

ASX RELEASE: 7 September 2021

Metalicity to Recommence Drilling at MacTavish to follow up Bonanza Gold Intersections

HIGHLIGHTS

- Following the completion of a successful \$3m capital raising in June arrangements are being finalised for RC Drilling to recommence at the MacTavish Prospect, by end of the week, to follow up on the previously reported Bonanza Gold Intersections including¹:
 - McTRC0049 – 5 metres @ 25.9 g/t from 28 metres incl:
 - 3 metres @ 41.5 g/t from 30 metres,
 - 1 metre @ 91.2g/t Au from 30 metres;
 - McTRC0064 – 6 metres @ 20.6 g/t from 19 metres incl
 - 4 metres @ 29.1 g/t from 20 metres;
 - McTRC0044 – 3 metres @ 19.1 g/t from 88 metres incl:
 - 1 metre @ 52.8 g/t from 89 metres;
- Drilling will also test the 2km of strike between the McTavish and Leipold Trends at the Kookynie Gold Project, for which both the McTavish and Leipold prospects remain open along strike and at depth².
- The programme is initially planned to incorporate 19 drill holes for a combined circa 2,100 metres of RC and diamond core but may be extended depending on results.
- The Company is close to finalising, it's Maiden JORC 2012 Mineral Resource Estimate for the Leipold, McTavish and Champion Prospects, which are all situated on mining leases.

Following the completion of a successful \$3m capital raising in June, Metalicity Limited (ASX: MCT) (“MCT” or “Company”) is pleased to announce that the Company will recommence drilling at the McTavish, Leipold and Champion prospects at the Kookynie Gold Project (**Kookynie**), located approximately 50km south of the WA Goldfields town of Leonora.

The Company recently released the results of an extensive drilling programme at Kookynie in July this year which returned some bonanza high-grade intersections at the McTavish Prospect. The McTavish prospect remains open to the south and at depth (Figure 2). The follow up programme of reverse circulation (RC) drilling is to commence shortly to follow up the bonanza gold intersections at McTavish as well as testing the 2km of untested strike between MacTavish and Leipold which remains open having never been effectively drilled.

⁽¹⁾ Please refer to ASX Announcement dated 8 July 2021 titled “McTavish Delivers Bonanza Grade Gold Results up to 91.2 g/t Au”

⁽²⁾ Please refer to ASX Announcement dated 2 July 2021 titled “Strong Gold Assays Extend Leipold Mineralisation to 1km”

Proposed Drilling Programme

Kookynie is located 60 kilometres south south-east from Leonora, 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 1.

This drilling programme will focus on the MacTavish Prospect and the untested 2km of strike between McTavish and Leipold, with initially 19 holes for 2,100 metres proposed to be drilled. This may be extended depending on results.

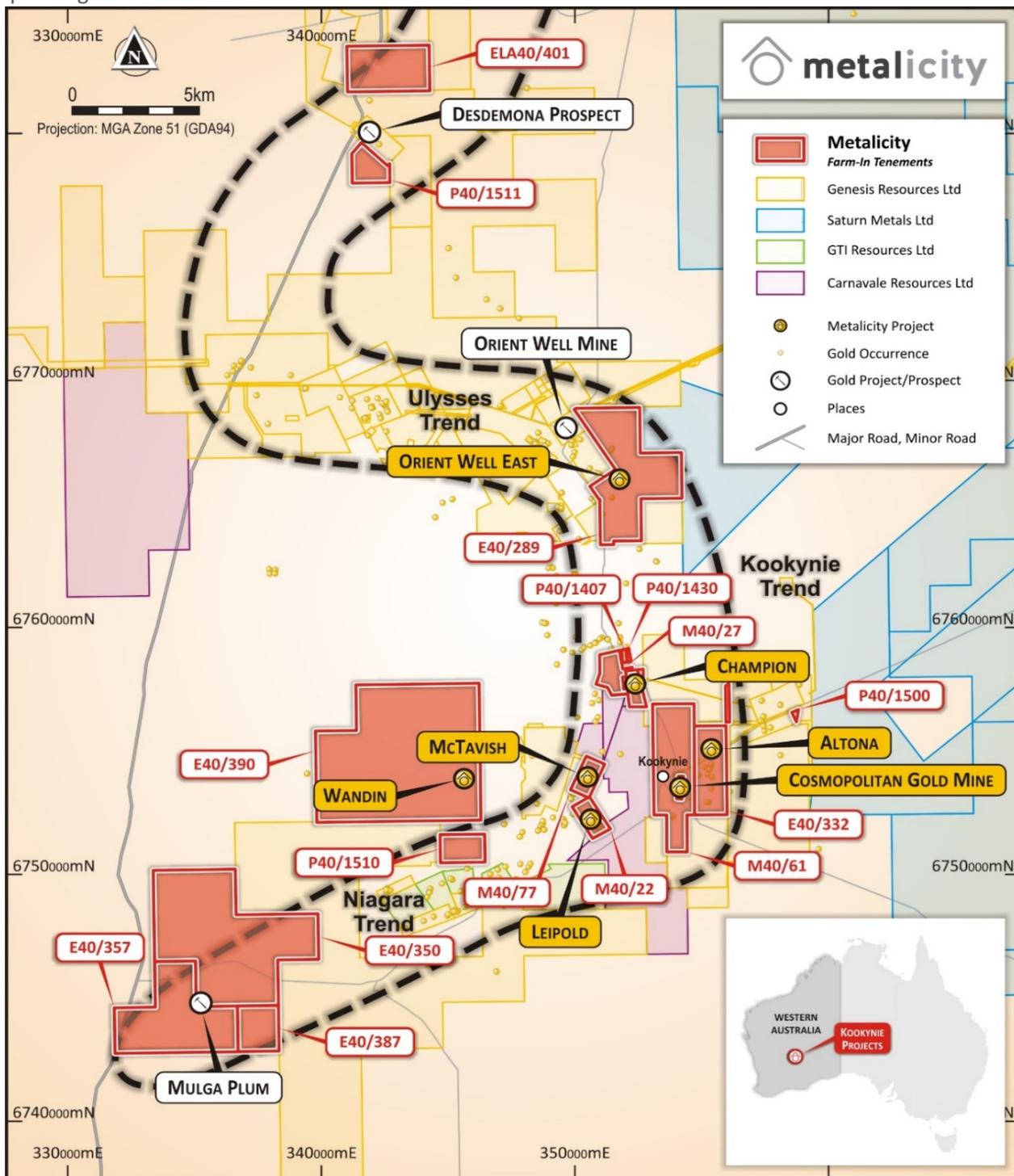


Figure 1 – Kookynie Prospect Locality Map with mineralised trends.

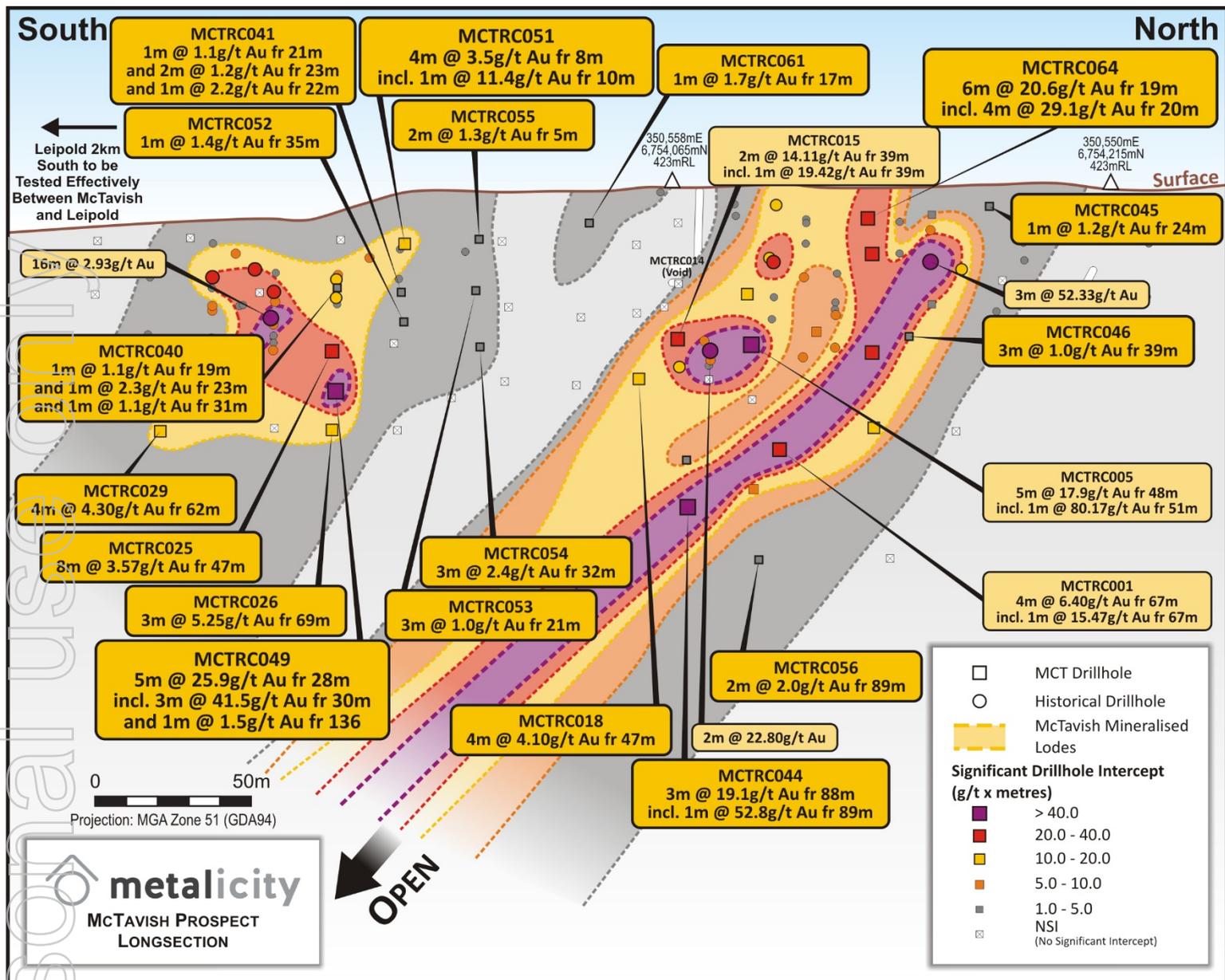


Figure 2 – McTavish Plane of Vein Section with recent drilling*.

For Figure Two Drilling Results; *Please refer to ASX Announcements: Metalicity Continues to Deliver Impressive Drill Hole Results for the Kookynie Gold Project, dated 22nd December 2020, Metalicity Continues to Deliver Fantastic Drill Hole Results for the Kookynie Gold Project dated 1st October 2020, Metalicity Reports Drill Hole Intercepts Up to 100 g/t Au for the Kookynie Gold Project dated 15th September 2020, Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project dated 25th August 2020, Metalicity Delivers More Outstanding Drill Hole Results for the Kookynie Gold Project. Phase Two Drilling to Commence Imminently dated 10th July 2020, Metalicity Continues to Deliver Excellent Drill Hole Results for the Kookynie Gold Project dated 2nd July 2020, Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project dated 25th June 2020 & Metalicity Reports Drill Hole Intercepts Up To 80 g/t Au & Additional Tenement Acquisition for Kookynie dated 21st January 2020.

*Please refer to ASX Announcement dated 21 January 2020 titled "Metalicity Reports Drill Hole Intercepts Up To 80 g/t Au & Additional Tenement Acquisition for Kookynie"

As detailed in Figure 2 above, McTavish remains open to the south, towards Leipold (Figure 3) and at depth.

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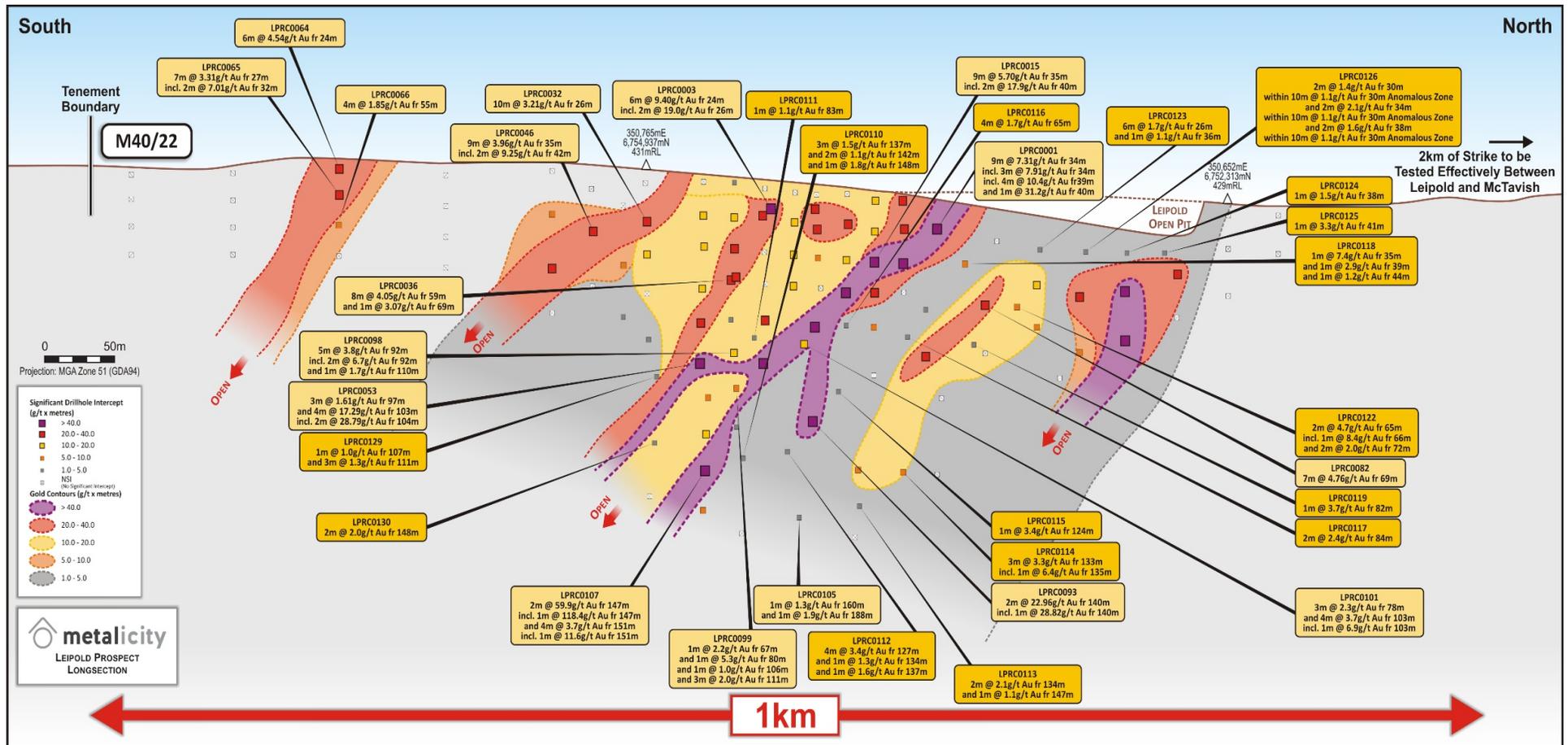


Figure 2 – Leipold Plane of Vein Section with recent drilling*.

For Figure Two Drilling Results; *Please refer to ASX Announcements: Metalicity Continues to Deliver Impressive Drill Hole Results for the Kookynie Gold Project, dated 22nd December 2020, Metalicity Continues to Deliver Fantastic Drill Hole Results for the Kookynie Gold Project dated 1st October 2020, Metalicity Reports Drill Hole Intercepts Up to 100 g/t Au for the Kookynie Gold Project dated 15th September 2020, Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project dated 25th August 2020, Metalicity Delivers More Outstanding Drill Hole Results for the Kookynie Gold Project. Phase Two Drilling to Commence Imminently dated 10th July 2020, Metalicity Continues to Deliver Excellent Drill Hole Results for the Kookynie Gold Project dated 2nd July 2020, Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project dated 25th June 2020 & Metalicity Reports Drill Hole Intercepts Up To 80 g/t Au & Additional Tenement Acquisition for Kookynie dated 21st January 2020.

Commenting on the commencement of drilling, Metalicity CEO Justin Barton said:

"I am very pleased to be announcing that we are re-commencing drilling at the Kookynie Gold Project. To be able to follow up on the spectacular results we achieved at McTavish and Leipold and testing the 2km of strike between the two prospects is very exciting. We look forward to keeping our shareholders updated as we progress this project".

ENQUIRIES

Justin Barton
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. Jason Livingstone, a Competent Person who is a Member of the Australian Institute of Geoscientists. 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.

Note

This Announcement is designed to also supplement for Nex Metals Exploration as it relates to our farm-in agreement as announced on the 6th May 2019 titled "*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*" & ASX Announcement dated 20th May 2021 titled "*Metalicity Achieves Earn-In On The Kookynie & Yundamindra Gold Projects*".

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.