

21 May 2020

Zeolite Mineral Processing Technology progresses to next stage of Intellectual Property Protection

Metalsearch Limited (ASX: MSE, “Metalsearch” or “the Company”) recently announced it had secured an exclusive global licensing agreement from The University of Queensland’s technology transfer company UniQuest (UQ), for the manufacturing (synthesising) of zeolites.¹

As the technology presents strong global application potential and the Company’s recent progression towards end user marketing, UniQuest has decided to proceed with the first phase of international patent protection.

MSE is pleased to announce that UniQuest has filed under the Patent Cooperation Treaty (“PCT”) to protect and commercialise the intellectual property associated with mineral processing technology for the manufacturing (synthesising) of zeolites (“IP”).

The Patent Cooperation Treaty enables UniQuest to seek patent protection internationally for the novel mineral processing technology that has been licensed to the Company. By filing PCT, an applicant can subsequently seek patent protection in over 150 countries.²

MSE has requested UniQuest to undertake additional protection outside PCT jurisdictions and UniQuest is in the process of also filing a patent application in Taiwan.

UQ has developed a novel approach to the production of synthetic zeolites - manufactured minerals which are widely used in detergent and wastewater treatment applications. The 2019 global synthetic zeolite market was estimated at USD \$5.64 billion³.

MSE’s ongoing research and development agreement with UQ’s School of Chemical Engineering provides resources to accelerate technical delivery, and the Company looks forward to updating shareholders on the future commercialisation strategy and developments.

This Announcement has been approved by the Board.

- End -

¹ ASX announcement 07/04/20 “Exclusive Licence Agreement to Produce Synthetic Zeolite”

² https://www.wipo.int/pct/en/pct_contracting_states.html

³ Verified Market Research Report “Global Synthetic Zeolite Market Size & Forecast to 2026”

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About Metalsearch

Our objective is to become an Australian industrial mineral and compound producer and we remain focused on the development of our Queensland based Abercorn Project, acquired in August 2019. Abercorn is a large-scale kaolin prospect, which has the potential to underpin the production of kaolin mineral product for global markets and industrial compounds manufactured by using our novel and proprietary mineral processing technologies.

The Company is working with the University of Queensland School of Chemical Engineering to develop and commercialise proprietary synthetic zeolite mineral processing technology that revolves around kaolin (clay-based) feeds. The technology has the potential to fast track development of the Abercorn Project, with a low capital cost to reach commercial production, utilising the company's existing kaolin feedstock.

It also provides potential opportunities to monetise broader application of the technology outside the company by offering a significantly lower cost method of manufacturing zeolites compared to conventional processes.

About the Abercorn Project

Abercorn's kaolin mineralisation has the potential for the extraction of marketable volumes of higher-grade Al_2O_3 feedstock. The Abercorn project was originally drilled with 24 holes in 2007. This drilling has now been extended, with the 2019 drilling of an extra 62 holes, comprising 2,358m. The total number of holes drilled into the project is now 86 for a total of 3,172m.

- 86 RC holes drilled - Kaolinite intersected in every hole
- Large scale mineralised system from surface
- Resource remains open in all directions
- High Grade Al_2O_3 assay results include 33.71% Al_2O_3 ¹
- Low cost operation - straight forward open cut mining
- Little to no overburden
- Low impurities

- Main sealed highway adjacent to the deposit
- Mains power on site / major power transmission line within 5km of site
- Large water supply nearby and within EPM
- Close to two deep water ports

The Abercorn Project is situated approximately 135km south of the deep-water port of Gladstone and 125km west of the deep-water port of Bundaberg in central Queensland. Both major ports are connected to the Abercorn Project by sealed roads. The Burnett highway bisects the tenements.

¹See Metalsearch Limited ASX Announcement 13 August 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement