

ASX: ANX

5 MARCH 2021

GOLD EXPLORATION FIELD WORK HAS COMMENCED AT WHIM CREEK TENEMENTS IN THE PILBARA

- ▲ **Prospective gold targets are being systematically soil sampled**
- ▲ **Accessible gold prospects prioritised for exploration during the current cyclone season**
- ▲ **3,500 samples to collect in 2021, to be followed up with surface geophysics and drilling**

Anax Metals Limited (ASX: ANX, "Anax" or "the Company") is pleased to announce that its exploration team is on the ground collecting soil samples for its gold exploration programme at the Whim Creek Project.

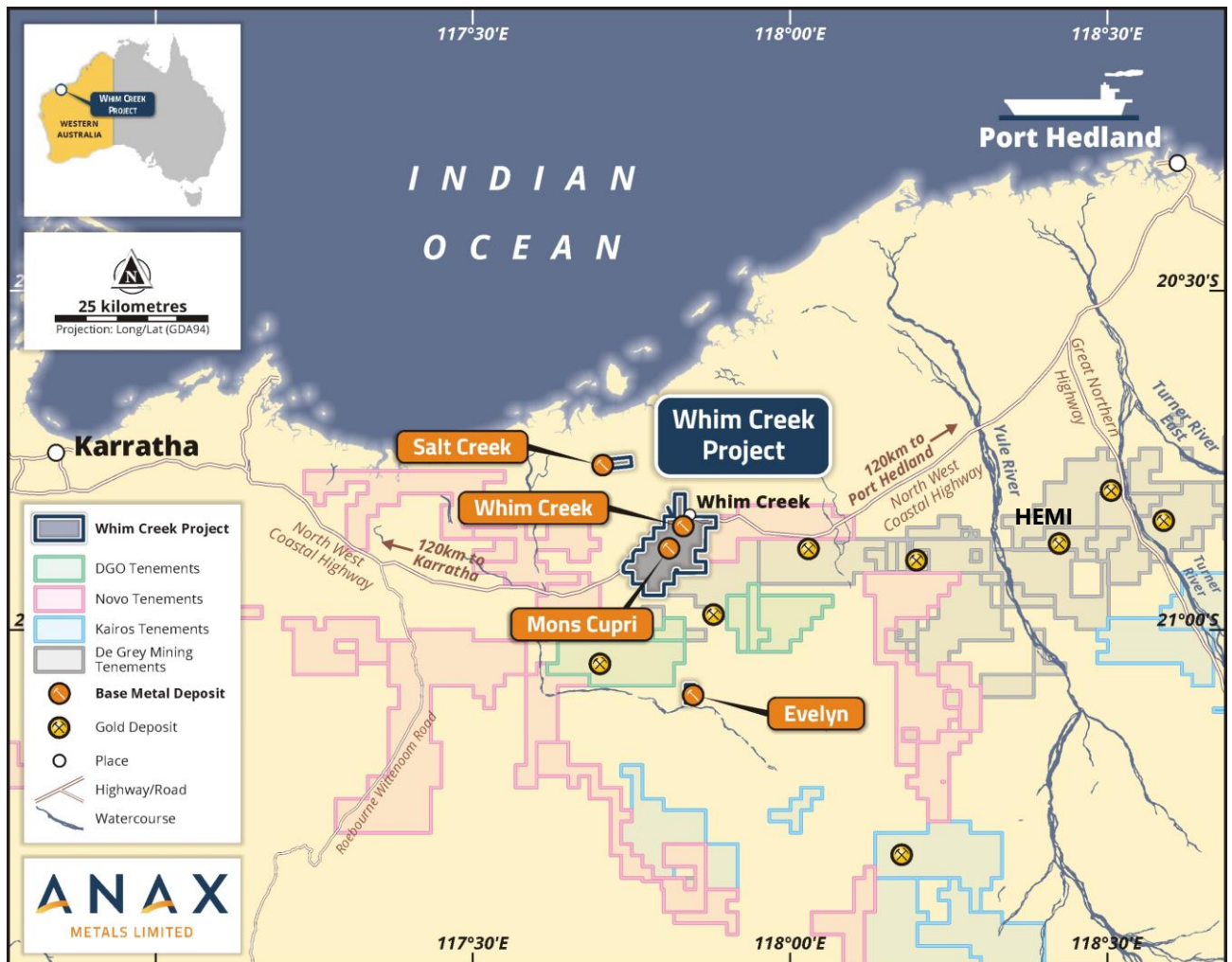


Figure 1: Whim Creek Project in relation to neighbouring gold exploration tenure

The Project encompasses the width of the Whim Creek Archean Greenstone Belt and is located adjacent to De Grey Mining Limited's (ASX: DEG, "De Grey") exploration tenements in the West Pilbara mineral district (Figure 1).

GSWA mapping and aerial imagery were used to define geological targets prospective for gold, including multiple, northeast-trending, deep-seated structures with a total strike length of more than 51 kilometres within the Whim Creek tenure. Detailed aeromagnetics (Straits, 2007) defined geophysical anomalism along these structures. Historical soil sampling results were used to define gold-in-soil geochemical anomalies that require follow-up. See Figure 2, below.

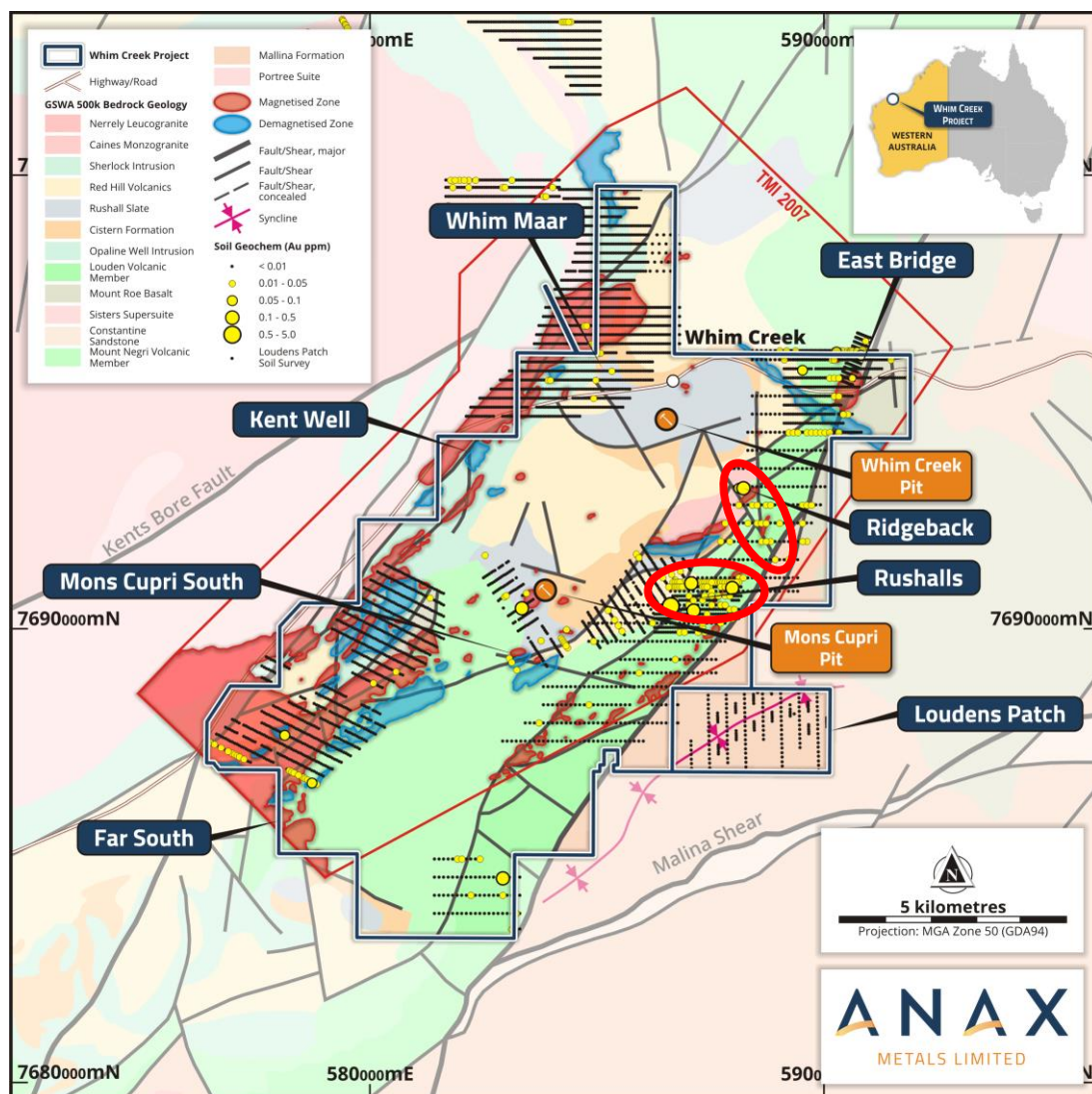


Figure 2: Gold Prospects are labelled in blue. The NE Coastal Highway enables access along the western and northern boundaries, while Ridgeback and Rushalls Prospects are accessible via Shire roads.

The 2021 field phase of gold exploration is now under way, consisting of an initial 3,500 Ultrafine+™ soil samples at 100-200m grid intervals over these defined geological, geophysical and geochemical gold targets.

The Whim Creek Project lies adjacent to a broad coastal floodplain where sheetwash from cyclonic rain events obscures outcrop over large areas. UltraFine+™ soil sampling is a newly proven soil analysis method ideal for gold and base metals exploration, especially where geology is obscured beneath surface cover. Clays in soil have a large surface area relative to volume. For this reason, clays become ionically charged and attract minute particles of metals mobilised in groundwater. The clay fraction of soil samples is separated in the lab and analysed for an extensive suite of elements. This analysis method bypasses the “nugget” effect common in conventional soils and stream sediment analysis and is being used by gold explorers across the region, contributing to a region-wide study, which Anax will take part in. (The nugget effect results from gold gradually accumulating into minute nuggets in soils, generating very spikey analysis results, whereas the UltraFine+™ method generates a clear halo of anomalism near source without spikey results.)

The current soil sampling programmes are focused on the most accessible gold prospects (see Figure 3).

- ▲ **Ridgeback Prospect** marks the intersection of multiple structures obscured by surface cover, where historical 400m-spaced soil lines generated consecutive anomalies on 5 lines (i.e. >2km strike). Ridgeback Prospect is bisected by the Balla Balla Creek which limits access to the east in the wet season. Work has commenced to the west of the creek, accessible from mine site tracks. The soil lines to the east of the creek are being accessed from shire roads, where possible between rain events.
- ▲ **Rushalls Prospect** has undergone multiple phases of historical soil sampling identifying consistent but undefined anomalism. East-west sample lines show continuous elevated gold results running parallel to a possible east-west structure. Ultrafine+™ sampling and geological reconnaissance are planned to verify historical soil results and map structures. Rushalls is also accessed from Shire roads east of the Balla Balla Creek, as well as on foot, between rain events.
- ▲ **Kent Well Prospect** marks coincident geological and geophysical anomalies where no previous soil sampling has been conducted due to the extensive cover. This prospect is accessible from the North West Coastal Highway.

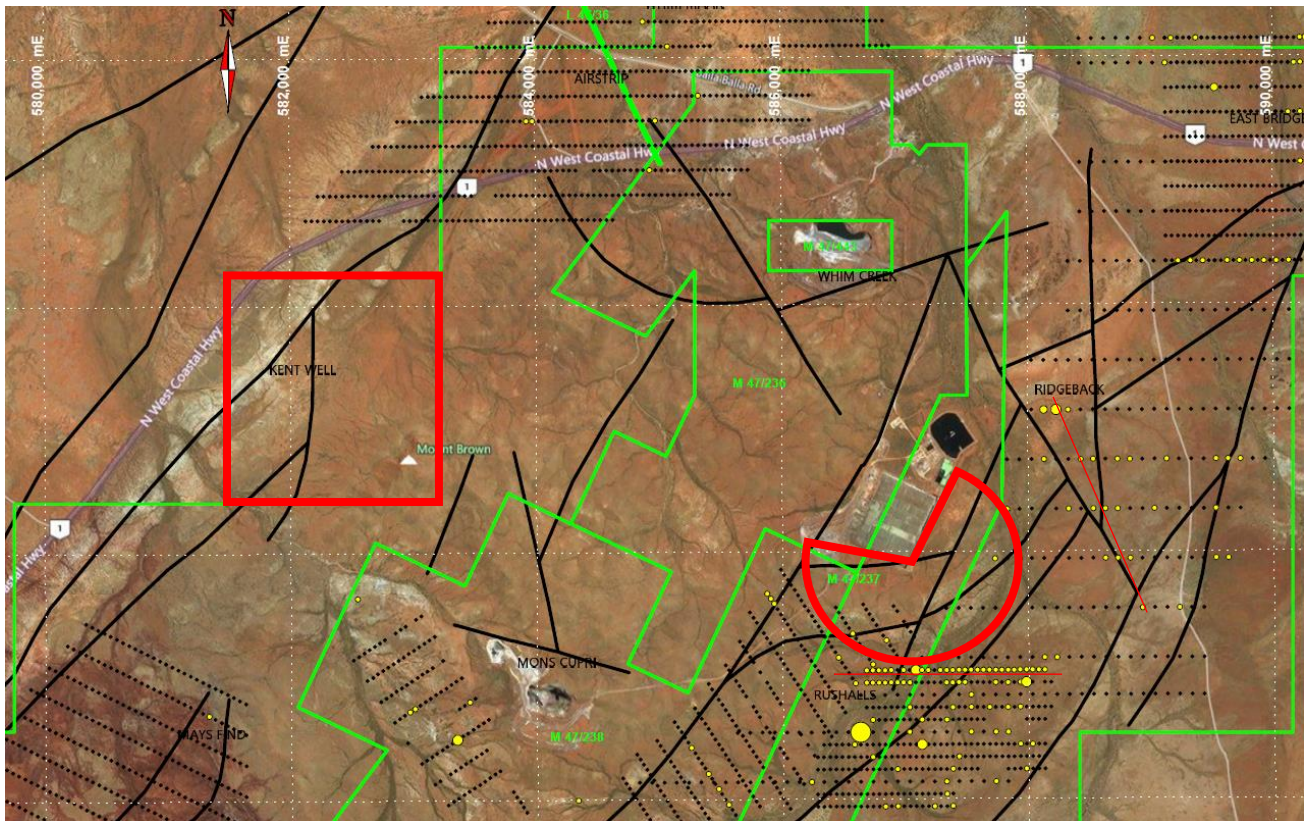


Figure 3: Prospect locations, gold anomalism in historical soil sampling, and accessible exploration targets (red shapes and lines) in relation to aerial imagery.

The current twelve-day sampling programme is expected to generate over 500 Ultrafine+™ samples for analysis at LabWest. In addition, a limited number of historical soil samples from Ridgeback and Rushalls Prospects have been found and will be reanalysed using the UltraFine+™ method.

The current programme has provided an opportunity to test the accessibility of the gold targets across the Balla Balla Creek to the east and south where sampling is progressing well. In conjunction with soil sampling, rock chip sampling and geological reconnaissance are underway. Subsequent to and subject to the analysis of results, the current programme is proposed to be followed up with surface geophysics and drilling.

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. *Gold Exploration Commences at Whim Creek Project, 2 December 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.