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

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Significant Upgrade in Glencoe Gold Mineral Resource Categorisation

- **Updated Mineral Resource Estimate (MRE) completed for the Glencoe Gold Deposit (reported in accordance with the JORC Code, 2012) returns:**
  - **2.1 Mt @ 1.2 g/t Au for 79,000 oz Au**
- **Significantly improved geological classification with 77.4% of the Glencoe MRE now reporting to the higher-confidence Measured and Indicated categories**
- **Total Project Mineral Resources now contain:**
  - **472,700 oz Au, 16.2 million oz Ag, 177,000 t Zn, 37,000 t Pb and 10,000t Cu**
  - **Gold only – Fountain Head and Glencoe combined:**
    - **5 Mt @ 1.46 g/t Au (235,000 oz Au)**
  - **Polymetallic – Hayes Creek (Mt Bonnie and Iron Blow) combined:**
    - **4.1 Mt @ 1.81 g/t Au, 124 g/t Ag, 4.35 % Zn, 0.91 % Pb, 0.25 % Cu**
    - **(237,700 oz Au, 16.2 M oz Ag, 177 kt Zn, 37 kt Pb, 10 kt Cu)**
- **Glencoe Mineral Lease is 100% owned by PNX and located 3 km north of PNX's Fountain Head Gold Project**
- **The Glencoe MRE, which remains open in all directions, extends from surface to 120 metres vertical depth and comprises multiple sets of discrete lodes over a strike length of approximately 1.5 km**
- **Improved geological model highlights numerous areas to test for immediate extensions to defined lodes in various positions around the Glencoe MRE, with drilling to commence during the current NT dry season**
- **Co-funded drone magnetic survey completed over Hayes Creek, Fountain Head and Glencoe to assist with targeting areas for additional mineralisation**

PNX Metals Limited (**ASX: PNX**) ("**PNX**", "the **Company**") is pleased to announce an updated Mineral Resource Estimate ("**MRE**") for the Glencoe Gold Deposit ("**Glencoe**") (reported in accordance with the JORC Code, 2012).

Glencoe is located 3 kilometres north of the Fountain Head Gold Project ("**Fountain Head**") (Figure 1). Both gold deposits are contained within granted Mineral Leases ("**ML**") 100% owned by PNX and situated in the Pine Creek region of the Northern Territory.

Managing Director's Comment

PNX Managing Director James Fox said: *"The updated Mineral Resource at Glencoe will assist with advancing PNX's NT gold and base metals development strategy. A significant improvement in the geological classification, with the majority now reporting to the high confidence Measured and Indicated categories, and an improved geological model has resulted in a more robust mineral resource, and highlighted numerous open areas to be drill tested, all with potential to considerably expand the mineralised footprint.*

A Government co-funded drone-magnetic survey was recently completed over the Glencoe and Fountain Head gold deposits, and the Mt Bonnie and Iron Blow zinc-gold-silver deposits. The data is currently being processed and will be used to further refine new target areas for drill testing."

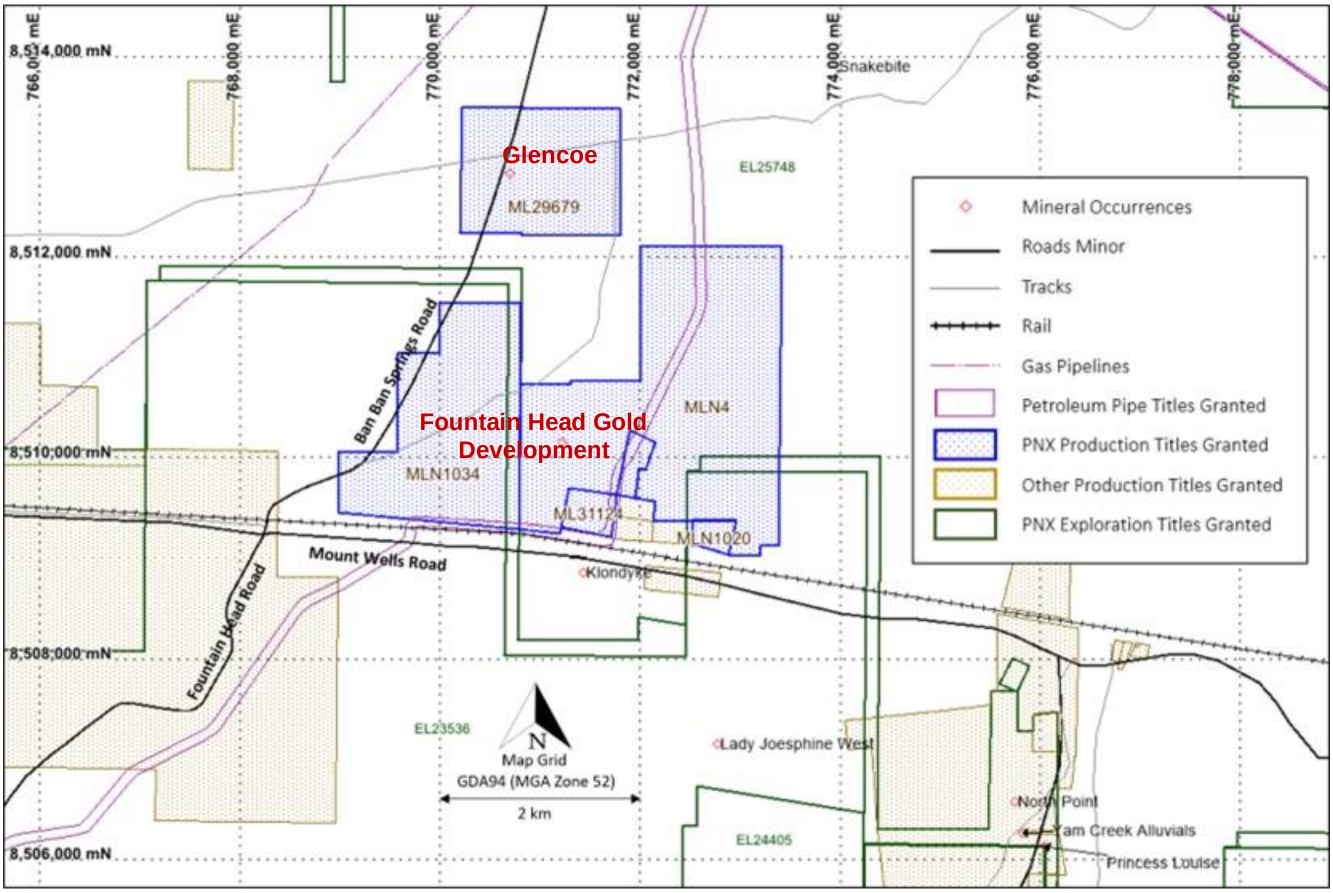

Figure 1: Location map of the Glencoe ML in relation to the Fountain Head Gold Development Project

Development Opportunity

Glencoe is a critical part of PNX's integrated gold, silver and zinc development strategy which is proposing to mine and process ore from four 100%-owned discrete deposits (Fountain Head and Glencoe (gold), Mt Bonnie and Iron Blow (zinc-gold-silver)), located on granted MLs in the Pine Creek region of the Northern Territory.

MREs have been established for each of these deposits and a Pre-feasibility Study was released in mid-2021 (refer ASX release 17 June 2021) detailing the proposed development strategy.

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 cost inflation being experienced during construction for projects globally, and will be used to update the Project financial model and for ongoing discussions with prospective financiers.

The NT EPA published PNX's Fountain Head Supplement to the Environmental Impact Statement on 3 August 2022. An Assessment Report is to be prepared and provided to the Minister for Environment to consider within

35 business days (refer ASX Release 28 July 2022).

Updated Glencoe MRE

The Glencoe MRE update was informed by a revised geological model using analysis and assays from new drilling with 4,470 m of Reverse Circulation (RC) drilling and 220 m of diamond drilling completed by PNX in 2021 and 2022.

PNX's drilling mainly focused on the historic North-Central trial pit (Figure 3) where Measured Resources are now outlined, and traced these gold lodes to the east for approximately 400 m (refer ASX releases 25 November 2021, and 14 January 2022).

Glencoe Mineral Resource Estimate

Independent mining consultants, Measured Group Pty Ltd ("MG"), estimated the Glencoe Mineral Resource, summarised in Table 1, in accordance with the 2012 JORC Code[1]. A summary of the MRE by the Competent Persons and JORC Table 1 were also prepared and form part of this ASX announcement.

The MRE was finalised on 29 August 2022 and is based on geological data acquired from 443 drill holes that intersected the in-situ orebody.

Table 1: *Glencoe Mineral Resources by oxidation zone and JORC classification as at 29 August 2022 estimated using a cut-off grade of 0.7 g/t Au which is consistent with the assumed open-cut mining method.*

Zone	Measured		Indicated		Inferred		Total		
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Au Ounces
Oxide	14,000	1.18	86,000	1.04	40,000	1.23	140,000	1.11	5,000
Transitional	144,000	1.25	449,000	1.28	107,000	1.18	700,000	1.26	28,300
Fresh	269,000	1.36	649,000	1.04	324,000	1.17	1,242,000	1.14	45,700
Total	**427,000**	**1.32**	**1,184,000**	**1.13**	**471,000**	**1.18**	**2,082,000**	**1.18**	**79,000**

Notes:

1. Due to the effects of rounding, totals may not represent the sum of all components
2. Classification of Mineral Resources incorporates the terms and definitions from the JORC Code

Total Project Mineral Resources

Near surface oxide and free milling gold mineral resources between Fountain Head and Glencoe now total 235,000 oz (Fountain Head hosts a Mineral Resource Estimate of 2.94Mt at 1.7g/t Au for 156,000 oz Au - refer PNX ASX announcement 16 June 2020 for full details including JORC tables).

The Mt Bonnie and Iron Blow zinc-gold-silver-rich massive sulphide deposits host polymetallic mineral resources and contain 237,700 oz Au, 16.2 Moz Ag, 177 kt Zn, 37 kt Pb and 10 kt Cu (refer PNX ASX announcement 3 May 2017 for full details including JORC tables).

The combined Hayes Creek, Fountain Head and Glencoe Mineral Resources are proposed to be processed through the Fountain Head plant;

472,700 oz gold, 16.2 M oz silver, 177 kt zinc, 37 kt lead and 10 kt copper

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements referenced in this announcement 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.

[1] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Future Planning and Recommendations

Drilling to test potential extensions to the Glencoe gold mineralisation is scheduled to commence during the current Northern Territory dry season. An updated Mine Management Plan has been submitted for Government approval. Refer Figure 3 for location of targets described below:

1. Extend the gold lodes in the West trial pit by following the Glencoe Anticline to the west with the aim of linking currently discontinuous gold zones. Given the success of extending the lodes to the east and the good gold intercepts already encountered in limited historic drilling to the west, the Company believes that these targets have strong merit. Mineralisation remains open to the west.
2. Aim to connect the West and North-Central trial pits. There is limited drilling between these pits with the gold mineralisation possibly offset due to a primary feature or late fault dislocating the gold lodes.
3. Test for easterly extensions to the Mid-Central lodes to the same extent as already demonstrated for the North-Central lodes.
4. Test for extensions of the South-Central lodes. These are the highest-grade gold lodes identified at Glencoe and exhibit a strike orientation that is different to that of the North and Mid-Central lodes. Historic drilling has not tested these lodes adequately. These lodes may extend either side of the South-Central trial pit with surface gold collected on the northern side of the pit associated with sub-cropping quartz veins (refer ASX release 28 October 2021).
5. Test the northern limb of the Glencoe anticline. The “saddle-reef” lodes have been well defined on the south limb, but despite some encouraging drill intercepts, there has only been limited testing of the north limb. Shallow resources in this position could be easily encapsulated into a slightly modified pit design.

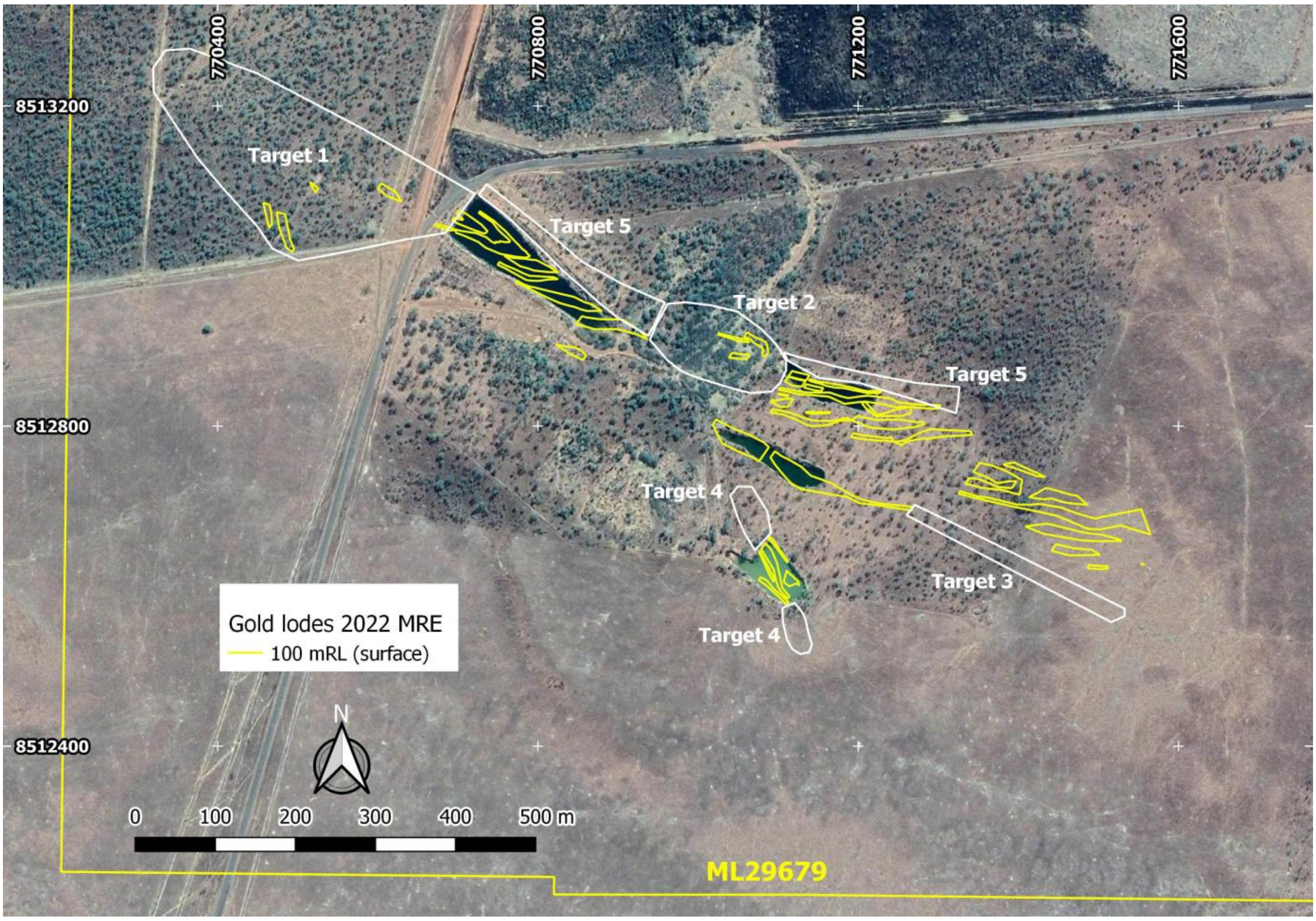

Figure 2: Glencoe Exploration target zones for next phase of drilling (existing mineral lodes outlined in yellow with new targets in white)

Recommendations by MG include:

- Continue to refine the geological model and stratigraphic column. Due to the lack of outcrop at Glencoe and limited contrast between many rock types, establishing lateral continuity has proved challenging but presents an opportunity to grow the resource.
- Test geological models using independent datasets, such as will be obtained from the recently completed detailed drone magnetic survey.
- Continue the use of downhole wireline logging to expand the distribution of density measurements and collect structural data in RC drill holes.
- Conduct surface or shallow exploration beyond the current mineral resource expansion targets detailed above. The extent of historic surface exploration at Glencoe has been limited and should be expanded to identify any additional nearby gold mineralisation.

Summary of Information provided in the Mineral Resource Estimate

The following is a summary of the Glencoe MRE finalised on 29 August 2022. Further details are provided in JORC TABLE 1.

Previous Mining

Small-scale trial mining as part of a bulk sampling program was undertaken at Glencoe in two phases:

1. By Magnum Gold (Magnum) between 1989-1990 when 4 small pits were mined to a depth of approximately 10 m. This mined material was trucked to the historic Mt Bonnie mill for processing. Unfortunately, the records documenting this processing were lost in a fire at Mt Bonnie at that time.
2. By Territory Goldfields in 1995 as part of a joint venture with Magnum Gold where the West Pit was deepened to a depth of 15-17 m. This material was stockpiled at the time, and then, in 2012, Crocodile Gold Australia processed the stockpiles at their Union Reefs plant.

Geological Interpretation

The Glencoe resource area is divided into six zones based on geological characteristics and drilling density (Figure 3). The Glencoe gold mineralisation is hosted by greywacke, sandstone, siltstone and mudstone of the Paleoproterozoic Mount Bonnie Formation, and is contained within complex quartz veins and shears spatially associated with the axial zone of a shallowly east-west (local grid) plunging anticline. The majority of the gold-bearing quartz veins occur within sub-vertical to steeply dipping fracture and shear zones. Other gold-bearing quartz veins are interpreted to have conformable or 'saddle reef' geometries sub-parallel to the folded beds extending outwards from the discordant sub-vertical fracture-filled zones. These two geometries were delineated by wireframes and then reflected in the block model (Figure 4).

Late-stage chlorite alteration, shearing and brecciation overprint the gold-bearing veins, including country rock breccias with a chlorite matrix. There is a strong association of gold with sulphides, predominantly pyrite and arsenopyrite, and a close association between chlorite alteration and sulphide/gold/quartz vein development. Mineralisation has typically favoured the more ductile carbonaceous mudstone horizons.

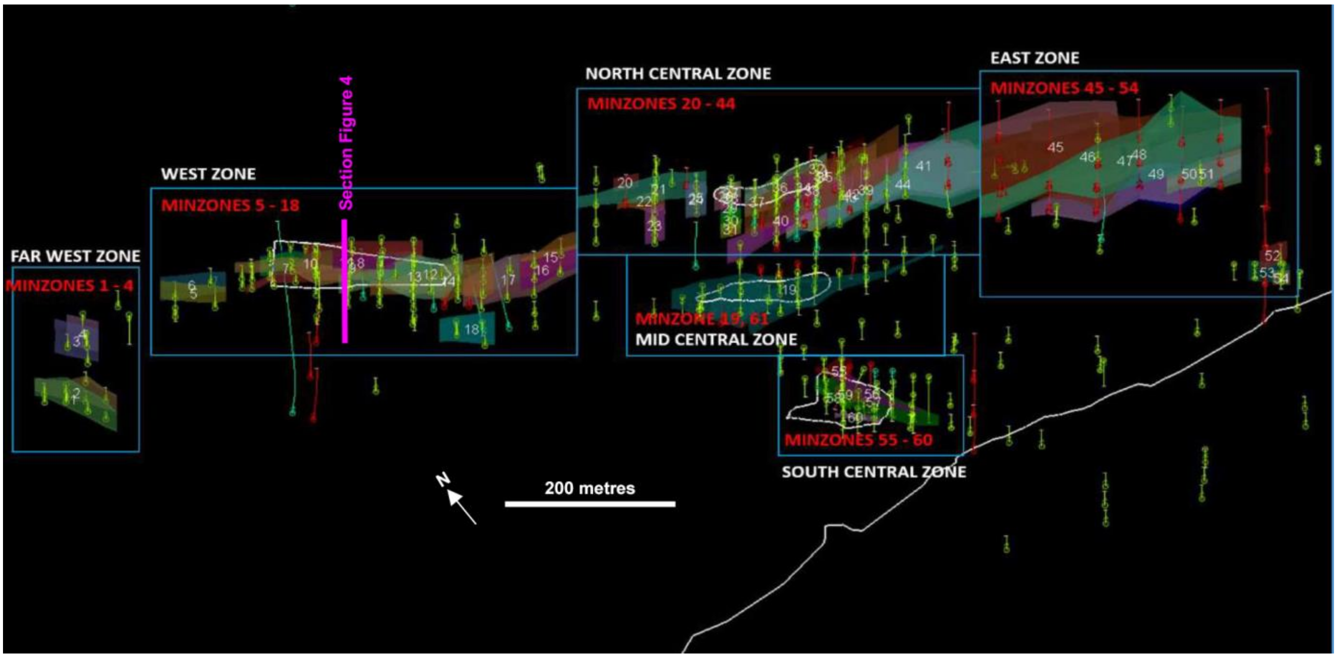

Figure 3: Glencoe gold mineral zones and lodes separated by domain including outlines of trial pits (PNX drill traces are shown in red)

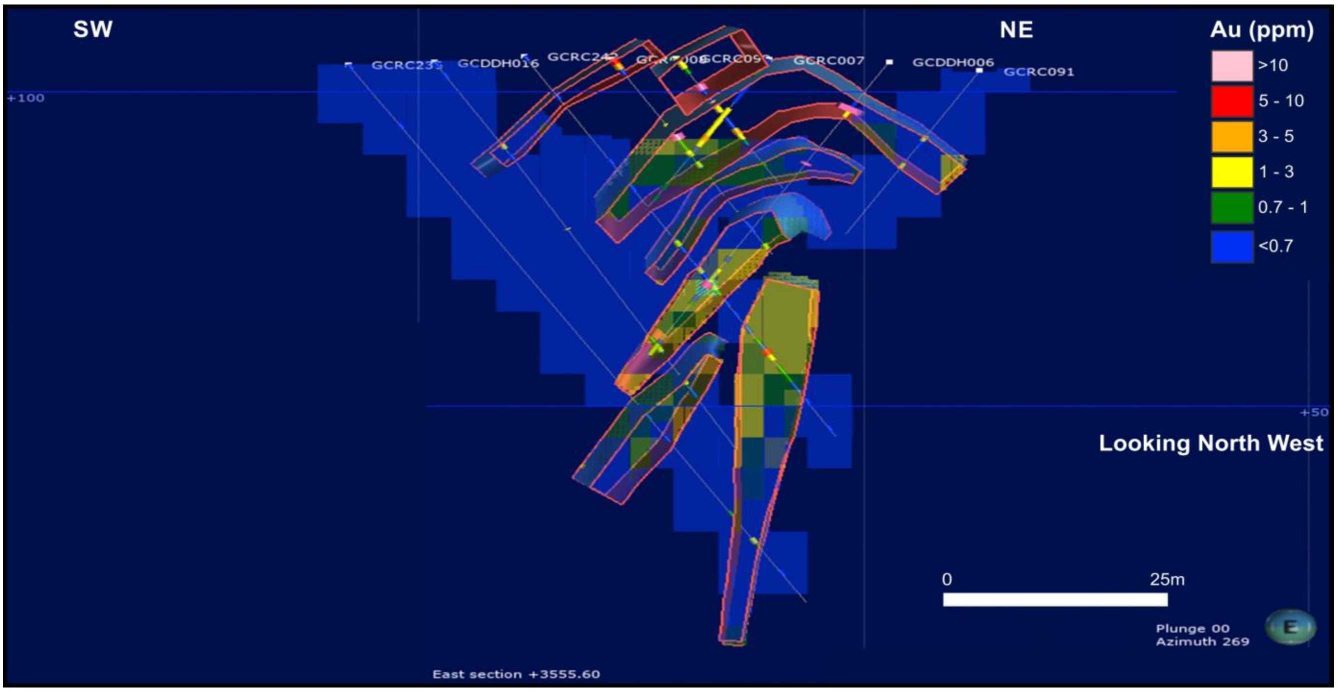

Figure 4: Cross-section with wireframes, block grades and composite data in the West Zone (see Figure 3 for section location)

Drilling, Sampling and Assaying Techniques

Between 1985-87 a total of 310 reverse circulation (RC) holes and 59 diamond drillholes (DD) holes were drilled by Magnum at Glencoe. This was followed up with 12 RC holes and 8 DD holes between 2007-08 by Australasia Gold Ltd (Australasia). Some of these holes were drilled outside the area covered by the resource estimate. During 2021-22, PNX drilled 54 RC and 3 DD holes. The current resource estimate for Glencoe is based on 443 drill holes, of which 367 are RC totalling 12,219.6 m and 76 DD totalling 3,707.1 m The project area also contains shallow Rotary Air Blast (RAB) drilling, grade control drilling, auger and costean sampling. Data from these holes were not used to estimate the resource, but served as a useful guide to map the extent of known mineralisation and assisted in highlighting areas for follow-up testing.

Magnum: RC holes were sampled at 1 m intervals with the cuttings riffle split into a 2 - 4 kg sample for standard sample preparation (drying, crushing and pulverising) and analysis by fire assay. This RC drilling was conducted using a cross-over sub-assembly rather than a face sampling hammer which is typically used today. Diamond drilling was carried out using HQ core size and triple tube core barrels to maximise recovery. Diamond core was sampled on the basis of logging after diamond-sawing of the core. One half of the core was submitted for assay, the other retained in core boxes at site. Sample intervals varied widely from 10 cm to 6.9 m, based on logged lithological boundaries, with split half core samples submitted for standard sample preparation and analysis by fire assay by North Australian Laboratories (NAL) in Pine Creek using a 50 g charge.

Australasia: RC holes and RC pre-collars were sampled at 1 m intervals. Diamond drilling was carried out using HQ/HQ3 core sizes. It is assumed that the core was sawn in half for assaying though this was not recorded. Core samples were dispatched to ALS Chemex, Adelaide, for sample preparation and then forwarded to their Perth facility for analysis. Samples were dried with the entire sample pulverized followed by multiple element analysis (ME-ICP43), and gold analysis either by Aqua Regia extraction (Au-OG43) or Fire Assay extraction (Au-AA25) using a 30 g charge.

PNX: RC samples were sampled at 1 m intervals and submitted to NAL for preparation and analysis. Samples were dried, crushed, and pulverized to minus 75 microns using a Keegor mill, each sample was homogenized within the bowl and a 200 g sub-sample of the pulverized sample was submitted for assay**.** DD samples were not used in the current MRE.

Quality Assurance and Quality Control

No field duplicates or other independent QAQC samples were submitted for analysis by either Magnum or Australasia. Internal laboratory QAQC for the Magnum sampling was limited to laboratory repeats. The internal laboratory QAQC Australasia samples included standards, blanks and laboratory duplicates. The laboratory duplicates were conducted on every 20th sample although it is uncertain if these were crush or pulp duplicates. Analysis by PNX indicates that there was good correlation in duplicate grades, negligible contamination in blanks, and 92% of standards were within the target limits.

PNX inserted certified reference materials (CRMs or standards) and field duplicates every 25 samples, and three blanks per 100 samples. 76 pulps as Umpire Samples were sent to Bureau Veritas, Adelaide, where they were analysed by 40g fire assay. These results correlate strongly with their routine pair. A further 429 pulp re-assays were sent to NAL for auditing. They were analysed by a 40g fire assay. The re-assays also correlated strongly with their routine pair.

Estimation Methodology

Lithological, structural and assay data from 443 drill holes were used to build mineralisation wireframes. Checks of the documentation describing the sampling, sample preparation, QA/QC protocols and analytical procedures used for all the drilling phases were completed by the Competent Person responsible for the estimate.

No compositing of core sample intervals was undertaken in the field. Samples were composited within the mineralisation envelopes for geological modelling. Data spacing was considered sufficient for the estimation of gold grades by Ordinary Kriging. Mineralisation was modelled as three-dimensional blocks of parent size 5 m x 5 m x 5 m with sub-celling allowed to 0.625 m x 0.625 m x 0.625 m. No assumptions were made regarding the modelling of selective mining units.

The following validation checks were completed on the block model:

- Drill holes used for the estimation plotted in expected positions
- Flagged domain intersections lie within, and corresponded with, domain wireframes
- Determine whether statistical analyses indicated that grade cutting was required
- Volumes of wireframes of domains matched volumes of blocks of domains in the block model
- Visual plot of grades in the block model against drill holes

The MRE was completed on the basis that the in-situ Mineral Resource will be mined by open-cut mining methods. Given the proximity of the modelled orebody to the previous open pit mining, the MRE has been deemed by the Competent Person to pass the “reasonable prospects for eventual economic extraction test” (RPEEE). Glencoe is part of PNX’s Fountain Head Gold Project and the previous Glencoe MRE was included in a Pre-Feasibility Study (refer ASX release 17 June 2021). The current geological model and MRE will be inputs to update the Project Feasibility.

Mineral Resource Classification

The Glencoe MRE has been classified by the Competent Person as containing Measured, Indicated and Inferred Mineral Resource categories based on the current understanding of the continuity of orebody geometry (geology) and grade (Figure 5). The resource classification reflects the Competent Person’s confidence in the location, quantity, grade, geological characteristics and continuity of the Mineral Resource and is based on relevant factors, including but not limited to the following:

- Drill hole density
- Style of mineralisation and geological continuity
- Data quality and associated QA/QC and grade continuity

Two methods were used to determine the optimal drill spacing between boreholes for resource classification at the Glencoe Project:

- Variogram methodology which analyses the different proportions of the sill; and
- an estimation variance methodology

The current data spacing and distribution are sufficient to establish geological and grade continuity appropriate for the MRE and classification, and the results appropriately reflect the Competent Person's view of the deposit.

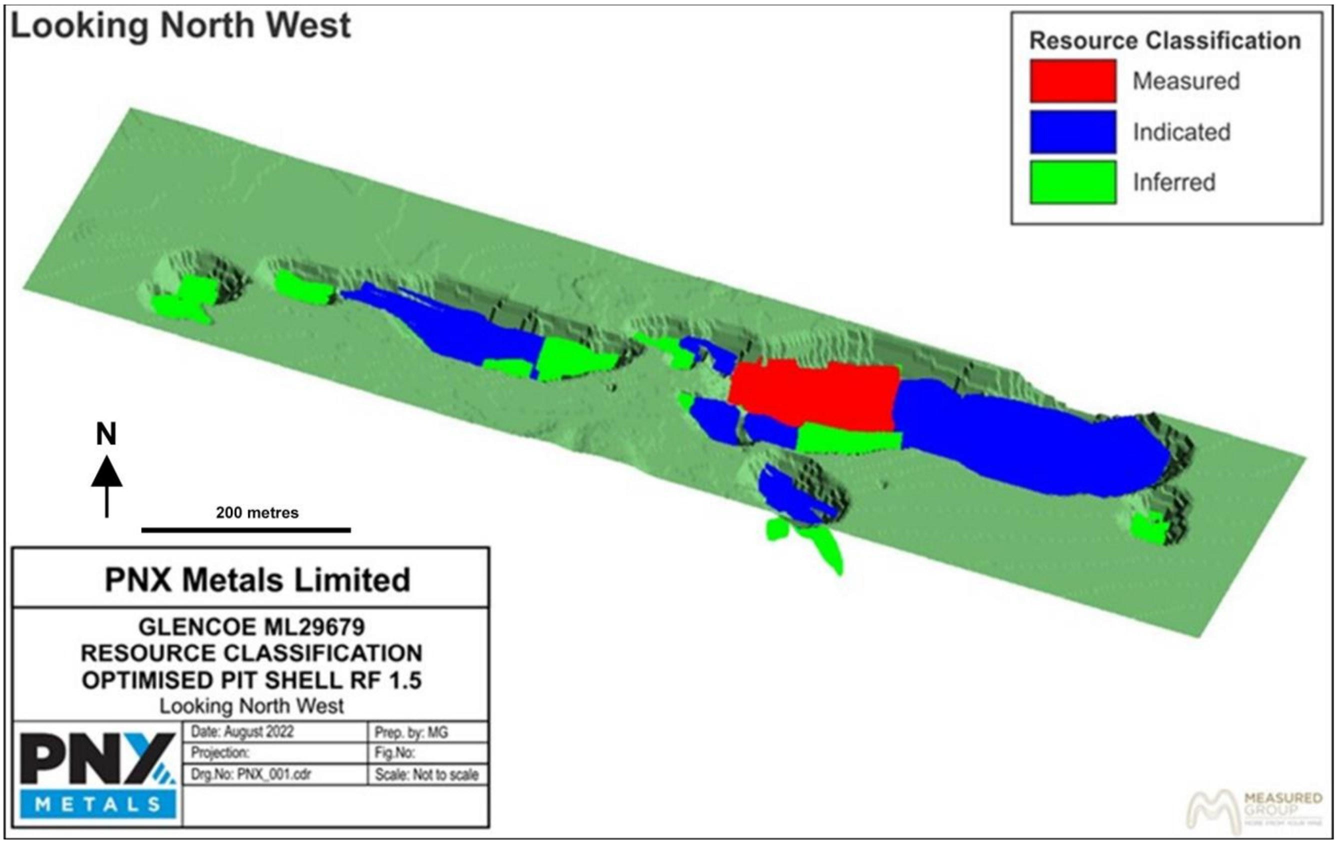

Figure 5: In-situ deposit extent and resource classification

Cut Off Grade

No upper cut-off grades were applied to the MRE. The Competent Person established to their satisfaction that the high-grade zones recorded in the drill results were present in the mineralised zones and could be correlated between sections. A lower cut of 0.7 g/t Au was used to determine the resource and 0.3 g/t Au to define the geological boundaries to the mineralised zones. The Competent Person completed an assessment of tonnes by grade table to assist in the determination of the lower cut-off grade.

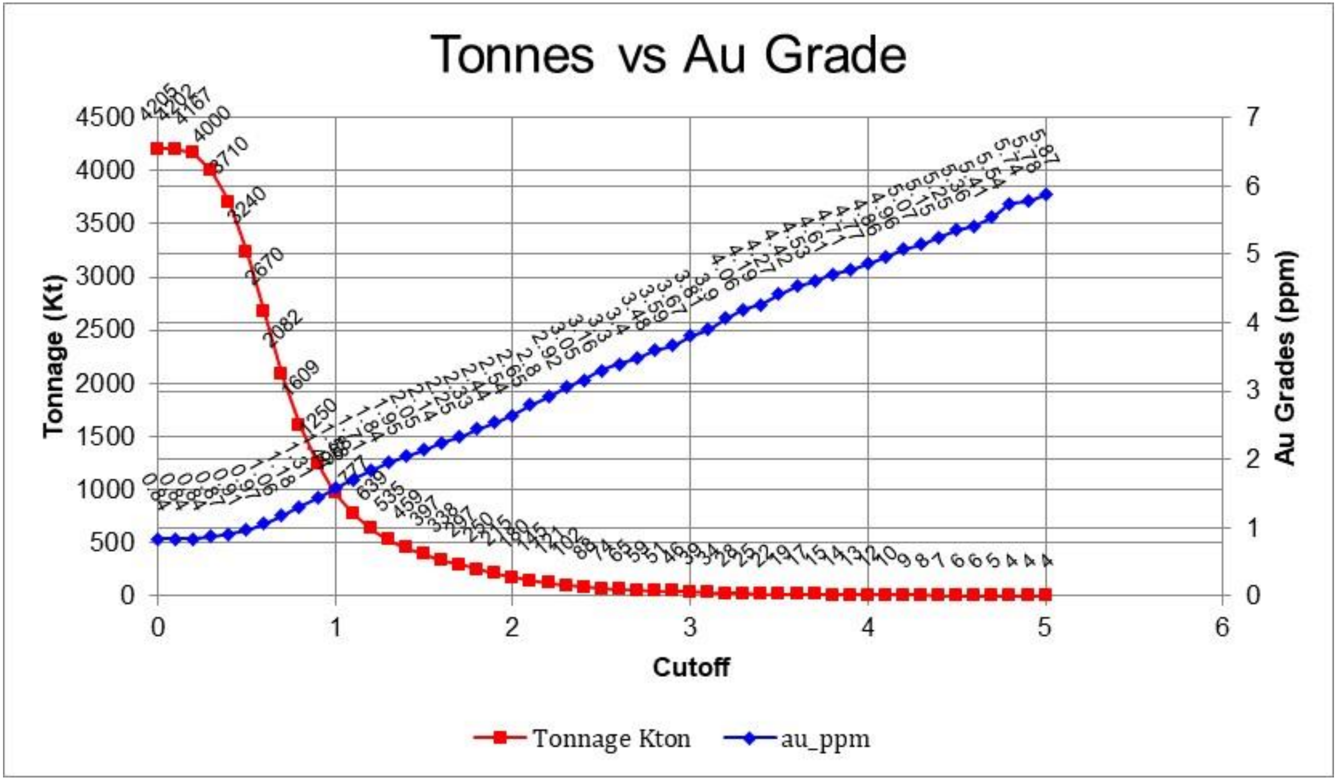

Table 2: Cut-off Grade vs MRE Tonnage

Metallurgy

The Glencoe deposit has been previously mined and processed. The metallurgical method expected to be used to economically recover the gold at Glencoe and at PNX's Fountain Head Project is Carbon-In-Leach Cyanidation (CIL). Historic test work at Glencoe supports this assumption with test-work ongoing.

Modifying Factors

No modifying factors were applied to the Mineral Resource Estimate. Mining dilution, ore loss and metallurgical recoveries, capital and operating cost estimates, royalties and metal prices/FX rates will be considered as the Project is evaluated for mining.

For additional material information summary information refer JORC Table 1 sections 1-3. JORC Table 1 has been provided by MG for the Glencoe Mineral Resource pursuant to ASX Listing Rules 5.8 and 5.9) and the Assessment and Reporting Criteria in accordance with JORC Code 2012 requirements.

Competent Person Statements

Statements contained in this announcement relating to the Glencoe Mineral Resource Estimate, are based on, and fairly represent, information and supporting documentation prepared by Dr Jim Yaxley, who is a member of the Australasian Institute of Geoscientists (AIG No: 139880). Dr Yaxley is a full-time employee of the independent mining consultant firm Measured Group, which was contracted by PNX to prepare an estimate of the Mineral Resources for Glencoe. Dr Yaxley has sufficient relevant experience in relation to the mineralisation styles being reported on to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Dr Yaxley consents to the use of the information contained in this announcement in the form and context in which it appears.

The information in this report that relates to exploration data is based on information compiled by Dr Michael Green, who is a full-time employee of PNX Metals Ltd. Dr Green is a Member of the Australian Institute of Geoscientists (AIG No: 4360) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Green consents to the inclusion of this information in the form and context in which it occurs.

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

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JORC TABLE 1

Section 1 - Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

JORC Table 1, Section 1 – Key Classification Criteria

Criteria	JORC Code explanation	Commentary
Sampling techniques	*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.*	Samples used in the Glencoe Mineral Resource estimate (MRE) were obtained through reverse circulation (RC) and diamond (DD) drilling methods completed by three companies (Magnum, Australasia, and PNX from 1985 to 2022.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	DD core has been sawn in half or quarter using a core saw. RC drilling samples were collected at 1 m intervals using a cone splitter mounted on a drill rig at the bottom of the cyclone.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. "RC 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 (e.g. submarine nodules) may warrant disclosure of detailed information.	RC and DD drilling were used to obtain 1 m samples which were pulverised to produce a 30-50 g charge for fire assay or aqua regia digestion with determination by atomic absorption spectrometry (AAS) for gold. A Keegor mill was used to pulverise the samples for Magnum and PNX. A LM5 was used to pulverise Australasia's samples.
Drilling techniques	*Drill type (e.g. core, RC, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	RC and DD (primarily HQ and HQ3) drilling were used to support the preparation of the MRE. The database used for grade estimation comprises drilling carried out when the project was under the ownership of three companies including (listed from the most recent): • PNX Metals Limited (PNX) (2021 to 2022) (PNX) • Australasia Gold (2005 to 2007) (Australasia) • Magnum Resources (1985 to 1987) (Magnum) QAQC samples were routinely submitted throughout the PNX and Australasia drilling campaigns. Drilling data before 2005 is not supported by analytical QAQC data.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Drill sample recoveries are recorded by PNX for both RC chips and DD core. Sample recovery was estimated by weighing every 1 m RC sample bag and approximately 20% of the residue sample bags. Recovery of in-situ regolith and fresh rock was excellent. DD core recovery was also excellent and detailed in the geological logs and captured within the database. Neither RC nor DD recovery information has been located for the Australasia samples. For Magnum DD core recovery was consistently recorded in geological text logs, although not yet incorporated into the digital database. RC recovery information has not been located.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	PNX and Australasia RC drilling was carried out using a face-sampling hammer. Magnum used a 1-meter cross-over sub. The core was cut in half using a core saw.
	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.	No relationship between grade and recovery has yet been identified.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	All core and RC chips were logged in sufficient detail to support the Mineral Resources estimate.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Logging is generally qualitative in nature.
	The total length and percentage of the relevant intersections logged.	All DD core and RC drilling have been geologically logged.
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	DD samples are generally half-core, with the core sawn in half using a core-saw.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	PNX RC samples were collected using a cone splitter mounted at the bottom of the cyclone to collect a 1/8th fraction for assay. The splitter was cleaned at regular intervals to reduce contamination. The nature of the splitter for other RC programs was not recorded.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	**PNX** RC samples were submitted to Northern Australia Laboratories (NAL) in Pine Creek, Northern Territory for assay. Samples were dried, crushed, and pulverized to -75 microns using a Keegor mill, each sample was homogenized within the bowl and a 200 g sub-sample of the pulverized sample was submitted for assay. **Australasia** Samples were submitted to ALS Chemex. Samples were dried and the entire sample was pulverized using an LM5. Gold analysis was completed either by Aqua Regia extraction (Au-OG43) or Fire Assay extraction (Au-AA25) using a 30 g charge. The aliquot size for Aqua Regia analyses is not known. **Magnum** NAL were used for gold analysis using the fire assay method with a 50 g charge.

Criteria	JORC Code explanation	Commentary
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples.	A core saw was used to cut the core in half for DD holes. As far as the Competent Persons are aware, a face sampling hammer has been used for RC sampling by PNX and Australasia, but Magnum used a 1-metre cross-over sub, which can be prone to sample smearing.
	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.	**PNX drilling** RC field duplicates were inserted in the sample stream at a rate of one in every 25 samples. **Australasia and Magnum drilling** Field duplicates were not inserted in the sample stream.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Reasonable precision is noted from the field duplicate results, given the style of mineralisation.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	**PNX drilling** RC samples were submitted to NAL and were dried, crushed and pulverized to -75 microns using a Keegor mill, each sample was homogenized within the bowl, and a 200 g sub-sample of the pulverized sample was submitted for conventional fire assay for gold (FA40 method). **Australasia and Magnum drilling** Samples were submitted to ALS Chemex by Australasia. Gold analysis was completed either by Aqua Regia extraction (Au-OG43) or Fire Assay extraction (Au-AA25) using a 30 g charge. The aliquot size for Aqua Regia analyses is not known. Magnum utilised NAL for sample preparation and analysis. Gold analysis was completed using the fire assay method using a 50 g charge.
	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.	No geophysical tools were used in preparation of the MRE
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	PNX inserted certified reference materials (CRMs or standards) and field duplicates every 25 samples, and three blanks per 100 samples. Australasia inserted CRMs and blanks in the sample stream. The Magnum dataset is only supported by limited QAQC information including a large number of repeat assays for gold, and several twin holes. QAQC results for the PNX and Australasia drilling indicate acceptable levels of accuracy have been established and no material issues with contamination are noted. PNX submitted 76 pulps as Umpire Samples to Bureau Veritas, Adelaide, where they were analysed by 40 g fire assay. These results correlate strongly with their routine pair. PNX submitted 429 pulp re-assays to NAL for auditing. They were analysed by a 40 g fire assay. The re-assays correlate strongly with their routine pair.

Criteria	JORC Code explanation	Commentary
		All QAQC results confirm the robustness of the routine data used to calculate the MRE.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant intersections have been verified by alternative PNX company personnel.
	The use of twinned holes.	Approximately five twin holes have been completed to verify historical intersections. The location and tenor of historical intersections are broadly consistent with modern holes.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	**PNX** Templates have been set up to facilitate geological logging. Once data are finalised they are transferred to Microsoft Excel spreadsheets on the PNX server located in the Adelaide office, which is backed up daily. Digital copies are held on-site and at PNX's Adelaide server. Assay results are received from the laboratory in digital format. **Australasia and Magnum** Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols are largely unknown for historical drilling programs.
	Discuss any adjustment to assay data.	No adjustments were made to the analytical data
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	**PNX** Drill collars have been surveyed using a differential global positioning system (DGPS), to a nominal ±20 cm accuracy in the XY direction. Downhole surveys have been collected using a single-shot Reflex tool at 12 m downhole depth and then at approximate 30 m downhole intervals. No manual adjustments were required to allow for magnetic interference. **Australasia and Magnum** Hole collar data were originally located by tape and compass. These locations were later verified by Crocodile Gold as being accurate. In 2021 PNX located 31 Magnum drill collars and verified them as accurate using a Trimble R2 GNSS DGPS. The accuracy and quality of the collar surveys are unknown but assumed to be within 1 metre. Drill hole data locations use the Glencoe Local Grid system, in which Grid North is approximately 34.5° East of True North.
	Specification of the grid system used.	PNX drill collar coordinates are recorded in GDA94 (MGA Zone 52), then transformed to Glencoe Local Grid via Datamine Discover software, in which Grid North is approximately 34° East of True North. Local Grid pegs located on-site confirm that the MGA-to-Local Grid transformation used by PNX is correct within the expected accuracy. DGPS accuracy and the MGA-to-Local Grid transformation were further confirmed by georeferencing high-resolution aerial imagery from strike.nt.gov.au website. Transformation parameters to convert between GDA94 and Local Grid datum are: GDA94 to Local (origin point 1001) Rotation: 34 28' 37"

Criteria	JORC Code explanation	Commentary
		Scale: 0.999494259 Shift East: -768425.534 Shift North: -8510174.325 Local to GDA94 (origin point 1001) Rotation: -34 28' 37" Scale: 1.000505997 Shift East: 768425.534 Shift North: 8510174.325
	Quality and adequacy of topographic control.	The topographic surface was generated using DGPS points surveyed by PNX in 2021 (Trimble R2 GNSS – to a nominal ±20 cm accuracy in the XY directions). This was combined with existing Trial Pit wireframes, accuracy unknown, although water depths of up to 7 m were confirmed by PNX in one pit manually. DGPS dataset included close-spaced points along the pit edges, collar pickups, and local grid survey pegs. NT Atlas data (ntlis.nt.gov.au) at 1:2500 scale was also used for detail over the existing waste rock mounds – accuracy is stated on the original topographic map sheets as being via digital photogrammetric methods without field verification, with 90% of elevations correct to within half the contour interval of 1 m and expected horizontal accuracy is within 0.5 m at source map scale.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The drill spacing approximates 20–25 m (E-W) by 10–15 m (N-S), reaching up to 50 m between some sections. Magnum drilled two lines of RC holes 2.5 m apart, with 11 holes on each line to enable a more detailed understanding of the gold nature and distribution. A regular grid drilling was not practical due to the complex and irregular distribution of mineralisation. The existing trial pits also limit where collars can be positioned now. The data spacing and distribution are sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource classifications applied.
	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.	The Competent Persons believe the mineralised domains have sufficient geological and grade continuity to support the classifications applied to the Mineral Resources given the drill pattern. Mineral Resource estimation procedures are also considered appropriate given the quantity of data available and the style of mineralisation under consideration.
	Whether sample compositing has been applied.	Compositing was not applied at the sampling stage.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The drilling has been undertaken on sections interpreted to be orthogonal to the strike of the mineralisation. Mineralisation is interpreted to dip between –45° and –90°. Efforts have been made to drill orthogonal to the mineralisation, however, the drilling process is difficult at angles less than 60° to the ground surface. The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have	The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.

Criteria	JORC Code explanation	Commentary
	introduced a sampling bias, this should be assessed and reported if material.	
Sample security	*The measures taken to ensure sample security.*	**PNX** A PNX geologist and field assistant were always present at the RC drill rig while samples were being collected. On completion of logging, samples were bagged and tied for direct transport to NAL. Following assaying at the laboratory, pulps were transported to PNXs' site office at the Cosmo Deeps Mine for storage. A digital catalogue of all stored pulps is also maintained. For DD drilling, the core was collected daily from the rig and transported to PNXs' site office, where it is laid on racks for logging and sampling. The cut samples were bagged, tied and transported directly to NAL. **Australasia and Magnum** Sample and data security measures are unknown.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	PNX submitted 76 pulps as Umpire Samples to Bureau Veritas, Adelaide, where they were analysed by 40g fire assay. These results correlate strongly with their routine pair. PNX submitted 429 pulp re-assays to NAL for auditing. They were analysed by a 40g fire assay. The re-assays correlate strongly with their routine pair.

JORC 2012 Table 1, Section 2 – Key Classification Criteria

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Glencoe Project is situated within a single, granted Mineral Lease ML29679 (ML) within a single, granted Exploration License EL25748 (90% PNX Metals/ 10% NT Mining Operations Pty Ltd). PNX holds a 100% legal and beneficial interest in ML29679 which is subject to a 1% Net Smelter Return royalty capped at $ 1 million. The Glencoe ML is situated within the Ban Ban Springs pastoral lease, parcel number 695. PNX has existing arrangements with the pastoral leaseholders, that govern land access and other obligations for each party and will include Glencoe in this arrangement.
	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.	An Indigenous Land Use Agreement (ILUA) surrounds and follows the main access road, Ban Ban Springs Rd, situated at the western end of the resource and partially covering the resource. It is unclear at this stage what actions if any are needed.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Exploration and related activities at the Glencoe Project can be broadly categorized into the phases listed below. **Magnum Resources Ltd/Magnum Gold NL** 1985 – 1987 – Discovery, drilling programs (auger, RAB, RC, DD) 1988 – Metallurgical test work 1989 – 1990 First trial mining 1995 – Second trial mining (aborted early – material stockpiled) **Australasia Gold**

Criteria	JORC Code explanation	Commentary
		2006 – Optimisation and Scoping Study 2007 – Survey of the Glencoe Local Grid, IP/resistivity survey 2007 – 2008 Drilling programs (RC, DD) **Newmarket Gold NT** 2011 – Heliborne VTEM survey 2012 – Processing stockpiled material 2016 – Environmental and metallurgical test work
Geology	*Deposit type, geological setting and style of mineralisation.*	Glencoe gold mineralisation is hosted by greywacke, sandstone, siltstone and mudstone of the Palaeoproterozoic Mount Bonnie Formation, and is contained within complex quartz veining and shearing spatially associated with the axial regions of shallow plunging anticlines. Gold is also found within adjacent dolerite units. Notable features include: 1) Significant quartz vein mineralisation occurs within sub-vertical to steeply dipping fracture and shear zones. Previous observations note a possible association with more ductile carbonaceous mudstone in these zones. Veins range in width from millimetres scale up to several metres. 2) A second style of mineralised quartz vein has a conformable or 'saddle reef' geometry and occurs as stratabound bodies extending outwards from the sub-vertical to steeply dipping fracture-shear zones. This style is also described as favouring carbonaceous mudstone horizons, and carrying higher gold values. 3) Late-stage chlorite alteration, shearing and brecciation overprints earlier veins to form country-rock breccias with a chlorite matrix. Previous observations note this alteration also appears to enhance gold values in both veins and breccias. Important features of the chemical environment of gold occurrence include: 1) A strong association of gold with sulphides, dominantly pyrite and arsenopyrite. 2) The occurrence of other metals in only trace amounts, most notably copper and bismuth. 3) A close association between chlorite-sericite-pyrite alteration and sulphide-gold quartz vein development. 4) Sulphides have been oxidised in the weathered zone and replaced by iron oxide phases such as goethite and haematite to form fracture coatings or box works. This weathering is interpreted to have resulted in negligible supergene gold re-distribution
Drillhole information	*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:* • *Easting and northing of the drill hole collar*	This report is an update of four previous geological resource estimates. Listing all the detailed material pertaining to the historical reports and for this update would not add any further material understanding of the deposit and geological resource. No detailed exploration results are included in this report.

Criteria	JORC Code explanation	Commentary
	• *Elevation or RL (Reduced Level – Elevation above sea level in metres) of the drill hole collar* • *Dip and azimuth of the hole* • *Downhole length and interception depth* • *Hole length.* *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.*	
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	Weighted average based on core length and gold grade has been applied to composite drill hole assay data.
	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.	There are no aggregate intercepts.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. "downhole length, true width not known").*	Drill intersections occur at various angles to the mineralisation.
Diagrams	*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.*	Relevant maps and diagrams are included in the body of the report.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be*	Individual exploration results are not being reported.

Criteria	JORC Code explanation	Commentary
	practiced to avoid misleading reporting of Exploration Results.	
Other substantive exploration data	*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.*	No substantive exploration data not already mentioned in this table have been used in the preparation of this MRE.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work will focus on testing for the dip and strike extensions to the lodes which define the current MRE.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Relevant diagrams have been included in the body of this report.

JORC 2012 Table 1, Section 3 – Key Classification Criteria

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Logging was completed onto templates using standard logging codes. Laboratory analytical results and various drilling data are validated and migrated into PNX's Excel databases and Datamine tables. Original lab reports and field data are always maintained and backed up on the PNX network.
	Data validation procedures used.	The validation included checking collar locations, keying errors, sudden changes in downhole survey data and/or elevated magnetic susceptibility, missing/erroneous entries for QAQC and Sample IDs, and grid transformations. Other checks such as overlapping sample intervals and missing data are automated by the Datamine StudioRM software. Data quality concerns by field or office staff are recorded in the Comments column. A detailed log of changes and repairs to drill hole data within the model is maintained.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	The majority of PNX's drilling was completed by Dr Michael Green who assumes Competent Person status for the data and geological modelling components of the work. Dr Jim Yaxley completed a site visit accompanied by PNX staff in May 2022.
	If no site visits have been undertaken indicate why this is the case.	Refer to above information relating to site visits
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	Mineralisation interpretations were completed by PNX. Within the broader deposit area, lithology and structure play a critical role in controlling the mineralisation.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>A total of 67 mineralisation models were created. The models were interpreted with consideration of both the bedding-concordant and sub-vertical structural controls.
The mineralised features that were considered to be most important during modelling:
1) medium- to high-grades within the anticline hinge (‘saddle reef’ style), with a variable plunge of around 0 to 30° along the NW-SE-trending anticline fold axis (mostly towards SE, assumed gently refolded)
2) low- to medium-grade bedding-concordant zones extending outward from the axial planar medium- to high-grade gold mineralisation, favouring particular sandstone, greywacke or carbonaceous mudstone units (following limbs of the anticline at around -50° to -70°).
3) high grades within and immediately surrounding lamprophyre dykes, sub-vertical quartz veins and shears (common within but not limited to the anticline hinge).
4) high-grade ore shoots representing intersection lineations between bedding contacts and late NNW-SSE oriented, steeply dipping quartz-arsenopyrite vein zones (resulting in a general plunge of mineralisation of -40° to -60° towards SSE (South Central Zone)).</td></tr>
<tr><td></td><td>Nature of the data used and of any assumptions made.</td><td>Geological logging and mapping have been used to assist with lithological and structural modelling, which guided mineralisation interpretations.
A nominal cut-off grade of 0.3 g/t Au with a maximum internal dilution of 3 metres has been used to define outer mineralisation envelopes, with consideration given to the structural and lithological framework relevant for each lode.</td></tr>
<tr><td></td><td>The effect, if any, of alternative interpretations on Mineral Resource estimation.</td><td>Alternative interpretations are only likely to impact the MRE on a local rather than global basis. There remains some uncertainty regarding small-scale interpretations and correlating features between some sections. Confirmation drilling and pit mapping by PNX has helped rule out some alternative interpretations.</td></tr>
<tr><td></td><td>The use of geology in guiding and controlling Mineral Resource estimation.
The factors affecting continuity both of grade and geology.</td><td>Geological logging and mapping have been used to guide the MRE. Controls on the mineralisation are both lithological and structural, and this understanding has governed the resource estimation approach.</td></tr>
<tr><td>Dimensions</td><td>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</td><td>The MRE is contained within an area defined by a strike length of approximately 1,500 m. The plan-width of the combined lodes varies considerably on a section-by-section basis.
Block model geometry in Local Grid:
<table>
<tr><th></th><th>X</th><th>Y</th><th>Z</th></tr>
<tr><td>Base Point</td><td>3100.00</td><td>1770.00</td><td>130.00</td></tr>
<tr><td>Boundary size:</td><td>1500.00</td><td>400.00</td><td>190.00</td></tr>
</table></td></tr>
<tr><td>Estimation and modelling techniques</td><td>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining,</td><td>The gold concentration for East, Mid-Central, North-Central, South-Central and West Domains was estimated by Ordinary Kriging (OK) and for the smaller Far West Domain was used Inverse Distance (ID) estimator. Estimations were completed using Leapfrog Edge geostatistical software. The Competent Persons considers OK to be an appropriate estimation</td></tr>
</table>

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</td><td>technique for the type of gold mineralisation represented in the Glencoe deposit.</td></tr>
<tr><td></td><td>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</td><td>No mine production records were viewed, however, trial mining was completed and reconciled previously.</td></tr>
<tr><td></td><td>The assumptions made regarding recovery of by-products.</td><td>Only contained gold was estimated, no comprehensive analysis or assumptions have been made regarding the recovery of by-products. It is assumed that there will be no by-products.</td></tr>
<tr><td></td><td>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</td><td>No deleterious elements have been estimated. Metallurgical studies have indicated no material issues are likely with deleterious elements. Metallurgical test-work is ongoing.</td></tr>
<tr><td></td><td>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</td><td>Block sizes of 5x5x5m were chosen as the most appropriate size for the block based on Kriging Neighbourhood Analysis (KNA).
Variography was carried out on composited data from within these domains where sufficient samples were present. The search ellipses and variogram models were aligned parallel to the dipping direction of the interpreted mineralisation for each domain.</td></tr>
<tr><td></td><td>Any assumptions behind modelling of selective mining units.</td><td>No assumptions were made regarding selective mining units.</td></tr>
<tr><td></td><td>Any assumptions about correlation between variables</td><td>No assumptions have been made regarding correlation between variables.</td></tr>
<tr><td></td><td>Description of how the geological interpretation was used to control the resource estimates.</td><td>Mineralisation models were constructed using a cut-off grade of 0.3 g/t Au and a maximum internal dilution of 3 metres to constrain grade estimation. Lithological and structural models were constructed to aid in the interpretation of mineralisation models. Each mineralisation model represents a separate estimation domain.
A total of 67 mineralisation models were constructed.</td></tr>
<tr><td></td><td>Discussion of basis for using or not using grade cutting or capping.</td><td>Different top cuts were assigned to each domain. Values were chosen based on Histograms of composite AU values.
<table>
<tr><th>Domain</th><th>Method</th><th>Top Cut (g/t)</th></tr>
<tr><td>East 001-004</td><td>OK</td><td>8</td></tr>
<tr><td>East 005-011</td><td>OK</td><td>6</td></tr>
</table>
<table>
<tr><th>Domain</th><th>Method</th><th>Top Cut (g/t)</th></tr>
<tr><td>Far West</td><td>ID</td><td>7</td></tr>
<tr><td>North Central</td><td>OK</td><td>20</td></tr>
<tr><td>South Central</td><td>OK</td><td>20</td></tr>
<tr><td>West</td><td>OK</td><td>15</td></tr>
</table>
</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		Mid Central | OK | 10
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	The final block model went under a two-step validation process: • Global validation of the block estimation results included the comparison of summary statistics of the block estimates to the input sample data as well as summary statistics of kriging output variables, such as the slope of regression, kriging variance, kriging efficiency, average number of samples and average distance to the nearest sample. Within the body of the report, a table shows a comparison of block model grades to sample data in each domain. This comparison shows that globally the sample data have been reproduced accurately in the block model with a medium level of low/high-grade smoothing as a result of kriging and inverse distance estimation. • Local validation of the OK estimation process performance in each domain was validated with swath plots of the input composite data and block estimates along Easting, Northing and Elevation. It is obvious that in areas with a sufficient number of samples available for estimation, the estimated block grades correlate well with the drill hole values and data trends are effectively reproduced in the block model. Local validation of the estimation results was also performed by visual comparisons of the block grades to the drill hole data on cross-sections across the North-South direction of the ore body.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages are estimated on a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	The adopted cut-off grade is considered reasonable for Mineral Resources which are likely to be extracted by open-pit methods.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an*	In selecting the cut-off grade, it was assumed that open-pit mining methods would be applied.

Criteria	JORC Code explanation	Commentary
	explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	No major metallurgical issues have been identified which is supported by metallurgical test work; however, work is ongoing. The Glencoe gold deposit has been previously trial mined and processed.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	It is assumed that mining waste can be disposed of following a site-specific mine and rehabilitation plan. Approximately 1 in 10 PNX drill holes spread across the various drilling areas have been selectively assayed for sulphur and arsenic. PNX has selected samples for further geochemical assessment to understand the risk relating to Potential Acid Forming (PAF) rock. Surface water has been tested regularly since PNX acquired the project. There has been limited groundwater sampling using recent RC drill holes. PNX is in the planning stage for permanent Water monitoring bores.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Bulk density determinations adopted the water displacement method (Archimedes method). These were supplemented by wireline logging (geophysical data) such that a total of 1,434 measurements were available.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity,	Samples were not wax coated before immersion.

Criteria	JORC Code explanation	Commentary
	etc.), moisture and differences between rock and alteration zones within the deposit.	
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	There was insufficient data to provide a density estimate for each "domain", so a global estimate was considered the best option.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.*	The following factors were considered in the definition of the Mineral Resource classifications: • JORC (2012) requirements and guidelines; • Experience with similar deposits; • Spatial continuity; • Confidence limit analysis; and, • Geology. An optimisation study on the resource model has been completed and a pit shell using a 1.5 Revenue Factor (RF) has been produced. Any resources outside of this shell have been downgraded in classification to the Inferred category.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	Appropriate account has been taken of all relevant criteria including data integrity, data quantity, geological continuity, and grade continuity.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The MRE appropriately reflects the Competent Person's views of the deposit.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	No audits have been completed
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*	The Mineral Resource accuracy is communicated through the classification assigned to this Mineral Resource. The MRE has been classified in accordance with the JORC Code (2012 Edition) using a qualitative approach. All factors that have been considered have been adequately communicated in Section 1 and Section 3 of this Table. Moderate to high-nugget gold mines are particularly susceptible to Mineral Resource uncertainty. The presence of coarse gold in addition to significant short-scale variability increases the likelihood of "unexpected" resource and financial results. During mining, the potential for poor reconciliation results (both positive and negative) over small production volumes, in particular, is high.

Criteria	JORC Code explanation	Commentary
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	The estimate is stated on a global scale.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	Reliable production statistics are not available for the mined-out areas, which are only minor.