

## ASX Announcement

17 March 2022

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



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# Additional high-grade gold rock chips from surface at Glencoe, NT

- **Surface rock chip samples at the Glencoe gold deposit identify new gold-bearing quartz veins oblique to the main gold lodes; assays include:**
  - **33.1 g/t Au in GLFS035c,**
  - **15.5 g/t Au in GLFS043,**
  - **35.8 g/t Au in GLFS046a, and**
  - **15.9 g/t Au in GLFS046c.**
- **Updated Glencoe Mineral Resource being finalised and due shortly**
- **Near-mine and regional RC drill program is scheduled to commence post NT wet season**

PNX Metals Limited (**ASX: PNX**) (“PNX”, “the **Company**”) is pleased to advise that rock chip samples taken during field mapping at its Glencoe gold deposit (“**Glencoe**”) have returned high-grade gold assay results and identified new gold bearing quartz veins.

Glencoe hosts a Mineral Resource Estimate (MRE) of 2.1Mt @ 1.2 g/t Au for 79,000 oz Au (Inferred Category) reported in accordance with the 2021 JORC Code (refer ASX release 28 April 2021 and Table 1 below), and is located on a granted Mineral Lease approximately 170km south of Darwin, and 3km north of PNX’s Fountain Head Gold Project in the Pine Creek region of the Northern Territory. Glencoe represents a ‘bolt-on’ asset that has significantly expanded the proposed Fountain Head development.

### Rock chip samples

A total of thirty-five (35) rock chip samples were taken from selected sites at Glencoe during geological mapping to assist with determining the distribution of gold and understanding its geological context (Table 2).

The majority of samples were taken from quartz veins with a strike direction (orientation) ~30° oblique to that of the main MRE gold lodes, and which have not been adequately tested by recent drilling.

The orientation of these oblique gold bearing quartz veins and their structural relationship with the main anticlinal fold zone, which hosts the majority of the currently delineated mineralisation at Glencoe, is similar to that of the high-grade Tally Ho gold lode which cross-cuts the main anticlinal zone at Fountain Head, located 3km to the South. These observations are potentially significant and highlight a new geometry of gold-hosting structures to target at Glencoe.

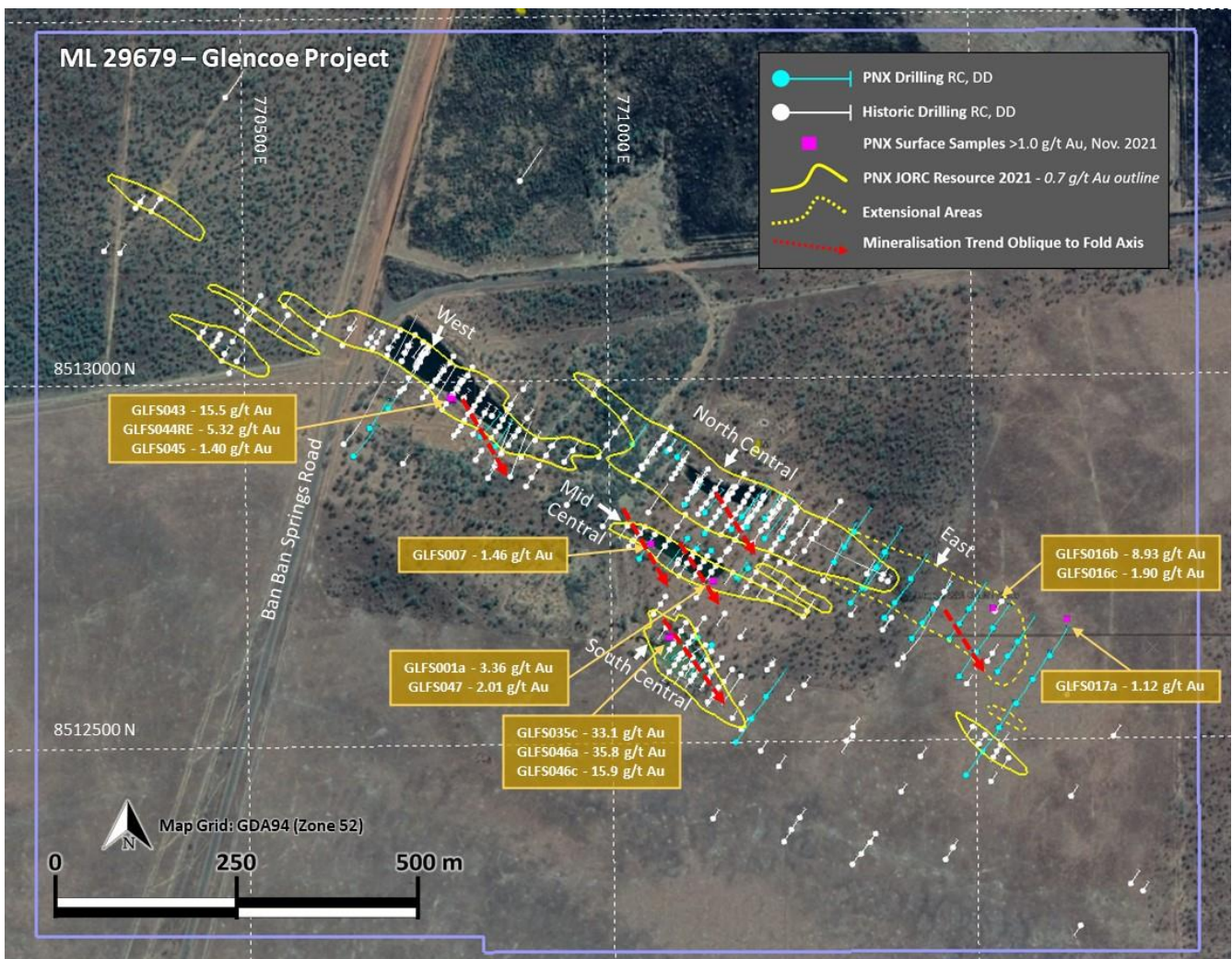
These oblique quartz veins have been identified in all four historic starter pits at Glencoe, but are best developed in the South and West pits (Figure 1). Samples of these quartz veins returned the highest gold assays of the current rock chip sampling program at Glencoe, including:

- 33.1 g/t Au in GLFS035c (South pit),
- 15.5 g/t Au in GLFS043 (West pit),

- 35.8 g/t Au in GLFS046a (South pit), and
- 15.9 g/t Au in GLFS046c (South pit).

### Managing Director Comment

PNX Managing Director James Fox said: “These high-grade gold rock chip samples continue to highlight the importance and potential of the Glencoe gold deposit to support the proposed development at Fountain Head. We look forward to providing an updated MRE at Glencoe and having gained further insights into the geometry and controls of gold mineralisation within PNX’s significant NT exploration tenure, are now planning for a larger near-mine and regional RC drill program as soon as the NT wet season concludes.”



**Figure 1:** Glencoe location of rock chip samples and oblique quartz veins (red) relative to MRE outline and drill collar locations

### Previous Drilling

Drilling by PNX in 2021 extended the known gold mineralisation along this trend such that it now exceeds 1.4km, and included:

- 6m at 3.84 g/t Au from 36 metres in GLRC044
- 2m at 8.58 g/t Au from 10 metres in GLRC045
- 8m at 1.52 g/t Au from 80 metres in GLRC048
- 20m at 1.01 g/t Au from 72 metres in GLRC052
- 5m at 1.61 g/t Au from 11 metres in GLRC053

- 12m at 1.05 g/t Au from 43 metres in GLRC054

Refer ASX releases 14 September 2021, 25 November 2021 and 14 January 2022 for further information including JORC Tables. Geological mapping and surface assays have further confirmed this overall gold trend and geological interpretation.

### Next Steps

The Company is currently finalising the integration of the recent 2021 data with the historic data to update the Glencoe MRE. At present, the Glencoe MRE is entirely in the Inferred category due to a lack of modern QAQC protocols on the historic drillholes and robust density measurements. These historical shortcomings have been addressed with recent work and it is expected that the MRE confidence will improve materially and also extend to cover most of the newly identified 'Eastern Extension' (East in Figure 1).

Diamond drilling (three holes for approximately 220 metres) has been completed with additional rock density and structural information collected from the Oxide and Transitional zones, and material sourced for confirmatory geotechnical and metallurgical test work. The updated MRE is pending and will be used to further refine drill targets for the 2022 field season and update the Project mining optimisation.

The subsequent mining optimisation will form the basis to measuring the impact on the Project economics where an incremental increase in the resource is expected. The geometry of mineralisation (approx. 45° dip to the SW), and location near-surface immediately along strike from the current pit optimisation is likely to result in an increased resource utilisation.

### Glencoe Mineral Resource Overview

The Company announced a Mineral Resource Estimate<sup>1</sup> for Glencoe in April 2021 of 2.1Mt @ 1.2 g/t Au for 79,000 oz Au (Inferred Category) reported in accordance with the 2021 JORC Code (refer ASX release 28 April 2021).

Independent mining consultants H&S Consultants Pty Ltd estimated the Mineral Resource, summarised in Table 1, in accordance with the 2012 JORC Code.

**Table 1:** Glencoe Mineral Resources by oxidation zone and 2012 JORC Classification as at 26 April 2021 estimated using a cut-off grade of 0.7 g/t Au which is consistent with the assumed open-cut mining method

### Glencoe Mineral Resource Estimate

JORC Classification	Oxidation	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Inferred	Oxide	0.5	1.3	20
	Transitional	0.3	1.2	11
	Fresh	1.3	1.1	48
<b>Total</b>		<b>2.1</b>	<b>1.2</b>	<b>79</b>

\* Due to the effects of rounding the totals may not represent the sum of all components

The Company confirms that it is not aware of any new information or data that materially affect the information in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements referenced in this release continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

### Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Marco Scardigno, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Scardigno 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

<sup>1</sup> Refer PNX ASX release 28 April 2021 'New Glencoe Mineral Resource expands Fountain Head Development' including a summary report prepared by H&S Consultants Pty Ltd and JORC Table 1

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defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Scardigno is a full-time employee and Resource Geologist with 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.

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

**James Fox**

Managing Director & CEO

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**Table 2:** Glencoe rock chip samples with those highlighted above 1.0 g/t Au; datum = GDA94, Zone 52

Sample No	Easting	Northing	Lithology	Au g/t
GLFS001a	771,140	8,512,722	Quartz vein in altered sandstone	3.36
GLFS001b	771,140	8,512,722	Quartz vein in altered sandstone	0.18
GLFS005	771,084	8,512,751	Quartz vein in altered sandstone	0.74
GLFS007	771,056	8,512,774	Quartz vein in altered sandstone	1.46
GLFS012	771,114	8,512,760	Quartz vein in float	0.40
GLFS015	771,154	8,512,737	Quartz vein	0.96
GLFS016a	771,525	8,512,680	Quartz vein from field	0.52
GLFS016b	771,525	8,512,680	Quartz vein from field	8.93
GLFS016c	771,525	8,512,680	Quartz vein from field	1.90
GLFS017a	771,626	8,512,664	Quartz vein from field	1.12
GLFS017b	771,626	8,512,664	Quartz vein from field	0.10
GLFS018	771,620	8,512,608	Dolerite from field	0.01
GLFS019	771,359	8,512,370	Quartz vein from field	0.22
GLFS033	771,202	8,512,816	Quartz vein	0.03
GLFS035a	771,079	8,512,645	Quartz vein in brecciated sandstone	0.07
GLFS035b	771,079	8,512,645	Quartz vein in brecciated sandstone	0.34
GLFS035c	771,079	8,512,645	Quartz vein - intersection	33.1
GLFS036a	771,085	8,512,652	Quartz vein in fine-grained sandstone	0.38
GLFS036b	771,085	8,512,652	Quartz vein in fine-grained sandstone	0.06
GLFS038	771,107	8,512,649	Quartz vein in massive sandstone	0.16
GLFS040	771,124	8,512,619	Quartz vein in altered sandstone	0.27
GLFS041	771,130	8,512,586	Quartz vein in sandstone	0.03
GLFS042a	770,757	8,513,065	Quartz vein parallel to bedding	0.40
GLFS042b	770,757	8,513,065	Quartz vein perpendicular to bedding	0.06
GLFS042c	770,757	8,513,065	Altered sandstone - host	0.01
GLFS043	770,783	8,512,977	Quartz vein in coarse-grained sandstone	15.5
GLFS044RE	770,786	8,512,976	Quartz vein in coarse-grained sandstone	5.32
GLFS044b	770,786	8,512,976	Quartz vein in coarse-grained sandstone	0.59
GLFS045	770,782	8,512,979	Quartz vein in coarse-grained sandstone	1.40
GLFS046a	771,082	8,512,647	Quartz vein in South Pit	35.8
GLFS046b	771,082	8,512,647	Quartz vein in South Pit	0.26
GLFS046c	771,082	8,512,647	Quartz vein in South Pit	15.9
GLFS047	771,142	8,512,722	Quartz vein	2.01
GLFS048a	771,221	8,512,830	Massive mafic unit - altered	0.15
GLFS048b	771,221	8,512,830	Massive mafic unit - altered	0.04

# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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.</li> </ul>	<ul style="list-style-type: none"> <li>Composite rock chip and grab samples (2 – 3 kg weight) were collected from prospective lithologies in the field</li> <li>Sample information including lithological descriptions were also collected at the time of sampling</li> <li>Samples were submitted to Northern Australia Laboratory (NAL) in Pine Creek, Northern Territory for assay</li> <li>NAL used the assay method FA40 (Fire Assay) for gold, in parts per million (ppm), with repeat assays completed on 18 samples, and a second repeat assay completed on 3 samples</li> <li>After crushing and pulverizing to –75 microns, each sample is homogenized within the bowl, and a 200 g sub-sample of the pulverized sample is submitted for conventional fire assay for gold</li> <li>NAL have internal QAQC procedures, including certified reference materials, duplicates and blanks, results of which are reviewed by NAL prior to reporting to PNX</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling information is included in this announcement</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling information is included in this announcement</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and</li> </ul>	<ul style="list-style-type: none"> <li>All surface samples have been geologically described and logged by</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>the onsite geologist</p> <ul style="list-style-type: none"> <li>• Log information includes lithology, colour, texture, veining, sulphides alteration and additional notes. Logging is qualitative in nature</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No new drilling information is reported in this announcement</li> <li>• The sample preparation technique is appropriate for rock chip samples and of industry standard</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The method of digestion is considered to be a near total digest</li> <li>• No geophysical tools etc were used</li> <li>• For quality control procedures, the laboratory conducted a regime of repeat analysis and QA/QC</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No external laboratory assays have yet been carried out</li> <li>• 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</li> <li>• 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</li> <li>• No adjustments to assays have been made. Where gold assay data</li> </ul>

Criteria	JORC Code explanation	Commentary
		has been repeated by the lab, the average value is used for the 'Au g/t' field.
Location of data points	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>GPS was used to locate the sample sites. Elevation for these points was obtained using the existing topographic DTM.</li> <li>Surface sample coordinates are recorded in GDA94 (MGA Zone 52), then transformed to Glencoe Local Grid via Datamine Discover software, using established reference points – Local Grid pegs have been located on-site, and confirmed the historic MGA-to-Local Grid transformation was correct within the expected accuracy.</li> <li>DGPS accuracy and the MGA-to-Local Grid transformation were further confirmed by georeferencing high-resolution aerial imagery.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>The data reported here include surface samples for geochemical analysis, in which the goals were to further increase geological confidence and determine the specific rock types that are hosts to gold mineralisation. The samples are adequately spaced and distributed across varying rock types to achieve those goals.</li> <li>No sampling compositing was used.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The surface sampling array is overall irregular; some samples were taken at exposed pit edges (West pit) while others in rough lines perpendicular to the strike of mineralisation (in the Eastern extension areas). The sample count is not large enough for use in statistical analysis.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling and field geology has been carried out by PNX personnel on-site. The samples are submitted to the laboratory by the same people.</li> <li>No third parties have been allowed access to the samples.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audits or reviews on sampling techniques and data have yet been carried out.</li> </ul>

## 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	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint</li> </ul>	<ul style="list-style-type: none"> <li>The Glencoe Project is 100% owned by PNX and situated within a single, granted Mineral Lease ML29679 within a single, granted</li> </ul>



Criteria	JORC Code explanation	Commentary
land tenure status	<p>ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>	<p>Exploration License EL25748 (90% PNX Metals/ 10% Kirkland Lake Gold Australia Pty Ltd).</p> <p>The Glencoe Project area is situated within the pastoral lease of Ban Ban Station, parcel number 695. PNX has existing arrangements with the pastoral lease holders, which governs land access and other obligations for each party and will include Glencoe in this arrangement.</p> <p>An Indigenous Land Use Agreement (ILUA) surrounds and follows the main access road, Ban Ban Springs Rd, situated in the western end of the resource and partially covering the resource. It is unclear at this stage what actions if any are needed.</p>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration and related activities at the Glencoe Project can be broadly categorized into the phases listed below.</li> </ul> <p>Magnum Resources Ltd/Magnum Gold NL  1985-1987 – Discovery, Drilling Programs (Auger, RAB, RC, DD)  1988 – Metallurgical Testwork  1989-1990 – 1<sup>st</sup> Trial Mining  1995 – 2<sup>nd</sup> Trial Mining (aborted early – material stockpiled)</p> <p>Australasia Gold  2006 – Optimisation and Scoping Study  2007 – Survey of the Glencoe Local Grid, IP/Resistivity Survey  2007-2008 – Drilling Programs (RC, DD)</p> <p>Crocodile Gold  2011 – Heliborne VTEM Survey</p> <p>Newmarket Gold NT  2012 – Processing Stockpiled Material  2016 – Environmental and Metallurgical Testwork</p>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Glencoe mineralisation is hosted by greywackes, sandstones, siltstones and mudstones of the Palaeoproterozoic Mount Bonnie Formation, and contained within complex quartz veining and shearing spatially associated with the axial regions of shallow plunging anticlines.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>Notable features:</p> <ul style="list-style-type: none"> <li>• The majority of the quartz vein mineralization occurs within sub vertical to steeply dipping fracture and shear zones, with previous workers also noting a possible association with more ductile carbonaceous mudstone in these zones. Veins range in width from millimetre scale up to several metres.</li> <li>• A second style of quartz veining is interpreted as having a conformable or 'saddle reef' geometry, and occurs as stratabound bodies extending outwards from the discordant fracture-filled zones. This style is also described as favouring carbonaceous mudstone horizons, as well carrying higher gold values.</li> <li>• Late-stage chlorite alteration, shearing and brecciation overprinting earlier veining is also a feature, including country rock breccias with a chlorite matrix. It is noted by previous work that this alteration also appears to enhance gold values in both veins and breccias</li> </ul> <ul style="list-style-type: none"> <li>• Important features of the chemical environment of gold occurrence include: <ul style="list-style-type: none"> <li>• A strong association of gold with sulphides, dominantly pyrite and arsenopyrite.</li> <li>• The occurrence of other metals in only trace amounts, most notably Cu and Bi.</li> <li>• There is a close association between chlorite alteration and sulphide/gold/quartz vein development.</li> <li>• Oxidation of sulphides has occurred in the weathered zone, and been replaced by iron oxide phases such as goethite and limonite occurring as fracture coatings and box works. This is inferred to have resulted in some gold re-distribution during an overprinting supergene event.</li> </ul> </li> </ul>
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> <li>• <i>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:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• No dew drilling information is included in this announcement</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>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.</li> </ul>	
Data aggregation methods	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No weighting averaging techniques or minimum/maximum grade truncations (cut off/top cut) were applied</li> <li>The field 'Au ppb' is the routine Au assay value. The field 'Au g/t' is the average of the routine Au assay and any repeat Au assay grades for that sample</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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').</li> </ul>	<ul style="list-style-type: none"> <li>This announcement is for surface samples only, which do not inform the geometry of mineralisation.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to the main body of this announcement</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All relevant information has been included</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All relevant information has been included.</li> <li>Geophysical survey imagery provided in this report is as follows: Rum Jungle Survey (MAG/RAD/DEM) 1988, (Open File) - Contractor: World Geoscience Corporation Ltd. – Reprocessed by Southern Geoscience Consultants in August 2021, for PNX Metals Ltd. The image used (Figure 2) shows the 'Analytical Signal' – A combination of the vertical and horizontal derivatives. Generates a maximum directly over a discrete body, or alternatively maxima over the edges of wider bodies, regardless of the presence of any remanent magnetisation or the Earth's local magnetic inclination.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Refer to the main body of this announcement</li> </ul>