

MBK grants option to acquire its Triumph tenements

Highlights

- Exclusive option granted to purchase the Company's Triumph tenements
- Total potential consideration of \$6.4 million
- Exposure to the upside with a 1% gross royalty to be granted to the Company
- Provides the opportunity to focus on the 8 Mile project

Metal Bank Limited (ASX: MBK) is pleased to advise that its wholly owned subsidiary Roar Resources Pty Ltd (**Roar Resources**) has entered into an agreement with an unrelated private group (**Purchaser**) granting the Purchaser an exclusive option (exercised by the Purchaser upon signing) (**Option**) to purchase the Company's Triumph tenements for a total potential consideration of \$6.4 million plus a 1% gross royalty.

The total consideration comprises:

- \$400,000 payable upon settlement of transfer of the tenements;
- a 1% royalty on gross revenue from the sale of gold mined from the tenements to be granted to Roar Resources at settlement; and
- staged payments upon identification of JORC Mineral Resource milestones on the tenements as follows:
 - \$1.5 million for a Mineral Resource of 500,000 oz or more;
 - \$2 million for a Mineral Resource of 1,000,000 oz or more; and
 - \$2.5 million for a Mineral Resources of 2,000,000 oz or more.

For the purpose of the staged payments, the Mineral Resources are to be calculated on a gold equivalent basis. Milestones are an aggregate of all Mineral Resources identified on the Tenements over time and are not reduced by Resources mined. Further if, for example, the first Mineral Resource is 1,000,000 oz or more, then the total amount payable at this milestone will be \$3.5 million, including the payment for the preceding milestone.

Completion of the sale of the tenements will be conditional upon obtaining "indicative approval" from the Minister for transfer of the tenements.

Following settlement, the Purchaser will be responsible for all liabilities, including environmental liabilities, arising as a result of activities on or in relation to Tenements, saving MBK annual holding costs (including rental, bonds and expenditure requirements) of approximately \$200,000.

Inés Scotland, Executive Chair of MBK said:

“We are pleased to secure a sale of the Triumph project providing MBK with additional cash to pursue further exploration activities. In Queensland MBK is now focussed on exploration of its 8 Mile project which has a robust shallow Exploration Target supported by recent drilling with the added potential for a bulk tonnage target to the west of the Exploration Target¹”

Metal Bank’s exploration on the Triumph Project resulted in the discovery of multiple high-grade gold zones occurring near surface and defined a large-scale gold system centred around the historical Norton goldfield. The high-grade gold mineralisation was interpreted as leakage above bulk tonnage style gold systems similar to other large intrusion related gold mines in Queensland with four priority bulk tonnage targets identified <200m below surface.

Since 2018, MBK has been seeking a joint venture partner for the Triumph project to fund further exploration. MBK’s focus since 2018 has been on its 8 Mile and Eidsvold projects with recent drilling completed on 8 Mile further supporting the Exploration Target and maiden Inferred Resource on this project².

The total potential consideration for the disposal of the Triumph tenements of \$6.4 million is equivalent to the project’s net asset value. The 1% royalty is in addition to this potential consideration providing the Company with exposure to the upside from the project. The disposal of the Triumph tenements will also provide cash of \$400,000 to fund exploration activities on the Company’s other projects.

The Purchaser is XXXX Gold Pty Ltd, an unrelated private company.

Authorised by the Board

For further information contact:

Inés Scotland

Executive Chair

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About Metal Bank

Metal Bank Limited is an ASX-listed minerals exploration company (ASX: MBK).

Metal Bank’s core focus is creating value through a combination of exploration success and quality project acquisition. The company’s key projects are the 8 Mile, Eidsvold and Triumph gold projects situated in the northern New England Fold Belt of central Queensland, which

¹ MBK ASX Releases 23 April 2020 and 6 July 2020

² MBK ASX Releases 23 April 2020 and 6 July 2020

also hosts the Cracow (3Moz Au), Mt Rawdon (2Moz Au), Mt Morgan (8Moz Au, 0.4Mt Cu) and Gympie (5Moz Au) gold deposits.

The company has an experienced Board and management team which brings regional knowledge, expertise in early stage exploration and development, relevant experience in the mid cap ASX-listed resource sector and a focus on sound corporate governance.

<p>Board of Directors and Management</p> <p>Inés Scotland (Executive Chair)</p> <p>Guy Robertson (Executive Director)</p> <p>Sue-Ann Higgins (Executive Director and Company Secretary)</p> <p>Trevor Wright (Exploration Manager)</p>	<p>Registered Office</p> <p>Metal Bank Limited Suite 506, Level 5 50 Clarence Street Sydney NSW 2000 AUSTRALIA</p> <p>Phone: +61 2 9078 7669 Email: info@metalbank.com.au www.metalbank.com.au</p> <p>Share Registry</p> <p>Automic Registry Services Phone: 1300 288 664 (local) +61 2 9698 5414 (international) Email: hello@automic.com.au Web site: www.automic.com.au</p> <p>Please direct all shareholding enquiries to the share registry.</p>
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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr Trevor Wright, who is a Member of The Australasian Institute of Geoscientists. Mr Wright is engaged as a contractor to the Company. Mr Wright has sufficient experience 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 Wright consents to the inclusion in the report of the matters based on his information in the form and context in which it applies.

The Exploration Targets described in this report are conceptual in nature and there is insufficient information to establish whether further exploration will result in the determination of Mineral Resources.