



May 22, 2018

Dear Shareholders,

PJX has strategically consolidated and now controls one of the largest mineral claim holdings of the Sullivan Mining Camp in the Cranbrook area of British Columbia, Canada. The opportunity to discover new gold and base metal deposits is often greatest in existing mining camps. These areas already possess favourable geology, a wealth of historical data, and road access to facilitate cost effective exploration to make a discovery. In addition, existing infrastructure (roads, rail, power) and workforce help reduce capital costs and increase the potential for a new discovery to be brought to production.

The Company owns mineral rights to over 50,000 hectares of land. We have also compiled over \$20 million in historical data, identified data gaps, and systematically infilled those gaps with new mapping and some of the most advanced exploration technologies (geophysics, geochemistry, modelling). This work has identified over 20 gold and base metal (zinc, lead, copper) target areas, each with the potential to host one or multiple deposits.

Markets for these commodities are positive. Gold, silver, lead, zinc, and copper prices strengthened during 2017 and the zinc price is forecast to remain strong by some analysts due to continued supply shortages. The demand for metals remains relatively robust with expected continued future growth potential.

Gold exploration during 2017 has identified a new structural geological setting that may be an important control on the location and concentration of gold mineralization into potential deposits along a 6-kilometre trend on our Zinger Property. This new discovery could be key to unlocking the gold deposit potential on the Zinger, Dewdney Trail and Eddy Properties. This new setting is planned to be drilled and tested this year.

We also secured control of an important gold discovery when we optioned the Gold Shear Property in January 2018. The Gold Shear Property hosts the David occurrence, which is a high-grade gold zone that was last drilled in 1996. The gold zone has not been fully explored and appears to be open at depth. High-grade gold mineralization occurs along a shear zone that strikes onto PJX's adjacent Eddy Property. Exploration and drilling are planned for the properties when permits are received.

Base metal (zinc, lead, copper) exploration has also defined significant targets with potential to produce new discoveries.

Drilling on the Vine Property has discovered a zone of anomalous zinc mineralization within a large gravity geophysical anomaly. The mineralization occurs within folded rocks along a major shear zone which supports the potential for a possible Broken Hill Type discovery. Additional drilling is planned.

Magnetotelluric (MT) geophysics has identified a conductive anomaly in a geological environment that could host a Sullivan Type discovery at depth on the DD Property. PJX has granted Teck Resources Limited (“Teck”) an option to earn up to a 75% interest in the DD Property. Teck is assessing the MT target for drilling and is in the process of applying for the relevant permits.

Prospecting has discovered copper mineralization in sedimentary rocks on the Zinger and Dewdney Trail Properties. This type of copper mineralization and age of rocks are similar to the sediment hosted mineralization at the Montanore and Spar Lake copper deposits located across the border in the United States.

In summary, exploration during 2017 has greatly advanced the potential to make gold and base metal discoveries on PJX’s properties. Permits are in place to drill and trench on the Vine, Dewdney Trail and Zinger Properties, with permitting underway for the DD and Eddy-Gold Shear Properties. PJX plans to continue to focus exploration on targets with the most promise to make a discovery for the benefit of our shareholders and local communities.

Our geological, geophysical and other consultants cumulatively have over 150 years of exploration experience. Our Board of Directors have the depth of exploration and mining experience to guide the company to success. I am pleased that they have all agreed to stand for re-election. They are invaluable members of our team.

We would like to thank you for your continued support of PJX and look forward to a successful 2018.

With best regards,

“John Keating”

John Keating
President, CEO, Director
PJX Resources Inc.