

ASX RELEASE: 20 May 2021

Metalicity Achieves Earn-In On The Kookynie & Yundamindra Gold Projects

HIGHLIGHTS

- Metalicity has notified Nex Metals that the earn-in component of the Farm-In Agreement has been met¹.
- Metalicity now has a 51% and controlling interest in both the Kookynie & Yundamindra Gold projects hosting several priority prospects that the Company has been actively exploring:
 - Kookynie Gold Project:
 - The Cosmopolitan Gold Mine which has historically produced circa 360,000 ounces² between 1895 and 1922,
 - The Altona Gold Mine Centre that produced 88,700 ounces between 1900 to 1965 at an average head grade of 30 g/t Au (circa 1.5kms east from the Cosmopolitan Gold mine)²,
 - The Leipold Prospect currently defined over circa 800 metres of strike and that has returned multiple significant drill hole intercepts > 20 g/t Au³,
 - The McTavish Prospect currently defined over 300 metres of strike with a best intersection McTRC0005 – 5 metres @ 17.9 g/t Au from 48 metres (inc. 1 metre @ 80.17 g/t Au from 51 metres)⁴,
 - Along with several other prospects such as Wandin, Mulga Plum, Champion and Orient Well East, all considered to be highly prospective.
 - Yundamindra Gold Project⁵:
 - The Yundamindra Gold Project hosts high grade historical production of 74kt @ 19.3 g/t Au for 45,000 ounces. Significant intercepts from the Prospects within the Project include:
 - Bound to Rise - 2m @ 7.21 g/t Au from 30 m in HC007,
 - Pennyweight Point - 8m @ 56.36 g/t Au from 44 m in PV095,
 - Golden Treasure North - 1m @ 48.1 g/t Au from 12 m in TDN18,
 - Queen of the May - 2m @ 39.49 g/t Au from 31 m in QMN5, &
 - Landed at Last - 2m @ 23.29 g/t Au from 30 m in LN11.
- With a significant amount of shallow drilling conducted over the last 4 months, Metalicity is undertaking an initial maiden JORC Resource estimation for the Leipold, McTavish and Champion Prospects, which are all situated on mining leases.

Metalicity Limited (ASX: MCT) (“MCT” or “Company”) is pleased to announce that notification of “earn-in” has been communicated to Nex Metals Explorations Limited (ASX:NME) (“Nex Metals”).

¹ & ⁵Please refer to ASX Announcement “Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA” dated 6 May 2019.

²Cautionary Statement Relating to Yundamindra, Cosmopolitan and Altona Historical Production Data

The Production details for the Yundamindra, Cosmopolitan Mine and Altona are referenced from publicly available data sources. The source and date of the production data for Altona has been referenced in the body of this announcement; and for the Cosmopolitan Gold Mine and

Yundamindra has been reported in the Geological Survey of Western Australia records showing the development of the Cosmopolitan Gold Mine in 1905. DMIRS digital records include open file Annual Reports and data pertaining to the exploration and development efforts of previous operators. Two documents with WAMEX reference numbers A069774 and A067918 are of particular interest. The previous operator in the early 2000's, Point Exploration Ltd, digitised these historical maps, including the channel sampling. 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; An assessment of the additional exploration or evaluation work that is required to report the data in accordance with JORC Code 2012 will be undertaken as part of the Company's development plan.

³Please refer to ASX Announcement "Metalicity Continues to Deliver Impressive Drill Hole Results for the Kookynie Gold Project" dated 22 October 2020.

⁴Please refer to ASX Announcement "Metalicity Reports Drill Hole Intercepts Up To 80 g/t Au & Additional Tenement Acquisition for Kookynie" dated 21 January 2020.

Commenting on achieving the earn-in, Metalicity Managing Director, Jason Livingstone said:

"This is an incredible achievement and only possible through the backing of our shareholder base. We had 5 years to complete this task, but we effectively completed the earn in within two. We are strong believers that the Kookynie Gold Project has the best tenure of the region with an emerging and historically prolific goldfield.

I would like to extend our gratitude towards Nex Metals for being a fantastic farm-in partner and look forward to progressing the Kookynie Gold Project expeditiously.

However, the task at hand continues. We have a back log of assays due and peripheral work to continue to highlight the potential of both of the gold projects."

The Farm-In Agreement converting to a Joint Venture

As announced on the 6th of May 2019, Metalicity entered into a farm-in agreement with Nex Metals to earn 51% of the Project by spending \$5 million over 5 years. This has been achieved well in advance of the stated 5-year time frame. Therefore, the tenement list at the end of this announcement, and described in Figures 1 and 2 are now subject to a joint venture between Metalicity and Nex Metals.

Pathway Forward

With the back log of assays, we intend to have this cleared with results reported by late June with intermittent news as results become available for reporting. Concurrent with the collation of assays, will be the compilation of an initial maiden JORC 2012 compliant estimate for the Leipold, McTavish and Champion Prospects with an updated "Exploration Target" taking into account the potential conversion of our previous "Exploration Target" estimates with classified Mineral Resource Estimates to illustrate the pathway forward for the Company.

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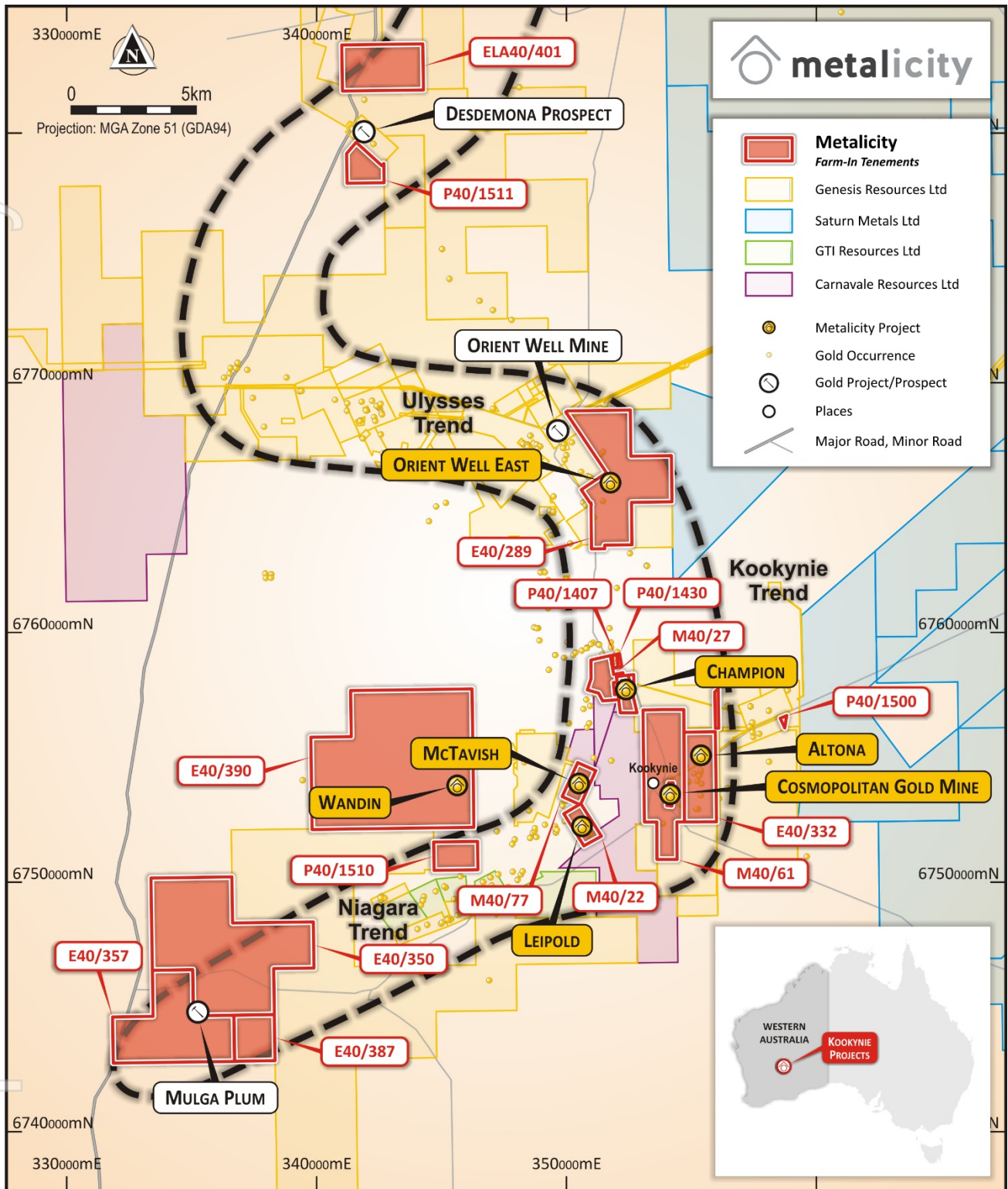


Figure 1 – The Kookynie Gold Project Tenement Map.

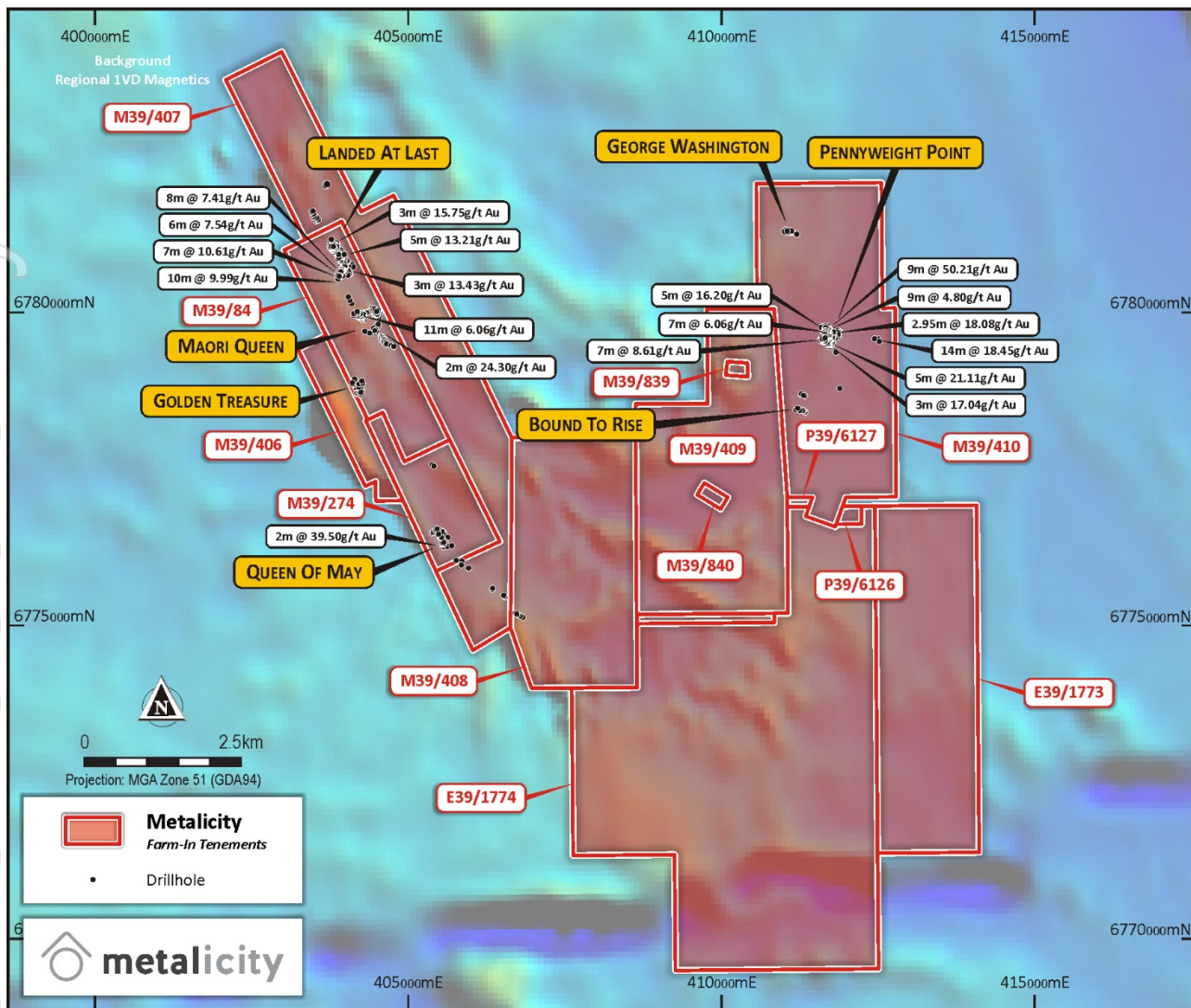


Figure 2 – The Yundamindra Gold Project Tenement Map.

This Announcement is approved by the Board Metalicity Limited.

ENQUIRIES

Investors

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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.

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”.

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.

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Project	Tenement	Status	Jurisdiction	Current Holder	CurrentArea	Area/Unit	Plainted?	NME%	MCT%
Kookynie	G40/3	Live	Kookynie	Nex Metals Explorations Limited	7.239	HA	No	49%	51%
	M40/27	Live	Kookynie	Nex Metals Explorations Limited	85.475	HA	No	49%	51%
	P40/1407	Live	Kookynie	KYM Mining Pty Ltd	10	HA	No	49%	51%
	P40/1331	Live	Kookynie	KYM Mining Pty Ltd	161.18	HA	No	49%	51%
	L40/9	Live	Kookynie	Nex Metals Explorations Limited	1	HA	No	49%	51%
	E40/289	Live	Kookynie	Paris Enterprises (WA) Pty Ltd	6	BL	No	49%	51%
	M40/61	Live	Kookynie	Nex Metals Explorations Limited	832.7	HA	No	49%	51%
	P40/1430	Live	Kookynie	KYM Mining Pty Ltd	9.86	HA	No	49%	51%
	E40/332	Live	Kookynie	Nex Metals Explorations Limited	2	BL	No	49%	51%
	M40/22	Live	Kookynie	Nex Metals Explorations Limited	121.7	HA	No	49%	51%
	M40/77	Live	Kookynie	Nex Metals Explorations Limited	119.2	HA	No	49%	51%
	E40/350	Live	Kookynie	KYM Mining Pty Ltd	2394	HA	No	49%	51%
	E40/357	Live	Kookynie	KYM Mining Pty Ltd	1194	HA	No	49%	51%
	E40/390	Live	Kookynie	KYM Mining Pty Ltd	3300	HA	No	49%	51%
	P40/1499	Live	Kookynie	Nex Metals Explorations Limited	8.17	HA	No	49%	51%
	P40/1500	Live	Kookynie	Nex Metals Explorations Limited	6.05	HA	No	49%	51%
	P40/1501	Live	Kookynie	Nex Metals Explorations Limited	21.1	HA	No	49%	51%
	E40/401	Pending	Kookynie	KYM Mining Pty Ltd	2	BL	No	49%	51%
	P40/1510	Live	Kookynie	Metalicity Ltd	200	HA	No	49%	51%
	P40/1511	Live	Kookynie	Metalicity Ltd	179	HA	No	49%	51%
E40/387	Live	Kookynie	Metalicity Ltd	1	BL	No	49%	51%	
Yundamindra	M39/410	Live	Yundamindra	Nex Metals Explorations Limited	978	HA	Yes	49%	51%
	L39/258	Live	Yundamindra	Nex Metals Explorations Limited	3.18	HA	Yes	49%	51%
	E39/1773	Live	Yundamindra	Paddick Investments Pty Ltd	3	BL	Yes	49%	51%
	E39/1774	Live	Yundamindra	Paddick Investments Pty Ltd	9	BL	Yes	49%	51%
	M39/839	Live	Yundamindra	Nex Metals Explorations Limited	7.3	HA	Yes	49%	51%
	M39/840	Live	Yundamindra	Nex Metals Explorations Limited	9.7	HA	Yes	49%	51%
	M39/84	Live	Yundamindra	Nex Metals Explorations Limited	378.4	HA	Yes	49%	51%
	M39/274	Live	Yundamindra	Nex Metals Explorations Limited	224.05	HA	Yes	49%	51%
	M39/407	Live	Yundamindra	Nex Metals Explorations Limited	896	HA	Yes	49%	51%
	M39/408	Live	Yundamindra	Nex Metals Explorations Limited	785	HA	Yes	49%	51%
	M39/409	Live	Yundamindra	Nex Metals Explorations Limited	966	HA	Yes	49%	51%
	M39/406	Live	Yundamindra	Nex Metals Explorations Limited	124	HA	Yes	49%	51%
	L39/34	Live	Yundamindra	Nex Metals Explorations Limited	1	HA	Yes	49%	51%
	L39/52	Live	Yundamindra	Nex Metals Explorations Limited	1	HA	Yes	49%	51%
	P39/6126	Live	Yundamindra	Nex Metals Explorations Limited	10.4	HA	No	49%	51%
	P39/6127	Live	Yundamindra	Nex Metals Explorations Limited	5.6	HA	No	49%	51%

The above Kookynie Gold Project tenure is subject to the Metalicity – Nex Metals Farm in Agreement, please refer to ASX Announcement titled “*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*” dated 6 May 2019.

Please note the percentage ownership is subject to farm-in expenditure audit.

KYM Mining Pty Ltd is a subsidiary of Metalicity Limited

Please refer to ASX Announcement for the Paris Enterprises (WA) Pty Ltd and Paddick Investments Pty Ltd farm-in agreements dated 2nd September 2019 titled “*Metalicity further consolidates the Kookynie & Yundamindra Gold Projects*”.