ASX Announcement
25 November 2021

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 near-surface gold zones Glencoe

- **Drilling at Glencoe 'Eastern Extensional Zone' continues to intersect near-surface gold mineralisation beyond the existing Mineral Resource Estimate, including:**
  - **5m at 1.51 g/t Au from 53 metres in GLRC033**
  - **6m at 1.65 g/t Au from 13 metres in GLRC034**
  - **12m at 1.39 g/t Au from 45 metres, and**
    - **3 m at 2.20 g/t Au from 69 metres in GLRC035**
  - **5m at 2.15 g/t Au from 68 metres in GLRC040**
  - **2m at 6.77 g/t Au from 28 metres in GLRC041**
- **Continuity confirmed approximately 450 metres east of Glencoe North-Central historic pit with multiple gold mineralised zones that remain open**
- **RC drilling ongoing to test further extensions and increase confidence in the MRE**

PNX Metals Limited (**ASX: PNX**) ("**PNX**", "the **Company**") is pleased to announce further positive drill results from its latest 14 reverse circulation (RC) drill holes at the Glencoe gold deposit ("**Glencoe**"), which continues to build as the Company makes significant progress towards the near-term sequential development of its 100% owned Fountain Head gold and Hayes Creek gold-silver-zinc Projects.

In a highly successful first drill program at Glencoe (refer ASX 14 September 2021), immediate extensions to near-surface gold mineralisation were delineated, extending the strike by more than 200 metres to the southeast of the current Mineral Resource Estimate (MRE). High-grade, near surface gold in rock-chips of up to 6.02g/t Au in TGU5467 were also previously reported in this area (refer ASX 28 October 2021 and Figures 1 and 2).

Results from follow-up RC drilling reported in this release have extended the strike a further 80 metres to the east of the September drilling, and in-fill drill holes have demonstrated excellent continuity along strike for at least 450 metres from the historic North-Central pit. Importantly, several thicker near-surface zones of gold mineralisation were intersected, in particular in holes GLRC033, 34, and 35 (Figures 1-3).

Multiple gold-rich zones can be traced within and between drill sections (refer sections A and B in Figures 2 and 3) which are located 130 metres apart. Four main zones, as numbered in the figures, have been identified. In the Mid-Central Zone, the extension of a narrow zone of high-grade gold was confirmed by hole GLRC041, which intersected 2m at 6.77g/t Au from 28 metres situated 20 metres from previous drilling.

Managing Director Comment

PNX Managing Director James Fox said: *"We are pleased to see further high-grade, near-surface intercepts returned and to extend the strike of the Glencoe gold deposit to over 200 metres beyond the current Mineral Resource. We continue to increase the scale of the deposit and now have an entirely new host rock to explore. Further drilling will be conducted at Glencoe during November and December as we look to extend the gold*

footprint and upgrade the confidence level for portions of the current deposit to the Indicated category. Glencoe forms an important part of our development plans for the Fountain Head gold and Hayes Creek gold-silver zinc projects."

The latest drilling has also confirmed that a dolerite/gabbro to the northeast of Glencoe hosts gold-bearing quartz veins with GLRC028 returning 1 metre at 1.04 g/t Au from 75 metres. Further follow-up in this area is planned.

This new information greatly increases the prospective footprint at Glencoe where all previous exploration has focussed on gold hosted in metasedimentary rock units. RC drilling restarts this week with an additional 1,000 metres to be completed before moving to three diamond drill holes in early 2022.

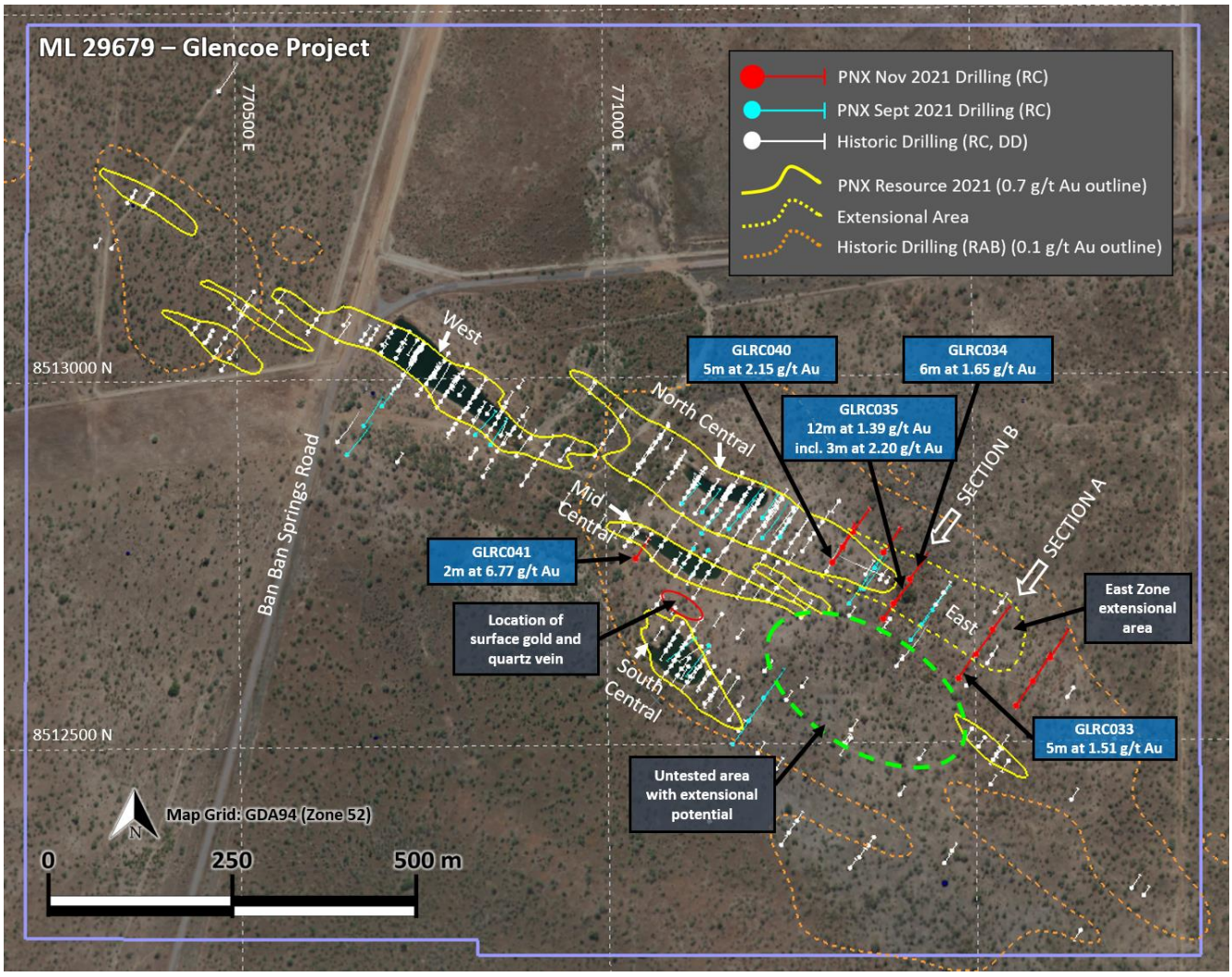

Figure 1: Glencoe Mineral Resource outline (yellow), gold target areas (orange) defined by surface soils, RAB and mapping, PNX (red) and historic (white) drill traces. Refer ASX release 28 October 2021 for further information on surface gold.

Glencoe is located on a granted Mineral Lease approximately 170 km south of Darwin and 3 km north of PNX's Fountain Head Gold Project in the Pine Creek region of the Northern Territory, and represents a 'bolt-on' asset that has significantly expanded the proposed Fountain Head development.

Glencoe Geology

Gold mineralisation at Glencoe is hosted within and adjacent to a complex network of interconnected sub-vertical quartz veins associated with shearing and folding of weakly metamorphosed interbedded sandstone, siltstone and mudstone of the Palaeoproterozoic Mount Bonnie Formation.

The dominant trend of the quartz vein zones is sub-parallel to the axial plane, though gold-bearing veins with different geometries have been identified. Many of the gold-bearing veins contain pyrite, arsenopyrite, chlorite and tourmaline. Gold is also associated with specific units within the stratigraphic succession, where there are sparse quartz veins but intense sericite-chlorite-pyrite-arsenopyrite alteration. There is evidence of modest gold redistribution in the in-situ regolith consistent with supergene processes.

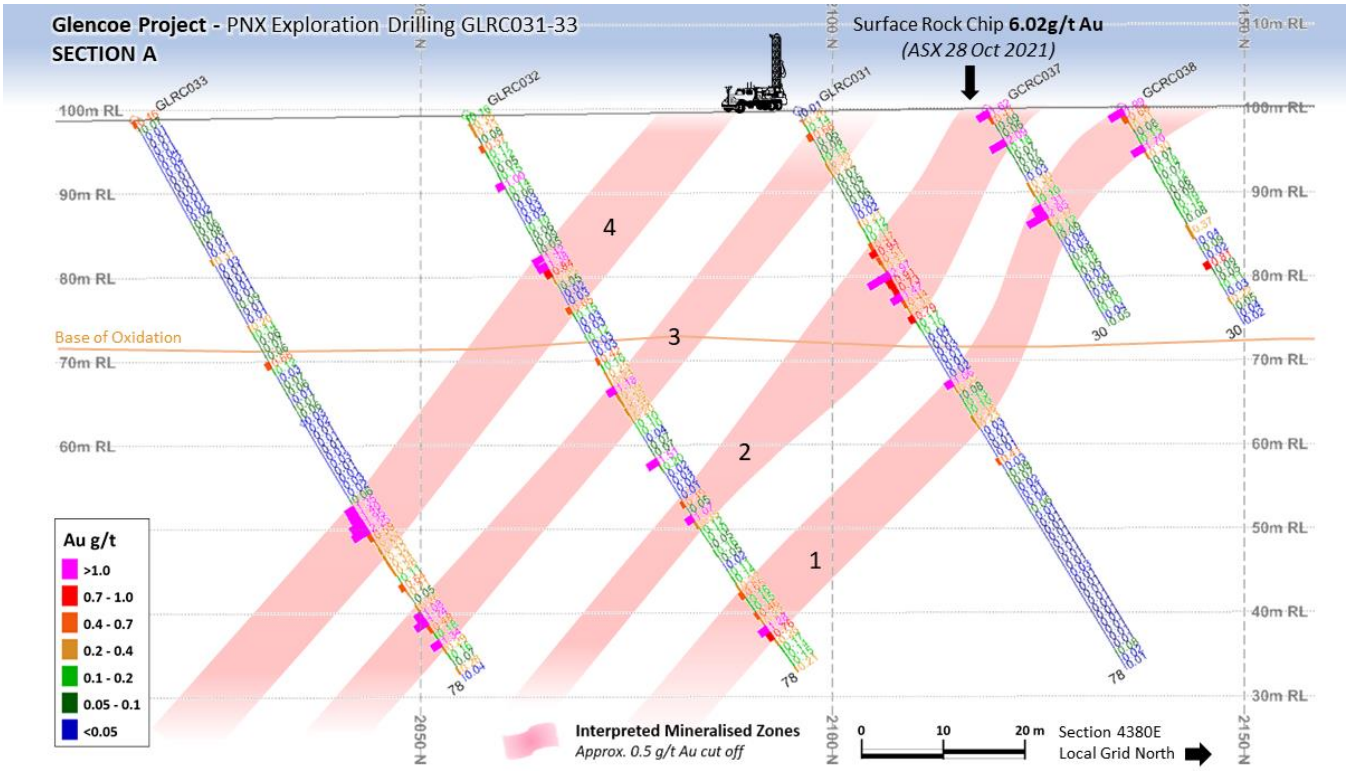

Figure 2: Glencoe X-section A showing exploration holes GLRC031, -032 and -033, location of sample TGU5467, and interpreted mineralised zones. (GCRC037 and -038 are historic data; see *Milligan IM (1990) 'Glencoe Prospect Report on exploration for the year to 19 November 1989'. Report for Magnum Gold N.L.*)

Additional Work at Glencoe and Fountain Head

Geological mapping and sampling have continued at both Glencoe and Fountain Head with the latest work focused on geological structures and alteration related to the gold mineralisation. Detailed observations are adding valuable information to the geological models at both gold deposits and will contribute to improved confidence of geological models used for Mineral Resource Estimates and near-mine exploration. Forty-nine (49) surface samples have been submitted for assay (results due early December 2021).

Environmental studies, including as flora and fauna surveys and water sampling are also ongoing in parallel to the current exploration.

Three diamond drill holes for approximately 360 metres are also planned as part of the current drilling program and due to commence in December 2021 subject to weather conditions and NT Wet Season access. These drill holes will focus on the Oxide and Transitional zones of the deposit and will be used to provide further rock density data and structural information, and material for confirmatory geotechnical and metallurgical test work.

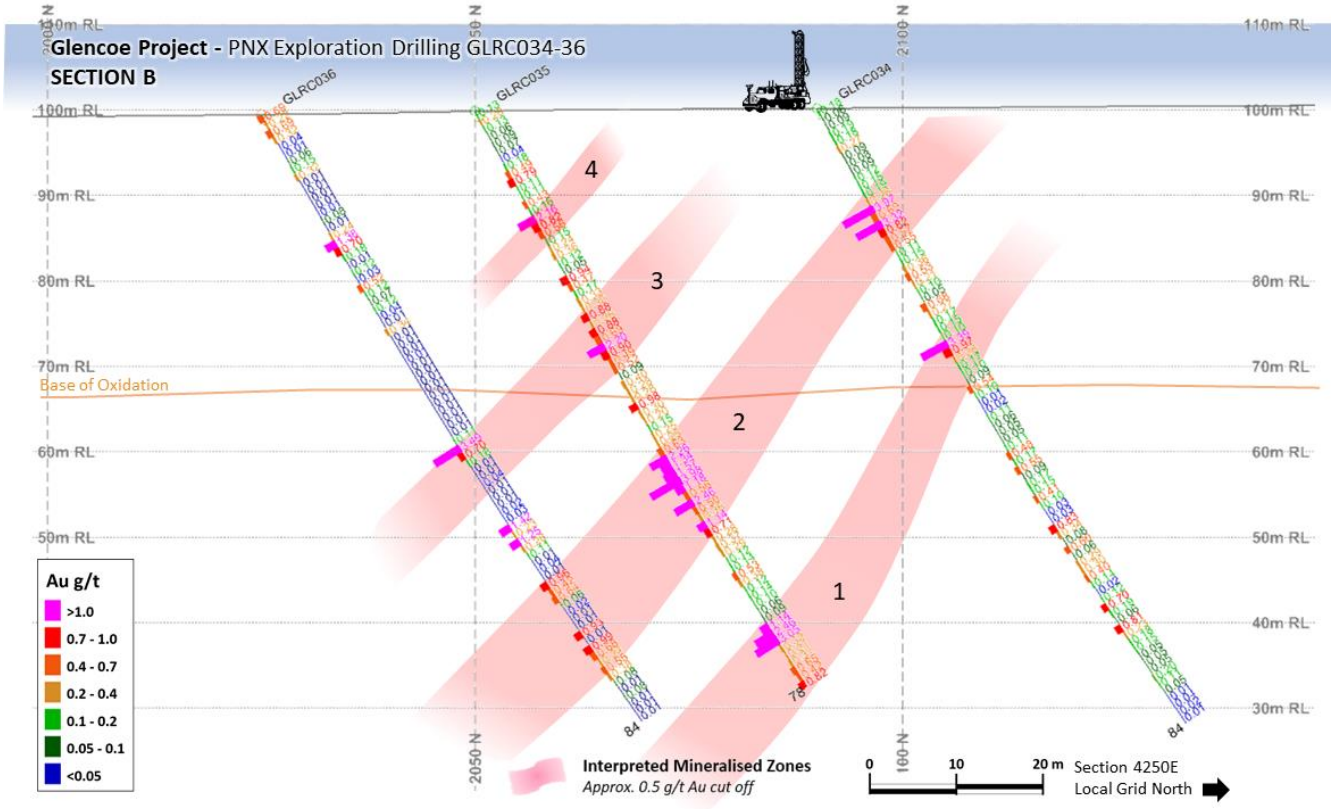

Figure 3: Glencoe X-section B showing exploration holes GLRC034, -035 and -036 and interpreted mineralised zones.

About the Glencoe Development Opportunity

Under the Sale and Purchase Agreement (SPA) (executed 27 April 2021) with private company, Ausgold Trading Pty Ltd, PNX has acquired Glencoe for a total consideration of $1.875 million; of which $1.175 million has been paid to date with the balance due by 31 December 2021 (refer to Key Terms in PNX ASX announcement 10 December 2020 for further information). The Company has received unconditional approval from the Foreign Investment Review Board for the acquisition.

The Company announced a Mineral Resource Estimate[1] for Glencoe in April 2021 of 2.1Mt @ 1.2g/t Au for 79,000oz Au (Inferred category) reported in accordance with the JORC Code, 2012 (refer ASX 28 April 2021). The Glencoe MRE extends from surface to 120 metres vertical depth, comprises a number of discrete lodes over a strike length of greater than 1.5 km, and remains open in all directions.

Positive PFS Supports Long-Term gold, silver zinc Project Development

The Company recently finalised an assessment of the technical and economic parameters to sequentially develop the Fountain Head gold Project (which includes Glencoe) and Hayes Creek gold-silver-zinc Project. The PFS highlights a robust, multi-commodity development with a forecast unleveraged Pre-tax NPV8% of A$171 million and a mine life of 10 years with undiscounted revenues of A$972 million over the mine life (net of treatment, refining and transport charges; refer ASX 17 June 2021).

[1] Refer PNX ASX release 28 April 2021 'New Glencoe Mineral Resource expands Fountain Head Development' including a summary report prepared by H&S Consultants Pty Ltd and JORC Table 1

Glencoe Mineral Resource

Independent mining consultants H&S Consultants Pty Ltd estimated the Mineral Resource, summarised in Table 1, in accordance with the 2012 JORC Code.

Table 1: *Glencoe Mineral Resources by oxidation zone and JORC Classification as at 26 April 2021 estimated using a cut-off grade of 0.7 g/t Au which is consistent with the assumed open-cut mining method.*

JORC Classification	Oxidation	Tonnage (Mt)	Au (g/t)	Ounces (Koz)
Inferred	Oxide	0.5	1.3	20
	Transitional	0.3	1.2	11
	Fresh	1.3	1.1	48
Total		**2.1**	**1.2**	**79**

* Due to the effects of rounding the totals may not represent the sum of all components

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements referenced in this release continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Marco Scardigno, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Scardigno has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Scardigno is a full-time employee and Resource Geologist with PNX Metals Ltd and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears

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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. Blue hole GLRC041 is confirmation drilling; with the remainder extensional exploration drilling.*

Hole ID	Type	Easting (m)	Northing (m)	RL (m)	Azimuth	Dip	Total Depth (m)		From (m)	To (m)	Interval (m)	Au (g/t)
GLRC028	RC	771602	8512614	100	31.5	-60	84.00		75.00	76.00	1.00	1.04
GLRC029	RC	771578	8512582	99	31.5	-60	90.00	NSI				
GLRC030	RC	771555	8512549	99	31.5	-60	78.00		45.00	46.00	1.00	0.82
									77.00	78.00	1.00	1.18
GLRC031	RC	771524	8512653	100	31.5	-60	78.00		22.00	26.00	**4.00**	**1.52**
									28.00	29.00	1.00	0.79
									37.00	38.00	1.00	1.07
GLRC032	RC	771501	8512620	99	31.5	-60	78.00		9.00	10.00	1.00	1.00
									19.00	22.00	**3.00**	**1.22**
									37.00	38.00	1.00	1.18
									47.00	48.00	1.00	1.51
									55.00	56.00	1.00	1.07
									71.00	73.00	2.00	1.02
GLRC033	RC	771477	8512587	99	31.5	-60	78.00		53.00	58.00	**5.00**	**1.51**
									68.00	73.00	5.00	0.96
GLRC034	RC	771412	8512722	100	31.5	-60	84.00		13.00	19.00	**6.00**	**1.65**
								incl	13.00	16.00	**3.00**	**2.66**
									31.00	33.00	**2.00**	**2.18**
								incl	31.00	32.00	**1.00**	**3.39**
									56.00	57.00	1.00	0.83
									66.00	68.00	1.00	0.71
									70.00	71.00	1.00	0.81
GLRC035	RC	771390	8512689	100	31.5	-60	78.00		9.00	10.00	1.00	0.79
									14.00	17.00	**3.00**	**1.18**
									22.00	24.00	2.00	0.70
									27.00	35.00	8.00	0.85
									39.00	40.00	1.00	0.99
									45.00	57.00	**12.00**	**1.39**
								incl	46.00	53.00	**7.00**	**1.91**
								incl	49.00	50.00	**1.00**	**3.98**
									69.00	72.00	**3.00**	**2.22**
								incl	71.00	72.00	**1.00**	**3.05**
									77.00	78.00	1.00	0.83
GLRC036	RC	771375	8512669	100	31.5	-60	84.00		2.00	3.00	1.00	0.70
									17.00	19.00	**2.00**	**1.04**
									45.00	47.00	**2.00**	**2.09**

								incl	45.00	46.00	1.00	3.49
									56.00	59.00	3.00	0.96
GLRC037	RC	771377	8512759	101	31.5	-60	78.00		23.00	27.00	4.00	0.77
GLRC038	RC	771335	8512787	101	31.5	-60	78.00		3.00	4.00	1.00	1.40
									37.00	39.00	2.00	0.77
GLRC039	RC	771321	8512767	101	31.5	-60	78.00		76.00	77.00	1.00	0.87
GLRC040	RC	771307	8512746	101	31.5	-60	90.00		24.00	27.00	3.00	2.08
									32.00	36.00	4.00	0.73
									68.00	73.00	5.00	2.15
								incl	68.00	69.00	1.00	6.52
GLRC041	RC	771039	8512754	100	31.5	-60	66.00		28.00	30.00	2.00	6.77
								incl	28.00	29.00	1.00	10.93

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 derived 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 weights were measured at the drill rig and 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 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 assay sample bag and approximately 20% of the residue sample bags. Recovery of in situ regolith and fresh rock was excellent • No relationship has yet 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 • Log fields include lithology, colour, grainsize, texture, veining, sulphide abundance and description, alteration, recovery and sample moisture • Logs have been aided by the use of magnetic susceptibility. Portable XRF measurements will be performed on the pulps 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. The splitter was blown with compressed air and cleaned 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 identical to the cone splitter to check representivity of sample • 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, duplicates and blanks, results of which are reviewed by NAL prior to reporting 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 external laboratory assays have yet been carried out • No twinned holes have yet been carried out 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 • All 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 has 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 were surveyed using a hand-held GPS and will be resurveyed using differential global positioning system (DGPS) (PNX standard procedure) to a nominal +/- 20 cm accuracy in the XY direction upon completion of the entire drill program. • Drill collar coordinates are recorded in GDA94 (MGA Zone 52), then transformed to Glencoe Local Grid via Datamine Discover software, using established reference points – Local Grid pegs were also located on-site, and confirmed the historic MGA-to-Local Grid transformation was correct within the expected accuracy. • 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. • No sampling compositing has been used

Criteria	JORC Code explanation	Commentary
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.*	• The drilling has been undertaken on sections interpreted to be orthogonal to the strike of the mineralisation. Mineralisation is interpreted to dip between ~45° to ~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 degrees to ground surface • The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias
Sample security	• *The measures taken to ensure sample security.*	• Logging, and sampling has been carried out by PNX personnel who are always on-site during drilling, and samples are 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 or reviews on sampling techniques and data have yet been carried out

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 within a single, granted Exploration License EL25748 (90% PNX Metals/ 10% Kirkland Lake Gold Australia Pty Ltd). Under the Sale and Purchase Agreement (SPA) (executed 27 April 2021) with private company, Ausgold Trading Pty Ltd, PNX has acquired Glencoe for a total consideration of $1.875 million; of which $1.175 million has been paid to date with the balance due by 31 December 2021 (refer to Key Terms in ASX announcement 10 December 2020 for further information). The Company has also received unconditional approval from the Foreign Investment Review Board for the acquisition. The Glencoe Project area 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.

Criteria	JORC Code explanation	Commentary
		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.
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, 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.*	• Glencoe gold mineralisation is hosted by greywacke, sandstone, siltstone and mudstone of the Palaeoproterozoic Mount Bonnie Formation, and contained within complex quartz veining and shearing spatially associated with the axial regions of shallow plunging anticlines. Gold is also found within adjacent dolerite units. 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.

Criteria	JORC Code explanation	Commentary
		3) Late-stage chlorite alteration, shearing and brecciation overprinting earlier veining is also a feature, including country rock breccias with a chlorite matrix. It is noted by previous work that this alteration also appears to enhance gold values in both veins and breccias • 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. This is inferred to have resulted in some gold re-distribution during an overprinting supergene event.
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. • Historic assay data has been displayed in Figure 2. References for the original reports: • Holes GCRC037, 038 Milligan, I., (1990) Glencoe Prospect Report on Exploration for the Year to 19th November 1989 Mineral Claims N20-N43, N1303-N1313 and Exploration Licence 4810. Report for Magnum Gold N.L. Report ID: CR1990-0085
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.*	• Reported results are interval length-weighted, however, 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

Criteria	JORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	assay used for reporting is averaged across any repeat assay grades for that sample.
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