

ASX Announcement

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



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Airborne Magnetics Survey Receives Funding under NT Geophysics and Drilling Collaboration Program

- **PNX to receive NT Geophysics co-funding grant for drone magnetic survey over Hayes Creek, Fountain Head and Glencoe projects**
- **Updated Mineral Resource Estimate for Glencoe currently being finalised**
- **Near-mine and regional RC drill program scheduled to commence during 2022 dry season**

PNX Metals Limited (**ASX: PNX**) ("**PNX**", "the **Company**") is pleased to advise that Grants NT has approved its application for co-funding in Round 15 of the Northern Territory Geophysics and Drilling Collaborations program.

The Geophysics and Drilling Collaborations program is part of the Northern Territory Government's 'Resourcing the Territory' initiative, <https://resourcingtheterritory.nt.gov.au/>. This is a competitive grants program administered by the Northern Territory Geological Survey ("NTGS") to address geoscientific knowledge gaps, advance exploration activity and support the discovery and development of resources in the NT.

PNX's application for a 1,099 line-km drone magnetic survey to cover its 100% owned zinc-gold-silver Hayes Creek, and Fountain Head and Glencoe gold projects was successful under the new Brownfields Targeting component. The grant amounts to \$34,404 (inclusive of GST) and covers 50% of the direct cost of the survey which will be flown during the 2022 NT dry season.

PNX is advancing an integrated development of four (4) discrete deposits in the Pine Creek region. Mineral Resources have been estimated for each of these deposits and a Pre-feasibility Study was released in mid-2021 (refer ASX release 17 June 2021). The proposed drone magnetic survey is designed to enhance the current geological understanding of the deposits and assist with delineating additional mineralisation in the immediate area.

Managing Director Comment

PNX Managing Director James Fox said: *"This Grant approval is a positive development as it flags the start of our new NT exploration season, and additional focus by the NTGS on highlighting the significant gold and base metals prospectivity within the Pine Creek Orogen. We look forward to commencing the survey, and are excited to be back on the ground again with preparation for drilling near-mine and regional exploration targets underway."*

The proposed survey will cover:

- Iron Blow and Mt Bonnie zinc-gold-silver-rich massive sulphide bodies where magnetic pyrrhotite is common, and it is expected that the bodies will be imaged directly. The drone survey will assist with locating any massive sulphides displaced along late faults or any new buried, blind bodies within the survey area
- Fountain Head and Glencoe gold deposits, where gold-bearing quartz veins were emplaced after the major folding events seen at Iron Blow and Mt Bonnie. The drone magnetics will help interpret the deposit-scale geological architecture, directly image demagnetised zones related to the quartz veins and alteration, and locate later faults which have displaced gold lodes

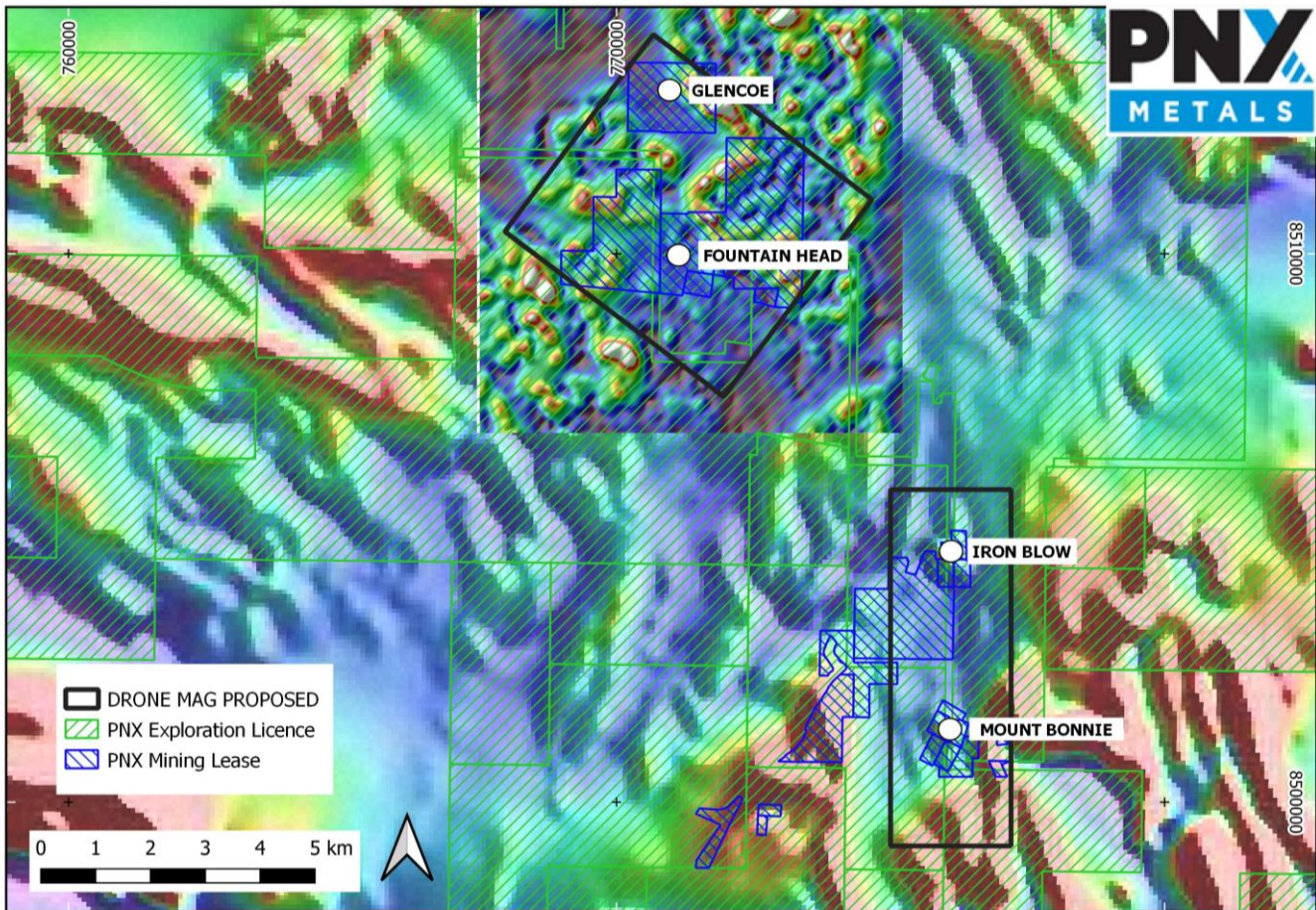


Figure 1: Location of proposed drone magnetic survey. Background image: regional Total Magnetic Intensity (NTGS via STRIKE) with area over Fountain Head – Glencoe showing analytical signal of regional data reprocessed by PNX in 2021.

Other Exploration and Development Activities

- The Company and its resource consultants are currently finalising an updated Mineral Resource Estimate for the Glencoe gold deposit to include results from the 4,470 m reverse circulation and 200 m diamond drilling completed in 2021/22 (refer ASX release 14 January 2022). Further drilling during the 2022 dry season will then be delineated at Glencoe to test high priority areas where potential exists for additional resources
- PNX holds >1,500 km² of highly prospective Exploration Licences in the Pine Creek region, plus 28 Mineral Leases and has received Government approvals to drill at four new gold exploration targets in the 2022 dry season. An update will be provided shortly
- PNX is also in the process of completing an extensive review and assessment of its NT exploration tenure to determine the prospectivity of other commodities which may have not been considered historically. The market will be updated with any material developments

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

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