

ASX Announcement

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This announcement has been authorised to be lodged with the ASX by the Board of Directors of PNX Metals Limited.



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Visible Gold in Diamond Drill Core – Fountain Head Project

- Multiple occurrences of visible gold identified within fractured quartz veining in diamond drill core between 145m and 181m in hole FHDD181 from the Tally Ho lode
- This new information suggests a thickening and extension of the Tally Ho lode which remains open down-dip
- Logging and assays to be completed when access to site is re-established
- Previously reported RC drilling at Fountain Head supports new, near-surface high-grade mineralisation, including:
 - 14m at 9.22 g/t Au from 17m in FHRC156, including
 - 2m at 48.58 g/t Au from 19m
- Remaining RC assays pending with updated Mineral Resource due in May 2020

PNX Metals Limited (**ASX: PNX**) (“**PNX**”, “the **Company**”) is pleased to report multiple occurrences of visible gold identified in diamond drill core from the Fountain Head gold Project (“**Project**”), part of the Company’s broader Hayes Creek Project, located in the Pine Creek region of the Northern Territory.

Two diamond drill holes were completed in March to provide geotechnical information for the proposed open-pit mining operation and to capture new geological data from the south eastern end of the Tally Ho lode.

The first diamond hole drilled into the Tally Ho zone by PNX (FHDD181), intersected multiple occurrences of visible gold mineralisation in fractured quartz veining between 145m and 180m down hole, which is interpreted as the extension and thickening of the Tally Ho mineralisation down-dip (Figures 1, 2 and 3).

The visible gold, up to 0.5 mm in size, occurs in late stage fracturing of the quartz veining and has been geologically logged in the core in nine separate locations down hole, at; 145.25m, 161.35m, 166.36m, 171.75m, 171.78m, 172.35m, 173.43m, 174.02m and 180.09m.

The safety of PNX employees and contractors is paramount, and appropriate measures are being taken in line with government advice regarding COVID-19, in particular relating to interstate travel. As such, the remaining 20m of FHDD181 will be logged and all assaying completed at a later date when access to site can be permanently re-established.

Drill hole FHDD181, and the occurrence of visible gold in the core is significant as it suggests not only that the highly prospective Tally Ho lode remains open along strike and at depth to the south-east (Figures 4 and 5), but that the majority of quartz veins at Tally Ho, in addition to those that have been identified as containing visible gold, have the potential to host significant coarse and nuggetty gold mineralisation.

This new information is in addition to exceptional gold grades reported recently from reverse circulation (RC) drilling (see ASX release 16 March 2020), where new zones of broad high-grade gold mineralisation, including **14m at 9.22 g/t Au from 17m** in FHRC156, have been intersected near surface in the area between the Fountain Head and Tally Ho lodes over a strike extent of approximately 100m. In this area, historically known as 'Ladder-Vein west', material previously classified as waste or low-grade ore is being assessed for the potential to host grades that will potentially support early mining and an increase in gold resources.

Managing Director Comment *PNX Managing Director James Fox said: "The drilling we are undertaking at Fountain Head continues to deliver significant results, which will help strengthen the case for the development of a heap leach operation as a source of early cashflow for the Company. The presence of visible gold in the first diamond hole we have drilled at Tally Ho is particularly pleasing and supports our positive view on the potential of the area to continue to deliver gold ounces into the Project. "*

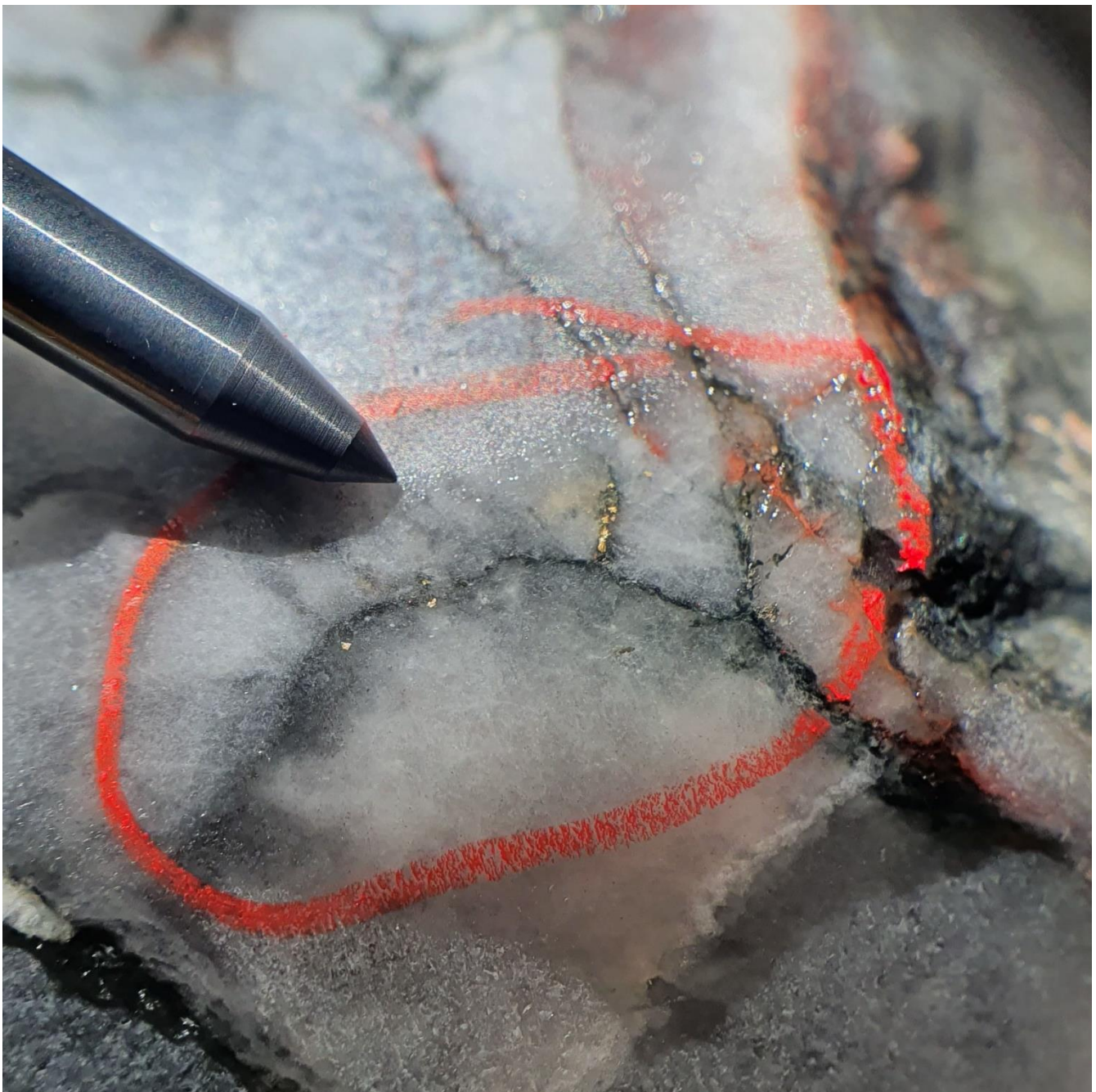


Figure 1: Visible gold in the Tally Ho lode at Fountain Head in FHDD181 at 145.25m

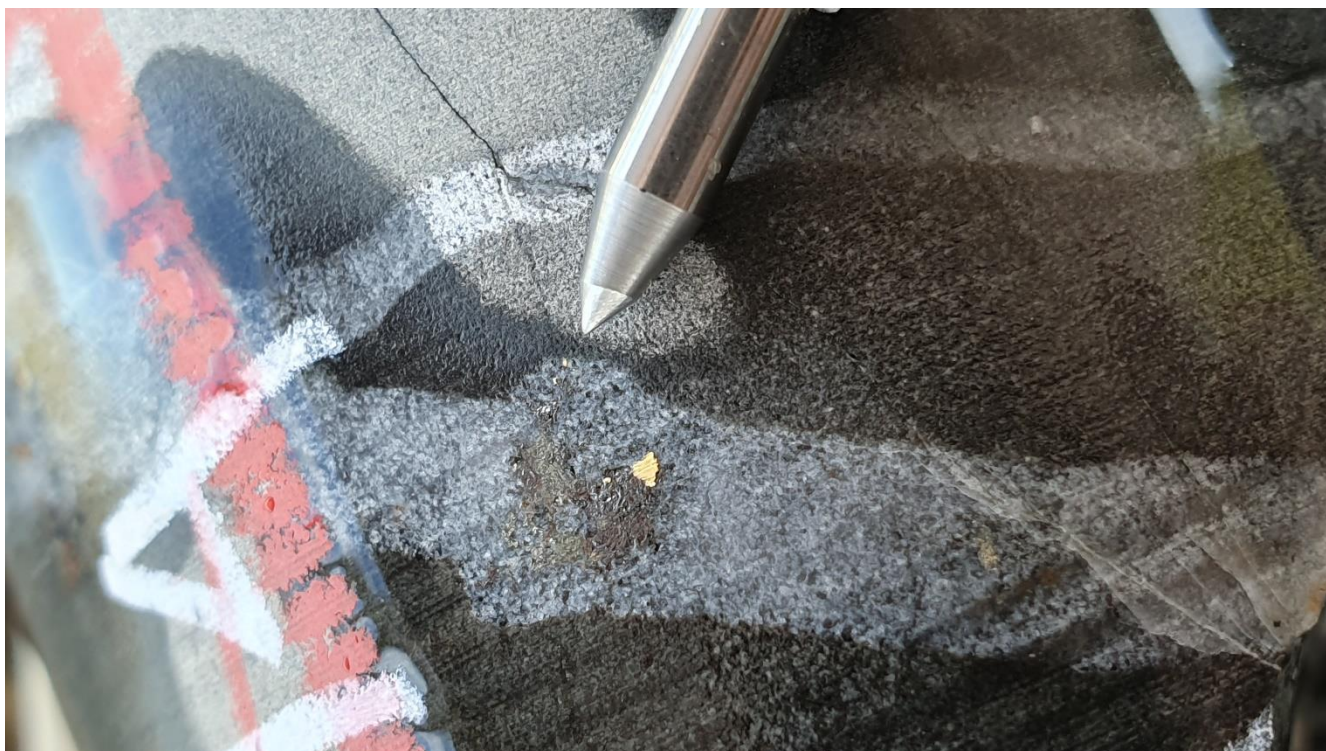


Figure 2: Visible gold in the Tally Ho lode at Fountain Head in FHDD181 at 174.02m

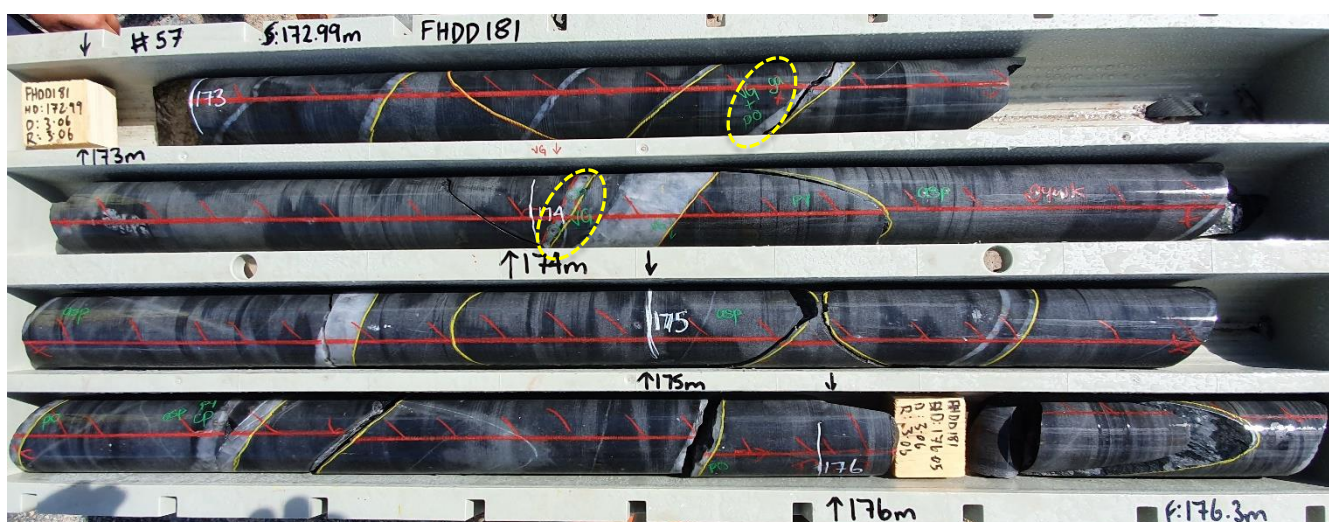


Figure 3: Visible gold in diamond core at 173.43m and 174.02m from the Tally Ho lode at Fountain Head

Note: With respect to the gold identified during logging of FHDD181, any visual estimates are uncertain in nature and should not be taken as a substitute for appropriate laboratory analysis. Laboratory assay results will be reported when the Company receives them.

Table 1

| Drill Hole | Core diameter | Easting (GDA94, z52) | Northing (GDA94, z52) | RL | End of hole depth (m) | Azimuth (GDA94, z52) | Dip |
|------------|---------------|----------------------|-----------------------|--------|-----------------------|----------------------|-----|
| FHDD181 | NQ | 771333.588 | 8510055.569 | 104.38 | 205.7 | 295 | -60 |

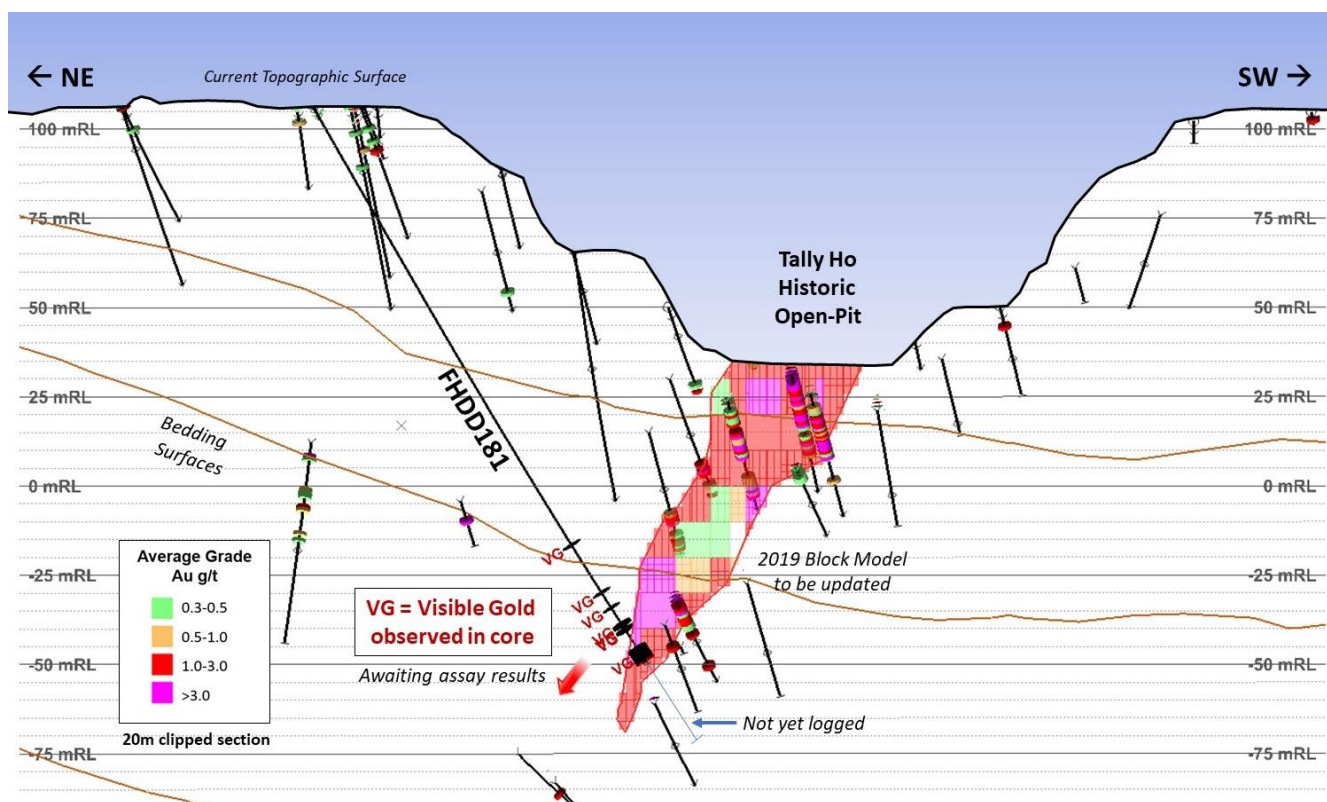


Figure 4: Cross section showing visible gold and position of FHDD181 in relation to Tally Ho lode

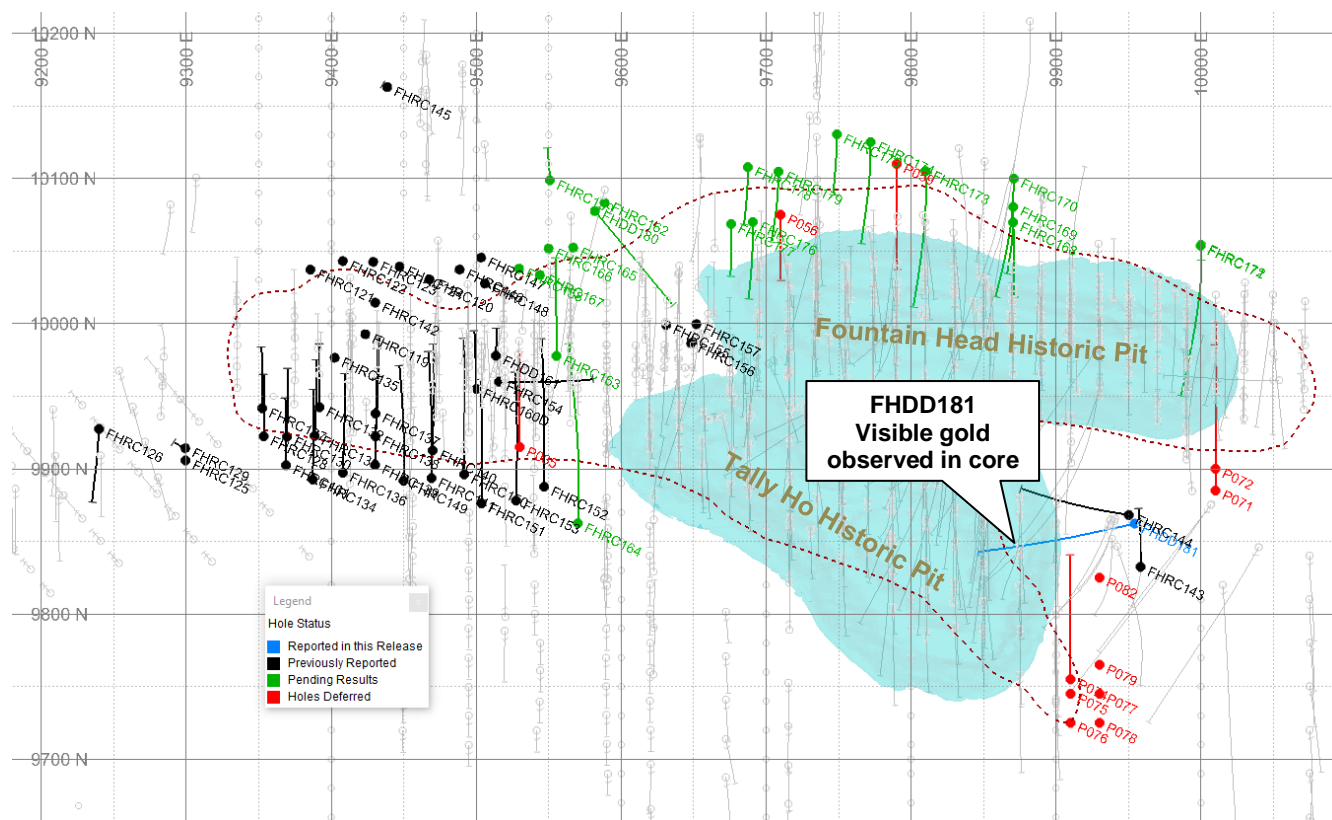


Figure 5: Fountain Head drill plan showing hole traces and collar locations as previously reported assays (black), reported in this release (blue), holes pending results (green) and deferred holes (red). Blue shadow shows existing pit outline with red hashed outline showing approximate boundary of current 0.7g/t Au resource cut-off projected to surface.

Ongoing Geotechnical, Metallurgical and Permitting Work

Selected RC intersections from 2019 drilling at Fountain Head have been sent for screen fire analysis to better understand the characteristics of the coarse, nuggetty gold mineralisation, with these results due shortly. Once all assays have been received, assessed and reported, an update to the Fountain Head Mineral Resource will be completed. The resource update is expected in early May.

The Company has been provided with draft Terms of Reference by the Northern Territory Environmental Protection Authority which it is now using to finalise the technical information required for the Project Environmental Statement. Many Government departments are operating with skeleton staff due to Government advice and restrictions relating to COVID-19, it is unknown at this stage how or if the Project approvals timeline will be affected.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Charles Nesbitt, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Nesbitt 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 Nesbitt is a full-time contract Exploration Manager 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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Fountain Head background

In mid-2019, PNX announced a new Mineral Resource estimate for Fountain Head of **2.58Mt at 1.7g/t Au for 138,000 oz Au** (Table 1) (reported in accordance with the JORC Code, 2012, see ASX release 11 July 2019 for full details including JORC tables).

The Company is currently assessing the feasibility of a heap leach operation as a low-cost, scalable option for generating early cashflow from existing gold resources whilst preserving the Hayes Creek zinc-gold-silver Mineral Resources for development at a future point in time. This strategy may also provide an opportunity to enhance overall Hayes Creek Project economics and extend the project mine life with the mined-out Fountain Head pit available for use as tailings storage from subsequent sulphide flotation of ore from the Mt Bonnie and Iron Blow deposits.

Excellent gold recoveries with low reagent consumption were achieved from metallurgical testwork (see ASX release 7 November 2019) resulting in PNX accelerating studies and the approvals process for the development of a gold heap leach operation at Fountain Head.

Successful gold heap leaching may also lead to the development of other gold deposits in the region, many of which lie within PNX's project areas. Some of these deposits are currently considered "stranded" due to their modest grades and distance from existing processing infrastructure. PNX's longer-term aim is to evolve Fountain Head into a regional processing hub capable of monetising a pipeline of gold and base metals assets.

Fountain Head Resource Estimate

Independent mining consultants CSA Global Pty Ltd ("CSA Global") have estimated the Mineral Resource in accordance with the JORC Code¹, which is summarised in Table 1.

Table 1: Fountain Head and Tally Ho Mineral Resources by JORC Classification as at 11 July 2019 estimated utilising a cut-off grade of >0.7 g/t Au which is consistent with the assumed open cut mining method (see PNX ASX release 11 July 2019).

| JORC Classification | Tonnage (Mt) | Au (g/t) | Ounces (Koz) |
|--|--------------|------------|--------------|
| Tally Ho | | | |
| Indicated | 0.94 | 2.0 | 59 |
| Inferred | – | – | – |
| Total | 0.94 | 2.0 | 59 |
| Fountain Head | | | |
| Indicated | 0.50 | 1.5 | 23 |
| Inferred | 1.15 | 1.5 | 55 |
| Total | 1.64 | 1.5 | 79 |
| Total Fountain Head + Tally Ho* | | | |
| Indicated | 1.43 | 1.8 | 83 |
| Inferred | 1.15 | 1.5 | 55 |
| Total | 2.58 | 1.7 | 138 |

* Due to the effects of rounding, the total 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 announcement 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.

¹ Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|-----------------------|--|---|
| Sampling techniques | <ul style="list-style-type: none"> 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 (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. | <ul style="list-style-type: none"> The HQ3 diamond core has not yet been split and sampled. 185.2m of 205.7m of FHDD181 has been geologically logged by the onsite geologist. Core cutting and sampling will be carried out at a later date when access to site can be re-established as a result of Government advice and COVID-19 travel restrictions. Magnetic susceptibility measurements were taken using KT-10 meter Field portable XRF measurements taken for 34 elements (Ca, Ti, V, Cr, Mn, Fe, Co, Ni, Cu, Zn, As, Rb, Sr, Zr, Mo, Ag, Cd, Sn, Sb, W, Hg, Pb, Bi, Th, U, Pd, S, Ba, K, Cs, Sc, Se, Te, and Au) using an Niton XL3T 500 device Mineralised intercepts have been verified using the field portable XRF instrument which gives a qualitative measure of the relevant elemental abundances |
| Drilling techniques | <ul style="list-style-type: none"> 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). | <ul style="list-style-type: none"> Geological logging relates to diamond drilling. Drilling was carried out by AMWD Drilling Services Pty Ltd, using an Alton HD900 drilling rig Core diameter was HQ3 (61.1mm). A Boart-Longyear Trueshot survey tool calibrated in 2019, was used at regular intervals (approximately every 30m downhole) as instructed by PNx's on-site geologist to monitor the downhole position |
| Drill sample recovery | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Core recovery was measured for each core run (typically 3 m), with core recoveries averaging 94% No relationship has been established between core recovery and grade, there is no reason to expect a sample bias exists |
| Logging | <ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate | <ul style="list-style-type: none"> 185.2m of 205.7m of FHDD181 diamond drill core has been geologically and geotechnically logged by the onsite geologist |

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| | <p><i>Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> | <ul style="list-style-type: none"> • RQD was measured for each metre. • All core has been photographed both wet and dry • Intervals with like geological characteristics are logged in detail, with sample boundaries corresponding to changes in geology • Log fields include lithology, colour, grainsize, texture, veining, sulphide mineralisation, alteration, strength, recovery and sample moisture • Logs have been aided by the use of magnetic susceptibility and portable XRF measurements on each metre sample |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> | <ul style="list-style-type: none"> • All core was cleaned and metre intervals marked up. • Sampling has not yet been carried out on the diamond drill core, this will take place when sire access can be re-established and geological and geotechnical logging can be finalised |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>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.</i> | <ul style="list-style-type: none"> • No assaying has taken place • Density determinations are yet to be undertaken on the diamond drill core • Field portable XRF measurements were taken for 34 elements using a Niton XL3T 500 device • Appropriate QAQC procedures, including certified reference materials, duplicates and blanks, will be used during laboratory analysis |
| Verification of sampling and assaying | <ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> | <ul style="list-style-type: none"> • FHDD181 was designed to provide information to enable geotechnical evaluation of proposed pit wall design and to provide technical information to inform the geological model • No specific twinned holes have been carried out although drilling is with the resource envelope with other drill holes in close proximity • No laboratory assays have been completed as yet • All logging has been carried out using standardised logging codes to |

| Criteria | JORC Code explanation | Commentary |
|------------------------------------|--|---|
| | | <p>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</p> <ul style="list-style-type: none"> • 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 |
| Location of data points | <ul style="list-style-type: none"> • 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. | <ul style="list-style-type: none"> • Downhole surveys have been collected at approximate 30m intervals downhole and manually adjusted where magnetic interference is encountered in pyrrhotite bearing mineralisation • The drill collars were located using a Garmin GPS Map 60 hand-held GPS unit and verified using a second unit. The drill hole locations are considered accurate to within 5m and will be picked up with differential GPS prior to any new resource estimation. All coordinates are quoted using the GDA94 datum and projected to MGA zone 52 • A hydrographic survey was conducted in January 2019 to obtain an accurate pit floor surface of the water-filled conjoined Fountain Head and Tally Ho open pits. Measurements were made using a remotely controlled hydrographic craft fitted with an RTK GPS and Ceducer sonar system. The remote craft recorded data over a 5 m grid plan of the pit extents. • A Terra 3D aerial drone was flown over the Project area in July 2014, producing a high quality DTM surface and a composited aerial photograph using a CanonIXUS127HS camera. Some vegetation artefacts can be seen. • The final DTM used is a version of the Terra 3D DTM that has been updated with the 2019 hydrographic survey DTM, and then reduced in size to be manageable within the Datamine software |
| Data spacing and distribution | <ul style="list-style-type: none"> • 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. | <ul style="list-style-type: none"> • The diamond drill holes designed for geotechnical drilling are not designed on a regular grid pattern and therefore the drill spacing is irregular; however the pre-existing overall drill spacing within the mineralised zone is approximately 20 x 20m • No sampling has taken place as yet |
| Orientation of data in relation to | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • The drill holes have been designed to cross cut the main lithology to maximise structural, geotechnical and geological data • Any biasing effect is yet to be determined as no samples have been taken |

| Criteria | JORC Code explanation | Commentary |
|-----------------------------|--|--|
| <i>geological structure</i> | <i>sampling bias, this should be assessed and reported if material.</i> | |
| <i>Sample security</i> | <ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> | <ul style="list-style-type: none"> Logging has been carried out by PNX and contract personnel who are always on-site during drilling. No third parties have been allowed access to the samples |
| <i>Audits or reviews</i> | <ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> | <ul style="list-style-type: none"> No audits have been carried out at this point |

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| <i>Mineral tenement and land tenure status</i> | <ul style="list-style-type: none"> <i>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.</i> <i>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.</i> | <ul style="list-style-type: none"> The Project comprises four granted Mineral Leases (MLs) totaling 879.67 hectares, all 100% owned by PNX. These include MLN4, MLN1020, MLN1034 and ML31124 All mineral titles are situated within Perpetual Pastoral Lease 1111, NT Portion 695, known as Ban Ban Springs Station PNX has entered into an arrangement with the pastoral lease owners, which governs land access and other obligations for each party. No other landowner access agreements are in place Native Title has been extinguished over the Mineral Leases, and hence, Native Title issues will not affect the development and operation of these project tenements The Mineral Leases are in good standing and no known impediments exist |
| <i>Exploration done by other parties</i> | <ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> | <ul style="list-style-type: none"> The Fountain Head and Tally Ho deposits have been subject to sporadic exploration over a long period of time. Drilling has taken place when the project has been owned by the following companies: <ul style="list-style-type: none"> PNX Metals (2018) GBS Gold International (2006 to 2008) Northern Gold (2004 to 2006) |

| Criteria | JORC Code explanation | Commentary |
|----------|-----------------------|---|
| | | <ul style="list-style-type: none"> • Dominion Mining Limited (DML) (1993 to 1994) • Zapopan (1989 to 1991) • NT Gold Mining (NTGM) (1988 to 1989) • Destiny Prospecting (1987 to 1988) • Australian Coal and Gold (1982). • The mineralisation at Fountain Head and Tally Ho occurs within the upper units of the Mount Bonnie Formation, the uppermost division of the South Alligator Group, open folded sequence of mainly pelitic and psammitic Lower Proterozoic sediments with interlayered tuff units. These cyclic siltstone, mudstone and greywacke packages have been metamorphosed to greenschist facies. • In the area, stratigraphy is folded along northwest-southeast axes that plunge shallowly to the southeast. The southeast-striking anticline has variable limb dips and the axis is faulted by northwest-southeast trending faults. The sequence has been intruded by pre-orogenic dolerite sills of the Zamu Dolerite and several late syn-orogenic to post-orogenic Proterozoic granitoids. • Mineralisation at Fountain Head occurs in veins as either conformable anticlinal lodes (with flanking mineralisation) or subvertical "ladder vein" styled mineralisation associated with brittle failure sub-parallel to the fold axis, and is found within mudstones, greywackes and phyllite units. Sheeted quartz vein stock-works occur mainly in the axial zone with veins predominantly dipping northeast, and some saddle reefs occur in the axial zone). • The Tally Ho deposit is located just to the south of Fountain Head deposit and sits on the western limb of the Fountain Head anticline. The Tally Ho deposit strikes sub-parallel to the Fountain Head deposit and consists of a linear zone of mineralisation striking northwest-southeast and plunging to the southeast. The quartz veins are 1–20 cm thick and host gold with a minor pyrite-arsenopyrite association. • Previous mining at Fountain Head has consisted of small-scale mining of quartz reefs and alluvials from 1886 sporadically up to 1989. In 1995, Dominion Mining Ltd carried out trial open pit mining at Fountain Head. The Tally Ho lodes were discovered in 2006 and the deposits |

| Criteria | JORC Code explanation | Commentary |
|--------------------------|--|--|
| | | <p>were mined to approximately 50m below surface by GBS in 2007-2008, producing approximately 1.13Mt @ 1.65 g/t for 60,200oz</p> <ul style="list-style-type: none"> See ASX release 11 July 2019 where PNX published the results of a new mineral resource estimate |
| Geology | <ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> | <ul style="list-style-type: none"> Mineralisation at Fountain Head occurs as conformable and crosscutting lodes within mudstones, greywackes and phyllite units of a NW /SE striking anticline that plunges to the SE. The lithological units are believed to belong to the Mount Bonnie Formation, within the South Alligator Group. Gold mineralisation is hosted by sub vertical shear related stock-works, fracture zones in grey-wackes and saddle reefs at lithological contacts. Most of the resource is in the hinge zone of the anticline with gold grade rapidly tapering off down dip on the limbs |
| Drill hole Information | <ul style="list-style-type: none"> <i>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:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>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.</i> | <ul style="list-style-type: none"> Refer to table and diagram in main announcement for drill summary details |
| Data aggregation methods | <ul style="list-style-type: none"> <i>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.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> | <ul style="list-style-type: none"> Reported intersections are based on identification of coarse visible gold through visual logging of the core by the site geologist. No sampling has been carried out at this stage. |
| Relationship between | <ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of</i> | <ul style="list-style-type: none"> All significant intersections are quote as downhole widths |

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| <i>mineralisation widths and intercept lengths</i> | <p><i>Exploration Results.</i></p> <ul style="list-style-type: none"> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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').</i> | |
| <i>Diagrams</i> | <ul style="list-style-type: none"> <i>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.</i> | <ul style="list-style-type: none"> Refer to the main body of this announcement |
| <i>Balanced reporting</i> | <ul style="list-style-type: none"> <i>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.</i> | <ul style="list-style-type: none"> All matters of importance have been included |
| <i>Other substantive exploration data</i> | <ul style="list-style-type: none"> <i>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.</i> | <ul style="list-style-type: none"> All relevant information has been included |
| <i>Further work</i> | <ul style="list-style-type: none"> <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> | <ul style="list-style-type: none"> PNX is undertaking technical studies to assess future project development. FHDD181 will require further geological logging, density measurements and geotechnical logging prior to sampling and assay. FHDD181 is one of six proposed diamond drill holes required for geotechnical studies to inform pit design. |