

ASX RELEASE: 15 December 2021

METALICITY BID FOR NEX METALS – EXTENSION OF OFFER PERIOD

- The Closing Date for Metalicity's offer for NME has been extended to 12 January 2022
- The extension provides NME shareholders impacted by the lack of a proper Target's Statement more time to await the Independent Expert's report and the issue of a compliant Target's Statement and then to consider Metalicity's offer outlined in the Bidder's Statement
- Metalicity's interest in NME has now increased to over 25%, and it is NME's largest shareholder
- The Offer is Unconditional, with all NME shareholders who accept or have accepted to receive 4.81 MCT Shares for every 1 NME Share
- Metalicity continues to encourage NME shareholders to accept the Offer to enable work on the Kookynie and Yundamindra Gold Projects to move forward as quickly as possible

Metalicity Limited (ASX: MCT) (Company or Metalicity) is pleased to announce that the Closing Date for its offer for Nex Metals Exploration Limited (ASX: NME) (NME) has been extended by four weeks to 5.00pm (Perth time) on 12 January 2022. The extension does not impact acceptances received to date and the Offer remains Unconditional. NME shareholders who have accepted any time after 3 December will receive MCT shares within one month after the date they accepted (or 21 days after the end of the Offer Period).

The extension of the offer period is to allow NME shareholders more time to consider the offer in light of the inadequate information provided by NME in the Target's Statement, and the delay this has caused. Since Metalicity launched its bid NME's Target's statement has been found by the Takeovers Panel to be misleading and to contain material information deficiencies.

Accordingly, the Takeovers Panel has ordered (amongst other things) NME to prepare a replacement Target's statement in a form that ASIC does not object to and which is to be accompanied by an independent expert's report providing an opinion for NME's shareholders on whether Metalicity's bid is fair and/or reasonable. The Takeovers Panel has also made two separate declarations of unacceptable circumstances in relation to conduct of NME during the bid process.

In addition, Metalicity's bid was declared Unconditional on 3 December 2021 and Metalicity has now received acceptances representing more than 25% of NME's issued shares, providing it with the largest single voting interest in NME.

Andrew Daley, Chairman of Metalicity commented:

"The failure of NME to produce a compliant Target's Statement has now left NME shareholders without the material information they should have received from their Board more than 6 weeks ago. This ongoing delay has taken considerable time out of the usual timetable for a takeover Offer. As such we believe extending the Closing Date of our Offer is warranted and provides NME shareholders that have not yet accepted, an opportunity to properly consider the Offer as well as the Independent Expert report that was ordered by the Takeovers Panel."

"I am pleased that as of yesterday evening Metalicity has already secured an interest exceeding 25% in NME, and we see a path forward to unite the Kookynie and Yundamindra Gold Projects under one focussed and qualified management team that can actually progress the project, in order to realise their potential. The drilling results continue to be highly encouraging and Metalicity remains focused on moving the projects forward.

"I'd like to thank all the NME shareholders who have accepted our offer, and strongly encourage all those that have not yet done so to also accept so that we can realise these benefits sooner and with lower costs."

NME shareholders can email acceptances to capitalmarkets@linkmarketservices.com.au with the subject line "NME Takeover by MCT". **The new Closing Date of the Offer (unless extended) is 5:00pm (Perth time) on 12 January 2022. Please see the section 650D Notice attached.**

This Announcement is approved by the Board of Metalicity Limited.

ENQUIRIES

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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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15 December 2021

Your Ref:
Our Ref: RCS:AND:3515-06
Contact: Adrian Di Menna
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The Manager
Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**METALICITY LIMITED OFF-MARKET TAKEOVER BID FOR NEX METALS EXPLORATIONS LIMITED:
EXTENSION OF OFFER PERIOD**

We act for Metalicity Limited (ACN 086 839 992) (**Metalicity**) in respect of its offers in relation to its off-market takeover bid for all of the fully paid ordinary shares in Nex Metals Explorations Limited (ACN 124 706 449) (**Offer**) pursuant to its bidder's statement dated 24 September 2021 (as varied).

Metalicity has determined to extend the period during which the Offer will remain open for acceptance until **5:00pm (Perth time) on 12 January 2022**.

We **enclose** formal notice given by Metalicity under section 650D of the *Corporations Act 2001* (Cth) in relation to the extension of the offer period lodged with the Australian Securities and Investments Commission on 15 December 2021.

This release has been authorised by the board of directors of Metalicity.

Yours faithfully



STEINEPREIS PAGANIN

Metalicity Limited

ACN 086 839 992

Off-market takeover bid for Nex Metals Explorations Limited

Notice under section 650D of the Corporations Act 2001 (Cth)

Variation of offer – extension of offer period

To: Australian Securities and Investments Commission (**ASIC**);
Nex Metals Explorations Limited (ACN 124 706 449) (**NME**);
ASX Limited (**ASX**); and
Those persons shown as holders of NME shares in the register of members of NME as at 13 December 2021 who have not yet accepted the Offer in accordance with section 650D(1)(c)(ii) of the *Corporations Act 2001* (Cth) (as modified by ASIC Class Order [CO 13/521])

Metalicity Limited (ACN 086 839 992) (**Metalicity**) gives this notice under section 650D of the *Corporations Act 2001* (Cth) (**Corporations Act**) in respect of its offers dated 14 October 2021 (**Offer**) in relation to its off-market takeover bid for all of the fully paid ordinary shares in Nex Metals Explorations Limited (ACN 124 706 449) pursuant to its bidder's statement dated 24 September 2021 (as varied) (**Bidder's Statement**).

Capitalised terms in this notice have the same meaning as given in the Bidder's Statement, unless the context requires otherwise.

Extension of Offer Period

Metalicity gives notice under section 650D(1) of the Corporations Act that pursuant to section 650C(1) of the Corporations Act it varies the Offer by:

- (a) extending the period during which the Offer will remain open for acceptance until **5:00pm (Perth time) on 12 January 2022**, unless withdrawn or further extended; and
- (b) replacing references to '15 November 2021' with '12 January 2022' in all places in the Bidder's Statement and the Acceptance Form where '15 November 2021' appears (or is deemed to appear) as the last day of the Offer Period.

Date of lodgement and disclaimer

A copy of this notice was lodged with ASIC on 15 December 2021. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this notice.

Authorisation

This notice has been approved by a unanimous resolution passed by the Directors of Metalicity in accordance with section 650D(3A) of the Corporations Act (as inserted by ASIC Class Order [CO 13/521]).

Date: 15 December 2021

Signed for and on behalf of Metalicity Limited:



Justin Barton
CEO and Finance Director