

## ASX Announcement

27 October 2021

This announcement has been authorised to be lodged with the ASX by Graham Ascough, Chairman.



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## Chairman's Address – 2021 Annual General Meeting

**Dear Fellow Shareholders,**

On behalf of the Board of Directors, it is my pleasure to welcome you to the 2021 Annual General Meeting for PNX Metals Limited ('PNX' or 'Company').

I note that James Fox, our Managing Director, will be presenting an update on our activities at the end of today's meeting but before we get underway with the formal agenda there are a few points that I want to highlight.

During the year PNX made significant progress in advancing the 100% owned Fountain Head gold and Hayes Creek zinc-silver-gold projects towards development, and in June 2021 the Company released a positive prefeasibility confirming the technical and financial viability our strategy to sequentially develop these projects.

The study envisages initial gold mining and processing at Fountain Head to be followed by gold-silver-zinc development at Hayes Creek, resulting in a long-life, multi-commodity operation that would produce approximately 250,500 ounces of gold, 11.4 million ounces of silver, and 116,300 tonnes of zinc.

The permitting of the project is well advanced with a supplementary Environmental Impact Statement (EIS) now being prepared to address additional information requested by the NT EPA. The supplementary EIS is expected to be submitted in November 2021 with an anticipated approval date of March 2022.

The Project Mine Management Plan that is required in addition to the EIS for works to commence at site will also be completed and submitted this quarter for final approval next year.

In addition to Fountain Head and Hayes Creek, the Company holds a 90% interest in a large and very prospective land holding (in excess of 1,500km<sup>2</sup>) in the vicinity of these projects.

PNX implemented an exploration strategy with the aim of identifying and testing targets to deliver a pipeline of gold mineral resources for processing at Fountain Head, potentially adding to mine life and enhancing project economics. Recent drilling at both Fountain Head and Glencoe has returned solid results indicating the potential for resource extensions and new mineralised positions. Drilling will commence this week at Glencoe to follow-up the initial positive results.

Notwithstanding the well-documented challenges associated with COVID-19, including shortages of labour, increased materials costs and longer lead-times on equipment, the Board and management are confident that continued technical studies and exploration work will be successful in growing our resource base and that the completion of development studies, permitting and financing at Fountain Head will provide a clear pathway for this exciting production opportunity, that has the potential to deliver strong returns for PNX shareholders.

I would like to take this opportunity to express my thanks to my fellow directors, management and staff for their dedication and hard work during the past 12 months. We are committed to growing the Company and safely and expeditiously progressing the development of our flagship Fountain Head and Hayes Creek projects for the benefit of all shareholders.

I also take this opportunity to thank all shareholders for your continued support of PNX and I look forward to providing further updates as our activities move forward in 2021.

Graham Ascough  
*Chairman,*

PNX Metals Limited