

15 March 2022

PolarX plans to grow high-grade copper resource at Caribou Dome in Alaska

Recent exceptional drilling results prompt full review of existing resource model and a new drilling campaign to extend mineralisation at depth and along strike

Highlights

- Assessment of recently-announced assays shows copper grades were higher than predicted by the block model used for the existing mineral resource estimate.
- The results also confirmed the deposit is open at depth and along strike from these high grade zones.
- Given these extremely positive findings, PolarX has commenced a full review of the resource model to include a follow-up drilling campaign to extend the known mineralisation.
- The recent results (see ASX release dated February 23, 2022) highlighted thick zones of massive sulphide mineralisation of up to 14.8% copper with significant silver credits, shown in the table below:

	From	To	Down-Hole Interval (m)	Est. True Thickness (m)	Cu (%)	Ag (g/t)
CD21-001	25.28	35.05	9.77	6.45	6.8	7.8
and	45.16	64.25	19.09	12.60	7.0	11.2
including	45.16	54.1	8.94	5.90	10.0	16.0
including	50.12	54.1	3.98	2.63	14.8	24.0
and	58.4	64.25	5.85	3.86	6.8	10.9
CD21-002	12.07	20.73	8.66	5.89	0.3	1.1
and	43.6	56.85	13.25	9.01	0.4	0.5
CD21-003	26	36.71	10.71	7.50	7.4	15.4

- The existing Caribou Dome mineral resource estimate is 2.8Mt at 3.1% copper. PolarX sees potential for increasing both the average grade and tonnage.
- PolarX is studying the viability of trucking high-grade mineralisation from Caribou Dome to a potential processing plant at its wholly owned Zackly copper-gold deposit

PolarX Limited (ASX: PXX) is pleased to advise that it has initiated a full review of the resource model and will undertake a new drilling program to grow the high-grade copper inventory at its Caribou Dome project in Alaska.

The strategy stems from the exceptional infill drilling results announced on February 23, 2022, which contained grades of mineralisation which exceed those predicted by the resource block model.

PolarX drilled four holes at Caribou Dome in August/September 2021 to provide samples of copper mineralisation for metallurgical test work (see Figures 3 to 5). The holes were drilled into zones of copper mineralisation hosted in massive to semi-massive sulphides with locations exactly as predicted by the resource block model used for resource estimation in April 2017.

Initial evaluation of the results also found that the very high-grade mineralisation has not been closed off at depth or along strike. The potential for down-dip extensions of known mineralisation is shown in the cross-section in Figure 5, where the **mineralisation remains open below two lenses of copper sulphides which assayed 19.1m @ 7.0% Cu + 11.2g/t Ag, and 5.7m @ 7.3% Cu + 7.5g/t Ag**. These intersections also remain open along strike to the east (Figure 4).

A new program of drilling is being designed to test these and other extensions to the known high-grade copper mineralisation.

PolarX Executive Chair Mark Bojanjac said: **“These results show there is scope for significant growth in the Caribou Dome Resource. The high grades and the density of the mineralisation exceed our resource model and it remains open along strike and at depth”.**

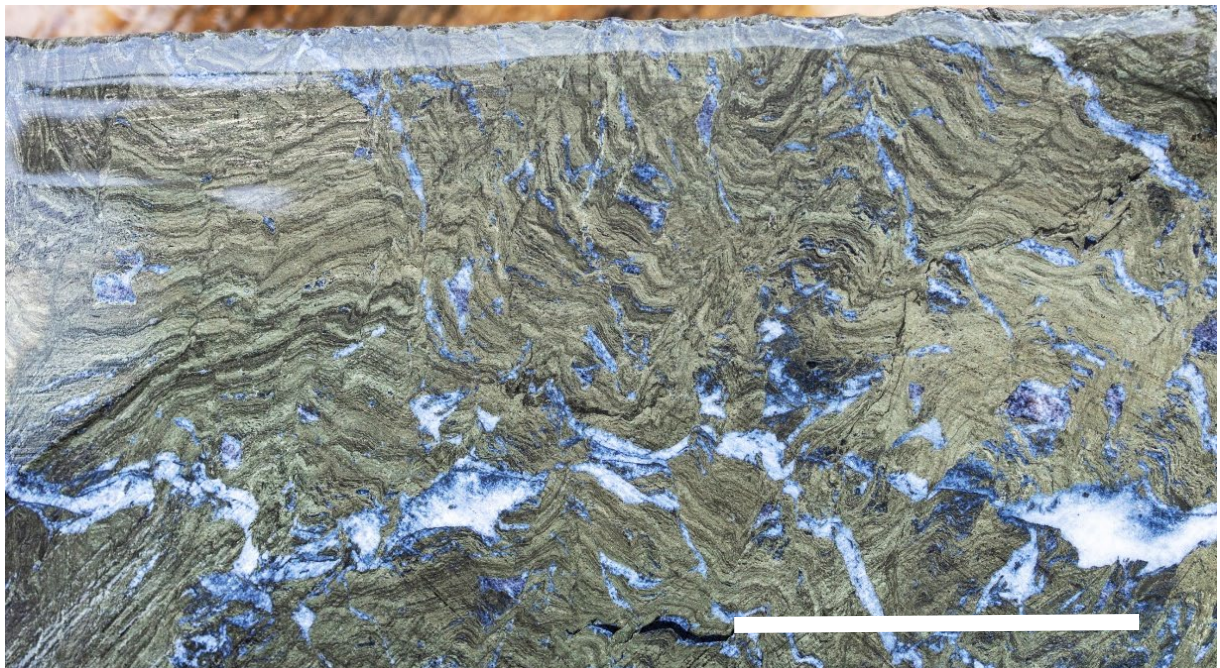


Figure 1 Finely laminated massive sulphides with 11.4% Cu and 23.4g/t Ag at 28.2m, CD21-003. Scale bar = 5cm.

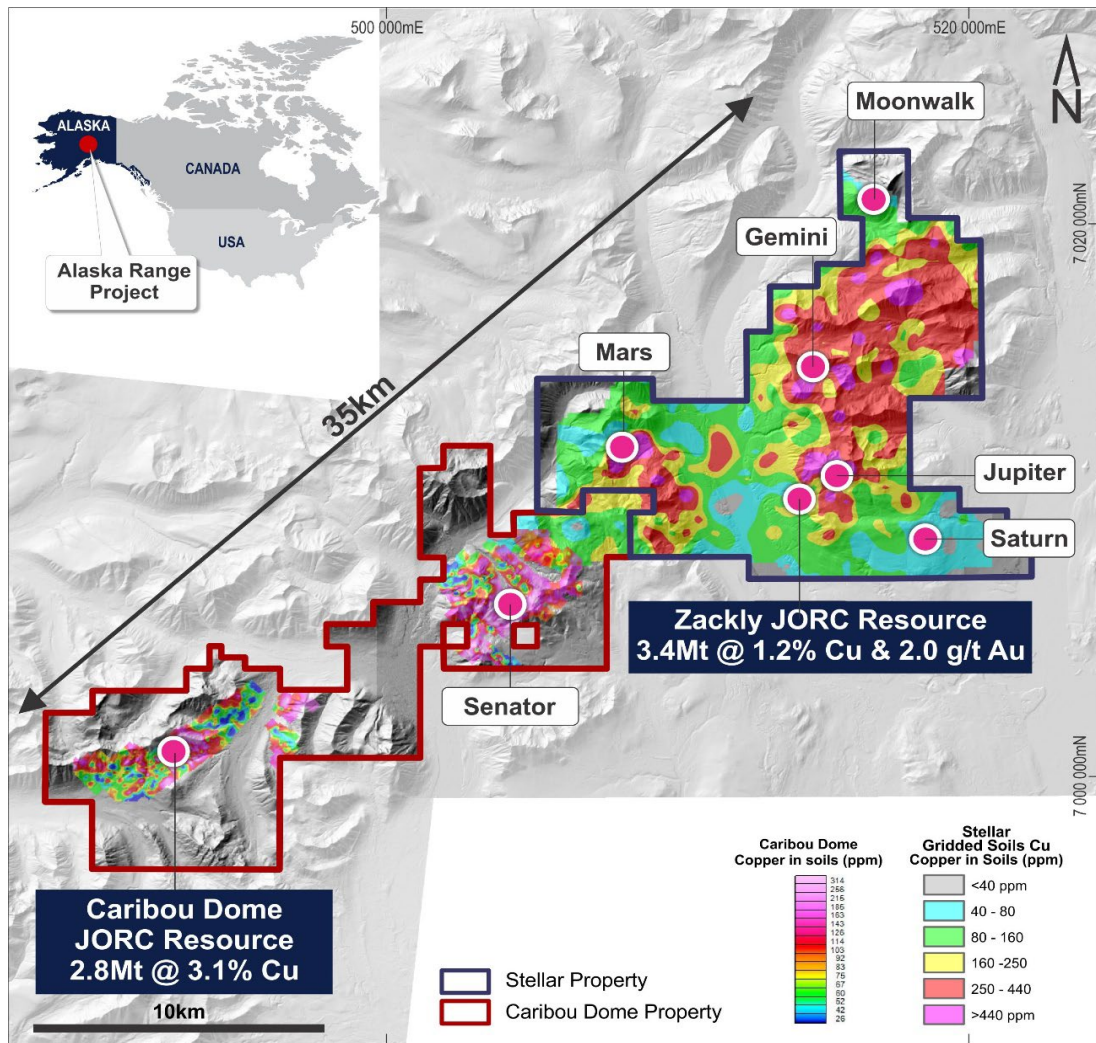


Figure 2 Location Map showing Caribou Dome in the Alaska Range Project

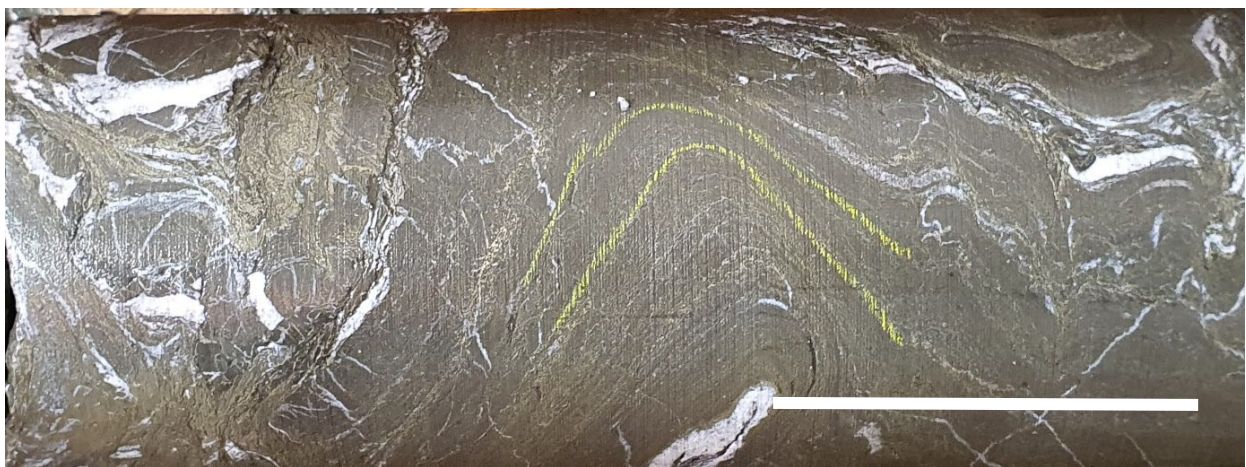


Figure 3 CD21-001 at down-hole depth of 47.5m. Very fine-grained massive pyrite and chalcopyrite with soft sediment folding and slumping. This interval assayed 9.3% Cu and 15.2g/t Ag. Scale bar approx. 5cm.

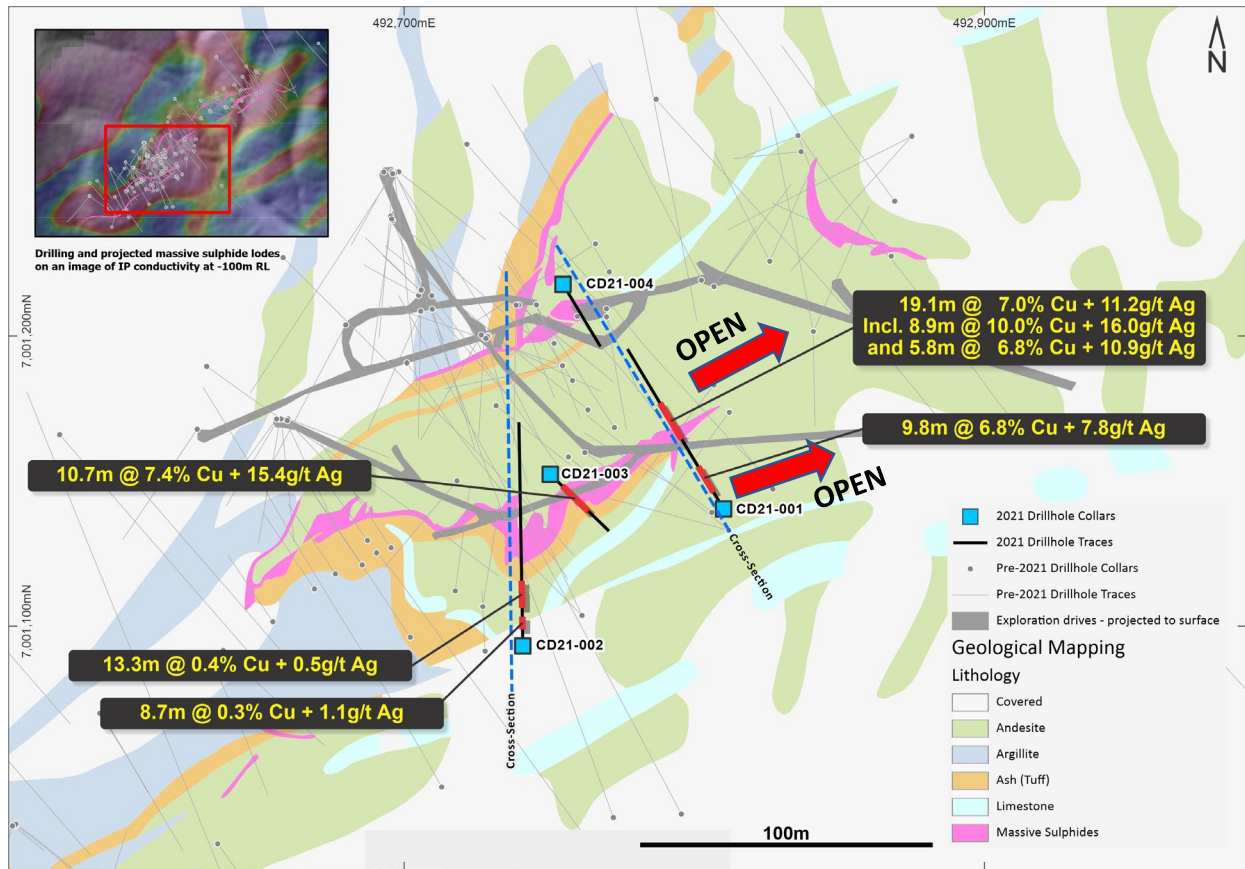


Figure 4 Plan view showing recent assays and location of drill holes into the mineral resource estimate block model at Caribou Dome and along-strike upside potential.

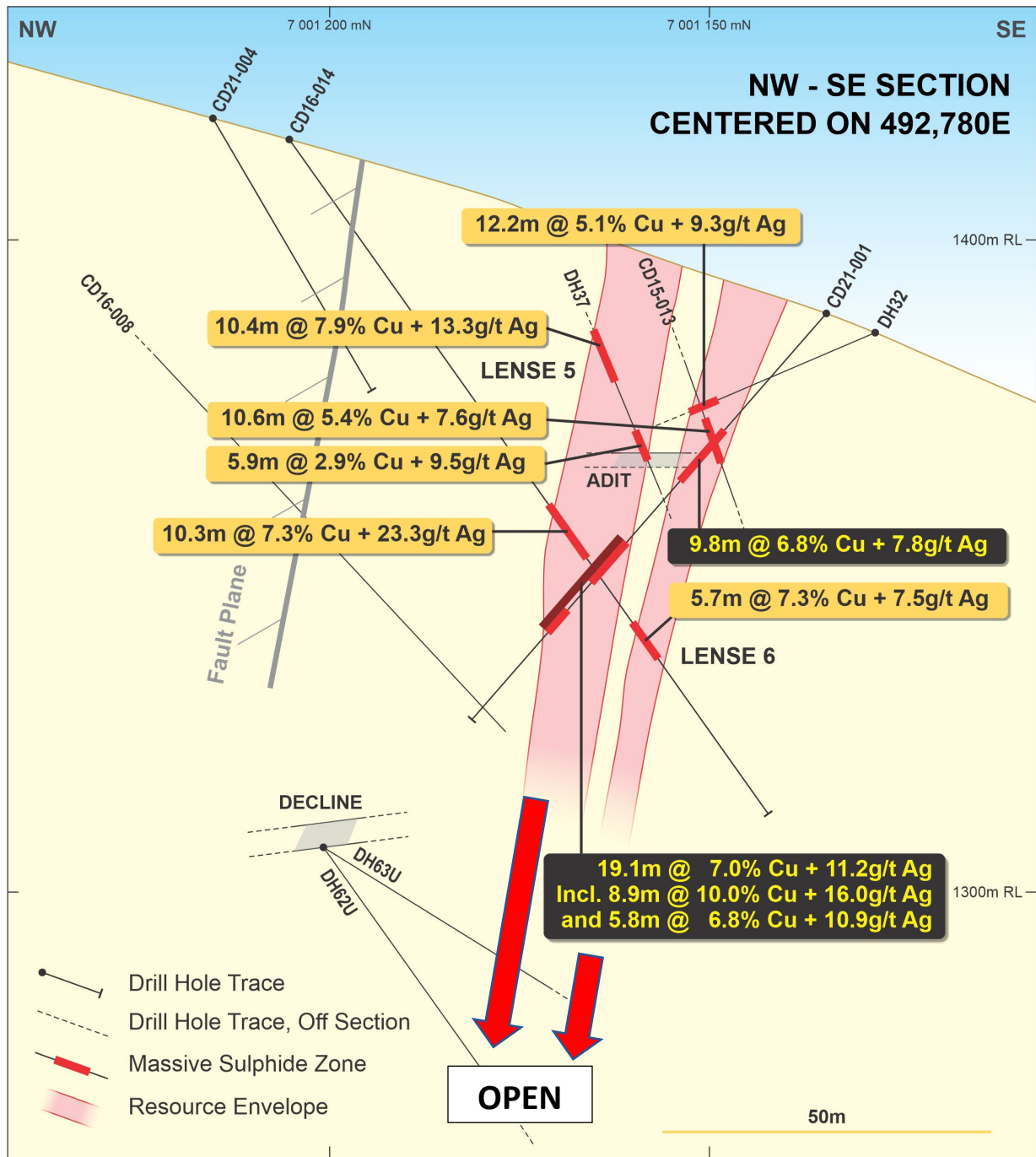


Figure 5 Drill cross section showing multiple high-grade copper intersections in CD21-001 and down-dip upside potential.

Native Copper Mineralisation

Locally disseminated to blebby native copper mineralisation in mafic lava flows was reported from drill holes CD21-005 to CD21-008 inclusive, drilled less than 1km away from the massive sulphide resource (refer ASX: 5 October 2021). Assays for these four holes confirm the presence of native copper but grades are not significant enough to justify further exploration for this style of mineralisation.

PolarX sees better commercial value in drilling to expand the existing massive sulphide deposit.

ABOUT THE CARIBOU DOME PROJECT

The Caribou Dome Project 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 continues 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 Tabeart, 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 Tabeart (an employee and shareholder of PolarX Limited), who is a member of The Australian Institute of Geoscientists. Dr Tabeart 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 Tabeart 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, 17 August 2016, 31 August 2021, 5 October 2021 and 23 February 2022.*

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.