ASX Announcement

ASX: **POL**

14 February 2024

ENDEAVOR EXPLORATION - CARPARK PROSPECT

Recent drill results and reprocessing of geophysical data initiate a second phase of drilling.

HIGHLIGHTS

- **Phase 1 drilling results from the Carpark Ag, Zn and Pb Prospect highlighted upper-level mineralisation with alteration similar to the Main and North Lodes of the Endeavor Mine.**
- **Reprocessing the historical geophysical data has defined gravity, magnetic and IP anomalies over the Carpark Prospect.**
- **The Carpark Prospect lies in an undrilled area 100m south of the Endeavor mine and forms part of a large, undrilled zone extending 400m south from the Main Lode**

Polymetals Resources Ltd (ASX: **POL**) (**Polymetals** or the **Company**) is pleased to announce that the Phase 1 drilling programme analytical results from PCP001 from the Carpark prospect have been finalised and confirm that mineralisation and alteration types are similar to the zones above the Main and North Lodes at the Endeavor Mine.

Reprocessing of the historic geophysical and geochemical datasets and drilling in December last year has emphasised the substantial potential for discovery of additional mineral systems within close proximity to Endeavor mine workings and within the granted Mining Leases. This exploration potential is exemplified by the Carpark Prospect which lies 100m south of the Endeavor mine (Figure 1). It is noteworthy that there is almost no drilling in the vicinity of the Carpark Prospect. These results, together with the magnetic, gravity and IP anomalies over this prospect, provide exciting exploration potential.

The Endeavor Mine (previously known as Elura) was discovered by Electrolytic Zinc Australia (EZ) in 1973. EZ originally earmarked the "Elura" prospect as an airborne magnetic high that they ranked 5th out of 25. Their follow-up work comprised soil sampling of the "Elura" prospect, and it was the 11th target tested. The geochemical target generated was 1,200 m long having a greater than 180 ppm Pb-in-soil anomaly and the drilling of this magnetic high with coincident lead-in-soil anomaly, led to the discovery of the Elura deposit.

POL is acutely aware that exploration success comes through meticulous technical analysis, staged exploration programmes and tightly controlled budgets and the exploration at Carpark will be based on these principals. POL's near-mine exploration strategy is accelerating with Phase 2 drilling to commence at the Carpark Silver, Zinc Lead Prospect.

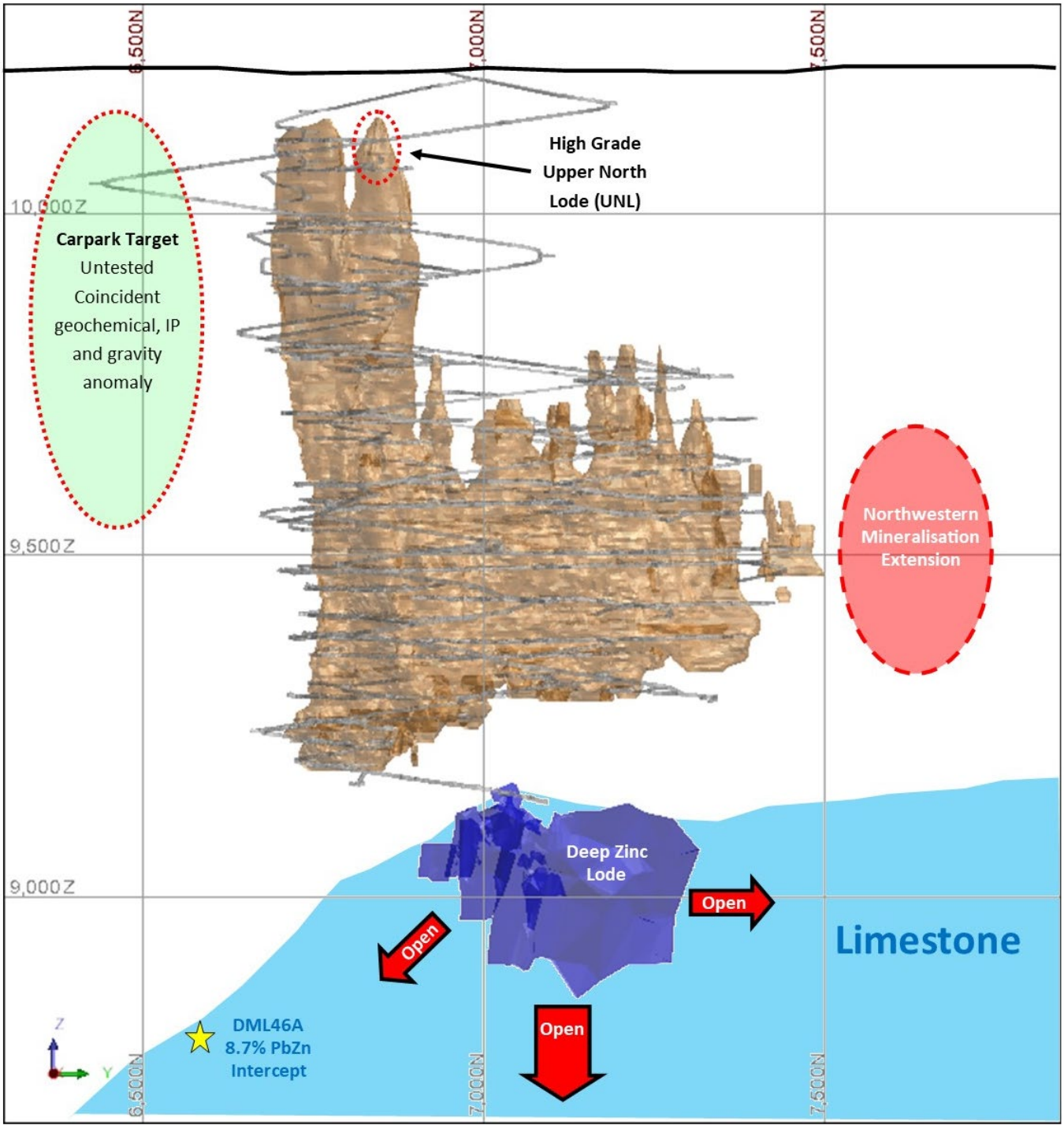

Figure 1: A long section looking West of In-Mine mineralisation targets and Mineral Resource extension targets; The bronze colour is the ore zone; the dark blue body is the Deep Zinc Lode and grey lines represent underground development. The Carpark Prospect is highlighted in green. Note DML46A directly below the Carpark Prospect.

CARPARK PROSPECT - DECEMBER 2023 DRILLING RESULTS

A single RC drill hole to 142m (PCP001) was completed by POL in mid-December 2023 to check a 1974 EZ drill hole (PE004) (Figures 2 & 3) which intercepted anomalous Pb-Zn mineralisation 100m south of the Endeavor Mine Main lode.

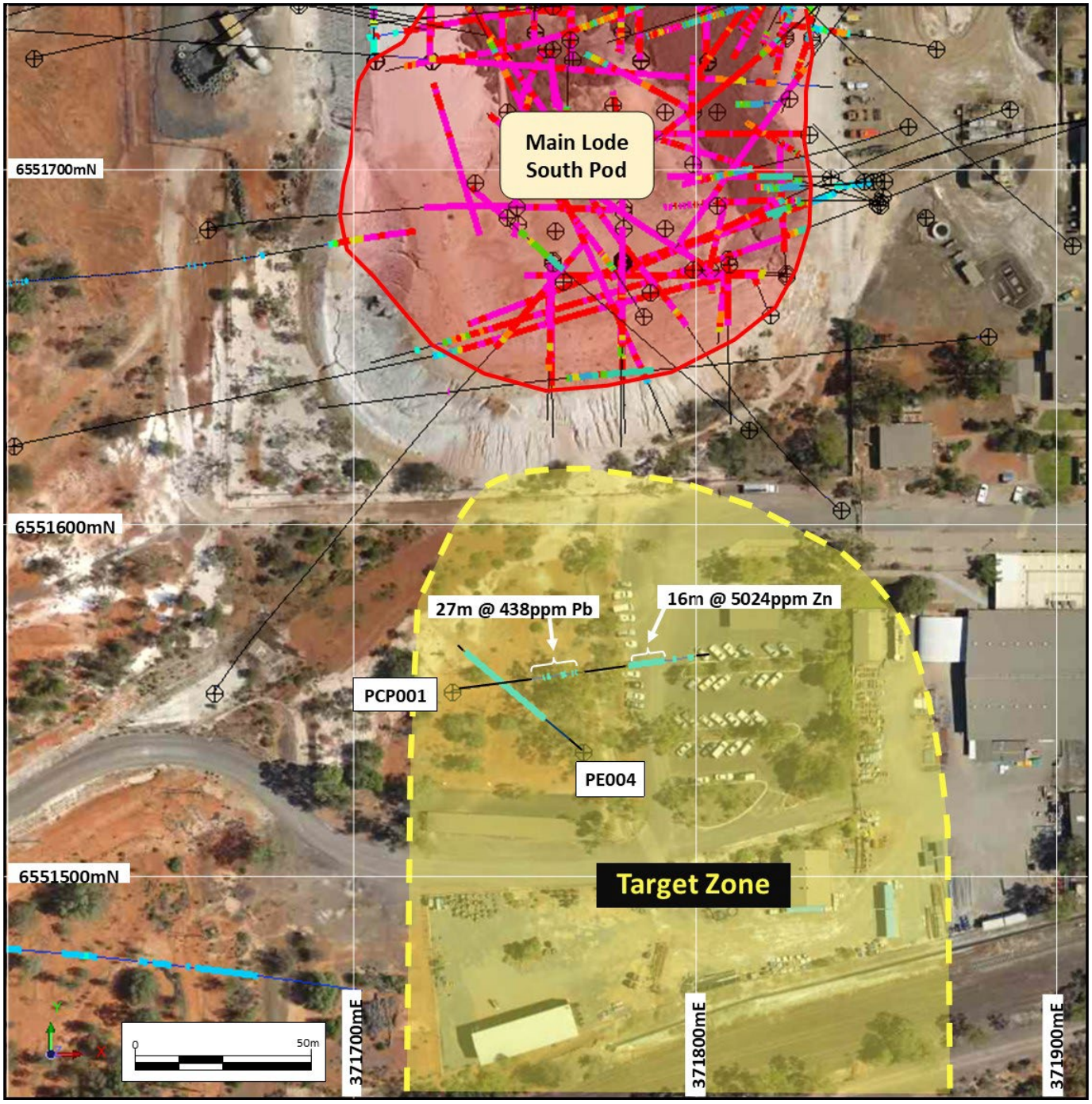

Figure 2: Location Plan – Carpark Prospect and the location of Polymetals December 2023 Drill Hole PCP001 and historic EZ hole PE004. Note the area within the yellow dotted line that has not been drilled below 100m depth.

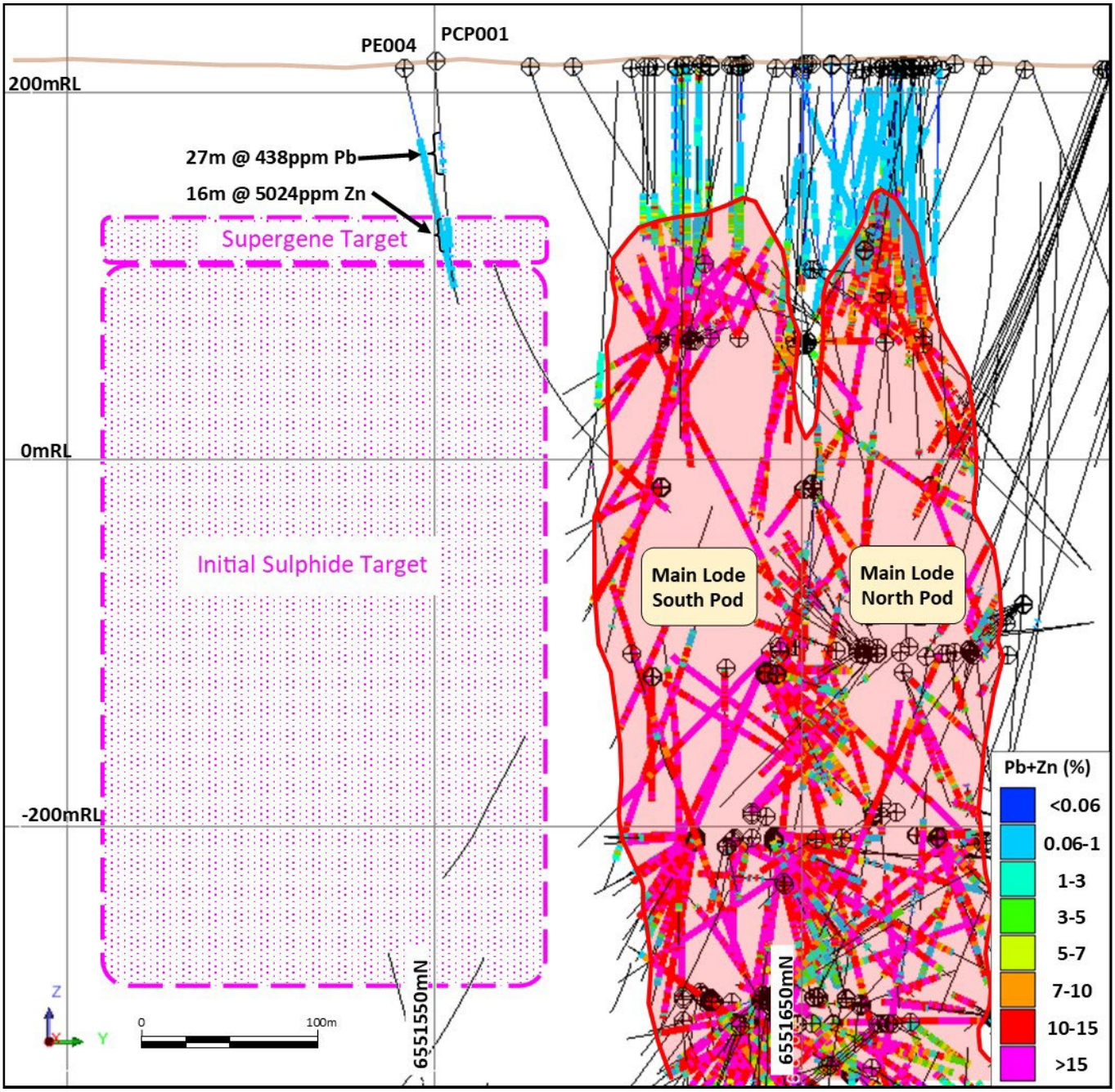

Figure 3: Long Section Looking West – Main Lode mineralisation and historic drill holes with the Carpark target highlighted in pink.

Assays received for PCP001 are summarised in Table 1 which has both confirmed and broadened the historic EZ PE004 drill hole Pb-Zn anomalism. Full drill hole sample analytical results are detailed in Table 2 at the end of the announcement. Of significance in PCP001 is widespread silicification, sericite and chlorite alteration with sulphide mineralisation as logged from 103m down hole.

Table 1: Significant intersections from PCP001 include:

Hole ID	From	To	Length	Cu ppm	Pb ppm	Zn ppm	Zn%
PCP001	45	72	**27**	28	**438**	89	
	104	120	**16**	24	24	5024	**0.50**

RESULTS OF THE REVIEW OF THE HISTORIC DATA BASE ON THE ENDEAVOR MINE AND CARPARK PROSPECT AREA

Aside from the PCP001 and PE004 geochemical anomalies, recent reprocessing of geophysical data within the Endeavor Mining Leases has defined coincident IP, magnetic and gravity anomalies which extend approximately 400m further south of the existing mine workings. These geophysical anomalies are highlighted in Figures 4 – (a), (b), (c) & (d). The potential zone for discovering ore grade mineralisation is noted by the yellow dotted outline and shading in the location plan of Figure 2 and the pink dotted outline in the long section of Figure 3.

Whilst continuing to collate and interrogate the very large historic exploration data base (with a current near-mine focus), the combined geophysical, geochemical and alteration confirmed at the Carpark Prospect has expedited the planned Phase 2 drilling programme.

CARPARK PROSPECT – ATTRIBUTE SUMMARY

1. Polymetals drillhole PCP001 confirmed and broadened the 1974 EZ PE004 drillhole results.
2. Coincident geophysical (IP, Magnetic and Gravity) and geochemical anomalies.
3. IP anomalism extends well south of the Endeavor workings and the Carpark Prospect.
4. The magnetic anomaly could be caused by pyrrhotite mineralisation as found in the Endeavor ore.
5. IP anomalies could reflect Endeavor style, massive sulphide mineralisation.
6. The low-grade alteration halo could encompass a massive sulphide mineralised body.
7. Gravity anomaly caused by higher density potential ore body.
8. The large exploration search volume (500m deep x 400m long x 150m wide) is open to the south and has potential to host new Ag, Pb, Zn deposits (Figures 2 – 5).

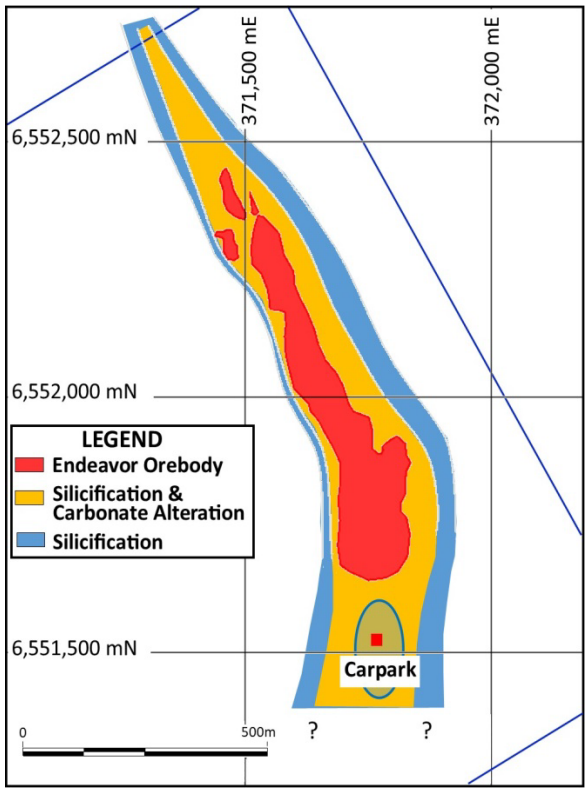

Figure 4(a) Geology and Alteration Zoning

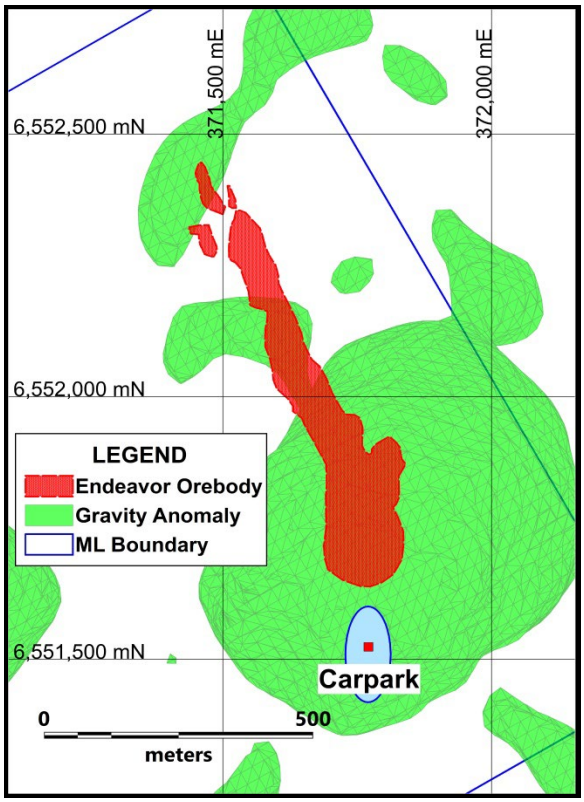

Figure 4(b) Gravity Anomaly

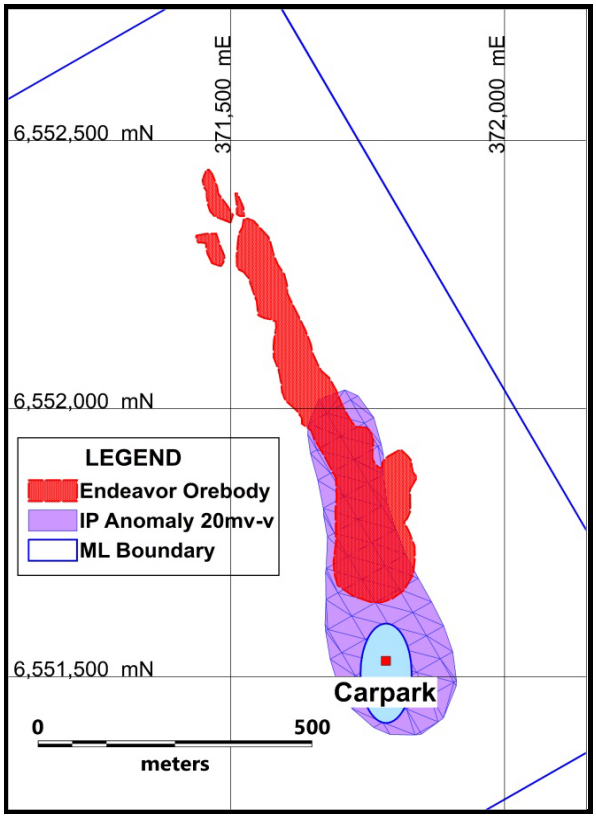

Figure 4 (c) IP Anomaly

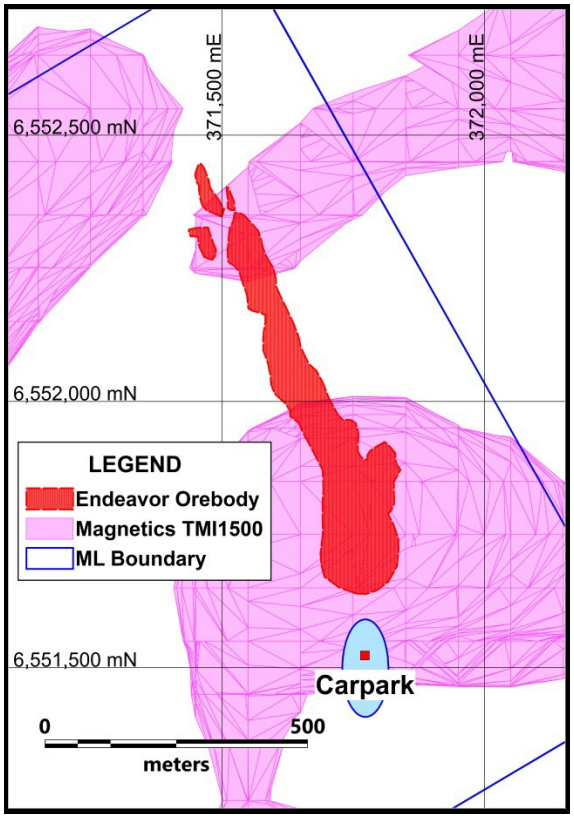

Figure 4 (d) Magnetic Anomaly

CARPARK PLANNED EXPLORATION – PHASE 2

A 700m reverse circulation Phase 2 drilling program will commence on 15th February to test the supergene and fresh rock potential at Carpark. Five holes are proposed with a nominal depth of 140m (Figure 5). Additionally, it is proposed to extend one or two of these holes with oriented HQ core to determine the stratigraphic relationships that are seen as critical to identifying fertile mineralised positions.

The five-hole RC component will step out 25 - 30m to the East, West, North, and South to bracket the recent drilled intersections. This close spacing is required as the target at the top of Endeavor like bodies is possibly in the order of tens of metres in both strike and width. The IP Chargeability anomaly depth has been interpreted by POL's geophysicist.

The primary aim of the holes is to test both the interface between oxidised and fresh rock for potential supergene enriched mineralisation and underlying massive sulphide mineralisation. The drilling will also establish the geochemical and structural components to assist with ongoing exploration.

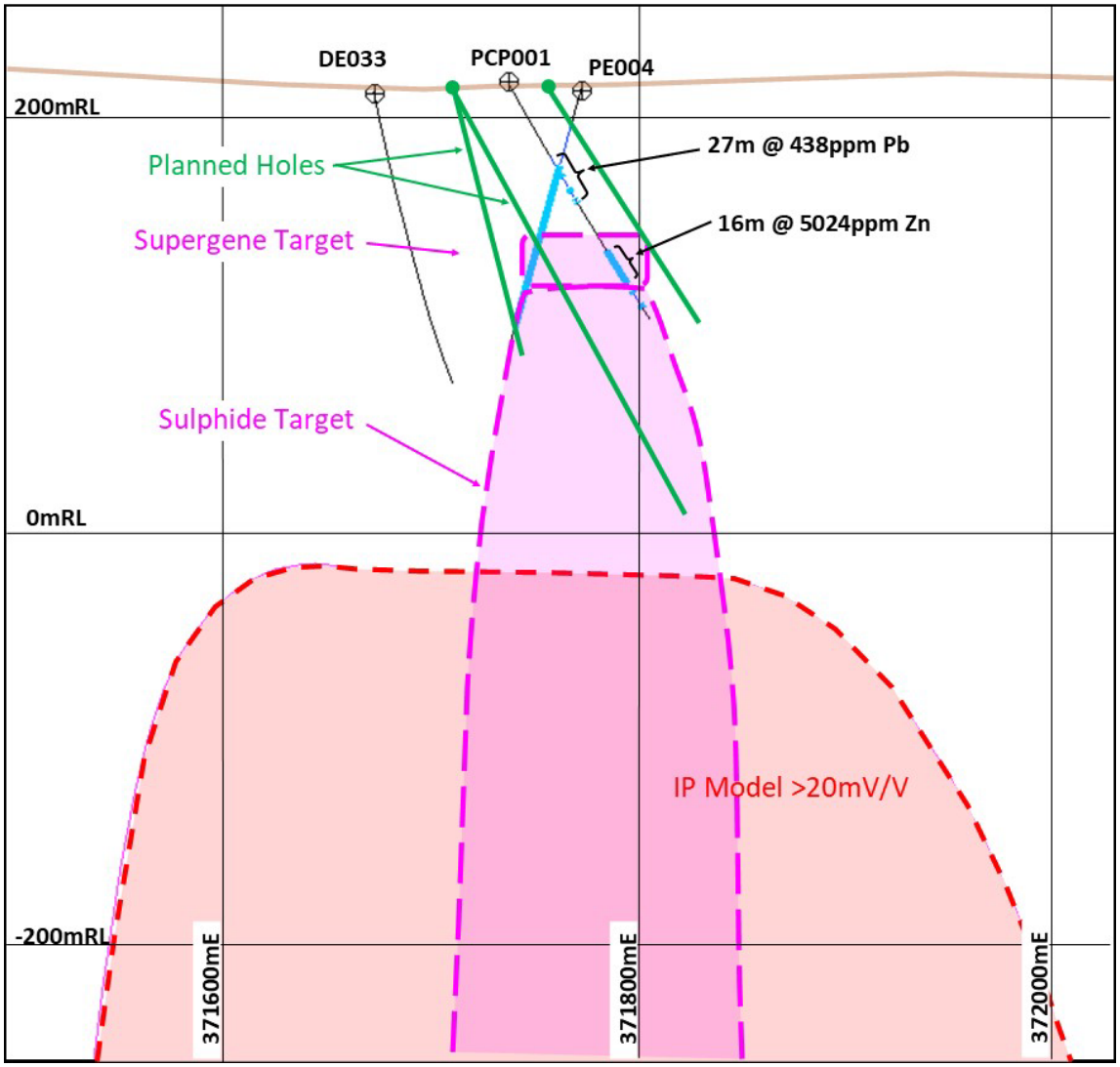

Figure 5: Cross section looking North displaying the target zones at Carpark and planned Phase 2 drill holes.

This announcement was authorised for release by the Polymetals Resources Ltd Board.

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ABOUT POLYMETALS

Polymetals Resources Ltd (**ASX: POL**) is an Australian mining and exploration company with a project portfolio with significant potential for the discovery and development of both precious and base metal resources. With our cornerstone asset the Endeavor Silver-Zinc-Lead Mine, one of the three large mines in Cobar NSW Australia, Polymetals is seeking to become a long term, consistent and profitable base and precious metal producer. Polymetals holds a strong exploration portfolio for organic growth, are development driven and continually measure strategic acquisition opportunities. POL is committed to developing genuine long-lasting relationships within our community, building strong relationships with investment partners, local stakeholders and providing our shareholders with capital growth and dividends. For more information visit www.polymetals.com

COMPETENT PERSON STATEMENT

The information supplied in this release regarding Exploration Results is based on information compiled by Mr Troy Lowien, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy. Mr Lowien is an employee of Polymetals Resources Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit 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 Lowien consents to the inclusion of matters based on information in the form and context in which it appears.

HISTORIC EXPLORATION INFORMATION

The exploration results and prospects identified on the tenements includes historical pre-1989 exploration results. The exploration activity was undertaken by a number of companies and POL notes that the pre-1989 results are not reported in accordance with the JORC Code, 2012. A Competent Person has not done sufficient work to disclose the exploration results in accordance with the JORC Code 2012 and it is possible that following further evaluation and/or exploration work, that the confidence in the prior reported exploration results may be reduced when reported under the JORC Code, 2012. Nothing has come to the attention of POL that questions the accuracy or reliability of all the historical exploration results. Where possible, original assay reports were located to verify reported results.

FORWARD LOOKING STATEMENT

Certain statements in this document are or maybe "forward-looking statements" and represent Polymetals' intentions, projections, expectations or beliefs concerning among other things, future exploration activities. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Polymetals, and which may cause Polymetals' actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. Polymetals does not make any representation or warranty as to the accuracy of such statements or assumptions.

Table 2 – PCP001 Drill Hole Analyses and Geology

Hole ID	From	To	Zn ppm	Pb ppm	Lithology	Oxidation State	Alteration
PCP001	45	46	52	392			
PCP001	46	47	56	386			
PCP001	47	48	63	379			
PCP001	48	49	67	398			
PCP001	49	50	72	451			
PCP001	50	51	71	357			
PCP001	51	52	76	496			
PCP001	52	53	76	480			
PCP001	53	54	99	781			
PCP001	54	55	74	469			
PCP001	55	56	78	535			
PCP001	56	57	100	658			
PCP001	57	58	20	121			
PCP001	58	59	94	379	Siltstone	Moderate	
PCP001	59	60	78	379			
PCP001	60	61	94	394			
PCP001	61	62	54	286			
PCP001	62	63	82	465			
PCP001	63	64	98	590			
PCP001	64	65	114	623			
PCP001	65	66	115	542			
PCP001	66	67	62	187			
PCP001	67	68	107	431			
PCP001	68	69	104	311			
PCP001	69	70	171	582			
PCP001	70	71	48	122			
PCP001	71	72	282	633			
PCP001	100	101	591	21			
PCP001	101	102	940	49		Partial	Sericite
PCP001	102	103	828	41			
PCP001	103	104	585	20			
PCP001	104	105	4490	25			
PCP001	105	106	4210	26			
PCP001	106	107	5750	27	Sandstone		
PCP001	107	108	6780	27			
PCP001	108	109	4980	23			
PCP001	109	110	7000	25			
PCP001	110	111	3860	24			
PCP001	111	112	3880	24			
PCP001	112	113	3320	25			
PCP001	113	114	4090	23			
PCP001	114	115	3950	23			
PCP001	115	116	5400	24			
PCP001	116	117	6310	25			
PCP001	117	118	4380	23			
PCP001	118	119	5570	20		Fresh	Silicification & Chlorite
PCP001	119	120	6420	26			
PCP001	120	121	530	26			
PCP001	121	122	349	25			
PCP001	122	123	255	26			
PCP001	123	124	304	26			
PCP001	124	125	3280	37	Siltstone		
PCP001	125	126	1535	28			
PCP001	126	127	374	29			
PCP001	127	128	284	29			
PCP001	128	129	134	27			
PCP001	129	130	129	29			
PCP001	130	131	122	31			
PCP001	131	132	135	29			
PCP001	132	133	717	28			
PCP001	133	134	4170	25			
PCP001	134	135	1535	24			

APPENDIX 1 – JORC Code (2012 Edition), Assessment and Reporting Criteria

Section 1: Sampling Techniques and Data

Criteria	Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole 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.*	The significant intersections referred to in this release refers to assays of Reverse Circulation (RC) drill hole samples collected on one metre intervals via a cyclone with a cone splitter providing a 40kg and 2kg sample. The cyclone was cleaned at each rod change and when directed by the supervising geologist. The samples are considered to be representative of the rock being drilled. The nature and quality of the sampling was carried out in conformity with industry standard QAQC procedures. Samples were all collected by a qualified geologist or under geological supervision.
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).*	Drilling consisted of Reverse Circulation (RC) drill holes, using a UDR1000 rig with a 350 psi/650 cfm compressor. An auxiliary air booster was also used. The drill string utilised standard 6m rods and a 5 ½ inch face sampling hammer.
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.*	Representative samples of the material drilled were collected from every metre drilled. The drilling method used was selected so as to maximise sample recovery. Holes were cased for a minimum of 12m from surface. There is no apparent relationship between grade and recovery.
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.*	Drill chips were logged for lithology, mineralisation, weathering, alteration, colour and any other relevant characteristics. Logging was qualitative in nature. Small representative samples of chips are stored in chip trays and photographed. The entire length of the hole was logged.
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.*	Samples were collected on one metre intervals via a cyclone with a cone splitter providing a 40kg and 2kg sample. The cyclone was cleaned at each rod change and when directed by the supervising geologist.

Criteria	Explanation	Commentary
	• *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.*	Bulk samples were placed in green plastic bags while sub samples were placed in calico bags. Filed duplicates were collected by spear method from green bulk sample bags. Certified Reference Material (CRM) standards and blanks were inserted into the sample stream at a rate of approximately 1 in 30. The sample size of 2kg is appropriate for the grain size of the material being sampled. The sample size of 2kg is 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.*	The 2kg one metre samples were sent to a third party laboratory (ALS) for testing via aqua regia Au and multi-element ICP. The assay techniques are appropriate for the style of mineralisation and are considered total analyses. Field duplicates were collected by spear method from green bulk sample bags. Certified Reference Material (CRM) standards and blanks were inserted into the sample stream at a rate of approximately 1 in 30. The sample size of 2kg is appropriate for the grain size of the material being sampled. Acceptable levels of accuracy and precision were established.
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.*	All drilling results were scrutinised by senior management of the company. The use of twinned holes is not relevant in this instance as the drill program has been undertaken to help refine targets for further investigation. All drilling data is accumulated initially in spreadsheets, and ultimately transferred to a master database for archiving.
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.*	Drill collars were located on the ground using a GPS (+/-5m). The grid system used is the Endeavor Mine local grid. The quality of the topographic control is considered to be adequate.
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.*	As the program is preliminary in nature, insufficient data spacing and distribution has been obtained to establish the degree of geological and grade continuity appropriate for Mineral Resource estimation. No sample compositing has been applied.
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.*	Orientation of the drilling is considered to be appropriate for the target being tested and the purpose of the drilling.

Criteria	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.*	Mineralisation at Endeavor occurs in sub-vertical, cylindrical shaped bodies up to 100m wide.
Sample security	• *The measures taken to ensure sample security.*	Samples are stored on the Endeavor Mine site which is a fully fenced site and has controlled access. Samples were delivered to the external laboratory by a company geologist.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	There has been no external audit or review of the sampling techniques or data completed at this time.

Section 2: Reporting of Exploration Results

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.*	Endeavor Project Mineral tenements are listed below and are 100% owned by Cobar Operations Pty Ltd ML's 158, 159, 160, 161 and 930. EL's 8752, 5785 and 8583. All licences are in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Previous exploration activities including drilling has been carried out on the site since the 1970's.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Mineralisation at the Elura deposit is hosted by fine grained turbidite sequence of the Cobar Basin and comprises multiple sub-vertical elliptical shaped pipe-like pods that occur within the axial plane of an anticline and are surrounded by an envelope of sulphide stringer mineralisation, in turn surrounded by an envelope of siderite alteration extending for tens of metres away from the sulphide mineralisation. Around 150m below the base of the main mineralised pods/lodes, mineralisation is hosted within the western limb of a folded limestone unit, occurring in veins and fractures. Recent reviews favour a syngenetic formation model of an original stratiform deposit that was later emplaced by tectonic force into a favourable structural site during deformation.

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.*
		Representative sections (Figures 3 and 5) are included in this announcement. Tables showing hole depth and assay results are included in this announcement.(Table 1 and 2).

Criteria	JORC Code explanation	Commentary
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.*	Where drill hole intercepts have been reported as an aggregate a typical length-weighted method has been used. No grade truncating has been carried out.
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 (eg 'down hole length, true width not known').*	The geometry of the mineralisation (vertical pods) has been well defined from diamond drilling and underground development. The drill hole described in this announcement was designed to test for mineralisation by drilling at an oblique angle across the target area as seen in Figure 5 of this announcement.
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 figures within 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 avoiding misleading reporting of Exploration Results.*	The accompanying document is considered to represent a balanced report.
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.*	There is no other exploration data which is considered material to the results reported in the announcement.
Further work	• *The nature and scale of planned further work (eg 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.*	Further work intended to be carried out includes: • Follow up drilling of the Carpark anomaly.