

Quarterly Activities Report

30 July 2024

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



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ASX: PNX

Issued Capital as at 30/06/2024:
5,970,214,755 Shares

Board & Management:

Executive Chairman: Graham Ascough
Technical Director: James Fox
Non Exec Director: Hansjoerg Plaggemars
Non-Exec Director: Hansjörg Schmidt
Non-Exec Director: Rowan Johnston:
Company Secretary: Katelyn Adams

Top Shareholders as at 30/06/2024:

| | |
|-----------------------------|--------|
| Delphi Unternehmensberatung | 39.54% |
| BNP Paribas Noms Pty Ltd | 6.14% |
| Deutsche Balaton | 5.69% |
| Sochrastem SA | 4.99% |

Share Registry:

Computershare
Investor Services Pty Ltd
Level 5 115 Grenfell Street
Adelaide South Australia 5000
Phone:
1300 305 232 (within Australia)
+61 3 9415 4657 (outside Australia)

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Quarterly Highlights

PNX Metals and Kin Mining (KIN) to merge

- PNX Metals Ltd (ASX: PNX) (“PNX” “the Company”) and Kin Mining NL (ASX: KIN) to merge by way of a Scheme of Arrangement (Scheme), under which KIN will acquire 100% of the PNX shares on issue as announced on 15 April 2024
- Combination set to create a well-funded diversified resource group with high-quality development and exploration assets in WA and the NT spanning gold & silver, base metals and uranium
- A copy of the Scheme Booklet, including the notice convening a meeting of PNX shareholders (Scheme Meeting) and the Independent Expert's Report, was registered by the Australian Securities and Investments Commission (ASIC) on July 18th.
- A copy of the Scheme Booklet was provided to PNX shareholders, together with a personalised proxy form, on 25 July 2024 and the Scheme Meeting will be held on 27 August 2024.

Northern Territory Exploration Activities

- Surface exploration at Thunderball and other uranium prospects including new targets in the Hayes Creek uranium field is underway
- Initial work programs will provide surface sampling across a range of new prospects and, in conjunction with the recent gap analysis of the Thunderball deposit, guide future drilling programs
- PNX to receive NT Government co-funding for a deep diamond hole down-dip of the current Thunderball uranium deposit which will be drilled as part of a broader program planned to commence in September 2024
- Collecting environmental field data to inform and advance the Fountain Head gold and Hayes Creek zinc-gold-silver development approvals and permitting is ongoing

Corporate

- \$0.78M cash on hand at 30 June 2024
- Completion of the Mt Porter gold project acquisition on 12 April 2024 and PNX now holds Mt Porter 100%, free from any future contingent milestone payments. Mt Porter hosts a Mineral Resource Estimate of 681,000t @ 2.2g/t Au for 48,200 oz Au with strong exploration upside (refer ASX Announcement 28 September 2022)
- On 26 April 2024, PNX completed the conversion of the silver stream rights at Fountain Head by issuing 474,590,036 fully-paid ordinary shares in the Company following the termination of certain rights and obligations of the Company and the holders of silver streaming rights

MARCH QUARTERLY ACTIVITIES REPORT

PNX is pleased to present its quarterly activities report for the period ended 30 June 2024. PNX and KIN have agreed to merge by way of a Scheme of Arrangement, under which KIN will acquire 100% of the PNX shares on issue (refer ASX Announcement 15 April 2024). Corporate activity during the quarter focussed on activities related to the transaction including the preparation of the Scheme Booklet. Field work during the quarter focussed on assessment of the Thunderball uranium deposit along with nearby prospects and gold exploration on the Northern Leases of the Burnside project, and ongoing permitting and approval activities for the Fountain Head and Hayes Creek Projects (Figure 1).

PNX to merge with KIN

PNX and KIN have agreed to merge by way of a Scheme of Arrangement, under which KIN will acquire 100% of the PNX shares on issue. Under the terms of the Scheme, each PNX shareholder will receive 1 fully paid ordinary share in KIN for every 13 fully paid ordinary PNX shares held on the Scheme record date. Full details of the Scheme can be found in the Scheme Booklet that has been sent to Shareholders and is available on the Company's Website (refer ASX announcements on 18 July and 25 July 2024).

The merger will create a diversified portfolio of quality mineral assets in Tier-1 jurisdictions across Australia hosting total Mineral Resources in excess of 1.4 Moz gold, 16.2 Moz silver and 177 Kt zinc with significant near-term expansion potential, and multiple highly prospective gold, silver, base metal and uranium prospects. The Merged Group offers compelling value and an exceptional platform for growth with a balance sheet consisting of ~A\$83 million in cash and liquid investments and no debt.

Upon implementation of the Scheme, KIN and PNX shareholders will hold approximately 72% and 28% of the Merged Group respectively.

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal.

The Independent PNX Directors, comprising Graham Ascough, James Fox and Hans-Jörg Schmidt (each an "Independent PNX Director") continue to unanimously recommend that PNX Shareholders VOTE IN FAVOUR of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders.

PNX has received Court approval to convene a meeting of PNX shareholders to approve the Scheme ("Scheme Meeting"). The meeting is to be held on 27 August, 2024. The notice of the Scheme Meeting and a thorough explanatory statement of details of the proposed Scheme, the basis for the Independent PNX Directors' recommendation and the Independent Expert's report ("Scheme Booklet") have been sent to shareholders along with a personalised Proxy form.

A detailed timetable for the Scheme is included in the Scheme Booklet.

Safety and Environment

There were no reportable safety or environmental incidents during the quarter.

Exploration

Uranium

The Pine Creek region is noted as one of the world's largest and richest uranium provinces, containing the Alligator River (Ranger, Jabiluka deposits), Rum Jungle and South Alligator Valley (Coronation Hill, El Sherana deposits) uranium fields (Figure 1).

The Thunderball deposit, where PNX previously reported significant historic drill results, including 15.0 m @ 1.35% U3O8 from 210.0 m in RHCCD005 (refer ASX release 8 February 2024), is located approximately 200 km southeast of Darwin (Figure 1), and was discovered by Thundelarra Exploration Ltd ("Thundelarra") during concerted uranium exploration in the Hayes Creek area between 2008 and 2011. Numerous additional uranium prospects were identified at the time, and a pre-JORC 2012 mineral resource was estimated at Thunderball ("2011 MRE", refer Thundelarra ASX 7 February 2011).

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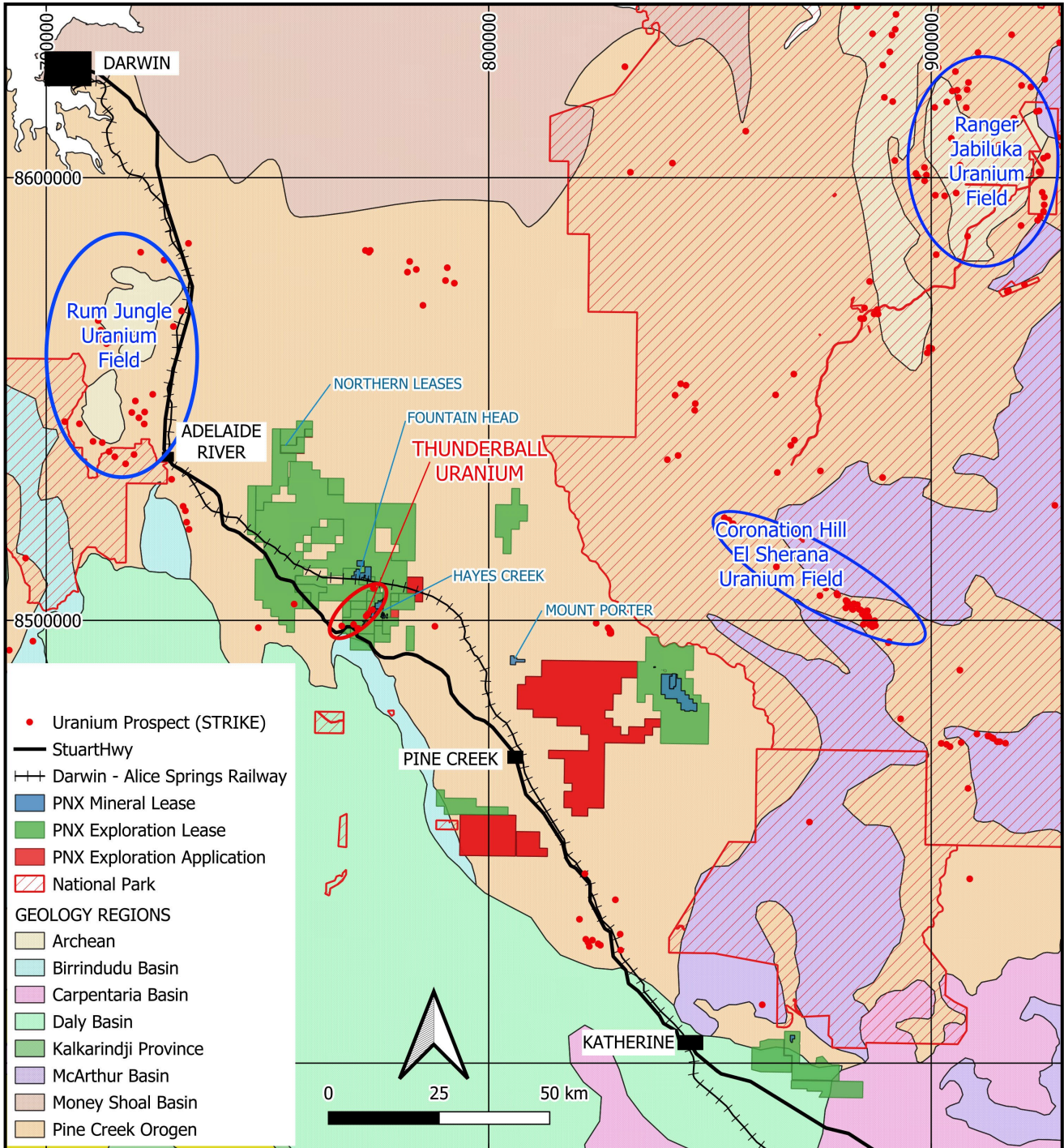


Figure 1: Location of PNX tenure and PNX's main projects, plus uranium prospects and main uranium fields. Background: regional geology (STRIKE Northern Territory Geological Survey).

PNX to receive NT Government co-funding for a deep diamond hole down-dip of the current Thunderball uranium deposit which will be drilled as part of a broader drilling program planned to commence in September 2024, after the proposed merger with KIN.

The planned co-funded diamond drill hole will target extensions of the known Thunderball uranium deposit approximately 450 m down-dip of the historic mineral resource domain (Figure 2). It will also test for additional high-grade uranium lodes sub-parallel to the two known main lodes and provide further insight into the conceptual uranium targets across the regional Hayes Creek Fault (refer ASX release 14 June 2024). The broader drilling program planned at Thunderball will also test several regional uranium targets including Moonraker, Goldeneye

and Thunderball Extended where previous work has identified high grade uranium. Initial field programs to further assess these and other regional targets are underway (Figure 3).

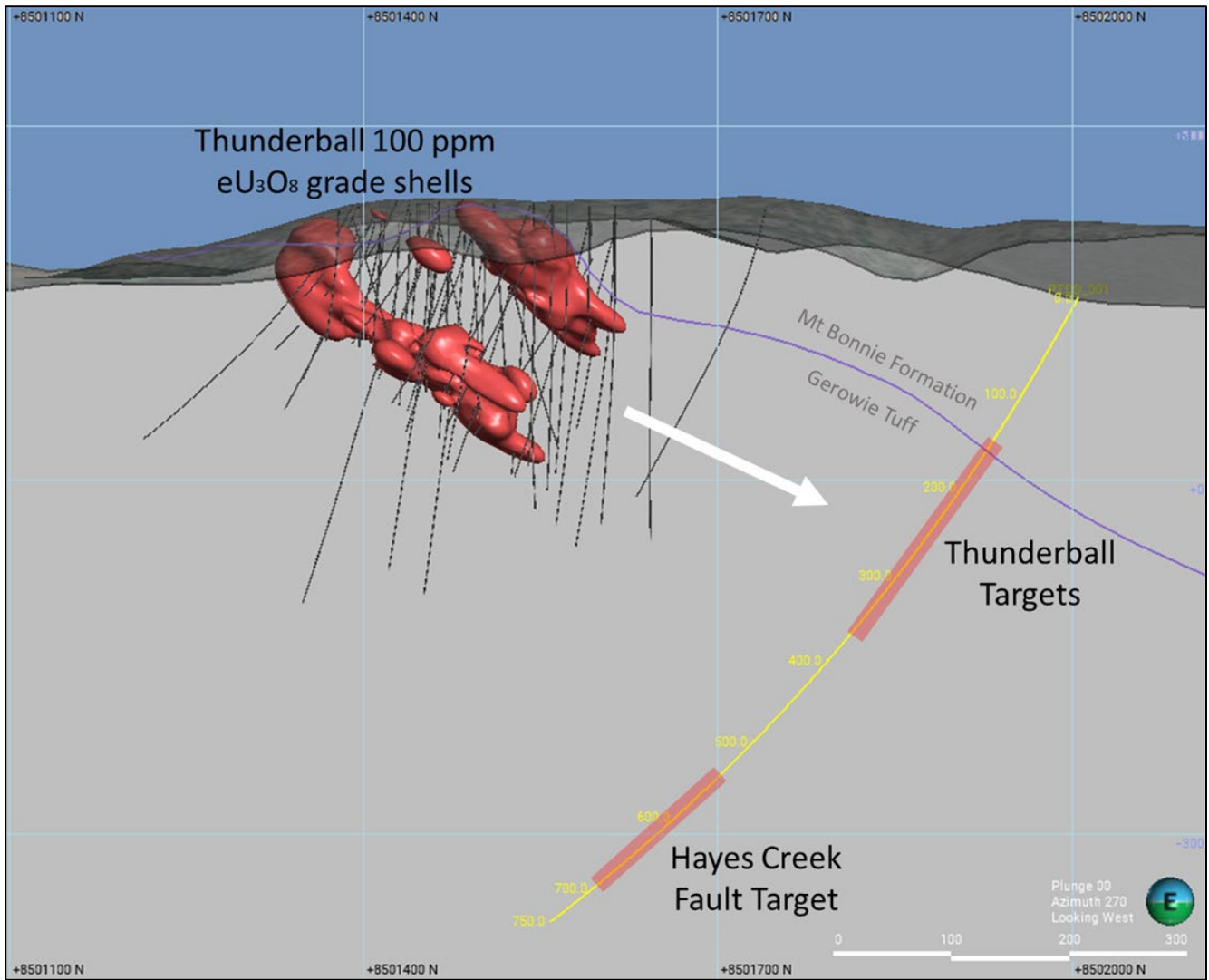


Figure 2: Long section showing targets for the co-funded drill hole at the Thunderball uranium deposit (red) using data from previous company releases.

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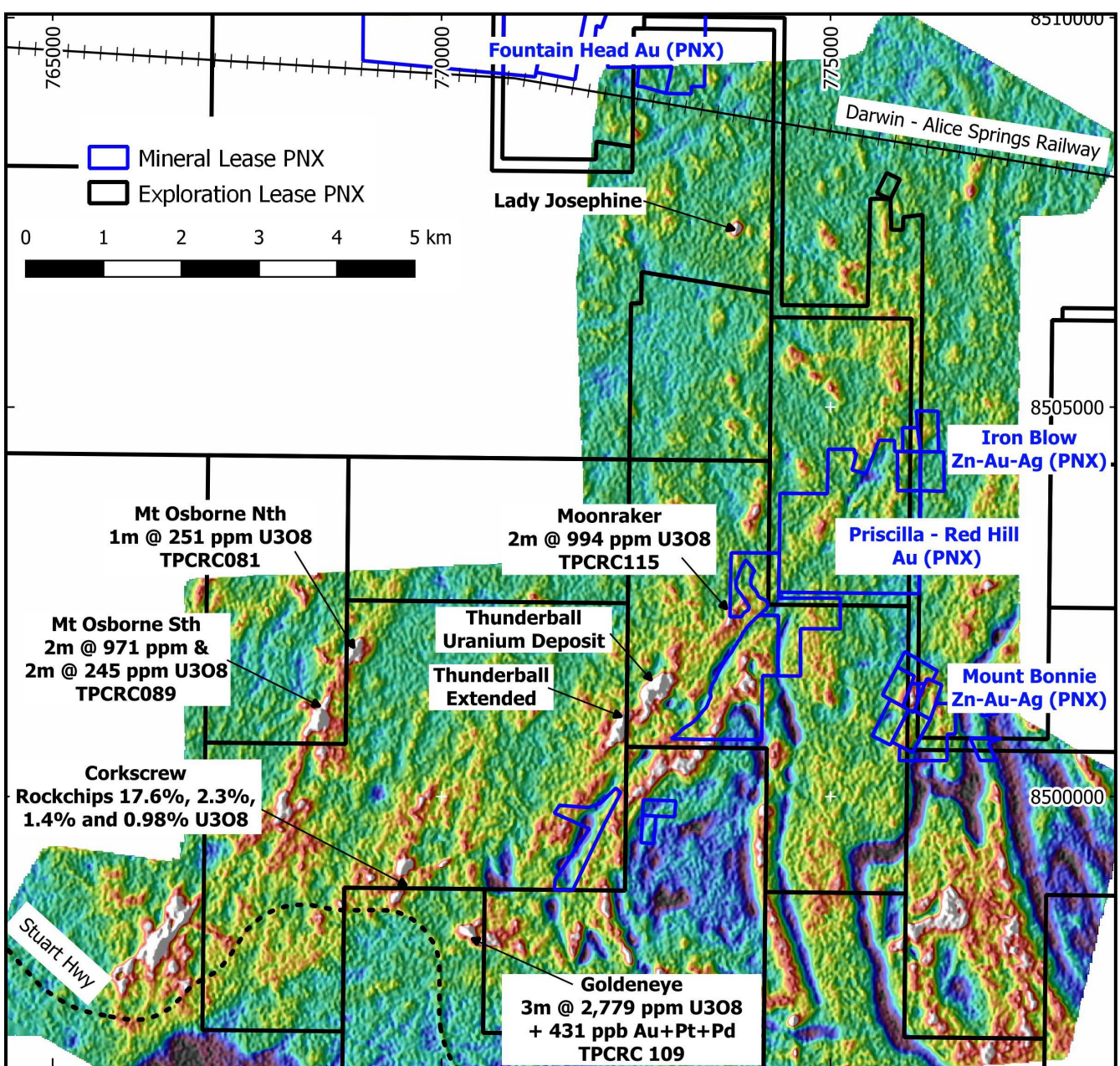


Figure 3: Location of Thunderball uranium deposit and uranium prospects identified by Thundelarra between 2008 and 2011 in relation to PNX's existing Fountain Head gold and Hayes Creek zinc-gold-silver projects. Background is uranium intensity map (heat map with hot colours indicating stronger uranium signal) collected from airborne survey by Thundelarra in 2009.

Northern Leases

The 2023 exploration program on the Northern Leases was successful in identifying two new gold corridors including the discovery of the C6 high-grade gold gossan at surface, and a significant mineralised footprint (>10 g/t gold) in outcrop traced over ~3 km N-S extent.

The initial RC drilling and aircore drilling at C6 and Bartons has not yet identified the source of high-grade gold values, however several areas of elevated gold were intersected that require further assessment. PNX have continued work at C6 and Bartons with further sampling, structural mapping, and integration with the 2023 drone magnetic survey.

Project Development – Fountain Head

Fountain Head and Hayes Creek development update

The field team continues to collect field data to inform environmental studies at the Fountain Head gold and Hayes Creek gold-silver-zinc projects. The Fountain Head Environmental Impact Assessment was approved by the NT's Minister for Environment, Climate Change and Water Security in 2023 (refer PNX ASX 17 February 2023).

Subsequent to environmental approval, PNX submitted a Mining Management Plan ("MMP") to the Department of Industry, Tourism and Trade ("DITT") to permit the development at Fountain Head, with approval pending.

In March 2024, PNX submitted an amended MMP to DITT to permit mining at their Mt Porter gold deposit and the Company is awaiting feedback and approval.

Corporate

Cash on hand at 30 June 2024 was \$0.78 million.

The Quarterly Cashflow Report (Appendix 5B) for the period ending 30 June 2024 provides an overview of the Company's financial activities. Exploration and evaluation expenditure for the reporting period was \$575k. Corporate and other expenditure amounted to \$437k. Payments to related parties and their associates during the quarter and shown in section 6 of the Appendix 5B to this quarterly activities report were \$144k. These payments are related to salaries, superannuation and fees paid to directors during the quarter.

Interim Funding Arrangements

On 15 April 2024 PNX and KIN entered into an unsecured term loan agreement pursuant to which KIN is to provide PNX with up to A\$1.5 million to assist with PNX's transaction costs and working capital during the transaction implementation. The material terms of the interim funding arrangements are provided in ASX announcement 15 April 2024. The A\$1.5 million is to be provided in three tranches over the term of the transaction. At 30 June 2024, A\$1.0 million has been drawn.

Amendments to the Mt Porter and Moline Agreements

As announced on 12 April 2024 PNX reached an agreement with the vendor, Ausgold Trading Pty Ltd (**Ausgold**) and existing Royalty Holders of the Mt Porter gold project, and the purchaser of the Moline project, Sovereign Metallurgical Pty Ltd (a subsidiary of Ausgold) (**Sovereign**) to accelerate the completion of the Mt Porter acquisition and the sale of Moline (ASX announcement 12 April 2024).

Re-negotiation of the existing agreements occurred to enable Mt Porter Completion and title transfer to take place, and to remove any future contingent payments to the vendor, Ausgold, that included up to \$2 million in cash or PNX shares on reaching certain milestones related to mineral resource increases and commencement of mining.

PNX now holds Mt Porter 100%, free from any contingent milestone payments. Mt Porter hosts a Mineral Resource Estimate of 681,000t @ 2.2g/t Au for 48,200 oz Au with strong exploration upside (refer PNX ASX Announcement 28 September 2022).

Under the new agreements:

- PNX issued pre-existing Mt Porter Royalty Holders 115 million fully-paid PNX shares to those Royalty Holders at Completion, so as to discharge an outstanding debt owing by Ausgold and facilitate the removal of caveats held by those Royalty Holders;
- PNX is no longer required to issue any PNX shares to Ausgold to allow for Mt Porter Completion, including the 200 million completion shares, or provide any of the deferred consideration (\$2 million worth of shares or cash on achievement of certain milestones);
- Sovereign's residual payment obligations to acquire the Moline project from PNX has been reduced by \$510,000.

Silver Stream Conversion

On 26 April 2024, The Company issued 474,590,036 fully paid ordinary shares in the Company following the termination of certain rights and obligations of the Company and the holders of silver streaming rights over the Fountain Head Project. Please see the PNX ASX releases dated 8 June 2016 and 4 September 2017 for further details regarding the background to the silver streaming agreements.

Planned Activities September 2024 Quarter

- Subject to receiving shareholder Approval at the Scheme Meeting scheduled for 27 August 2024, implementation of the Scheme is expected to occur on 11 September 2024.
- Field work to further evaluate and prioritise drilling targets at the Thunderball deposit and nearby uranium prospects will be ongoing with drilling scheduled to commence in mid-September.

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

Graham Ascough

Executive Chairman

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TENEMENTS
Northern Territory

| Tenement | Name | Holder | Area Hectare |
|-----------------------------------|-------------------------|------------------------------|----------------------------|
| ML30512 | Mt Bonnie | PNX Metals Ltd 100% | 6.4 |
| ML30589 | Mt Bonnie | | 31.6 |
| MLN1033 | Mt Bonnie | | 4.8 |
| MLN1039 | Mt Bonnie | | 1.2 |
| MLN214 | Iron Blow | | 6.3 |
| MLN341 | Iron Blow | | 14.9 |
| MLN342 | Mt Bonnie | | 13.7 |
| MLN343 | Iron Blow | | 14.9 |
| MLN346 | Mt Bonnie | | 16.0 |
| MLN349 | Iron Blow | | 15.0 |
| MLN405 | Mt Bonnie | | 12.0 |
| MLN459 | Mt Bonnie | | 15.0 |
| MLN811 | Mt Bonnie | | 8.1 |
| MLN816 | Mt Bonnie | | 8.1 |
| Total Hayes Creek | | | 168.0 ha |
| ML33743 ^{&} | Fisher | PNX Metals Ltd 100% | 16.2 |
| ML30936 | Good Shepherd | | 106.0 |
| Total Golden Dyke | | | 122.2 ha |
| ML31124 | Fountain Head | PNX Metals Ltd 100% | 33.5 |
| MLN1020 | Fountain Head | | 12.0 |
| MLN4 | Fountain Head | | 529.9 |
| MLN1034 | Fountain Head | | 304.2 |
| Total Fountain Head | | | 879.6 ha |
| ML29679 | Glencoe | PNX Metals Ltd 100% | 199.0 |
| Total Glencoe | | | 199.0 ha |
| ML23839 ^{##} | Mt Porter ^{##} | Ausgold Trading Pty Ltd 100% | 364.7 |
| Total Mt Porter | | | 364.7 ha |
| ML24173 ⁺ | Moline ⁺ | PNX Metals Ltd 100% | 3126.0 |
| MLN1059 ⁺ | Moline ⁺ | | 418.7 |
| MLN41 ⁺ | Mt Evelyn ⁺ | | 8.9 |
| Total Moline | | | 3,553.6 ha |
| Total Mineral Leases | | | 4,922.4 ha |
| EL28616 ⁺ | Moline ⁺ | PNX Metals Ltd 100% | 262.5 km ² |
| EL31099 | Bridge Creek | | 60.2 km ² |
| EL31893 | Ringwood Station | | 23.4 km ² |
| EL32489 | J25 Anomaly | | 20.0 km ² |
| EL33217 | Stray Creek | | 46.0 km ² |
| EL33479 | Burnside Granite | | 33.4 km ² |
| Total Exploration Licences | | | 445.5km² |

⁺ Divestment of the Moline project (tenements ML24173, MLN1059, MLN41 & EL28616) in the Northern Territory to Sovereign Metallurgical Pty Ltd completed (refer ASX 12 April 2024).

^{##} Acquisition of ML23839 (Mt Porter) from Ausgold Trading Pty Ltd completed (refer ASX 12 April 2024).

[&] ML33743 replaces MLN794 and MLN795

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Northern Territory – Farm-in Tenements

| Tenement | Name | Holder | (Area sq km) |
|-----------------------------------|--------------------|--|--------------|
| Burnside Project * | | | |
| EL10012 | Mt Ringwood | PNX Metals Ltd 90%, NTMO 10% | 14.9 |
| EL10347 | Golden Dyke | | 10.0 |
| EL23431 | Thunderball | | 13.4 |
| EL23536 | Brocks Creek | | 70.4 |
| EL23540 | Jenkins | | 16.7 |
| EL23541 | Cosmo North | | 3.3 |
| EL24018 | Hayes Creek | | 23.4 |
| EL24051 | Margaret River | | 86.9 |
| EL24058 | Yam Creek | | 3.3 |
| EL24351 | McCallum Creek | | 13.4 |
| EL24405 | Yam Creek | | 4.1 |
| EL24409 | Brocks Creek South | | 22.1 |
| EL24715 | Mt Masson | | 56.8 |
| EL25295 | Margaret Diggings | | 10.0 |
| EL33713 | Burnside | | 591.8 |
| EL9608 | Mt Bonnie | 10.0 | |
| Chessman Project * | | | |
| Tenement | Name | | |
| EL25054 | Maud | PNX Metals Ltd 90%, NTMO 10% | 64.0 |
| EL28902 | Maud | | 104.5 |
| ML30293 | Chessman | | 1.1 |
| Rocklands Project # | | | |
| EL10120 # | Rocklands 1 | PNX Metals Ltd – earned-in 100% | 6.68 |
| EL25120 # | Rocklands 2 | | 10.02 |
| EL27363 # | Rocklands 4 | | 6.68 |
| EL25379 # | Rocklands 7 | | 6.68 |
| EL23509 # | Rocklands 8 | | 20.00 |
| ML29933 ^ | Rocklands 3 | PNX Metals Ltd – earned-in 80%, David Trow 20% | 3.54 |
| ML29937 ^ | Rocklands 5 | | 0.85 |
| Total Exploration Licences | | | 1,174.55 |

* PNX Metals Ltd has earned a 90% interest under a farm-in agreement with NT Mining Operations Pty Ltd (Agnico Eagle Australia) (NTMO)

PNX Metals Ltd has earned a 100% interest in the Hardrock Rights under a farm-in agreement with Rockland Resources Pty Ltd (Rockland) and Oz Uranium Pty Ltd Holdings Pty Ltd (Oz).

^ PNX Metals Ltd has earned a 80% interest in the Hardrock Rights under a farm-in agreement with Rockland Resources Pty Ltd (Rockland) and Oz Uranium Pty Ltd Holdings Pty Ltd (Oz). A 20% interest is held by David Trow.

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Northern Territory - Licence Applications

| Exploration Licence Applications | | | |
|---|-------------------|------------------------------|--------------------------------------|
| EL33476 | Salt Trough Creek | PNX Metals Ltd – 100% | 10 Blocks; 32.38 km ² |
| EL33477 | Harriet Creek | | 146 Blocks; 487.03 km ² |
| EL33478 | Copperfield Creek | | 35 Blocks; 116.64 km ² |
| EL33480 | Horners Creek | | 5 Blocks; 16.70 km ² |
| EL33536 | Mt Ringwood Gap | PNX Metals Ltd 90%, NTMO 10% | 5-part Blocks = 1.81 km ² |
| EL33718 | Mount Bonnie East | | 1 Block; 3.34 km ² |
| Total Exploration Licence Applications | | | 657.90 km ² |

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PNX METALS LTD

ABN

67 127 446 271

Quarter ended ("current quarter")

30 JUNE 2024

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|---|----------------------------|--|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | 164 | 213 |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (14) | (19) |
| | (b) development | | |
| | (c) production | | |
| | (d) staff costs | (148) | (293) |
| | (e) administration and corporate costs | (58) | (242) |
| 1.3 | Dividends received (see note 3) | | |
| 1.4 | Interest received | 8 | 20 |
| 1.5 | Interest and other costs of finance paid | | |
| 1.6 | Income taxes paid | | |
| 1.7 | Government grants and tax incentives | | |
| 1.8 | Other (Corporate transaction expenses) | (231) | (231) |
| 1.9 | Net cash from / (used in) operating activities | (279) | (552) |
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | | |
| | (b) tenements | | |
| | (c) property, plant and equipment | | |
| | (d) exploration & evaluation | (561) | (1,026) |
| | (e) investments | | |
| | (f) other non-current assets | | |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|---|----------------------------|--|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | | |
| | (b) tenements | 140 | 240 |
| | (c) property, plant and equipment | | |
| | (d) investments | | |
| | (e) other non-current assets | | |
| 2.3 | Cash flows from loans to other entities | | |
| 2.4 | Dividends received (see note 3) | | |
| 2.5 | Other (payment of bond) | (78) | (78) |
| 2.6 | Net cash from / (used in) investing activities | (499) | (864) |

| | | | |
|-------------|---|------------|------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | | |
| 3.2 | Proceeds from issue of convertible debt securities | | |
| 3.3 | Proceeds from exercise of options | | |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (15) | (15) |
| 3.5 | Proceeds from borrowings | 1,000 | 1,000 |
| 3.6 | Repayment of borrowings | | |
| 3.7 | Transaction costs related to loans and borrowings | | |
| 3.8 | Dividends paid | | |
| 3.9 | Other (provide details if material) | (6) | (11) |
| 3.10 | Net cash from / (used in) financing activities | 979 | 974 |

| | | | |
|-----------|--|-------|-------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 581 | 2,725 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (279) | (552) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (499) | (864) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 979 | 974 |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|---|----------------------------|-------------------------------------|
| 4.5 | Effect of movement in exchange rates on cash held | | |
| 4.6 | Cash and cash equivalents at end of period | 782 | 782 |

| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|--|----------------------------|-----------------------------|
| 5.1 | Bank balances | 782 | 581 |
| 5.2 | Call deposits | | |
| 5.3 | Bank overdrafts | | |
| 5.4 | Other (provide details) | | |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 782 | 581 |

| 6. Payments to related parties of the entity and their associates | | Current quarter \$A'000 |
|---|---|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 144 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | | |
| 7.2 Credit standby arrangements | | |
| 7.3 Other (please specify) | 1,500 | 1,000 |
| 7.4 Total financing facilities | 1,500 | 1,000 |
| 7.5 Unused financing facilities available at quarter end | | 500 |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | <p>Refer to the announcements dated 15/4/2024 "Kin Mining and PNX Metals Merger" 18/7/2024 "Scheme Booklet Registered by ASIC":</p> <p>PNX and KIN have entered into an unsecured term loan agreement pursuant to which KIN has agreed to provide PNX with up to A\$1.5million.</p> | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (266) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (561) |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (827) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 782 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | 500 |
| 8.6 Total available funding (item 8.4 + item 8.5) | 1,282 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 1.6 |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| <p>Answer:</p> <p>The entity had a higher than normal operating cashflows this quarter due to transaction costs incurred for the KIN transaction and other once-off corporate costs.</p> | |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| <p>Answer: The entity announced on 15 April 2024 that it had agreed to merge with Kin Mining (ASX announcement "Kin Mining and PNX Metals Merger"). As part of the agreement Kin Mining has agreed to provide the entity with \$1.5 million of interim funding to assist with transaction costs and working capital.</p> | |

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the company is confident it can continue its operations. As outlined in 8.8.2, the company has secured interim funding for transaction costs and working capital during the transaction implementation.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2024

Authorised by: The Board of Directors of PNX Metals Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.