

ASX RELEASE: 28th April 2022

Kookynie Gold Project Drilling Update

- 9,000m extensional aircore and RC drilling programme at the Leipold, McTavish and Champion deposits now complete
- Initial programme designed to test several exciting new targets and potential substantial extensions to known mineralisation identified across a significant area within the Leipold-McTavish-Champion gold mineralisation trend - over a combined potential strike length of circa 3kms
- Programme now expanded to also target high priority regional prospects Mulga Plum² and Wandin³ drilling expected to commence here imminently pending approval of submitted POW's
- The diamond drilling at the Leipold and McTavish Deposits within the Kookynie Gold Project¹ hit structural intersections at depth with assays presented within this announcement
- This significant extension to the Leipold and McTavish host structures confidently and consistently confirmed intersections at a vertical depth of up to 270 metres (down dip length at Leipold of ~380 metres), providing significant encouragement for follow up drilling at both these prospects, which remaining open at depth and along extension
- Assay results from the current 9,000m pending, with first results expected in the next 2-4 weeks

Metalicity Limited (ASX: MCT) ("MCT" or "Company") is pleased to announce the initial 9,000m RC and Aircore drilling programme at the Kookynie Gold Project has been completed. This Initial program was designed to test several exciting new targets and potential substantial extensions to known mineralisation that has now been identified across a significant area within the Leipold-McTavish-Champion gold mineralisation trend over a combined potential strike length of circa 3kms.

Metalicity is encouraged by the intersection of key structures along the known trends and also the potential extensions into the Company's ground of intersections drilled by Carnavale Resources (ASX: CAV) on our tenement border (CAV recent drilling discovery: 16m @ 20.92 g/t Au)⁷. These results appear to include outlying extensions of the Leipold and McTavish structures, where mineralisation trends are constrained to a certain extent by the tenement boundary.

As mentioned in previous announcements last week, the programme will now be significantly expanded to target to key regional Prospects in Mulga Plum and Wandin. Mulga Plum and Wandin are highly prospective and significantly underexplored tenure which could result in a significant step change to the prospective size of the gold footprint of this project. The Mulga Plum programme will follow up significant intercepts from previous programmes^{4,5} and the Wandin programme will include testing of highly anomalous targets analogous to those that host the highly prospective Niagara Gold Mining Centre⁶.

Diamond Drilling results from the Leipold and McTavish Prospects have confirmed the extension of the structural intersections at a vertical depth of up to ~270 metres (~380 metres down dip length) at Leipold.

¹Please refer to ASX Announcement "Metalicity Achieves Earn-In On The Kookynie & Yundamindra Gold Projects" dated 20th May 2021 with Nex Metals Explorations Ltd, ASX:NME.

²Please refer to ASX Announcements "Current Drilling Programme at Kookynie significantly Expanded" dated 20/04/2022

³Please refer to ASX Announcement "Major New Structure Identified, Drilling Further Expanded" dated 22/04/2022.

⁴Please refer to ASX Announcement "Metalicity Continues To Consolidate The Area Around The Kookynie Gold Project" dated 23 November 2020.

⁵Please refer to ASX Announcement "Current Drilling Programme at Kookynie Significantly Expanded" dated 20 April 2022.

⁶Please refer to ASX Announcement "Major New Structure Identified, Drilling Further Expanded" dated 22 April 2022.

⁷Referenced from Carnavale Resources Ltd RC drilling intersects Bonanza Gold at Kookynie Gold Project announcement 18 Jan 2022.

Metalicity CEO, Justin Barton said:

"We have expeditiously completed the first 9,000m of extensional and new target drilling within the Kookynie Gold Project and we are excited about what visually looks like the continuation of the ore body in the pending assays which should start to come through in the next 2-4 weeks. We are now expanding this programme to the exciting Mulga Plum and Wandin Prospects where there are some excellent intersections, but only minimal drilling – we think there is potential to add a lot of ounces to the Resource in these areas.

The confirmation of the structural intersections at significant depths at the Leipold and McTavish prospects is also very encouraging, and we will head back there shortly to zone in on the mineralisation. Both prospects remain open at depth and along strike and these diamond drilling results highlight the significant potential of this area and has provide the exploration team with some highly anticipated key follow-up targets at depth.

The team and Metalicity continue to push to generate value to shareholders by testing the bounds of our gold foot print in this area and performing systematic drilling to illustrate the significant value and very prospective nature of this Project."

Leipold and McTavish Diamond Drillhole Assay Results

The results confirm the southerly plunging nature of these orebodies that is analogous with many other prospects within the Kookynie area and the Leipold deposit remains open at depth indicating there is still significant potential with this orebody (Figures 1 2, and 3). The next step will be to zone in on the mineralised component with follow up drilling to properly test the down plunge component to these highly variable gold orebodies.

Table 1 below details the significant intercepts recently received from the diamond drilling component of the drilling programme. Assay results were significantly delayed due to longer than expected laboratory turn around times and transport logistics.

			MGA94_Z51S										
Hole ID	Tenement	Hole Type	Easting	Northing	RL	EOH	Dip	Azi	From (m)	To (m)	Downhole Width (m)	Grade (Au g/t)	Comments
LPRD0001	M40/22	RC/DDH	350825	6752136	432	120	-60	250	No Significant Intercepts				
LPRD0002	M40/22	RC/DDH	351007	6752051	432	231	-60	250	No Significant Intercepts				
LPRD0003	M40/22	RC/DDH	351077	6752020	432	309	-80	250	No Significant Intercepts				
LPRD0004	M40/22	RC/DDH	350934	6752053	432	180	-60	250	No Significant Intercepts				
LPRD0005	M40/22	RC/DDH	350919	6752094	432	170	-60	250	148.6	151	2.4	0.76	Including 1m @ 1.29 g/t Au from 148.6m
MCTRD0001	M40/77	RC/DDH	350668	6754107	429	102	-60	270	No Significant Intercepts				
MCTRD0002	M40/77	RC/DDH	350643	6754131	432	96.8	-60	270	No Significant Intercepts				

Table 1 – Leipold and McTavish Deposit Anomalous Drill Hole Intercepts.

Note: Duplicates and CRM analysis was not used in the calculation of the significant intercepts. A hole listed with "no significant anomalism" means that no sample run returned a value to trigger reporting.

The intercepts above were calculated based on a sample returning an assay value of greater than 0.5 g/t Au over an interval greater than 2 metre, but not including any more than 2 metres of internal material that graded less than 0.5 g/t Au. Intervals were based on geology and no top cut off was applied.

The Company regards the assay results for LPRD0001 to LPRD0005 and MCTRD0001 and MCTRD0002 are not typical of previous drilling results. However, the diamond drillholes are characteristic of the highly variable nature of these orebodies whilst also assisting in definition and confirmation of zones within the Leipold and McTavish mineralisation envelopes. Each of the seven drillholes consistently intersected the host shear structure close to the expected downhole depths as noted by the recorded presence of significant quartz zones with intense alteration, laminations and presence of sulphides indicative of the host structure elsewhere in the Leipold and McTavish (Figure 2).

These results highlight the need to keep targeting the extensive and prospective host structure whilst further defining the resources of Leipold, McTavish and Champion deposits in Metalicity's Kookynie Gold Project.

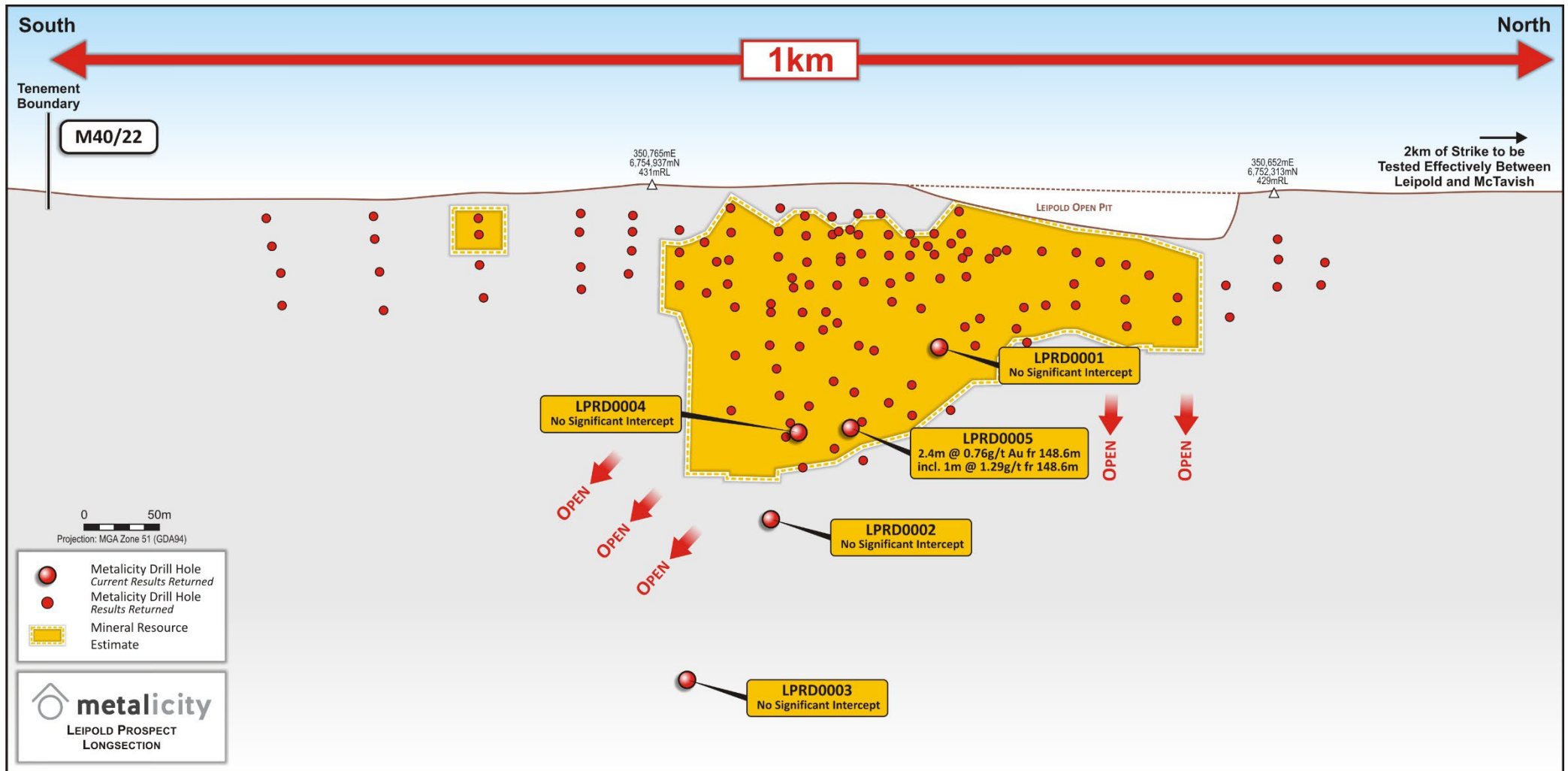


Figure 1. Leipold plane of vein long-section with Mineral Resource Estimate outline.⁸

⁸Please refer to ASX Announcement "Kookynie Maiden JORC 2012 Mineral Resource Estimate" dated 1st April 2022.

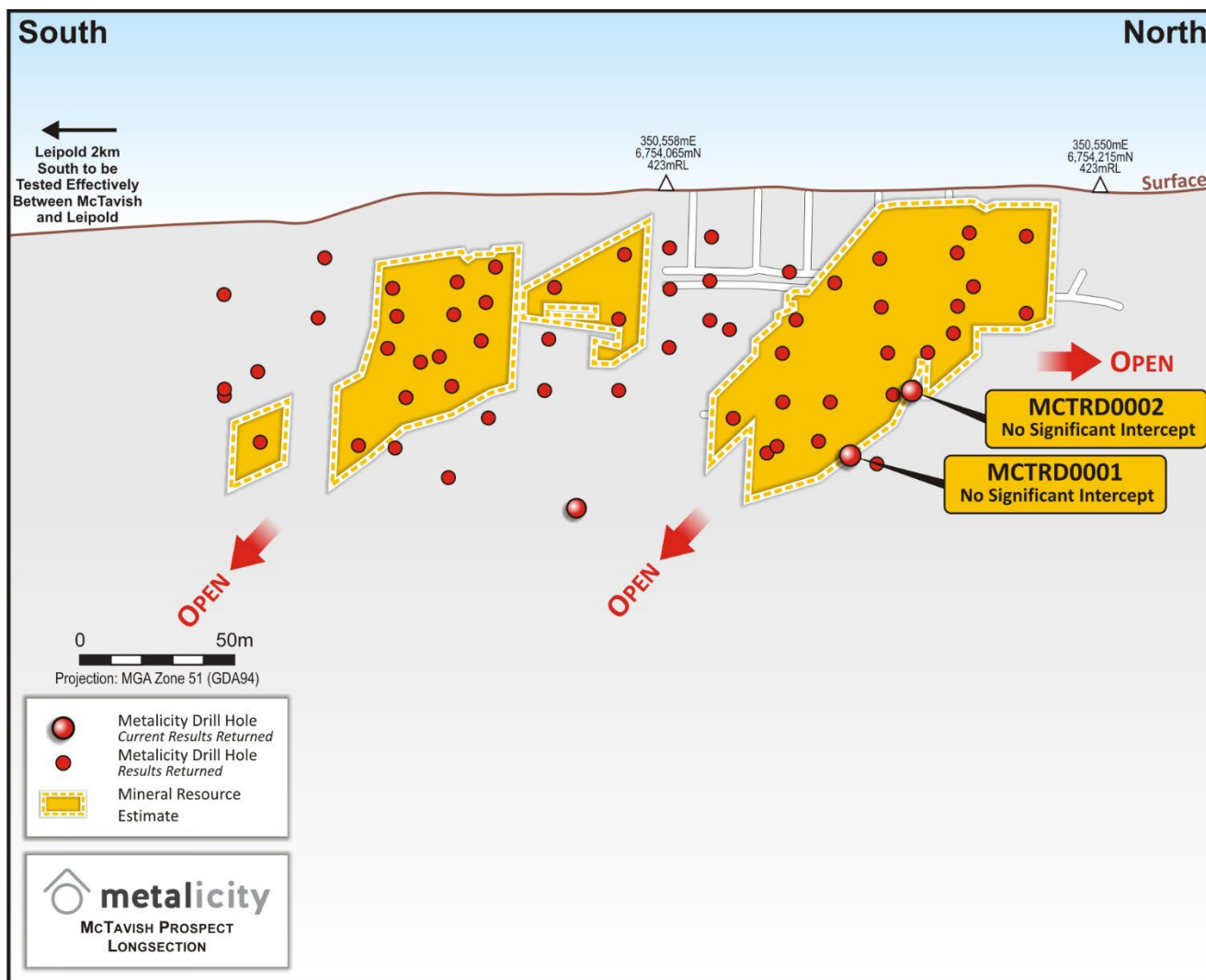


Figure 2. McTavish plane of vein long-section with Mineral Resource Estimate outline.⁹

⁹Please refer to ASX Announcement "Kookynie Maiden JORC 2012 Mineral Resource Estimate" dated 1st April 2022.



Figure 3 – Leipold Prospect Core Photos (LPRD0003).

Please refer to ASX Announcement “Second Diamond Hole at Leipold May Extend Mineralisation Down Dip a Further 100m” dated 23rd November 2021

Next Steps

Drilling will commence at the Mulga Plum and Wandin prospects imminently pending approval of the POW's which have already been submitted to the department. The Company is also working towards developing a follow up drilling programme to further test the host structure, the southerly plunging mineralisation trend and peripheral high-grade results to help further define the geometry and extents of the Leipold and McTavish orebodies.

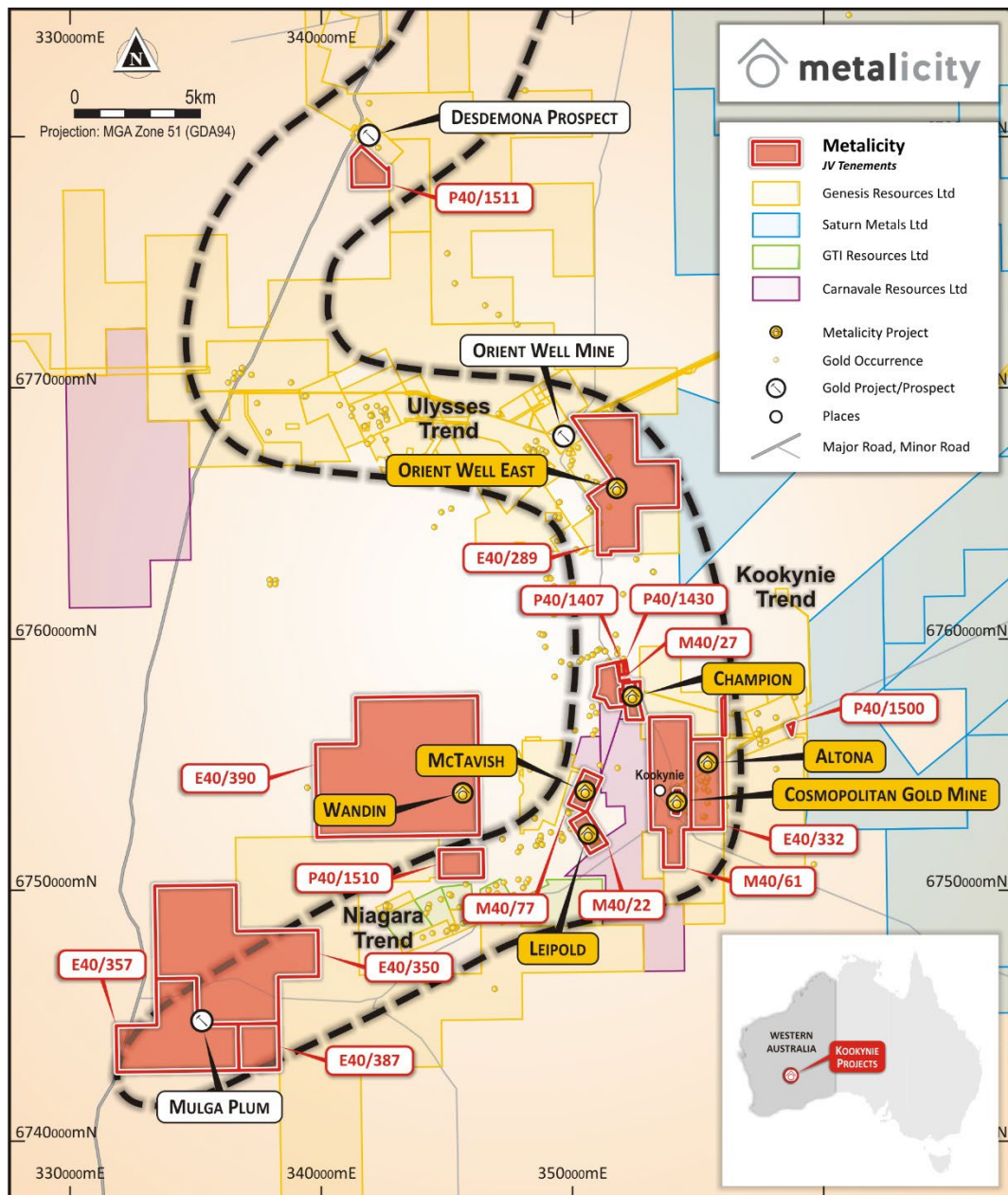


Figure 4 – Kookynie Prospect Locality Map with mineralised trends.

Kookynie Gold Project

Kookynie is located 60 kilometres south south-east from Leonora in Western Australia and is host to nine significant prospects: Champion, McTavish, Leipold, Altona, Mulga Plum, Wandin, Diamantina, Cosmopolitan and Cumberland. Diamantina, Cosmopolitan and Cumberland are known collectively as the DCC Trend, please refer to Figure 4 above.

This Announcement is approved by the Board of Metalicity Limited.

ENQUIRIES

Investors

Justin Barton

MD/CEO

+61 8 6500 0202

jbarton@metalicity.com.au

Metalicity confirms that the Company is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of “exploration results” that all material assumptions and technical parameters underpinning the “exploration results” in the relevant announcements referenced apply and have not materially changed.

Competent Person Statement

Information in this report that relates to Exploration results and targets is based on, and fairly reflects, information compiled by Mr. Stephen Guy, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Guy is an employee of Metalicity Limited. Mr. Guy 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. Guy consents to the inclusion of the data in the form and context in which it appears.

Note

This Announcement is designed to also supplement for Nex Metals Explorations as it relates to our joint venture agreement as announced “*Metalicity Achieves Earn-In On The Kookynie & Yundamindra Gold Projects*” dated 20th May 2021 with Nex Metals Explorations Ltd, ASX:NME.

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	• <i>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.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>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.</i>	• Diamond Drillcore sampling was conducted by the offsideers on the drill rig and checked at the end of each rod (6 metres) to ensure that the sample ID's matched the interval that was intended to be represented by that sample ID. No issues were seen or noted by the Competent person during the entire drilling campaign. These samples are kept onsite in a secure location available for further analysis if required. • All drillcore samples washed and checked against geological observations to ensure samples were taken from the appropriate intervals. The presence of quartz veining +- sulphide presence +- alteration was used to determine if a zone was interpreted to be mineralised. If the sample was deemed to be potentially mineralised, the samples were submitted for screen fire assay. If no mineralisation was observed, the sample was submitted for check using fire assay. • Selected samples were submitted for analysis, no compositing took place. Sampling was based on geological observations. • Diamond samples are being analysed by Intertek Genanalysis Laboratories in Kalgoorlie WA. • The quality of the sampling is industry standard and was completed with the utmost care to ensure that the material being sampled, can be traced back to the interval taken from the drill hole for diamond core. • OREAS standards of 60 gram charges of OREAS 22F (Au grade range of <1ppb Au – this is a blank), OREAS 251 (Au grade range of 0.498ppm Au to 0.510ppm Au), OREAS 219 (Au grade range of 0.753ppm Au to

		0.768ppm Au) and OREAS 229b (Au grade range of 11.86ppm Au to 12.04ppm Au) were used in alternating and sporadic patterns at a ratio of 1 QAQC sample in 20 samples submitted. The material used to make these standards was sourced from a West Australian, Eastern Goldfields orogenic gold deposits. • Diamond holes were sampled over generally 1m intervals in HQ2 with no samples greater than 1.5m and less than 0.1m.
<i>Drilling techniques</i>	• <i>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).</i>	• HQ2 core drilling is being utilised. • The core is orientated with a maximum run of 3 metres drilled in any single run. Shorter runs occur and orientation marks are planned for every 3 metres unless broken ground is encountered
<i>Drill sample recovery</i>	• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>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.</i>	• To date, the core drilling is providing exceptional recoveries (>95%). The method of core recovery will be measuring core against core blocks and noting any variances. • This will be reduced as soon as possible so discussions between technician and driller can occur to resolve any discrepancies. Post this, the driller will still be available to take questions. Measures taken to maximise recovery is that the driller will complete shorter runs if the ground deems so. Therefore maximising recovery. • No relationship was displayed between recovery and grade nor loss/gain of drillcore material.
<i>Logging</i>	• <i>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 studies.</i>	• All recovered core was geologically logged by industry standards including lithology, mineralisation, alteration and weathering. As well as to a level where it would support an appropriate Mineral Resource

	• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i>	Estimate, mining studies and metallurgical test work. • Logging was qualitative based on geological boundaries observed. •
<i>Sub-sampling techniques and sample preparation</i>	• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	• Whole core was cut by an external core cutting contractor with half core sent for assay in logged mineralised zones. • All core samples were dry. All recoveries were >90%. • Duplicates or a CRM standard were inserted every 20 samples • The available data suggests that sampling procedures provide sufficiently representative sub-samples for geological interpretation. • The Competent Person is of the opinion the sampling method is appropriate.
<i>Quality of assay data and laboratory tests</i>	• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>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.</i>	• Fire assay has been selected for core samples. The methodology employed in these analytical procedures are industry standard with appropriate checks and balances throughout their own processes. • The analytical method employed is appropriate for the style of mineralisation and target commodity present. • No geophysical tools, spectrometers, handheld XRF instruments were used. • A 1 in 20 standard or duplicate or blank was employed during this programme. QAQC analysis shows that the lab performed within the specifications of the QAQC protocols. The standards used were from OREAS and based on material sourced from within the Eastern Goldfields. Blanks were also sourced from

		OREAS as well.
<i>Verification of sampling and assaying</i>	• <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i>	• No umpire analysis has been performed. • No twinned holes have been completed. However, drill holes have been collared near previously drilled holes but on different orientations. • Logs were recorded by field geologists on hard copy sampling sheets which were entered into spreadsheets for merging into an externally managed central SQL database. • Laboratory assay files were merged directly into the database. Geologists routinely validate data when loading into the database. • No adjustment to the available assay data has been made.
<i>Location of data points</i>	• <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i>	• Drill hole collars were surveyed using a DGPS. • The diamond holes were downhole surveyed using a "Champ Gyro multi-shot down hole survey camera". • GDA94 Zone 51S was used, collars will be picked up by a qualified surveyor using a DGPS (Trimble S7). • The surveyed collar coordinates appear to be sufficient, however, better definition is required of the topography to allow for a JORC 2012 compliant estimation. • The Company has acquired drone survey topographic data to check against collar coordinates when surveyed and to generate a digital terrain model • Collar coordinates are captured in Table 1 in the announcement.
<i>Data spacing and distribution</i>	• <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i>	• The data spacing is sufficient to establish a relatively high confidence in geological and grade continuity. • No sample compositing was applied beyond the calculation of down hole significant intercepts.

	• Whether sample compositing has been applied.	
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.	• Most of the drilling has been 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.	• The chain of supply from rig to the laboratory was overseen a contract geologist under the supervision of the Competent Person. At no stage has any person or entity outside of the Competent Person, the contract geologist, the drilling contractor, the core cutting contractor and the assay laboratory came into contact with the samples. • Samples dispatched to the laboratory were delivered to the laboratory by a contract geologist, no third-party courier used.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• The competent person independently reviewed Saturn's sample quality information and database validity. • No external audit of the results, beyond the laboratory internal QAQC measures, has taken place.

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	• The drilling occurred on the Leipold deposit on M40/22 and the McTavish deposit on M40/77. Metalicity holds 51% with NME holding 49% with Metalicity having achieved the milestone earn in. Please refer to announcement "Metalicity Achieves Earn-In On The Kookynie & Yundamindra Gold

	<i>any known impediments to obtaining a licence to operate in the area.</i>	Projects” dated 20th May 2021. • No impediments exist to obtaining a license to operate over the listed tenure at the time of reporting.
<i>Exploration done by other parties</i>	• <i>Acknowledgment and appraisal of exploration by other parties.</i>	• Metalicity Ltd has completed a review of historical data and made numerous corrections to previously supplied data from the JV partner at the beginning of the Farm In. • The Kookynie Area been subjected to many phases of Exploration commencing with the discovery of gold in 1897 at the Cosmopolitan Gold Mine. Extensive work by Western Mining Corporation between 1934 to 1937 with Aerial Geological and Geophysical Survey of Northern Australia (AGGNSA) between 1937 to 1940. Then with WMC at 1966 and 1986, ASARCO between 1974 to 1975, Square Gold and Minerals in 1981, CRA between 1982 and 1983, and Money Mining in 1992. Between 1993 and 2008, FMR and since 2008 it has been held between A&C Mining and Nex Metals Explorations. • 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.
<i>Geology</i>	• <i>Deposit type, geological setting and style of mineralisation.</i>	• 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.
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	• All discussion points are captured within the announcement above.

	<i>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.</i>	
<i>Data aggregation methods</i>	• <i>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.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	• All intercepts have been calculated using the weighted average method but are based on 1 metre samples from diamond drilling. Specific intervals within an interval have been described as part of the overall intercept statement. • Intercepts were calculated based on a sample returning an assay value of greater than 0.5 g/t Au over an interval greater than 2 metre, but not including any more than 2 metre of internal material that graded less than 0.5 g/t Au. • Intervals were based on geology and no top cut off was applied. • No metal equivalents are discussed or reported.
<i>Relationship between mineralisation widths and intercept lengths</i>	• <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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').</i>	• Given the shallow dipping nature (approximately -45° on average) of the mineralisation observed at Kookynie, the nominal drilling inclination of -60° lends to close to truth width intercepts. However, LPRD0003 was drilled at a steeper angle of -80° to intercept the host structure at depth and for collar positioning within tenement boundaries. • However, cross cutting structures within the hanging wall and footwall are noted and may influence the results.
<i>Diagrams</i>	• <i>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.</i>	• Please see main body of the announcement for the relevant figures.
<i>Balanced reporting</i>	• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative</i>	• All results have been presented.

	<i>reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	
<i>Other substantive exploration data</i>	• <i>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.</i>	• 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 both JORC 2012 and pre-JORC 2012. Considerable work around bulk density, QAQC, down hole surveys and metallurgy, coupled was completed ensure compliance with JORC 2012 guidelines.
<i>Further work</i>	• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	• 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.