



ASX ANNOUNCEMENT

Metaliko Resources Limited to acquire the Bronzewing Gold Project – Western Australia 7 January 2014

The Board of Metaliko Resources Ltd (ASX: MKO) is pleased to advise that it has reached agreement with the Administrator of Navigator Resources Ltd (ASX: NAV) to acquire all of the securities of Navigator Bronzewing Pty Ltd, the wholly owned subsidiary of NAV which owns the Bronzewing Gold Project in the south Yandal gold belt of WA. The acquisition includes the 2MTPA milling/CIP facility and associated infrastructure, Project Tenements and contained gold resources.

The Bronzewing Gold Project operated up until April 2013 when it was placed in Administration. Under the Share Sale Agreement, Metaliko will effectively acquire 100% interest in the Bronzewing Gold Project by payment of the sum of \$4.82 million in cash. The Company will also be required to arrange the release to the Administrator of \$7.08 million of bank deposits previously lodged by the parent company (NAV) to cover DMP environmental bonds.

Metaliko proposes to cover future environmental obligations in respect of the Project by payment of the annual rehabilitation levy as required under the recently legislated Mining Rehabilitation Fund in Western Australia.

The transaction is conditional upon Metaliko being able to arrange funding to complete the purchase within the Agreement time frame. It is likely that the Company will undertake a Rights Issue shortly to raise funds of approximately \$6.9 million required for the purchase and working capital.

The acquisition is also subject to MKO shareholder approval. A Notice of Meeting is currently being prepared to provide shareholders with further background information, the transaction terms, timing and effect on the Company's structure etc. Completion date is 28th February 2014 for payment of the \$4.82 million or such other date as the parties may agree. This date is conditional upon Deeds of Company Arrangement being completed by that time to the satisfaction of the Administrator, Creditors and Metaliko.

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Arrangement of the release or replacement of the environmental bonds is required by 31 July 2014.

Subject to successful completion of the transaction, MKO intends to proceed immediately with drilling of the many prospective gold targets within the project tenements some of which were outlined over ten years ago. The Company aims to establish gold resources of sufficient grade for economical mining at current gold prices and recommence mining as soon as practicable.

MICHAEL RUANE
Director
on behalf of the Board

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