

WHIM CREEK PROJECT - ADVANCING TO DEVELOPMENT

- Mining Proposal and Mine Closure Plan submitted
- Updated Scoping Study nearing completion and Definitive Feasibility advancing
- Anax continues to target H1 2022 for completion of the study work and project approvals. Copper production is planned for H1 2023
- Major remediation and upgrades to existing infrastructure nearing completion:
 - New HDPE-lined pond (Pond 6) completed
 - Environmental Pond clay-liner remediation works nearing completion
 - All existing HDPE-lined process infrastructure repaired and certified
 - Stormwater diversion bunds constructed around existing infrastructure
 - Satellite communication system and weather station operational
 - Three new water monitoring bores established

Anax Metals Limited (ASX: ANX) (**Anax**, or the **Company**) is pleased to provide an update on the status of regulatory applications and infrastructure refurbishment completed thus far at its 80% owned Whim Creek Project (**Project**) located 115 kilometres southwest of Port Hedland in the Pilbara region of Western Australia (Figure 1).

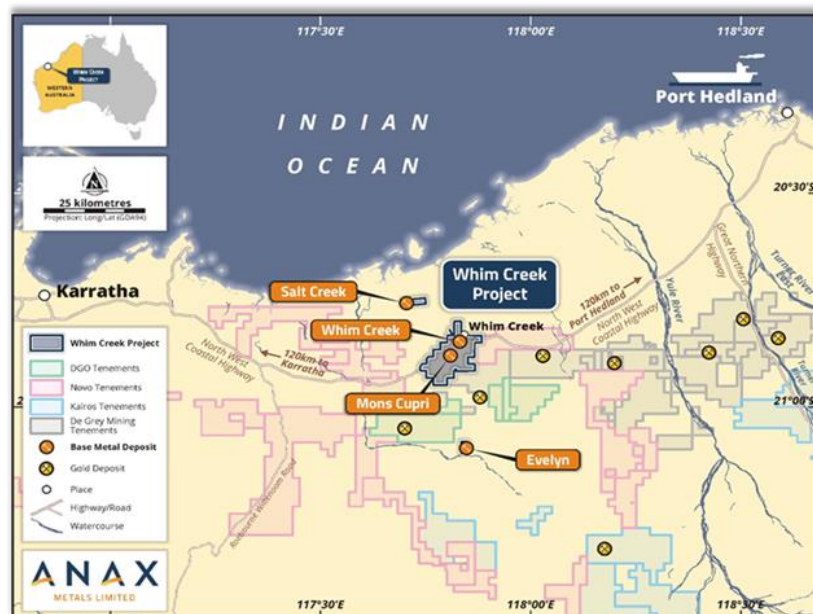


Figure 1: Whim Creek Project Location

MINING PROPOSAL AND MINE CLOSURE PLAN SUBMITTED

Anax has submitted a Mining Proposal and a Mine Closure Plan for the Project to the Department of Mines, Industry Regulation and Safety (DMIRS). The Mining Proposal seeks approval for Anax to commence operations at the Whim Creek Copper-Zinc Project and proposes:

- Expansion of the existing open pit at the Mons Cupri Deposit
- Expansion of the existing Mons Cupri waste rock dumps
- Transport of ore from Mons Cupri to the existing ROM pad using the existing haul road
- Refurbishment of the existing crushing circuit to process ore
- Installation of new ore sorters to produce high-grade copper and zinc pre-concentrates
- Agglomeration and placement of low-grade fines and secondary sorting products onto existing heap leach pads for bioleaching
- Placement of final rejects on the heap, and/or use of barren rejects as road base or rehabilitation encapsulation material
- Construction of a new 120-room accommodation village
- Infrastructure upgrades to the processing plant and refurbishment of support facilities.

The focus now shifts to the preparation and submission of supplementary applications, advancing Anax towards the goal of commencing operation at Whim Creek.

WHIM CREEK SITE AND INFRASTRUCTURE UPGRADES

Since completing the Whim Creek transaction in November 2020, Anax and its contracted site manager, PPM Global, have completed substantial site works centred around repairing and upgrading existing infrastructure to meet current licencing standards. The works serve a dual purpose – to enable the infrastructure to be used in future operations, as well as to address the requirements of the Environmental Protection Notice (EPN) issued in July 2019 by the Department of Water and Environmental Regulation to the former owners of the project.

Environmental Pond Upgrades

Construction of a key piece of infrastructure, a 60,000m³ pond lined with High Density Polyethylene (HDPE), was recently completed and has now been integrated into the process solution and stormwater management system. The newly lined pond (Pond 6) was designed to ensure that the HDPE-lined infrastructure would have sufficient capacity to contain run-off generated by a 1 in 20-year, 72-hour rainfall event. The new pond substantially increases the containment capacity of the site and significantly reduces risk to the environment.

Figure 2 shows the location of the environmental pond in relation to other heap leach infrastructure.

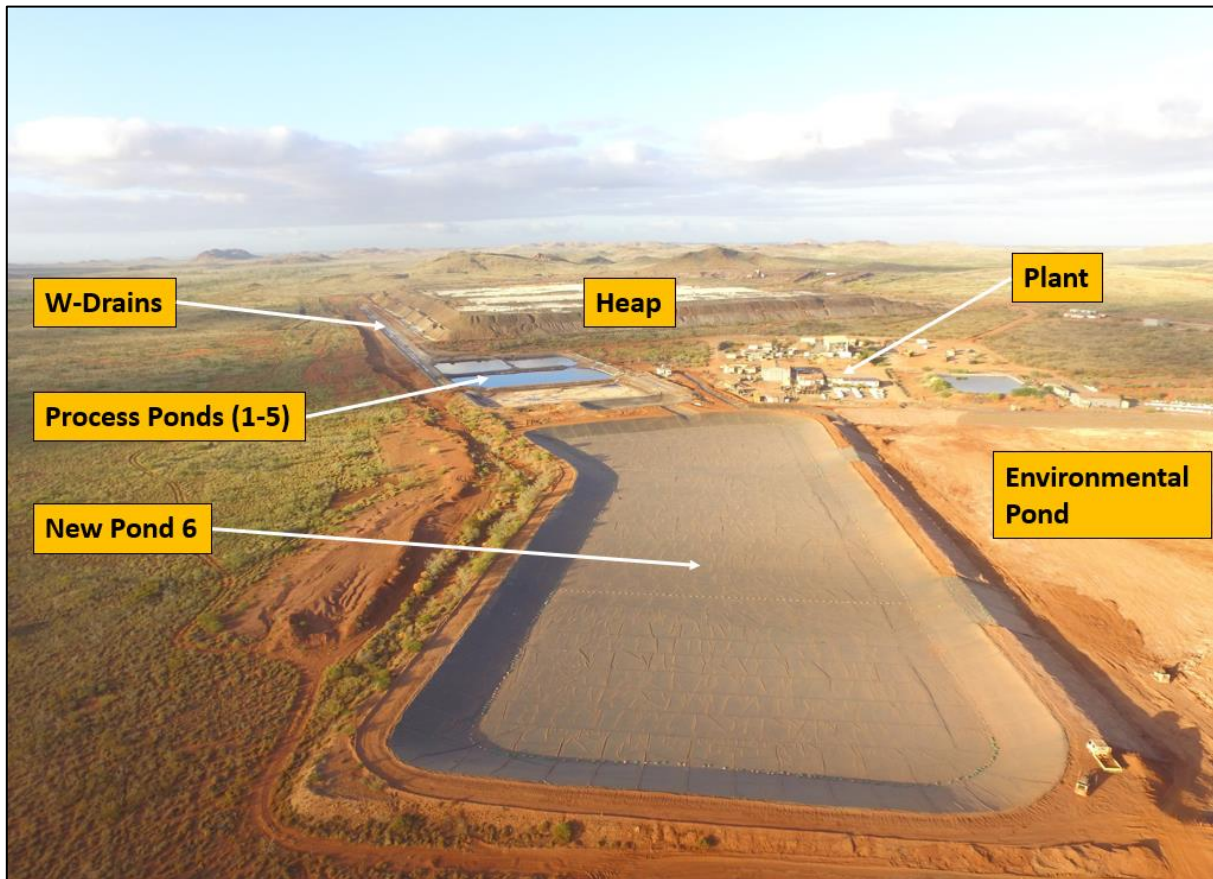


Figure 2: Location of new Pond 6 in relation to existing infrastructure

The clay-lined environmental pond was designed to contain overflow from the HDPE-lined ponds during any significant rain events. However, precipitate had accumulated in the clay-lined pond over a number of years due to periodic overflows. The remnant precipitate has now been removed from the environmental pond and the clay liner is currently being reinstated to meet the more stringent current licensing specifications.

Heap Leach Infrastructure Repairs

All HDPE-lined infrastructure fed from the heap leach facility, including W-drains and process ponds (Figure 3), has been cleaned, repaired and subsequently arc-tested by an independent contractor.



Figure 3: Process ponds 1 to 5 and W-drains now cleaned and certified

New Water Monitoring Bores

Three new groundwater monitoring bores were established east of the heap leach processing facility, a requirement of the EPN. These new bores compliment an array of 41 existing monitoring and production bores, considered to be valuable infrastructure for monitoring groundwater at the site, which is currently conducted on a quarterly basis.

Construction of Storm Water Bunding

Extensive new stormwater bunding (Figure 4) has been established to divert storm water run-off away from the processing facility and the environmental pond, thereby preserving containment capacity of the infrastructure. Subsequent rainfall events have demonstrated the effectiveness of these new bunds in diverting run-off away from the environmental pond.



Figure 4: An example of recently constructed bunding aimed at diverting storm water run-off away from existing infrastructure

New Satellite Communication System and Weather Station Installed

A new, state of the art weather station (Figure 5) was installed on site to enable remote monitoring of all atmospheric conditions on a continuous basis. Accurate and timely records of temperature and rainfall are necessary when complying with management plans in place under the EPN.



Figure 5: A weather sensor installed at Whim Creek

Accommodation Camp Upgraded

The accommodation camp located on site has been upgraded to accommodate up to 15 people. A new kitchen and mess facility were constructed to cater for the influx of additional staff and contractors associated with the civil works discussed above. Some of this additional accommodation was facilitated by the short-term hire of caravans that can be brought to site and plumbed into existing infrastructure on an as-needs basis.

The Company's Managing Director, Geoff Laing commented:

"We continue to focus on advancing the Whim Creek Project to becoming a near term sustainable producer of West Australian copper. Submission of the Mining Proposal is a major step forward and the Anax team and our key contractors have achieved a great result with the ongoing site upgrade works. The Whim Creek project continues to move forward to development and we look forward to providing the market updates on the Evelyn resource and the associated updated Scoping Study. Most of the remediation work required under the EPN has now been completed and we now look forward to delivering the Whim Creek feasibility study incorporating the leverage benefits delivered through the Anax development strategy. The Board of Anax would like to acknowledge the considerable efforts made by all staff, consultants and contractors on achieving these outcomes."

Anax looks forward to providing the market with additional updates on the progress of feasibility studies over the coming months.

This announcement is authorised for ASX release by the Board of the Company.

For Further Information, please contact:

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