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

ASX Announcement
12 September 2017

High grade gold with zinc-silver drilled at the Moline Project

- **High-grade gold returned from drilling at the Moline Project**
- **Analysis highlights extensions to mineralisation over three main zones; the School prospect, beneath the historic Moline Pit, and the newly identified Swan prospect**
- **3m @ 7.6 g/t Au from 138m in MORC015 below 7m @ 11.9 g/t Au in MORC002 shows high-grade gold mineralisation continuing at depth at the School prospect**
- **Newly discovered mineralisation at the Swan prospect:**
    - **1m @ 11.37 g/t Au, 128 g/t Ag, 4.66% Zn from 45m (MORC0026) demonstrates potential for mineralisation complementary to Hayes Creek**

PNX Metals Limited **(ASX: PNX)** is pleased to advise that it has completed a 16 hole 1,609 metre reverse circulation (RC) drill program at the ***Moline Project*** (MLN1059 and ML24173), located less than 1.5km off the Kakadu Highway, and approximately 65km to the east of the PNX's Hayes Creek zinc and precious metals Project in the Pine Creek region of the Northern Territory.

The historic mining area at Moline has strong synergies with the Hayes Creek Project where PNX recently completed a Preliminary Feasibility Study (PFS) that confirms the strong potential to establish a low-cost, high-margin zinc and precious metals mine (see ASX release 12 July 2017).

The Company's aim is to delineate high-value gold and/or base metals deposits through near-mine and regional exploration that can be treated through the proposed Hayes Creek processing plant, or through existing free-gold milling infrastructure in the region.

Drilling Completed

The objectives of this program were to follow up on initial drilling in 2016 that tested three mineralised structures partly mined for oxide mineralisation in the early 1990s, and to determine the grade and continuity of unmined primary mineralisation below the oxide zones. Of the 16 RC holes drilled two did not reach target depth; the remainder of the program was successful. Results of the drilling are shown in Table 1, highlights include:

- **3m @ 7.6 g/t Au from 138m in MORC15** at School (Figure 2);
- **2m @ 5.94 g/t Au, 95.5g/t Ag, 2.53% Zn, 0.9% Pb, and 0.26% Cu from 45m in MORC026** at Swan (Figure 3), including
    - **1m @ 11.37 g/t Au, 128g/t Ag, 4.66% Zn, 0.98% Pb, and 0.48% Cu from 45m**
- **3m @ 2.5 g/t Au from 71m** and **9m @ 1.55 g/t Au from 96m in MORC028** underneath the historic Moline pit (Figure 4).

Managing Director Comment

PNX Managing Director James Fox said "*Our second exploration drill program at Moline was completed successfully and has continued to delineate high-grade gold and zinc sulphide mineralisation. Modelling of the datasets will be completed to assess the resource potential and identify new, open areas to drill. We are keen to further explore the base metal association at Moline due to the clear synergies with our nearby Hayes Creek Project.*"

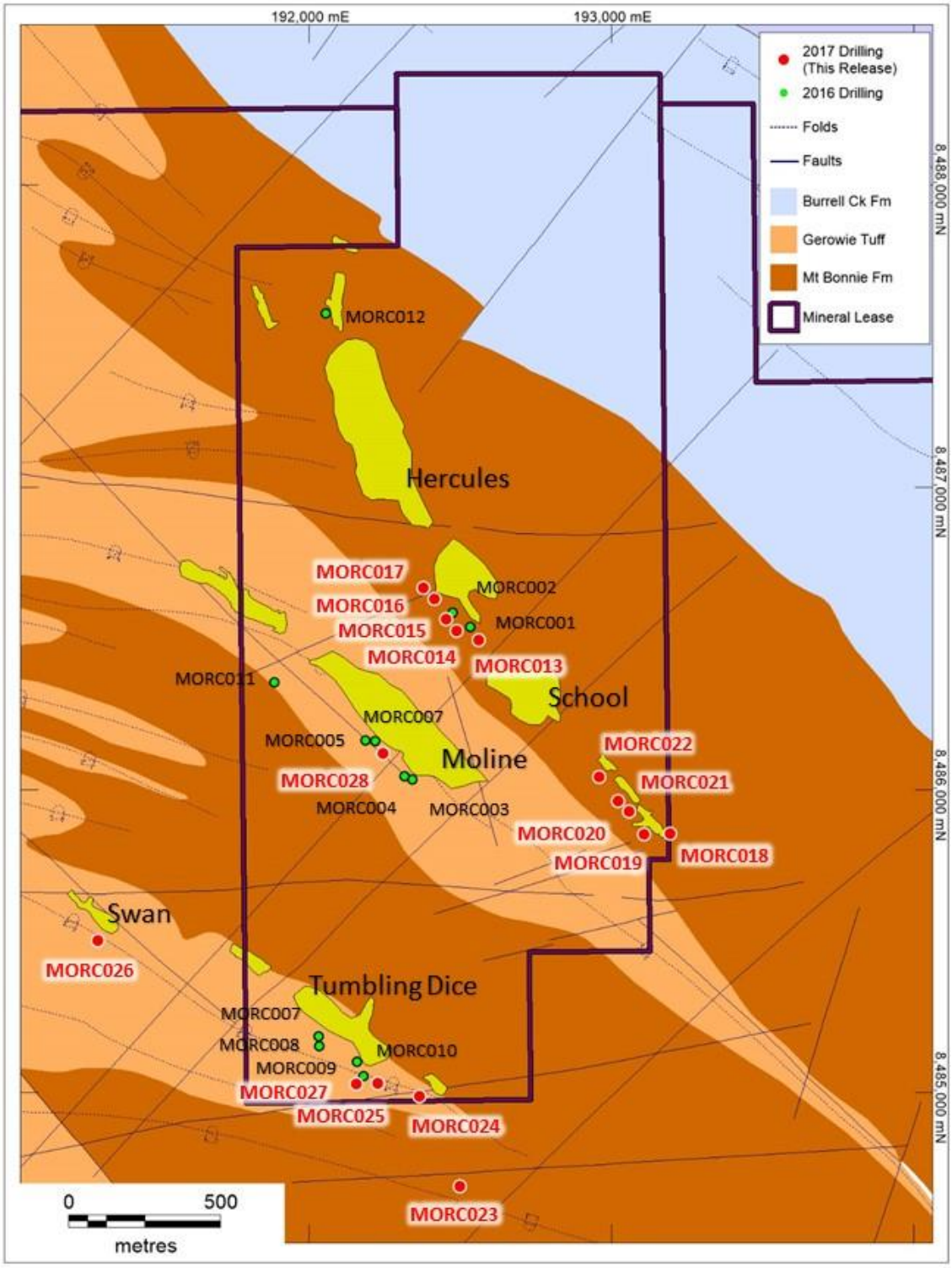

Figure 1: Moline Project drill collar locations

Analysis

The occurrence of new gold and base metal sulphide mineralisation along the Moline and Tumbling Dice line of lode, including the newly discovered mineralisation at the Swan prospect, is particularly encouraging due to the similarities with PNX's Hayes Creek Project. Importantly, very little of the mineralisation discovered to date has been closed off at depth.

A 1 to 3 metre true thickness continuous base metals sulphide zone, spatially associated with gold mineralisation, has been defined over an approximate 350m strike length below the limit of the historical Moline pit.

A high-grade gold shoot controlled by cross structures intersecting the main lines of lode, has been encountered at the School prospect. The depth extent of this high-grade gold mineralisation is now in excess of 100m (Figures 2 and 5).

The two drill programs completed to date in conjunction with existing datasets have provided sufficient information to allow modelling to take place in order to assess the resource potential, and to assist with identifying new areas to target with further drilling.

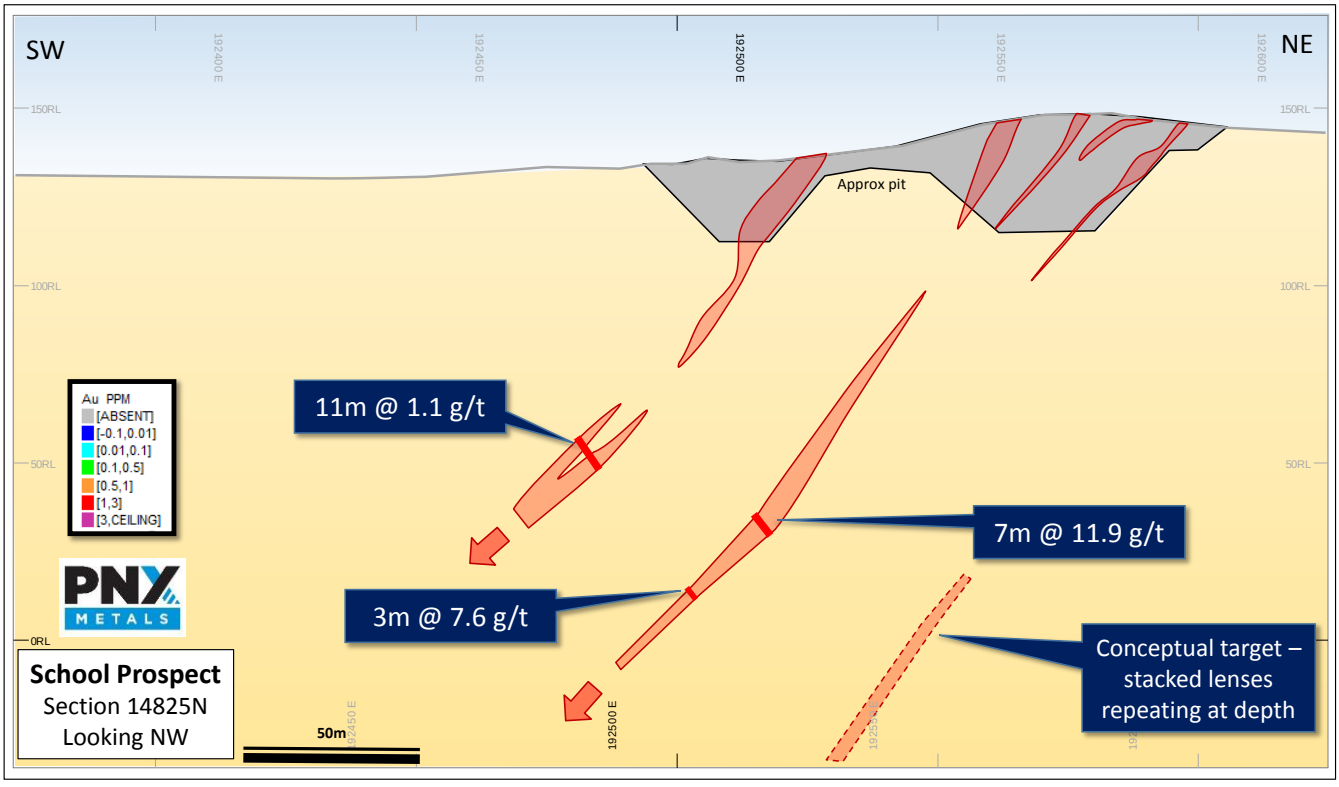

Figure 2: School Prospect section

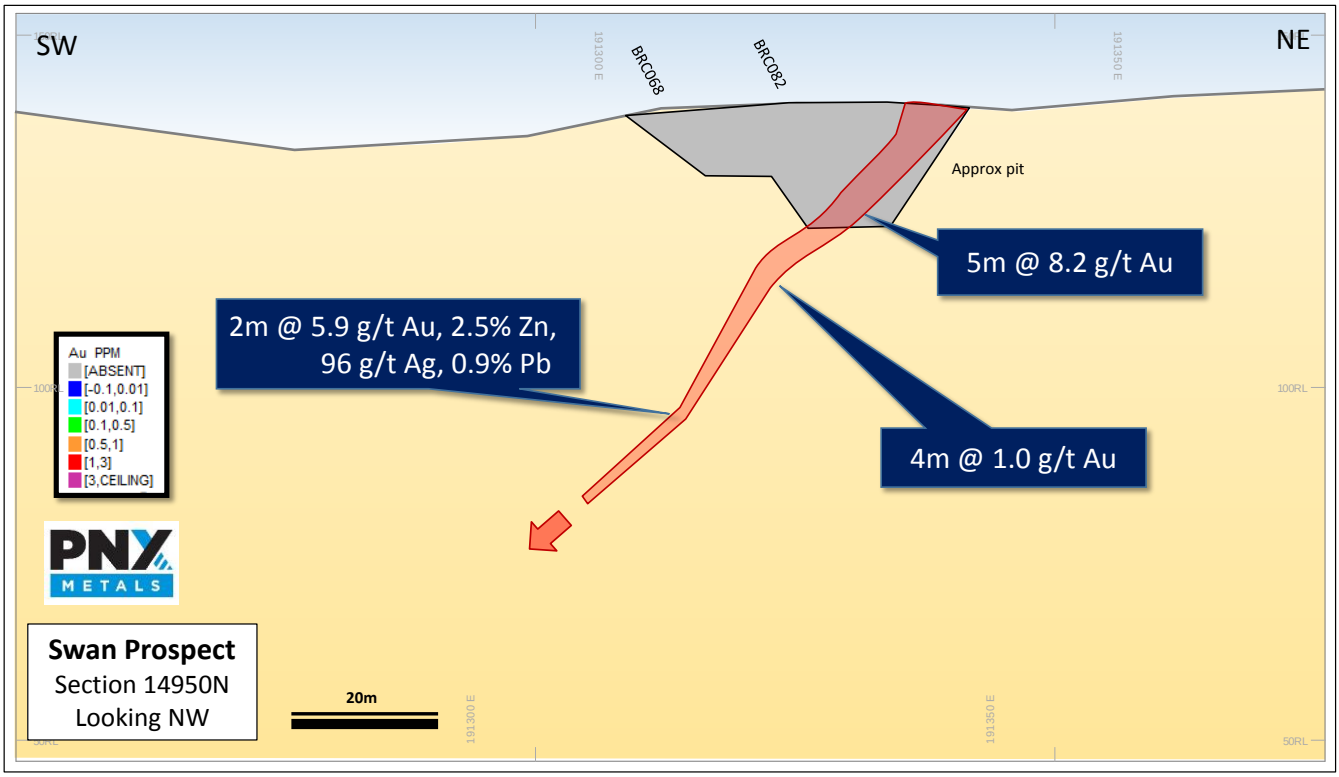

Figure 3: Swan Prospect section

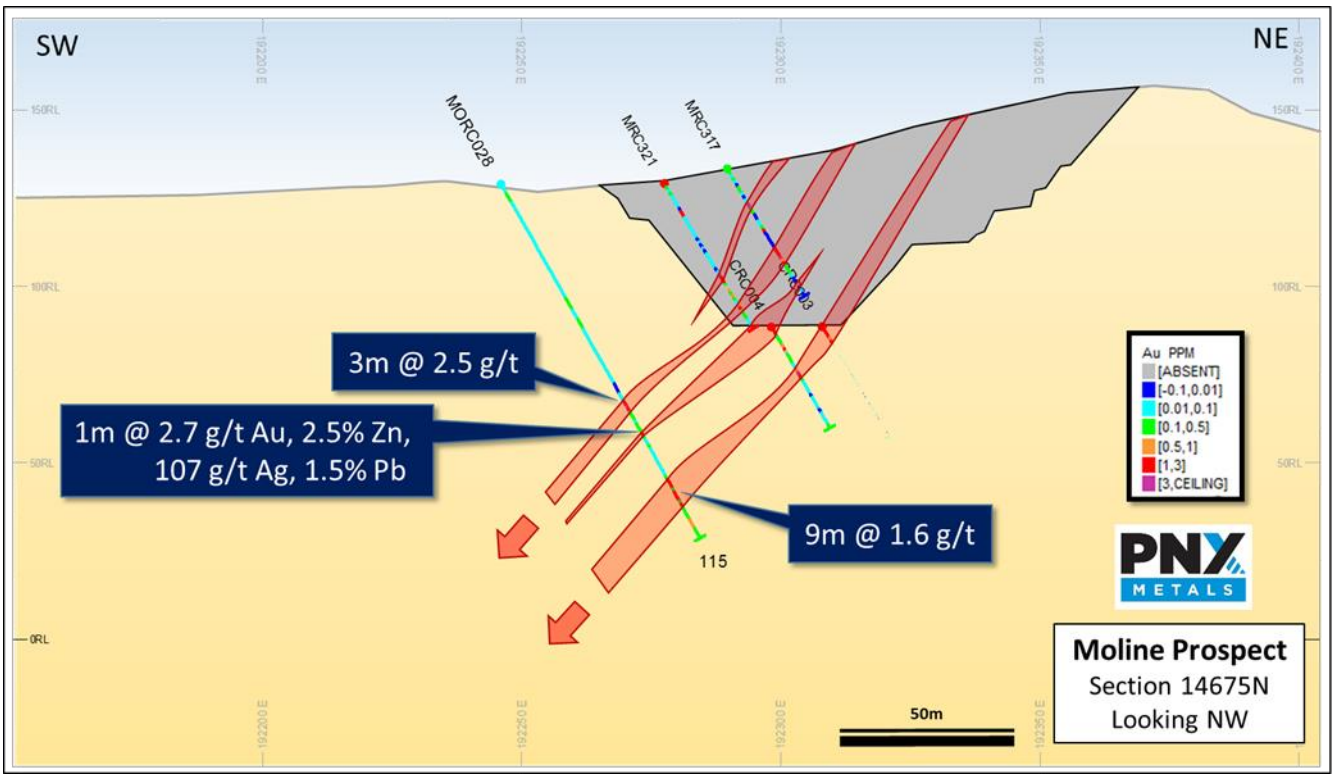

Figure 4: Moline Prospect section

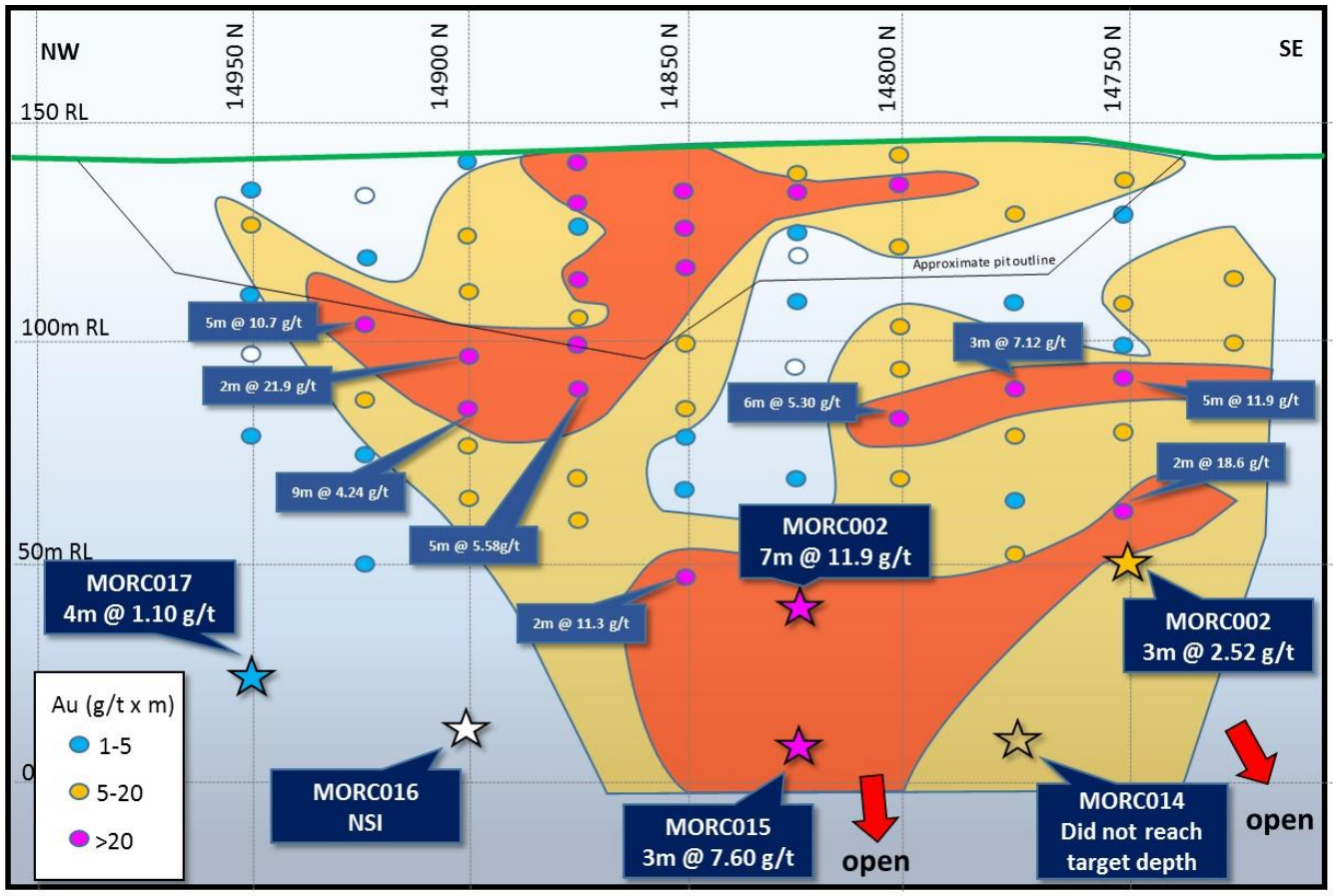

Figure 5: School lower lode long-section

Upcoming Exploration Program Fully Funded

With the recently announced successful Capital Raising, PNX is well funded to undertake an aggressive zinc and base metals exploration program at its Burnside and Moline Exploration Projects, including:

- Induced Polarisation and gravity surveys over a number of high-priority zinc, copper and lead targets;
- Reverse circulation and diamond drilling of the highest priority targets; and
- Regional exploration across the Company's ~1,700km^2 Burnside, Moline and Chessman Projects, comprising mapping, rock chip and soils sampling (PNX 51% earning to 90%).

Further information will be made available as the programs progress.

About PNX's Regional Exploration Projects

The Burnside, Moline and Chessman Projects form part of PNX's farm-in agreement with TSX-listed Kirkland Lake Gold Ltd (TSX:KL). PNX currently holds a 51% interest (excluding uranium) in these project areas, which consists of 19 Exploration Licences and 4 Mineral Leases covering approximately 1,700km^2 in the Pine Creek region of the Northern Territory (Figure 5).

PNX has proceeded to the second stage of the farm-in whereby it can increase its interest in each of the tenements to 90% (excluding uranium) with expenditure of $2 million by 15 December 2018, with approximately $1 million of that having been spent already.

Background to the Hayes Creek Project

PNX's recently completed PFS over the Project confirmed it to be a promising future low-cost, high-margin zinc and precious metals mine (see ASX release 12 July 2017).

The PFS was based on the development of the Iron Blow and Mt Bonnie zinc-gold-silver deposits in the Project area, which are located less than 3km apart on wholly owned Mineral Leases within the Pine Creek region of the Northern Territory, 170km south of Darwin (Figure 6).

The PFS forecasts the Project to generate an NPV_{10} of $133 million, based on net smelter revenue from the sale of zinc and precious metals concentrates of $628 million over a 6.5 year mine life. With a low $58 million initial capital expenditure requirement, the Project is forecast to have a 73% IRR, and very short pay-back period of 15 months.

Hayes Creek is located in a favourable mining jurisdiction where the development scenario considers and utilises existing infrastructure that includes rail, road, high voltage power lines and water, further enhancing Project fundamentals and lowering development risks.

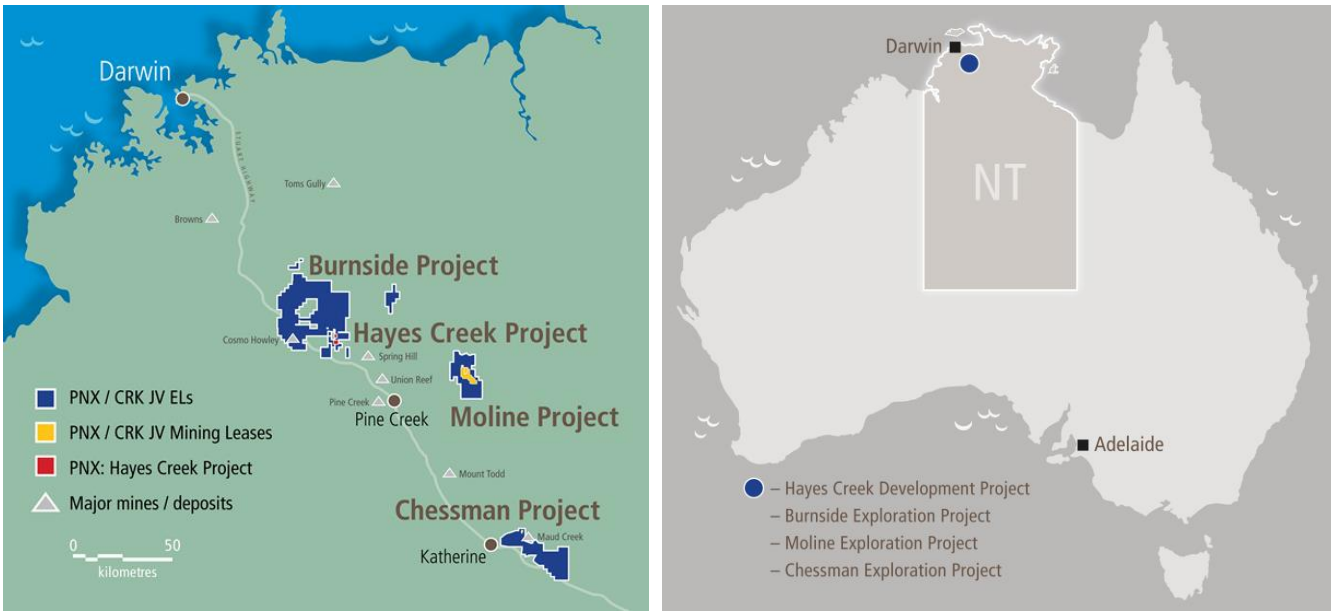

Figure 6: NT Project locations

~ ENDS ~

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

James Fox
Managing Director & CEO
Telephone: +61 (0) 8 8364 3188

Table 1 *– Drill hole assay summary Moline project (Grey 2016 drilling, Yellow 2017 drilling)*

Hole ID	East MGA	North MGA	Dip	Azi MGA	Total Depth		From	To	Int.	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)
MORC001	192534	8486544	-60	43	121		68	77	9	2.66	2	0.31	0.02	-
						and	102	105	3	2.52	-	-	-	-
MORC002	192475	8486591	-60	43	145		69	70	1	0.95	-	-	-	-
						and	115	122	7	11.89	-	-	-	-
						incl	116	119	3	23.79	-	-	-	-
MORC003	192341	8486038	-60	43	136		89	91	2	4.66	177	4.92	4.41	-
						and	101	102	1	1.46	6	0.06	0.04	-
MORC004	192315	8486050	-60	43	151		89	91	2	1.91	14	0.71	0.08	-
						and	102	103	1	1.09	3	0.4	0.02	-
						and	108	110	2	1.53	4	0.61	0.02	-
						and	123	124	1	1.01	-	-	-	-
MORC005	192186	8486169	-60	43	135		67	68	1	2.09	-	-	-	-
						and	89	92	3	1	-	-	-	-
						and	118	129	11	1.41	8.6	0.45	0.28	-
MORC006	192218	8486166	-60	43	133		10	12	2	1.49	-	-	-	-
							46	48	2	1.42	1.5	0.65	0.1	-
						and	60	61	1	4.36	-	-	-	-
						and	92	101	9	2.57	-	-	-	-
MORC007	192031	8485191	-60	43	100		35	36	1	1.5	-	-	-	-
						and	63	66	3	2.04	-	-	-	-
MORC008	192034	8485158	-60	43	109		64	65	1	0.81	1	0.67	0.07	-
MORC009	192158	8485107	-60	43	127		49	50	1	2.08	-	-	-	-
						and	57	67	10	1.67	2.4	0.97	0.21	-
						and	71	73	2	1.08	-	-	-	-
MORC010	192180	8485058	-60	43	125		12	15	3	2.49	-	-	-	-
						and	78	108	30	2.29	3.2	0.7	0.21	-
						incl	100	103	3	6.58	-	-	-	-
MORC011	191886	8486360	-60	43	115		81	83	2	0.92	-	-	-	-
MORC012	192055	8487579	-60	77	100	NSI								

Hole ID	East MGA	North MGA	Dip	Azi MGA	Total Depth		From	To	Int.	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)
MORC013	192562	8486501	-60	43	132		27	28	1	1.01	-	-	-	-
						and	36	40	4	1.05	-	-	-	-
MORC014	192488	8486531	-60	43	126	NSI (drilled short, plan to deepen)								
MORC015	192453	8486568	-60	43	180		85	96	11	1.06	-	-	-	-
						and	106	107	1	1.06	-	-	-	-
						and	138	141	3	7.6	-	-	-	-
MORC016	192414	8486636	-60	43	156	NSI								
MORC017	192378	8486673	-60	43	168		122	123	1	1.01	-	-	-	-
						and	138	142	4	1.10	-	-	-	-
MORC018	193195	8485860	-60	43	84	NSI								
MORC019	193109	8485858	-60	43	84		68	70	2	1.45	-	-	-	-
MORC020	193059	8485934	-60	43	54	NSI								
MORC021	193023	8485968	-60	43	48	NSI								
MORC022	192959	8486048	-60	43	60		7	8	1	1.00	-	-	-	-
						and	38	40	2	1.39	-	-	-	-
MORC023	192499	8484695	-60	43	42		35	36	1	1.23	-	-	-	-
MORC024	192365	8484992	-60	43	48		12	14	2	2.12	-	-	-	-
MORC024	192365	8484992	-60	43	48	Main zone not tested, did not reach target depth								
MORC025	192227	8485036	-60	43	102	NSI								
MORC026	191301	8485506.5	-60	43	60		45	47	2	5.94	95.5	2.53	0.90	0.26
						incl	45	46	1	11.37	128.0	4.66	0.98	0.48
MORC027	192157	8485032.3	-60	43	150		118	128	10	0.61	-	-	-	-
							139	142	3	0.09	-	1.21	0.07	-
MORC028	192244	8486125	-60	43	115		71	74	3	2.50	-	-	-	-
							81	82	1	2.71	107.0	2.45	1.47	-
							96	105	9	1.55	-	-	-	-

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 (eg '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.*	• All samples are RC chips • All samples were split using cone splitter mounted to the bottom of the cyclone to obtain a representative sample for analysis • Sample intervals were 1m in mineralised areas and composited to no more than 4m using a spear in non-mineralised areas • Sample weights were typically 2-3kg • Magnetic susceptibility measurements were taken using a portable KT-10 Magnetic Susceptibility Meter device • Field portable XRF measurements taken for 34 elements (Ca, Ti, V, Cr, Mn, Fe, Co, Ni, Cu, Zn, As, Rb, Sr, Zr, Mo, Ag, Cd, Sn, Sb, W, Hg, Pb, Bi, Th, U, Pd, S, Ba, K, Cs, Sc, Se, Te, and Au) using an Niton XL3T 500 device
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 drilling was RC drilling from surface with a 5.25" face sampling hammer. Drilling was carried out by Geo Drilling of Bachelor, Northern Territory
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 visually by inspecting the size of the sample collected, and recording this in the geological log at 1m interval. Excellent recovery was obtained • The majority of samples were kept dry during RC drilling, but the deeper samples were typically wet, which results in a poorer quality sample due to loss of fines
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 RC chips have been geologically logged by the PNX onsite geologist at 1m intervals and chip trays have been retained and photographed • Log fields include lithology, colour, grainsize, texture, veining,

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	sulphide mineralisation, alteration, strength, recovery and sample moisture • Logs have been aided by the use of magnetic susceptibility and portable XRF measurements on each metre sample
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 within the mineralised horizon were collected at one metre intervals into a pre-labelled calico bag mounted to the bottom of the cone splitter outlet. • Samples outside the mineralised horizon were collected at one metre intervals and a composite made up of to 4m by using a spear of each residue bag • Both 1m and composited samples were subject to routine duplication in the field at a rate of 1 duplicate for every 25 samples to test sampling representivity. No material sampling bias was observed • Individual samples are placed in individual sample bags and clearly identified prior to submission to the laboratory for assay • The sample sizes are appropriate for the grain size of the material being sampled
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.*	• Samples were submitted to Northern Australian Laboratories (NAL) in Pine Creek, Northern Territory • After crushing and pulverizing to – 100 microns, each sample is roll mixed on a rubber mat after pulverizing, a barren flush is pulverized between each sample. A sub-sample of the pulverized sample is submitted for conventional fire assay for gold (FA50). Selected samples were submitted for a base metal suite including Cu, Pb, Zn, As, Ag, S, Fe, Mn, Cd, Bi and Sb analysed by ICPOES after a four acid digest (“G400I”) • NAL conducts internal standards and blanks results which are reviewed prior to reporting to PNX • Commercially obtained standard reference samples are also submitted at a ratio of 1 for every 25 samples with the assay samples as part of the sample number sequence • In addition to the laboratory standards, PNX inserted field duplicate samples at a ratio of 1 for every 25 samples. • Blank (zero value) samples are also included at a ratio of 3 for every 100 samples to check against contamination between samples in the laboratory • Assessment of the standards, blanks and duplicates shows that a high degree of confidence can be placed in the accuracy and

Criteria	JORC Code explanation	Commentary
		precision of the assay data
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 additional verification of historical data has been undertaken and no adjustments have been made • No holes have been twinned • All logging has been carried out using standardised logging codes to professional standards. All geological and sampling information has been entered into digital formats for validation • All hard copies of information are stored on site. Digital copies are held on site and at PNX Adelaide office on a backed-up server • No adjustments to assays have been made. Where gold assay data has been repeated by the lab (for all samples >1 g/t), the average value has been reported
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.*	• Drillhole collar coordinates were obtained by standard GPS with nominal 5m accuracy and elevations have been estimated from the DTM available from detailed aerial geophysical surveys. Differential GPS pick-ups are planned • A GlobalTech Pathfinder single-shot survey tool was used by Geo Drilling at regular intervals (approximately every 30m downhole) as instructed by PNX's on-site geologist to monitor the downhole position.
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.*	• Drilling undertaken by PNX was carried out at selected locations only, however historical data exists at typically 25m section spacing throughout the areas previously mined. The new drilling occurs underneath the previous drilling (refer map in report). • The previous drilling was considered sufficient to define Mineral Resources and Ore Reserves in the early 1990's, however validation of this data has not been completed, and so any mention of tonnes and grade are considered "historical" at this stage. PNX intends to complete validation of the historical results so that the data can be used in future mineral resource estimates. • Compositing of samples has only been carried out outside of the mineralised horizons.
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Drilling was oriented toward approximately 043 MGA grid (039 magnetic) to intersect the mineralisation approximately perpendicular to its trend. Mineralisation appears to be mostly stratabound,

Criteria	JORC Code explanation	Commentary
geological structure	• *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.*	however there are mineralised cross-structures known to be present which will not be tested by these holes at the optimal orientation • Any biasing effect is yet to be determined
Sample security	• *The measures taken to ensure sample security.*	• Logging and sampling has been carried out by PNX personnel on site and samples submitted to the laboratory by the same people • 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 have been carried out at this point

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.*	• Drilling reported is located entirely within MLN1059 and ML24173, mineral leases held by PNX (51%) and Newmarket Gold NT Holdings Pty Ltd (49%) which are subject to an earn in agreement (see PNX ASX announcement 14/8/14) whereby PNX can earn up to 90% interest through staged project based expenditure. PNX has elected to continue the farm-in to 90% (see ASX release 12/12/16). • The mineral leases pre-dates native title. PNX commissioned a heritage survey which cleared the exploration sites of any sensitivities • The site is already highly disturbed as a result of previous mining activities. It is situated on Mary River East Station, with necessary approvals granted for the exploration works
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Gold was first reported at Moline in the 1880's as Housechild's Rush. It was initially worked by the Chinese in small open pits, and selected ore was crushed by hand. • 1891-1900 the Northern Hercules eastern reef was worked underground down to about 218ft (66m). Recorded production in this period was 21,547 oz of bullion from 10,341 tons of ore (possibly incomplete record) including cyanidation. • 1934-37 mining resumed, and again in 1954 when driving and detailed sampling of backs extended to the 300ft (92m) and 400ft (122m) levels. Production from 1954 -1957 was 27,374 tons yielding 11,266oz of gold. • 1981-1989 a consortium, including Greenbushes, Amoco and Cyprus, undertook extensive exploration for gold in the region centred on Moline. Work included regional geological mapping, aeromagnetic surveys, extensive rock chip sampling and wide-spaced reconnaissance soil sample traversing, this led to the identification of all the presently known ore bodies and prospects • Prospects were subjected to detailed follow up of soil sampling, ground magnetics, trenching and RC drilling. Airtrack drilling and ditchwitch trenching were commonly employed to delineate reserves in the oxide zone. About thirty prospects were developed to the

Criteria	JORC Code explanation	Commentary
		drilling stage, and twenty two were brought into production. Open pit mining started in February 1989 and the mine closed in February 1992 having produced approximately 1.6 million tonnes of ore with an average recovered grade of 2.14 g/t Au. The bulk of the ore came from four main pits, namely Northern Hercules, Moline, School and Tumbling Dice • After mining ceased, exploration of the properties was carried out by a number of Companies, including Newmont, Aztec, Compass, Northern Gold and GBS, exploration was targeting oxide mineralisation and as such limited deeper exploration into primary mineralisation has occurred
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Moline lies in the northern belt of gold, tin and base metal mineralisation which extends from the vicinity of the abandoned Evelyn Zn/Pb/Ag mine to the south for approximately 60km to the Mount Todd gold mine. • Gold mined at Moline came predominantly from the oxidized portions of quartz-sulphide lodes emplaced in shear zones which transect metasediments of the Palaeoproterozoic Pine Creek Orogen. In the primary zone the mineralisation consists of quartz with abundant pyrite and varying amounts of accessory pyrrhotite, arsenopyrite, chalcopyrite, sphalerite and galena. Gold is present as fine (1-80 micron) inclusions in pyrite, arsenopyrite and chalcopyrite. In the primary zone the lodes appear to be relatively narrow and high grade, • Strata of the Mt Bonnie Formation are folded into a series of major isoclinal anticlines and synclines, which are overturned to the northeast, and plunge gently to the southeast. Mineralisation tends to be concentrated along trends which coincide with axial zones of the main anticlines
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth*	• Refer to main body of this announcement.

Criteria	JORC Code explanation	Commentary
	o *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 (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.*	• Significant intersections reported in the main body of the text and figures are aggregated from downhole interval weighted assay results that occur within the main body of mineralisation and typically bounded by intersections >1 g/t, but may include intervals of lower grade mineralisation that would be considered internal dilution if mined • No high cuts have been applied • Interval weighted averages are reported in significant intersections tables
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').*	• The true width of mineralisation is estimated to be approximately 90% of the downhole width
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 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.*	• No material information has been omitted that PNX are aware of
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 to date

Criteria	JORC Code explanation	Commentary
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.*	• Infill and deeper drilling will be required to understand the size potential of the mineralisation intercepted, however this has not yet been planned or scheduled • Investigation of recoverable un-mined mineralisation underneath the old pits will be undertaken, along with detailed topographic surveys • Initial sighter metallurgical analysis will completed on representative composite samples