

ASX RELEASE: 22nd April 2022

Further Expansion of the Current Drilling Program to Test Wandin Highly Prospective Significant Structural Similarities Identified

HIGHLIGHTS

- A detailed review of previous drilling results and high-resolution aeromagnetic surveys has identified significant structures that control gold mineralisation on the Wandin tenement, including:
 - Brittle faulting interpreted to dislocate and offset stratigraphy analogous to the prolific Niagara Gold Mining Centre.
 - Brittle fault and shear structures known to host gold mineralisation have been confidently extrapolated into the Wandin tenement.
- The current drilling program will now be further expanded to include this largely underexplored tenure, including testing highly anomalous targets analogous to those that host the highly prospective Niagara Gold Mining Centre located 5km south.
- The Wandin Prospect has received minimal exploration in the past 15 years despite mapped lithologies analogous to the Niagara Mining Centre.
- The drill rig will move to Wandin after completion of the first part of the expanded program at Mulga Plum.

Metalicity Limited (ASX: MCT) (“MCT” or “the Company”) is pleased to announce that the Company will expand the current Air Core and RC drilling program at the Kookynie Gold Project¹ (Kookynie), located approximately 50km south of the WA Goldfields town of Leonora, to include the largely under explored Wandin² tenure following identification of significant structural trends similar to that seen at the Niagara Mining Centre.

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. As reported on 20 May 2021, Metalicity now has a 51% and controlling interest in both the Kookynie & Yundamindra Gold projects.

²Please refer to ASX Announcement “December 2019 Quarterly Activities Report” dated 31 January 2020.

Commenting on the expanded drilling program, Metalicity Managing Director, Justin Barton said:

“We are really excited by this recent analysis that shows that there are significant structural trends at our Wandin tenure that are similar to those seen at the Niagara Mining Centre which has a strike length of over 5 kilometres and produced significant amounts of gold from historical extraction. We will now expand our drilling program to test these highly prospective targets at Wandin. Our team at Metalicity continue to look for opportunities to create and accelerate shareholder value and this is further reinforced as we look to expand the prospective size of our gold footprint at Kookynie .”

Exploration Targets and Activities

Metalicity plans to strategically explore this large tenement holding with the aim of discovering more gold mineralisation targets and possibly a new mineralised gold centre, approximately five kilometres to the south, in the extremely active Kookynie area. The Niagara Mining Centre has a general strike length over five kilometres with significant gold endowment from historical extraction and has current in ground un-exploited resources making the prospects of the potential in the Wandin tenure very exciting.

A high-resolution aeromagnetic survey conducted over the Wandin tenement area of E40/390 combined with detailed structural interpretation as well as a significant review of historic drilling and geological reports generated several exciting new exploration targets. Targets have been generated where host structures and areas of associated mineralisation can be confidently extrapolated with the aim of investigating these exciting targets as effectively and thoroughly as we possibly can (See Figure 1).

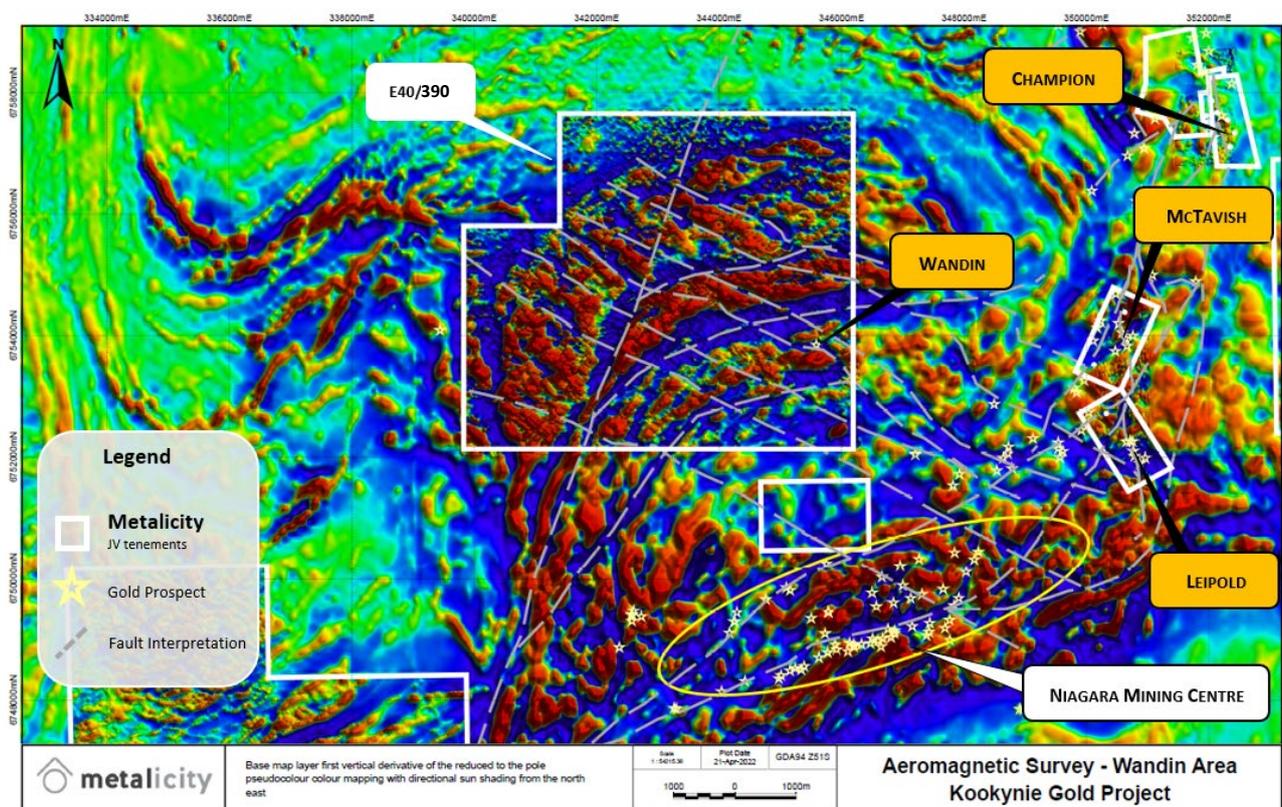


Figure 1. Wandin Geophysics and analogous zones.

The expanded drilling program will test for structurally controlled, near surface mineralisation anomalies within regolith or weathered rock profiles and below quaternary alluvium associated with recent drainages and areas of laterite on the Wandin tenure. Furthermore, the stratigraphy, structural geology and intrusive history of the complex has had virtually no exploration compiled on the area historically. Magnetic, differentiated dolerites are a common host rock for gold mineralisation as seen in much of the Eastern Goldfields. Additionally, there is some association between higher grades and better vein development within the more magnetic parts of dolerites (i.e. magnetic highs), as well as the development of veins and associated magnetite destruction (i.e. magnetic lows) which appear to be present on the Wandin Tenure (Figure 2). The historic Wandin prospect supports the theory that the package of rock holds the potential for gold mineralisation yet remains under-explored at depth below the weathering profile and extremely little exposure of bedrock at the surface (Figure 2).

Many gold deposits within the Niagara Mining Centre, as well as the greater Kookynie project area, are strongly associated with brittle structures as faults or shears, whose orientation varies across the district. Many of the structures are visible in the magnetic data and appear to extend from known mineralized areas such as Niagara and Metalicity's deposits of Leipold and McTavish (See Figure 2). Kinks or offsets related to cross cutting features are an important control on potential ore shoot locations and orientations as well as exploration target generation.

Wandin is one of the nine significant prospects that forms the Kookynie Gold Project (Refer Figure 2 below).

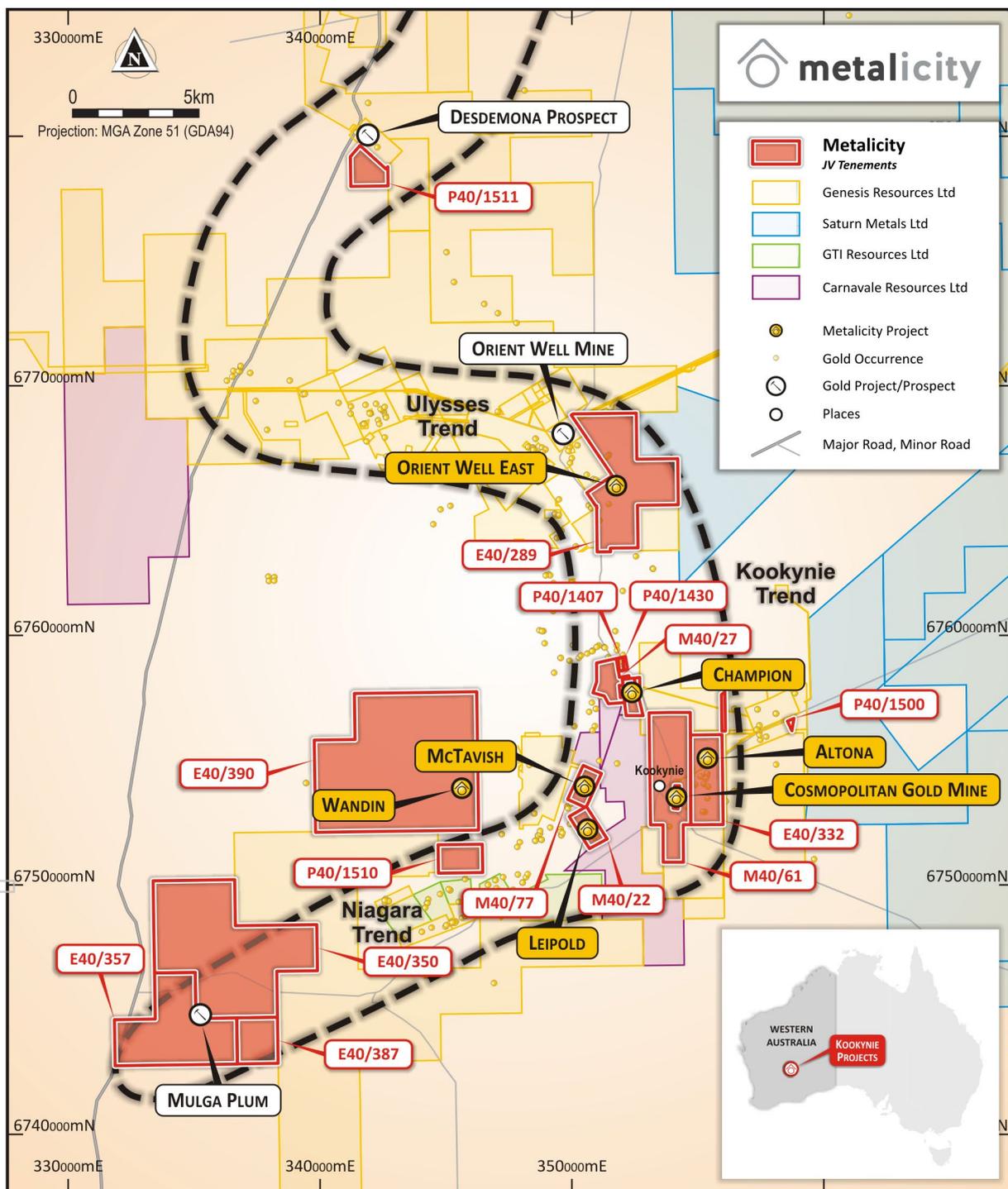


Figure 2 – Kookynie Prospect Locality Map with mineralised trends.

This Announcement is approved by the Board of Metalicity Limited.

ENQUIRIES

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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.

Cautionary Statement Relating to the Niagara area Historical Production Data

The Production details for the Niagara area are referenced from publicly available data sources. The source and date of the production data reported has been reported in the Geological Survey of Western Australia records showing the development of the Niagara area. DMIRS digital records include open file Annual Reports and data pertaining to the exploration and development efforts of previous operators. The historical production data have not been reported in accordance with the JORC Code 2012. A Competent Person has not done sufficient work to disclose the historical production data in accordance with the JORC Code 2012. It is possible that following further evaluation and/or exploration work that the confidence in the prior reported production data may be reduced when reported under the JORC Code 2012. Nothing has come to the attention of the operator that causes it to question the accuracy or reliability of the historical production data.

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.