

10 August 2021

Caribou Dome Copper, Alaska Range Project

Drilling underway at highly prospective massive sulphide copper targets

Plus, scoping study on Caribou Dome and nearby Zackly deposits brought forward to commence this month in response to the strong outlook for copper.

Highlights

- **Diamond drill rig is on site and drilling the high-grade Caribou Dome copper project (2.8Mt at 3.1% copper in mineral resources, Table 1).**
- **Drilling will test three new high-priority targets considered to be highly prospective for one or more additional massive sulphide deposits.**
- **Each new target shows anomalous copper in surface soil sampling and an associated 3D-IP anomaly. These same features are seen in the existing defined copper resource.**
- **Scoping study to evaluate mining and processing options for the Caribou Dome and nearby Zackly deposits will start this month, three months earlier than scheduled.**
- **Metallurgical test work to evaluate processing options for the Zackly Cu-Au-Ag mineralisation is underway in Perth, Western Australia.**
- **Current drilling will also provide fresh samples of high-grade copper in massive sulphides for further metallurgical test work to feed into the scoping study.**

PolarX Limited (ASX: PXX) is pleased to announce that diamond drilling is underway at the high-grade Caribou Dome Copper Project in Alaska (for location refer to Figure 1).

The program, comprising 1500m of core drilling, will test three highly promising targets which have been defined by soil sampling and geophysics.

Their prospectivity is supported by the fact that they each share key geological characteristics with the deposits which host the existing copper resources at Caribou Dome.

PolarX Managing Director, Dr Frazer Tabeart, is on-site in Alaska for the duration of the drilling program and will provide regular market updates on progress from the field camp.

The drilling program, subsequent metallurgical test work and Scoping Study will form part of PolarX's earn-in for 80% of Caribou Dome under the revised terms agreed last year (refer ASX announcement 17 November 2020).

Copper mineralisation at Caribou Dome occurs in nine known lenses of massive sulphide mineralisation. Previous exploration revealed these lenses show strong copper anomalism in surface soil sample assays

(ASX Release 13 November 2015) and can also be broadly mapped/predicted using induced polarization (IP) geophysical surveys, displaying chargeability highs (ASX releases dated 10 September 2015 and 17 August 2016). These same features are present in the three new targets which PolarX will now drill.

This drilling program is designed to meet two goals:

- Test three newly developed exploration targets each of which has the potential to host one or more massive sulphide lenses (see Figures 2 and 3).
- Provide fresh high-grade copper sulphide samples for metallurgical testing to determine potential co-processing options with copper mineralisation from PolarX’s 100% owned neighbouring high-grade Zackly copper-gold project.

Results from these programs will feed into the joint scoping study to evaluate mining and processing options for the Caribou Dome and Zackly deposits. This scoping study is expected to commence shortly, also several months ahead of schedule. Additional details on the parameters of the study will be released once finalised.

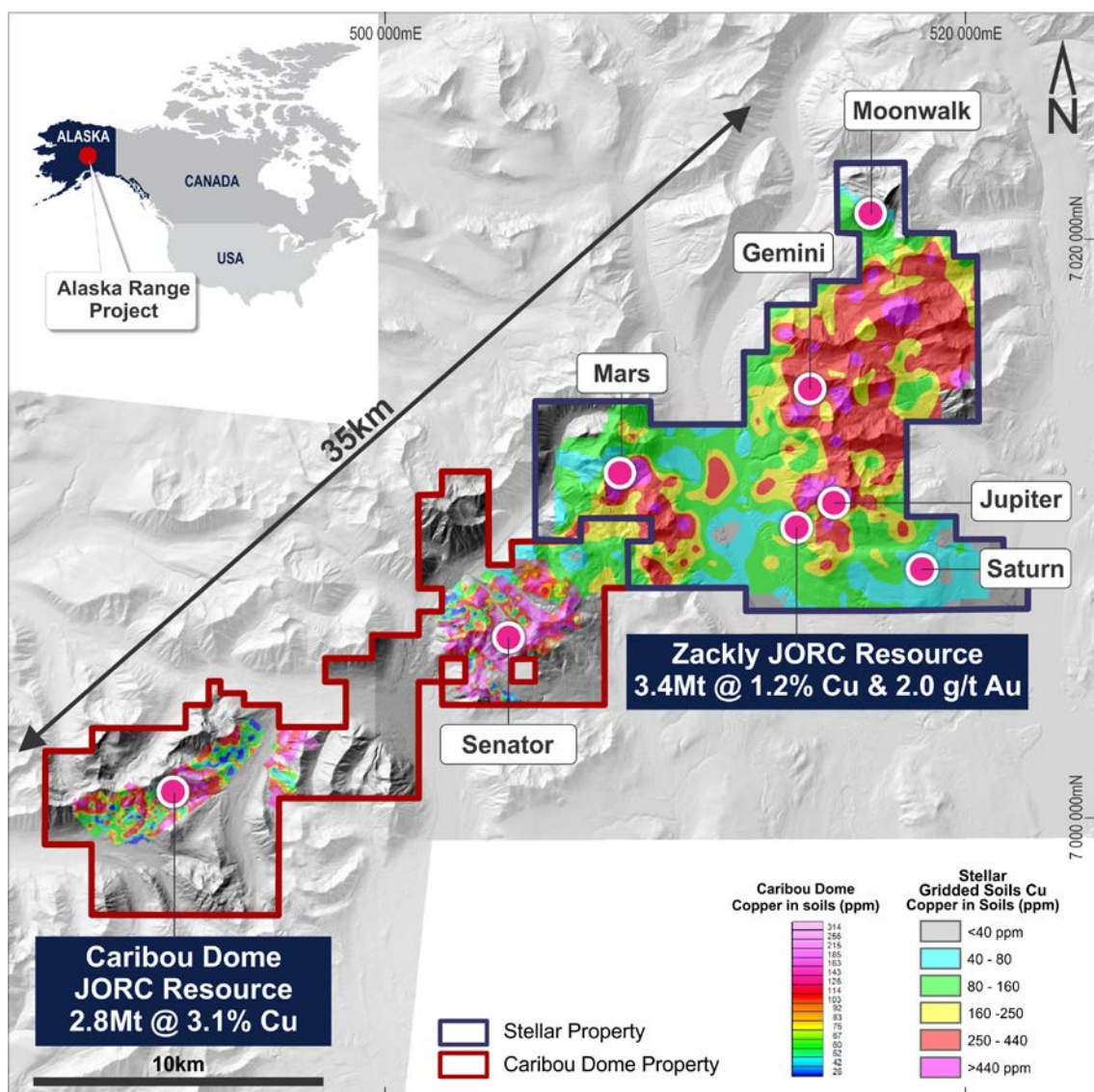


Figure 1 Location Map showing Caribou Dome in the Alaska Range Project

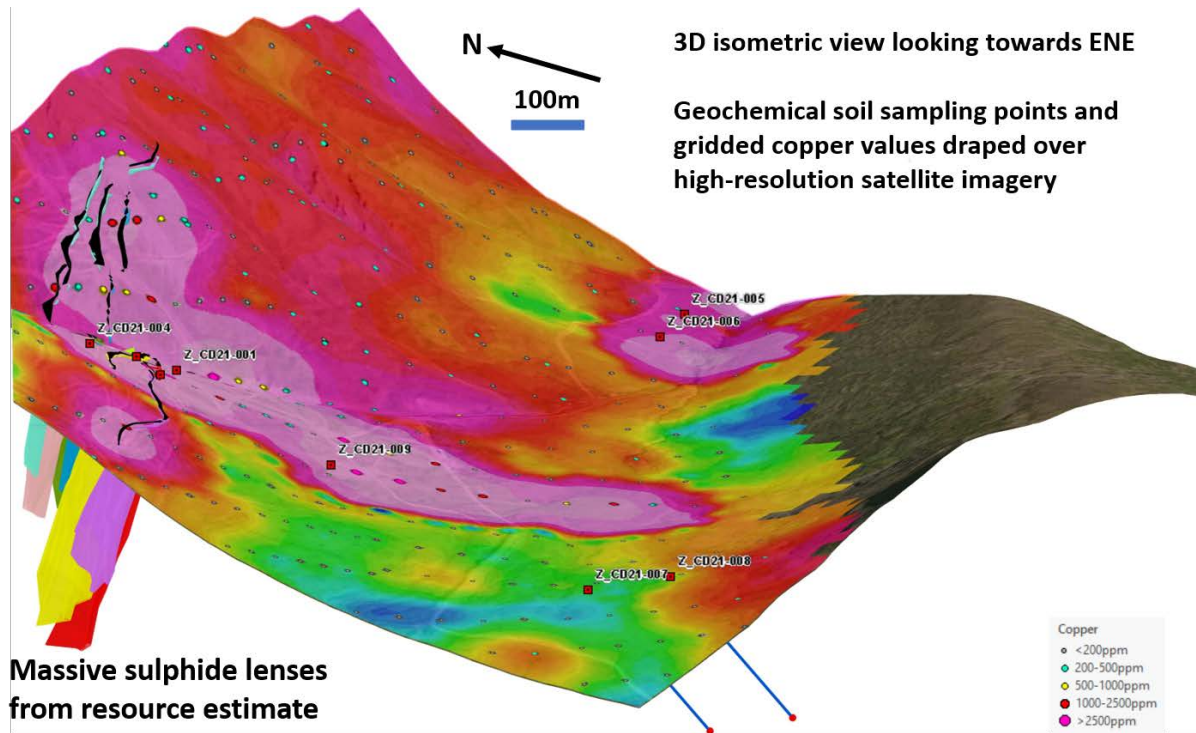


Figure 2 3D isometric view of Caribou Dome showing copper anomalism in soil geochemistry draped on topography, and planned drill holes for upcoming program.

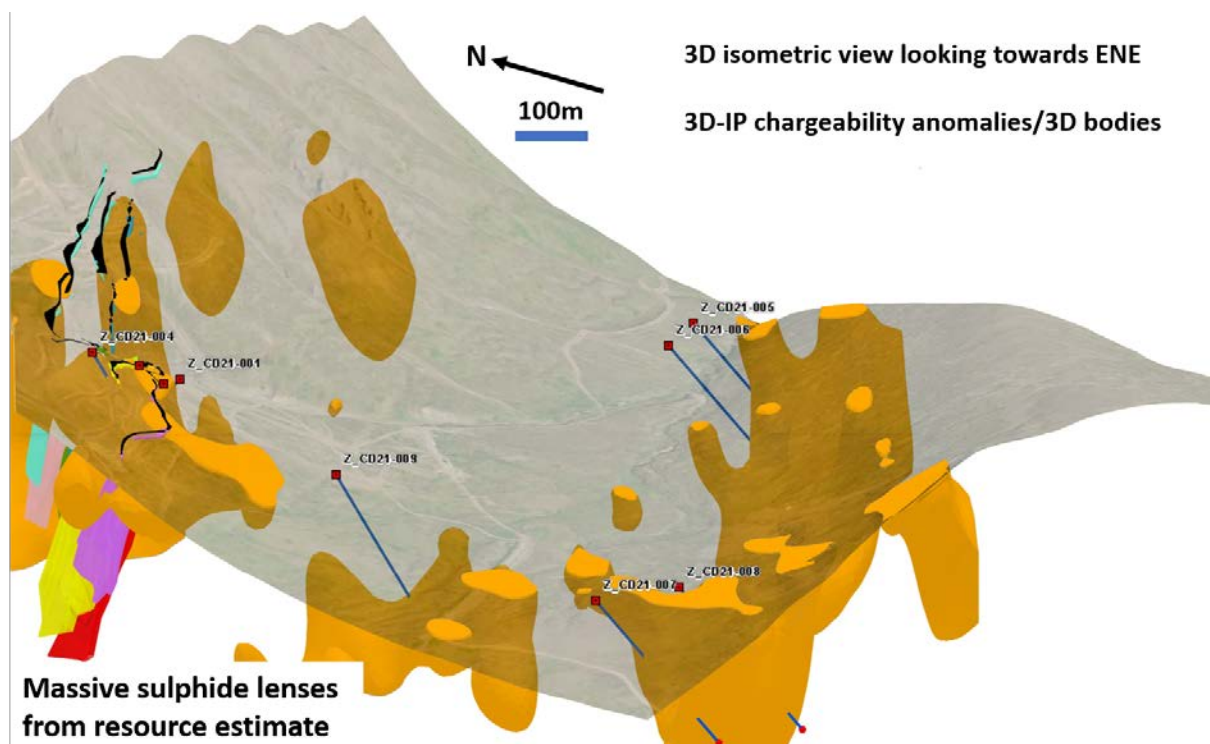


Figure 3 3D isometric view of Caribou Dome showing 3D IP chargeability highs, relationship with known massive sulphide lenses, and drill holes planned for upcoming program. Holes Z_CD21-01 to Z_CD21-04 to be drilled into existing massive sulphide lenses. Holes Z_CD21-05 to Z_CD21-09 to test new co-incident IP and geochemical targets.

ABOUT THE CARIBOU DOME PROJECT

The Caribou Dome Project (Figure 1) is located approximately 250km northeast of Anchorage in Alaska, USA. It is readily accessible by road – the Denali Highway passes within 20km of the Project and from there a purpose-built road provides direct access to the historic underground development at the Project.

Copper mineralisation was discovered at the Caribou Dome Project in 1963. From 1963-1970 nine lenses of volcanic sediment-hosted copper mineralisation were delineated over approximately 700m of the strike. Ninety-five diamond core holes were drilled during this period, from surface and underground.

On 25 February 2015, PolarX secured the right to acquire an 80% interest in the Caribou Dome Project by meeting certain expenditure obligations and annual cash payments. Very limited exploration had been undertaken since 1970, until PolarX secured the rights to explore and develop the project in February 2015. It compiled all historic technical information, prioritised targets arising, completed a ground geophysics (induced polarisation) survey, geochemical soil sampling and two programs of diamond core drilling. This drilling rapidly validated previous work and the Company was able to publish a maiden resource in April 2017 (see Table 1 below).

The mineralisation occurs in a series of deformed lenses of fine-grained massive sulphides comprising pyrite and chalcopyrite. The mineralisation has been deformed by two-phases of folding and then subsequently faulted. The mineralisation extends from surface to depths of over 300m.

Multiple high-priority targets based on surface geochemical soil sampling and IP survey remain undrilled. With >18km of the stratigraphic horizon that hosts the mineralisation evident within the Company's project area, there is considerable potential to discover additional high-grade mineralisation and to continue to expand the resource base at the Project.

The Company intends to evaluate the economic viability of trucking copper mineralisation from Caribou Dome to potential processing plant sites at its wholly owned Zackly copper-gold deposit.

Table 1. Alaska Range Project Resource Estimates (JORC 2012), 0.5% Cu cut-off grade

	Category	Million Tonnes	Cu %	Au g/t	Ag g/t	Contained Cu (t)	Contained Cu (M lb)	Contained Au (oz)	Contained Ag (oz)
ZACKLY	Inferred	3.4	1.2	2.0	14.0	41,200	91	213,000	1,500,000
CARIBOU	Measured	0.6	3.6	-		20,500	45	-	-
DOME	Indicated	0.6	2.2	-		13,000	29	-	-
	Inferred	1.6	3.2	-		52,300	115	-	-
					TOTAL	127,000	280	213,000	1,500,000

Authorised for release by Dr. Frazer Tabcart, Managing Director.

For further information contact:

Peter Nesveda, International Investor Relations and Corporate Affairs on +61 412 357 375

Or contact the Company directly on +61 8 6465 5500

Media

For further information, please contact:

Paul Armstrong

Read Corporate

+61 8 9388 1474

ADDITIONAL DISCLOSURE

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code.

Information in this announcement relating to Exploration results is based on information compiled by Dr Frazer Tabcart (an employee and shareholder of PolarX Limited), who is a member of The Australian Institute of Geoscientists. Dr Tabcart has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Tabcart consents to the inclusion of the data in the form and context in which it appears.

There is information in this announcement relating to:

- (i) the Mineral Resource Estimate for the Caribou Dome Deposit (Alaska Range Project), which was previously announced on 5 April 2017;*
- (ii) the Mineral Resource Estimate for the Zackly Deposit (Alaska Range Project), which was previously announced on 20 March 2018, and*
- (iii) exploration results which were previously announced on 21 July 2015, 6 August 2015, 10 September 2015, 13 November 2015, 28 July 2016, and 17 August 2016.*

Other than as disclosed in those announcements, 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 have not materially changed. The Company also 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.

Forward Looking Statements:

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, PolarX does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this news release is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.