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ASX Announcement
27 June 2019

High-grade zinc, gold, silver assays continue at Iron Blow - Hayes Creek project

- **Iron Blow assays received, with thick zones of massive sulphide mineralisation intersected within the eastern and western lodes, including:**
  - **85.22m at 11.87 % zinc, 4.19 g/t gold, 309 g/t silver, 1.94 % lead, 0.49 % copper** from 115.9 m in IBDH061 (eastern lode)
  - **48.07m at 5.67 % zinc, 2.45 g/t gold, and 90.6 g/t silver** from 230.3m in IBDH063 (western lode)
- **Near-surface oxide gold and silver mineralisation intersected higher up-dip than previously tested, and outside of the current mining optimisation:**
  - **21.42m at 1.98 g/t gold and 161 g/t silver** from 2.3m in IBDH062 (western lode)
- **Definitive Feasibility Study (DFS) on schedule, with final metallurgical flotation test work for offtake and marketing purposes now underway**
- **Positive environmental referral decision received for Hayes Creek Project**

PNX Metals Limited **(ASX: PNX)** ("PNX") is pleased to announce that all assay results have been received from diamond drilling at the Iron Blow VMS deposit. The Iron Blow and Mt Bonnie VMS deposits, along with the Fountain Head gold prospect collectively form the Company's Hayes Creek zinc-gold-silver project ("Hayes Creek") in the Pine Creek region of the Northern Territory.

Three diamond drill holes were drilled down-dip to the mineralisation for approximately 650 metres at Iron Blow (Figure 1) with thick intervals of massive sulphide mineralisation intersected in both the ***eastern and western*** lodes further confirming the geological model.

The purpose of the drilling was to obtain:

- Representative samples of the eastern and western massive sulphide lodes to finalise DFS level metallurgical flotation test work for offtake and marketing purposes; and
- Additional geotechnical information and assay data for stope design and scheduling of the underground development.

Managing Director Comment

PNX Managing Director James Fox said: "We are very pleased to have commenced (locked-cycle) metallurgical test work on Iron Blow core. This is critical path work for the company at present as it supports marketing and offtake discussions and sets the final design parameters for the proposed process plant. We are also encouraged to see high-grade gold contained within predominantly oxide mineralisation at surface and the thick, massive sulphide intervals intersected by drilling are consistent with the geological model adding confidence to the Mineral Resource. The DFS is on schedule and continuing to demonstrate that Hayes Creek is a technically, environmentally and financially viable project."

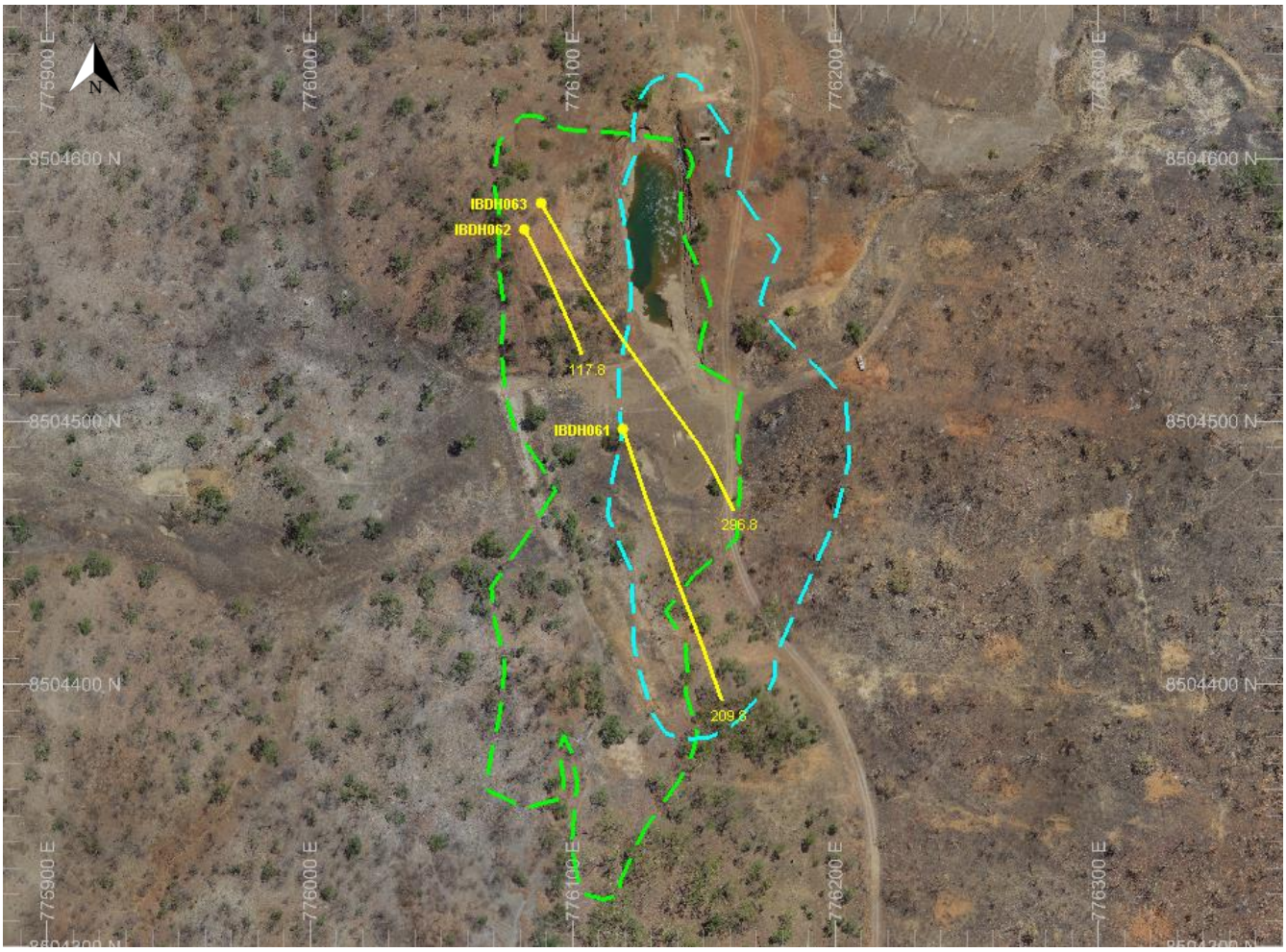

Figure 1: Iron Blow drill collar plan on aerial photograph with eastern lode (blue) and western lode (green) representing the outline of the existing resource projected to surface. Holes reported in this announcement are shown as yellow drill traces.

Discussion

Drill hole IBHD061 intersected the eastern hanging-wall lode which is defined by its high grade zinc-gold-silver mineralisation, including **85.22m at 11.87 % zinc, 4.19 g/t gold, 309 g/t silver, 1.94 % lead, 0.49 % copper from 64.2m**, with holes IBHD062 and IBDH063 intersecting the broader western footwall lode with its multiple parallel zones of massive sulphide mineralisation.

IBDH062 intersected the western lode ***higher up-dip than previously tested***, and returned a thick interval of gold and silver rich oxide mineralisation within a few metres of the surface; **21.42m at 1.98 g/t gold and 161 g/t silver from 2.3m.** The full implications of these results are yet to be considered.

Grades from drilling within the massive sulphides are excellent and include ***spectacular silver mineralisation assaying as high as 1,005 g/t silver (>32 ounces/tonne) over a five-metre interval*** from 195.5m in IBDH061. **Individual gold and zinc assays are also impressive with gold grading 7.43 g/t and zinc 21.3 %** over that same interval in IBHD061.

Locked-cycle metallurgical test work has re-commenced, with representative samples from 12 of 88 individual planned stopes obtained during this phase of drilling (Figures 2 and 3). Of the 88 individually modelled stopes 42 are located in the Eastern lode and represent 43 % of the tonnes for 55 % of the contained zinc, 78 % of the silver and 52 % of the gold. This phase of the test work program is expected to take up to four months to complete.

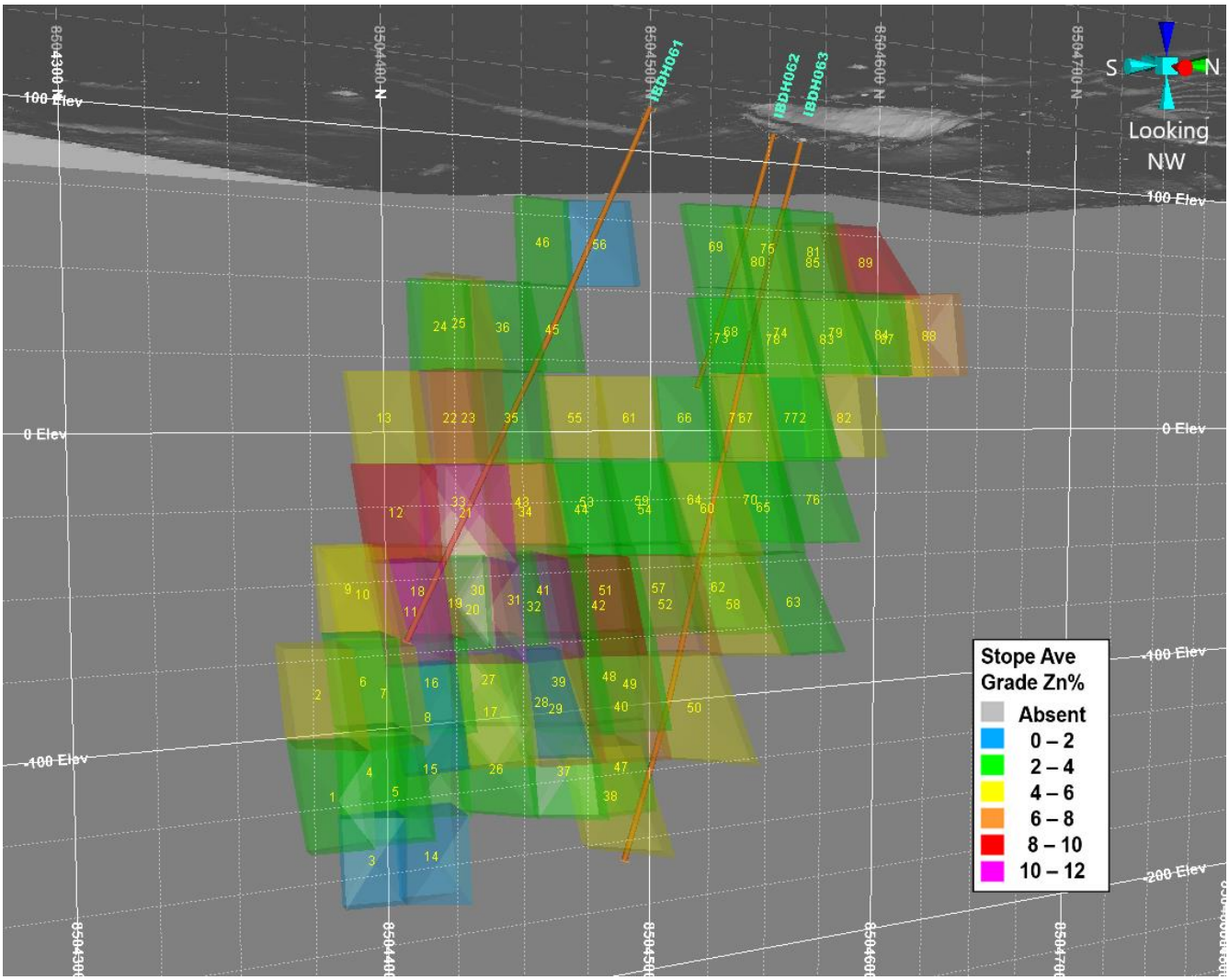

Figure 2: Recent Iron Blow drill holes with underground stope design and average zinc grades

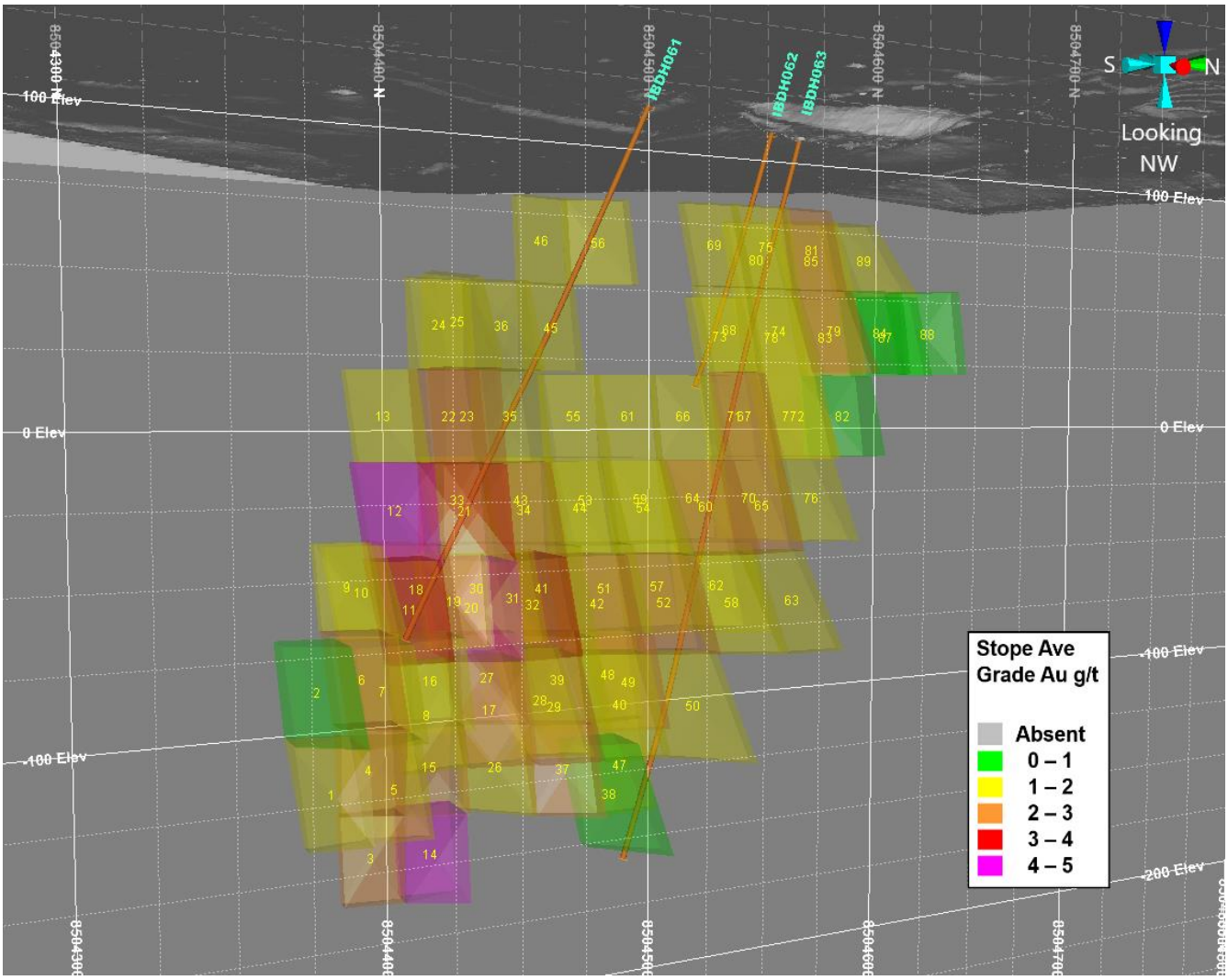

Figure 3: Recent Iron Blow drill holes with underground stope design and average gold grades

Hayes Creek DFS update

The Company is well-funded to continue the Hayes Creek development having recently completed a fully-underwritten rights issue to raise $5.48 million before costs (ASX release 15 May 2019).

The DFS on the Hayes Creek Project continues on schedule, following the successful completion of a Pre-Feasibility Study (PFS) in July 2017 which confirmed Hayes Creek to be a promising future low-cost, high margin zinc and precious metal mine that could create significant value for the Company's shareholders. The DFS is expected to provide increased confidence in all aspects of the Hayes Creek Project as well as investigate opportunities to improve mine life and overall project economics thereby increasing the prospect of favourable development finance terms and structure.

The "future low-cost" potential of the project is greatly influenced by near-surface mineralisation at Mt Bonnie which is planned to accessed via an open-pit and be extracted before the commencement of underground mining at Iron Blow – with Mt Bonnie funding underground development and thus reducing the up-front capital required. New near-surface gold/silver mineralisation intersected at Iron Blow has the potential to augment this strategy and will be assessed.

The Project comprises the Mt Bonnie (open-cut) and Iron Blow (underground) zinc-gold-silver deposits, and the Fountain Head gold prospect, located less than 3km apart on wholly owned granted Mineral Leases within the Pine Creek region of the Northern Territory, 170km south of Darwin (Figure 4). The leases are located in a favourable mining jurisdiction where the development scenario considers utilising existing infrastructure that

includes rail, road, high voltage power lines and water, further enhancing project fundamentals and lowering development risks.

Environmental Approvals

In February 2019, the Company submitted a referral regarding the Hayes Creek development under the Australian Government Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act). The Company has received notice from a delegate of the Australian Government Minister for Environment and Energy determining that the Hayes Creek development is not considered a controlled action and ***does not require further assessment and approval under the EPBC Act***. This is excellent news as the Project environmental approvals will now be handled solely by the NT Environmental Protection Authority.

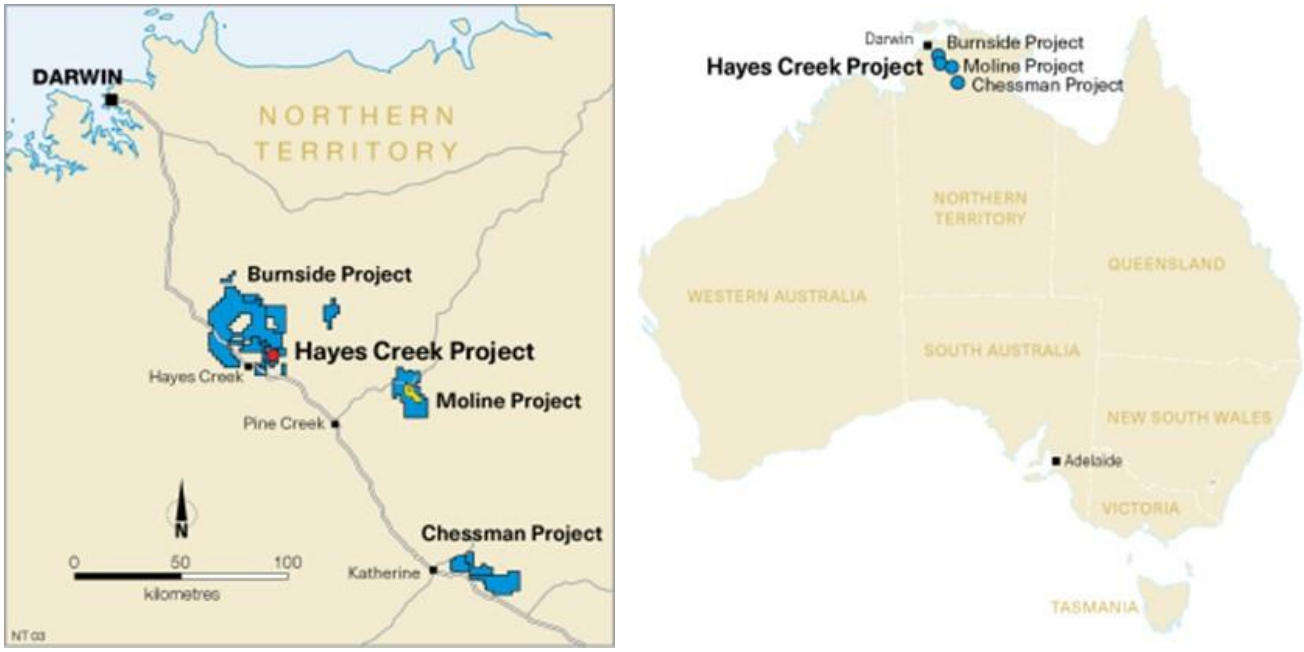

Figure 4: NT Project locations

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Bradley Ermel, a Competent Person who is a Member of the Australian Institute of geoscientists (AIG)). Mr Ermel 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 Ermel 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.

For further information please visit the Company's website www.pnxmetals.com.au or contact us:

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Managing Director & CEO
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Table 1 – Iron Blow drill hole assay summary discussed in this release

Hole ID	Easting	Northing	RL	Dip	Azi (grid)	Total Depth		From	To	Interval	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)
IBDH061	776119	8504497	114	-60	161	209.8		17.46	20.54	3.08	1.58	17.3	0.92	0.13	0.04
								25.32	38.56	13.24	5.54	293	5.59	1.27	0.23
							incl	*29.18*	*38.56*	*9.38*	*8.53*	*450*	*8.36*	*1.92*	*0.34*
								105.24	111.88	6.64	1.87	3.07	-	-	-
								115.88	**201.10**	**85.22**	**4.19**	**309**	**11.87**	**1.94**	**0.49**
IBDH062	776081	8504573	121	-63	150	117.8		**2.25**	**24.95**	**21.42**	**1.98**	**162**	**0.72**	**0.58**	**0.61**
							incl	*7.55*	*12.46*	*4.11*	*3.04*	*147*	*0.37*	*0.37*	*0.91*
							and	*13.35*	*21.00*	*7.35*	*2.73*	*322*	*0.61*	*0.77*	*0.69*
								35.75	37.21	1.21	0.41	41.1	1.81	0.24	0.13
								38.17	40.10	1.93	0.51	71.6	1.89	0.43	0.07
								41.90	52.30	5.60	1.08	36.2	5.13	0.20	0.27
								63.49	65.60	2.11	0.53	21.8	6.97	0.16	0.29
								71.15	81.08	17.01	0.51	33.1	4.13	0.23	0.21
							incl	*77.65*	*79.75*	*2.10*	*0.85*	*40.9*	*9.05*	*0.30*	*0.43*
								86.35	94.00	7.65	1.46	20.6	4.94	0.11	0.16
							incl	*91.53*	*94.00*	*2.47*	*1.43*	*22.4*	*6.96*	*0.14*	*0.25*
								94.44	96.00	1.56	1.03	18.5	2.64	-	-
								99.05	100.05	1.00	0.69	81.5	4.85	0.76	0.17
								103.87	104.58	0.71	0.10	7.00	3.33	0.11	0.14
IBDH063	776088	8504583	121	-63	150	297		34.00	34.50	0.50	1.12	143	0.33	0.26	0.09
								48.75	**54.44**	**5.47**	**2.52**	**102**	**9.96**	**0.19**	**0.33**
							incl	*48.75*	*51.65*	*2.68*	*3.45*	*168*	*13.61*	*0.30*	*0.39*
								59.18	69.40	10.22	2.34	44.6	5.19	0.65	0.66
							incl	*59.18*	*64.00*	*4.82*	*1.71*	*54.7*	*9.32*	*0.87*	*0.85*
								108.42	115.00	6.58	1.50	26.7	0.43	0.15	0.37
								137.25	146.24	8.99	1.14	15.7	4.38	0.10	0.15
								161.40	162.10	0.70	1.48	61.5	2.69	1.25	-
								199.33	208.57	9.24	1.79	102	4.75	0.82	0.28
								211.33	212.54	12.77	2.70	110	5.24	0.88	0.41
								230.27	**278.34**	**48.07**	**2.45**	**90.6**	**5.67**	**0.65**	**0.37**
							incl	*231.19*	*235.79*	*4.60*	*2.75*	*167*	*8.43*	*1.57*	*0.45*
							and	*274.11*	*276.21*	*2.10*	*4.75*	*384*	*3.39*	*2.60*	*0.12*
								291.46	296.75	5.29	2.12	1.73	0.58	-	-

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• All samples are PQ diamond core samples cut in ½ or ¼ for sampling purposes • All core has been geologically logged by the onsite geologist and sampling has matched geological boundaries • Magnetic susceptibility measurements were taken using KT-10 meter • Field portable XRF measurements taken for 34 elements (Ca, Ti, V, Cr, Mn, Fe, Co, Ni, Cu, Zn, As, Rb, Sr, Zr, Mo, Ag, Cd, Sn, Sb, W, Hg, Pb, Bi, Th, U, Pd, S, Ba, K, Cs, Sc, Se, Te, and Au) using an Niton XL3T 500 device • Mineralised intercepts have been verified using the field portable XRF instrument which gives a qualitative measure of the relevant elemental abundances
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Results reported are from diamond drilling. Drilling was carried out by AMWD Drilling Services Pty Ltd, using an Alton HD900 drilling rig • Core diameter was PQ3 (83.1mm). • A Boart-Longyear Trueshot survey tool calibrated in 2019, was used at regular intervals (approximately every 30m downhole) as instructed by PNX's on-site geologist to monitor the downhole position
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recovery was measured for each core run (typically 3 m), with core recoveries averaging about 98% • No relationship is established between core recovery and grade, there is no reason to expect a sample bias exists
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate*	• All core has been geologically and geotechnically logged by the onsite geologist,

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• RQD was measured for each metre • All core has been photographed prior to cutting for assay • Intervals with like geological characteristics are logged in detail, with sample boundaries corresponding to changes in geology • Log fields include lithology, colour, grainsize, texture, veining, sulphide mineralisation, alteration, strength, recovery and sample moisture • Logs have been aided by the use of magnetic susceptibility and portable XRF measurements on each metre sample
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All core was cleaned and metre intervals marked up prior to cutting and sampling • All samples to be submitted for assay comprised sawn quarter or half core samples • After cutting the half or three quarter core remaining in the trays contains the orientation and metre marks • Samples of all mineralised intercepts and their surrounding ~10m are submitted for assay. Intervals submitted for assay are based on visual and portable XRF readings • Individual samples are placed in individual sample bags and clearly identified prior to submission to the laboratory for assay • The sample sizes are appropriate for the grain size of the material being sampled
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples were submitted to Intertek Northern Territory Environmental Laboratories (NTEL) in Darwin, NT for base metals + Ca, Si, Mg, Al assay; and to Intertek Genalysis, Maddington, WA for gold fire assay. • After crushing and pulverizing to – 100 microns, each sample is roll mixed on a rubber mat after pulverizing, a barren flush is pulverized between each sample, the samples are subjected to a four acid digest (considered a total digest for the elements of interest) and read using ICP-MS and OES for a suite of elements (lab methods G400 and G340 for ore grade samples). A sub sample o pulverized sample is taken for Sodium Peroxide Fusion analysis for elements Ca, Mg, Al, Si (Lab method FP1/OM). A sub-sample of the pulverized sample is also submitted for conventional fire assay for gold (FA50). • Density determinations are yet to be undertaken on the reported results, but will be prior to resource estimation • Blank samples are also included to check against contamination between samples in the laboratory

Criteria	JORC Code explanation	Commentary
		• PNX submitted certified reference materials and duplicates samples every 25th sample and also submitted blank quartz material to check laboratory analytical and sample preparation quality at a rate of 3 blanks per 100 • NTEL have internal QAQC procedures, including certified reference materials, duplicates and blanks, results of which are reviewed by NTEL prior to reporting to PNX • Visual assessment of the standards, blanks and duplicates shows that a high degree of confidence can be placed in the accuracy and precision of the assay data
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No specific twinned holes have been carried out although drilling is with the resource envelope with other drill holes in close proximity • External laboratory assays are routinely carried out prior to resource estimation. No bias has been identified in any of the valuable elements to date • All logging has been carried out using standardised logging codes to professional standards. All geological, geotechnical and sampling information has been entered into a digital database which has been validated for sample overlaps and missing data • All hard copies of information are stored in a secure compound at site. Digital copies are held on site and at PNX's Adelaide office on a backed-up server • No adjustments to assays have been made. Where gold assay data has been repeated by the lab, the average value has been reported
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Downhole surveys have been collected by at approximate 30m intervals downhole and manually adjusted where magnetic interference is encountered in pyrrhotite bearing mineralisation • The drill collars were located using a Garmin GPS Map 60 hand-held GPS unit and verified using a second unit. The drill hole locations are considered accurate to within 5m and will be picked up with differential GPS prior to any new resource estimation. All coordinates are quoted using the GDA94 datum and projected to MGA zone 52 • Topography has been accurately measured using a drone survey over the area in 2014
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral*	• The drill spacing is irregular, due to the irregular topography and historical mining activities; however the pre-existing overall drill spacing within the mineralised zone is approximately 20 x 20m

Criteria	JORC Code explanation	Commentary
	Resource and Ore Reserve estimation procedure(s) and classifications applied. • *Whether sample compositing has been applied.*	• The sample spacing is sufficient to establish the grade continuity. Intervals are determined from geological contacts and then at metre intervals within a particular unit. Where isolated samples are less than one metre in width they have been cut to geological boundaries. • No sample compositing has been carried out
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The drill holes have been drilled down-dip to maximise sample recovery for DFS metallurgical flotation test work and do not reflect true width of the mineralisation. • Any biasing effect is yet to be determined
Sample security	• *The measures taken to ensure sample security.*	• Logging, cutting and sampling has been carried out by PNX and contract personnel who are always on-site during drilling, and samples are submitted to the laboratory by the same people • No third parties have been allowed access to the samples
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been carried out at this point • A visual comparison of the assay results with the field portable XRF shows an acceptable correlation with lab results

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Iron Blow deposit is located within MLN214, MLN341, MLN343 and MLN349 which covers an area of some 51.07 hectares, • The deposit and drilling is situated within Perpetual Pastoral Lease 1217, NT Portion 07122 known as Douglas Station. PNX have an access agreement with the station owner • The Mineral Lease are in good standing and no known impediments exist • A 'Sale and Purchase Agreement and Heads of Agreement for Farm In and Joint Venture Agreement' (Agreement) between PNX and Newmarket Gold NT Holdings Pty Ltd (Newmarket) was signed on 15 August 2014 for the 100% acquisition by PNX of the mineral leases containing the Iron Blow and Mt Bonnie deposits. Newmarket retains

Criteria	JORC Code explanation	Commentary
		a 2% royalty on any silver and gold production from those deposits
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration at Iron Blow has consisted of oxide mining, geological mapping, surface geochemical sampling and diamond drilling • GBS and Newmarket carried out limited drilling in 2007 and 2011 respectively. Cores for these holes have been inspected and relogged (thereby verified) by PNX for consistency • Newmarket completed an airborne EM (VTEM) survey over parts of the tenement package. Numerous conductive rocks prospective for base metals have been identified by PNX for further ground truthing and follow-up work
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Iron Blow and Mt Bonnie are stratabound base metal, silver and gold massive sulphide deposits. They are located within the Mount Bonnie Formation of the South Alligator Group, within the Pine Creek Orogen of the Northern Territory. Both deposits appear to be located at similar stratigraphic positions on opposite limbs of the roughly north-south trending Margaret Syncline • Mineralisation is hosted within carbonaceous siltstones and mudstones within the lower portion of the Mount Bonnie Formation. It appears to have formed early in the basin development and has associated footwall alteration consisting of variable proportions of chlorite, amphibole, calcite, silica, and talc with associated vein and disseminated sulphides. The mineralisation appears to be consistent with a volcanic hosted massive sulphide deposit (VHMS) characteristics, or could possibly be related to carbonate replacement style. Further work is required to determine the exact association. • The massive sulphide mineralisation is dominantly massive pyrrhotite with zones of coarse-grained, high-grade sphalerite, arsenopyrite, chalcopyrite, with lesser galena. Significant silver and gold grades are also present in previous drillholes within the massive sulphide and within adjacent quartz-veined and brecciated sediments containing significant disseminated and stringer sulphides, which is possibly the vent zone typical of VHMS deposits • Mineralisation at both Iron Blow and Mt Bonnie is structurally complex and appears to be deformed by the regional deformation events. Structural mapping and logging is continuing to determine the precise nature, timing, and geometry of the mineralised bodies

Criteria	JORC Code explanation	Commentary
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Refer to table and diagram in main announcement for drill summary details
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Reported results are interval length weighted • No high cut-off grades have been applied • Reported intersections are based on sharp grade boundaries and may include narrow intervals of sub-ore grade mineralisation which would be considered as internal dilution if mined by open pit methods • Reported intersections are reported as significant if they occur at a minimum of 0.7 g/t Au, calculated on an equivalence basis. This is consistent with the minimum cut-off grade reported in previous announcements. Mineralised intersections were observed to be coherent and have sharp grade boundaries, but may include narrow intervals of sub-ore grade mineralisation which would be considered as internal dilution if mined by open pit methods • Higher grade mineralised zones have been reported if coherent downhole intervals =>6g/t Au (equivalent) is encountered
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• The drill holes have been drilled down-dip to maximise sample recovery for DFS metallurgical flotation test work and do not reflect true with of the mineralisation. • The gross geometry of the mineralisation is two subparallel lodes trending north-south and dipping vertically or steeply east
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to the main body of this announcement

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All matters of importance have been included
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All relevant information has been included
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• PNX are undertaking Definitive level technical studies looking at future project development which follows on from a PFS completed in July 2017. The DFS is expected to be complete by early 2020