Metalicity Limited (“Metalicity” or “the Company”) is pleased to announce that it has commenced an accelerated $1m lithium exploration program across four project areas in Western Australia.

The key focus of the initial phase of this program is the systematic sampling and mapping of the central outcropping pegmatites at Stannum which forms part of the Pilgangoora South project (Figure 1 and 2). This work is set to generate drill targets for a maiden drilling program planned to commence at Stannum as soon as licences are granted and requisite approvals for drilling have been obtained.

The initial work program at Stannum will build on first pass field work completed recently. It will seek to determine the potential for outcropping pegmatites to be connected under cover and whether these pegmatites form one continuous strike extent with portions partially buried under shallow cover. A combination of field mapping, soil sampling and correlation with existing airborne geophysics and hyperspectral data are set to generate the first set of specific drill targets.

Reprocessing of ‘HyMap’ hyperspectral data for Stannum has indicated that, within distinct mineral zoning, areas of possible spodumene mineralisation correlate well with pegmatites identified through aerial photo interpretation and mapping (Figure 3). These areas extend over a strike length of approximately 1.5 kilometres and a width of approximately 0.5 kilometres, within an overall target strike extent of 5.5 kilometres. These dimensions are quite comparable to the strike length and width of the Pilgangoora central and eastern pegmatites, which comprise the majority of the Pilgangoora deposit (Pilbara Minerals) located to the north east.

Metalicity Managing Director, Matt Gauci, commented “The next comprehensive phase of lithium exploration work has begun for Metalicity. We are excited by the potential endowment of our Pilbara and Greenbushes Regional projects, and Stannum in particular, where a maiden drilling program will commence as soon as practical across a target strike extent of 5.5 kilometres and where interpreted spodumene mineralisation correlates well with outcropping pegmatites.”
Metalicity has now acquired seven projects in the Pilbara region covering a total area of 859km². These are located in well-established and highly endowed existing lithium-tantalum districts including Pilgangoora and Wodgina.

Figure 1: Metalicity Pilgangoora/Wodgina lithium projects
The Pilgangoora South project comprises three exploration licence applications (Figure 1). Stannum (E45/4677) is located adjacent to the Wodgina operations of Global Advanced Metals (GAM), where one of the world’s largest hard rock tantalum resources is located. Turner River North and South (E45/4675 and E45/4676) have a northern boundary approximately 5 kilometres south-west of the Pilgangoora lithium deposits (Pilbara Minerals and Altura Mining), where the world’s second largest deposit of spodumene (hard rock lithium) has recently been defined.

Stannum is located within the Wodgina greenstone belt, which hosts rare metal pegmatite deposits across numerous zones. Compilation of available data has identified several targets where outcropping pegmatites have been identified from existing geological mapping datasets, aerial imagery analysis and limited previous surface sampling that was not analysed for lithium. A significant target strike of prospective rocks across approximately five kilometres has been identified (Figure 2).

Figure 2: Stannum – geology highlighting outcropping pegmatites and potential extensions

Source: Metalicity – GSWA 1:100,000 geology
First pass field work at Stannum included geological mapping and sampling of the pegmatites in the southern zone. It confirmed the presence of lithium bearing rare metal pegmatites with Li₂O results up to 2.45% and Ta₂O₅ results up to 200 ppm, while the lithium minerals observed in the field included spodumene.

In addition, reprocessing of ‘HyMap’ hyperspectral data for Stannum was undertaken. The original processing of the data was to identify pegmatites, which have been confirmed. However this processing did not discriminate between spodumene and other minerals present within the pegmatites. The reprocessing of this data at Stannum now indicates distinct mineral zoning within the pegmatites with the clear potential that spodumene may be one of these minerals (Figure 3).

Figure 3: Stannum – hyperspectral data (red) highlighting potential spodumene mineralisation

Importantly, areas of possible spodumene mineralisation correlate well with pegmatites identified through aerial photo interpretation and mapping. These areas extend over a strike length of approximately 1.5 kilometres and a width of approximately 0.5 kilometres, within an overall target strike extent of approximately 5 kilometres. These dimensions are quite comparable to the strike length and width of the Pilgangoora central and eastern pegmatites, which comprise the majority of the Pilgangoora deposit (Pilbara Minerals) located to the north east.

The next phase of mapping and sampling will focus on the central pegmatites. This work will determine the potential for outcropping pegmatites to be connected under cover and whether these pegmatites form one continuous strike extent with portions partially buried under shallow cover. A combination of field mapping, soil sampling and correlation with existing airborne geophysics and hyperspectral data to generate drill targets.
Other Pilbara projects where no systematic exploration for lithium-tantalum has previously been undertaken include Pilgangoora East (E45/4688), East Strelley (E45/4695), Nanutarra East (E08/2820) and Mundine Well (E45/4698). Mapping and sampling is underway at these projects.

Figure 4: Stannum – outcropping pegmatites where Li2O 2.45% assayed and spodumene reported
The Greenbushes Regional project (E70/4809, E70/4816 and E70/4817) covers an area of 870km$^2$ and all tenements are located within 35 kilometres of the Greenbushes lithium operation (owned by Talison Lithium). The Greenbushes deposit is the world’s largest and highest grade deposit of spodumene and is currently being mined, processed and exported via the port of Bunbury, supplying 30% of the world lithium market.

The Company’s application areas cover similar regional geological settings to the Greenbushes deposit including South West Terrain Greenstones and the Bridgetown Fault, while recent first pass field work included geological mapping, rock chip sampling and identifying outcropping pegmatites.

This work saw samples collected from numerous sets of pegmatoidal veins and greisens. These samples have been assayed to determine the lithium fertility and assist in vectoring towards spodumene-rich pegmatites. This sampling exercise is considered an orientation survey to understand potential mineral zonation within outcropping granites and pegmatites.

The next phase of work will involve follow up soil sampling following the results of the program just completed. Airborne geophysics will assist in defining areas for further exploration.

**Figure 5: Greenbushes Regional – highlighting similar geological setting to Greenbushes**
**MURCHISON LITHIUM PROJECT (100% METALICITY)**

The Murchison project comprises two exploration licence applications (E59/2170 and E59/2171) covering an area of 251km$^2$. The project is located to the south and west of the Johnsen Well pegmatites, known to contain lithium bearing minerals, and covers a similar geological setting to these occurrences.

**GOLDFIELDS LITHIUM PROJECT (100% METALICITY)**

The Goldfields project comprises two exploration licence applications (E15/1502 and E15/1503) covering an area of 410km$^2$. The project is located approximately 5 kilometres south of the Bald Hill tantalum mine, operated by Alliance Mineral Assets Limited. The pegmatites in the Alliance project area are known to contain spodumene.
Competent Person Statement

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the ‘JORC Code’) sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The Information contained in this announcement has been presented in accordance with the JORC Code and references to “Measured, Indicated and Inferred Resources” are to those terms as defined in the JORC Code.

The information in this report that relates to Geology and Exploration Results is based, and fairly reflects, information compiled by Mr Michael Hannington, who is a Member of the Australian Institute of Geoscientists. Mr Hannington is a fulltime employee of Metalicity. Mr Hannington has sufficient experience which 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 in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Hannington consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

All parties have consented to the inclusion of their work for the purposes of this announcement. The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty. Any economic decisions which might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risks.
Appendix: Metalicity Western Australian lithium projects

Source: Metalicity