

29 January 2021

quarterly

DECEMBER 2020 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

Alaska Range Project

Stellar Claims

- Assay results have been received for two-thirds of the 2020 drilling program and have extended the distance of known mineralisation at Zackly East to 320m from the discovery hole (55m @ 2.8g/t Au + 0.6% Cu).
- A further 2km of the same structure is yet to be tested by drilling.
- These results and the additional 2km strike lie outside the current inferred resource (3.4Mt @ 2.0g/t Au + 1.2% Cu).
- Final assays are pending from the remaining seven holes drilled in 2020.
- Planning for 2021 technical studies and exploration programs in Alaska is advancing:
 - Metallurgical test work planned for Zackly mineralisation to assess gravity gold circuit recoveries and residual copper-gold flotation metrics.
 - Scoping study to assess separate mining and joint processing options for a combined Zackly and Caribou Dome project, and
 - Further drilling to expand resources at Zackly and test high priority targets at Caribou Dome.
- The Company continues to manage COVID-19 issues:
 - Unprecedented delays have been suffered at the sample preparation and assay laboratories.
 - Discussions with potential JV partners for the Stellar porphyry copper properties continue to be delayed due to international and regional/corporate travel restrictions.

Caribou Dome Claims

- Secured favourable amendments to the terms of the right to acquire the Caribou Dome Project, which contains a current resource estimate of 2.8Mt @ 3.1% Cu.

Humboldt Range Project Acquisition

- Secured an exclusive option to acquire 100% of the mining rights to the Humboldt Range Gold-Silver Project in north-western Nevada, a TIER 1 fiscal and geological jurisdiction, with close expected by April 2021.
- Outcropping epithermal quartz veins and historical mine dumps show numerous assays over 10g/t gold, with peak values of 3,384g/t gold, 2,837 g/t silver, 22.9% lead, 3.1% Zn.
- Lies between the 5Moz Florida Canyon Gold Mine, and the 400Moz Rochester silver mine (which also contains 3.5Moz gold credits), both of which are large-scale active mines.
- Fieldwork is possible in the Humboldt Range between April and December, considerably extending the Company's field season to ~ 9 months and providing the opportunity for year-round news flow.

ALASKA RANGE PROJECT

OVERVIEW AND STRATEGY

PolarX Limited (“PolarX” or “the Company”) owns the Alaska Range Project which contains the Caribou Dome Project (where PolarX is earning 80-90%) and the Stellar Project (100% PolarX). Collectively these form a contiguous package covering 262km² with ~35km strike length hosting extensive copper- and gold-in-soil anomalism consistent with several mineralised districts.

Previous campaigns by PolarX and its predecessor have focussed on resource delineation drilling at the high-grade Caribou Dome VMS copper deposit (2.8Mt @ 3.1% Cu) or the high-grade Zackly Au-Cu-Ag skarn deposit (3.4Mt @ 2.0g/t Au, 1.2% Cu and 14.0g/t Ag) (refer Table 1). Both deposits remain open at depth and along strike and are likely to increase in size with further drilling.

The regional geological setting, presence of large copper anomalies in soil sampling, and the occurrence of skarn mineralisation at Zackly strongly support the potential for major porphyry Cu-Au deposits in the Stellar Project. Porphyry Cu-Au mineralisation was discovered at the Mars prospect in 2019, where drill hole 19MAR001 intersected 102m @ 0.22% Cu and 0.1g/t Au in potassic alteration directly below a 1200m x 800m Cu-Mo-Au-As surface geochemical anomaly. This drill hole ended in mineralisation and warrants further drilling to follow-up on this discovery.

Further drilling is also warranted at the Saturn porphyry target, with less advanced but highly compelling porphyry targets also noted at Jupiter and Gemini. The Company is seeking an earn-in JV partner to fund a large porphyry exploration program but will continue to fund its own technical studies and resource expansion drilling at Zackly and Caribou Dome.

Planning for 2021 technical studies and exploration programs in Alaska is advancing, and will include:

- Metallurgical test work for Zackly mineralisation to assess gravity gold circuit recoveries and residual copper-gold flotation metrics.
- Scoping study to assess separate mining and joint processing options for a combined Zackly and Caribou Dome operation, and
- Further drilling to expand resources at Zackly and test high priority targets at Caribou Dome.

Table 1. Alaska Range Project Resource Estimates (JORC 2012), 0.5% Cu cut-off grade

	<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 (oz)</i>
<i>ZACKLY</i>	<i>Inferred</i>	<i>3.4</i>	<i>1.2</i>	<i>2.0</i>	<i>14.0</i>	<i>41,200</i>	<i>91</i>	<i>213,000</i>	<i>1,500,000</i>
<i>CARIBOU</i>	<i>Measured</i>	<i>0.6</i>	<i>3.6</i>	<i>-</i>		<i>20,500</i>	<i>45</i>	<i>-</i>	<i>-</i>
<i>DOME</i>	<i>Indicated</i>	<i>0.6</i>	<i>2.2</i>	<i>-</i>		<i>13,000</i>	<i>29</i>	<i>-</i>	<i>-</i>
	<i>Inferred</i>	<i>1.6</i>	<i>3.2</i>	<i>-</i>		<i>52,300</i>	<i>115</i>	<i>-</i>	<i>-</i>
					<i>TOTAL</i>	<i>127,000</i>	<i>280</i>	<i>213,000</i>	<i>1,500,000</i>

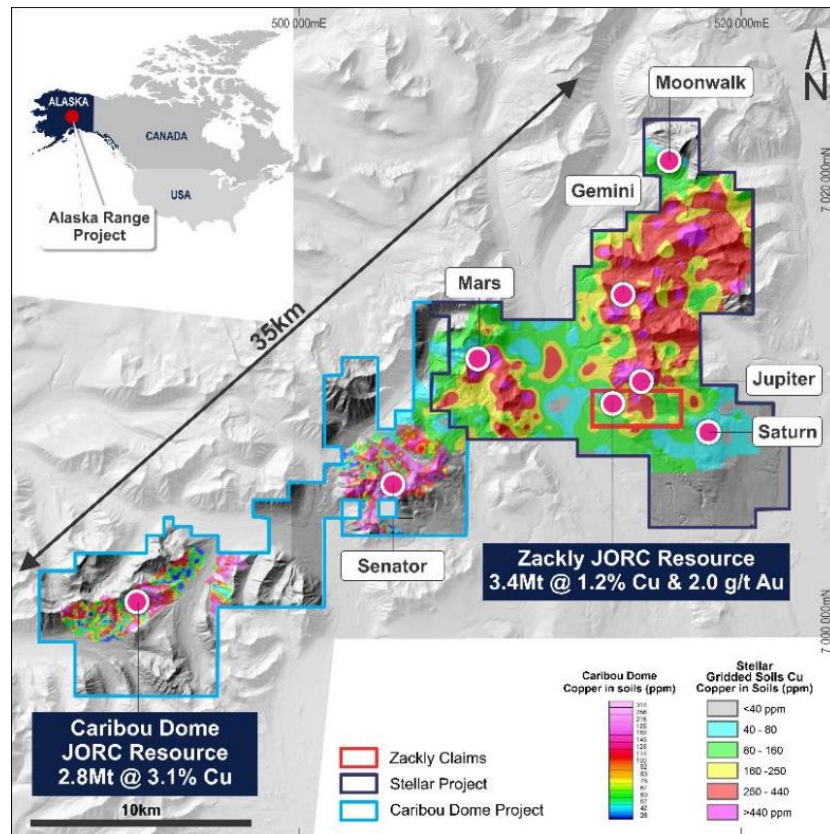


Figure 1. Location map showing main deposits and prospects at the Stellar and Caribou Dome projects in central Alaska and showing regional copper geochemistry in soil sampling draped on digital elevation.

ZACKLY EAST 2020 EXPLORATION PROGRAM

Core drilling using two drill rigs was completed in late September 2020:

- 23 holes for 3,130m of core have been drilled and logged (Figures 2 and 3; Table 2).
- Assays for the first 15 holes have now been received (Table 2).
- Hole ZX20054 was abandoned and not assayed.
- Assays for the remaining 7 holes are in process and are expected in early February 2021.

Assay Results and Observations to Date

During the quarter assays from 9 holes were received from the 2020 core drilling program, which focussed on the Zackly East mineralisation. Assays are now available for 15 of the 23 holes drilled in 2020, complementing the discovery holes (ZX18020, ZX18023, ZX18024 and ZX18025) drilled in 2018 (refer to Table 2).

The most significant results announced during the quarter were from hole ZX20056 which was drilled into a faulted offset of an intense magnetic gradient (see Figure 3). This hole contained skarn alteration with sulphides visible from surface to 58.5m down-hole depth. Assays have confirmed this, with the interval from 1.7m to 58.7m containing 0.2g/t Au and 0.26% Cu. Within this is a high-grade zone containing 5.01g/t Au and 3.15% Cu over a 1.53m interval from 11.6m down-hole depth.

All holes at Zackly East that targeted the intense magnetic gradient and for which assays have been received have returned strong assays, confirming that this target has significant upside potential.

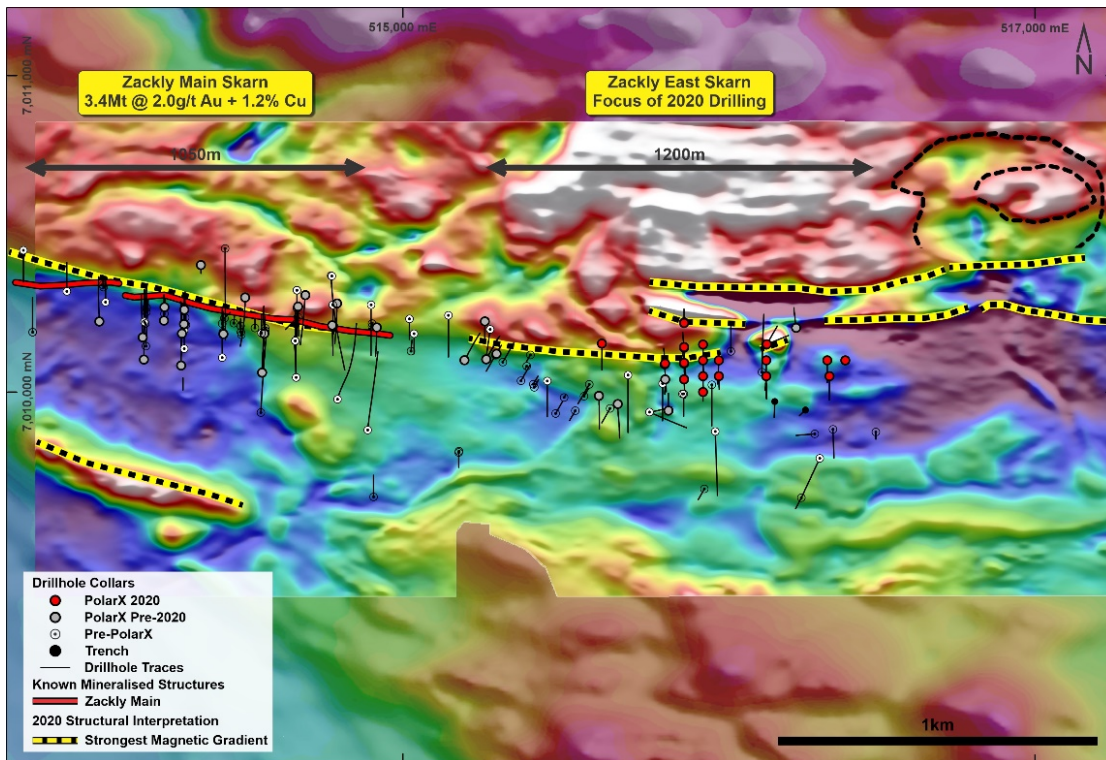


Figure 2 Aeromagnetic map (RTP) showing the 2020 Zackly East drilling program (red drill collars) to the east of the Zackly Main deposit (red line) which contains 3.4Mt @ 2.0g/t Au + 1.2% Cu.

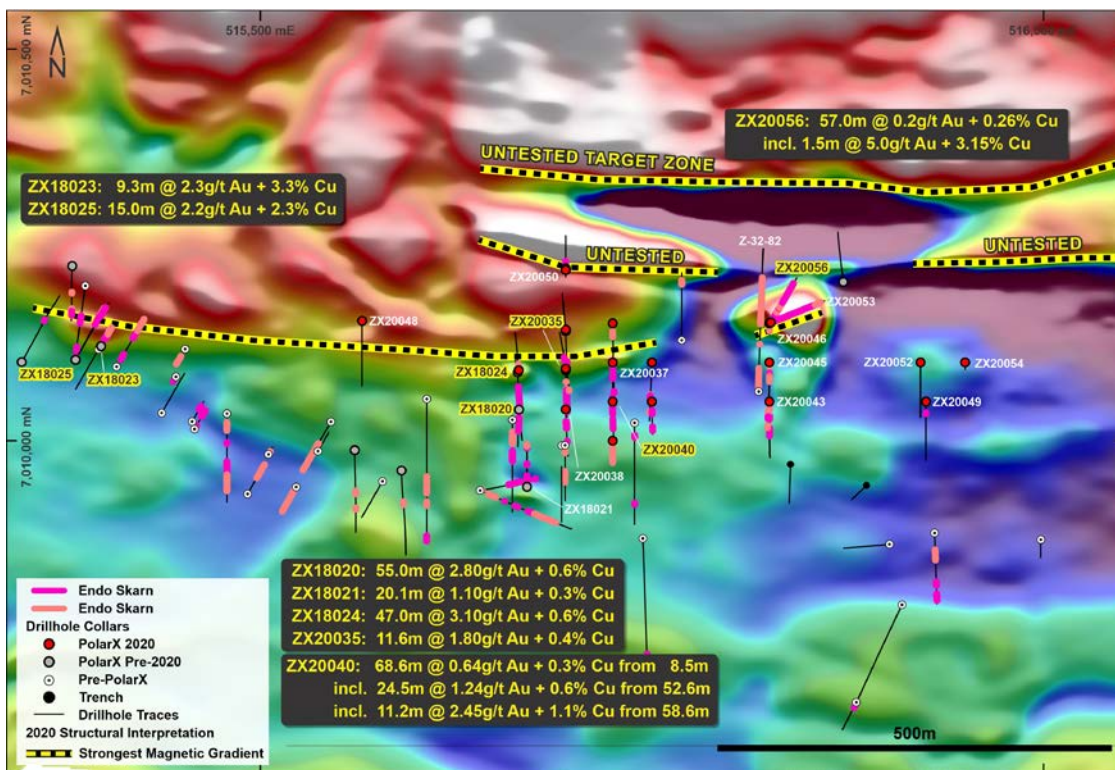


Figure 3 Overview of the Zackly East skarn mineralisation on ultra-high-resolution drone aeromagnetic data (RTP). Drilling in 2020 has focussed to the east of the two discovery holes, ZX18020 and ZX18024.

Table 2. Assay Results for holes to date, Zackly East

	From (m)	To (m)	Interval (m) ¹	Gold ppm	Cu %	Silver ppm
<i>2020 Drilling Results (new assays)</i>						
ZX20039	80.64	82.72	2.08	0.11	0.17	0.28
	150.57	154.23	3.66	0.15	0.14	1.07
ZX20041	103.49	106.38	2.89	0.08	0.14	0.96
	175.00	179.37	4.37	0.15	0.21	1.40
ZX20042	45.58	54.71	9.13	0.03	0.11	0.58
ZX20043	10.17	21.66	11.49	0.04	0.29	2.28
	38.10	43.00	4.90	0.03	0.15	0.89
	71.50	77.50	6.00	0.19	0.17	5.12
ZX20044	No significant assays					
ZX20045	16.00	23.93	7.93	0.04	0.20	1.75
	32.00	44.00	12.00	0.07	0.15	1.04
	130.50	138.53	8.03	0.13	0.38	4.74
ZX20046	Assays Awaited					
ZX20047	Assays Awaited					
ZX20048	Assays Awaited					
ZX20049	Assays Awaited					
ZX20050	Assays Awaited					
ZX20051	Assays Awaited					
ZX20052	No significant assays					
ZX20053	Assays Awaited					
ZX20054	Not sampled – hole abandoned					
ZX20055	13.11	37.80	24.69	0.14	0.13	1.26
ZX20056	1.70	58.74	57.04	0.19	0.26	3.96
	Incl 1.7	7.62	5.92	0.21	0.50	2.54
	and 11.58	13.11	1.53	5.01	3.15	26.00
	and 28.96 and 50.90	35.97 58.74	7.01 7.84	0.10 0.08	0.32 0.47	1.68 1.72
<i>Drilling Results (previously announced)</i>						
ZX18020	2.5	57.1	54.6	2.80	0.6	
ZX18021	8.2	28.4	20.2	1.1	0.3	
ZX18023	20.8	30.1	9.3	2.3	3.3	
ZX18024	37.0	83.7	46.7	3.1	0.6	
ZX18025	84.8	99.8	15.0	2.2	2.3	
ZX20034	No significant assays					
ZX20035	46.94	58.52	11.58	1.76	0.38	4.36
	incl 49.68	58.52	8.84	2.22	0.40	5.17

	From (m)	To (m)	Interval (m) ¹	Gold ppm	Cu %	Silver ppm
	70.71	83.68	12.97	0.29	0.08	1.13
	91.90	98.45	6.55	0.92	0.17	2.13
	105.46	110.03	4.57	0.18	0.15	0.91
ZX20036	81.55	83.98	2.43	0.07	0.46	1.42
ZX20037	80.86	99.67	18.81	0.33	0.11	1.52
	incl 92.78	99.67	6.89	0.66	0.10	1.68
	and 123.9	126.64	2.74	0.24	0.13	1.23
ZX20038	37.95	49.38	11.43	0.45	0.22	3.74
	and 52.27	57.91	5.64	0.37	0.23	3.36
	and 76.50	79.45	2.95	0.13	0.13	0.82
	and 81.84	85.34	3.5	0.25	0.14	0.83
ZX20040	8.49	77.11	68.62	0.64	0.31	4.86
	incl 8.49	11.57	3.08	1.57	0.20	3.79
	and 16.15	34.94	18.79	0.21	0.10	1.19
	and 42.16	49.28	7.12	0.51	0.50	9.97
	and 52.57	77.11	24.54	1.24	0.59	9.01
	incl 58.63	69.85	11.22	2.45	1.07	16.8

1. Thickness of mineralisation reported is down-hole thickness. There is currently insufficient interpretation of the mineralisation to confidently report “true widths”. It is however noted that the mineralized lenses appear to dip obliquely to the drill holes, and as such it is probable that “true widths” will be less than the down-hole width.

Confirmed targets for future testing

As previously discussed, mineralisation at the Zackly Main Skarn deposit is spatially associated with a structure running along a strong magnetic gradient (refer Figure 2). The assay results reported here for hole ZX20056, and those previously reported for drill holes ZX18020, ZX18023, ZX18024, ZX18025, ZX20035 and ZX20040 confirm that the mineralisation at Zackly East is also spatially related to such structures (Figure 3):

ZX18020: 54.6m @ 2.8g/t Au + 0.6% Cu
 ZX18023: 9.3m @ 2.3g/t Au + 3.3% Cu
 ZX18024: 46.7m @ 3.1g/t Au + 0.6% Cu
 ZX18025: 15.0m @ 2.2g/t Au + 2.3% Cu
 ZX20035: 11.6m @ 1.8g/t Au + 0.4% Cu
 ZX20040: 24.5m @ 1.2g/t Au + 0.6% Cu

Further drilling to test the eastwards extension of this structure is warranted, along with testing of a similar structure a further 100m to the north. Over 2km of strike-length remains untested (Figure 4).

In addition to these structures, the ultra-high-resolution magnetic data acquired in 2020 has highlighted a potential porphyry target to the north and east of current drilling, in which a magnetic high is surrounded by a magnetic low, producing an “eye” structure consistent with geophysical models of porphyry style mineralisation. This target has never been drilled and is a high priority for follow-up.

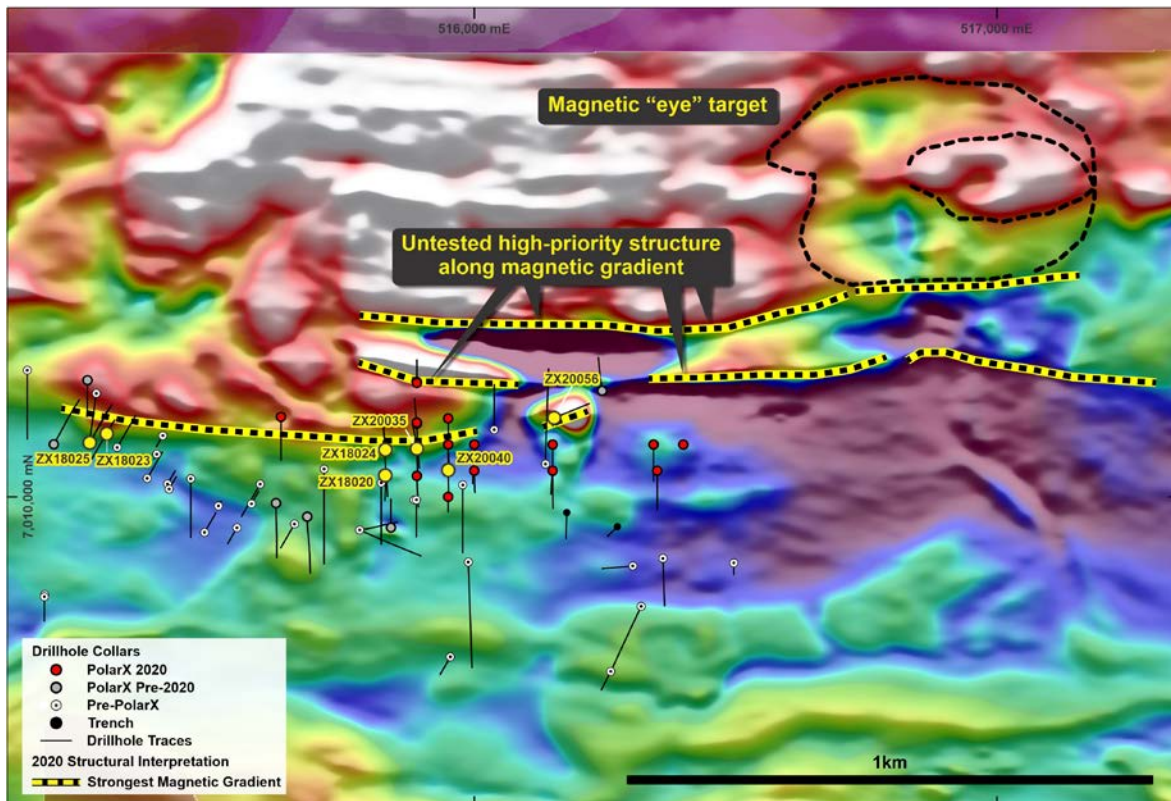


Figure 4 Un-tested targets at Zackly East, including structures along strong magnetic gradients, and a possible porphyry target to the north and east of existing drilling.

CARIBOU DOME PROJECT

During the quarter the Company secured more favourable amendments to the terms of its right to acquire the Caribou Dome VMS Project, which comprises (i) an 80% interest in the Caribou Dome copper deposit, and (ii) a 90% interest in the adjacent Senator property.

The revised option terms with the underlying vendors of the Caribou Dome Project are:

- (1) Earn-in deadline extended to 6 June 2024 (“Earn-In Deadline”)
- (2) One-off cash payment to the underlying vendors of US\$75,000 upon execution of the option amendments
- (3) Subsequent annual payments to the underlying vendors in the amounts of:

Due Date	Payment
6 June 2021	US\$100,000
6 June 2022	US\$100,000
6 June 2023	US\$100,000
Earn-In Deadline	US\$1,260,000

- (4) Either meeting the following substantially reduced qualifying expenditure requirements or conducting a feasibility study to mine the Caribou Dome Project:

Assessment Period	Expenditure
12 months ending 1 Sept 2021	US\$400,000
12 months ending 1 Sept 2022	US\$400,000
12 months ending 1 Sept 2023	US\$400,000
2 Sept 2023 to Earn-In Deadline	US\$400,000

For any period during which the Company does not complete U\$400,000 of qualifying expenditure until it has conducted a feasibility study, it shall pay to the underlying vendors a penalty in the amount of 25% of the expenditure shortfall. This payment will be in lieu of the expenditure shortfall. Excess qualifying expenditure in any period may be carried forward to future periods.

HUMBOLDT RANGE PROJECT

In January 2021, the Company announced that it had secured an option to acquire a Mining Lease Agreement over the highly prospective Humboldt Range Gold-Silver Project in Nevada, USA (Figures 5, 6, 7), which comprises 177 lode mining claims. The Humboldt Range Project comprises two groups of lode claims: Black Canyon and Fourth of July, neither of which has been extensively explored using modern techniques.

Humboldt Range is situated between two large-scale active mines: the Florida Canyon gold mine, and the Rochester silver-gold mine and contains geology consistent with bonanza-style epithermal gold-silver mineralisation and large-scale bulk mineable epithermal mineralisation, both of which are well known in Nevada. Access to the project is straightforward via access roads off the I-80 Interstate, which lies less than 15km to the west. Of particular note, the Black Canyon claims lie only 2km from the active Florida Canyon mine, which currently produces approximately 100,000oz gold per annum from heap leach operations (Figure 5).

Widespread narrow vein mineralisation with visible gold occurs in the claims and was historically mined via numerous adits and underground workings between 1865 and the 1927. Mineralisation occurs in epithermal quartz veins of varying thickness (reported from 1cm to 3m), either as isolated veins or as zones of sheeted/anastomosing veins within zones of intensely altered host rocks. PolarX intends to immediately commence an evaluation of the length and continuity of the vein sets and a determination of whether the altered rock between the veins contains economically viable grades of gold and silver amenable to bulk mining.



Figure 5 Oblique view showing the proximity of the Black Canyon Claims to the Florida Canyon gold mine. Note the very high grades reported from rock-chip sampling and old mine dumps in the Black Canyon Claims.



Figure 6 Location Map showing the Humboldt Range Project in Nevada, USA

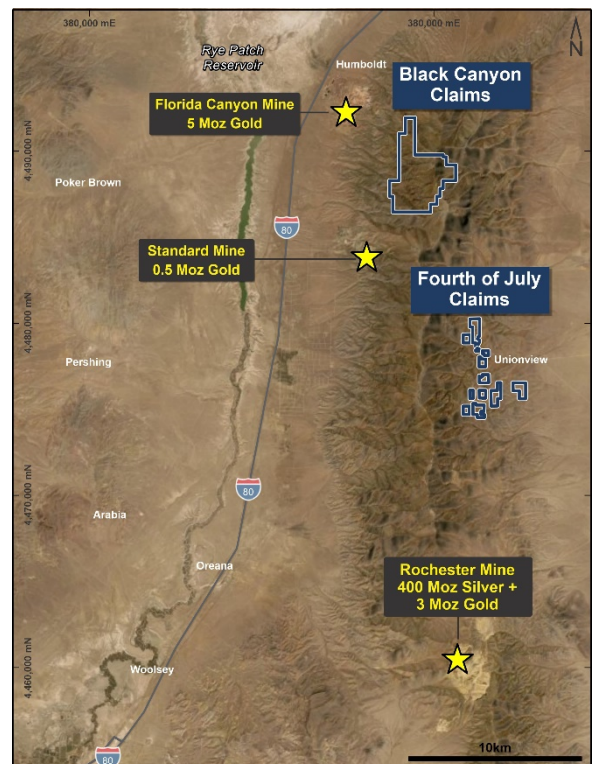


Figure 7 Overview of the Humboldt Range Project area

Previous Exploration Results from Humboldt Range

Limited modern exploration has been undertaken on Humboldt Range claims since mining ceased in 1927. Victoria Gold Corp, briefly evaluated the area between July 2005 and July 2009. During this period, Victoria Gold Corp collected rock-chip samples from outcropping quartz veins and sampled mine dumps near many of the abandoned underground workings and adits. A total of 227 samples were collected on the claims being reviewed by PolarX. PolarX has copies of the assay certificates for these samples and has compiled a database of results (refer ASX announcement of 11 January 2021). Representatives of PolarX visited the claims in late November 2020 and validated several sample locations. Samples were taken at these locations, and PolarX awaits confirmational assay results.

Assay results for the historical data are plotted on Figures 8 and 9 and highlight the locally very high-grade nature of the mineralisation. Of particular note are clusters of very high gold grades associated with narrow veins in the Indian Ike and Lois Vein mine dumps and veins in the centre of the Black Canyon Claims (Figure 8), where bonanza gold grades have been identified. Of the 227 samples previously collected on the Humboldt Range claims, 44 returned assays over 1g/t Au, of which 19 were above 10g/t Au. Locally high silver and lead assays were also recorded. The mineralogy, assay results and geological setting are all consistent with low-sulphidation epithermal mineralisation, typified by laminated quartz veins in altered and locally mineralised volcanic rocks.

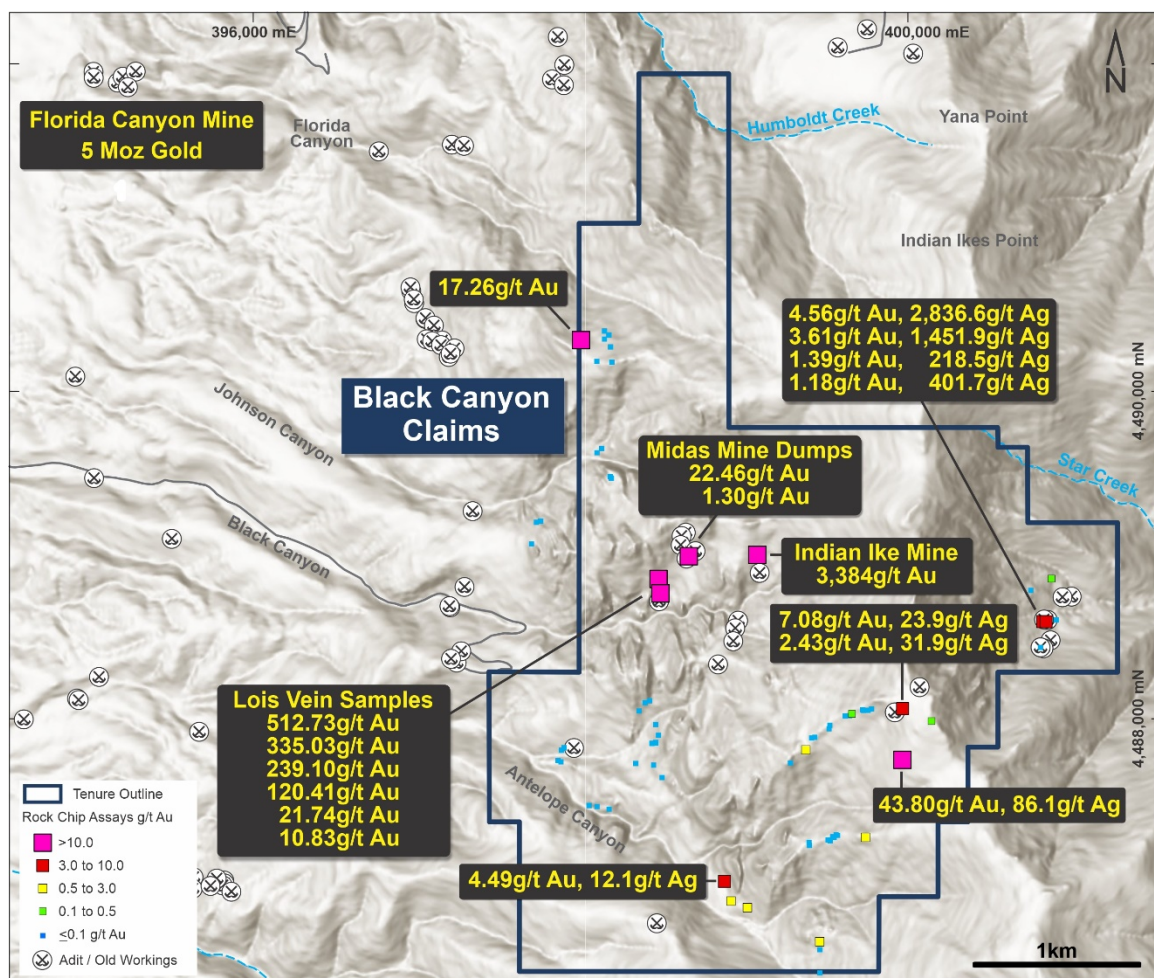


Figure 8 Sample locations and assay results in Black Canyon claims

Key findings of the previous exploration, including review of sporadic records from historical mining are as follows:

- Epithermal veins in volcanic rocks occur in very wide structural corridors varying from 30m to 275m width.
- Within the structural corridors there are hundreds of quartz-sulfide veins that carry visible gold and which range in width from 5cm to over 1.5 meters.
- Host rocks are strongly silicified over widths up to 5 times the thickness of the veins or more.
- Previous studies have indicated that the strongly altered host rock can also carry good gold values up to 2m away from 20-30cm wide veins.
- No exploration for limestone-hosted Carlin-style gold mineralisation has been undertaken to date on the claims.
- In addition to evaluating individual high-grade veins as possible mining targets, PolarX intends to evaluate these structural corridors to determine if modern-scale bulk mineable widths and grades are present. This will include geological mapping, rock chip and channel sampling and ground geophysics (IP to detect resistivity highs associated with the silicification).

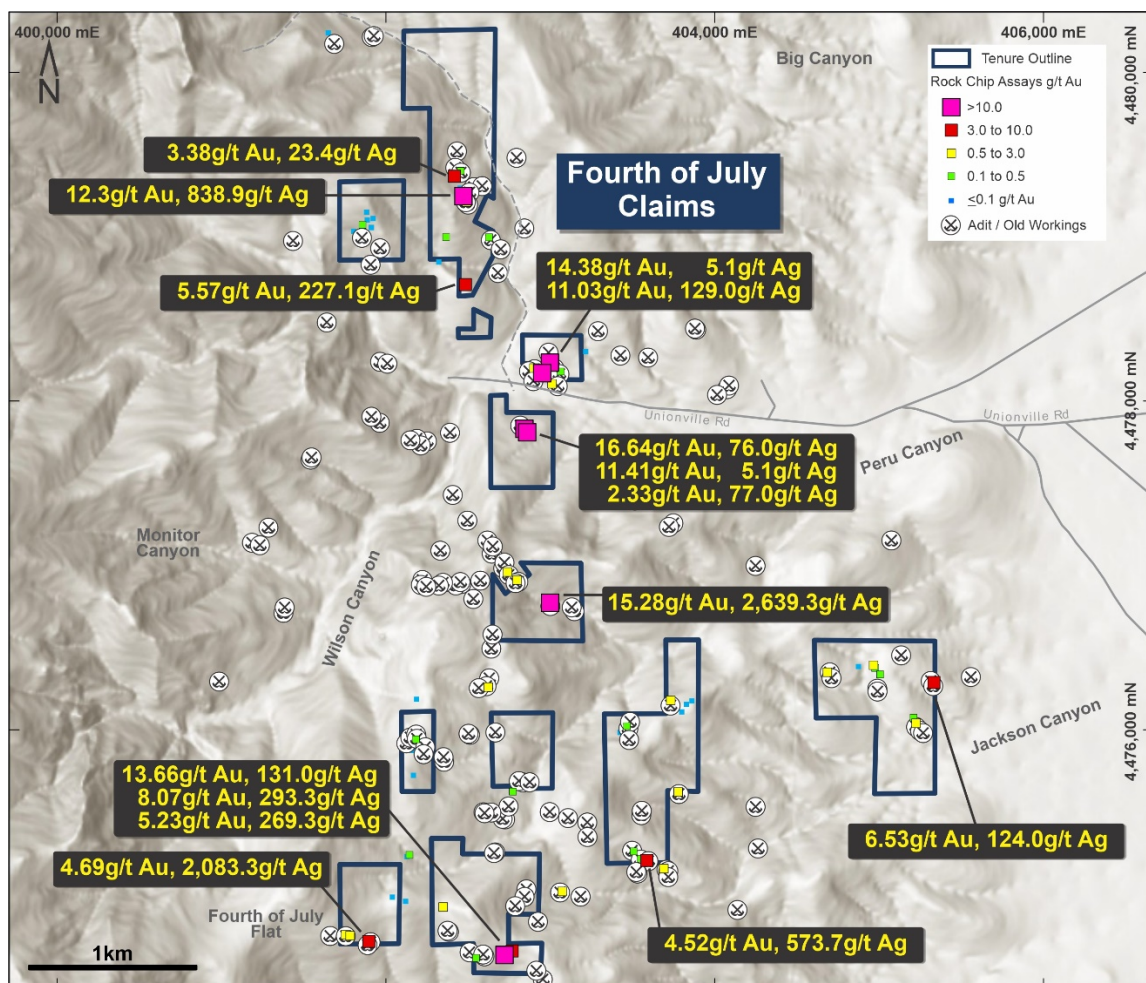


Figure 9 Sample location and assay results in Fourth of July Claims. PolarX has commenced staking additional claims to consolidate the land holding in this area.

Acquisition Terms

Pursuant to the option agreement, PolarX has paid an initial fee of US\$35,000 to secure an exclusive option ("the Option") over the Mining Lease Agreement for up to 120-days whilst the Company conducts due-diligence investigations to further verify previous exploration results and confirm ownership of the underlying lode claims. Due diligence is expected to be complete by April 2021.

On satisfactory completion of due diligence, the Company can exercise the Option by (i) payment of a further US\$35,000 cash; and (ii) issuing to the vendor 5m fully paid ordinary shares (escrowed for 2-years). In the event of exercise, the Company will also be required to make the following payments to the owner of the Humboldt Range Project:

- US \$70,000 on each of the first and second anniversary of the execution date
- Payment of 2022 claim fees (by 1 Sept 2021) as advance against production royalties
- Monthly payment of US \$10,000 from September 2022 as advance against production royalties
- Royalty on gold production of 2.5% NSR (3.75% NSR if grade > 15.6g/t Au)

2021 Exploration Program

The planned 2021 exploration program for the Humboldt Range Project comprises:

- Complete due diligence and exercise option and immediately commence exploration.
- Geological mapping and channel sampling to delineate and evaluate zones of intense quartz veining and alteration (silicification) and assess bonanza vein potential.
- Ground geophysics (IP) to help map out zones of silicification (resistive zones) with bulk mining potential.
- Generation of targets ready for drilling by the start of Q4 2021.

CORPORATE

As of 31 December 2020, the Company had on issue 541,878,894 Shares and 32,000,000 unlisted options.

The \$1.4M of exploration and evaluation expenditure capitalised during the quarter predominantly comprised:

- Payments to service providers in relation to the 2020 exploration program, including drilling, camp, geological and logistical services.
- Technical consulting fees.
- Consideration payable in relation to the amendment of the Caribou Dome option terms.
- Payment of annual government claim fees in relation to the Alaska Range Project.

The aggregate amount of payments during the quarter to related parties and their associates of \$207k comprised the following:

- Director fees and administrative consulting services (\$60k).
- Director's technical consulting services (\$141k).
- Mitchell River Group consulting services (\$3k).
- Mitchell River Group serviced office (\$3k).

Authorised for release by the Board.

For further information, please contact the Company directly on +61 8 6465 5500

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ADDITIONAL DISCLOSURE

In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates of mineralised material abundance should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the widths and grade of the visible mineralisation reported in preliminary geological logging. The Company will update the market when laboratory analytical results become available.

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code.

Information in this report relating to Exploration results is based on information compiled by Dr Frazer Tabearth (an employee and shareholder of PolarX Limited), who is a member of The Australian Institute of Geoscientists. Dr Tabearth 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 Tabearth consents to the inclusion of the data in the form and context in which it appears.

There is information in this report relating to:

- (i) the Mineral Resource Estimate for the Caribou Dome Deposit (Alaska Range Project), which was previously announced on 5 April 2017;
- (ii) the Mineral Resource Estimate for the Zackly Deposit (Alaska Range Project), which was previously announced on 20 March 2018; and
- (iii) exploration results which were previously announced on 5 November 2018, 12 November 2018, 29 January 2019, 25 March 2019, 5 August 2019, 1 October 2019, 21 October 2019, 19 November 2019, 20 January 2020, 19 May 2020, 14 September 2020, 9 October 2020, 17 December 2020 and 11 January 2021.

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 also 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.

LIST OF MINING CLAIMS

PROJECT	LOCATION	LICENCE(S)	OWNERSHIP INTEREST
ALASKA RANGE PROJECT			
Caribou Dome Claims	Alaska, USA	Claim & ADL Caribou 1 – 20 ADL# 563243 - 563262 Copper 1 – 6 ADL# 588461 – 588466 Copper 7 – 11 ADL# 645375 – 645379 CD 1 – 66 ADL# 664859 – 664924 CDS 001 – 038 ADL# 719949 – 719986 CD 001 – 040 ADL# 719909 – 719948 CDE-01 – 20 ADL# 722216 – 722235 CDE 26 ADL# 722241 CD 41 – 51 ADL#725113 - 725123 SBX 71 ADL#726910 SBX 74 - 75 ADL#726913 - 726914 SBX 77 - 82 ADL#726916 – 726921	Option to earn 80% Option to earn 90%
Stellar Claims	Alaska, USA	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 SB 389 – 390 ADL# 714187 – 714188 SB 417 ADL# 715392 SBA 001 – 066 ADL# 721446 – 721511	100%

PROJECT	LOCATION	LICENCE(s)	OWNERSHIP INTEREST
Stellar Claims (cont.)		SBX 001 – 070 ADL# 724789 – 724858 LYKN 1 – 2 ADL# 725111 – 725112 CDE-21 – 25 ADL# 722236 – 722240 CDE 27 ADL# 722242 SBX 72 – 73 ADL# 726911 – 726912 SBX 76 ADL# 726915 SBX 83 – 91 ADL# 726922 – 726930 SBX 92 – 121 ADL# 728878 – 728907	100%

*Notes: No Alaska Range Project claims were acquired, relinquished or disposed of during the period.

PROJECT	LOCATION	LICENCE(S)	OWNERSHIP INTEREST
UNCLE SAM GOLD PROJECT *	Alaska, USA	Claim& ADL #	Nil

*Notes: 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 December 2017 quarter the Company received noticed 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. Further, as a result GAME has sought to terminate the Option Agreement.

Following a review of its options in relation to this matter, PolarX and its relevant subsidiary (“the Group”) has entered into an agreement with the underlying royalty holder, International Royalty Corporation (“IRC”), pursuant to which:

- (i) the Group has assigned to IRC its rights, titles, and interests (if any) in the Uncle Sam Project (including its rights as against GAME);
- (ii) IRC has granted the Group a full release from any causes of action, claims, or damages that IRC could assert against the Group; and
- (iii) IRC has the right convey the claims back to the Group if it is successful in any court action to recover the mineral claims from GAME.

The Company also notes that the Uncle Sam 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.