ASX Announcement
16 December 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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Drilling Extends Gold Mineralisation at Glencoe

- **Drilling successfully confirms extensions to defined mineral lodes at the Glencoe gold deposit; results include:**
  - **4 m at 1.52 g/t Au from 50 m, and**
    - **2 m at 2.50 g/t Au from 86 m in GLRC056**
  - **2 m at 2.81 g/t Au from 28 m in GLRC063**
  - **4 m at 2.35 g/t Au from 13 m, and**
    - **4 m at 1.29 g/t Au from 87 m in GLRC065**
  - **8 m at 1.52 g/t Au from 75 m, including**
    - **3 m at 2.92 g/t Au from 78 m in GLRC054**
- **Several drillholes intersected gold outside the existing MRE, and have extended the strike extent of the Central Mineral Lode by ~200 metres**
- **Further drilling to test new gold targets identified by recent drone mag survey between Glencoe and Fountain Head planned for April 2023**
- **Fountain Head Environmental Impact Statement approval due early 2023**

PNX Metals Limited (**ASX: PNX**) ("**PNX**", "the **Company**") is pleased to announce positive gold assay results from its recently completed reverse circulation (RC) drilling program at the Glencoe gold deposit ("**Glencoe**"). The program comprised 18 RC drill holes for a total of 1,740 metres, and was successful in demonstrating continuity to the east of the Central Zone by approximately 200 metres, and that the gold-bearing quartz veins previously reported at surface (refer ASX release 20 March 2022) extend at depth and to the south, oblique to the main gold mineralisation.

Glencoe currently hosts a Mineral Resource Estimate (MRE) of 2.1 Mt @ 1.2 g/t Au for 79,000 oz Au (77.4% Measured and Indicated Categories) reported in accordance with the 2012 JORC Code (refer ASX release 30 August 2022 including JORC tables, and Table 1 below for further details, including classification) and is located on a granted Mineral Lease approximately 170 km south of Darwin, and 3 km north of PNX's Fountain Head Gold Project development in the Pine Creek region of the Northern Territory (Figure 1).

Managing Director's Comment

PNX Managing Director James Fox said: *"The gold results from our recent RC drilling, in conjunction with interpretation of the recent drone magnetic survey, provide confidence that further gold mineralisation exists outside of the defined Mineral Resource shell at Glencoe. The successful drilling of gold-bearing quartz veins trending north-south supports the larger-scale interpretation of a mineralised corridor extending between Glencoe and Fountain Head. We look forward to testing these targets as soon as possible."*

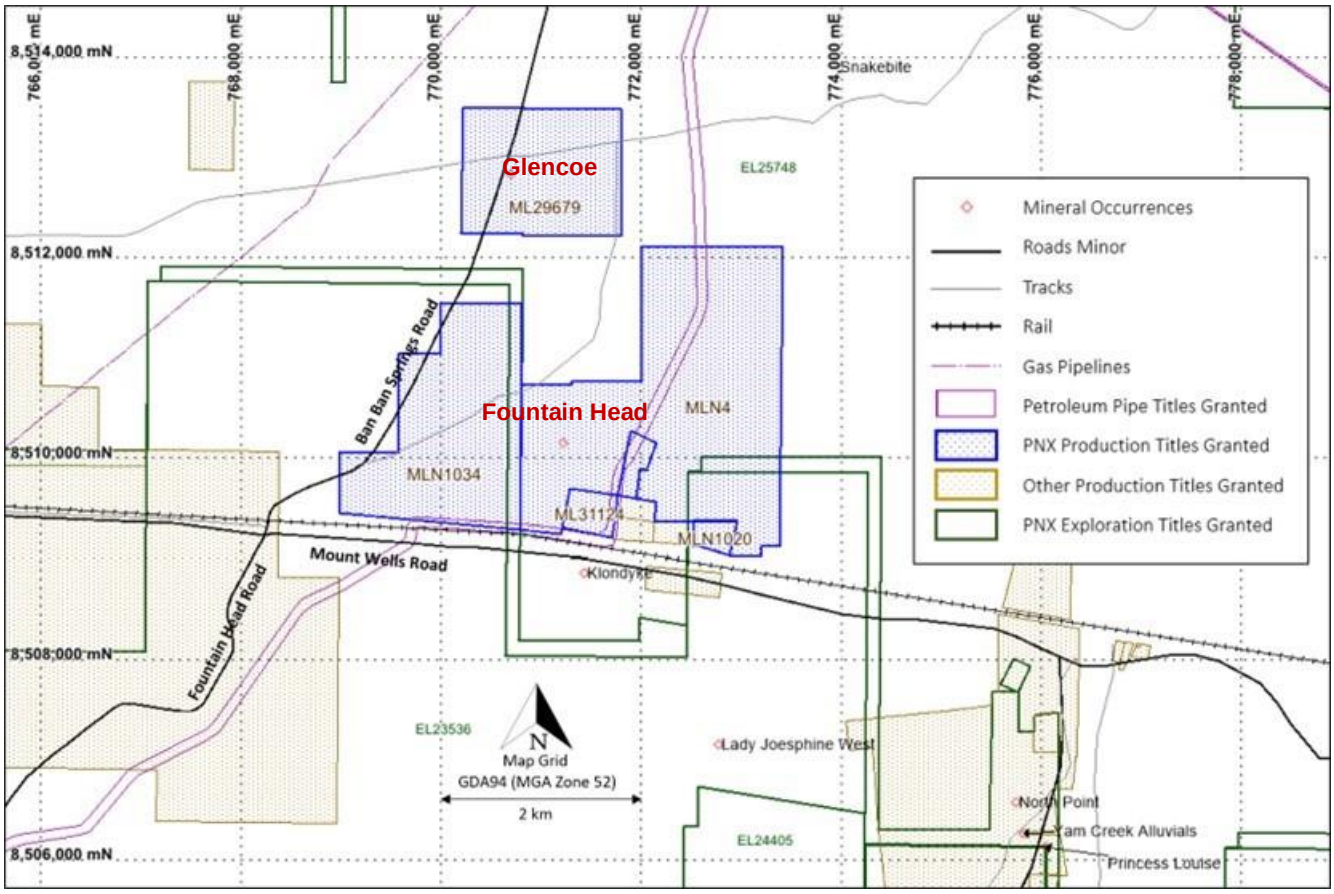

Figure 1: Location map of the Glencoe ML in relation to the Fountain Head Gold Development Project

Discussion of Results

The latest RC drilling at Glencoe has successfully intersected gold mineralisation outside of the existing MRE, and extended the strike extent of Central mineral lode to the SE along the Glencoe anticline by approximately 200 metres.

The delineation of gold mineralisation with a new north-south geometry unlocks the potential for resources beyond those currently estimated, which typically followed the NW/SE-trending anticline, and opens up a significant new zone between Glencoe and the Fountain Head gold project 3 km to the south.

Several approximately north-south-trending faults, identified by the detailed drone-mag survey (refer ASX release 17 November 2022), are interpreted to cut through the Glencoe area and appear to displace the host geology and the main fold-related gold lodes by approximately 40 metres. A fault with a displacement of between 250-400 metres is interpreted immediately west of the West Pit (Figure 2).

The importance of these north-south faults is to be investigated to determine their influence on the location and possible displacement of the known high-grade gold domains.

Summary of Results and Interpretation

The Glencoe RC drill program successfully tested Targets 1, 3 and 4 (Figure 2) where:

- near-surface gold anomalism highlighted along-strike potential from the current (MRE)
- gold-bearing quartz veins oblique to the main gold lodes were identified by surface rock chip samples (refer ASX release 17 March 2022) including:
    - 33.1 g/t Au in GLFS035c,
    - 15.5 g/t Au in GLFS043,
    - 35.8 g/t Au in GLFS046a,
    - 15.9 g/t Au in GLFS046c.

A summary of the significant drill intersections along with drillhole location information is presented in Table 2.

Target 1 - Six RC drill holes (GLRC055-060) were drilled to the north and south of multiple near-surface gold intercepts in limited historic drilling. Five of the six newly drilled RC holes intersected gold mineralisation with best assay results of 4 m at 1.52 g/t Au from 50 m, and 2 m at 2.50 g/t Au from 86 m in GLRC056. The results are consistent with a north-south geometry identified in surface gold-bearing quartz veins and define an approximate 70 metre strike open to the north and south.

Four RC drill holes (GLRC061-064) were drilled approximately 120 m west of the West pit along the interpreted westward extension of fold-hinge gold lodes. All holes returned narrow gold intercepts, with a best result of 2 m at 2.81 g/t Au from 28 m in GLRC063 providing support for further anticline-hosted gold mineralisation to the NW.

Target 3 - Gold mineralisation intersected in four widely spaced RC drill holes (GLRC069-072) has extended the defined mineralised lodes along strike from the Central Pit to the south-east by approximately 200 m. Assay results include 1 m at 4.53 g/t Au from 77 m in GLRC070, and 3 m at 2.92 g/t Au from 78 m in GLRC071.

An approximate north-south fault extends through this zone and appears to displace gold mineralisation across the Central and North Central zones (shown in Figure 2).

Target 4

Near-surface gold mineralisation has been extended by approximately 80 metres south of the South pit oblique to the main orientation of gold mineralisation along the Glencoe anticline.

Four RC drill holes (GLRC065-068) confirm a north-south geometry to modelled gold lodes with best results of 4 m at 2.35 g/t Au from 13 m and 4 m at 1.29 g/t Au from 87 m in GLRC065, and 4 m at 1.26 g/t Au from 5 m in GLRC067.

Targets 2 and 5 (not shown in Figure 2) remain untested and relate to the potential northern extension of mineralisation along the West and North Central zones.

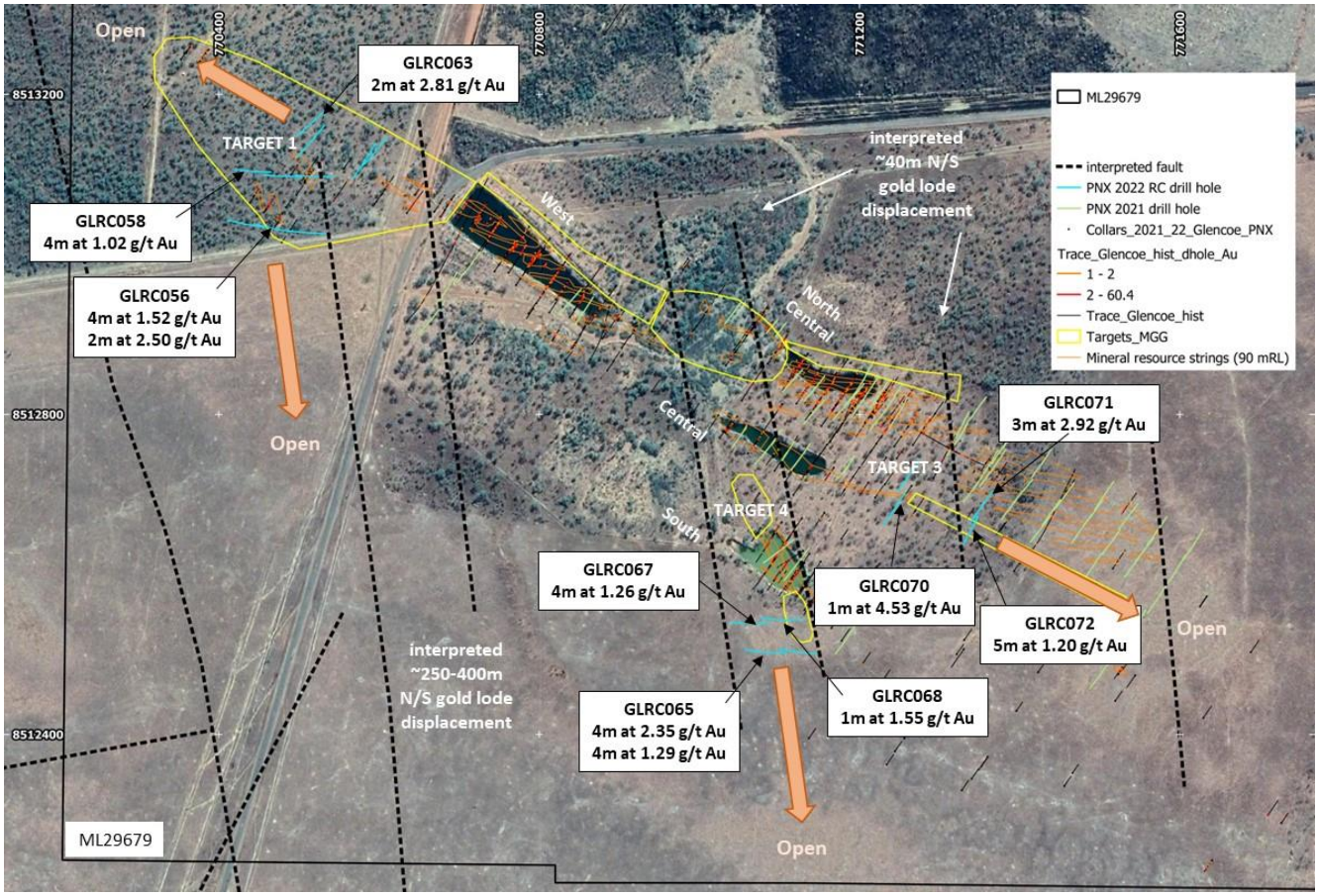

Figure 2: Glencoe November 2022 RC drilling, with interpreted faults shown as dashed lines

Next Steps

The area between Glencoe and Fountain Head, 3 km to the south, is highly prospective for new gold mineralisation. Due to the presence of transported shallow cover, Rotary Air Blast drilling will be used to obtain broad-spaced geochemical information which can then be used to further target zones of interest. The potential exists for additional anticline-hosted mineralisation similar to that at both the Glencoe and Fountain Head gold deposits, and new north-south trending mineralisation associated with gold-bearing sheeted quartz veins.

Glencoe Mineral Resource Overview

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]. 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

Development Strategy

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

A Pre-feasibility Study (excluding Mt Porter) was released in mid-2021 (refer ASX release 17 June 2021) detailing the proposed development strategy.

PNX received draft environmental approval for the Fountain Head Gold Project from the NT EPA in late November. An Assessment Report is to be prepared for the NT Minister for Environment to consider, with formal approval expected early CY 2023.

Competent Person's Statement

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 in this report of the matters based on his information in the form and context in which it appears.

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

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[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).

Table 2: *Significant gold intercepts for Glencoe RC drilling using the Mineral Resource Estimate cut-off grade of 0.7 g/t Au. Note: Au assays for each sample (i.e., initial routine assay plus any lab repeats) have been averaged. These were then averaged across the intercept, weighted by their sample lengths, in order to populate the 'Au g/t' field.*

Hole ID	Type	Easting (m)	Northing (m)	RL (m)	Azimuth (mag)	Dip	Total Depth (m)		From (m)	To (m)	Interval (m)	Au (g/t)
GLRC055	RC	770457	8513034	102	266.5	-60	90.0		51.0	53.0	2.0	1.14
GLRC056	RC	770494	8513029	102	266.5	-60	96.0		50.0	54.0	4.0	1.52
									69.0	70.0	1.0	0.82
									72.0	73.0	1.0	1.00
									80.0	81.0	1.0	0.85
									86.0	90.0	4.0	1.42
								incl	86.0	88.0	2.0	2.50
GLRC057	RC	770537	8513026	102	266.5	-60	90.0	NSI				
GLRC058	RC	770465	8513103	103	266.5	-60	90.0		1.0	4.0	3.0	0.73
								incl	**2.0**	**3.0**	**1.0**	**1.89**
									17.0	22.0	5.0	0.77
								incl	19.0	20.0	1.0	2.59
									46.0	49.0	3.0	0.75
								incl	46.0	47.0	1.0	1.51
									56.0	59.0	3.0	0.76
								incl	56.0	57.0	1.0	1.57
									62.0	63.0	1.0	0.86
									66.0	67.0	1.0	0.96
									79.0	83.0	4.0	1.02
								incl	79.0	81.0	2.0	1.33
									86.0	87.0	1.0	0.78
GLRC059	RC	770503	8513098	103	266.5	-60	96.0		80.0	85.0	5.0	0.77
								incl	80.0	82.0	2.0	1.25
									90.0	96.0	6.0	0.99
								incl	92.0	93.0	1.0	2.13
GLRC060	RC	770542	8513097	103	266.5	-60	90.0		42.0	48.0	6.0	0.77
								incl	46.0	47.0	1.0	2.51
									81.0	82.0	1.0	0.74
GLRC061	RC	770568	8513096	103	31.5	-60	96.0		47.0	50.0	3.0	1.09
								incl	**47.0**	**48.0**	**1.0**	**2.95**
GLRC062	RC	770498	8513122	103	31.5	-60	96.0		34.0	40.0	6.0	0.75
								incl	34.0	35.0	1.0	2.01
GLRC063	RC	770532	8513179	104	211.5	-60	90.0		28.0	30.0	2.0	2.81
								incl	29.0	30.0	1.0	4.24
									52.0	53.0	1.0	0.70
GLRC064	RC	770609	8513147	104	211.5	-60	90.0		7.0	10.0	3.0	0.73

								incl	9.0	10.0	1.0	1.58
GLRC065	RC	771108	8512502	97	266.5	-60	102.0		6.0	25.0	19.0	0.71
								incl	13.0	17.0	4.0	2.35
									33.0	36.0	3.0	0.84
								incl	34.0	35.0	1.0	2.07
									87.0	91.0	4.0	1.29
GLRC066	RC	771147	8512501	97	266.5	-60	96.0		74.0	75.0	1.0	1.07
									89.0	90.0	1.0	1.22
GLRC067	RC	771087	8512539	97	266.5	-60	96.0		5.0	9.0	4.0	1.26
									70.0	71.0	1.0	1.17
									84.0	85.0	1.0	0.76
GLRC068	RC	771128	8512544	98	266.5	-60	102.0		43.0	44.0	1.0	1.55
									48.0	53.0	5.0	0.74
								incl	50.0	51.0	1.0	2.27
									61.0	64.0	3.0	0.75
									90.0	92.0	2.0	0.75
GLRC069	RC	771249	8512705	101	31.5	-60	90.0		6.0	7.0	1.0	1.13
									83.0	86.0	3.0	0.89
								incl	84.0	85.0	1.0	1.63
GLRC070	RC	771231	8512663	100	31.5	-60	90.0		70.0	89.0	19.0	0.78
								incl	77.0	78.0	1.0	4.53
GLRC071	RC	771338	8512664	99	31.5	-60	90.0		62.0	66.0	4.0	0.78
									75.0	83.0	8.0	1.52
								incl	**78.0**	**81.0**	**3.0**	**2.92**
GLRC072	RC	771325	8512631	99	31.5	-60	90.0		6.0	7.0	1.0	0.75
									40.0	52.0	12.0	0.75
								incl	**40.0**	**41.0**	**1.0**	**3.53**
									71.0	76.0	5.0	1.20
								incl	**74.0**	**76.0**	**2.0**	**1.89**

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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. '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.*	• Samples were obtained from Reverse Circulation (RC) chips which were cone-split for sampling • All RC chips were geologically logged by the onsite geologist • Sampling was at 1 m intervals. Samples were submitted for assay in 1 m intervals • Sample were weighed on site. Weights were typically 1.5 to 4 kg • Magnetic susceptibility measurements were taken using KT-10 meter
Drilling techniques	• *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).*	• All RC drilling was from surface with a 5.25" bit with a face sampling hammer. Drilling was carried out by Australian Mineral and Water Drilling Pty Ltd, using a truck mounted Metzke RCD250 Drill Rig • A Reflex downhole survey instrument was used to take single shot positional surveys approximately every 30 m downhole and also at 12 m downhole depth
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Sample recovery was estimated by weighing every 1 m sample. Recovery of in situ regolith and fresh rock was excellent • No relationship has been established between sample recovery and grade.

Criteria	JORC Code explanation	Commentary
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All RC chips have been geologically logged by the onsite geologist at 1 m intervals and chip trays have been retained and photographed • Logging fields include lithology, colour, grainsize, texture, veining, sulphide mineralisation, alteration, recovery and sample moisture • Logging has been aided by using magnetic susceptibility. Portable XRF measurements will be performed on selected pulps when returned from the lab
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All samples were cone split on the drill rig. The splitter was cleaned with compressed air at the end of each rod (6 m) to reduce sample contamination • Duplicate field samples were taken each 25th sample by using a hand-splitter with similar specifications to the cone splitter • Individual samples are placed in individual sample bags and clearly identified prior to submission to the laboratory for assay • The sample sizes are typical for the RC drilling method but caution is warranted given reports of coarse gold during historical mining operations
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.* • *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.* • *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.*	• Original RC samples were submitted to Northern Australia Laboratory (NAL) in Pine Creek, Northern Territory for assay. • 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 (FA40) • PNX submitted certified reference materials and duplicates samples every 25th sample and also submitted blank quartz material to check laboratory analytical and sample preparation quality at a rate of 3 blanks per 100 • NAL have internal QAQC procedures, including certified reference materials, repeats and blanks, results of which are reviewed by NAL prior to reporting to PNX and provided to PNX. • Assessment of the standards, blanks and duplicates shows that a high degree of confidence can be placed in the accuracy and precision of the assay data

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No resampling has been carried out. • No external laboratory assays (umpire samples) have been carried out • No twinned holes were completed during this program. • 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 • Any 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 • No adjustments to assays have been made. Where gold assay data have been repeated by the lab, the average value is used in the significant intersection calculation.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Downhole surveys have been collected using a single-shot Reflex tool at approximate 30 m downhole intervals and also at 12 m downhole depth. No manual adjustments were required to allow for magnetic interference. • Drill collars reported here have only been collected using a handheld GPS (Garmin GLO) and will be surveyed using a differential global positioning system (DGPS) (PNX standard procedure) in due course. • Drill collar coordinates are recorded in GDA94 (MGA Zone 52). • For use in 3D modelling software (Datamine Studio RM), the GDA52 co-ordinate is transformed to Glencoe Local Grid using established reference points. The Local Grid has been confirmed within expected accuracy with the identification of historic drill collars and labelled grid pegs. • DGPS accuracy and the MGA-to-Local Grid transformation were further confirmed by georeferencing high-resolution aerial imagery from strike.nt.gov.au website.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• The 'Exploration' holes have been drilled at 40m, 50m and 100m - spaced drill sections. The 'Resource Definition' holes have been drilled at <40m from surrounding holes • Holes will require spacing of no more than 50m for inclusion into a resource class of Inferred Level, as this has been deemed the maximum distance for establishing geological and grade continuity at Glencoe.

Criteria	JORC Code explanation	Commentary
		• No sampling compositing has been used.
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.* • *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.*	• 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° to ground surface (vertical). An effort has been made to drill orthogonal to the mineralisation, however the drilling process is difficult at angles less than 60° to ground surface. • The relationship between the drilling orientation and the orientation of key mineralised structures is being reviewed to determine whether there is any sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• Logging and sampling were carried out by PNX staff who were on-site during drilling. • Samples were submitted to the laboratory by the same PNX staff. • No third parties have been allowed access to the samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews on sampling techniques and data have yet been carried out for the RC drilling reported herein. • A comprehensive review on sampling and data was completed earlier in 2022 as part of the Mineral Resource Estimate.

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 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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Glencoe Project is situated within a single, granted Mineral Lease ML29679 100% owned by PNX, which is within a single, granted Exploration License EL25748 (90% PNX Metals/ 10% NT Mining Operations). • The Glencoe ML 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. • 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.

Criteria	JORC Code explanation	Commentary

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 Testwork
		  • 1989-1990 – 1st Trial Mining
		  • 1995 – 2nd Trial Mining (aborted early – material stockpiled)
		
		• **Australasia Gold**
		  ○ 2006 – Optimisation and Scoping Study
		  ○ 2007 – Survey of the Glencoe Local Grid
		  ○ 2007 - IP/Resistivity Survey
		  ○ 2007-2008 – Drilling Programs (RC, DD)
		  ○ 2011 – Heliborne VTEM Survey
		
		• **Newmarket Gold NT**
		  ○ 2012 – Processing Stockpiled Material
		  ○ 2016 – Environmental and Metallurgical Testwork

Geology	• *Deposit type, geological setting and style of mineralisation.*	• The main Glencoe gold mineralisation is hosted by greywacke, sandstone, siltstone and mudstone of the Palaeoproterozoic Mount Bonnie, or lower Burrell Creek Formations, and is contained within a complex network of quartz veins and shears spatially associated with the axial region of a shallow plunging anticline. Notable features: 1) 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. 2) 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. 3) Sheeted quartz veins associated with later north-south faulting cut the anticlinal gold lodes and host gold, too.

Criteria	JORC Code explanation	Commentary
		4) Gold mineralisation is associated with pyrite-arsenopyrite-chlorite in the quartz veins, and pyrite-arsenopyrite-chlorite-sericite in the host rocks. • 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 Cu and Bi. 3) There is a close association between chlorite alteration and sulphide/gold/quartz vein development. 4) 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. There is no evidence for supergene enrichment.
Drill hole 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* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole 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.*	• Refer to the main body of this announcement for PNX drill holes.
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All samples for this program were equal to 1m. • No high cut-off grades have been applied. • Reported intersections were classified as significant if they occurred above 0.7 g/t Au average. High-grade samples within intersections are highlighted via an additional entry: 'including' ('incl.'). Each sample assay used for reporting is averaged across any laboratory repeat assays for that sample.

Criteria	JORC Code explanation	Commentary
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 down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• All significant intersections are quoted as downhole widths • Due to the folded nature of some mineralised zones, and unknown geometry of extensions to mineralisation, there is some uncertainty between intersected widths and true widths, however overall confidence is increasing as the 3D model develops
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.*	• Refer to the main body of this announcement
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 practiced to avoid misleading reporting of Exploration Results.*	• All matters of importance have been included
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.*	• All relevant information has been included
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).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Refer to the main body of this announcement