

ASX Announcement

24 May 2023

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 commences at new Glencoe South gold target zone

- **Drilling has commenced to test a potential new gold corridor located <1 km south of the Glencoe gold deposit (Glencoe South)**
- **Glencoe South targets appear to have the same orientation as gold-rich sheeted-quartz veins in the Tally Ho deposit and in the Glencoe pits**
- **Program expected to take up to two weeks to complete with assays up to four weeks thereafter**

PNX Metals Limited (**ASX: PNX**) ("**PNX**" "**the Company**") is pleased to advise that aircore drilling has commenced at Glencoe South.

This work program will comprise broad-spaced drilling of up to 64 aircore holes over a 1.2 km x 700 m area. The aim is to obtain geochemical information relating to the bedrock situated beneath transported cover between PNX's 100% owned Glencoe and Fountain Head gold deposits (Figure 1), located in the Pine Creek region of the Northern Territory.

The prospective gold targets are located within newly delineated magnetic stratigraphy and a north-south structural corridor identified by the 2022 detailed drone-magnetic survey (refer ASX release 17 November 2022), and high-grade surface rock-chips from field mapping that returned assays of up to 35.8 g/t gold (refer ASX release 17 March 2022).

Managing Director's Comment

PNX Managing Director James Fox said: "*We have commenced our 2023 exploration season with a targeted drill campaign in a newly identified structural corridor between Glencoe and Fountain Head, which is highly prospective for gold mineralisation and has limited previous exploration. We will continue to identify and test areas with the potential for significant gold and/or base metals mineralisation, and look forward to the assay results of this campaign over coming weeks.*"

Summary of the Glencoe South Target Area

The drone-magnetic survey generated detailed images of a ~1.2 km wide package of highly magnetic rocks beneath transported sediments between Glencoe and Fountain Head (Figure 1). Based on the known regional geology, the magnetic units are interpreted to be iron-rich horizons within the Koolpin Formation that hosts several nearby gold deposits, including Cosmo-Howley (Agnico Eagle), Mount Porter and Golden Dyke (PNX).

The new, much higher resolution magnetic images also show folds sub-parallel to the known anticlines at Fountain Head and Glencoe which are a common structural control to gold mineralisation in the Pine Creek area.

North-south-trending faults can be traced in the images, and are most intense in a ~1.5 km wide corridor between Glencoe and Fountain Head and are subparallel to the Tally Ho gold lodes at Fountain Head and gold-bearing quartz veins at Glencoe.

Surface rock chip samples at the Glencoe gold deposit identified gold-bearing quartz veins oblique to the main gold lodes; assays included;

- 33.1 g/t Au in GLFS035c,
- 35.8 g/t Au in GLFS046a, and
- 15.9 g/t Au in GLFS046c.

The combination of prospective folded stratigraphy and oblique cross-cutting structures with the same orientation as quartz veins with high-grade gold at the Tally Ho deposit and at Glencoe, indicate that Glencoe South is highly prospective to host new gold mineralisation.

There has been limited previous exploration in the new structural corridor between Glencoe and Fountain Head. Previous work included 8 lines of vacuum drilling completed in 1993-94 that identified anomalous levels of gold, arsenic (a pathfinder element for gold in the Pine Creek region), and base metals. These results are encouraging but were not followed up at the time.

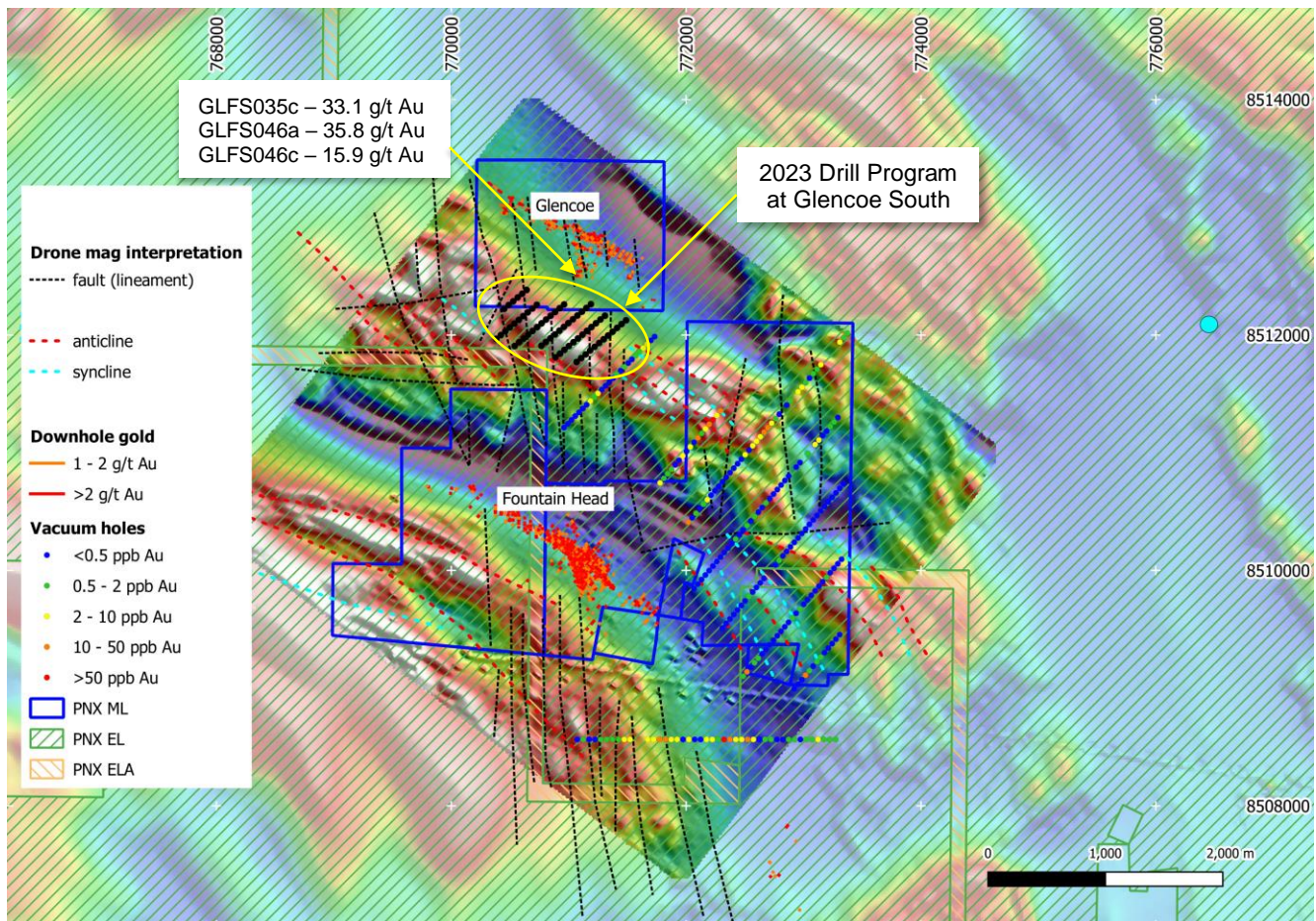


Figure 1: Current drill program with new magnetic imagery from drone survey over PNX’s 100% owned Glencoe & Fountain Head gold deposits. Background image: regional Total Magnetic Intensity

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 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 directly:

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