

ASX Announcement

28 September 2017



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Share Purchase Plan Oversubscribed

PNX Metals Limited (**ASX: PNX**) is pleased to announce the completion of a Share Purchase Plan ('SPP') that has raised \$0.6 million. The SPP was oversubscribed and was conducted in conjunction with a share placement as announced to the ASX on 7 September 2017.

Funds raised from the SPP and share placement, as well as the recently secured forward sale of silver from the Hayes Creek Project ('Project'),¹ in total \$3.2 million, will be used to undertake a significant near-mine and regional exploration program focussed on new discoveries across PNX's Hayes Creek Project area.

A Pre-Feasibility Study² completed in July 2017 confirms Hayes Creek to be a high value, relatively low risk and technically strong development opportunity for the Company. Funds will also be used to progress the Definitive Feasibility Study on the Project that is expected to be completed in 2018.

Near-mine and regional mapping, rock chip and soil sampling programs are now underway across PNX's ~1,700km² Burnside, Moline and Chessman areas near Hayes Creek (Figure 1). In addition, geophysical surveys over a number of high-priority zinc, copper and lead targets will commence shortly to prioritise targets ahead of drilling. First results from the sampling program are expected next week and PNX looks forward to providing a market update as results become available.

PNX is very pleased with the outcome of the SPP and the continued support received by its shareholders.

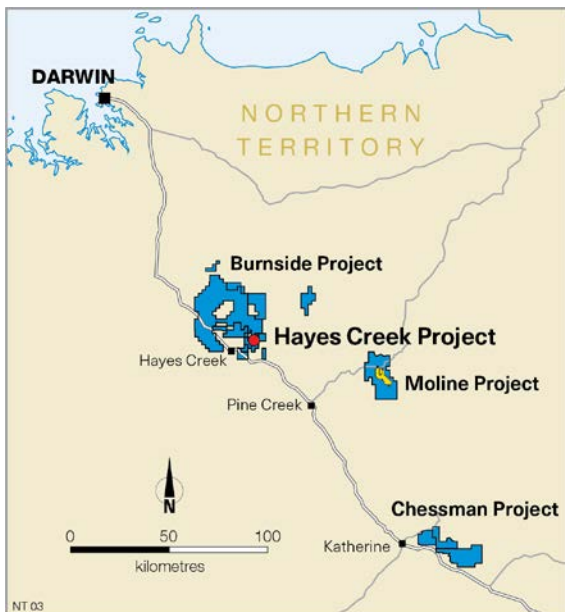


Figure 1 – PNX Project Areas

Tim Moran
Chief Financial Officer & Company Secretary
PNX Metals Limited

¹ Refer ASX announcement 4 September 2017 for details

² Refer ASX announcement 12 July 2017 for details