

1 May 2018

QUARTERLY

MARCH 2018 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- The maiden JORC Resource for the Zackly Cu-Au deposit within the Alaska Range Project is **3.4Mt @ 1.2% Cu, 2.0g/t Au and 14.0 g/t Ag for 91Mlb copper, 213,000oz gold and 1.5Moz silver:**

<i>Cut-off grade</i>	<i>Category</i>	<i>Million Tonnes</i>	<i>Cu %</i>	<i>Au g/t</i>	<i>Ag g/t</i>	<i>Contained Cu (t)</i>	<i>Contained Cu (M lb)</i>	<i>Contained Au (oz)</i>	<i>Contained Ag (Moz)</i>
0.5% Cu	Inferred	3.4	1.2	2.0	14.0	41,200	90.9	213,000	1.5
0.8% Cu	Inferred	2.4	1.5	2.3	16.3	34,750	76.6	177,000	1.2
1.0% Cu	Inferred	1.9	1.6	2.5	17.4	30,250	66.7	152,000	1.0

- Global JORC Resources at the Alaska Range Project now contain **280Mlb of copper and 213,000oz of gold and 1.5Moz silver, at a 0.5% copper cut-off grade:**

	<i>Category</i>	<i>Million Tonnes</i>	<i>Cu %</i>	<i>Au g/t</i>	<i>Contained Cu (t)</i>	<i>Contained Cu (M lb)</i>	<i>Contained Au (oz)</i>	<i>Contained Ag (Moz)</i>
ZACKLY	Inferred	3.4	1.2	2.0	41,200	90.9	213,000	1.5
CARIBOU	Inferred	1.6	3.2	-	52,300	115.3	-	-
DOMÉ	Indicated	0.6	2.2	-	13,000	28.8	-	-
	Measured	0.6	3.6	-	20,500	45.2	-	-
TOTAL					127,000	280.1	213,000	1.5

HIGHLIGHTS CONT.

- The Zackly inferred resource confirms:
 - the presence of Cu-Au skarn mineralisation and validation of historical drilling
 - the style of mineralisation and geological setting is consistent with the presence of larger systems driven by Cu-Au porphyry intrusions
 - immediate potential to extend the Zackly mineralisation along-strike and down-dip
- Regional aeromagnetic data has been re-processed and new imagery highlights a number of important structures and intrusive clusters which are consistent with and may be related to porphyry Cu-Au mineralisation
- IP data previously collected over the Zackly and Mars prospects is being re-processed for incorporation into the company's comprehensive 3D-models for drill hole targeting

FORWARD PROGRAM

Planning for the 2018 field season has commenced. Programs currently being planned and cost-quoted include:

- Detailed Heli-magnetic surveying at 50m line-spacing over the north-eastern half of the project to better define potential porphyry intrusions and major structures
- Additional IP surveying at Mars and the new Zackly SE porphyry targets to assist planned drilling programs
- Detailed mapping and rock-chip sampling at the Moonwalk intrusion-related gold target to define drill targets
- Drilling to test for extensions of the open-ended skarn mineralisation at Zackly
- Drill testing of the high priority porphyry Cu-Au targets at Mars and Zackly SE

EXPLORATION PROGRAMS

OVERVIEW

PolarX is focussed on the exploration and development of its Alaska Range Project which contains the Caribou Dome Property and the Stellar Property. Collectively these form a contiguous package covering 242km² with ~35km strike length containing extensive copper- and gold-in-soil anomalism along the entire length (Figure 1).

With JORC resources at Caribou Dome, and now also at Zackly, they form a high-grade copper and copper-gold portfolio with demonstrated endowment and clear upside potential for resource extensions and larger porphyry copper-gold discoveries.

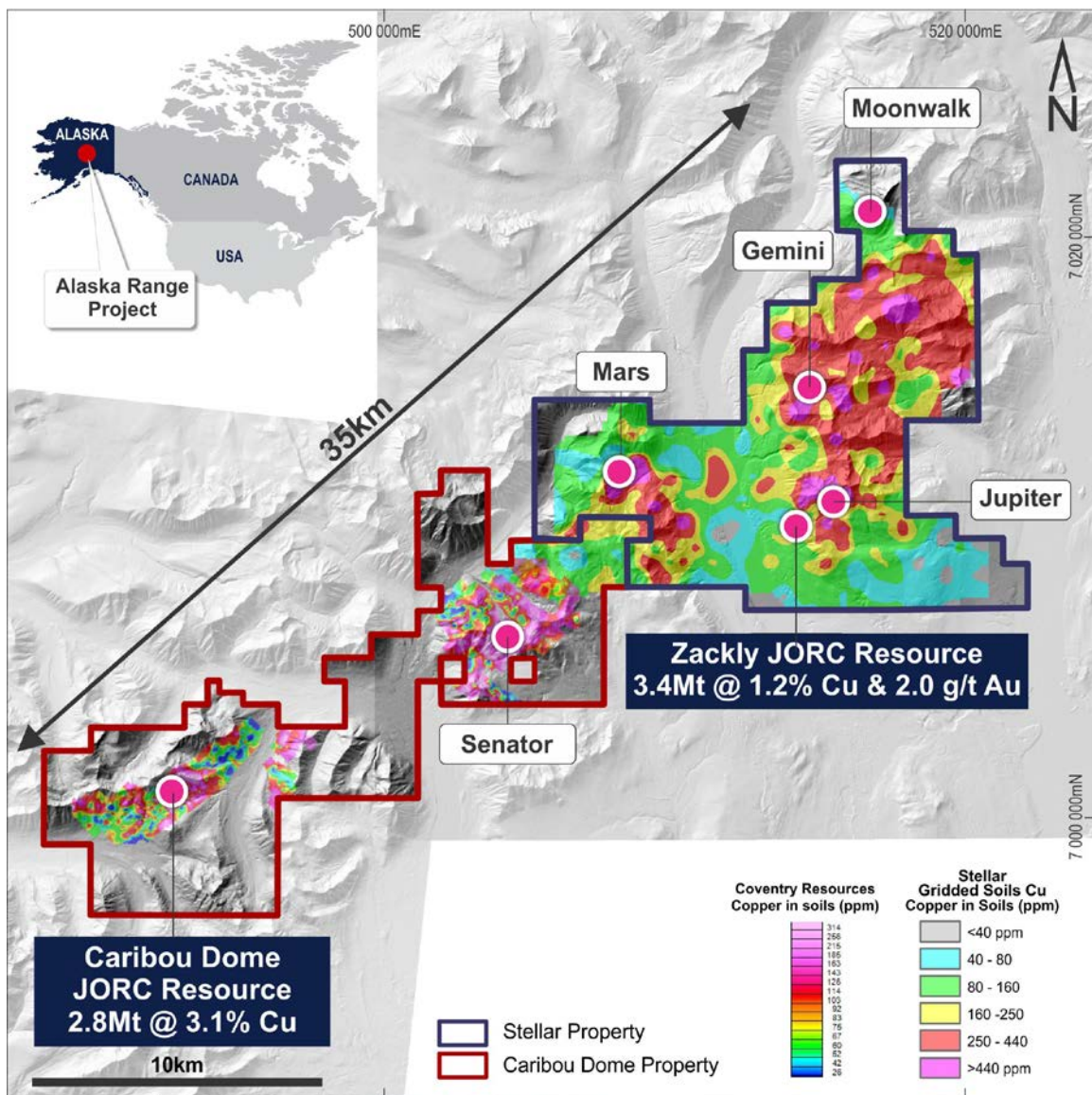


Figure 1 Location map showing main deposits and prospects at the Stellar and Caribou Dome projects in central Alaska and showing regional copper geochemistry in soil sampling draped on digital elevation.

GEOLOGICAL SETTING AND PORPHYRY CU-AU POTENTIAL

During the past quarter the Company's geophysical consultant re-processed regional magnetic data which covered the entire Alaska Range Project at line spacings varying between 200m and 400m. Interpretation of new imagery from this data, and synthesis of published geology has allowed the Company to produce for the first time, a new geological map for the entire project (Figure 2).

Key elements of the new geological interpretation (Figure 2) are as follows:

- The Alaska Range Project occurs immediately south of a series of thrust faults which mark the local boundary between the Tintina Gold Belt to the north and the well endowed Cretaceous porphyry copper belt to the south (this belt hosts the supergiant Pebble Deposit which contains 37Mt of copper and 107Moz gold).
- A corridor of NW to WNW trending faults intersects the thrusts in the NE part of the Alaska Range Project
- A series of magnetic anomalies consistent with porphyry-style intrusions occur within this fault corridor
- Interpreted porphyry-style intrusions occur below Mars, Gemini and 4km to the SE of the Zackly Skarn deposit

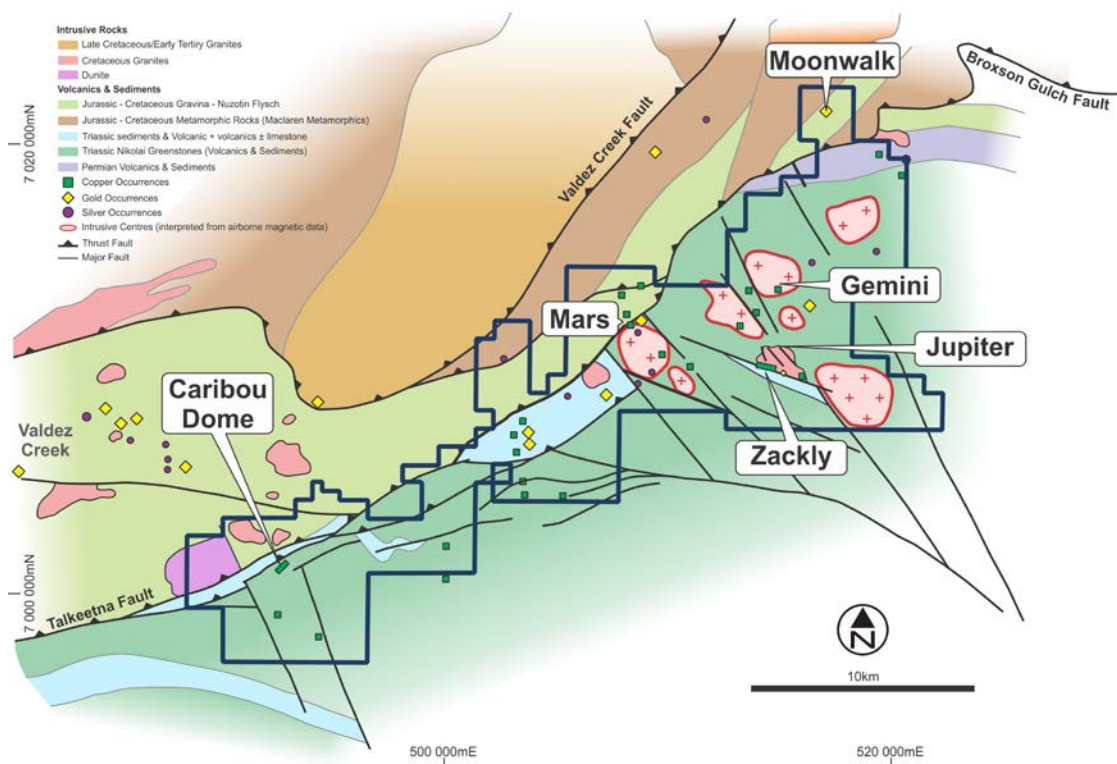


Figure 2 Geological interpretation for the Alaska Range Project, showing the Zackly prospect occurring in limestones next to a cluster of intrusive centres, bounded by a major fault corridor which is perpendicular to terrane bounding thrust faults.

MAIDEN RESOURCE FOR THE ZACKLY CU-AU SKARN

On 20 March 2018 the Company announced the [maiden JORC Resource for the Zackly Skarn deposit](#).

The maiden JORC Inferred Resource at Zackly comprises 3.4 million tonnes grading 1.2% copper plus 2.0 g/t gold and 14.0 g/t silver from surface. It remains open for extension along strike and at depth.

The result, which stems from PolarX’s maiden drilling program at the Alaska Range Project, is extremely successful and the contained metal of 41,200 tonnes of copper and 213,000 ounces of gold validates the historical non-JORC resource estimates previously defined at Zackly.

PolarX completed a core drilling program in 2017 designed to validate and upgrade historical drilling undertaken in the 1980’s and early 1990’s (Figure 3 and Figure 4). Assay results for the 2017 drilling program have now all been received. These assay were compared with assays from historical drilling for twinned or adjacent holes, and found to correlate to a degree sufficient to combine the data for the purposes of an inferred resource classification.

The Zackly skarn occurs near the intersection of major north-east trending arc-parallel thrust faults and a ~10km wide zone of north-west trending faults which form part of a major regional fault system perpendicular to the volcanic arc (Figure 2). Multiple intrusive centres have been interpreted in the area where these two major fault systems intersect. **This setting is considered prospective for large scale Cu and Cu-Au-Mo deposits.**

Zackly occurs where silty limestone units are in faulted contact with granitic intrusions. Mineralisation occurs as two phases of steeply dipping skarn mineralisation in which an initial weaker event introduced iron, copper and molybdenum sulphides. This was later overprinted by widespread garnet-bearing skarns containing clots, veins and disseminations of covellite, native copper and bornite, with local formation of secondary chalcocite. Zones of massive magnetite-bornite-chalcopyrite skarns up to several metres thick are also present (refer to announcement on 3rd October 2017 “[High-Grade Copper Mineralisation Seen in most Zackly Drill-Holes](#)”).

The geological and mineralisation model for Zackly was constructed using Leapfrog™ software, in particular utilising the software’s vein modelling tools. For constraining the mineralised zone, grade envelopes have been wireframed to a 0.5% copper cut-off which equates to the skarn-limestone geological contact zone within the rock package. Grade estimation was by Ordinary Kriging (“OK”) for copper (%), gold (ppm) and silver (ppm) using GEOVIA Surpac™ software.

The maiden resource for Zackly, at a variety of copper cut-off grades, is presented in Table 1 below:

TABLE 1. ZACKLY RESOURCE ESTIMATE (JORC 2012) AT VARIOUS CUT-OFF GRADES

<i>Cut-off grade</i>	<i>Category</i>	<i>Million Tonnes</i>	<i>Cu %</i>	<i>Au g/t</i>	<i>Ag g/t</i>	<i>Contained Cu (t)</i>	<i>Contained Cu (M lb)</i>	<i>Contained Au (oz)</i>	<i>Contained Ag (Moz)</i>
0.5% Cu	Inferred	3.4	1.2	2.0	14.0	41,200	90.8	213,000	1.5
0.8% Cu	Inferred	2.4	1.5	2.3	16.3	34,750	76.6	177,000	1.2
1.0% Cu	Inferred	1.9	1.6	2.5	17.4	30,250	66.7	152,000	1.0

The Zackly inferred resource to date **occurs from surface** to between 250m and 500m below surface (average ~300m) along a strike-length of 1,050m within a broader mineralised envelope which extends for almost 3,000m (Figures 3 and 4). The inferred resource occurs over an average width of 3.35m, ranging from 0.6m to 12m. Skarn mineralisation **remains open at depth and along strike in both directions**, and clearly warrants further drill testing to define its ultimate extent. The Company’s geophysical consultant is currently cleaning and re-processing the 2017 IP data for Zackly to assist with drill targeting for extensions to the known mineralisation.

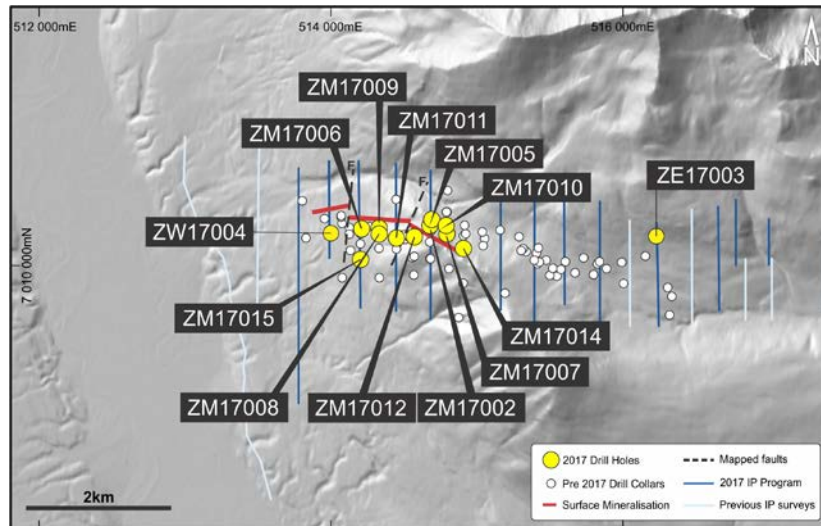


Figure 3. Drill hole location map for Zackly, showing holes drilled by PolarX in 2017, previously drilled (historical) core and percussion drill holes, and surface trace of the inferred resource.

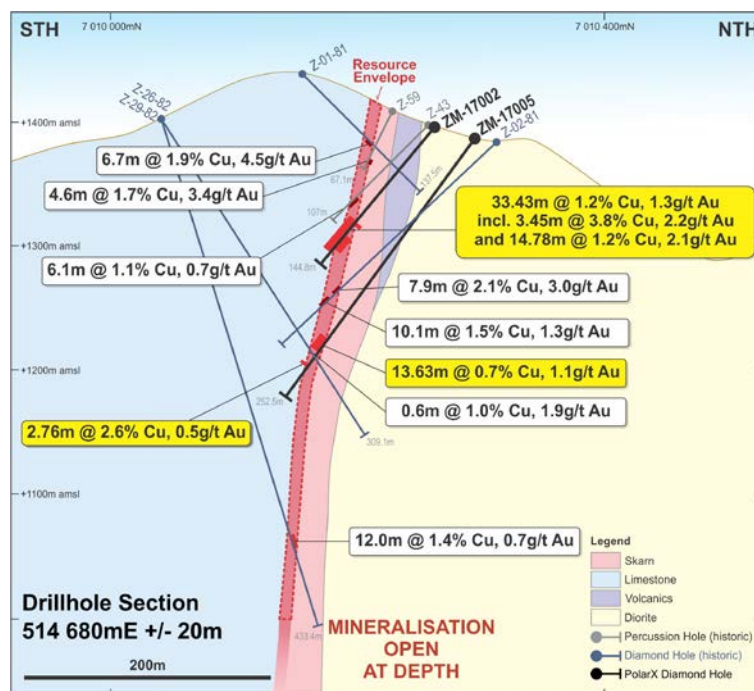


Figure 4. Drill section 514,680mE showing location of mineralisation and resource envelope at the faulted contact between skarn and limestone.

MARS PORPHYRY CU-AU TARGET

Mars is characterised by co-incident copper, gold, molybdenum and silver anomalism in broadly spaced soil samples over a large area of approximately 2,000m x 1,500m. Up to 7.4% Cu and 1.8g/t Au is evident in rock-chip samples.

PolarX conducted an initial IP survey over the Mars prospect in late August 2017. The IP results (Figure 5) show an unconstrained buried chargeability anomaly located 100-150m below the surface geochemical anomalism. **This juxtaposition of geochemical and geophysical anomalism is consistent with a buried, mineralised porphyry Cu-Au system.** The recently recognised presence of magnetic bodies consistent with porphyry style intrusions at Maers lends further weight to this interpretation.

The full extent of the chargeability anomaly is not yet known – further IP surveying will be undertaken to map out the full extent of the IP anomaly in the 2018 field program prior to drill testing.

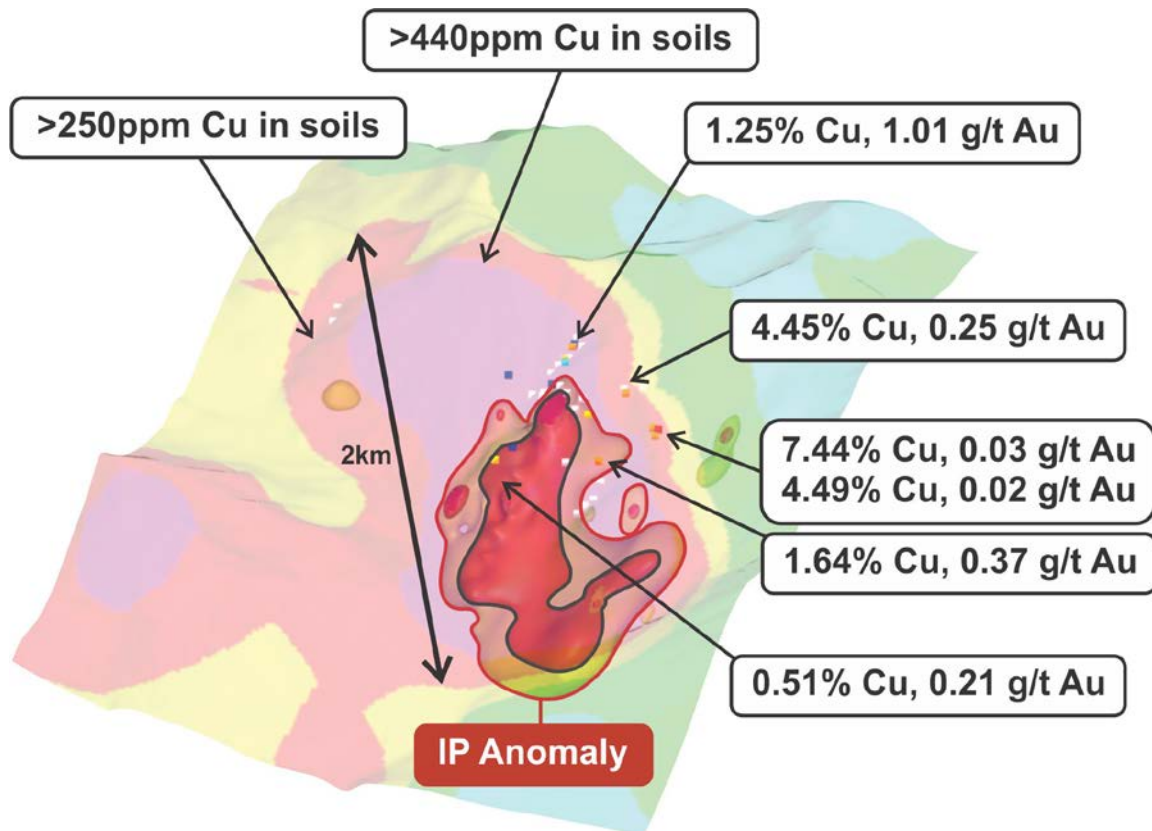


Figure 5 Mars Prospect showing IP chargeability anomaly directly below soil geochemistry results and rock-chip sampling copper assays.

The Mars prospect lies 6km to the WNW of the Zackly Skarn. **Geological and geophysical evidence indicates a WNW structural corridor extending between Mars and Zackly (Figure 6). This potentially hosts multiple buried porphyry Cu-Au systems.**

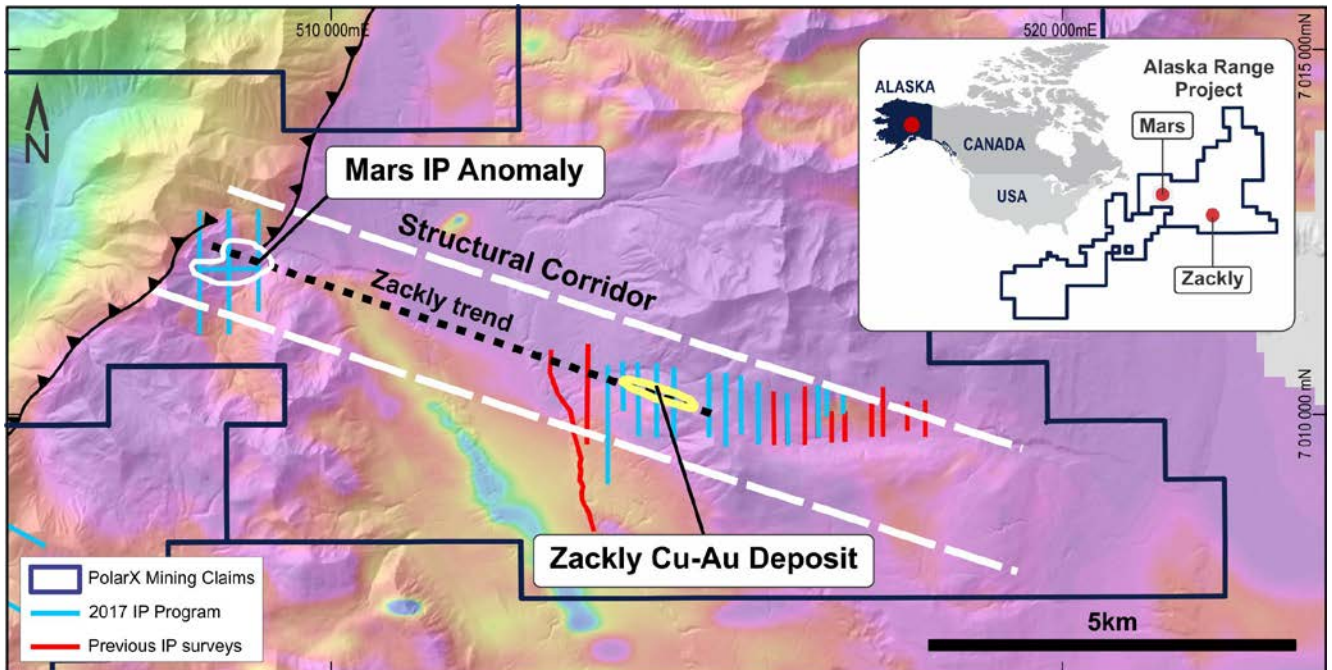


Figure 6. WNW trending structural corridor between Mars and Zackly plotted on an image of aeromagnetic data draped on digital terrain.

SENATOR CU TARGET

The Senator copper prospect was discovered through a soil sampling program undertaken by the Company in 2016. This highlighted an area covering approximately 5km x 2.5km with elevated copper in soils (>100ppm Cu) and sporadic outcrop. Site visits have highlighted the potential of this area having identified intense iron alteration (jarosite and hematite) and the presence of copper oxides on fracture surfaces.

Five lines of IP data were read across the Senator copper anomaly in August 2017 for a total of 6.35km using 50m electrode spacing. Final pseudo-sections and inverted data were delivered to the Company in mid-October. The data are currently under review for re-processing along similar lines to the work undertaken for the Zackly IP survey.

CARIBOU DOME DEPOSIT

A small program of metallurgical test-work on mineralised samples from the Caribou Dome deposit commenced in Q3 2017. This program tested mineralised material from Lens 6 of Caribou Dome (the largest mineralised lens) to determine if copper recovery/selectivity in rougher concentrates can be further enhanced through the use of different collectors which are selective against pyrite along with an evaluation of several pyrite and carbon depressants.

Results have been recently received and indicate the following:

- A total of 20 rougher flotation tests were conducted on Lens 6 material using different collectors. All collectors tested produced a very similar overall copper rougher concentrate grade, indicating that none of those tested provided better copper selectivity.
- Various carbon depressants and dosage regimes were trialled on Lens 6 material, but none were found to produce more selectivity than using no depressant as copper rougher recovery reaches 90%.

CORPORATE

As of 31 March 2018, the Company had on issue 238,897,103 ordinary shares and 5,346,200 unlisted options.

Frazer Tabcart
Managing Director

QUALIFIED AND COMPETENT PERSONS STATEMENTS

Information in this report relating to Exploration results is based on information compiled by Dr Frazer Tabcart (an employee of PolarX Limited), who is a member of The Australian Institute of Geoscientists. Dr Tabcart has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Tabcart consents to the inclusion of the data in the form and context in which it appears.

The information in this report announcement that relates to Mineral Resources for the Zackly deposit is based on information compiled by Mr Lauritz Barnes (a consultant to and shareholder of PolarX Limited) and Dr Frazer Tabcart (an employee and shareholder of PolarX Limited). Both Mr Barnes and Dr Tabcart are members of The Australian Institute of Geoscientists. Mr Barnes and Dr Tabcart have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity undertaken to qualify as Competent Persons as defined in the JORC Code. Mr Barnes and Dr Tabcart consent to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Caribou Dome deposit is based on information compiled by Mr Peter Ball who is a Member of The Australasian Mining and Metallurgy. Mr Ball has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr Ball consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Previously Reported Results:

There is information in this report relating to:

- (i) exploration results which were previously announced on 7 February and 20 March 2018; and*
- (ii) the Mineral Resource Estimate for the Caribou Dome Deposit (Alaska Range Project), which was previously announced on 5 April 2017; and*
- (iii) the Mineral Resource Estimate for the Zackly Deposits (Alaska Range Project), which was previously announced on 20 March 2018.*

Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters 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 announcements.

FORWARD LOOKING STATEMENTS

Any forward-looking information contained in this report is made as of the date of this report. Except as required under applicable securities legislation, PolarX does not intend, and does not assume any obligation, to update this forward-looking information.

Any forward-looking information contained in this report is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

Appendix – List of Mining Claims

Project	Location	Licenses	Ownership Interest	Change in Quarter
Alaska Range Project				
- Caribou Dome Claims	Alaska, USA	Claim & ADL #		
		Caribou 1 – Caribou 20 ADL# 563243 - 563262 CD 001 – 040 ADL# 719909 – 719948 Copper 7 – Copper 11 ADL# 645375 – 645379 CD 1 – CD66 ADL# 664859 – 664924 CDS 001 – 038 ⁽ⁱ⁾ ADL# 719949 – 719986	Option to earn 80%	Nil
		Copper 1 – Copper 6 ADL# 588461 – 588466 CDE-01 – 27 ADL# 722216 – 722242	Option to earn 90%	Nil
- Stellar Claims	Alaska, USA	Claim & ADL #		
		SB 154 – 155 ADL# 704562 – 704563 SB 167 – 168 ADL# 704575 – 704576 ZK 3 – 5 ADL# 704621 – 704623 ZK 14 ADL# 704632 ZK 19 – 21 ADL# 704637 – 704639 Z 1 – 5 ADL# 709427 – 709431 Z 6 – 10 ADL# 711728 – 711732 SB 281 – 283 ADL# 714079 – 714081 SB 297 – 299 ADL# 714095 – 714097 SB 317 – 319 ADL# 714115 – 714117 SB 346 – 348 ADL# 714144 – 714146 SB 364 – 368 ADL# 714162 – 714166 SB 376 – 379 ADL# 714174 – 714177	100%	Nil

		SB 389 – 390 ADL# 714187 – 714188 SB 417 ADL# 715392 SBA 001 – 066 ADL# 721446 – 721511 SBX 001 – 070 ADL# 724789 – 724858 LYKN 1 – 2 ADL# 725111 – 725112 CD 41 – 51 ADL#725113 - 725123 SBX 71 – SBX 91 ADL# 726910 – 726930		
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(i) Caribou Dome Claims numbered CDS 007 (ADL# 719955), CDS 008 (ADL# 719956), CDS 009 (ADL# 719957), CDS 015 (ADL# 719963), CDS 016 (ADL# 719964) and CDS 017 (ADL# 719965), overlap prior existing active claims. Hence no exploration activity has been undertaken on these claims to date and no work will be undertaken on these claims unless they are abandoned by the original locator. The claims are not considered material to the overall Caribou Dome Project.

Project	Location	Licenses	Ownership Interest	Change in Quarter
Uncle Sam Project				
	Alaska, USA	-(ii)	Nil ⁽ⁱⁱ⁾	Nil

(ii) Subject to a mineral lease and purchase agreement with Great American Minerals Exploration inc. (Game), pursuant to which Game will lease the Uncle Sam gold project for up to 10 years with an option to purchase outright at any time during the lease period on the terms and conditions detailed in the ASX announcement of 30 July 2015 (Option Agreement).

During the previous period the Company received notified from the Department of Natural Resources (State of Alaska) that the mineral claims which comprise the Uncle Sam gold project had been declared abandoned (DNR Notice). The basis for the decision was an error on the affidavit of labor filed by the previous tenement owner in 2011 and as a result Game has sought to terminate the Option Agreement.

The Company is currently reviewing its options in relation to this matter, including whether Game has complied with its obligations under the Option Agreement, but notes that the Uncle Sam gold project:

- is considered a non-core asset and has a \$nil carrying value in the Company's financial statements; and
- is independent of the Company's Alaska Range Project.

For a detailed listing of the Uncle Sam Gold project mineral claims, held prior to receipt of the DNR Notice. Refer appendix 1 to the quarterly activities report dated 31 October 2017.