

ASX Announcement

28 July 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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Fountain Head Gold Project Environmental Approvals update

PNX Metals Limited (**ASX: PNX**) (“**PNX**”, “the **Company**”) is pleased to advise that it has lodged a second Supplement to the Fountain Head Gold Project (Project) draft Environmental Impact Statement (EIS) with the Northern Territory Environmental Protection Authority (NT EPA).

The EIS is an important component of the Project approval process and contains a comprehensive risk assessment, including studies on groundwater and surface water, biodiversity, Aboriginal and cultural heritage, socioeconomic impacts, transport, air quality, noise, and closure/rehabilitation. A detailed body of work was completed by the Company and its Environmental Consultants, ERIAS Group, to identify potential Project environmental impacts and risks and mitigate these through careful and considered management.

In early January 2022 PNX received a second Direction from the NT EPA to provide new information, primarily related to the surface and groundwater modelling and potential for groundwater-dependent ecosystems.

A considerable amount of additional work has been completed over the first half of calendar 2022, including engagement of an independent expert to review and provide advice regarding the modelling approach, parameters used and interpretation. The independent experts report has been included as part of the suite of documents submitted in response to the second Direction.

The Company is looking forward to receiving comments from the NT EPA and Project environmental approval timeframes have been updated (Table 1).

The Fountain Head Mining Management Plan (MMP) was put on hold while all available resources were fully committed to finalising the EIS Supplement. The MMP development process will now be restarted.

Approval has already been received from the Northern Territory Department of Industry, Tourism and Trade (DITT) for a variation to the Company’s MMP to allow dewatering of the Fountain Head Pit (refer ASX release 24 March 2021).

The Company is also in the process of updating Project capital and operating costs with its Engineering Partner, Como Engineers, using a simplified flowsheet. This is expected to partly offset inflationary costs being experienced during construction for projects globally, and will be used to update the Project financial model and for discussions with prospective financiers.

PNX Managing Director James Fox said: *“The PNX project team and our environmental consultants have worked tirelessly to provide the supplementary information requested by the NT EPA to support the Fountain Head Gold Project Environmental Impact Statement, in particular around groundwater modelling and potential for groundwater-dependent ecosystems. We look forward to receiving positive feedback from the NT EPA. Based on statutory guidelines, and assuming no further requests for information, the indicative timeframe for Environmental Approval is October 2022.”*

Table 1: Indicative Fountain Head Gold Project Environmental Assessment Schedule

Task	Timeframe	Indicative Date
PNX lodges second Supplement with NT EPA	14 July 2022	Complete
NT EPA to publish the Supplement with comments invited from previous respondents and NT Government Authorities	within 15 business days to: https://ntepa.nt.gov.au/your-business/public-registers/environmental-impact-assessments-register/assessments-in-progress-register/fountain-head-gold-project	July/August 2022
NT EPA to Prepare Assessment Report and provide to the Minister for Environment to consider	35 business days after Supplement accepted, or longer timeframe set by the NT EPA	August/September 2022
Consultation with PNX and statutory decision makers on draft environmental approval	To be specified by NT EPA	August/September 2022
Environmental Approval	Within 30 business days of the Minister receiving the assessment report and deciding whether or not to grant Approval	October 2022

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

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