ASX RELEASE: 23 May 2019

KOOKYNIE EXPLORATION TARGET DEMONSTRATES POTENTIAL FOR A HIGH-QUALITY GOLD PROJECT

HIGHLIGHTS

- **An Exploration Target has been defined for the Kookynie Gold Project in the Eastern Goldfields, Western Australia.**
- **Exploration Target was estimated using data from historical pre-JORC 2012 mineral resource estimates, historical production and historical drilling results.**
- **Initial drill programme will identify mineralisation extents and lead to further drilling to define mineral resources over the coming 12 months.**
- **Exploration Target provides an estimate of potential to be tested by drilling.**
- **Since entering into the farm-in agreement with Nex Metals Explorations Ltd, Metalicity has:**
    - **Completed detailed assessment of past exploration to facilitate stating the Exploration Target;**
    - **Commenced on-ground exploration; and**
    - **Prepared for upcoming drilling campaign.**

Metalicity Limited (ASX: MCT) ("**MCT**" or "**Company**") is pleased to announce a JORC 2012 Code compliant **Exploration Target** for the Kookynie Project in the Eastern Goldfields, Western Australia.

The Exploration Target – as detailed in Table 1 below – was estimated in accordance with JORC 2012 guidelines utilising data from historical work, including the review of pre-JORC 2012 mineral resource estimates, historical production and drilling results.

Project: Kookynie						
Prospect	Grade Range		Tonnage Range		Ounces	
	Lower g/t Au	Upper g/t Au	Lower tonnes	Upper Tonnes	Lower ounce range	Upper Ounce Range
Diamantina-Cosmopolitan-Cumberland (DCC) Trend	10.0	15.0	250,000	500,000	150,000	250,000
The Champion Prospect	3.6	6.0	120,000	300,000	20,000	60,000
The McTavish Prospect	1.8	4.0	80,000	500,000	30,000	100,000
The Leipold Prospect	1.5	4.0	500,000	750,000	30,000	100,000

Table 1 – Kookynie Gold Project Exploration Target [(1)]

(1) "*Exploration Target*" cautionary statement: **The potential quantity and grade is conceptual in nature, given that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.**

Based on the above tabulation the Kookynie Gold Project has a total **Exploration Target** of between **230,000 ounces and 510,000 ounces** and is exclusive of historically stated mineral resource estimates.

Since entering into the farm-in agreement with Nex Metals Explorations Ltd (ASX: NME) ("**Nex**") (refer to ASX announcement dated 6th May 2019), Metalicity has completed:

- Detailed assessment of past exploration to facilitate stating the Exploration Target;
- Commenced on-ground exploration; and
- Prepared for drilling campaign.

The Kookynie Project is host to six, significant prospects; Champion, McTavish, Leipold, Diamantina, Cosmopolitan and Cumberland. Each has been assessed in the preparation of the Exploration Target based on an in-depth review of the existing data of historical production and exploration efforts.

At Cosmopolitan, the mineralisation is extrapolated some 150 meters to 200 meters down dip from historic workings to estimate the Exploration Target. No mineralisation is assumed within the area of historic workings. The upper end grade is estimated to be the historic mined grade.

At Diamantina and Cumberland, mineralisation is extrapolated up to 250 meters to 350 meters down dip and 500 meters along strike. The maximum grade is assumed to be the historically mined grade of Cosmopolitan as the Diamantina and Cumberland are strike continuations of that mineralisation.

At Champion, McTavish and Leipold, the mineralisation is extrapolated between 100 meters to 120 meters down dip and along strike. The upper grade is assumed to be between 4 g/t Au and 6 g/t Au based on averages of significant drill hole intersections within the structures hosting mineralisation.

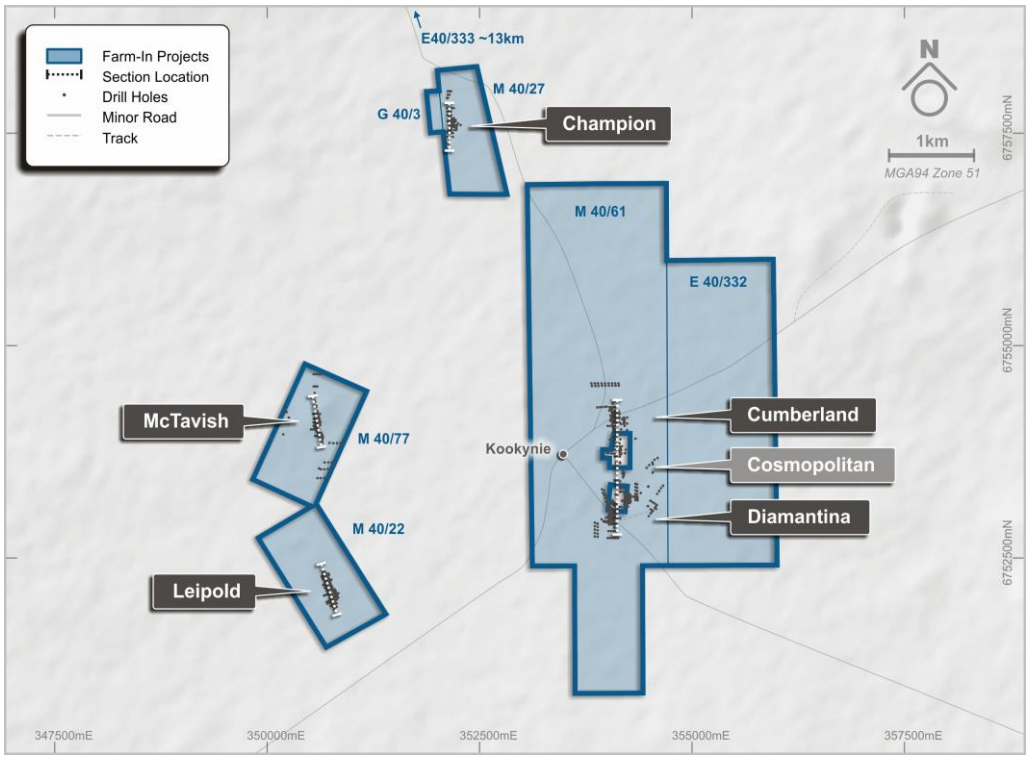

Figure 1 – Kookynie Prospect Locality Map.

The first phase of exploration at Kookynie will focus on defining and extending known mineralisation rather than early stage exploration to find prospects. The Company believes stating Exploration Targets in accordance with JORC 2012 guidelines will provide the market an insight on what exploration at Kookynie may produce. The Company's intention is to scope out the extents of the mineralisation then define mineralisation quality at these prospects prior to conducting formal resource estimates.

For the Yundamindra Gold Project, further assessment of the controls on mineralisation is required prior to stating Exploration Targets and detail exact drilling targets. To ensure that future programmes are effective, the mapping currently being implemented will allow the Company to understand the controls on mineralisation at the prolific Yundamindra Gold Project.

Commenting on the Exploration Targets, Metalicity CEO Mat Longworth said: *"The Kookynie Gold Project presents an opportunity to define high quality ounces in a short period of time. Having access to a wealth of historical work including mineral resource estimates, historical production and drilling results has greatly assisted Metalicity to quickly estimate an Exploration Target of between 230,000 ounces and 510,000 ounces.*

"We are also buoyed by the fact that all Prospects at Kookynie are open along strike and down dip which bodes well for MCT to define and extend resources with our upcoming drilling campaign. We are excited to be progressing with this project and look forward to delivering further exciting news flow in the near term."

Planned Drilling

The Metalicity drilling programme will involve between 1,000 meters to 1,500 meters of reverse circulation (RC) drilling, and 800 meters to 1,200 meters of diamond core (DD) drilling to confirm the mineralisation. The actual number of holes drilled and the final metres drilled may vary based on geology and exploration results as the drilling programmes progress. Drilling is scheduled to commence in late June and take several months to complete.

However, the Company sees the result of fulfilling the farm-in agreement spend of $5 million may result in the Exploration Target being reported as a mineral resource estimate at suitable classifications amenable to making economic decisions via appropriate studies at the time.

Estimation of the Exploration Target

The Company's stated Exploration Target for Kookynie of 230,000 to 510,000 ounces is a realistic outcome from targeted and results driven exploration. Ongoing drilling will be dictated by results.

The estimated Exploration Target is based on reviewing the historical work, including the review of pre-JORC (2012) mineral resource estimates estimated by current and historical operators (which contributed towards the evaluation of the Prospects, but not towards the Exploration Target ranges), historical production and drilling results. Mineralisation is open down dip and along strike at all prospects within the Kookynie Project and provides the opportunity for further expansion of drill programmes to define the resource potential.

Drilling Completed to Date

Below is a table of historical drilling completed to date by Prospect to detail the level of information available in stating the Exploration Targets:

Project: Kookynie						
Prospect	Reverse Circulation		Diamond Drilling		Total	
	No. of holes	Metres	No. of holes	Metres	No. of holes	Metres
Diamantina-Cosmopolitan-Cumberland (DCC) Trend	447	21,543	15	3,761.3	462	25,304.3
The Champion Prospect	123	6,291	-	-	123	6,291
The McTavish Prospect	166	6,213	-	-	166	6,213
The Leipold Prospect	184	9,053	-	-	184	9,053
Total	920	43,100	15	3,761.3	935	46,861.3

Table 2 – Kookynie historical drilling details.

Project: Yundamindra						
Prospect	Reverse Circulation		Diamond Drilling		Total	
	No. of holes	Metres	No. of holes	Metres	No. of holes	Metres
The Landed at last Prospect	229	12,835	3	130.6	232	12,965.6
The Maori Queen Prospect	225	7,067	2	111	227	7,178.2
The Golden Treasure Prospect	38	1,359	-	-	38	1,359.0
The Queen of May Prospect	68	2,786	-	-	68	2,786.0
The Bound to Rise Prospect	16	668	-	-	16	668.0
The Pennyweight Point Prospect	249	14,074	11	1,600.1	260	15,674.1
The George Washington Prospect	12	444	-	-	12	444.0
Total	837	39,233	16	1,841.9	853	41,074.9

Table 3 – Yundamindra historical drilling details.

Please refer to the significant drill hole intercepts released in the Company's announcement dated 6th May 2019, "*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*". The results details in that announcement were a facet in estimating the stated Exploration Targets above.

Historical Mineral Resource Estimates

The following table is a summary of mineral resource estimates commissioned by Nex Metals Exploration Ltd as detailed in the ASX Announcement dated 1st August 2011 "*Update on activities*":

Prospect	Cut Off	Indicated			Inferred			Total		
	g/t Au	Tonnes	g/t Au	Ounces	Tonnes	g/t Au	Ounces	Tonnes	g/t Au	Ounces
Champion	0.5	49,643	2.53	4,033	67,753	4.70	10,237	117,396	3.78	14,270
Leipold	0.5	293,727	1.90	18,251	261,240	1.80	14,791	554,968	1.90	33,042
McTavish	0.5	61,463	2.45	4,836	17,239	1.50	829	78,701	2.24	5,665

Table 4 – Nex Metals Exploration Ltd Mineral Resource Estimate Summary.

The mineral resource estimates above were reported prior to the release of JORC 2012. Quality control/assurance (QAQC) and whole rock density determinations of both mineralisation and waste need qualifying to ensure a best practice mineral resource estimate can be performed moving forward. The initial drilling programme is designed to address part of those aspects, but infill and further extensional drilling will be required to ensure a robust estimation. Note - the Exploration Targets are exclusive of prior resource estimates, but the information derived from the historical mineral resource estimates were used in the determination of the stated Exploration Targets.

Project tenure

As announced by the Company on the 6th May 2019, "*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*", Nex Metals Exploration are the tenement holders whereby the Company can:

- Spend a minimum $500,000 before withdrawal and $5 million over up to 5 years to earn 51% of the Projects.
- Upon 51% earn in completion, NME and MCT will form a co-contributing joint venture to develop the Kookynie and Yundamindra Projects.

Below is a table detailing the tenements subject to the Metalicity – Nex Metals Farm-In Agreement:

Tenement	Registered Holder	Shares Held	Plainted
Kookynie			
E40/333	Nex Metals Explorations Limited	100/100	No
G40/3	Nex Metals Explorations Limited	100/100	No
L40/9	Nex Metals Explorations Limited	100/100	No
E40/332	Nex Metals Explorations Limited	100/100	No
M40/22	Nex Metals Explorations Limited	100/100	No
M40/27	Nex Metals Explorations Limited	100/100	No
M40/61	Nex Metals Explorations Limited	100/100	No
M40/77	Nex Metals Explorations Limited	90,405/90,405	No
Yundamindra			
L39/34	Nex Metals Explorations Limited	100/100	Yes
L39/52	Nex Metals Explorations Limited	96/96	Yes
L39/258	Nex Metals Explorations Limited	100/100	Yes
M39/84	Nex Metals Explorations Limited	100/100	Yes
M39/274	Nex Metals Explorations Limited	100/100	Yes
M39/406	Nex Metals Explorations Limited	100/100	Yes
M39/407	Nex Metals Explorations Limited	100/100	Yes
M39/408	Nex Metals Explorations Limited	100/100	Yes
M39/409	Nex Metals Explorations Limited	100/100	Yes
M39/410	Nex Metals Explorations Limited	100/100	Yes
M39/839	Nex Metals Explorations Limited	100/100	Yes
M39/840	Nex Metals Explorations Limited	100/100	Yes

Table 5 – Nex Metals Exploration Ltd Mineral Resource Estimate Summary.

Forward plan

The Company will be rolling out an exploration programme with a modern methodical approach across both the Kookynie and Yundamindra Projects to define ounces.

The key exploration focus is the expansion and confirmation of existing mineralisation, especially at depth, as most of the current drilling is less than 50 metres at all prospects. The unique granite and intrusive related mineralisation identified at both Yundamindra and Kookynie provide a focus on this previously poorly understood mineralisation styles.

The Company senior management has decades of experience exploring for gold in the Eastern Goldfields and will apply state of the art mineralisation models and techniques alongside rigorous drill testing.

ENQUIRIES

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Competent Person Statement

For the pre JORC 2012 mineral resource statements made (McTavish, Champion and Leipold), please refer to ASX Announcement by NME dated 1st August 2011 "Update on activities" for the Competent Person details. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Information in this report that relates to Exploration results and targets is based on, and fairly reflects, information compiled by Mr. Jason Livingstone, a Competent Person who is a Member of the Australian Institute of Geoscientists and Australian Institute of Mining and Metallurgy. Mr. Livingstone is an employee of Metalicity Limited. Mr. Livingstone has sufficient experience that 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 as defined by the 2012 Edition of the Australasian Code for

Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Livingstone consents to the inclusion of the data in the form and context in which it appears.

Forward Looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have reasonable basis. However, forward-looking statements:

(a) are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;

(b) involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such risks include, without limitation, resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which the Company operates or supplies or sells product to, and governmental regulation and judicial outcomes; and

(c) may include, among other things, statements regarding estimates and assumptions in respect of prices, costs, results and capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements.

All forward-looking statements contained in this presentation are qualified by the foregoing cautionary statements. Recipients are cautioned that forward-looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

The Company disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results or otherwise.

Appendix One – JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Reverse Circulation (RC sampling; the drilling collar file and historical WAMEX reports note the use of various bit sizes between 5 and 5 ¼ inch, with riffle splitting to obtain a sample for analysis. All sampling appears to be on 1 metre samples. • Diamond core (DD) is NQ sized with ½ core submitted for analysis and based on geological intervals, no bigger than 1m and no smaller than 30cms. • Analysis varied between AAS and 30 to 50g fire assay. Approximately 2% of samples were subjected to screen fire assay analysis. • The work conducted and under review appears to be "industry standard practice". However, the data on hand requires field verification, follow up drilling and further screen fire assay to address potential course gold aspects of the mineralisation.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC drilling notes the use of various bit sizes between 5 and 5 ¼ inch. • DD is noted at being NQ diameter core. Structural measurements are on file, however the method of obtaining such measurements was not noted but appear to be concordant with observed structures in historical workings.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No records exist to the method of recording and assessing core and chip recoveries. • Unknown. • There appears to be no biased in the data with regards to a relationship between sample recovery and grade. The drilling intercepts delineate similar plunged shoots that the historical workings mined – so, prima facie, there appears to be little bias. However, future work will include such assurance protocols including twinned holes to verify stated mineralised intercepts on selected sections.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical*	• All recovered sample from RC and DD have been geologically logged. No records of geotechnical logging exist beyond noting structural measurements of certain features like veins, joints and

Criteria	JORC Code explanation	Commentary
	studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	faults. • The drilling data in its current state will not support a Mineral Resource Statement to JORC 2012 guidelines. Confirmatory drilling is required and investigation of existing core/RC sample (if possible) is required. Further QAQC and whole rock density determinations are also required in future programmes to assist in the estimation of a mineral resource. • Geology logging was qualitative, and no core photography exists.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core was halved and a consistent side was taken for analysis as noted in logging sheets detailed in submitted exploration reports on file through the WAMEX system. • RC samples were riffle split to obtain a nominal 3kg sample for analysis. • No notes were available regarding the quality and appropriateness of the sample preparation technique. • Field duplicates have been noted as a historical issue previously and requires attention in future programmes. • Sample size is appropriate, whilst larger sizes given the nature of the mineralisation would be better, it would be logistically and cost prohibitive.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The fire assay data appears sufficient, whereas the AAS analysis may be understating the gold content. Therefore, to address the potential course gold aspect of the observed mineralisation, screen fire assay on mineralised sections is recommended. • No geophysical tools, spectrometers, handheld XRF instruments were used. • Since all of the drilling was conducted by historic explorers there is a failure to document the QAQC practices conducted at the time of drilling. As such there is no data to be examined for this work.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Lab certificate inspection on selected jobs was conducted by the CP and found to be within specification. • No twinned holes have been completed. • No record of primary data protocols, however, historical data has been collated and interrogated with spiralis data omitted (that being drill holes with no recorded collar coordinates or down hole survey information – that being the drill hole set azimuth and inclination.

Criteria	JORC Code explanation	Commentary
		• No adjustment to the available assay data has been made.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• No mineral resources are being estimated/stated beyond the referenced Pre JORC 2012 mineral resource statements noted – for those please refer to ASX Announcement by NME dated 1st August 2011 "Update on activities" and have been reproduced from that source. The mineral resource estimates are considered historical and require further work to establish current best practice estimations before restating the mineral resource estimation. • Regarding the use of the • Both AMG84and GDA94 were used, collars were picked up by a qualified surveyor using a DGPS (Trimble S7). • The surveyed collar coordinates appear to be enough, however, better definition is required of the topography to allow for a JORC 2012 compliant estimation.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The data spacing is sufficient to establish a relatively high confidence in geological and grade continuity, however, peripheral data to support the drill holes requires further work to ensure compliance with JORC 2012 guidelines. • No sample compositing was applied beyond the calculation of down hole significant intercepts.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• All drilling appears to be perpendicular to the main structure that hosts mineralisation. Secondary structures oblique to the main structure may have influence hanging and foot wall intercepts. • The author believes that the drilling orientation and the orientation of key mineralised structures has not introduced a bias.
Sample security	• *The measures taken to ensure sample security.*	• Unknown as historical work is being discussed.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Beyond verifying laboratory certificates and cross checking with the database, no further reviews of the sampling techniques and data was completed at the time of reporting.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Please refer to the tenement schedule below: • Nex Metals Explorations Ltd hold the tenure in question. • As illustrated above, the tenements associated with the Yundramindra Project are currently subject to plaint proceedings.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Nex Metals Explorations Ltd have done a great job of collating the historical drilling completed over the previous 30 years. • The historical work completed requires further field verification via re-down hole surveying (if possible) of drill holes beyond 60 metres depth – it appears below this depth; hole deviation becomes a factor in establishing the location of mineralisation in 3D. Furthermore, collar pickups require verification. All laboratory certificates for the assays on file are collated, only recommendation is possibly more duplicate information in mineralised zones.

TENEMENT	REGISTERED HOLDER	SHARES HELD	PLAINTED
Kookynie Tenements			
M 40/77	Nex Metals Explorations Limited	90,405/90,405	No
M 40/61	Nex Metals Explorations Limited	100/100	No
M 40/27	Nex Metals Explorations Limited	100/100	No
M 40/22	Nex Metals Explorations Limited	100/100	No
L 40/9	Nex Metals Explorations Limited	100/100	No
G 40/3	Nex Metals Explorations Limited	100/100	No
E 40/333	Nex Metals Explorations Limited	100/100	No
E 40/332	Nex Metals Explorations Limited	100/100	No
Yundamindra Tenements			
M 39/840	Nex Metals Explorations Limited	100/100	Yes
M 39/839	Nex Metals Explorations Limited	100/100	Yes
M 39/410	Nex Metals Explorations Limited	100/100	Yes
M 39/409	Nex Metals Explorations Limited	100/100	Yes
M 39/408	Nex Metals Explorations Limited	100/100	Yes
M 39/407	Nex Metals Explorations Limited	100/100	Yes
M 39/406	Nex Metals Explorations Limited	100/100	Yes
M 39/274	Nex Metals Explorations Limited	100/100	Yes
M 39/84	Nex Metals Explorations Limited	100/100	Yes
L 39/258	Nex Metals Explorations Limited	100/100	No
L 39/52	Nex Metals Explorations Limited	96/96	No
L 39/34	Nex Metals Explorations Limited	100/100	No

Criteria	JORC Code explanation	Commentary

Geology	• *Deposit type, geological setting and style of mineralisation.*	• Kookynie:
		  • The project area is in the Keith-Kilkenny Tectonic Zone within the north-northwest trending Archean-aged Malcolm greenstone belt. The Keith-Kilkenny Tectonic Zone is a triangular shaped area hosting a succession of Archean mafic-ultramafic igneous and meta-sedimentary rocks. Regional magnetic data indicates the Kookynie region is bounded to the west by the north-trending Mt George Shear, the Keith-Kilkenny Shear Zone to the east and the Mulliberry Granitoid Complex to the south.
		  • There are several styles of gold mineralisation identified in the Kookynie region. The largest system discovered to date is the high-grade mineralisation mined at the Admiral/Butterfly area, Desdemona area and Niagara area. The gold mineralisation is associated with pyritic quartz veins hosted within north to northeast dipping structures cross-cutting 'favourable' lithologies which can also extend into shears along geological contacts. Gold mineralisation tends to be preferentially concentrated in differentiated dolerite sills associated with pyrite/carbonate/silica/sericite wall rock alteration.
		• Yundramindra:
		  • The Project area covers a belt of gold mineralisation occurring along the margin of a regional hornblende granodiorite pluton intrusive to mafic rocks, largely metabasalts of Association 2 in the Murrin-Margaret sector of the Eastern Goldfields. The mineralised contact area between granitoid and mafic rocks is arcuate in shape and is subdivided on geographic locations into the “Western” and “Eastern” lines:
		  • The Western Line consists of a NNW trending zone of generally continuous, east dipping quartz reefs and quartz filled shears in granitoid near the contact between a large hornblende granodiorite pluton and a thin, remnant greenstone succession.
		  • The Eastern Line encompasses the eastern portion of the arcuate granodiorite/greenstone contact. The greenstones here are poorly exposed and the high-Mg basalt, in turn intruded by doleritic and porphyritic felsic dykes. The greenstone succession is several kilometres in thickness. It’s eastern margin forms a fault bounded contact with rocks of the regionally significant, southerly plunging Eucalyptus Anticline. The western margin of the Eastern Line exhibits sharp to gradational assimilated contacts with hornblende granodiorite. Mineralisation along the

Criteria	JORC Code explanation	Commentary
		Eastern Line occurs in two settings: 1. Associated with quartz veining within the mafic succession, and 2. Within quartz veins/stockworks within the granodiorite.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• For both Kookynie and Yundramindra, please refer to the Company's announcement dated 6th May 2019, "*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*", for all drill collar information, and selected significant intercepts.
		• The rationale behind presenting the significant intercepts in the Company's announcement dated 6th May 2019, "*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*" using the methodology described was to illustrate the significance of the intercepts and the extent, that being, the actual number of this high tenor type intercepts within both Projects.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Initially, significant intercepts were calculated using values >1 g/t Au over a minimum width of 1m with no more than 1m internal waste or values <1 g/t Au. Subsequently, since 1,263 significant intercepts were produced (771 for Yundramindra and 492 for Kookynie) from the data available, a further refinement of intercepts that produced >10-gram metres were presented. • Please refer to the Company's announcement dated 6th May 2019, "*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*" • All intercepts were treated as above with no top cuts applied. • No metal equivalents are discussed or reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Given the shallow dipping nature (approximately -45° on average) of the mineralisation observed at Kookynie and Yundramindra, the nominal drilling inclination of -60° lends to close to truth width intercepts. • However, cross cutting structures within the hanging wall and footwall are noted and may influence the results.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Please see main body of the announcement for the relevant figures.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Balanced reporting</td><td>• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</td><td>• It is noted that historical mineral resource estimates commissioned by Nex Metals Explorations Ltd were used to assist in defining the stated Exploration Targets, however, the Exploration Target is exclusive of the mineral resource estimates stated in the ASX Announcement dated 1st August 2011 “Update on activities”.
• Regarding the significant intercept tables presented in the announcement by the Company on the 6th May 2019, “Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA”, the sheer volume of data (No. of significant intercepts - 771 for Yundramindra and 492 for Kookynie) based on the data aggregation methods described above is not practical to report nor beneficial.
• In context though, below is a table of the recorded drilling to date so a comparison to the number of holes drilled versus the number of significant intercepts present can be made. However, more detailed drilling tabulations are within the body of the announcement so as to communicate the level of drilling at each prospect within each Project:
<table>
<tr><td rowspan="2">Drilling Summary</td><td colspan="2">RC</td><td colspan="2">DD</td><td colspan="2">RC/DD</td><td colspan="2">Total</td></tr>
<tr><td>No. drill holes</td><td>Metres</td><td>No. drill holes</td><td>Metres</td><td>No. drill holes</td><td>Metres</td><td>No. drill holes</td><td>Metres</td></tr>
<tr><td>Kookynie</td><td>920</td><td>43,100</td><td>11</td><td>3,223.3</td><td>4</td><td>538.1</td><td>935</td><td>46,861.4</td></tr>
<tr><td>Yundramindra</td><td>837</td><td>39,233</td><td>15</td><td>1,785.6</td><td>1</td><td>56.3</td><td>853</td><td>41,074.9</td></tr>
<tr><td>Total</td><td>1757</td><td>82,333</td><td>26</td><td>5,008.9</td><td>5</td><td>594.4</td><td>1788</td><td>87,936.3</td></tr>
</table>
</td></tr>
<tr><td>Other substantive exploration data</td><td>• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</td><td>• The area has had significant historical production recorded and is accessible via the MINEDEX database.
• All stated mineral resources for the Kookynie and Yundramindra Projects are pre-JORC 2012. Considerable work around bulk density, QAQC, down hole surveys and metallurgy, coupled with the planned drilling will be required to ensure compliance with JORC 2012 guidelines.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Metalicity intends to drill the known and extend the mineralised occurrences within the Kookynie and Yundramindra Projects. The Yundramindra Project is currently under the plaint process, however Metalicity believes that Nex Metals is well advanced in defending those claims. The drilling will be designed to validate historical drilling with a view to making maiden JORC 2012 Mineral Resource Estimate statements. Metalicity has made the aspirational statement of developing “significant resource and reserve base on which to commence a sustainable mining operation focusing on grade and margin”. • Diagrams pertinent to the area’s in question are supplied in the body of this announcement.