

ASX Announcement

29 June 2021

This announcement has been authorised to be lodged with the ASX by the Board of Directors of PNX Metals Limited.



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Engineers engaged to fast-track gold plant development at Fountain Head

- **Como Engineers has commenced detailed engineering and design work for the Plant and Infrastructure at Fountain Head**
- **Como to develop a capital cost estimate with sufficient detail and accuracy for PNX to enter into a fixed-price, lump-sum EPC contract**
- **Removes a large portion of the Plant capital and execution risk from PNX**
- **Suitable second-hand equipment options being explored to achieve further capital cost reductions**

PNX Metals Limited (**ASX: PNX**) ("**PNX**", "the **Company**") is pleased to advise that it has engaged Como Engineers Pty Ltd ("**Como**") to assist with fast-tracking the Fountain Head Gold Project development.

Fountain Head is 100% owned by PNX and located on granted Mineral Leases approximately 170km south of Darwin in the Pine Creek region of the Northern Territory, and is part of a broader sequential development strategy that includes the Hayes Creek Project (refer ASX release 17 June 2021 'Positive PFS supports long-term gold, silver, zinc Project development').

Como is an experienced and well-regarded engineering group that specialises in 'fit for purpose' solutions and utilises modular and transportable equipment in its plant designs. PNX is working with Como to deliver a design and construct proposal for the carbon-in-leach gold Plant for a fixed-duration, lump-sum price, thereby removing a large portion of the project risk from PNX. This work will be completed over the next 3 months and provide the Company with a fixed-price design and construct contract proposal. As the scope of work is further refined, consideration will be given to utilising second-hand equipment where possible and alternative equipment options to achieve further reductions in capital and operating costs.

To provide additional design information, thickening and filtration test work is being undertaken by Metso Outotec, with rheology tests being undertaken by ALS Metallurgy on Fountain Head and Mt Bonnie samples.

PNX is also currently RC drilling at Fountain Head (refer ASX release 23 June 2021) to test newly identified exploration targets with the potential to host additional 'near-mine' gold resources.

Managing Director's Comments

PNX Managing Director James Fox said: "We look forward to continuing to work with the Como team over the next few months to lock in the design and construct contract proposal for the Fountain Head CIL gold plant. In parallel, drilling is ongoing at Fountain Head to test newly identified gold exploration targets in close proximity to the proposed mining areas."

Update on COVID-19 Situation and PNX's Activities in the Northern Territory

The safety of PNX employees and contractors is paramount and appropriate measures regarding COVID-19 are being taken in-line with government advice, particularly in relation to interstate travel. NT field-based activities including RC drilling at Fountain Head are continuing with the project located outside of a declared lockdown area of Greater Darwin. Out of an abundance of caution personnel movements are limited to between site and camp at the present time, with appropriate PPE being used and distancing measures in place.

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

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