on 20 May 2019 and holding statements will be despatched on 21 May 2019. This will include the issue of 3,048,000 shares representing the entitlements of ineligible shareholders (shareholders with registered addresses outside Australia, New Zealand, Germany and Hong Kong) which will be issued to Saltbush Nominee Pty Ltd (a subsidiary of Hartleys Limited) for sale as soon as practicable.

For further information please contact:

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