

# QUARTERLY ACTIVITIES REPORT

## For the period ended 30 June 2014

### KEY ACTIVITIES

Drilling continued throughout most of the quarter on the Triumph Project in south east Queensland with a focus on the Bald Hill prospect where a large gold system is being defined.

#### Triumph Project

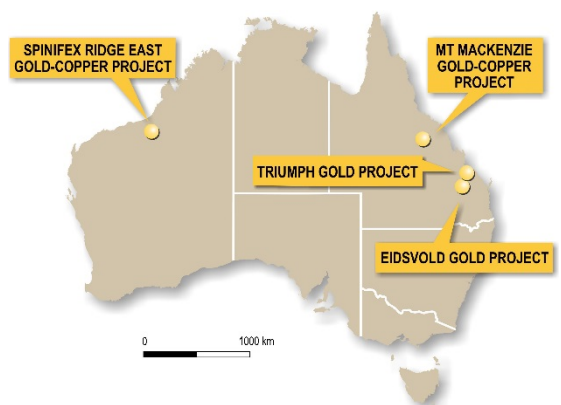
- High grade gold target zone outlined by drilling
- 3D Induced Polarisation (IP) survey results highlight additional targets adjacent to high grade gold mineralisation

### Metal Bank Limited (ASX:MBK)

The June 2014 quarterly activities report for Australian exploration company, **Metal Bank Limited** ('MBK' or 'the Company') is outlined below.

During the quarter, diamond and reverse circulation drilling was completed on the **Triumph Project** which highlights a prospective high grade target zone with initial results of 9m @ 3.6g/t Au<sup>1</sup>. A recent 3D IP survey supports this interpretation and also identified a secondary target which could represent a 'pipe' or 'feeder' structure to the high grade mineralisation already identified. An initial drill hole targeting the Norton fault zone returned very encouraging results including 1m @ 2.94g/t Au and 1m @ 2.18g/t Au<sup>2</sup>. The fault zone can be traced in detailed helimagnetics for over 6km and is completely concealed by shallow sedimentary cover. This is the first drill hole to target the structure.

On the **Eidsvold Project** a detailed study on the high grade gold mineralisation (1m @ 17.45g/t Au, 90g/t Ag, and 2.5% Cu<sup>3</sup>) reported in the March 2014 quarterly report supports the intrusion related gold model being targeted. The Eidsvold intrusive complex (250km<sup>2</sup>) is almost entirely concealed beneath sedimentary cover and virtually unexplored.



<sup>1</sup> ASX Release 29 April 2014

<sup>2</sup> ASX Release 17 July 2014

<sup>3</sup> ASX Release 15 April 2014

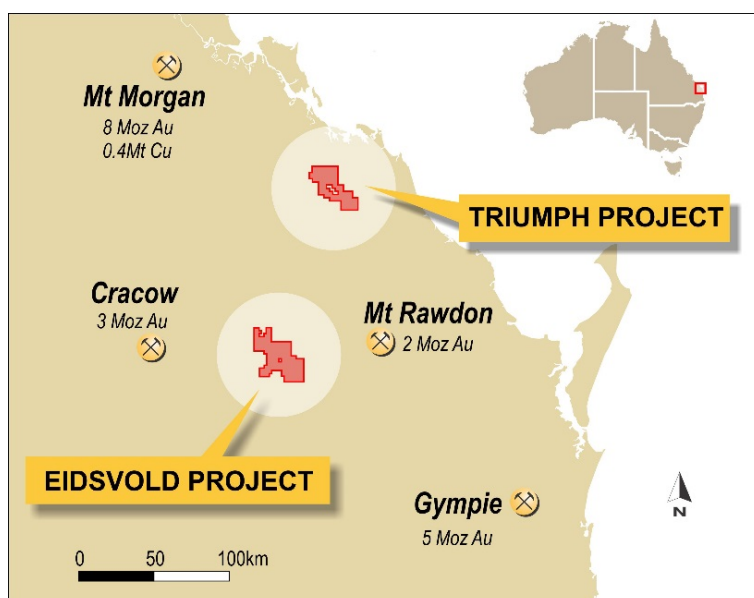
## **Business Overview**

MBK remains focused on targeting gold within the northern New England Orogen of south east Queensland which hosts several gold mines including the nearby Cracow (3Moz Au) and Mt Rawdon (2Moz Au) gold mines as well as the historical Mt Morgan deposit (8Moz Au).

Through the acquisition of Roar Resources Pty Ltd in late 2013 MBK gained 100% ownership of two gold projects with significant upside potential. Both projects are centred on historical goldfields and the Company's application of advanced exploration techniques has led to the rapid discovery successes in the first half of 2014. Drilling during the quarter continued on the Triumph project in south east Queensland leading to the discovery of high grade gold mineralisation. This discovery strengthens the Company's view that the 15km<sup>2</sup> Triumph gold camp is under-explored and exploration results to date provide indications that further discoveries are feasible.

The discovery of high grade gold and copper mineralisation on the Eidsvold Project (results released last quarter) confirm the Company has identified a new intrusion related gold camp in the prospective New England Orogen. This represents a unique 'first mover opportunity' on a 250km<sup>2</sup> intrusive complex which is dominantly undercover and virtually unexplored. The intrusive complex is centred on the historical Eidsvold goldfield (100,000oz Au prod. circa. 1900's) which forms a small basement window through the cover sediments.

## **Triumph Project (100% MBK) - Au**



The Triumph project (356km<sup>2</sup>) is centred about the historical high grade Norton goldfield (mined in the late 1800's and again in the 1990's) located between Mt Rawdon (2 Moz Au) gold mine and the historical Mt Morgan (8 Moz Au and 0.4 Mt Cu) mine in the Northern New England Orogen, south east Queensland (Figure 1).

Figure 1: Triumph and Eidsvold project locations SE Qld

Exploration to date by MBK demonstrates that the Triumph gold camp extends over 15km<sup>2</sup>, of which approximately 90% is concealed beneath shallow sedimentary cover rocks (<10m thick), masking the prospective basement rocks (Figure 3). The district remains under-explored with almost the entire focus of historical exploration and mining being contained within a small mining lease (~0.2km<sup>2</sup> in area) located within an outcropping area in the centre of the goldfield. Refer to Figure 2 showing the intrusion related gold systems model with the interpreted deposit styles targeted by MBK.

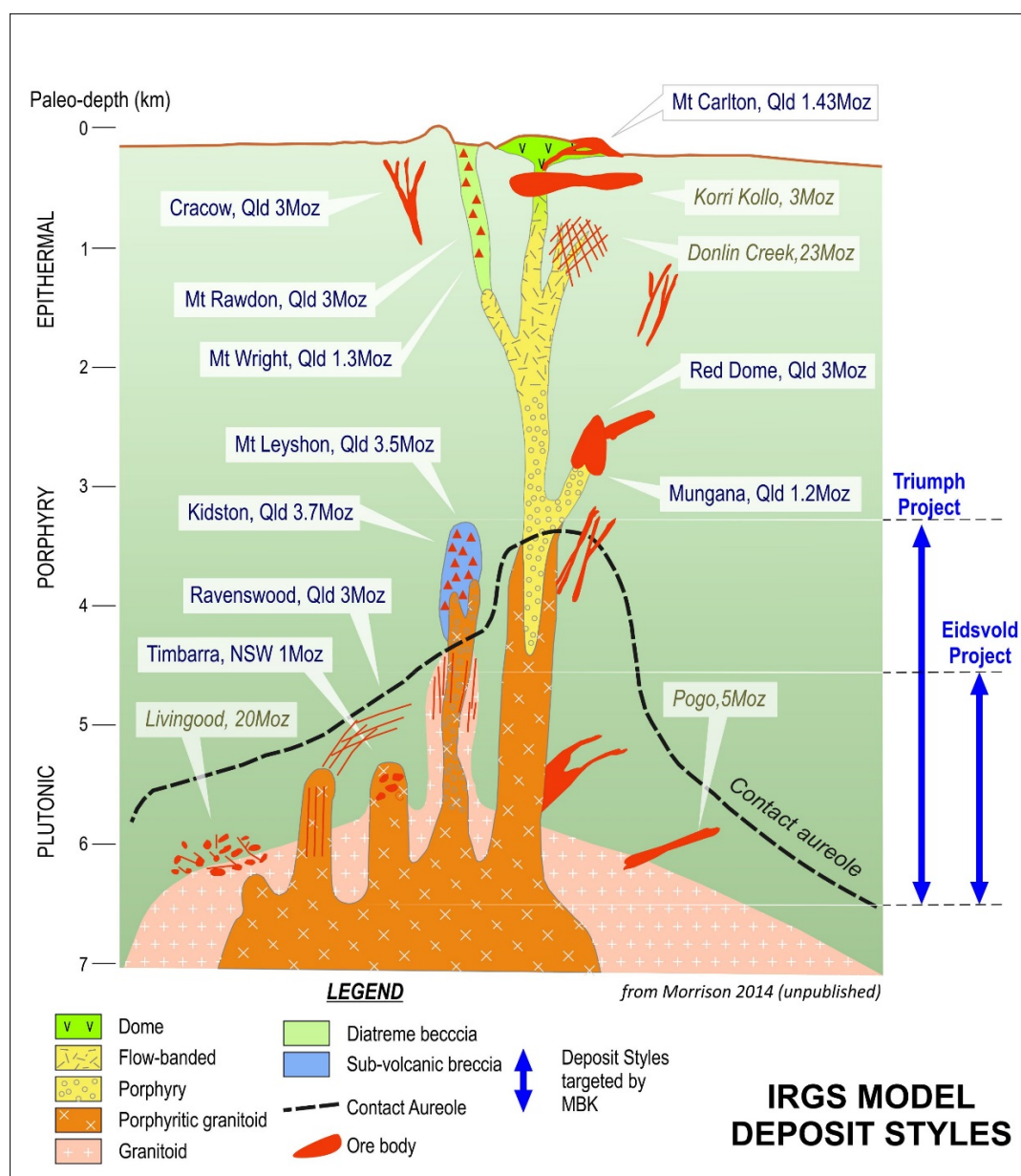


Figure 2: Intrusion related gold systems (IRGS) model showing deposit styles targeted by MBK

During the quarter exploration was dominated by drilling with a total of 5 holes completed for 808.4m (575.8m RC and 232.6m DD) most of which was concentrated at **Bald Hill**. This

drilling has identified a plunging high grade target zone from the limited drilling completed to date. The target zone is interpreted to extend from surface to more than 100m below surface where 9m @ 3.6 g/t Au<sup>4</sup> was intersected and also remains open at depth (refer to Figure 5). The surface expression of the high grade gold target is defined by an elevated gold-in-soil anomaly of 0.1g/t Au to 0.9g/t Au together with typical pathfinder elements such as Ag-Bi-As-Sb. A 3D induced polarisation survey was completed over the central portion of Bald Hill. The chargeability data not only highlights the current mineralisation as a strong high but also indicates a pipe or feeder type target immediately to the east of the high grade gold target (Figure 6).

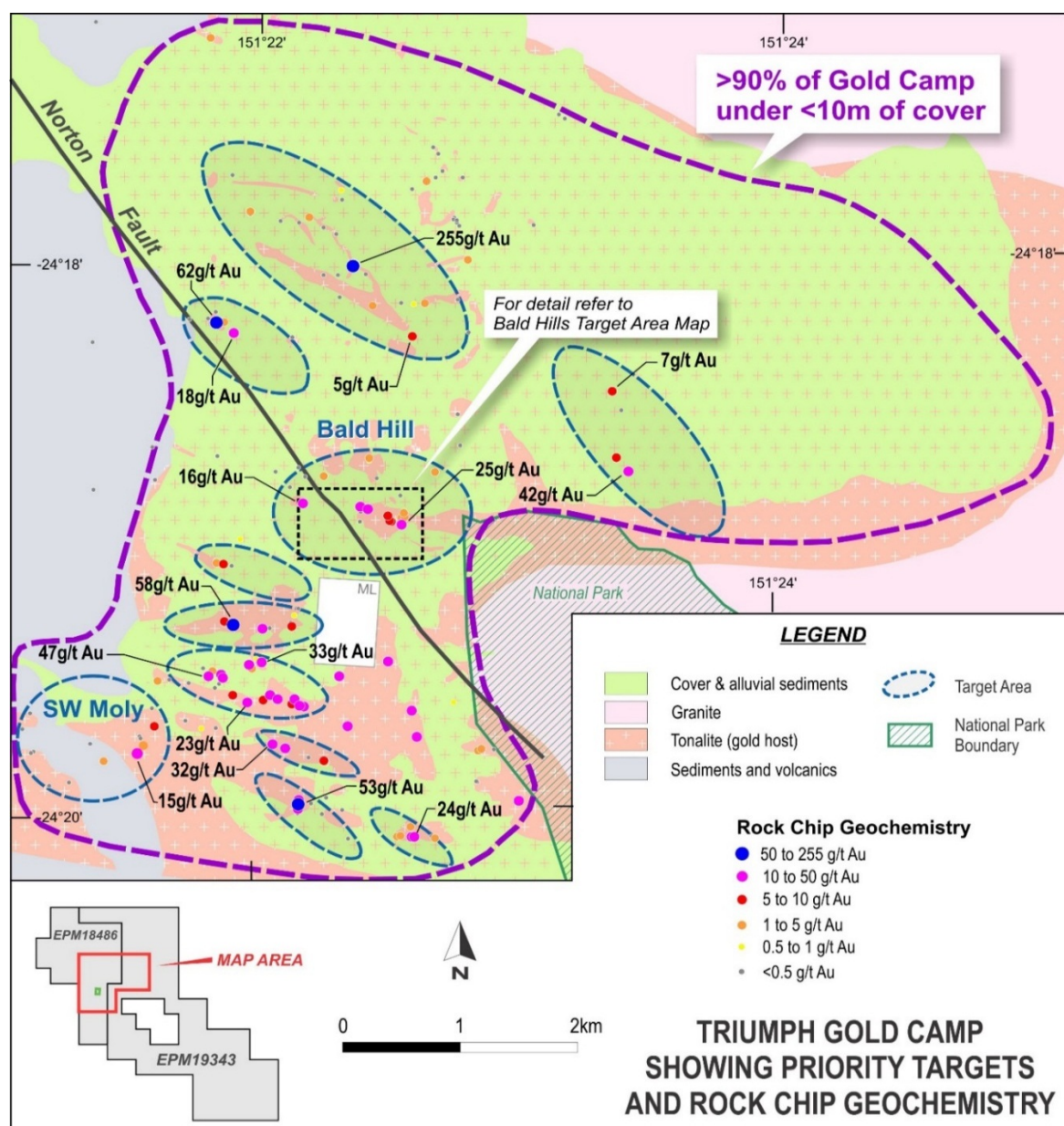


Figure 3: Triumph gold camp showing priority targets

<sup>4</sup> ASX Release 29 April 2014



Details of the drilling completed this quarter are presented in ASX release 29 April 2014 and ASX release 22 July 2014.

A single reconnaissance drill hole targeting the 6km long **Norton Fault** zone intersected gold mineralisation including 1m @ 2.94g/t Au and 1m @ 2.18g/t Au<sup>5</sup> (Figure 4). This represents the first drill hole to intersect the Norton Fault which extends for over 6km within the project and is completely concealed by shallow cover sediments.

A new gold ± molybdenum target (**SW Moly target**) has been identified on the SW margin of the already defined 15km<sup>2</sup> Triumph gold camp (Figure 3). Surface reconnaissance sampling has returned rock chip results up 643ppm Mo from quartz veined outcrop and up to 14.8g/t Au from historical mine workings.

Refer to Figure 3 showing the location of the priority targets.

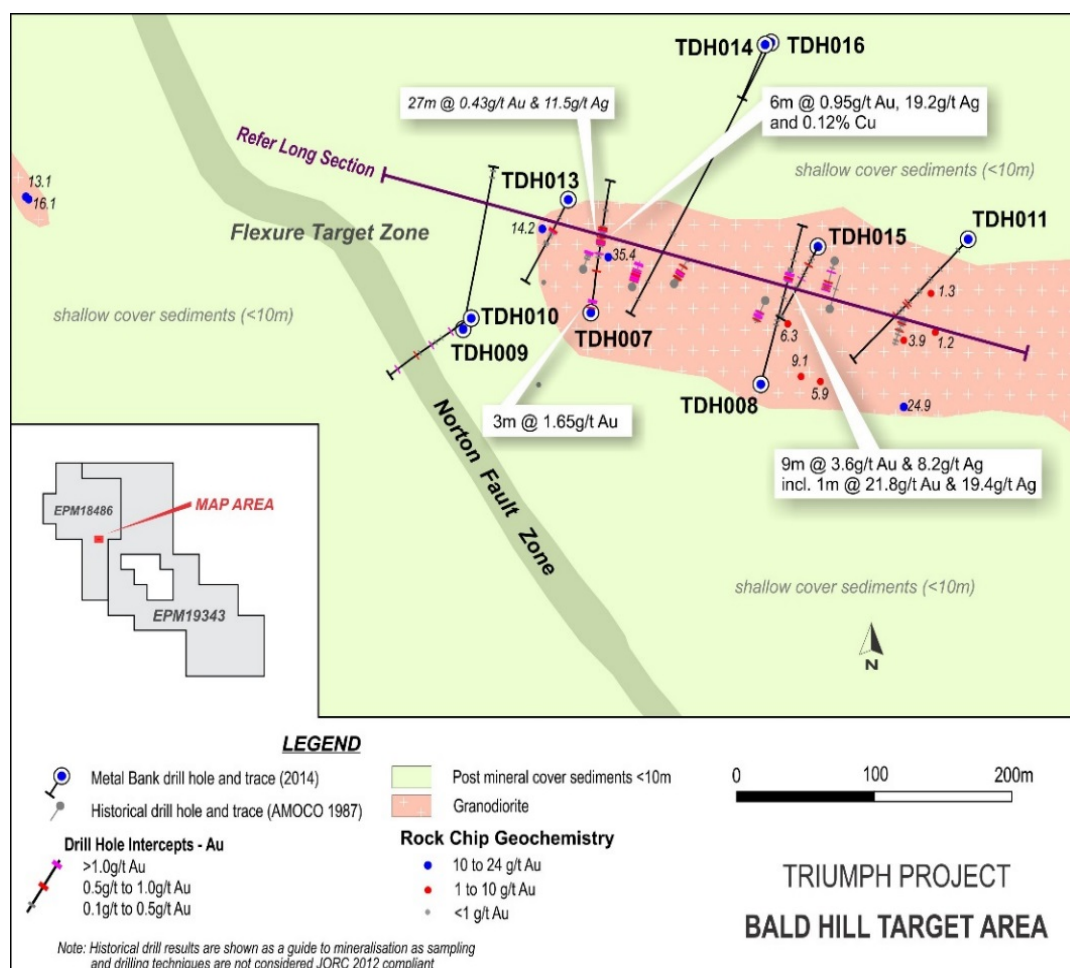


Figure 4: Drill plan of the Bald Hill target

<sup>5</sup> ASX Release 22 July 2014

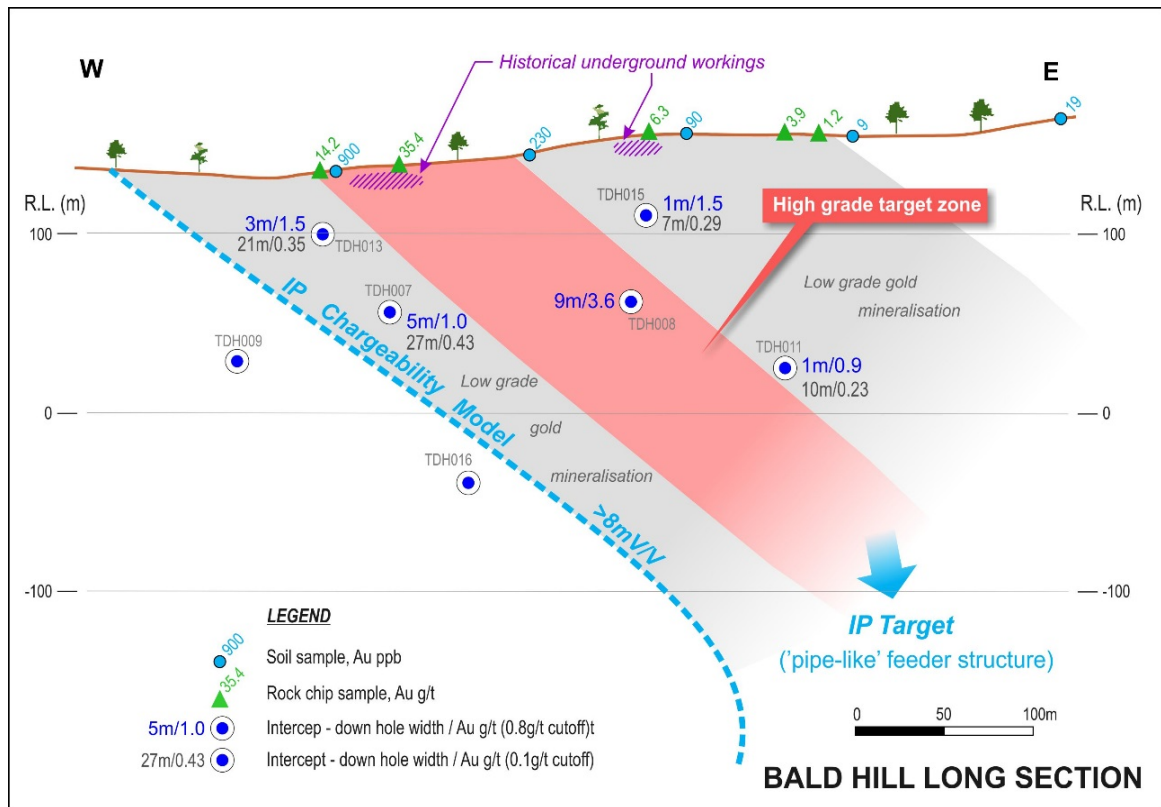


Figure 5: Bald Hill long-section showing high grade target zone. The location of the long section is shown in Figure 4 above.

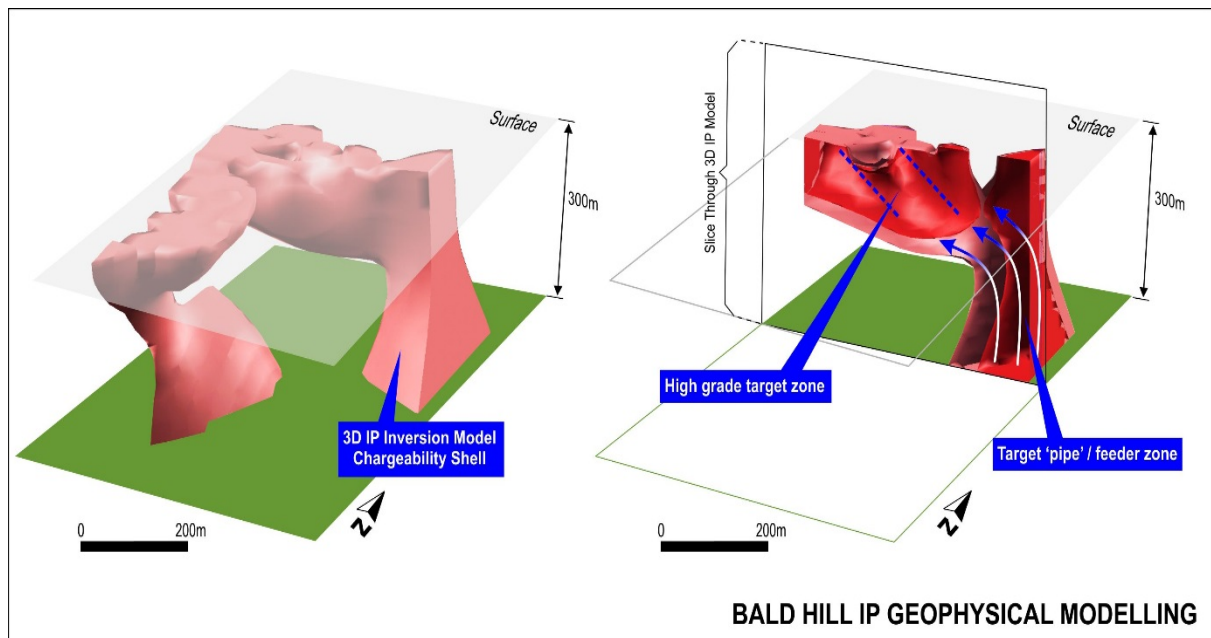
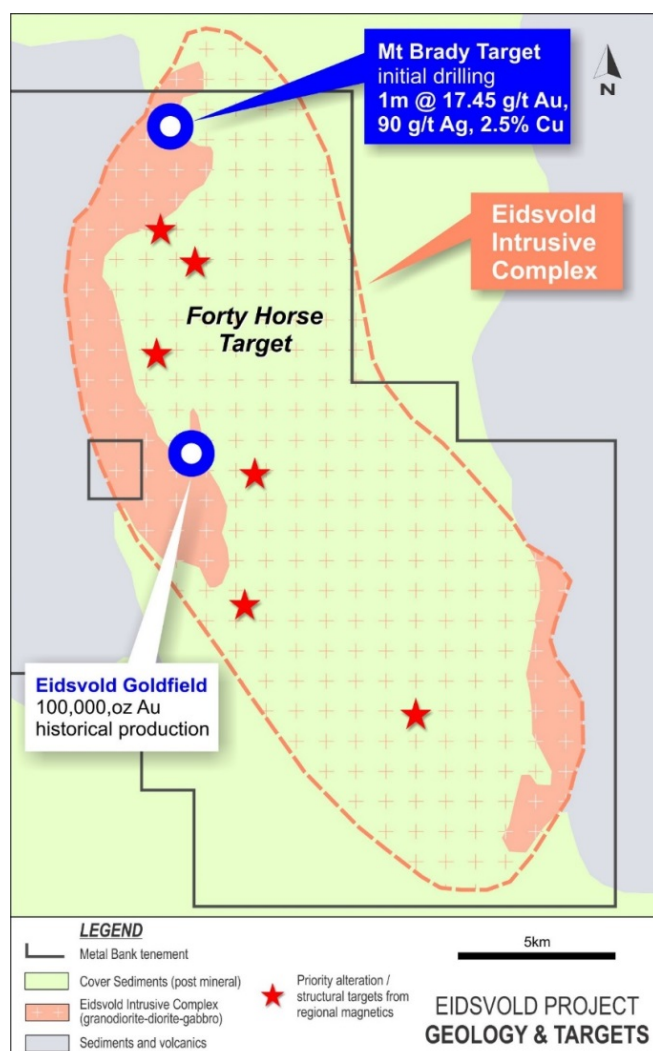


Figure 6: **Left figure** - Bald Hill 3D induced polarisation inversion model (geophysical data) showing 8mV/V IP 'shell' which corresponds to sulphide mineralisation from available drilling data. **Right figure** - Slice through model which corresponds to the upper portion of the long section shown in Figure 5, 8mV/V and 9mV/V shells shown.

### ***Eidsvold Project (100% MBK) - Au***

The Eidsvold project (658km<sup>2</sup>) is centred on the historical Eidsvold goldfield (100,000 oz Au mined in the early 1900's) within the Eidsvold intrusive complex, located between the Cracow (3 Moz Au) and Mt Rawdon (2 Moz Au) gold mines in the Northern New England Orogen (Figure 1).

The discovery of high grade gold mineralisation including 1m @ 17.45g/t Au, 90g/t Ag, and 2.5% Cu<sup>6</sup> as part of an intrusion related gold system confirms the Company's exploration model and importantly opens up the potential of the entire Eidsvold intrusive complex (250km<sup>2</sup>) which is almost entirely concealed beneath sedimentary cover (Figure 7). Refer to Figure 2 showing the intrusion related gold systems model with the interpreted deposit styles targeted by MBK.



The intrusive complex is virtually unexplored and Metal Bank has identified several high priority targets using regional airborne magnetics, and plans to fly detailed helimagnetics over the target areas in the next quarter prior to drill testing. One of the Company's key exploration tools is the use of airborne magnetics data to identify highly prospective zones of magnetite destructive alteration which are likely to be associated with the intrusion related gold mineralisation within the Eidsvold intrusive complex.

Figure 7: Location of priority target areas on regional geology summary

<sup>6</sup> ASX Release 15 April 2014



***Mt Mackenzie Project (100% MBK) – Cu-Mo***

The project lies approximately 40km north east of the Mt Carlton mining operation Au-Ag-Cu (Evolution Mining). The priority target for the project is an untested Mo-Cu ± Au stream sediment anomaly covering <1km<sup>2</sup>. The stream geochemistry anomaly is associated with a regional NW structural trend with approximately 5km of prospective strike within the current project area. No work was completed on the project during the quarter.

***Spinifex Ridge East Project (80% MBK) – Cu-Au***

The Spinifex Ridge East Project (54km<sup>2</sup>) is located in the Pilbara region of Western Australia and lies immediately along strike from the Spinifex Ridge Copper Molybdenum deposit containing a mineral resources of approximately 300,000t of Mo and 500,000t Cu. (refer to Moly Mines Limited web site ASX:MOL)

A field visit was completed over the project which confirmed the prospectivity of the Norms Find prospect. Previous sampling at Norms Find by Metal Bank has returned high grade gold and copper results of 30.8g/t Au, 154g/t Ag, and 6.5% Cu<sup>7</sup>.



Photos showing high grade copper outcropping at the norms Find prospect.

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<sup>7</sup> ASX Release 27 June 2013



Remarkably, no drilling has even been conducted on the project despite its proximity to a major Cu-Mo deposit and the mapped presence of porphyritic intrusive rocks interpreted to be a part of the same intrusion driven mineral system.

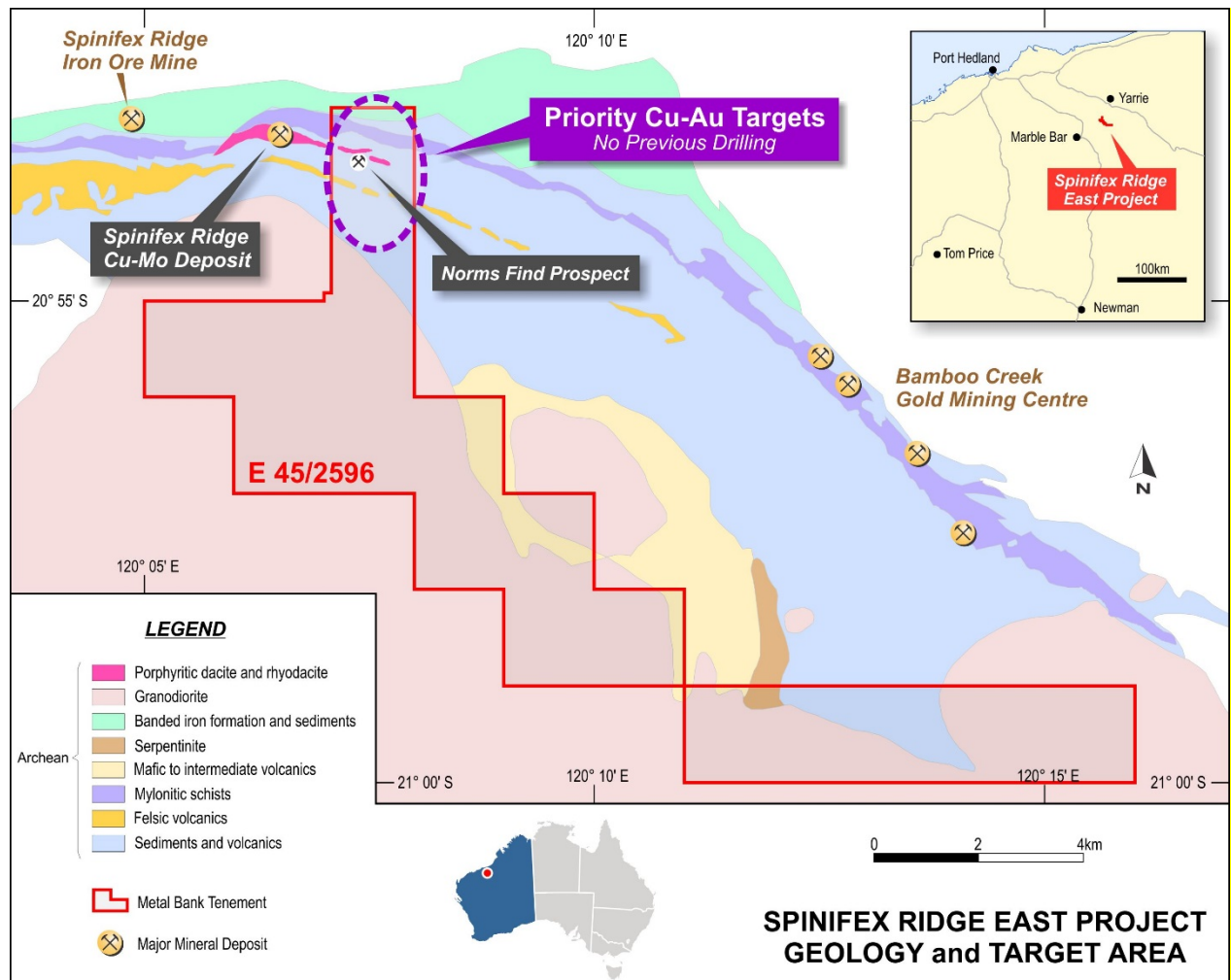
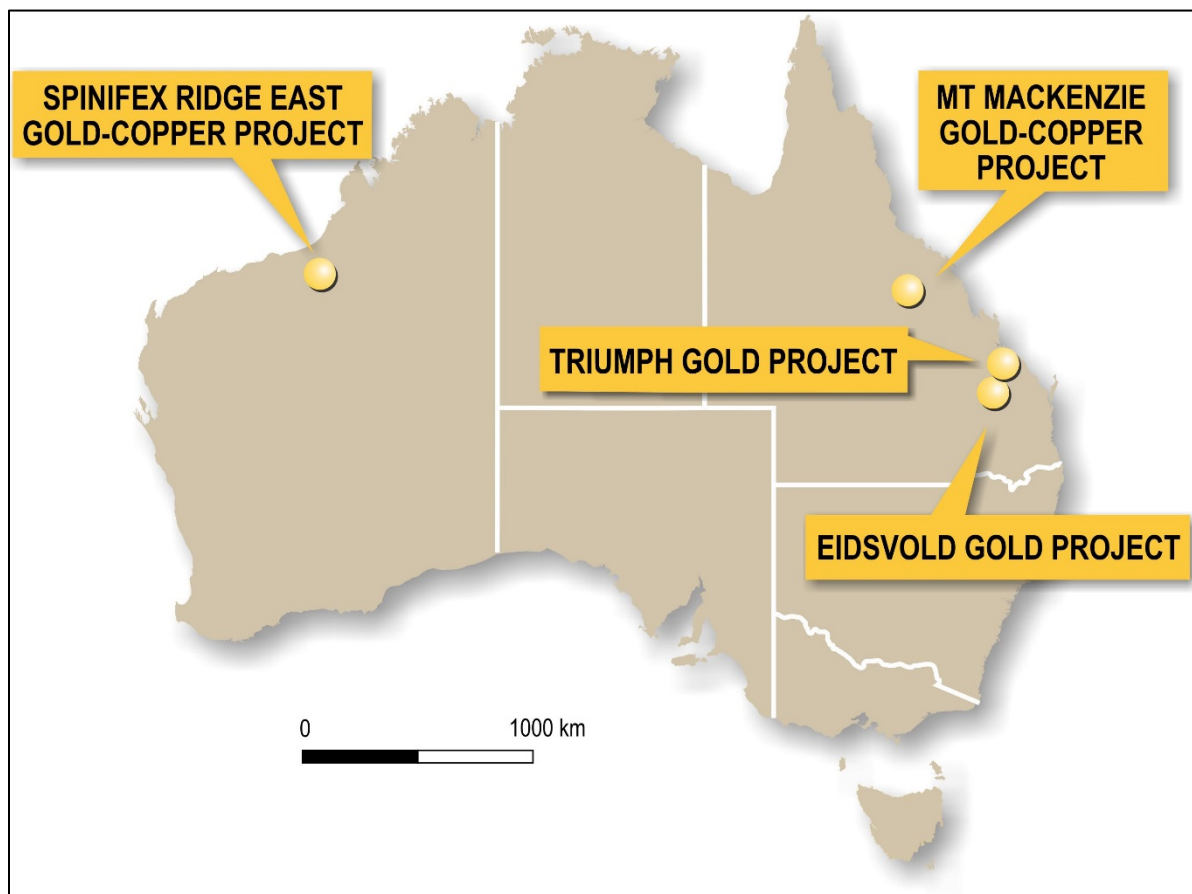


Figure 8: Showing the Regional Geology of the project and location of priority Cu-Au targets

### ***New Opportunities***

The Company continues to review new project opportunities with a view to identifying projects that fit with its growth strategy and have the ability to add shareholder value.

## Metal Bank Limited Projects



### **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 Eidsvold and Triumph Gold Projects situated in the northern New England Fold Belt of central Queensland, which 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 that 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><b>Board of Directors and Management</b></p> <p>Inés Scotland (Non-Executive Chairman)</p> <p>Guy Robertson (Executive Director)</p> <p>Tony Schreck (Executive Director)</p> <p><b>Company Secretary</b></p> <p>Sue-Ann Higgins</p>	<p><b>Registered Office</b></p> <p>Metal Bank Limited Suite 1503B, Level 15 Gold Fields House, 1 Alfred St Sydney NSW 2000 AUSTRALIA</p> <p>Phone: (+61) (2) 9078 7669 Facsimile: (+61) (2) 9078 7661</p> <p><a href="http://www.metalbank.com.au">www.metalbank.com.au</a></p> <p><b>Share Registry</b></p> <p>Advanced Share Registry Services 110 Stirling Highway Nedlands WA 6009 AUSTRALIA</p> <p>Phone: (+61) (8) 9389 8033 Facsimile: (+61) (8) 9262 3723 <a href="http://www.advancedshare.com.au">www.advancedshare.com.au</a></p> <p>Please direct all shareholding enquiries to the share registry.</p>
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For further information contact:  
Tony Schreck  
Director  
Email: [tony@metalbank.com.au](mailto:tony@metalbank.com.au)

### **Competent Persons Statement**

*The information in this document that relates to Exploration Results is based on information compiled or reviewed by Mr Tony Schreck, who is a Member of The Australasian Institute of Geoscientists. Mr Schreck is an employee of the Company. Mr Schreck 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 Schreck 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 announcement are conceptual in nature and there is insufficient information to establish whether further exploration will result in the determination of Mineral Resources. Any resources referred to in this announcement are not based on estimations of Ore Reserves or Mineral Resources made in accordance with the JORC Code and caution should be exercised in any external technical or economic evaluation.*

### **Metal Bank Limited Tenement Schedule**

#### **Metal Bank Limited**

Mount Mackenzie Project

EPM15668 - Queensland

#### **Roar Resources Pty Ltd (Wholly Owned Subsidiary)**

Triumph Project

EPM18486 – Queensland

EPM19343 – Queensland

Eidsvold Project

EPM18431 – Queensland

EPM18753 – Queensland

EPM19548 – Queensland

#### **Spinifex Ridge East Pty Ltd (80% Owned Subsidiary)**

Spinifex Ridge East Project

E45/2596 – Western Australia