

31 July 2024

# Quarterly Report

## JUNE 2024 QUARTERLY ACTIVITIES REPORT

### HIGHLIGHTS

#### Alaska Range Project

- New core drilling at the high-grade Caribou Dome Copper Project intersected 8.3m and 12.65m thick zones of copper-bearing massive sulphides beneath CD21-001 (which intersected 19.1m @ 7.0 %Cu + 11.2 g/t Ag and 9.8m @ 6.8 %Cu + 7.8 g/t Ag in 2021).
- All three core drill holes drilled during the quarter intersected visible copper mineralisation.

#### Corporate

- Commitments received to raise gross proceeds of \$3.2 million, via a placement at \$0.01 per share, which is scheduled to complete on 6 August 2024

### ALASKA RANGE COPPER/GOLD PROJECT

During the June quarter, PolarX Limited (ASX: PXX) completed three holes (755m) of a core drilling program at the high-grade Caribou Dome Copper Project in Alaska (see Figures 1 and 2). The program intersected 8.3m (CD24-002) and 12.65m (CD24-003) thick zones of copper-bearing massive sulphides\*. These intersections are beneath hole CD21-001 which intercepted 19.1m @ 7.0 % Cu + 11.2 g/t Ag and 9.8m @ 6.8 %Cu + 7.8 g/t Ag in 2021 (for location refer to Figures 2 and 3). CD24-001 intersected a narrow 'slither' of mineralisation that provided insightful fault offset information which was used successfully to target the mineralisation intersected in CD24-002 and CD24-003.

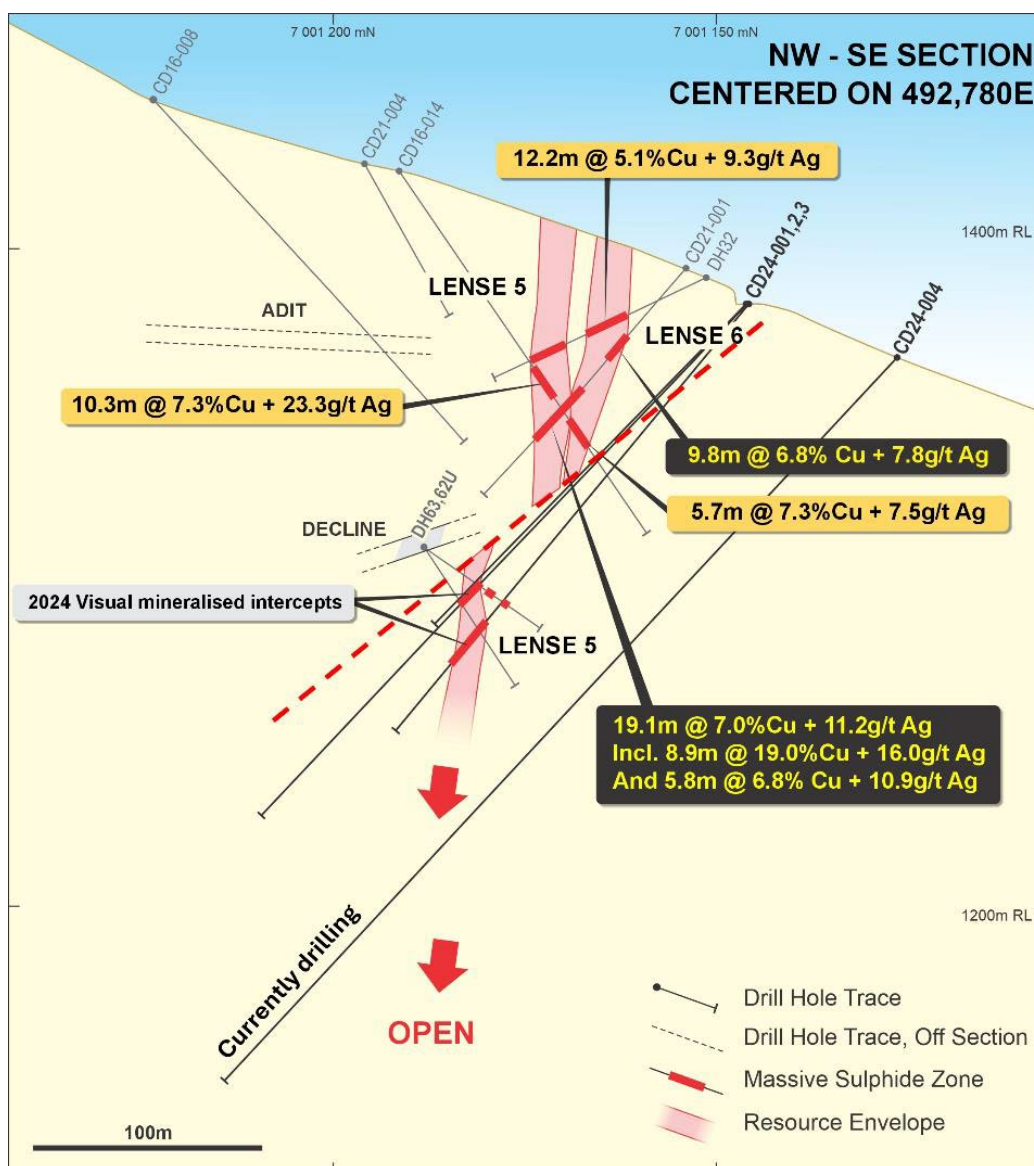


**Figure 1.** Finely laminated massive iron and copper sulphides at 126.0m depth on drill hole CD24-003. Scale bar = 5cm.

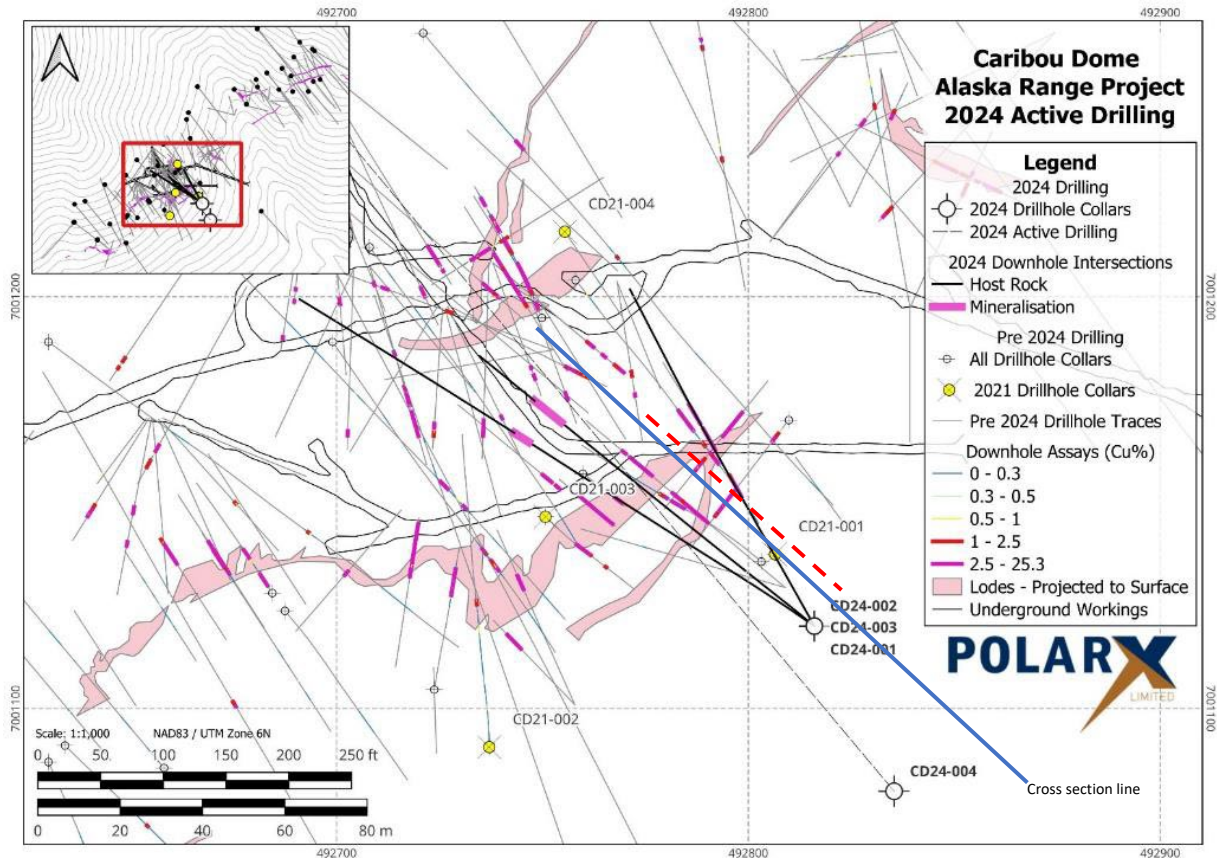
*\*In relation to the disclosure of visual mineralisation, the Company cautions that the massive sulphides are extremely fine grained, making visual recognition of copper sulphide species difficult. Furthermore, the Company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the widths and grade of the visible mineralisation reported in preliminary geological logging. The Company will update the market when laboratory analytical results become available, which is anticipated to be in August 2024 (refer ASX announcement of 26 June 2024).*

The oriented diamond core drill program was designed to test high-grade mineralisation continuity further down dip. The holes were drilled into zones of copper mineralisation comprising massive to semi-massive sulphides and assays are still pending.

High copper grades intercepted in diamond drilling in hole CD21-001 and the mineral resource estimate (7.2Mt @ 3.1% Cu, refer Table 1 and see Figure 3) indicate a very high probability that CD24-002 and CD24-003 will contain significant grades of copper.



**Figure 2.** Cross section (330°) for current drilling infers a fault offsetting of the CD21-001 mineralised intercepts. The inferred fault is a steep dipping fault with combined strike and likely dip displacement, not a reverse fault as it appears in cross section. Structural interpretation is ongoing and will improve as more information comes to hand.



**Figure 3.** Plan view showing location of drill holes from 2024, 2021, and historical drill holes. The dashed red line indicates the approximate position of the inferred steep sinistral strike fault, which also likely has vertical displacement.

Key Observations to date from the 2024 drilling program are as follows:

- CD24-002 intersected mineralisation from 118.10 to 124.23m down-hole depths comprising massive to semi-massive sulphides within calcareous and locally graphitic, fine-grained sediments (see Figure 4). The sulphides are extremely fine grained and form thin laminations with very fine-grained calcareous argillite. Chalcopyrite (copper sulphide) occurs as small blebs and filigree veinlets and as zones of very fine-grained massive sulphides within zones dominated by pyrite (iron sulphide).
- CD24-003 intersected semi-massive to blebby sulphides from 122.68m to 135.75m down-hole depths within calcareous argillite and locally cleaner fine-grained limestone (see Figures 1 and 4). Sulphide mineralisation is again extremely fine grained, making visual distinction between pyrite and chalcopyrite challenging.
- CD24-001 intersected shale hosted massive sulphide mineralisation at 96.9m down-hole depth measuring 30 cm in length and offset by a steep dipping fault with sinistral kinematic shear sense. The hole was terminated at 132.0m. The next hole CD24-002 was positioned at 305° azimuth, which was drilled to successfully intersect the ore in the hanging wall of the fault.



Assays are pending for all holes drilled in the 2024 program, with first assays expected in August.

### Alaska Range Project Background

The Alaska Range Project (Figure 5) 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 exploration development at the Project.

The Alaska Range Project comprises a contiguous package covering 262km<sup>2</sup> with ~35km strike length hosting extensive copper- and gold-in-soil anomalism consistent with several mineralised districts.

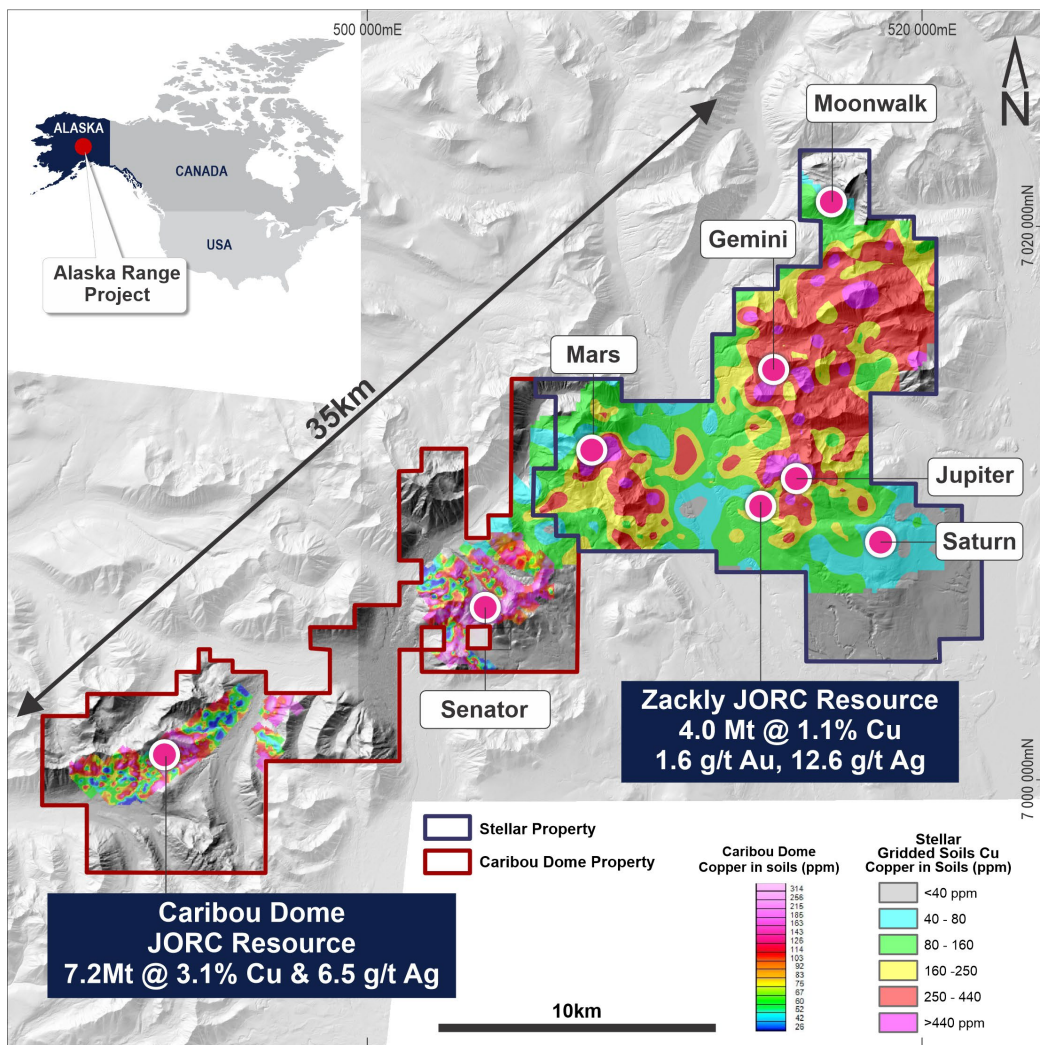


Figure 5. Location Map Alaska Range Project

In January 2024, the Company announced the results of an updated scoping study (2024 Scoping Study) for the Alaska Range Project, which included the following key aspects:

- Pre-Tax NPV7 of A\$625M
- Pre-Tax IRR of 73.9%
- Mine Life EBITDA of A\$1,269M
- Average annual free cashflow over 9.5 years mining of A\$120M
- Capital Payback of 1.6 years
- 83% of the material currently proposed to be mined falls in the Measured and Indicated resource categories

The 2024 Scoping Study was based on the updated mineral resource estimate for the Caribou Dome deposit, announced in June 2023 of 7.2Mt @ 3.1% Cu and 6.5g/t Ag, which followed the announcement of an updated mineral resource estimate for the Zackly deposit in October 2022 of 4.0Mt @ 1.1% Cu and 1.6g/t Au (refer Table 1 below):

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

	Resource Category	Mt	Cu %	Au g/t	Ag g/t	Contained Cu (t)	Contained Cu (M lb)	Contained Au (oz)	Contained Ag (oz)
<b>ZACKLY</b>	Indicated	2.5	1.2	1.9	13.9	30,700	68	155,000	1,120,000
	Inferred	1.5	0.9	1.2	10.4	14,300	32	58,000	513,000
	<b>TOTAL</b>	<b>4.0</b>	<b>1.1</b>	<b>1.6</b>	<b>12.6</b>	<b>45,000</b>	<b>100</b>	<b>213,000</b>	<b>1,633,000</b>
<b>CARIBOU DOME</b>	Measured	1.0	3.9	-	8.6	39,800	88	-	284,000
	Indicated	3.2	3.3	-	6.5	105,175	232	-	662,800
	Inferred	3.0	2.6	-	5.7	79,400	175	-	552,000
	<b>TOTAL</b>	<b>7.2</b>	<b>3.1</b>		<b>6.5</b>	<b>224,375</b>	<b>495</b>		<b>1,498,000</b>
<b>COMBINED</b>	<b>TOTAL</b>	<b>11.2</b>				<b>269,375</b>	<b>595</b>	<b>213,000</b>	<b>3,131,000</b>

**Notes:**

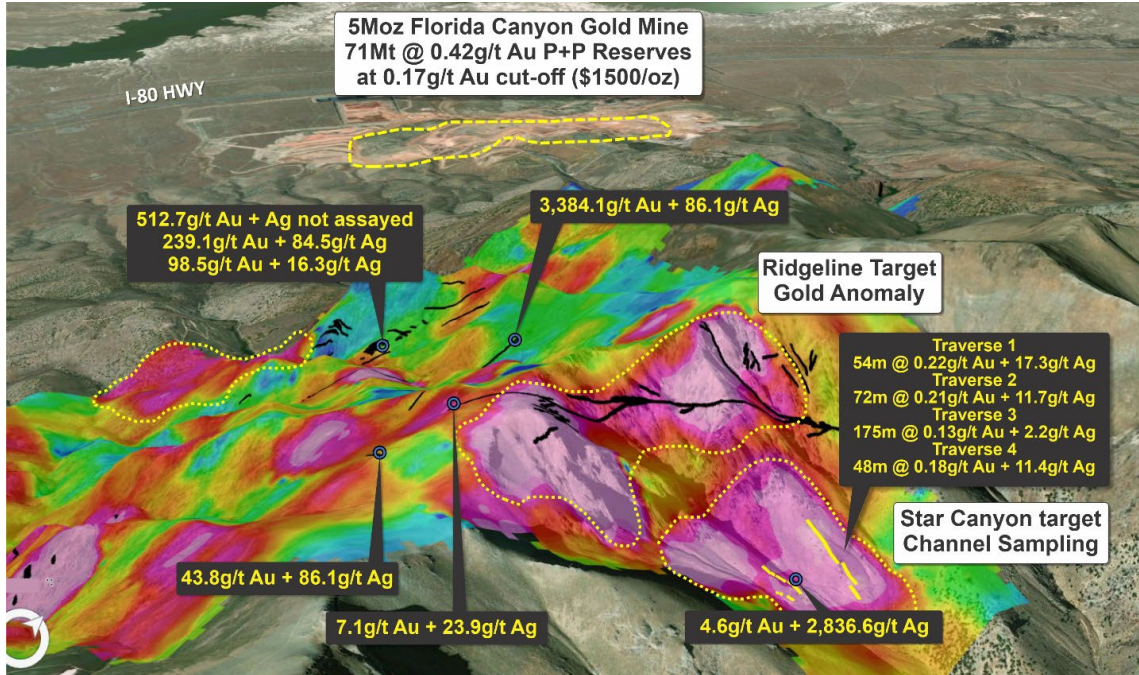
1. Refer to the ASX announcement of 14 June 2023 for full details on the Caribou Dome Project Mineral Resource estimate, including applicable technical information and reporting criteria.
2. Refer ASX announcement of 17 October 2022 for full details on the Zackly Deposit Mineral Resource estimate, including applicable technical information and reporting criteria.

## HUMBOLDT RANGE GOLD-SILVER PROJECT, NEVADA

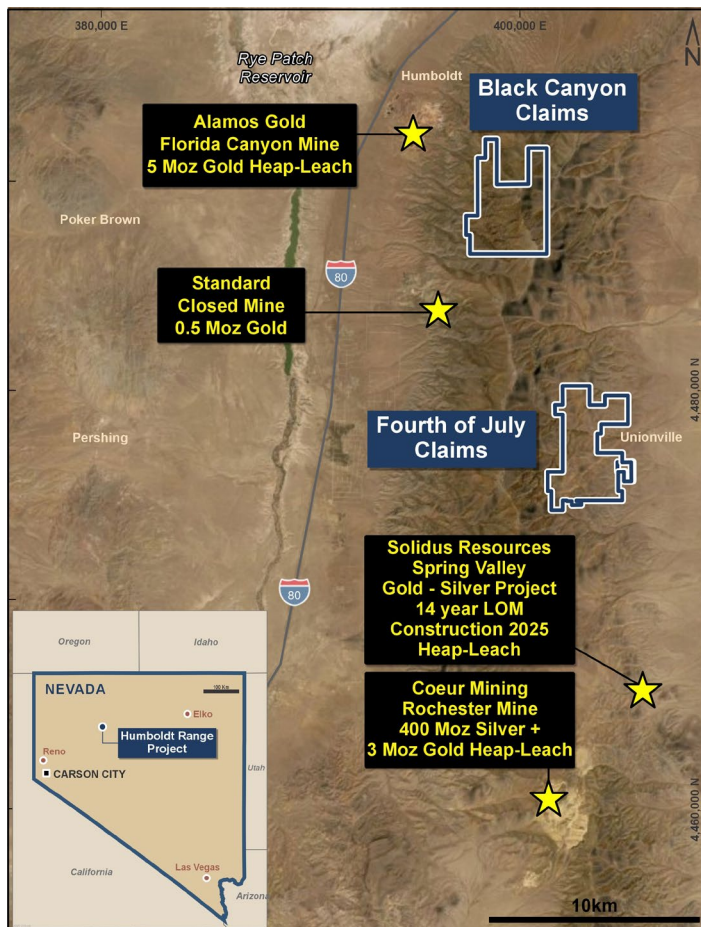
No significant activities were undertaken at the Humboldt Range Project during the June 2024 quarter.

The Humboldt Range Project comprises 364 lode mining claims in Nevada in two claim groups: Black Canyon and Fourth of July.

The Black Canyon claims at the northern end of Humboldt Range are less than 3km from the currently operating Florida Canyon Mine, which hosts 5Moz gold (see Figures 6 and 7). The 400Moz silver / 3Moz gold Rochester Mine and the 4Moz Spring Valley gold project are located just 15km and 9km respectively to the south of PolarX's Fourth of July claims. Access to the project is straightforward via roads off the I-80 Interstate Highway, which lies less than 15km to the west of the claims.



**Figure 6.** Oblique 3D-view of the Black Canyon project overlaid with the gold geochemical soil anomaly and high-grade vein samples.



**Figure 7.** PolarX's Nevada claims are ideally located, adjacent to large scale operating mines and important road, energy and workforce infrastructure. The Rochester Mine, Spring Valley project and Black Canyon all host gold & silver mineralisation within north-south striking Rochester Rhyolite rock units.

## CORPORATE

On 29 July 2024, the Company announced a placement to raise \$3.2 million (before issue costs), via the issue of 320 million shares at an issue price of \$0.01 per share (“the Placement”). Completion is scheduled for 6 August 2024.

The Placement follows the completion in April 2024 of a non-renounceable pro rata entitlement offer, pursuant to which the Company raised gross proceeds of approximately \$4.92 million.

As at 30 June 2024 (pre-Placement), the Company had on issue 2,050,482,478 Shares and 47,868,907 unlisted options.

### *ASX Additional Information*

The \$1.07 million of exploration and evaluation expenditure capitalised during the quarter (refer Item 2.1(d) of the accompanying Appendix 5B), predominantly comprised:

- payments in relation to exploration activity at Caribou Dome, including the 755m core drilling program undertaken in June 2024; and
- technical consulting fees.

The aggregate amount of payments during the quarter to related parties and their associates of \$179k (refer Item 6 of the accompanying Appendix 5B) comprised the following.

- Director fees and administrative consulting services (\$104k)
- Director’s technical consulting services (\$75k)

### **Authorised for release by the Board.**

For further information, please contact the Company directly on +61 8 9226 1356

#### **Investor Relations:**

**Peter Nesveda - Australian and International Investor Relations and Corporate Affairs**

email: [peter@intuitiveaustralia.com.au](mailto:peter@intuitiveaustralia.com.au)

Mobile: +61 412 357 375



## **ADDITIONAL DISCLOSURE**

There is information in this announcement relating to:

- (i) the Mineral Resource Estimate for the Caribou Dome Deposit, which was previously announced on 14 June 2023;
- (ii) the Mineral Resource Estimate for the Zackly Deposit, which was previously announced on 17 October 2022; and
- (iii) exploration results which were previously announced on 5 July, 8 August and 5 October 2022 and 26 June 2024.

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.

All references to the 2024 Scoping Study and its outcomes in this announcement relate to the announcement of 18 January 2024 titled "2024 Alaska Range Scoping Study". Please refer to that announcement for full details and supporting information.

### **Forward Looking Statements:**

Any forward-looking information contained in this report is made as of the date of this report. 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 report 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.

**Appendix - Tenement Schedule as at 30 June 2024**

Tenement	Location	Licence Details	Ownership	Change in Quarter
<b>Alaska Range Project</b>				
<b>Caribou Dome</b>				
135 State mining claims	Alaska, USA	Caribou 1 – 20 ADL# 563243 - 563262 Copper 1 – 6 ADL# 588461 – 588466 Copper 7 – 11 ADL# 645375 – 645379 CD 1 – 66 ADL# 664859 – 664924 CDS 001 – 038 ADL# 719949 – 719986	Option to acquire 80% interest	Nil
81 State mining claims	Alaska, USA	CD 001 – 040 ADL# 719909 – 719948 CDE-01 – 20 ADL# 722216 – 722235 CDE 26 ADL# 722241 CD 41 – 51 ADL#725113 - 725123 SBX 71 ADL#726910 SBX 74 - 75 ADL#726913 - 726914 SBX 77 - 82 ADL#726916 – 726921	Option to acquire 90%	Nil
<b>Stellar</b>				
227 State mining claims	Alaska, USA	SB 154 – 155 ADL# 704562 – 704563 SB 167 – 168 ADL# 704575 – 704576 ZK 3 – 5 ADL# 704621 – 704623 ZK 14 ADL# 704632 ZK 19 – 21 ADL# 704637 – 704639 Z 1 – 5 ADL# 709427 – 709431 Z 6 – 10 ADL# 711728 – 711732 SB 281 – 283 ADL# 714079 – 714081	100% interest	Nil

Stellar (continued)				
		SB 297 – 299		
		ADL# 714095 – 714097		
		SB 317 – 319		
		ADL# 714115 – 714117		
		SB 346 – 348		
		ADL# 714144 – 714146		
		SB 364 – 368		
		ADL# 714162 – 714166		
		SB 376 – 379		
		ADL# 714174 – 714177		
		SB 389 – 390		
		ADL# 714187 – 714188		
		SB 417		
		ADL# 715392		
		SBA 001 – 066		
		ADL# 721446 – 721511		
		SBX 001 – 070		
		ADL# 724789 – 724858		
		CDE-21 – 25		
		ADL# 722236 – 722240		
		CDE 27		
		ADL# 722242		
		SBX 72 – 73		
		ADL# 726911 – 726912		
		SBX 76		
		ADL# 726915		
		SBX 83 – 91		
		ADL# 726922 – 726930		
		SBX 92 – 121		
		ADL# 728878 - 728907		

Humboldt Range Project				
318 Federal lode claims	Nevada, USA	FOJ 40, FOJ 42, FOJ 44, FOJ 60, FOJ 62, FOJ 203, FOJ 262, SM 27, SM 29, SM 73-75, SM 103, SM 105, SM 107, SM 109, SM 111, SM 113 -116, SM 133-152, SM 160-163, SM 170-179, SM 198-203, FOJ-249R, FOJ-251R, INCA # 1, INCA # 4-7, SM 3-26, SM 43-72, SM 91-102, SM 104, SM 106, SM 108, SM 110, SM 112, SM 117-126, FOJ 65-68, FOJ 99, FOJ 102, FOJ 104, FOJ 106, FOJ 140, FOJ 142, FOJ 190, FOJ 192, FOJ 194, FOJ 213, FOJ 215, FOJ 217, FOJ 219, FOJ 244, FOJ 250, FOJ 252, FOJ 258-261, FOJ 276, FOJ 278, FOJ 300, FOJ 302, PFJ 01-96, PFJ 97-141	100% interest in a Mineral Lease Agreement to explore, develop and mine the project	Nil
46 Federal lode claims	Nevada, USA	BC 01-15a, BC 15b-45	100% interest in a Mineral Lease Agreement to explore, develop and mine the project	Nil

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PolarX Limited

ABN

161615783

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(153)	(540)
	(e) administration and corporate costs	(176)	(786)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(329)</b>	<b>(1,326)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(1,967) <sup>1</sup>	(2,565) <sup>1</sup>
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(1,070)	(2,315) <sup>2</sup>
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	286 <sup>2</sup>
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(3,037)</b>	<b>(4,594)</b>

1. Expenditure for the June 2024 quarter included the one-off cost of \$1.92 million in relation to the exercise of the option to acquire an 80% interest in the Caribou Dome property, which forms part of the larger Alaska Range Project. Other costs within this category include annual tenement maintenance costs and mining taxes, staking/pegging costs, and consideration payable under existing project acquisition agreements.
2. Refund of \$286k that was received in the December 2023 quarter from the Alaska Department of Natural Resources, following reclamation of the Stellar Project camp site.

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	4,919	7,182
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(204)	(402)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	(25)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>4,715</b>	<b>6,755</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	209	732
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(329)	(1,326)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3,037)	(4,594)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	4,715	6,755

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

4.5	Effect of movement in exchange rates on cash held	6	(3)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,564</b>	<b>1,564</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,564	209
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,564</b>	<b>209</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	104
6.2	Aggregate amount of payments to related parties and their associates included in item 2	75

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(629)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,070)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,699)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,564
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,564
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.92
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
The Company's expects to incur a similar level of net operating cash outflows in the September 2024 quarter in relation to the Company's proposed exploration program at Caribou Dome.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
On 29 July 2024, the Company announced that it had received commitments for a placement to raise \$3.2 million (before costs). Completion is scheduled for 6 August 2024 ("Placement").  In addition to the Placement, based on previous exploration results and the outcomes of the 2024 Scoping Study, the Company expects that it will be able to continue funding its activities via further equity financings.	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
The Company expects to have sufficient funding to continue its operations as detailed in item 8.8(2) above.	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2024.

Authorised by: The Board of Directors

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.