ASX: ANX **2 DECEMBER 2020**

GOLD EXPLORATION COMMENCES AT WHIM CREEK PROJECT

- **Multiple priority gold exploration prospects identified at Whim Creek Project**
- **Highly prospective location in the Pilbara Region, Western Australia, along strike of De Grey's new, world-class, Hemi gold discovery**
- **Multiple, major, NE-trending structures identified with potential for gold mineralisation along a combined strike length of over 51km within the Whim Creek tenure**
- **Gold-in-soil anomalies defined and exploration to commence immediately, prior to drilling programmes anticipated in June Quarter 2021**

Anax Metals Limited (ASX: ANX, "**Anax**" or "the **Company"**) is pleased to announce that gold exploration has commenced at the Whim Creek Project Joint Venture following the handover of site operations from Venturex Resources Limited (ASX: VXR, **"Venturex"**) on 30 October 2020.

Anax has entered the initial Earn In phase of the Whim Creek transaction to acquire up to an 80% interest in the Project from Venturex Resources Ltd (refer to ASX announcement dated 21 July 2020). In parallel with Anax's volcanogenic massive sulphide (VMS) copper-zinc resource development, gold exploration is a core priority for the Company at Whim Creek.

The Project encompasses the width of the Whim Creek Greenstone Belt and is located adjacent to De Grey MiningLimited's (ASX: DEG, "De Grey") Mallina Project, in the West Pilbara mineral district (Figure 1). The initial phase of gold-focused exploration will target multiple, regionally significant, northeast-trending structures over a total strike length of more than 51 kilometres within the Whim Creek tenure.

The program will include the re-interpretation of existing geophysical data which will commence immediately, along with geological and structural reconnaissance and a surface geophysics programme, designed to define initial drill targets.

Detailed soil sampling programmes will also be undertaken, which will target geophysical and structural anomalies along the western boundary of the Project - accessible directly from the North West Coastal Highway – and other priority targets including historical gold-in-soil anomalies at the Rushalls and Ridgeback Prospects in the east of the tenure (Figure 2).

Standard soil sampling will be carried out to enable a comparison with historical records, and UltraFine+™ soil sampling will be used to optimise the definition of gold and base metals anomalism where geology is obscured by alluvial cover. This newly proven soil sampling method targets gold and other metals adhering to clay particles (<2µm), thereby avoiding the common problem of spikey gold-in-soil results (known as the "nugget" effect). This sampling method is being applied by gold explorers across the region, contributing to a region-wide study, in which Anax will take part.

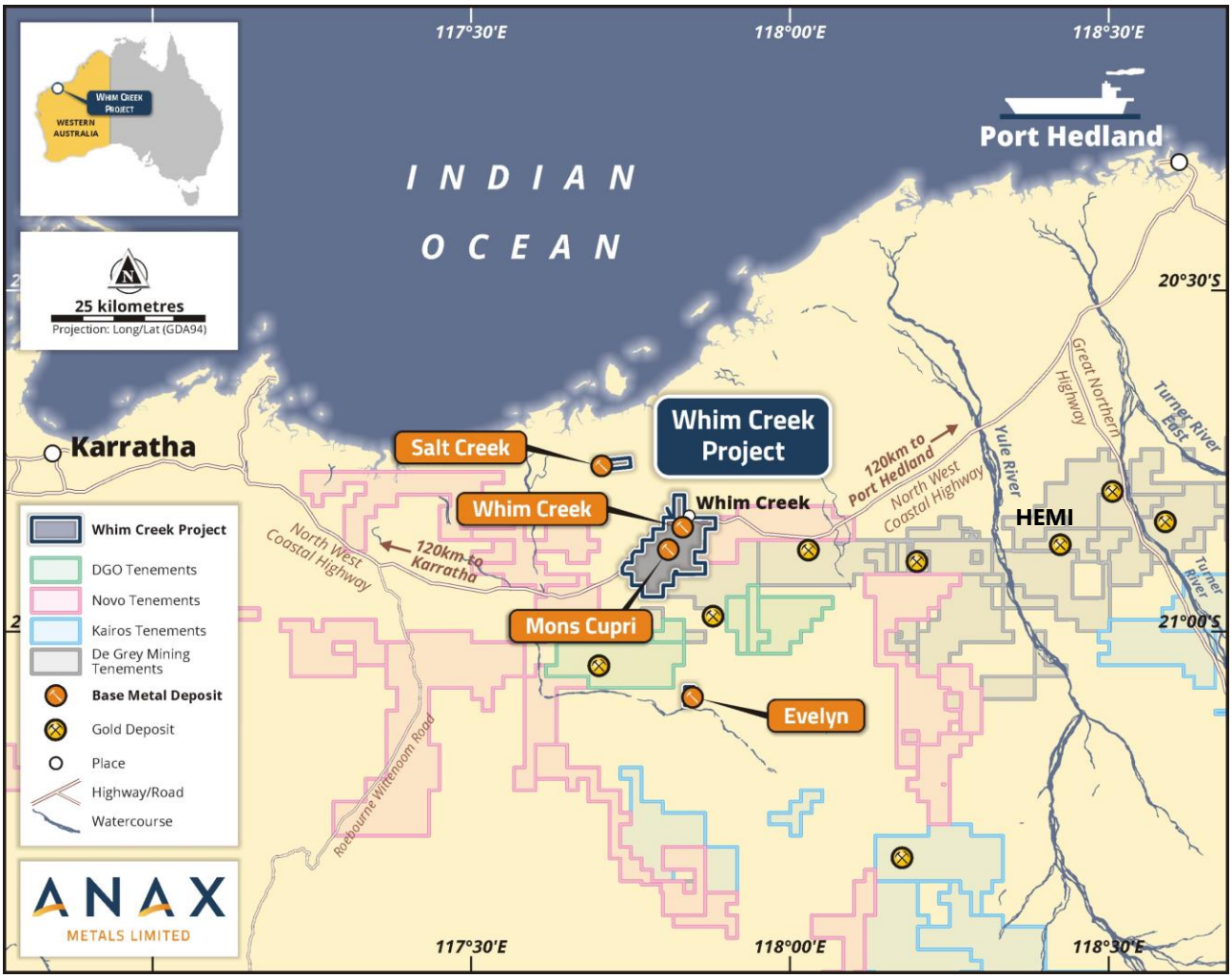

Figure 1: Whim Creek Project in relation to neighbouring gold exploration tenure

Exploration Rationale and Background

The target areas for this exploration program have been defined from the interpretation of results from multiple, historical geochemical soil sampling programs, which have generated numerous gold anomalies, and a detailed aeromagnetic survey (conducted by Straits Resources in 2007), which generated magnetic anomalies associated with major structures.

Figure 2 on the following page illustrates Geological Survey of Western Australia (GSWA) regional geology and major structures, as well as detailed aeromagnetic interpretation (red and blue shaded areas) and the extent of soil sampling that included gold analysis (soil grid lines and dots).

The magnetic highs and lows were generated from Total Magnetic Intensity (TMI) imagery from Straits Resources' aeromagnetic survey of 2007. These highs, lows and dipoles, in particular, conform well with the north-east trending regional structures that define the Whim Creek Greenstone Belt.

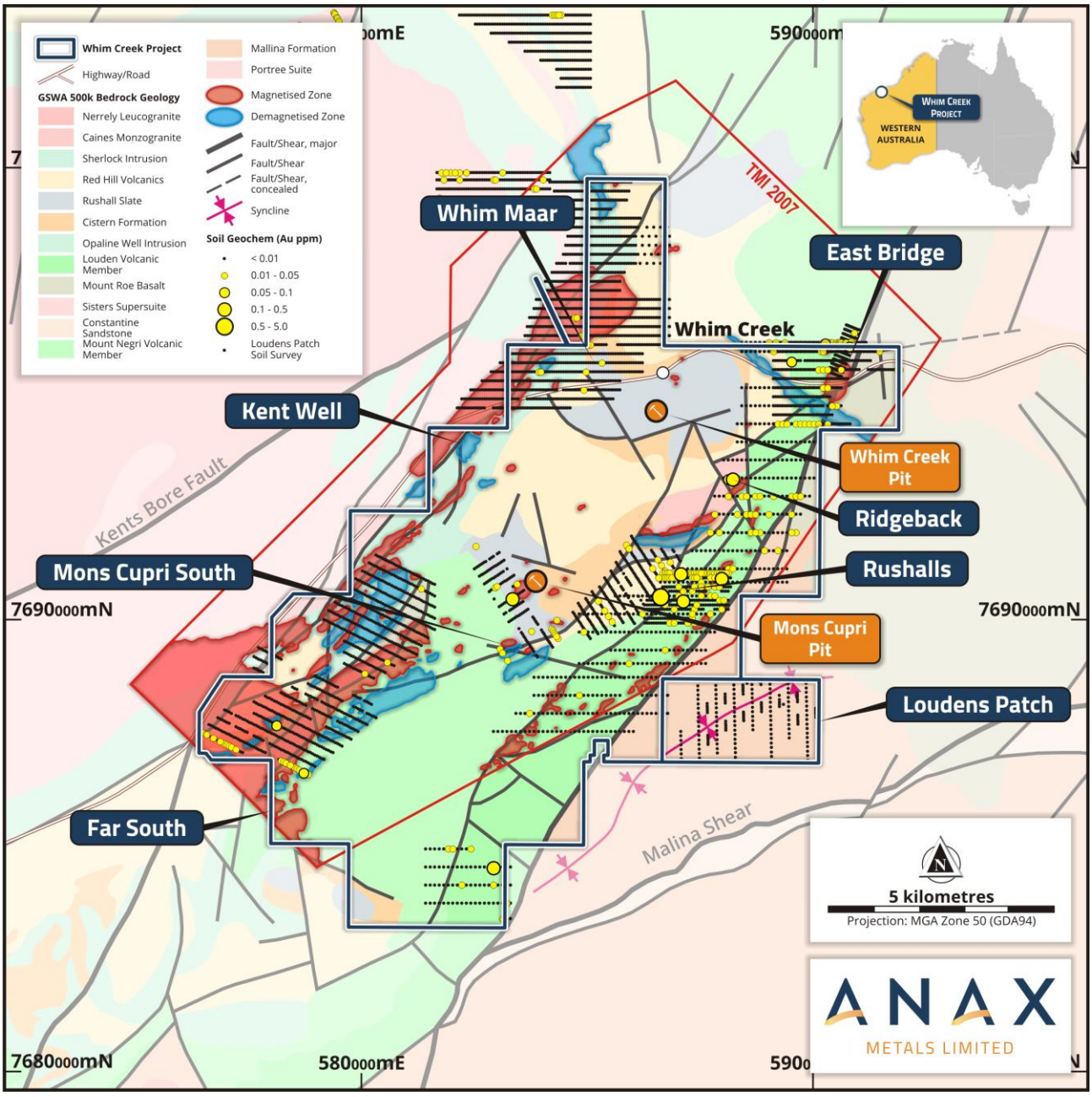

Figure 2: Numerous historical geochemical sampling programmes have generated isolated gold anomalies, and historical detailed aeromagnetic survey has highlighted magnetic anomalies associated with major structures – providing initial priority exploration targets

Mons Cupri South

Magnetic dipoles are of interest, especially where they coincide with structural intersections, as they belie fluid pathways with potential for mineralisation. An example lies 1.5km to the south of the Mons Cupri pit, coincident with low grade gold anomalism. Copper mineralisation was intersected in deep (+200m downhole) historical drilling at Mons Cupri South, but no drilling has directly targeted the area of the magnetic dipole/structural intersection.

The Versatile Time Domain Electromagnetic (VTEM) Survey conducted by Straits Resources in 2007 (not shown) also highlighted this location, and complex geology (GSWA mapping 1:100k, not shown) strongly suggests further work is required. Planned work will consist of geological and structural reconnaissance and surface geophysics to define drill targets, which will be scheduled following the forthcoming cyclone season. Reinterpretation of historical geophysics will commence shortly to define targets.

Kent Well

Other magnetic dipoles that coincide with major structures are evident across the Project area and some of these coincide with gold-in-soil anomalies while others remain unexplored. For example, the north western boundary of the main Whim Creek tenure is the faulted contact between the Archean-age Whim Creek Greenstone Belt and the Caines Well Batholith granitic intrusive over a 16km strike. Here geologically recent cover obscures the complex relationship between granites, greenstones and structures at Kent Well.

The proposed exploration field work in this area will consist of soil grids over these anomalies, accessible directly from the North West Coastal Highway. Standard soil sampling will enable comparison with historical records, while UltraFine+™ soil sampling will avoid the "nugget" effect and optimise the definition of gold and base metals anomalism where geology is obscured by alluvial cover.

The well-maintained infrastructure on site will enable this soil sampling survey to go ahead during the cyclone season, which usually falls between December and April.

Rushalls

Historical soil sampling surveys, particularly those that include gold analysis, have targeted specific locations and/or geology, but these do not extend across the entire Whim Creek tenure. Widely spaced reconnaissance soil grids have nevertheless defined gold anomalies along the south eastern edge of the Whim Creek Greenstone Belt, where Loudens Volcanics are intermittently magnetic and confined between major structures over 13km (Loudens Fault is gold mineralised along strike).

Closely spaced soil grids were previously conducted to follow up anomalies at the Rushalls Prospect, due east of the Mons Cupri Pit, and the results of this work generated cohesive, low-grade anomalism and isolated spikey gold, along east-west grid lines, potentially parallel to an undefined structure. Further soil sampling and UltraFine+™ follow-up work is proposed here.

Located across the Balla Balla Creek from the main site infrastructure, this prospect has limited access until after the cyclone season.

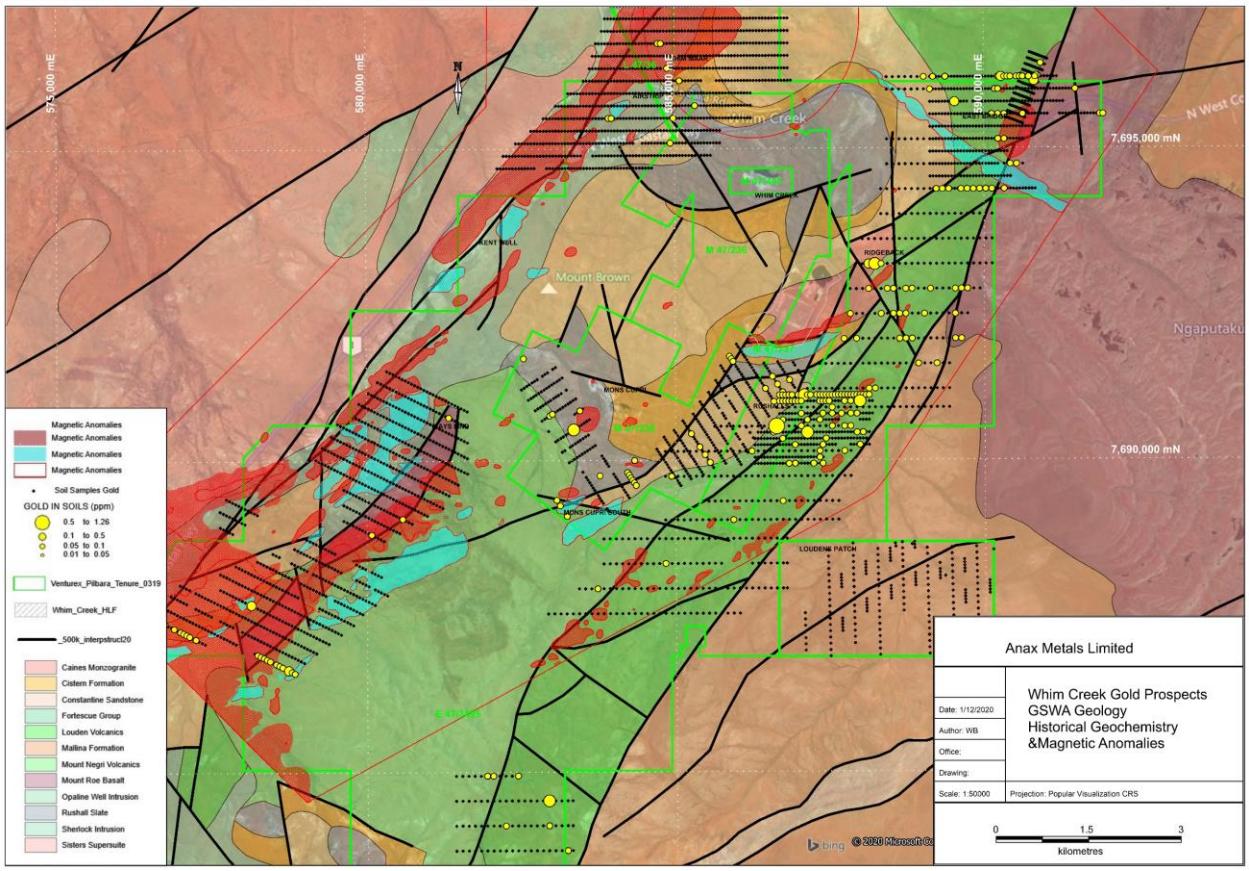

Figure 3: Prospect detail showing magnetic anomalies, historical soil sampling and GSWA Geology

Loudens Patch

Loudens Fault separates the Archean-aged Whim Creek Greenstone Belt and the adjacent Mallina Basin, differentiated spatially for classification purposes but essentially composed of related Archean rock successions.

Large tracts of the Mallina Basin are currently being explored by De Grey, Kairos and Novo on neighbouring tenements to the Whim Creek and Loudens Patch Projects. Loudens Patch secures strongly folded Mallina Formation sediments trending north east and crosscut by minor faults. Exploration here will commence with UltraFine+™ soil sampling of recent cover sediments, after the cyclone season.

Ridgeback

Gold is targeted in Archean granite-greenstone terranes across Western Australia, and in the Pilbara region, geological interest seems to have focused on structurally controlled granitic intrusives within these Archean terranes. Granites have been mapped and can be seen to outcrop within the Whim Creek tenure, such as at Ridgeback Prospect, north of Rushalls, coincident with a strong gold-in-soil

anomaly. Granites are partly obscured beneath recent alluvial and/or colluvial sediments and here the UltraFine+™ soil sampling will be most effective.

Located across the Balla Balla Creek, away from the main site infrastructure, this area is inaccessible until after the cyclone season.

VMS Prospectivity

The structural complexity of the Mons Cupri and Whim Creek copper-zinc deposits is not yet fully understood and structural mapping is proposed to determine potential extensions to the known VMS mineralisation. Copper and zinc soil anomalies across the tenure also await further investigation and reinterpretation of historical geophysical data will inform this work.

In addition, the extensive historical exploration and mining records at Whim Creek contain a wealth of data and information that is currently undergoing review, and this ongoing process will contribute significantly to the geological understanding of the well mineralised Whim Creek Greenstone Belt and assist with further targeting work.

This announcement is authorised for release by Geoff Laing, Managing Director.

For Further Information, please contact:

Anax Metals Limited
info@anaxmetals.com.au
Ph: +61 8 6143 1840

Competent Persons Statement

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Ms Wendy Beets. Ms Beets is a full-time employee and shareholder of Anax Metals Ltd and is a member of the Australian Institute of Geoscientists.

Ms Beets has sufficient experience of relevance to the style of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Beets consents to the inclusion in this report of the matters based on information in the form and context in which they appear.

ASX announcements referenced in this document

1. *Acquisition of up to 80% of Whim Creek Copper-Zinc Project, 21 July 2020*

Forward Looking Statements

This report contains certain forward-looking statements. These forward-looking statements are not historical facts but rather are based on Anax Metals Ltd's current expectations, estimates and projections about the industry in which Aurora Minerals Ltd operates, and beliefs and assumptions regarding Anax Metals Ltd's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Anax Metals Ltd, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Anax Metals Ltd cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Anax Metals Ltd only as of the date of this report. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. Anax Metals Ltd does not undertake any obligation to report publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this report except as required by law or by any appropriate regulatory authority.

JORC 2012 TABLE 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	***JORC Code Explanation***	***Commentary***
Sampling techniques	• *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 down hole 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• *The surface geochemical data used in this announcement was compiled from historical records supplied by VentureX Resources Limited and verified from historical data downloaded from public records via the WAMEX and GeoView applications on the Department of Mines, Industry Regulation and Safety (DMIRS) website.* • *The majority of this historical data was collected between 2006 and 2008, therefore it pre-dates the JORC 2012 reporting requirements. It is not possible to verify the representivity of the data.* • *It was assumed that 'industry standard' sampling methods were employed. ALS Laboratory, an accredited laboratory, was reported to have conducted the geochemical analyses and was assumed to have applied appropriate QAQC measures. It was further assumed that the geochemical results were reported to DMIRS accurately and completely.* • *Coarse gold is evident from the historical results and Anax intends to follow up geochemical anomalies with new geochemical sampling programmes to verify these historical anomalies. Future sampling programmes will be conducted to industry standard using methods appropriate to the conditions and QAQC measures applied.*
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	• *No drilling results were included in this report.*
Drill sample recovery	• *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.*	• *No drilling results were included in this report.*

Criteria	JORC Code Explanation	Commentary
	• *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.*	
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• *No drilling results were included in this report.*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *The historical data obtained from DMIRS' WAMEX data repository contains limited records of sample collection, preparation and sub-sampling techniques.* • *It was assumed that the laboratory preparation of the samples followed industry best practice involving weighing, oven drying, pulverisation of the entire sample (total prep) to a grind size of 85% passing 75µm.* • *QAQC measures were not recorded. It was assumed that historical explorers and the laboratories they commissioned utilised QAQC procedures including certified standards, blanks and duplicates. The majority of the data was collected in 2006 to 2008 by Straits Resources and records state that analysis was carried out at ALS laboratories.* • *Sample size was not recorded in the historical data. No record of duplicates was available.*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.*	• *The ALS Laboratory techniques listed in the WAMEX data used aqua-regia or a 4-acid digest followed by multi-element analysis suite by ICP-AES. The acids used are hydrofluoric, nitric, perchloric and hydrochloric acids, suitable for the dissolution of most silica-based samples.* • *No geophysical tools were used to determine any element concentrations reported.*

Criteria	JORC Code Explanation	Commentary
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• *Quality control procedures were not recorded. However, as ALS Laboratory was named in historical records, it was assumed that industry standard laboratory checks were conducted.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *No drillhole intersections are considered here.* • *Prior to 2010, verification procedures were not documented.* • *Full database verification of all historical information was completed in 2009. All data were loaded and stored in a DataShed database.*
Location of data points	• *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.*	• *No drilling or Mineral Resource estimation was referred to in this announcement.* • *The original grid system used for the location of the majority of samples was AMG_AGD84, Zone 50. The survey instrument used was not known but presumed to be handheld GPS.* • *Geochemical sample records do not include topographical details.*
Data spacing and distribution	• *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.*	• *The nominal sample spacing of soil samples was generally 100m by 400 m varying according to the target commodity and/or area to be covered. Infill soil sample spacing was 50m by 200m.* • *Continuity of mineralisation was not determined.* • *The use of compositing was not known*
Orientation of data in relation to geological structure	• *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 sampling bias, this should be assessed and reported if material.*	• *No drilling data was included in this announcement.* • *Soil sample lines were predominantly oriented east-west in the north and east of the tenure. Soil grids located in the SW were oriented SE.* • *Sampling bias can be seen where gold anomalism continues along a line of samples suggesting a parallel or sub-parallel structure.*

Criteria	*JORC Code Explanation*	*Commentary*
Sample security	• *The measures taken to ensure sample security.*	• *Independent audits of the data in 2009 concluded that the sampling protocols were adequate.* • *After 2010, the chain of custody was managed by Venturex. The samples were stored in a secure facility at Whim Creek, collected from site by Toll IPEC and delivered to the assay laboratory in Perth. Online tracking is used to track the progress of batches of samples.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *Independent audits of drill core sampling techniques and data were completed during feasibility studies in 2008 (Straits) and 2011 (Snowden). The studies were comprehensive and covered all industry standard issues, however, they were unlikely to include verification of soil sampling data. Anax has inferred that similar standards would have been maintained for all geochemical sampling. There does not appear to be any significant risk in accepting the data as valid. However, Anax cautions that soil sampling data needs to be considered in the context of how and where it was sampled. Further work is required to verify the anomalism.*

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• *The tenements included in this data compilation review were M47/236, M47/237, M47/238, E47/3495. Venturex Resources Limited holds 100% interest in the tenements via its subsidiary Venturex Pilbara Pty Ltd. Anax is earning into the Whim Creek Project to secure up to 80% ownership of the tenure. Anax holds 100% of the tenement E47/4281 – referred to as Loudens Patch – via its subsidiary, Mainland Minerals Pty Ltd.* • *An Environmental Protection Notice is current for parts of tenements M47/236, M47/237, M47/238, M47/443 and E47/3495.* • *The tenements lie within the granted Ngarluma Native Title Claim.* • *There are 5 registered Aboriginal heritage sites within the above-named tenure and 1 site of historical significance. One Aboriginal heritage site overlaps the Mons Cupri Resource for which Section 18 Approval was granted in 1996.* • *The Venturex tenements are subject to a third-party royalty.* • *The tenements were in good standing as of the date of this report.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Previous exploration has been conducted by Texas Gulf Australia, Dominion Mining Limited, Straits Resources Limited and Venutrex Resources since 1968. Venturex's exploration is of most relevance to Anax's work as Venturex defined JORC 2012 Resources at the Project (not discussed here). Venturex has maintained the geochemical databases and reported their exploration work to a high standard.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *Archean granite-greenstone terranes are commonly targeted for gold mineralisation, particularly at intersections along major structures and this is the type of mineralisation being investigated by means of this historical data review.*
Drill hole Information	• *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:* • *easting and northing of the drill hole collar*	• *No drill holes have been considered as part of this review*

Criteria	JORC Code Explanation	Commentary
	• *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *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.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *The geochemical data being considered is historical in nature.* • *Gold-in-soil ranges were selected to highlight the most anomalous results (range 0.5 to 5ppm Au) and determine if these lie within a cohesive zone of anomalism (0.05 to 0.1ppm Au). Whilst every care was taken to accurately reflect the geochemical results compiled, the historical nature of the data, the various analysis methods and the historical focus on base metals at this project suggest that the data should be considered indicative only. Low grade anomalism (0.01 to 0.05ppm Au) should be treated with caution as it is not known whether the data was historically subjected to rounding or what the original limits of detection were.*
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• *Mineralisation widths are not discussed here and no drilling results were included.*
Diagrams	• *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.*	• *No drilling was included in this announcement.*

Criteria	JORC Code Explanation	Commentary
Balanced reporting	• *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.*	• *All soil samples that were analysed for gold were included in this review and depicted in Figure 2 as black dots which merge into lines in places.*
Other substantive exploration data	• *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.*	• *The ER Mapper TMI image, named "South Block" (boundary shown on Figure 2), generated from the historical aeromagnetic survey conducted by Straits Resources in 2007 was used in this historical data review. The TMI data was contoured using Datamine Discover software and specific contours were selected to define magnetic highs and lows. This enabled comparison with GSWA regional geology (1:500k, 2020 version, downloaded from DMIRS Data Centre) and major structures (GSWA, 1:500k, 2020 version downloaded from DMIRS Data Centre).*
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *Historical soil sampling surveys have limited extent. Sample line directions and spacing may not have suited the underlying structure resulting in linear anomalism as seen in Figure 2. Future work will aim to verify the anomalism.* • *The interpretation of historical data helps to direct and prioritise future exploration. However, the results presented in this announcement are indicative only and further exploration will investigate the source and nature of the anomalism, which may be real gold anomalism located at source or transported material collected in an alluvial trap site. These are limiting factors to interpretation of historical soil sampling.*