

27 January 2022

Preparations underway for 20-hole drilling campaign at Humboldt Range gold-silver project, Nevada

Program will test well-defined targets and outcropping mineralisation; Plus, assays pending for 2021 programs, all which confirmed significant mineralisation

Highlights

- **Permitting and detailed logistics planning are underway for a 3,000m RC drilling program at PolarX's Humboldt Range Project, Nevada.**
- **First 10 holes for 1,500m will test three silver-gold targets in Fourth of July claims.**
- **A further 10 holes for 1,500m will then be drilled to test outcropping gold-silver mineralisation at Star Canyon in the Black Canyon claims.**
- **Rig mobilisation planned for later this quarter, with drilling to take 4-6 weeks.**
- **Assay results pending for four major exploration programs completed in 2021, all of which confirmed significant mineralisation:**
 - **Massive sulphide drill intersections with visible copper sulphides from Caribou Dome, Alaska.**
 - **Widespread visible native copper drill intersections from the new discovery of basalt-hosted copper mineralisation at Caribou Dome, which extends over >1.1km strike-length.**
 - **Channel sampling of the outcropping, high priority Star Canyon gold-silver mineralisation in the Humboldt Range Project, Nevada.**
 - **Infill soil sampling at several gold anomalies in the Humboldt Range Project.**
- **Unprecedented long assay turnaround times are due to strong demand for lab services, staff shortages and COVID-19 restrictions. This was exacerbated by a reported cyber-attack on the lab's digital systems which has since been rectified.**
- **Duplicate massive sulphide and native copper samples from Caribou Dome drill core have been airfreighted by PolarX to a different lab in Nevada to ensure a parallel assay path. These independent assays results are expected in ~1 month.**
- **All outstanding assays are expected before the end of this quarter and will be used to finalise and prioritise the 2022 exploration program in Alaska.**

2022 Nevada Drilling Program

PolarX Limited (ASX: PXX, "PolarX" or the "Company") is pleased to announce that preparations are underway for an initial 3,000m reverse circulation percussion (RC) drilling program at its Humboldt Range Project in Nevada (see Figure 1 for location).

Drill rig mobilisation is expected later this quarter.

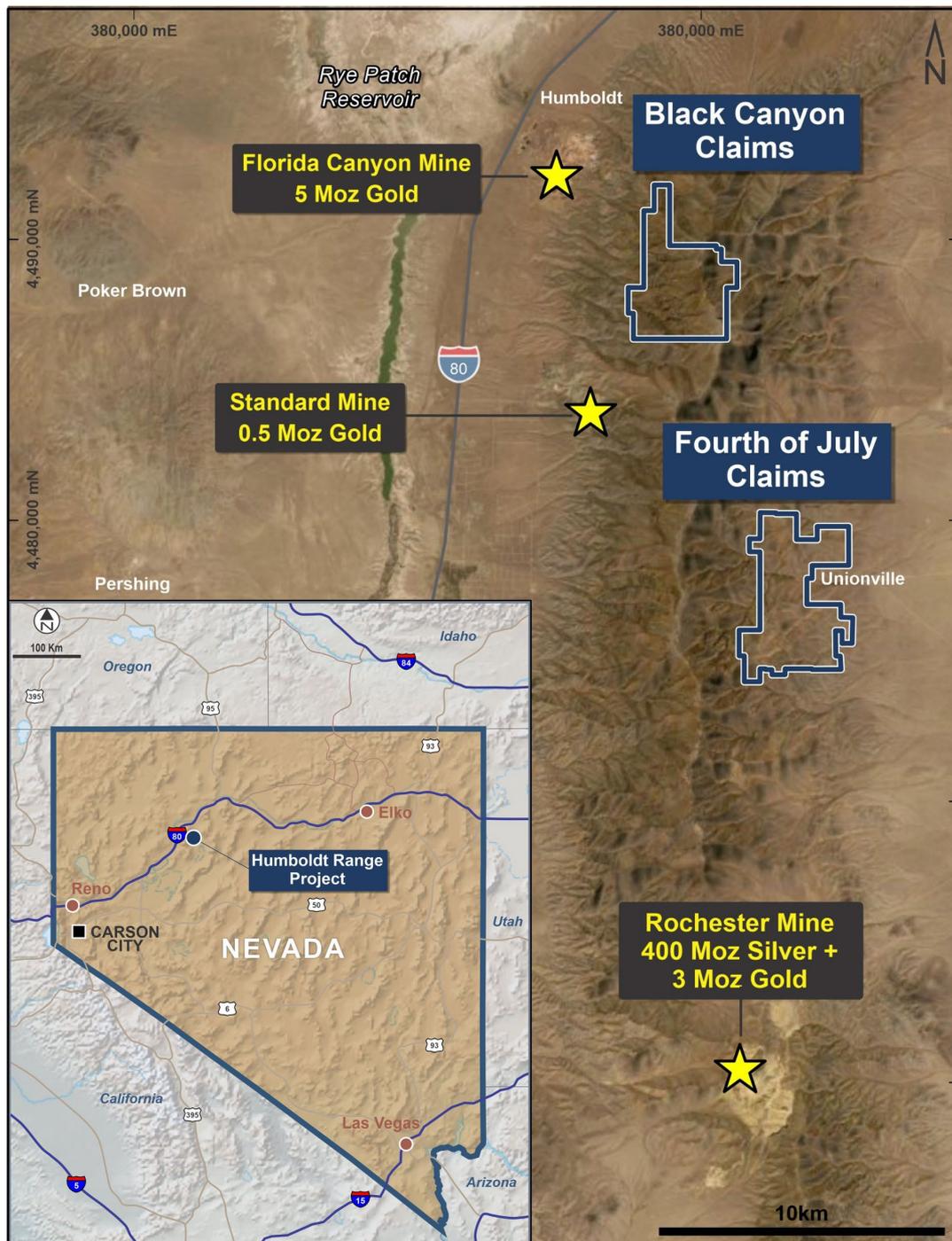


Figure 1. Location map depicting Black Canyon and Fourth of July Claim Blocks, and proximal large-scale gold-silver mining operations.

Fourth of July Targets

Drilling will initially commence in the Fourth of July claims, where lower elevations and gentler topography make this accessible 2-4 weeks earlier than the higher, more rugged Black Canyon claims further to the north.

Three targets have been prioritised for drilling in the Fourth of July claims (see Figure 2):

- **Lucky Dog Target** (Point A on Figure 2) comprises a known quartz vein hosting high grade silver and gold mineralisation which dips gently to the north. The vein occurs near the base of the Prida Formation (predominantly clastic carbonates), which is one of the most frequent positions for high-grade mineralisation in the claim block. Two drill holes will test this target.
- **Wheeler Veins Target** (Point B on Figure 2) also occurs where gently dipping high-grade veins near the base of the Prida Formation have been identified. Numerous and extensive historical workings confirm this target. A single hole will test the thickness and grade of the vein near the peak of the surface gold-in-soil geochemical anomaly.
- **Arizona Graben Fault Target** (Point C on Figure 2) is a large target approximately 2km long. This drilling will test the intersection of the sub-vertical to steeply west dipping Arizona Graben Fault with the sub-horizontal to gently east dipping stratigraphy, particularly the base of the Prida Formation and the upper part of the underlying Rochester Rhyolite. This target assumes that mineralisation in the region has been formed from fluids which were channelled along the Arizona Graben Fault. The known high-grade silver-gold veins occur where these fluids migrated into the basal parts of the Prida Formation, but the Prida itself immediately adjacent to the Fault and the stratigraphy immediately above and below have never been drilled. Seven holes will test this target along 300m centres, with holes drilled steeply towards the ENE to test the stratigraphy adjacent to the Arizona Graben Fault, and the fault itself.

Black Canyon Targets

A further 10 RC holes for a total of 1500m are planned to test the most prominent gold target in the Black Canyon claims (Figure 3). This target (Star Canyon) comprises an area with strongly elevated gold-in-soil sampling associated with intensely silicified outcrop containing hundreds of mm to cm-scale hydrothermal quartz veins and several historical workings (Figure 4).

The alteration reaches widths of up to 200m and extends over more than 400m of strike length before being concealed under thin soils to the north and south. This area represents the best-known target in the entire project for large tonnage, low-moderate grade gold and silver mineralisation.

Infill soil samples and detailed channel samples representing a cumulative length of 467.8m were submitted to the assay laboratory in Reno, Nevada on 19 November 2021. Assays are expected in the next 4-6 weeks and will be used to fine tune the drill program.

Additional drill targets exist in the Black Canyon claims but require further planning and permitting where access may not be suitable for large RC rigs (e.g., Figure 5).

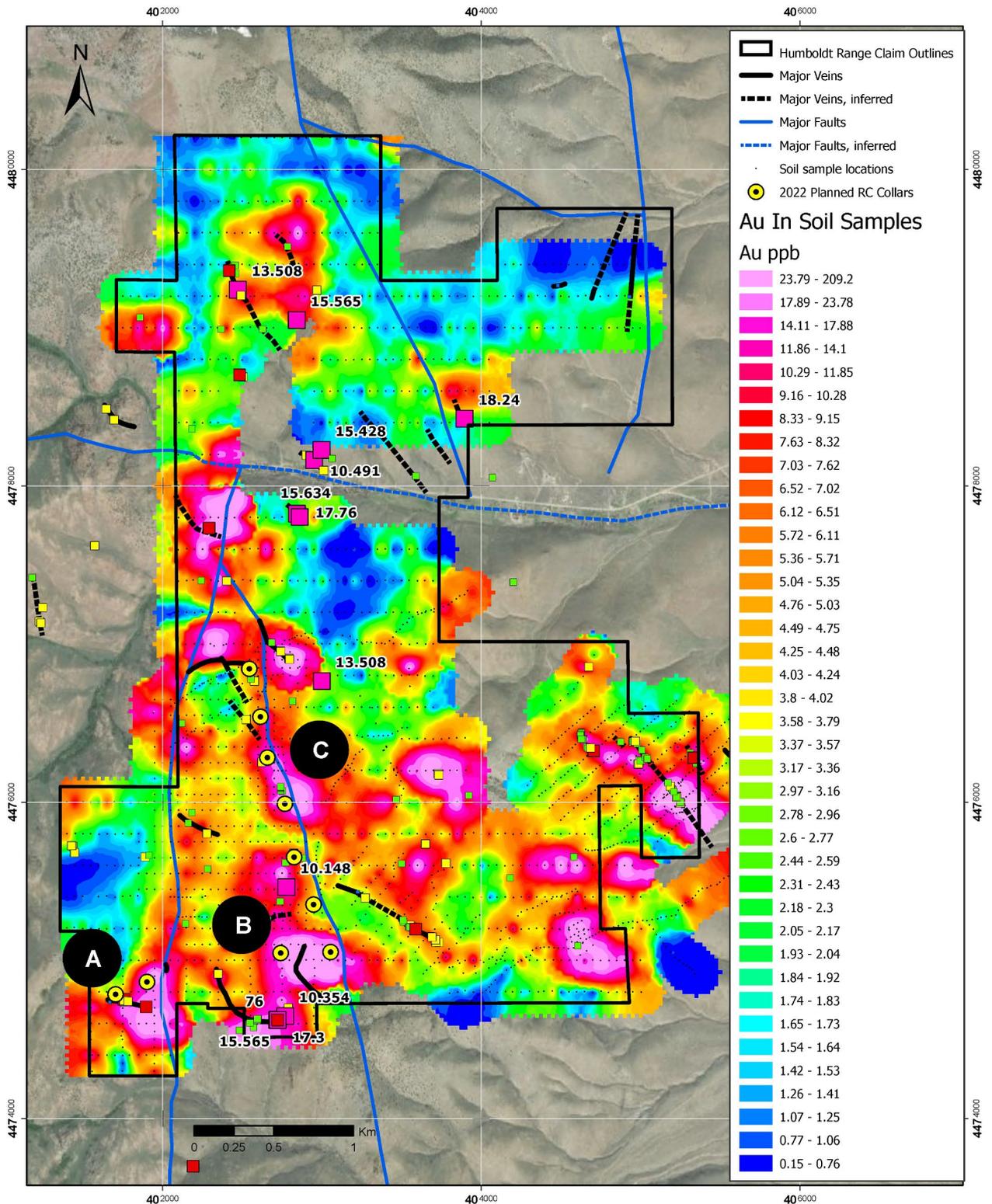


Figure 2 Fourth of July Claims: Gridded image of gold in soil sampling overlain with rock-chip sample assays, labelled where >10g/t gold, and showing planned RC drill collar positions.

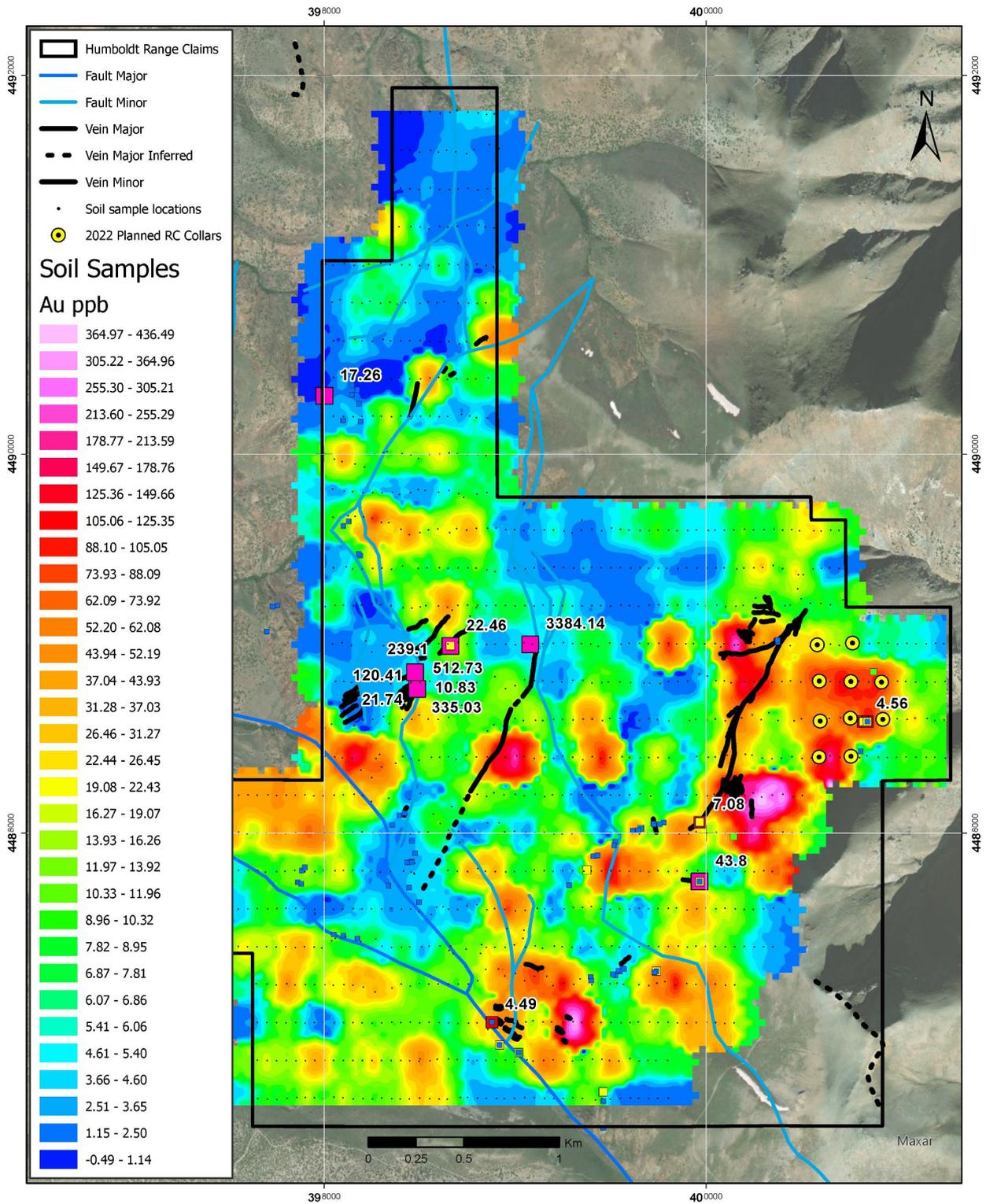


Figure 3. Black Canyon Claims: Gridded image of gold in soil sampling overlain with rock-chip sample assays, labelled where >4g/t gold, and showing planned RC drill collar positions in Star Canyon.



Figure 4. Intensely veined and altered volcanic rocks associated with gold anomalism in soil sampling and historic gold-silver workings, Star Canyon. RC drilling will commence on this target in early Q2, 2022.

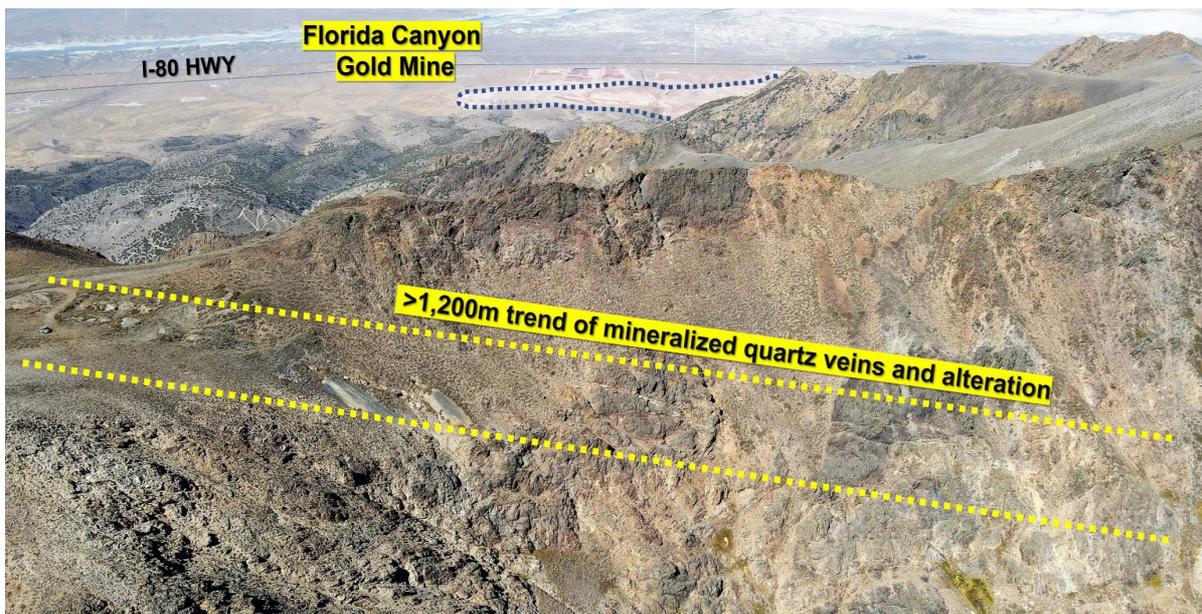


Figure 5. Steep face and ridgeline at the head of Star Canyon showing the extensive scale of large quartz vein array extending across the face. Drill rig access from behind the ridge is possible. The 5M oz Florida Canyon Gold Mine is less than 3km behind at the bottom of the hill.

Assay Results for 2021 Programs

Assay results for four successful exploration programs conducted in 2021 are still awaited (see below for a summary of the successful exploration programs). Assay laboratory turnaround times have been under pressure due to extreme demand for services during the current exploration boom, global shortages in trained technical staff, and workplace restrictions implemented to manage COVID-19 risk.

To provide greater certainty on delivery of assay results, PolarX has created a duplicate set of samples for the Alaskan copper mineralisation intersected in drill core at Caribou Dome. These samples have been airfreighted to a new laboratory in Reno, Nevada. Results are expected later this quarter. Assays for the Nevada channel samples and soil samples are also expected later this quarter.

The four successful exploration programs completed in 2021, in chronological order are:

1. Drill core intersections containing massive copper and iron sulphides from the mineral resource estimate envelope at Caribou Dome in Alaska. Refer to ASX release dated 31 August 2021 for more information.
2. Drill core intersections at Caribou Dome containing disseminated and vein hosted native copper mineralisation in andesitic-basalt lava flows over a strike-length of >1100m. The mineralisation is of a similar nature to the Keweenaw copper deposits in Michigan. Refer ASX release dated 5 October 2021.
3. Channel samples out outcropping alteration and mineralisation associated with extensive stockworks of quartz veins in the Star Canyon area in the Humboldt Range Project, Nevada. Refer ASX release dated 30 November 2021.
4. Infill soil sampling to define the best gold anomalies more precisely in the Black Canyon claims, Humboldt Range, Nevada. Refer ASX release dated 13 October 2021.

Further updates will be provided in due course.

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

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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 exploration results which were previously announced on 19 August 2021, 31 August 2021, 5 October 2021 and 13 October 2021

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. 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.