

\$1.26m Placement to fund exploration and metallurgical testing at Alaska Range

PolarX Limited (ASX: PXX) (the **Company**) has received offers to subscribe for approximately 21 million shares at an issue price of 6c per share to raise approximately \$1.26 million (**Placement**).

The Placement is being undertaken within the Company's existing capacity under ASX Listing Rule 7.1 and completion is expected on or around 14 December 2018.

Proceeds will be used for:

1. Metallurgical test work programs to evaluate processing options for the Zackly Cu-Au skarn mineralization. This will include an assessment of the potential to recover a large proportion of the free-milling native gold through a gravity circuit followed by subsequent processing to recover residual native gold and copper minerals;
2. A 15-20 line-km induced polarization ground geophysical survey over the Zackly SE porphyry target;
3. Secure key contractors for the 2019 exploration program, which will be designed to test:
 - down-dip and strike extensions to the thick, high-grade, near-surface, sub-horizontal mineralisation (including 55m @ 2.8g/t Au and 0.6% Cu in hole ZX-18020) which was discovered 850m east of the current inferred resource)
 - the highly-promising Mars porphyry Cu-Au target where high grades of Cu and Au have been identified in rock chip samples and geochemical soil samples directly above an IP anomaly which is spatially related to a magnetic high
 - the large-scale Zackly SE porphyry target which is 3km to ESE of the high-grade Zackly skarn
4. Logistical measures to reduce helicopter support requirements for the 2019 field program, intended to significantly reduce future exploration costs; and
5. General working capital.

PolarX Managing Director Frazer Tabearth said the support for the Placement from existing holders reflected confidence in the substantial upside at Alaska Range.

"We already have a significant gold-copper resource and the latest drilling results highlight the potential for a high-grade surface mining operation," Dr Tabearth said.

"We also have two outstanding porphyry targets which we will pursue in the coming field season.

"The combination of this immense potential and PolarX's current market capitalisation of ~\$17.9 million offers investors substantial leverage."

Aetas Global Markets Limited acted as lead-manager to the Placement.

For and on behalf of the Board.

For further information, please contact the Company directly on +61 8 6465 5500

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 Australasian Institution 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 exploration results which were previously announced on 15 August 2018, 21 August 2018, 27 August 2018, 20 September 2018, 25 September 2018, 31 October 2018, 5 November 2018, 12 November 2018 and 19 November 2018.

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.