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PNX METALS

Resource Model Update for **The Fountain Head Gold Project**

20 April 2021

Marco Scardigno – PNX Resource Geologist

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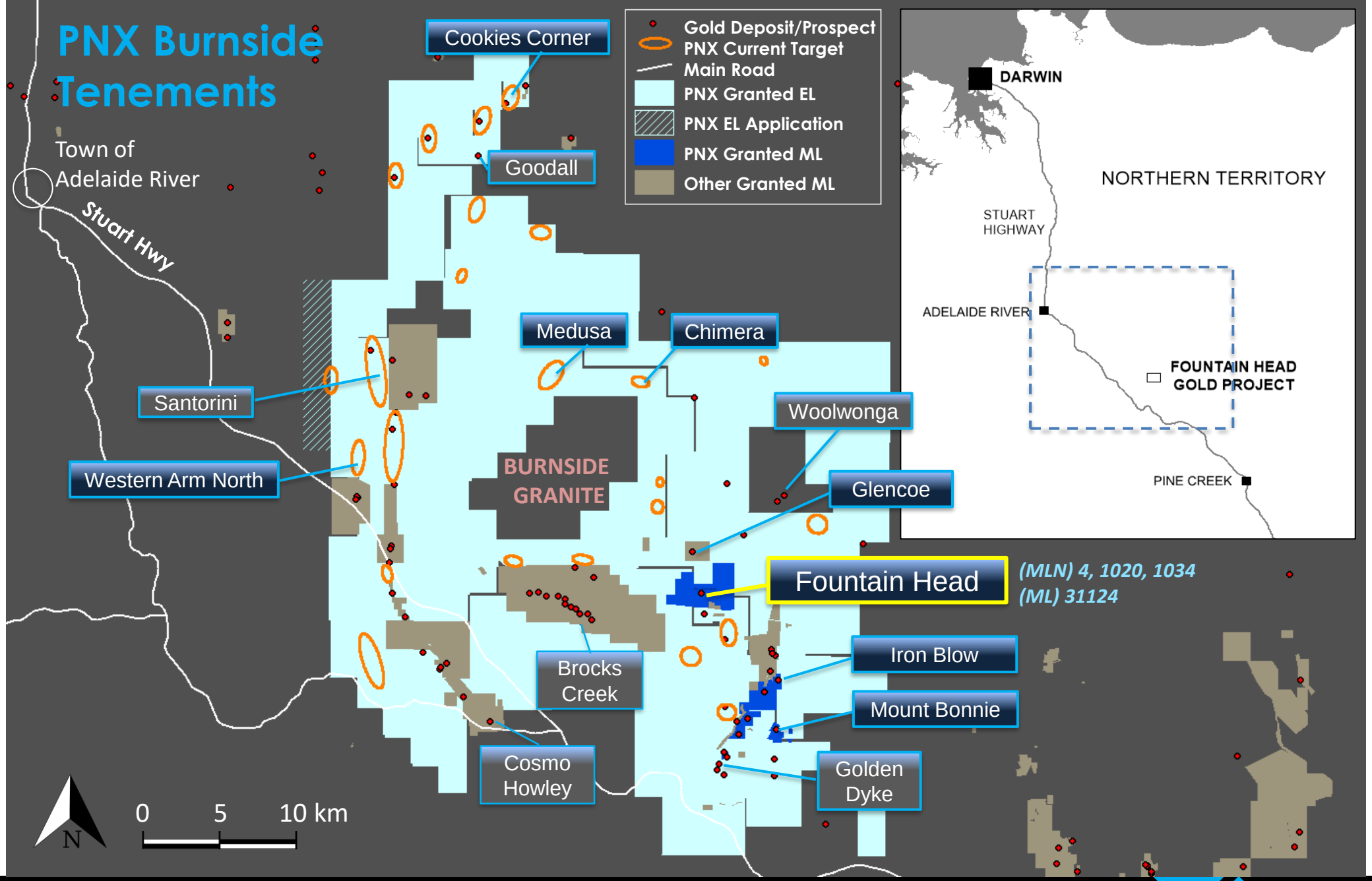
Competent Person's Statement

- The results reported herein, insofar as they relate to exploration activities and exploration results, are based on information provided to and reviewed by Mr Marco Scardigno who is a Member of the Australasian Institute of Geoscientists (AIG). Mr Scardigno has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Scardigno is a full-time Resource Geologist with PNX Metals Ltd and consents to the inclusion in this report of the matters based on the reviewed information in the form and context in which it appears.

Bibliography

- PNX confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements noted below and referenced in this presentation and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. PNX confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement (see Appendix for further referenced information).


PNX Burnside Tenements
Town of Adelaide River
Stuart Hwy
Cookies Corner
Goodall
Gold Deposit/Prospect
PNX Current Target
Main Road
PNX Granted EL
PNX EL Application
PNX Granted ML
Other Granted ML
Medusa
Chimera
Santorini
Western Arm North
BURNSIDE GRANITE
Woolwonga
Glencoe
Fountain Head
(MLN) 4, 1020, 1034
(ML) 31124
Iron Blow
Mount Bonnie
Golden Dyke
Brocks Creek
Cosmo Howley
N
0
5
10 km
DARWIN
NORTHERN TERRITORY
STUART HIGHWAY
ADELAIDE RIVER
FOUNTAIN HEAD GOLD PROJECT
PINE CREEK

PNX METALS

Mining History

1883	Discovery of a gold-bearing quartz reef
1883-1936	Alluvial and eluvial mining, individual quartz reefs and minor underground mining
1985-1989	Alluvial and eluvial mining by Zapopan Mining
1995	Trial Open Pit by Dominion Mining
2006	Discovery of Tally Ho lodes
2007-2008	Open Pit mining by GBS Gold Australia
2018	Fountain Head Project acquired by PNX from Kirkland Lake Gold

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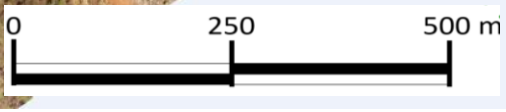
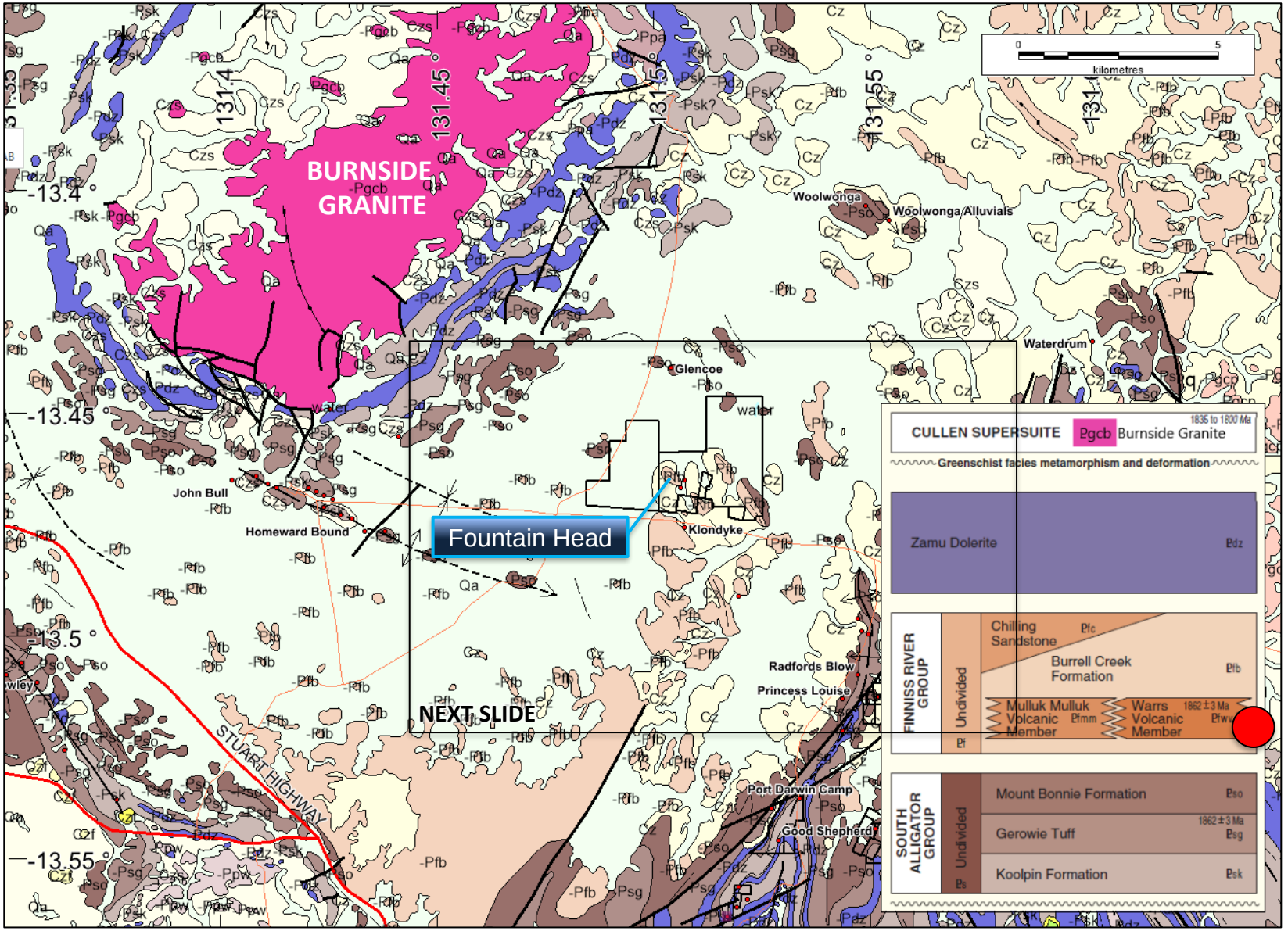


Regional Geology



Paleoproterozoic, early Burrell Creek Fm marine sediments and volcanics

Later metamorphosed to greenschist facies

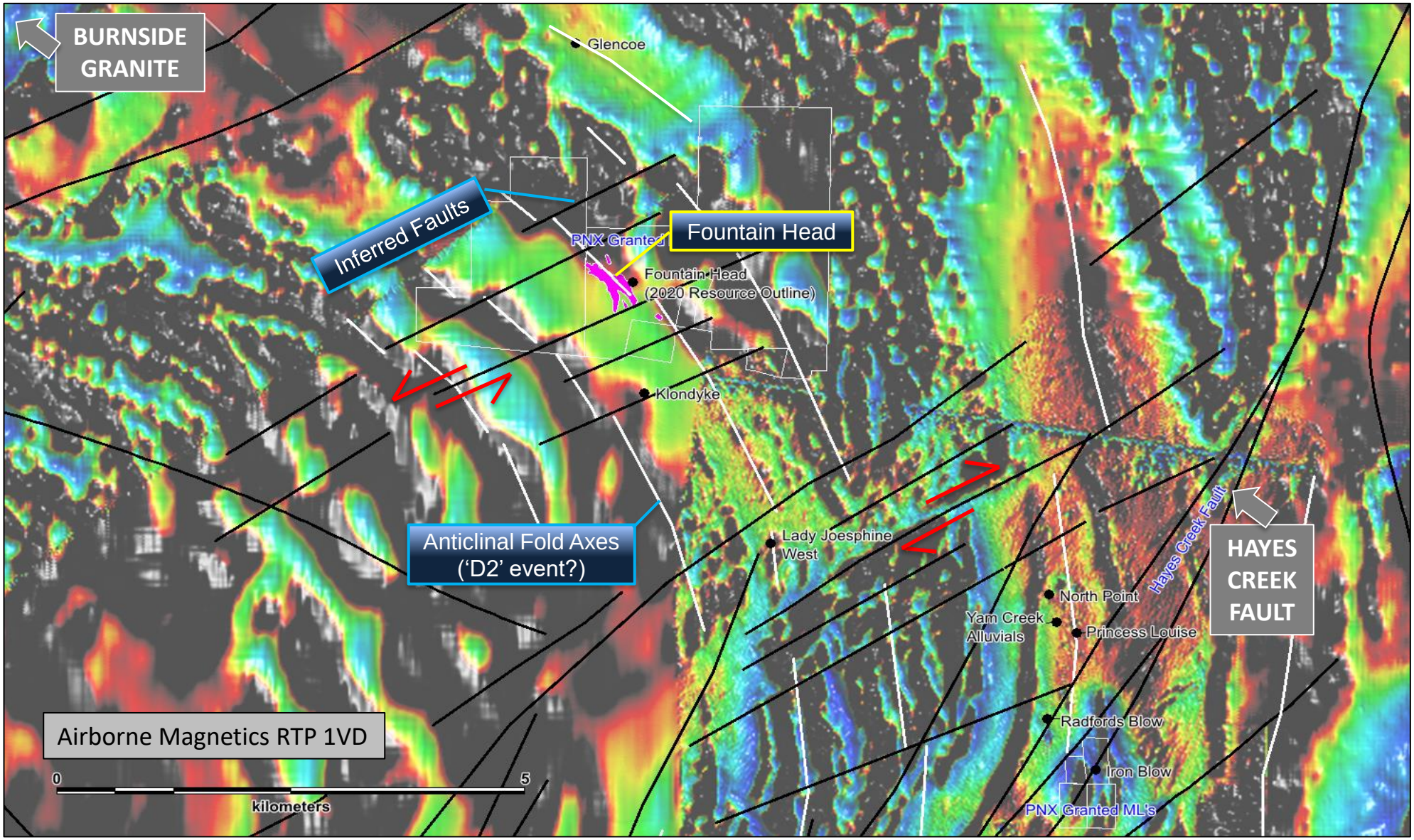
Main rock types:

- greywacke
- meta-siltstone
- mudstone/phyllite
- black shale
- greenish cherty tuffs
- dolerite

deeper water sediments

shallow marine

Airborne Magnetics - Inferred Faults and Folds



PNX Drilling and Near-Mine Prospects

Historic Dataset:

- Drilling: ~70,000 m RC/DD
- Shallow RAB/AC drilling
- Costeans

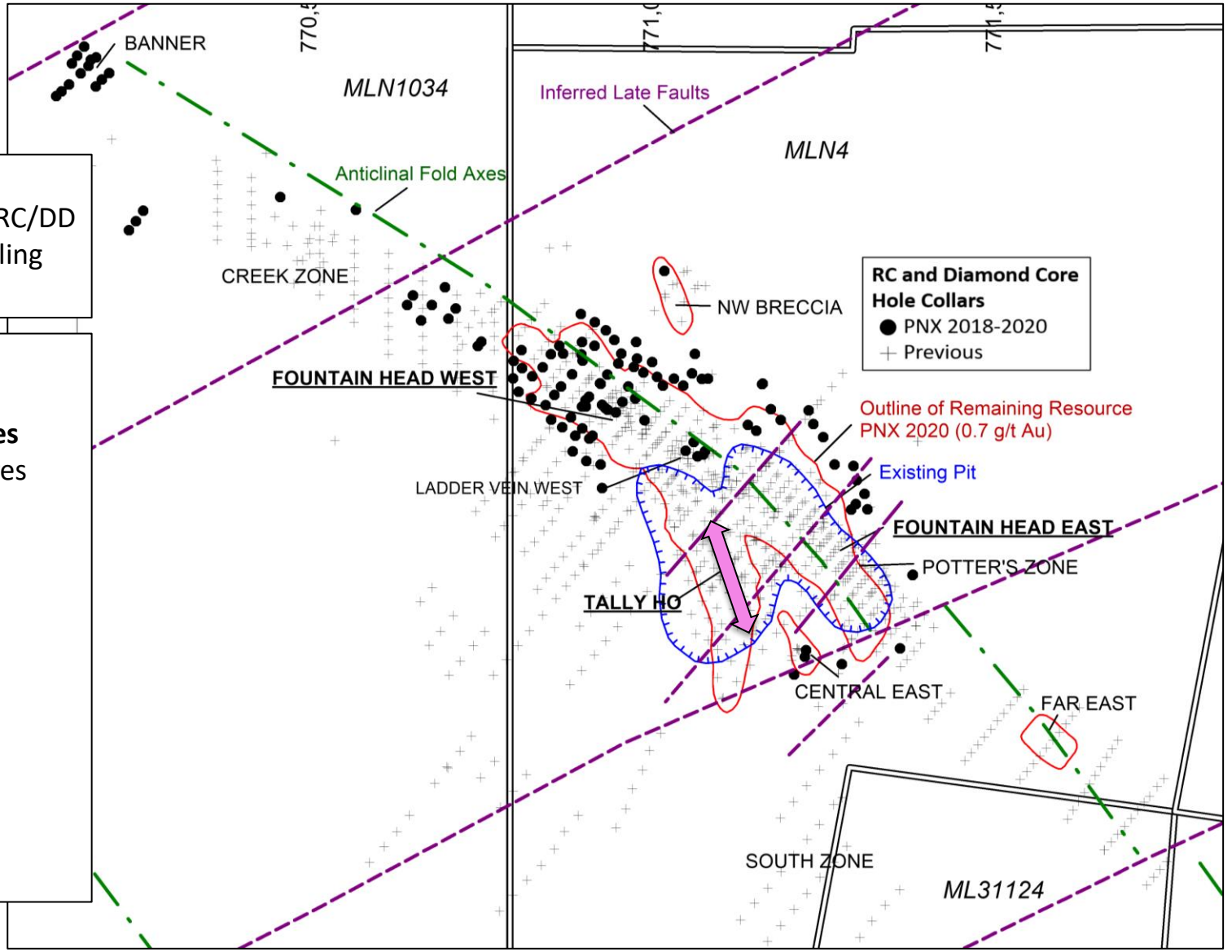
PNX Metals 2018-2020:

Total: 123 holes, 11,874 metres

- RC x 113 holes, 10,171 metres
- DD x 5 holes, 945 metres
- RCD x 5 holes, 758 metres

Aims of Drilling:

- Resource Infill
- Resource Extension
- Exploration
- Modern QAQC, Density
- Geotechnical
- Metallurgical



Timing of Events

TIME

ca 1740-1700 Ma? **OROGENIC GOLD DEPOSITS**

- Doubly-plunging folds created ('D4')
- (2) Qtz-Carb veins, NW trending breccias and alteration
- (3) Late Qtz-Hem veins
- Regional NE trending faults active from ca 1720 Ma

ca 1835-1805 Ma **INTRUSION-RELATED GOLD DEPOSITS** (Mount Todd, Tom's Gully)

Cullen Event

- Granitoids emplaced, including Burnside Granite
- Youngest phase of intrusion in PCO, ca 1775 Ma

ca 1870-1850 Ma **BASIN-INVERSION**

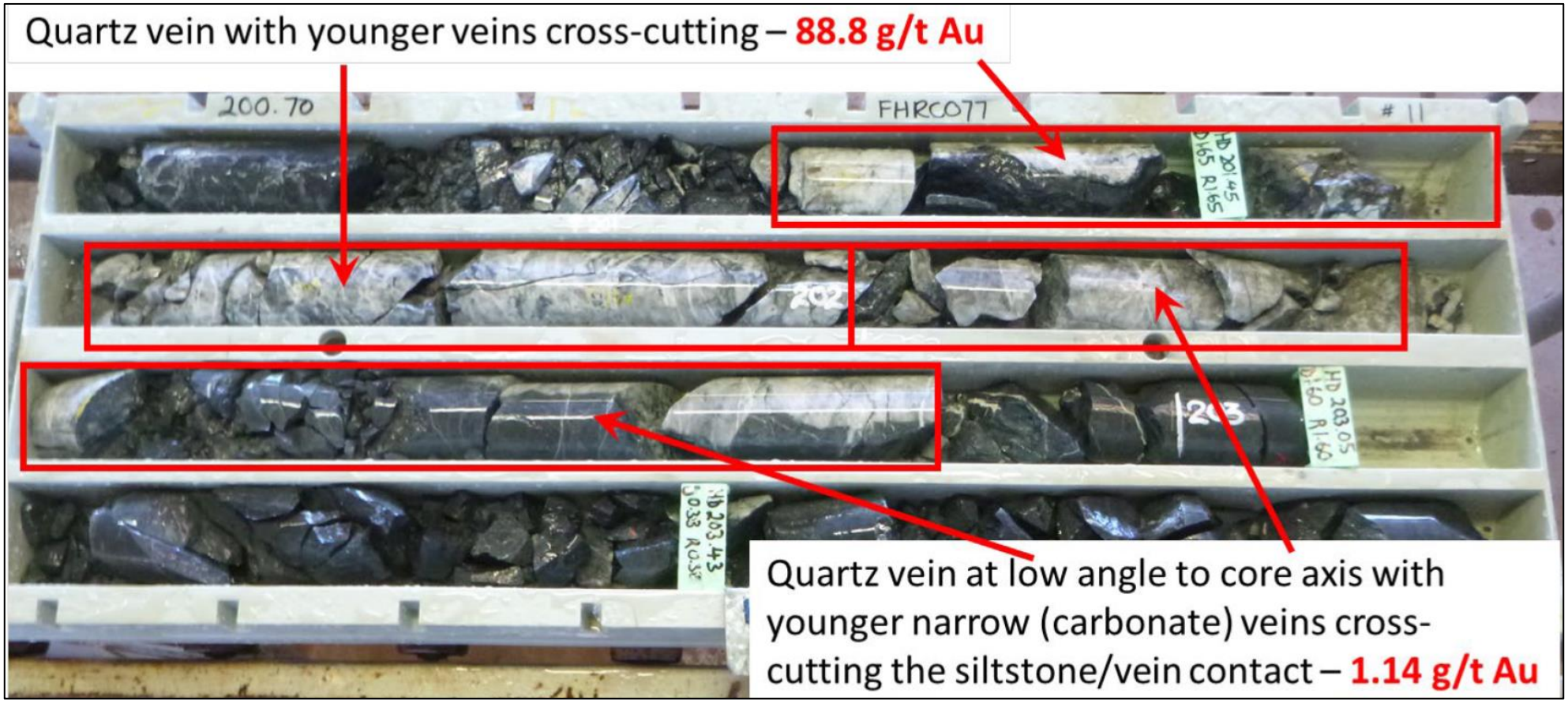
Nimbuwah Event

- Fountain Head Anticline and other NW-SE folds ('D2')
- (1) Blue-grey quartz veins/shears subparallel to fold axial plane

Intrusion of Zamu Dolerite ca 1860 Ma

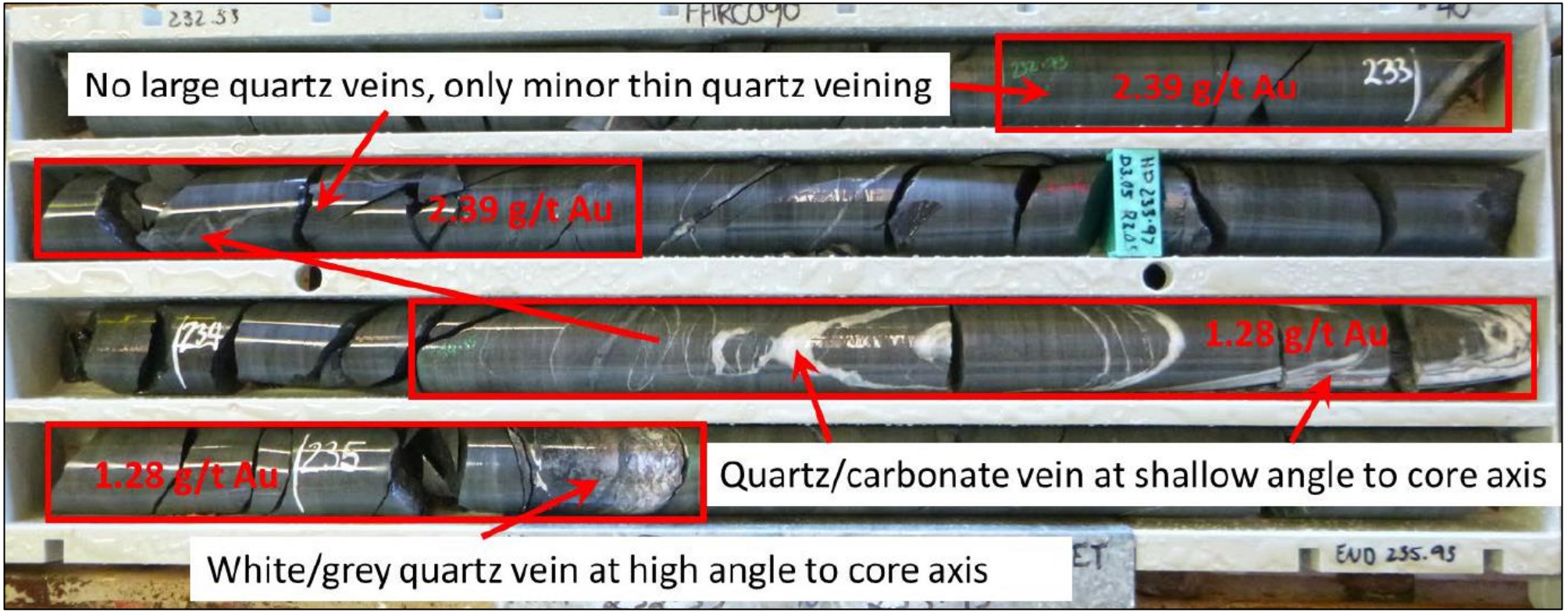
ca 1880-1870 Ma Deposition of Burrell Creek Fm marine sediments and volcanics

Diamond Drill Core Examples (FHRC077)



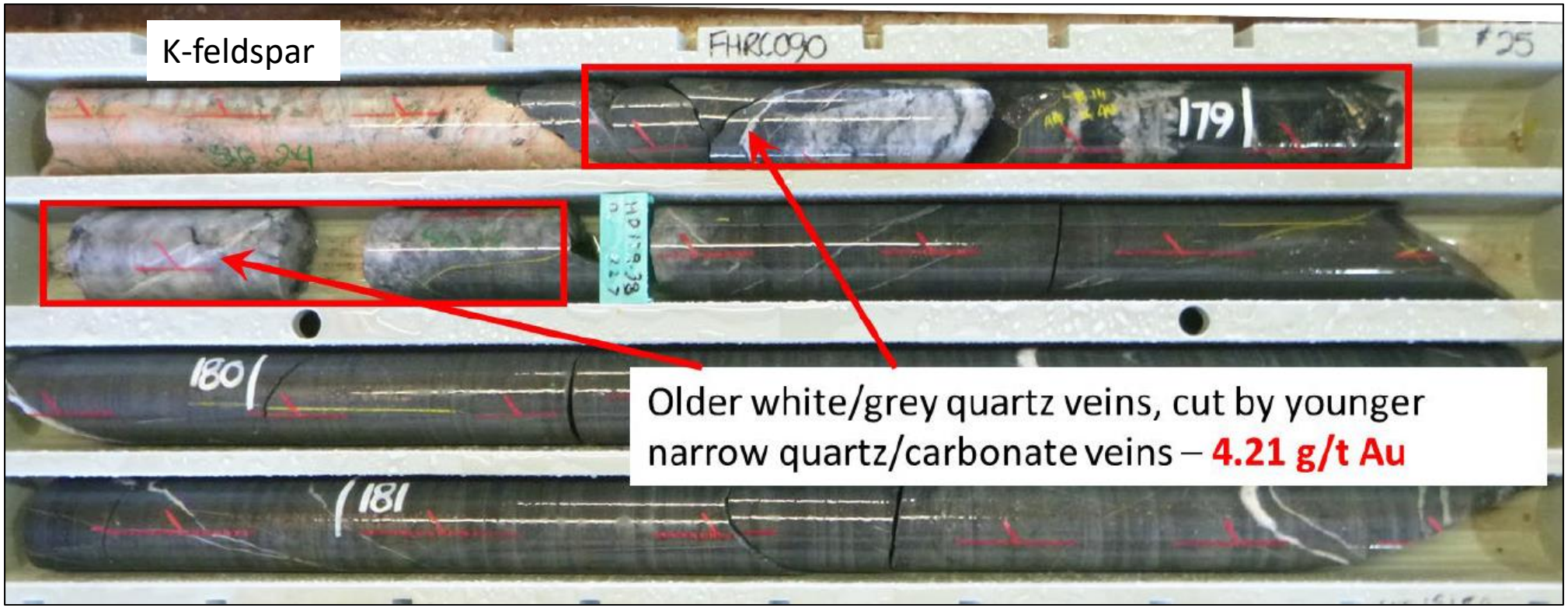
(From Desktop Structural Study by CSA Global, 2019)

Diamond Drill Core Examples (FHRC090)



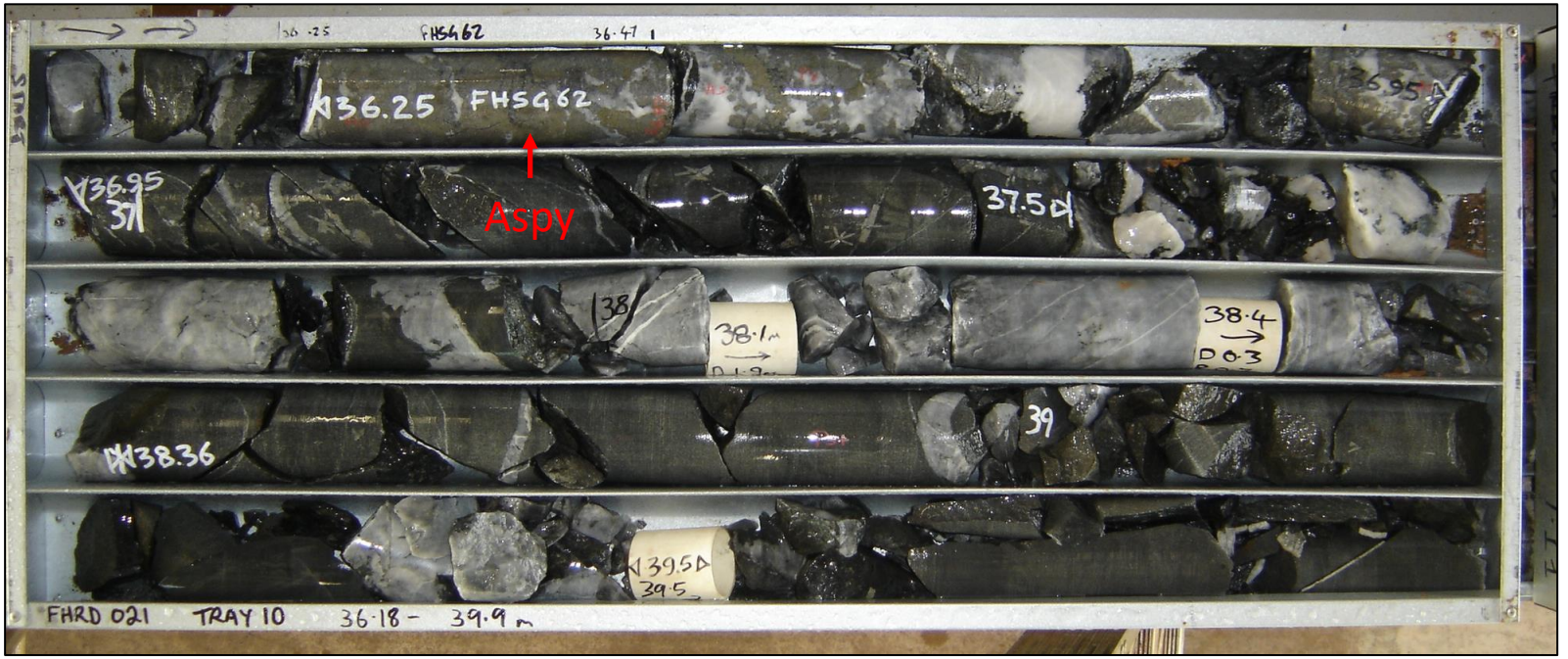
(From Desktop Structural Study by CSA Global, 2019)

Diamond Drill Core Examples (FHRC090)

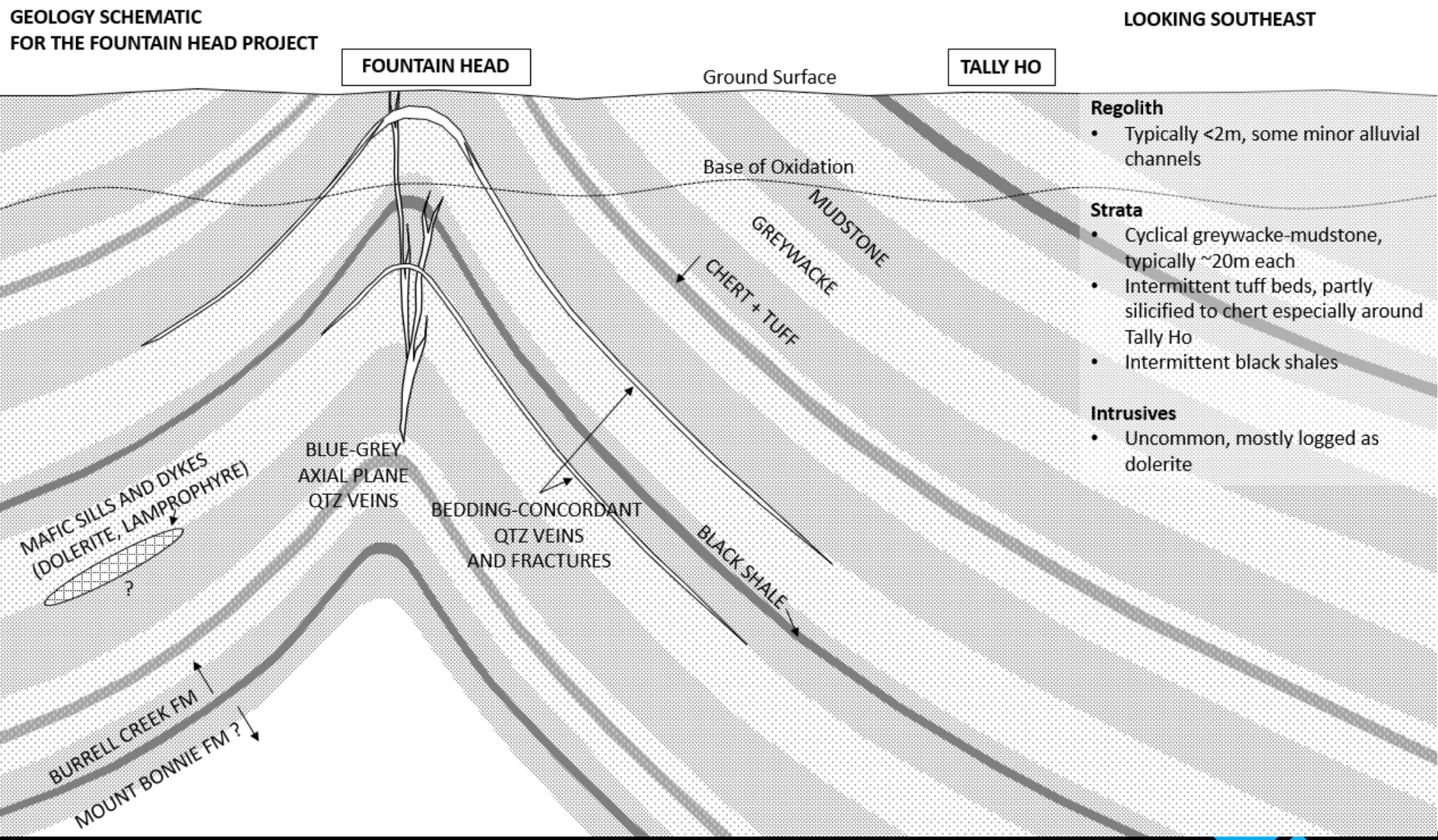


(From Desktop Structural Study by CSA Global, 2019)

Diamond Drill Core Examples (FHDD092 & FHRD021)



Geological Interpretation



Regolith

- Typically <2m, some minor alluvial channels

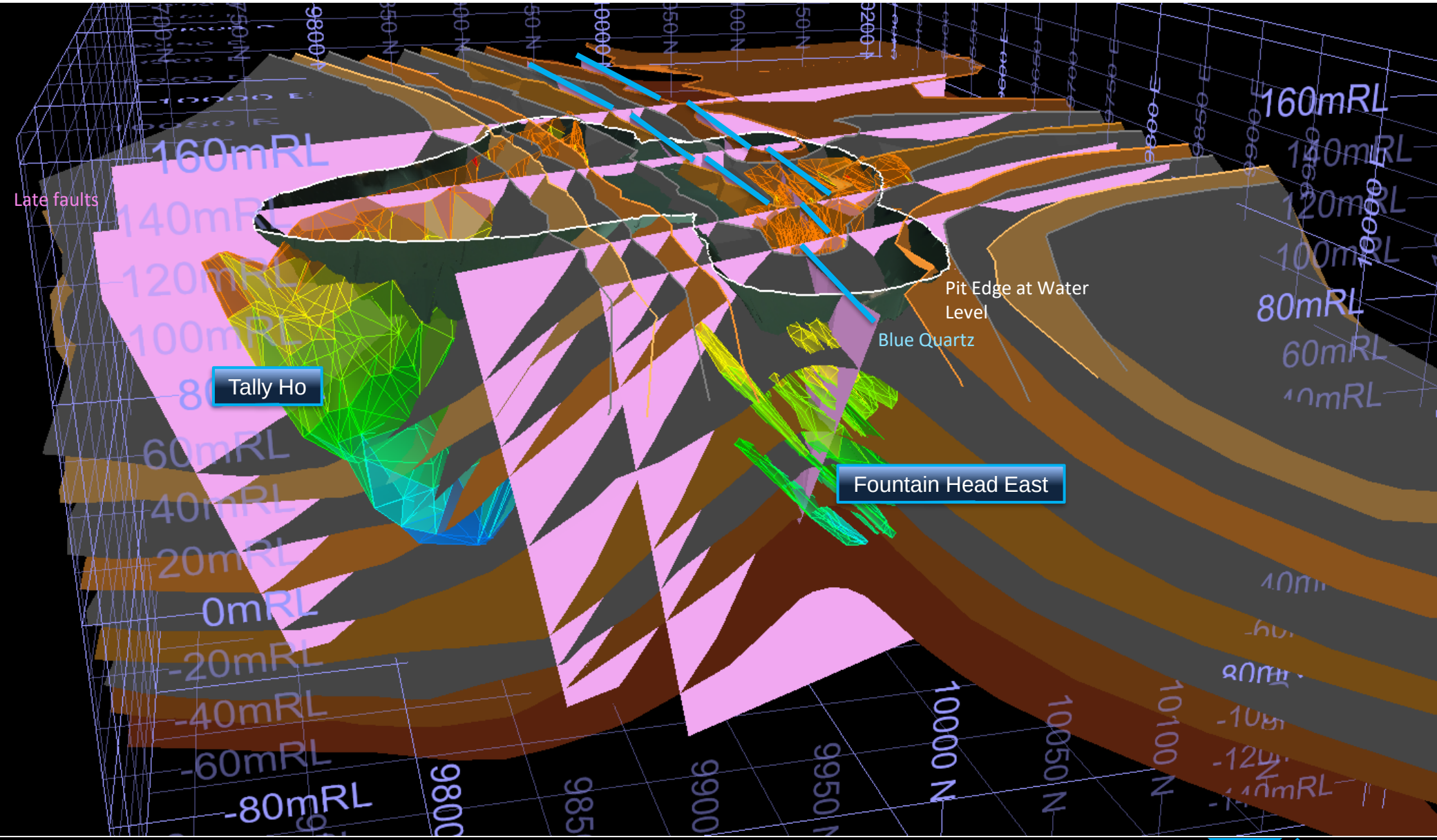
Strata

- Cyclical greywacke-mudstone, typically ~20m each
- Intermittent tuff beds, partly silicified to chert especially around Tally Ho
- Intermittent black shales

Intrusives

- Uncommon, mostly logged as dolerite

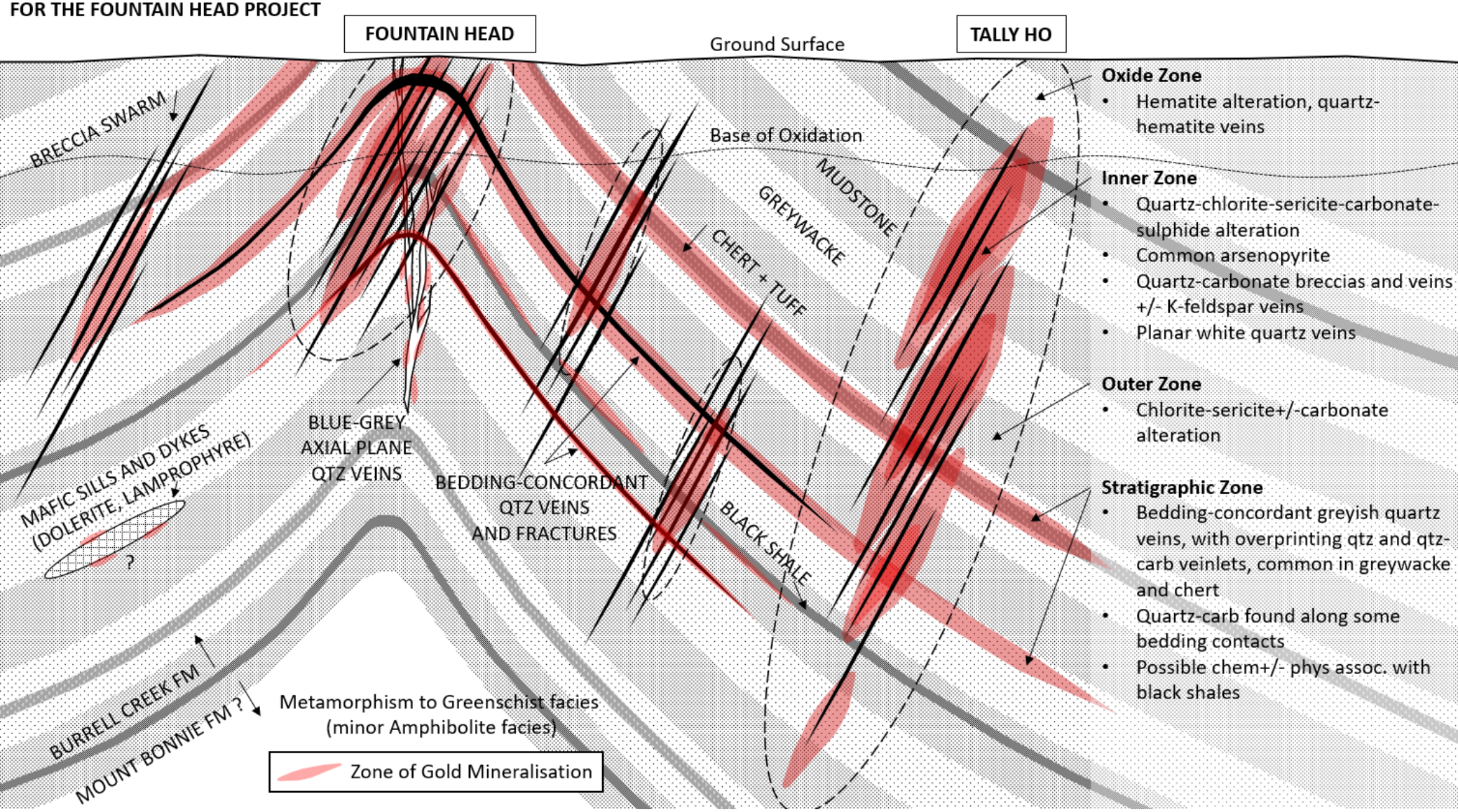
Geological Model



Mineralisation Interpretation

MINERALISATION STYLES SCHEMATIC FOR THE FOUNTAIN HEAD PROJECT

LOOKING SOUTHEAST



Oxide Zone
- Hematite alteration, quartz-hematite veins

Inner Zone
- Quartz-chlorite-sericite-carbonate-sulphide alteration
- Common arsenopyrite
- Quartz-carbonate breccias and veins +/- K-feldspar veins
- Planar white quartz veins

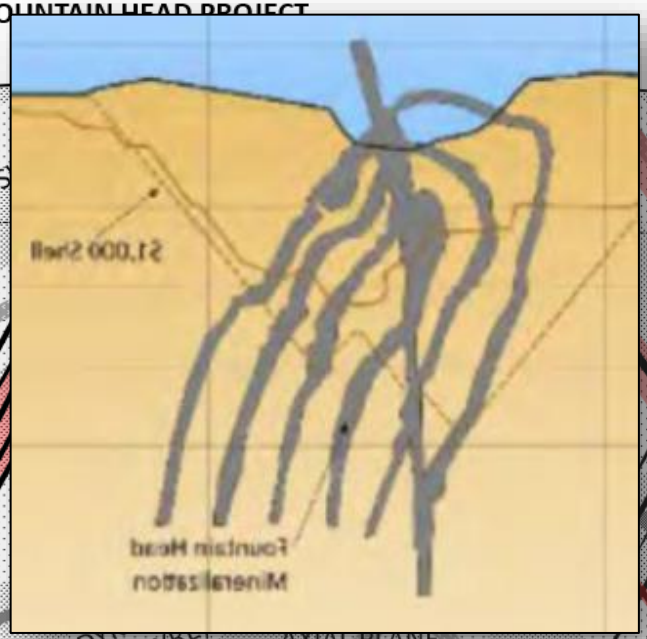
Outer Zone
- Chlorite-sericite+/-carbonate alteration

Stratigraphic Zone
- Bedding-concordant greyish quartz veins, with overprinting qtz and qtz-carb veinlets, common in greywacke and chert
- Quartz-carb found along some bedding contacts
- Possible chem+/- phys assoc. with black shales

Past Resource Model at Fountain Head

MINERALISATION STYLES SCHEMATIC
FOR THE FOUNTAIN HEAD PROJECT

LOOKING SOUTHEAST



Ground Surface

TALLY HO

Base of Oxidation

MUDSTONE

GREYWACKE

CHERT + TUFF

BLACK SHALE

BRECCIA

MAFIC SILLS AND DYKES
(DOLERITE, LAMPROPHYRE)

?

AXIAL PLANE
QTZ VEINS

BEDDING-CONCORDANT
QTZ VEINS
AND FRACTURES

BURRELL CREEK FM

MOUNT BONNIE FM ?

Metamorphism to Greenschist facies
(minor Amphibolite facies)

Zone of Gold Mineralisation

Oxide Zone
- Hematite alteration, quartz-hematite veins

Inner Zone
- Quartz-chlorite-sericite-carbonate-sulphide alteration
- Common arsenopyrite
- Quartz-carbonate breccias and veins +/- K-feldspar veins
- Planar white quartz veins

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Stratigraphic Zone
- Bedding-concordant greyish quartz veins, with overprinting qtz and qtz-carb veinlets, common in greywacke and chert
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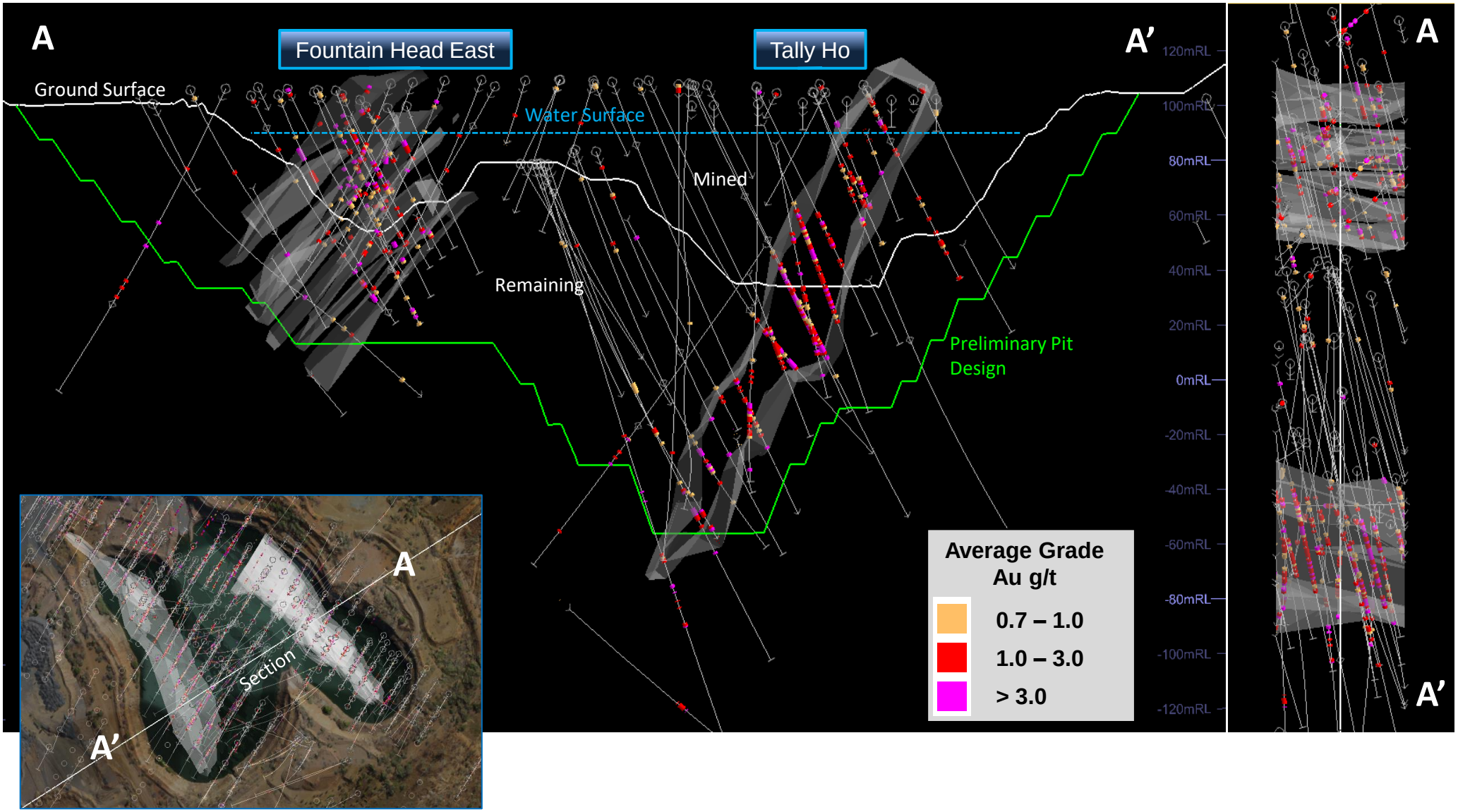
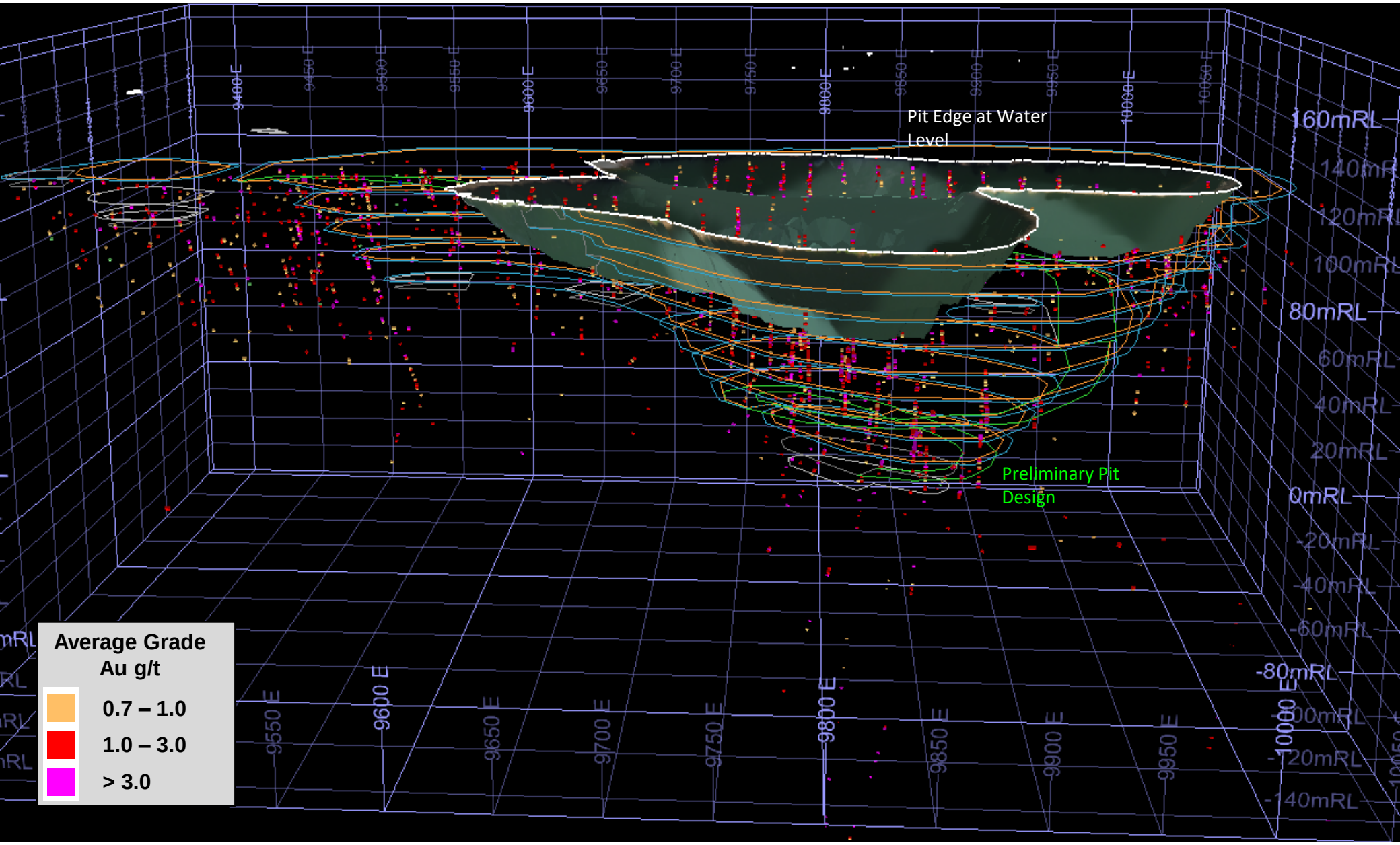
- Possible chem+/- phys assoc. with black shales

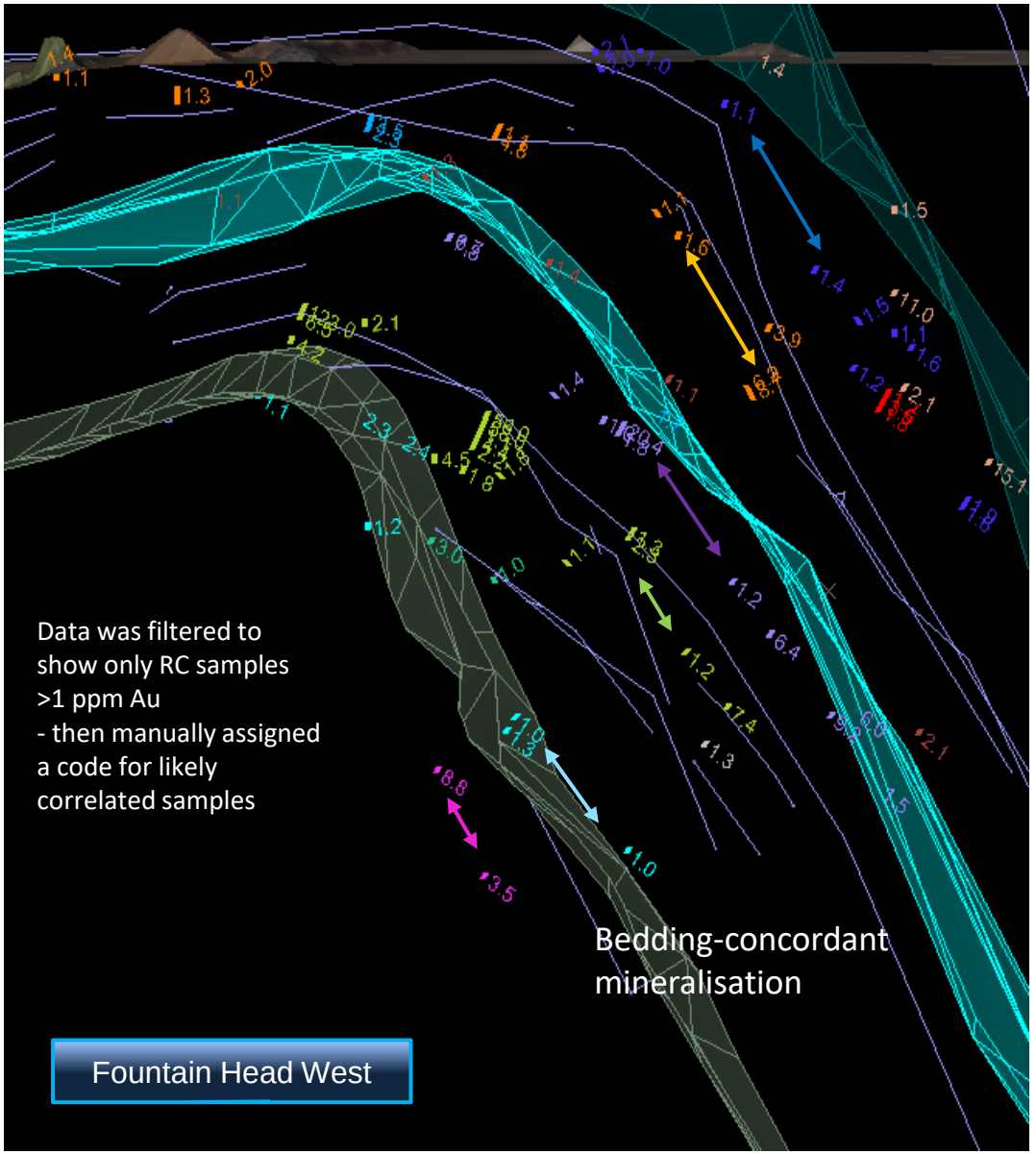
Fountain Head East and Tally Ho

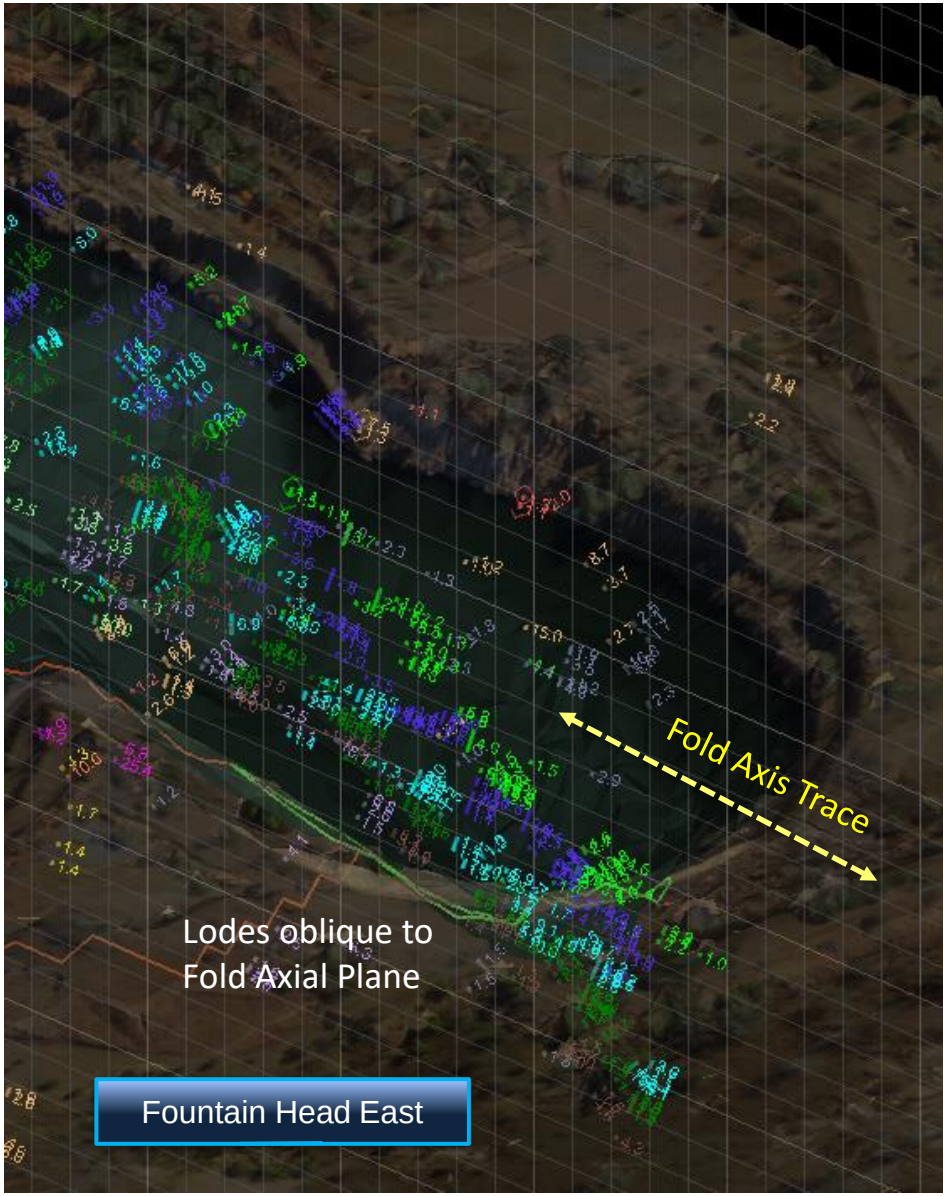


Plan View
(Tilted to view down-dip)


Pit Edge at Water Level
Preliminary Pit Design
Average Grade Au g/t
0.7 – 1.0
1.0 – 3.0
> 3.0
160mRL
140mRL
120mRL
100mRL
80mRL
60mRL
40mRL
20mRL
0mRL
-20mRL
-40mRL
-60mRL
-80mRL
-100mRL
-120mRL
-140mRL
9400 E
9450 E
9500 E
9550 E
9600 E
9650 E
9700 E
9750 E
9800 E
9850 E
9900 E
9950 E
10000 E
10050 E

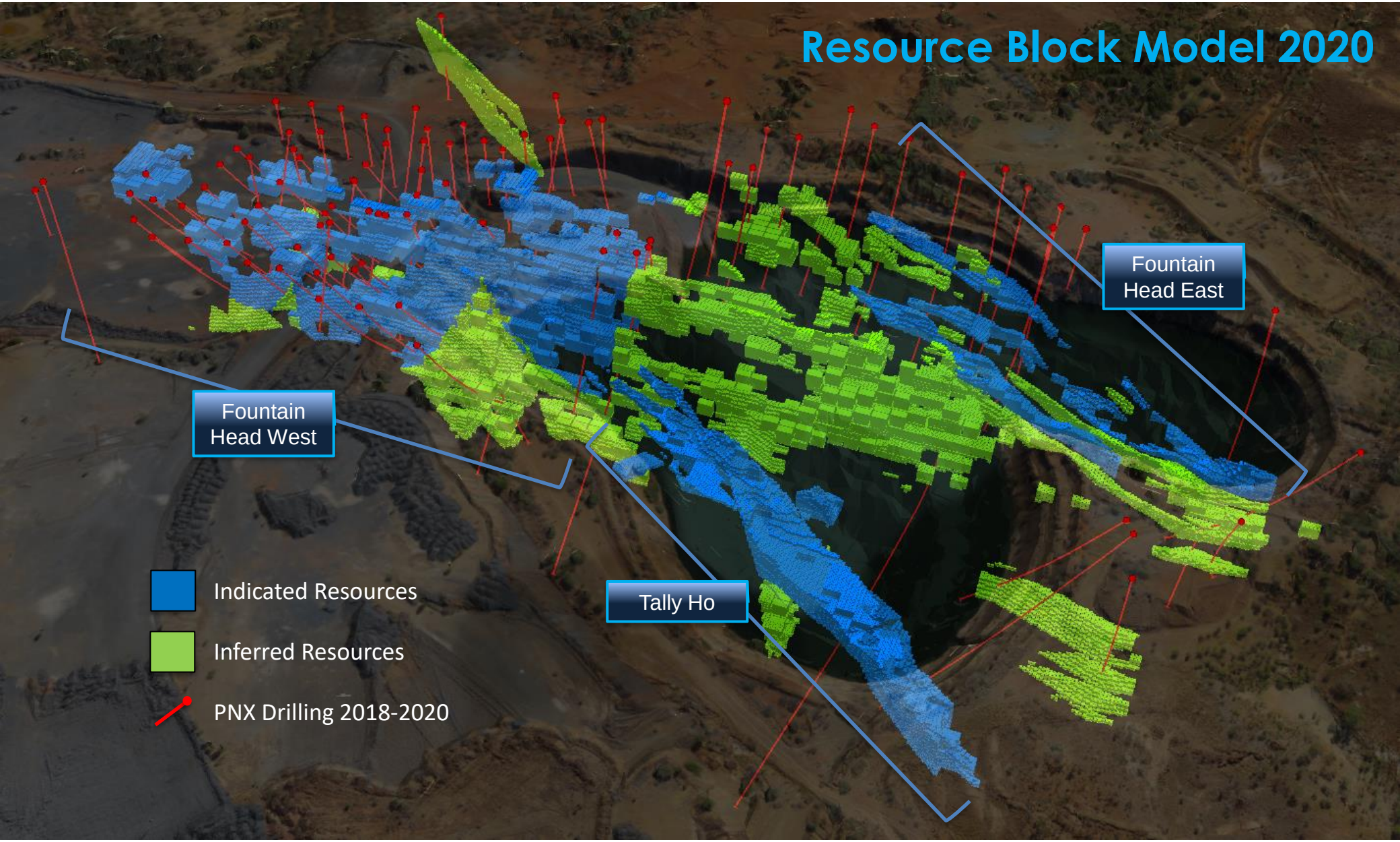
Coding of Individual Veins and Features





Continuity of High Grades (>3 g/t Au)

Resource Block Model 2020



JORC 2012-Compliant Resource Estimation

Fountain Head Project 2020 MRE - Cut Off 0.7 g/t Au

JORC classification	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Tally Ho			
Indicated	0.94	2.0	59
Inferred	–	–	–
Subtotal	**0.94**	**2.0**	**59**
Fountain Head			
Indicated	0.89	1.4	41
Inferred	1.11	1.6	56
Subtotal	**2.00**	**1.5**	**96**
Global			
Indicated	1.83	1.7	100
Inferred	1.11	1.6	56
TOTAL	**2.94**	**1.7**	**156**

Note: Due to effects of rounding, the total may not represent the sum of all components.

PNX 2019 MRE – ***ASX Announcement 11 July 2019***

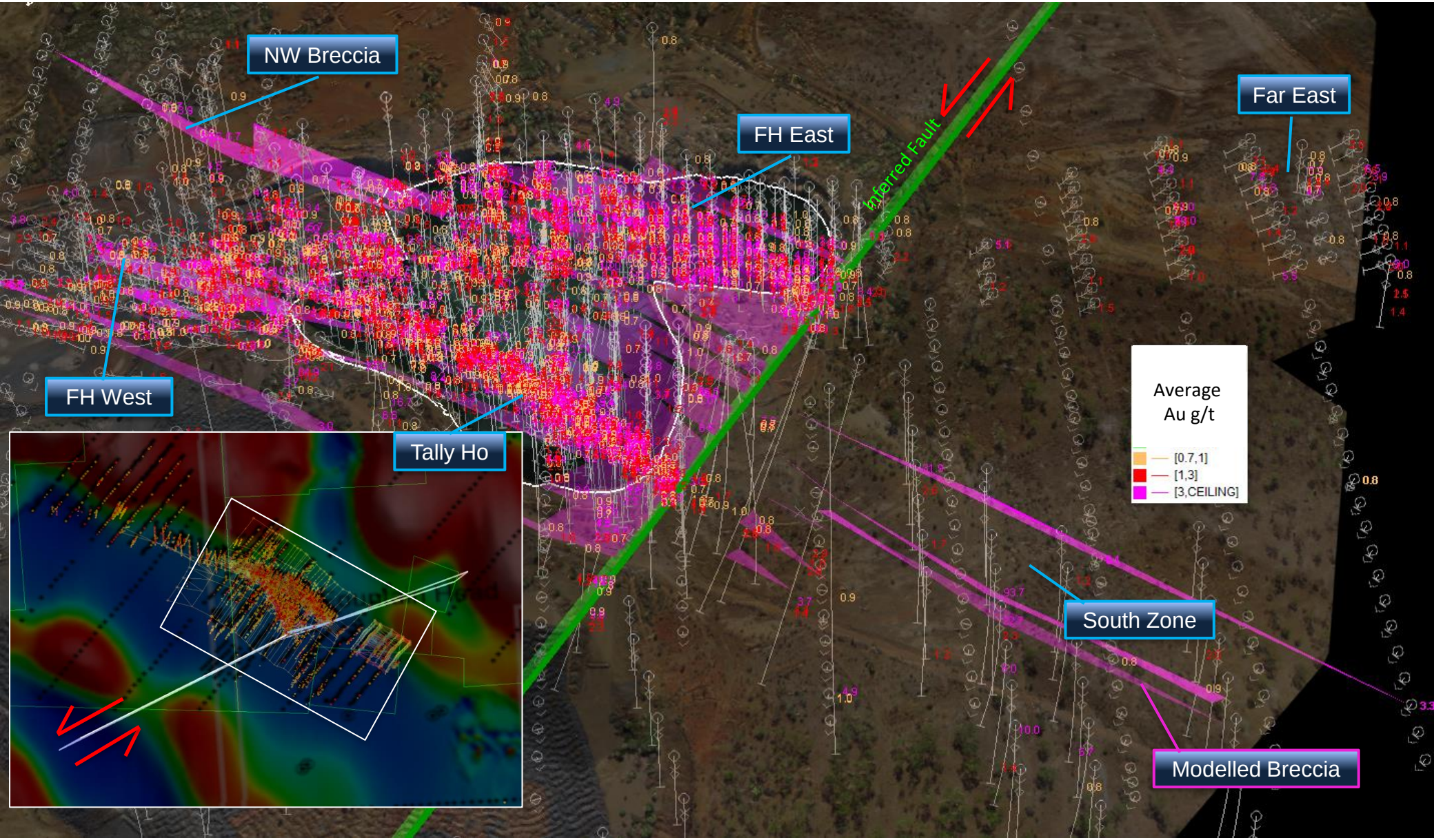
- Increase by around 65 koz from 2015*

PNX 2020 MRE – ***ASX Announcement 16 June 2020***

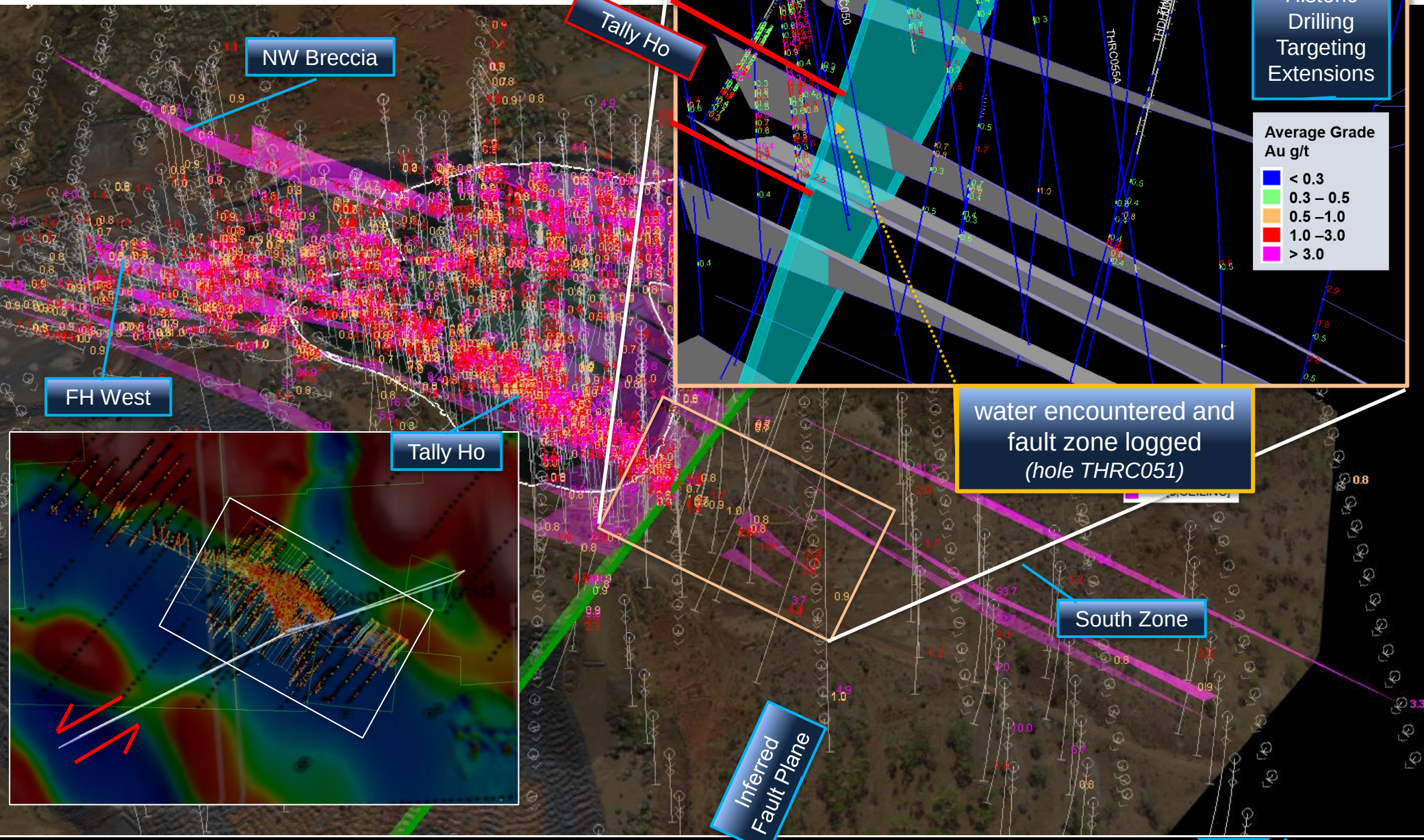
- Increase by around 18 koz from 2019, plus resource class upgrades

**was not totalled in the original report by Newmarket Gold MRE 2015*

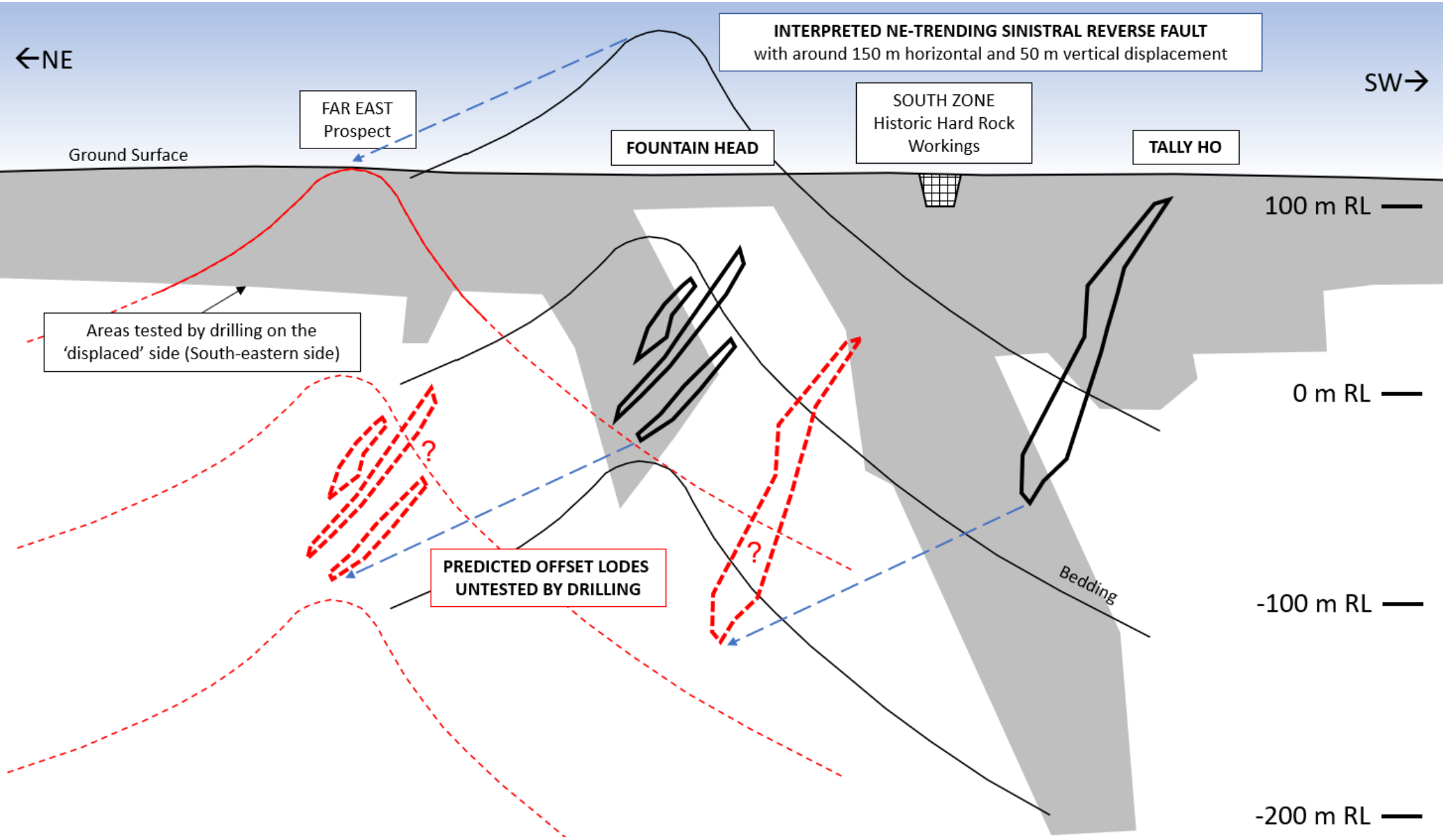
Interpreted NE Fault



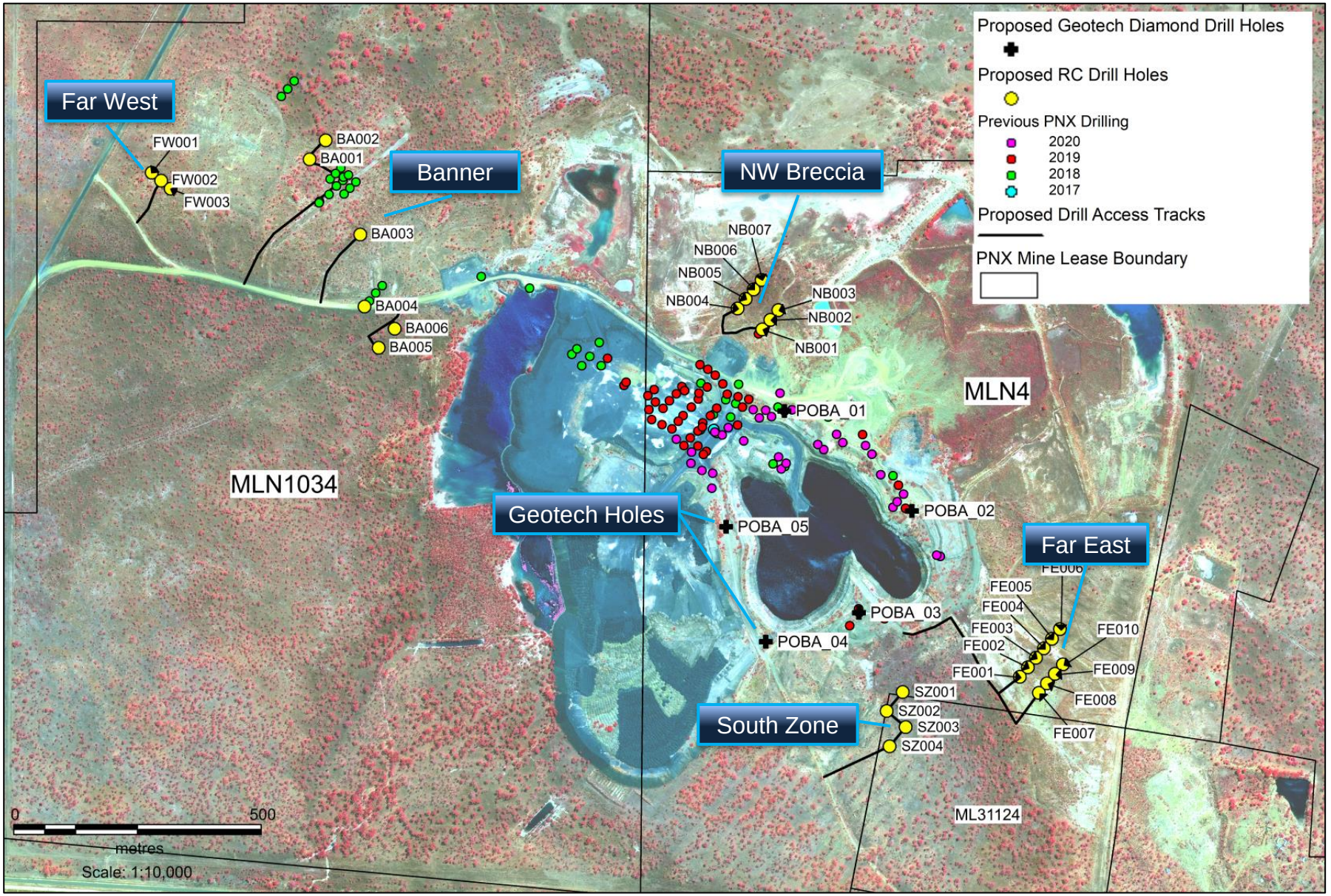
Interpreted NE Fault



Predicted Lode Offsets by NE Fault



Planned Drilling 2021 - Near-Mine Exploration and Geotech



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Appendix

NORTHERN TERRITORY

Hayes Creek Mineral Resources

Table 1: Iron Blow Mineral Resources by JORC Classification as at 3 May 2017

JORC Classification	Lode	AuEq Cut-off (g/t)	Tonnage (kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Indicated	East Lode	1.0	800	7.64	1.83	0.30	275	2.90	20.64	15.53
	West Lode	1.0	1,280	4.14	0.33	0.31	60	1.73	8.84	6.66
Total Indicated			2,080	5.49	0.91	0.30	143	2.19	13.39	10.08
Inferred	East Lode	1.0	20	0.48	0.34	0.16	132	6.01	13.65	9.43
	West Lode	1.0	20	0.76	0.96	0.13	109	1.02	5.90	4.44
	FW Gold	1.0	210	0.25	0.07	0.03	16	2.03	3.48	2.62
	HW Gold	1.0	40	0.06	0.09	0.01	6	1.68	2.57	1.94
	Interlode Gold	1.0	40	0.21	0.03	0.07	8	1.66	2.79	2.10
	Interlode Base Metal	1.0	120	3.52	0.32	0.14	35	0.69	5.87	4.42
Total Inferred			450	1.11	0.18	0.07	27	1.71	4.38	3.30
Total Indicated + Inferred Mineral Resource			2,530	4.71	0.78	0.26	122	2.10	11.79	8.87
Total Contained Metal (t)				119,200	19,700	6,650	9.9Moz	170.9koz	298,000t	721.5koz

Table 2: Mt Bonnie Mineral Resources by JORC Classification as at 8 February 2017

JORC Classification	Domain	Cut-off grade	Tonnage (kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Indicated	Oxide/Transitional	0.5g/t Au	195	0.94	2.43	0.18	171	3.80	11.50	9.44
Indicated	Fresh	1% Zn	1,180	4.46	0.94	0.23	121	1.02	9.60	7.88
Total Indicated			1,375	3.96	1.15	0.23	128	1.41	9.87	8.11
Inferred	Oxide/Transitional	0.5g/t Au	32	0.43	1.33	0.29	74	2.28	6.37	5.23
Inferred	Fresh	1% Zn	118	2.91	0.90	0.15	135	0.54	7.61	6.25
Inferred	Ag Zone	50g/t Ag	21	0.17	0.03	0.04	87	0.04	2.36	1.94
Total Inferred			171	2.11	0.87	0.16	118	0.80	6.73	5.53
Total Indicated + Inferred Mineral Resource			1,545	3.76	1.12	0.22	127	1.34	9.53	7.82
Total Contained Metal (t)				58,000	17,300	3,400	6.3Moz	66.8koz	147,000t	388.5koz

Table 3: Total Hayes Creek Mineral Resources (Iron Blow + Mt Bonnie) by JORC Classification at 3 May 2017

JORC Classification	Tonnage (kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Total Indicated (84.7%)	3,455	4.88	1.01	0.27	137	1.88	11.99	9.29
Total Inferred (15.3%)	622	1.39	0.37	0.10	52	1.46	5.03	3.91
Total Indicated + Inferred Mineral Resource	4,077	4.35	0.91	0.25	124	1.81	10.93	8.47
Total Contained Metal (t)		177,200	37,000	10,050	16.2Moz	237.7koz	445,000t	1,110koz

Table 4: Commodity price and metal recovery assumptions

Metals	Unit	Price	Recovery Mt Bonnie	Recovery Iron Blow
Zn	USD / t	2,450	80%	80%
Pb	USD / t	2,100	60%	60%
Cu	USD / t	6,200	60%	60%
Ag	USD / troy ounce	20.50	70%	80%
Au	USD / troy ounce	1,350	55%	60%

**consensus prices at the time of the resources estimates*

Notes relating to Hayes Creek Project Resource Tables

- Due to effects of rounding, the total may not represent the sum of all components. No material changes in the estimates of the Mineral Resources at Mt Bonnie and Iron Blow have occurred since they were originally reported.
- Metallurgical recoveries and metal prices (Table 4) have been applied in calculating zinc equivalent (ZnEq) and gold equivalent (AuEq) grades.
- Iron Blow - A mineralisation envelope was interpreted for each of the two main lodes, the East Lode (Zn-Au-Ag-Pb) and West Lode (Zn-Au), and four subsidiary lodes with a 1 g/t AuEq cut-off used to interpret and report these lodes.
- Mt Bonnie - Zinc domains are reported above a cut-of grade of 1% zinc, gold domains are reported above a cut-off grade of 0.5 g/t gold and silver domains are reported above a cut-off grade of 50 g/t silver.

FOUNTAIN HEAD MINERAL RESOURCES

Table 5: Fountain Head and tally Ho updated Mineral Resources by JORC Classification as at 16 June 2020

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	**0.89**	**1.4**	**41**
Inferred	**1.11**	**1.6**	**56**
Total	**2.00**	**1.5**	**96**
Global			
Indicated	**1.83**	**1.7**	**100**
Inferred	**1.11**	**1.6**	**56**
Total	**2.94**	**1.7**	**156**

Notes relating to Fountain Head Mineral Resources

- Due to effects of rounding, the total may not represent the sum of all components.
- Fountain Head and Tally Ho mineralisation reported utilising a cut-off grade of above 0.7 g/t Au/t gold, which is consistent with the assumed open cut mining method.
- The reported mineral resources for Fountain Head and Tally Ho were updated on 16 June 2020 (Refer to ASX Release dated 16 June 2020) and there have been no material changes in the estimated resources, underlying assumptions or technical parameters since then.

PNX utilises suitably qualified independent consultants to compile all new mineral resources estimates. These resource estimates and the underlying assumptions and interpretations, are reviewed by PNX management, and PNX employee Resource Geologist, Marco Scardigno (a Competent Person), for reasonableness prior to being finalised.