

ASX Announcement

10 November 2022

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



Level 1, 135 Fullarton Road
Rose Park, SA 5067
Australia

Telephone +61 (0) 8 8364 3188
Facsimile +61 (0) 8 8364 4288

info@pnxmetals.com.au
www.pnxmetals.com.au

Chairman's Address – 2022 Annual General Meeting

Dear Fellow Shareholders,

On behalf of the Board of Directors, it is my pleasure to welcome you to the 2022 Annual General Meeting for PNX Metals Limited ('PNX' or 'Company').

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

During the year PNX made significant progress in advancing the integrated development of its wholly owned Fountain Head gold and Hayes Creek zinc-silver-gold projects (Projects) towards a production decision. The positive feasibility study completed in June 2021, confirmed the technical and financial viability our strategy to sequentially develop these projects.

Since its completion, construction projects globally, including those in the mining industry, have been impacted by an unprecedented series of supply chain issues and inflationary conditions which have resulted in significant increases and uncertainty relating to costs, timeframes and delivery schedules. The Company continues to review development options and remains confident that the development of its Projects has the potential to create strong returns for shareholders.

Mineral Resource Estimates (MRE) have been established for each of the four discrete deposits that have been the focus of the development studies to date, namely Fountain Head, Glencoe, Hayes Creek and Mt Bonnie. Recently the Company acquired the Mt Porter gold deposit. The acquisition is consistent with our strategy to consolidate nearby projects which host existing gold, silver or base metals mineral resources to support the proposed Project development. With the inclusion of Mt Porter, the Company's total Mineral Resources now total: 520,900oz of gold, 16.2million oz of silver, and 177,000t of zinc (refer PNX Annual Report for full details).

Our recent focus has been on advancing Government and Environmental approvals and the Company has lodged a second Supplement to the Fountain Head gold Project draft Environmental Impact Statement (EIS) with the NT EPA. The NT EPA has confirmed that it now has sufficient information to complete its assessment of the of the Project EIS however they have indicated delays in approvals due to changes in legislation and limits on internal resources.

In the meantime, PNX will continue to explore its large landholding in the Pine Creek Orogen with a view to increase its resource base. During the year drilling returned solid results from both Fountain Head and Glencoe, highlighting the potential for resource extensions and new mineralised positions. New targets have also been identified in our more than 1,500km² land package that will be tested in the year ahead.

The Board and management remain confident that our exploration work will be successful in growing our resource base and that the completion of development studies, permitting and financing for Fountain Head and Hayes Creek will provide a clear pathway for this exciting production opportunity, that has the potential to deliver strong returns for PNX shareholders.

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

I also take this opportunity to thank all shareholders for your continued support of PNX and I look forward to providing further updates as our activities move forward in 2023.

Graham Ascough
Chairman,
PNX Metals Limited