

ANAX Enters a New Era

On commencement of an earn in of up to 80% of the advanced
Whim Creek Copper-Zinc Project

ASX: **ANX**

November 2020

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COMPLIANCE STATEMENT

The information in this presentation that relates to the Whim Creek Project has been previously released to the ASX in the Prospectus dated 18 September 2020. The Company is not aware of any data or information that materially affects the information included in the Prospectus and that, in the case of mineral resources estimates, all material assumptions and technical parameters underpinning the estimates 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 announcement.



("Anax" meaning Leader in Ancient Greek)

Company Strategy:

- ▲ Anax is acquiring and developing advanced mineral projects leveraged to the integration of sorting technology - Whim Creek Copper-Zinc Project; AND*
- ▲ Exploring for significant new gold discoveries at the Whim Creek Project, in the Pilbara gold province of WA*

Transaction Summary

Anax Metals Limited (ASX:ANX) is acquiring up to an 80% interest in the Whim Creek Copper-Zinc Project from VentureX Resources Limited. Anax has raised AUD \$2.0M to fund the earn-in and prepare a feasibility study on the Project.

Deal Highlights



- Up to **80% Interest** in the Whim Creek Copper-Zinc Project
- **Gold exploration ground adjacent to De Grey's Mallina project**
- Project includes substantial **VMS Mineral Resource estimates with processing infrastructure already in place**
- Resource is amenable to **low capex ore sorting**
- Highly prospective **Copper-Zinc** targets
- Project is located **115km south west of Port Hedland** and encompasses **15,000 hectares**
- **Low Capex** path to cashflow

Attractive Deal Terms



- Deposit of **\$150,000**
- Earn-in: **\$1.5M spend on project development** over 15 months **to achieve 80%**. Further \$2.5M spend over 4 years to retain 80%
- Cash Consideration: **Three (3) \$1M payments**, paid annually from the second anniversary date.
- Cash consideration is back ended. All monies in the first 2 years are spent in-ground

\$2m Capital Raising



- Anax has **completed a capital raising of AUD\$2M** via the issue of 66.7M shares at \$0.03 per share via a re-compliance prospectus
- Post Raising **Cash of \$4.3M**
- Funds raised will immediately add value through in-ground spend at Whim Creek project gold and copper targets
- **Listed Investments of \$2.1M** (ASX: PDI & ASX: XTC)
- Anax remains leveraged to upside through its significant holding in Predictive Discovery (ASX: PDI)
- **Market Cap of \$8.3M** on relisting (based on \$0.03 issue price)
- NTA on relisting of circa \$6.4M (Cash and Listed Investments)

Corporate Snapshot

Anax Capital Structure

Existing Shareholders	210M
Prospectus Shares	67M
Total Shares on Issue on re-listing	277M
Market Cap on Re-listing @3c	\$8.3M
Est Cash after costs	\$ 4.3M
EV	\$ 4.0M
Value of listed investments	\$2.1M
Predictive Discovery Ltd (PDI)	3.3%
Xantippe Resources Ltd (PSM)	4.3%
NTA (Cash + Listed Investments)	\$6.4M

Board and Management

Chairman: Phillip Jackson - a barrister and solicitor with significant legal and international corporate experience, specialising in the areas of commercial and contract law, mining and energy law and corporate governance. He is currently Chairman of Predictive Discovery Limited (ASX: PDI) and Xantippe Resources Limited (ASX: XTC) and a director of Scotgold Limited (AIM: SGZ).

Managing Director: Geoff Laing - a Chemical Engineer, with 30 years in mining and project development in operations design and corporate roles. He has been involved in the exploration and junior mining sector for the last fifteen years in corporate and advisory roles. A specialist in the integration of the specified technologies to mining projects.

Non-Executive Director: Peter Cordin - a civil engineer with over 45 years' global experience in mining and exploration both at operational and senior management level. He has direct experience in the construction and management of diamond and gold operations in Australia, Fenno-Scandinavia and Indonesia.

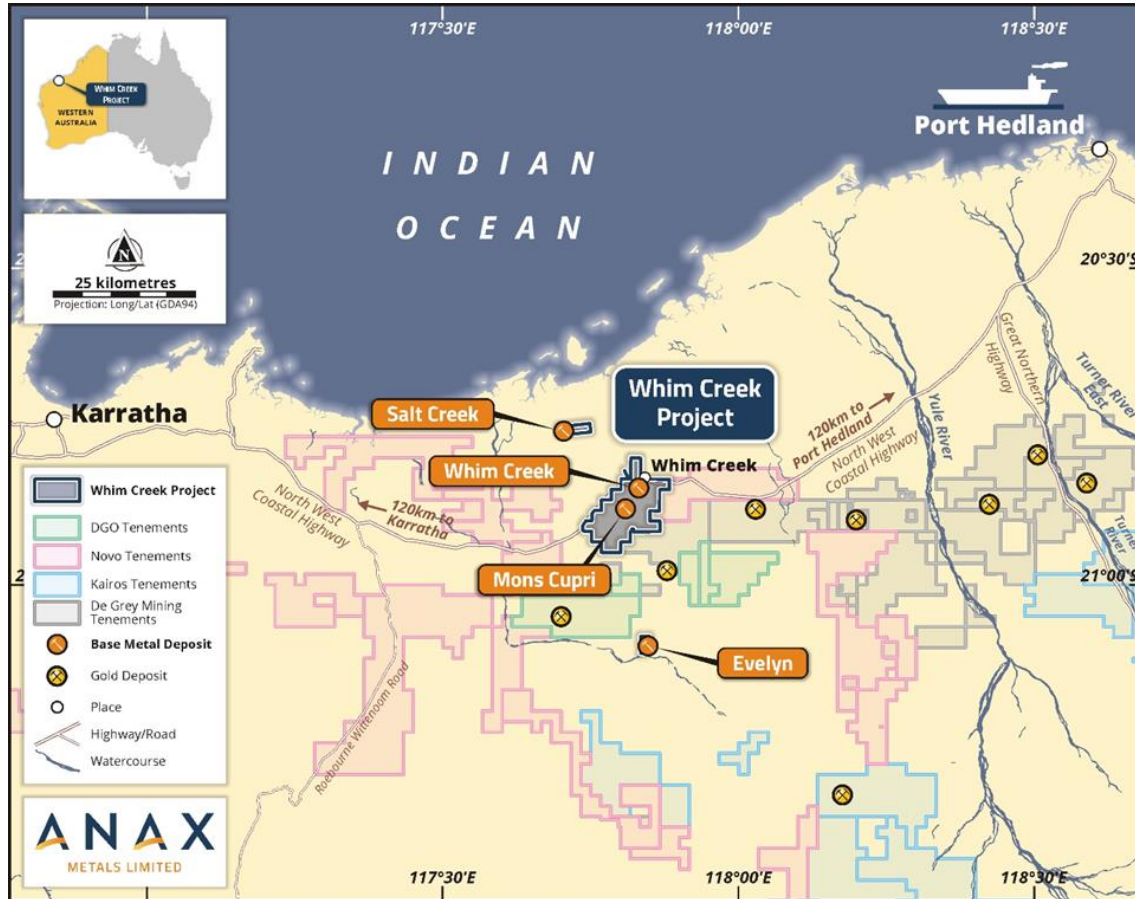
Shareholder Groups

BOARD AND MANAGEMENT	12.3%
TOP 20	51.8%

Significant Shareholders

JETOSEA PTY LTD	10.53%
HOLIHOX PTY LTD (PHILLIP JACKSON)	9.97%
BEARAY PTY LTD	6.01%

The Anax Strategy for Whim Creek - Base Metal Project in a Golden Province



Dual development and exploration strategy:

- **Develop and monetise the advanced base metal project** with defined measured and indicated resources and significant usable site infrastructure
- Provide leveraged outcomes through technology integration – targeting a low capex development with robust returns
- Risk management and sustainable development utilising smart technology to minimise costs and environmental footprint
- **Gold exploration across the highly prospective tenure** in the heart of the rapidly expanding Pilbara Gold province adjacent to De Grey's Mallina Gold Project.
- Base metal exploration both proximal to the defined resources and regionally across the extensive prospective land package

Whim Creek Copper-Zinc Project

- **Near-term development** - brownfields site 115km SW of Port Hedland with existing infrastructure and approvals (subject to EPN compliance)
- **A clear path to production** – Project amenable to open pit mining at Mons Cupri, Whim Creek and Evelyn and underground at Salt Creek.
- **Target production** – pre concentrates for sale or toll treatment
- **Simple operation** – mine – crush – sort - haul
- **Offtake** – numerous potential partners identified
- **Low Capex** – anticipated due to existing infrastructure and simple process plant
- **Near term upside** – leaching of rejects utilising existing infrastructure, resource growth, regional exploration
- **Substantial exploration package** - exciting gold and base metal prospectivity



Category	Tonnes (kt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)
Measured	1,070	1.5	1.7	0.7	38	0.3
Total Indicated	4,517	0.9	1.4	0.4	18	0.11
Total Inferred	1,339	0.6	3.9	1.2	32	0.14
Project Total	6,926	0.93	1.89	0.62	23.50	0.14

Whim Creek – Volcanic-Hosted Massive Sulphide (VHMS) Deposits

The Project lies adjacent to De Grey's Mallina project and to the north of both the DGO Gold's Mallina tenure and the Kairos Minerals' Skywell Project

The Project comprises four VHMS/Base metal mineral deposits. These are:

- **Mons Cupri:** high grade, zinc-lead-copper, flat dipping massive sulphide zone underlain by high grade steep to moderately dipping copper rich sulphide stringer zone – **drilling is underway**
- **Salt Creek:** several steeply-dipping, moderately east-plunging high-grade zones of massive to semi massive sulphide separated into zinc-lead-silver or copper rich. These zones locally overlap
- **Whim Creek:** a shallow to moderate dipping, massive, sphalerite-rich zinc zone underlain by a massive, chalcopyrite-pyrite zone, which passes into a chalcopyrite-pyrite stringer zone extending ~120m down-dip below the base of the current pit. – **drilling commenced this month**
- **Evelyn:** one copper-zinc, semi-massive to massive sulphide lens steeply west dipping and moderately north plunging

JORC 2012 Resource Estimates	Category	Tonnes (kt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)
Mons Cupri	Measured	1,070	1.51	1.65	0.69	38	0.28
Mons Cupri	Indicated	3,500	0.8	0.8	0.3	17	0.09
Mons Cupri	Inferred	500	0.5	1.5	0.6	14	0.03
Mons Cupri	Total	5,100	0.89	1.03	0.4	21	0.12
Salt Creek	Indicated	1,017	1.2	3.3	0.9	20	0.2
Salt Creek	Inferred	839	0.7	5.3	1.5	42	0.2
Salt Creek	Total	1,856	1	4.2	1.2	30	0.2
GRAND TOTAL		6,926	0.9	1.9	0.6	23	0.1

Whim Creek – Existing Infrastructure suited to Development Strategy

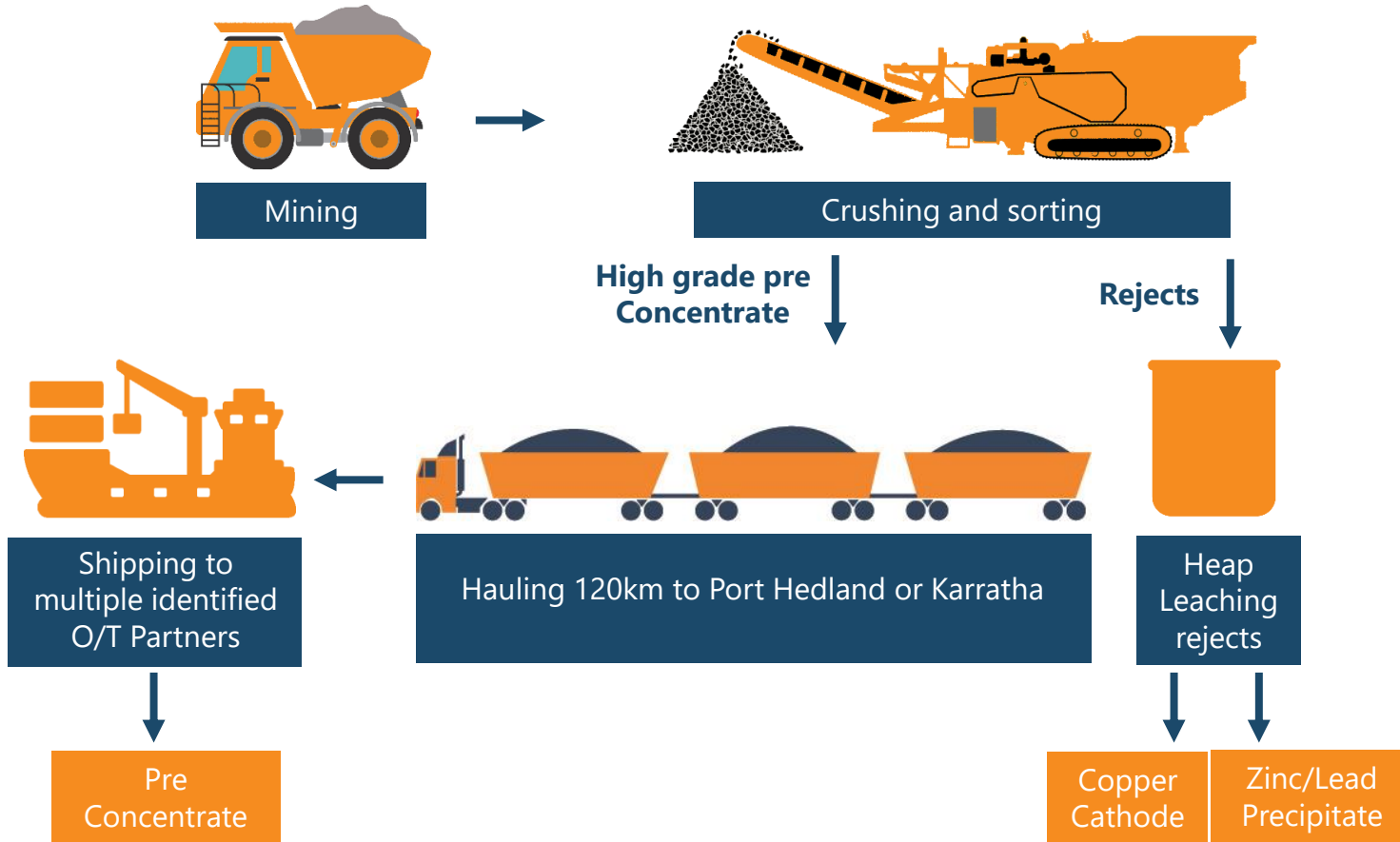
The Whim Creek project has substantial existing infrastructure ideally suited to the Company's development strategy and expected to facilitate a rapid path to production.

Infrastructure in place includes:

- Heap leach facility
- Crushing circuit
- Water supply through borefields
- Offices, warehouse and basic workshop facilities
- Internet (site is within Telstra mobile network)
- Gas pipeline to site (spur from the Dampier to Hedland gas pipeline)
- Proximity to Horizon Power owned section of the North West Interconnected System (NWIS) electricity high voltage distribution line (5km connection required)
- Subject to the Company obtaining the necessary regulatory approvals, the existing infrastructure will support a crushing and sorting operation to feed the heap leach operation and generate aggregate recovery

Whim Creek Project Feasibility - A Simple Robust Development Plan

Whim Creek – Simple Operational Strategy



Feasibility Study has commenced

- De-risk ore sorting and rejects heap leaching
- Confirm key metallurgical and mine design data
- Low capital outlay anticipated with existing infrastructure in place
- Demonstrate the viability of the dual-stream pre-concentrate and reject heap leach process

Key deliverables:

- Drilling to acquire material for sorting and metallurgical studies along with data for resource and mining updates
- Ore sorting testwork and associated activities
- Metallurgical testwork including comminution, flotation, rheology, heap leaching
- Engineering studies including mining, processing, infrastructure
- Environmental studies
- Offtake and remote processing studies

Managing risks to deliver leveraged outcomes

- **Exploration Risk** – is limited by targeting projects with **defined resources** of sufficient scale for development
- **Development Risk** –transport pre-concentrate to existing (hungry) **offsite processing facilities** significantly alters the development risk profile by minimising capital development
- **Processing Risk** – profiling (sorting) of ore dramatically **improves processing performance** by limiting recovery loss, power consumption, reagent consumption
- **Environmental Risk** – **no wet tailings** at the mine site reduces the environmental footprint - Reduced power, water, reagents
- **Financing Risk** – Pre-production **development capital is minimised** and staged development approach is intended to facilitate the payment of capital by cashflow

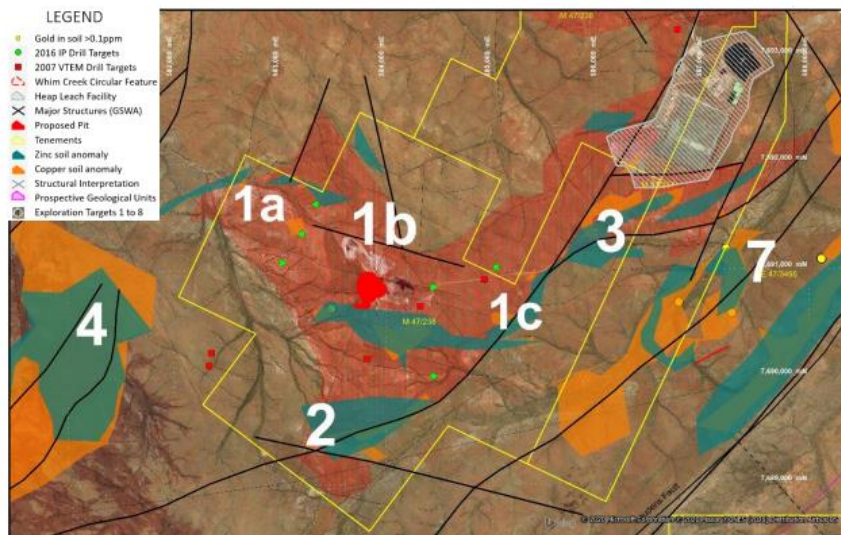
Current VHMS/Base Metal Drilling Program



Metallurgical **diamond drilling underway**, as illustrated in relation to the aerial image of Mons Cupri Pit.

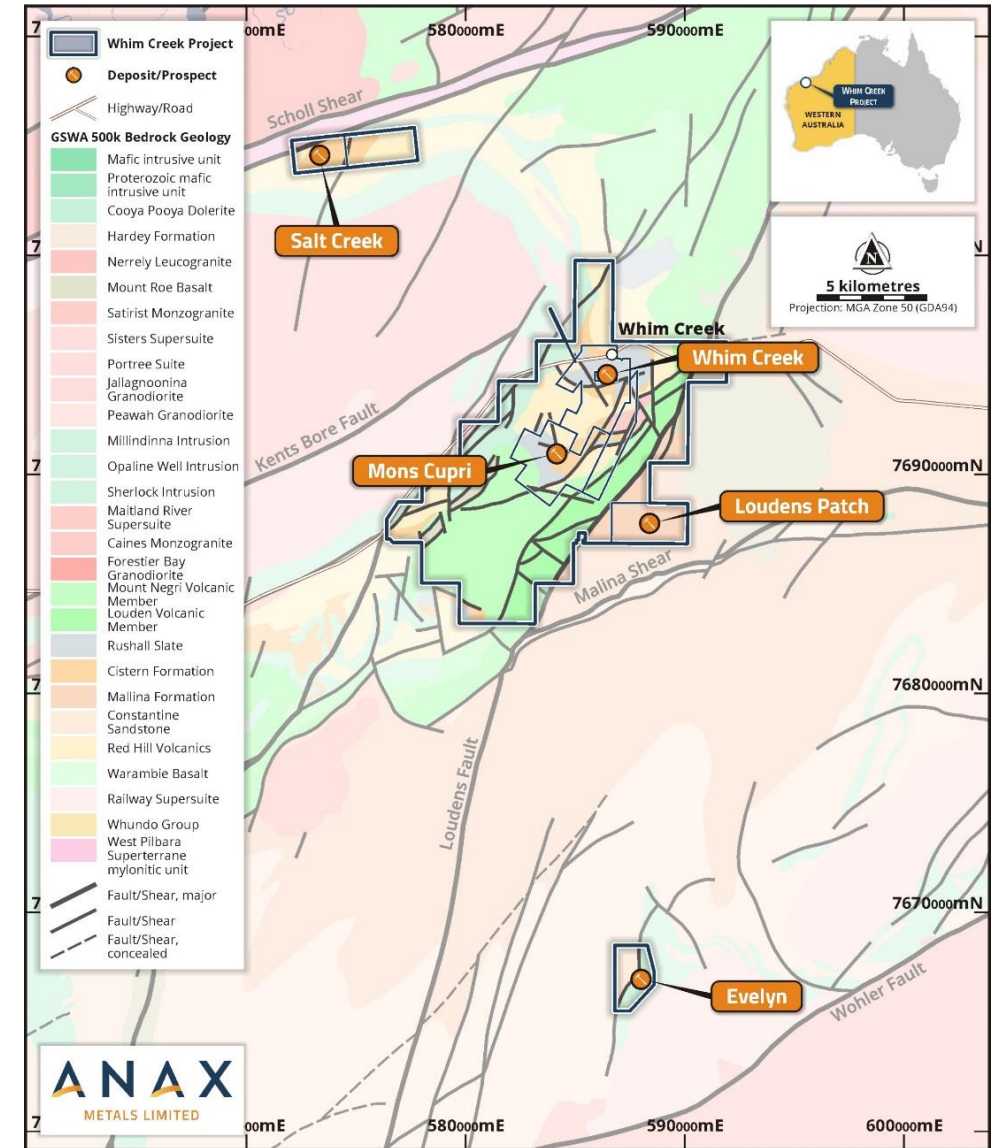
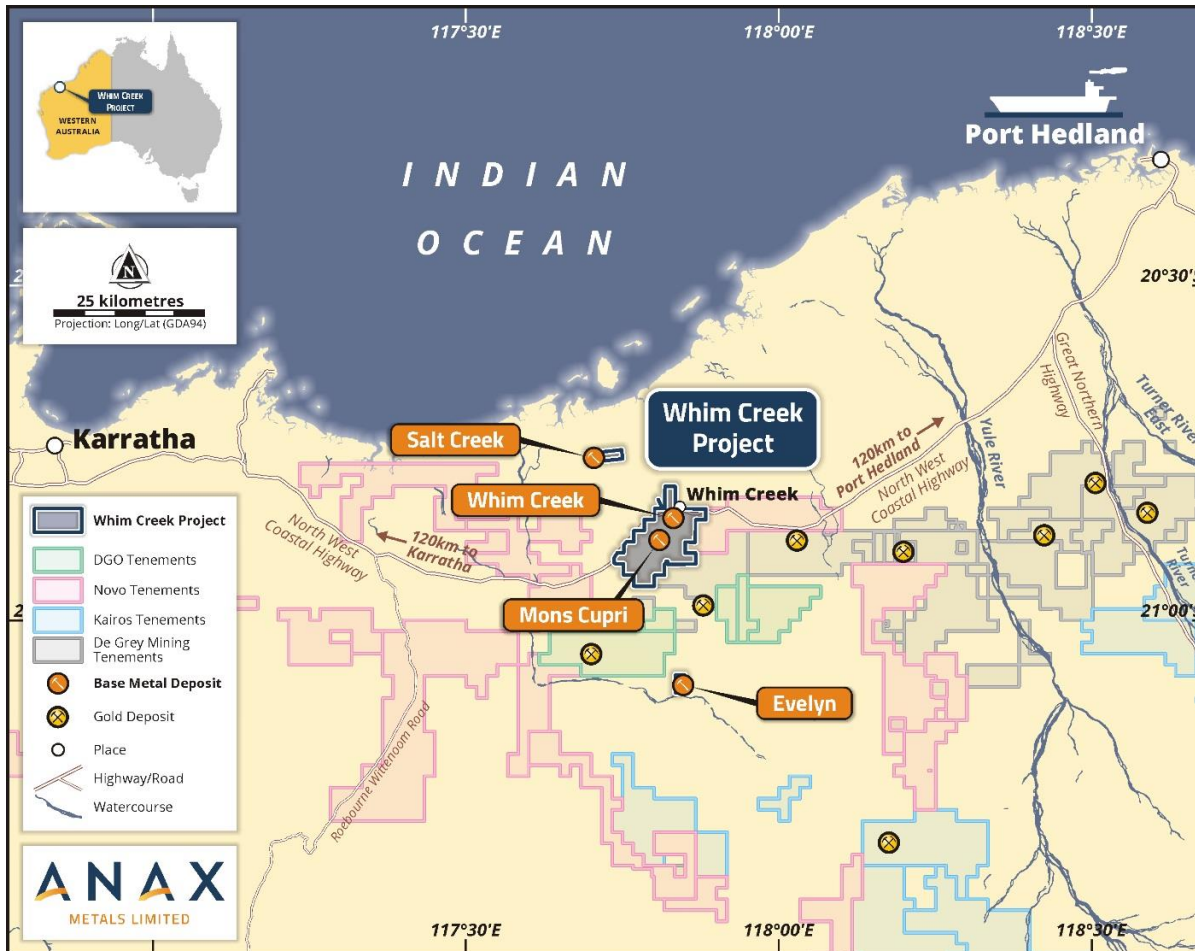
Exploration planned to investigate prioritized coincident anomalies near Mons Cupri (numbers do not necessarily define priority):

1. Coincident VTEM (red squares) and IP (green circles) drill targets along strike of Mons Cupri (1c) present immediate drilling prospectivity
2. Major intersecting structures with coincident geochemical anomalism (zinc-green and copper-orange) defined south of Mons Cupri where previous drilling intersected deep mineralisation
3. Sinistral displacement of prospective geology interpreted to be a strike extension of Mons Cupri



Whim Creek Project - Gold Exploration Potential

- Located in the highly prospective Archean **granite-greenstone gold** region of the Pilbara
- **Adjoining De Grey tenements**, notable for the Mallina Resource and the recent Hemi discovery
- Anax has defined **deep-seated structures** to focus gold exploration



Exploration to commence this month

Whim Creek – Environmental Site Improvements

- Whim Creek is subject to an Environmental Protection Notice (EPN).
- EPN Risks and site improvements were fully disclosed in the Company's prospectus dated 18 September 2020
- These works will facilitate site improvement, ultimately intended to meet current licencing requirements

Heap Leach Operation



Anax Dual Strategy – News Flow Opportunities

Exploration and Drilling 2020

1. Compiled exploration data and historical drilling - define exploration upside and data gaps - **Underway**
2. Gold exploration – initial focus on gold targets, on Whim Creek tenements and Loudens Patch – **Commence November 2020**
3. Mons Cupri drilling results – to provide further insight into the resource model and metallurgical test work – **Underway, to be completed this month**
4. Whim Creek drilling results - to update the resource model and enable metallurgical test work - **Commence November 2020**

Whim Creek Project Feasibility 2020 - 2021

1. Preliminary Ore Sorting results – confirmation of sorting amenability - **Underway**
2. Whim Creek Resource – targeting upgrade of exploration target to a JORC 2012 Resource
3. Heap Leach Concept results – Rejects upside study
4. Mons Cupri and Salt Creek sorting – key to mining and engineering studies - **Underway**
5. Flotation metallurgical results - **Underway**
6. Heap Leach results inform engineering studies
7. Completion of the Pre-Feasibility Study

Whim Creek Transaction Structure

Anax was required to re-comply under the ASX Listing Rules. Anax raised \$2m via a relisting Prospectus at \$0.03 per share.



Transaction Structure	Earn In Unincorporated Joint Venture
Total % Interest in Whim Creek	80%
Deposit Paid	\$150,000
Earn In (\$4m in total)	40% on spending \$1,000,000 on the ground 80% on spending a further \$500,000 on the ground 80% interest retained by spending a further \$2,500,000 over a 4 year period from commencement of the JV
Cash Consideration (\$3M in total)	Three (3) tranches of \$1M paid over 3 consecutive years from second anniversary
Free Carry	Through to decision to mine
Aeris Royalty to be paid by ANX	\$3.5M
Completed Capital Raise	\$2M via Prospectus

Capital – Use of funds

Allocation of funds	(\$)	%
Feasibility Studies	1,500,000	20.5
Site Management	955,000	13.1
Site Improvements and Environmental	2,218,000	30.4
Exploration, Heritage and Tenure	548,000	7.5
Earnin and Joint Venture Agreement (deposit and Stamp duty)	550,000	7.5
Working Capital	1,239,718	17.0
Estimated Expenses of the offers	290,897	4.0
TOTAL	7,301,597	100



Capital Structure

Shares	Number	%
Existing Shareholders	210,839,759	76.0
Shares issued under the Public Offer	66,666,667	24.0
Total Shares	277,506,426	100.0

Options	Number
Existing Director Options ¹	9,990,000
Advisor Options issued under the Advisor Offer (\$0.045, 3yr expiry)	23,250,000
Incentive Options issued to Directors and management under the Plan (\$0.045, 3yr expiry)	9,000,000
Total Options	42,240,000

Performance Rights	Number
Performance Rights to Directors and management under the Plan ²	15,300,000
Total Performance Rights	15,300,000

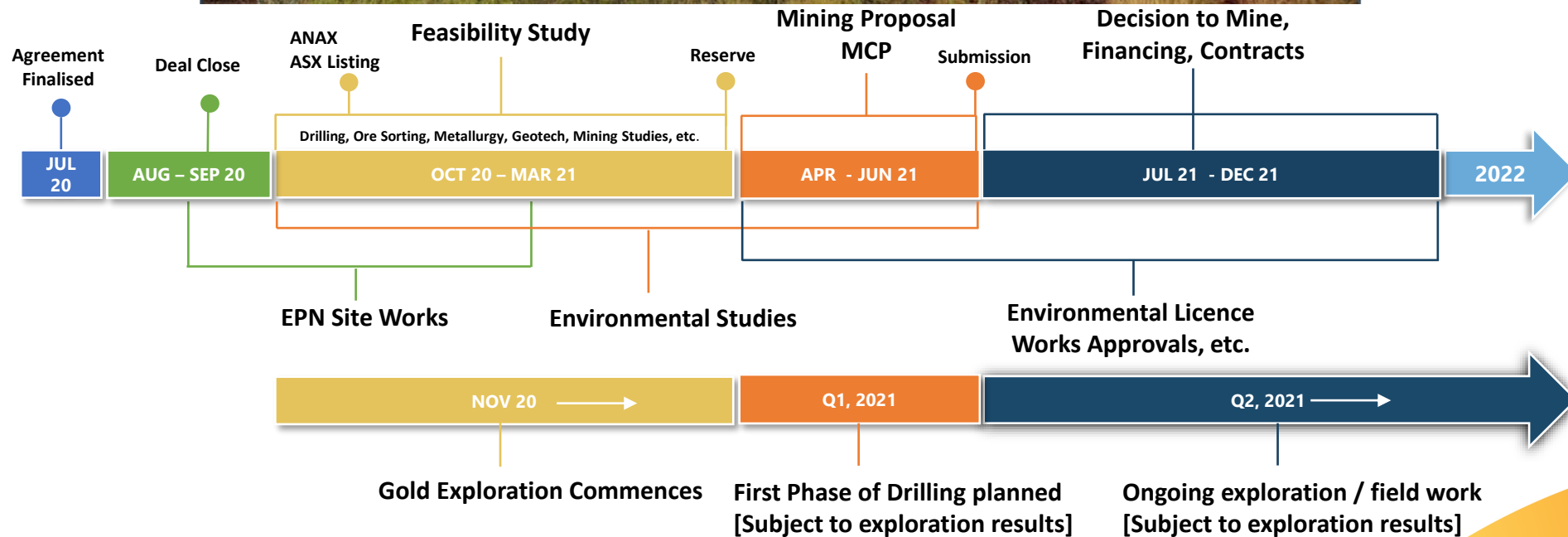
(1) Options

1,890,000 unquoted options exercisable at \$0.232 each on or before 29 November 2020;
2,700,000 unquoted options exercisable at \$0.031 each on or before 10 December 2020;
2,700,000 unquoted options exercisable at \$0.045 each on or before 10 December 2021; and
2,700,000 unquoted options exercisable at \$0.069 each on or before 10 December 2022.

(2) The Performance Rights will be granted with the Vesting Conditions and Expiry Date as follows:

6.0m Class A Performance Rights	20 day VWAP of the Shares reaching 150% of the Offer Price (being \$0.045) prior to Expiry	2 years from grant date
4.8m Class B Performance Rights	20 day VWAP of the Shares reaching 300% of the Offer Price (being \$0.090) prior to Expiry	3 years from grant date
4.5m Class C Performance Rights	20 day VWAP of the Shares reaching 450% of the Offer Price (being \$0.135) prior to Expiry	3 years from grant date

Whim Creek – Indicative Project Timeline



Whim Creek Copper-Zinc Project

A Low Cost Entry to Leveraged Upside and Near Term Cashflow



- Dual exploration and production strategy
- Exposure to an advanced base metal project with near term production potential
- Defined measured and indicated resource estimates and usable site infrastructure
- Exposure to potential leveraged outcomes of technology integration - targeting low capex and robust returns
- Highly prospective exploration tenure in close proximity to De Grey Mining's rapidly expanding Mallina Gold Project – including the Hemi discovery
- Attractive transaction terms underpinned by Anax's substantial cash balance and investment portfolio
- Anax's strategy provides a strong alternative to traditional mining project finance

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