

ASX RELEASE: 20th April 2022

# **Current Drilling Programme at Kookynie to be Significantly Expanded**

# **HIGHLIGHTS**

- The combined Air Core and RC drilling programme of ~ 9,000m is to be significantly expanded at the Kookynie Gold Project to include the highly prospective but underexplored Mulga Plum Prospect.
- The expanded programme could result in a significant step change to the prospective size of the gold footprint and is scheduled to follow up on drill hole intercepts at Mulga Plum<sup>1</sup> including:
  - AJAR0009 2 metres @ 8.84 g/t Au from 14 metres,
  - o AJAR0003 2 metres @ 2.96 g/t Au from 42 metres, &
  - AJAR0011 6 metres @ 1.22 g/t Au from 10 metres.
    - Rock chips from veins have hosted mineralisation of up to 17.1 g/t Au.
- A detailed review of previous drilling results and high-resolution aeromagnetic surveys has improved understanding of the nature and location of structures that control gold mineralisation.
- The current programme to test extensions of previous significant results, as evidenced by neighboring Carnavale Resources Ltd's recent drilling discovery (See ASX CAV announcement 18 January 2022), has progressed very well with observed alteration and rock types typical of those that host gold in the area. Assays are pending.

Metalicity Limited (ASX: MCT) ("Metalicity" or "the Company") is excited to announce that the Company will expand the current Air Core and RC drilling programme at the Kookynie Gold Project ("Kookynie"), located approximately 50km south of the WA Goldfields town of Leonora, to include the large and substantially under explored Mulga Plum prospect<sup>1</sup>, which host some of the largest land holdings in the Kookynie Gold Project (please refer to Figure 1 below).

<sup>1</sup>Please refer to ASX Announcement "Metalicity Continues To Consolidate The Area Around The Kookynie Gold Project" dated 23 November 2020.

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

"We are simply getting on with the task at hand and looking to continue to create and accelerate shareholder value at the Kookynie Gold Project. The current drilling programme of ~9,000m has been progressing very well, with some very encouraging alterations and rock types observed and we are now eagerly awaiting assay results.

Combined with the expanded programme to follow up some fantastic drill hole intercepts at Mulga Plum, further reinforces that we are best poised to manage this Project through to realising its full potential. The past 2 and a half years has seen Metalicity invest over \$6million in this project and we are continuing to focus on systematic drilling as that is the best way to create and illustrate the value and incredibly prospective nature of this Project".

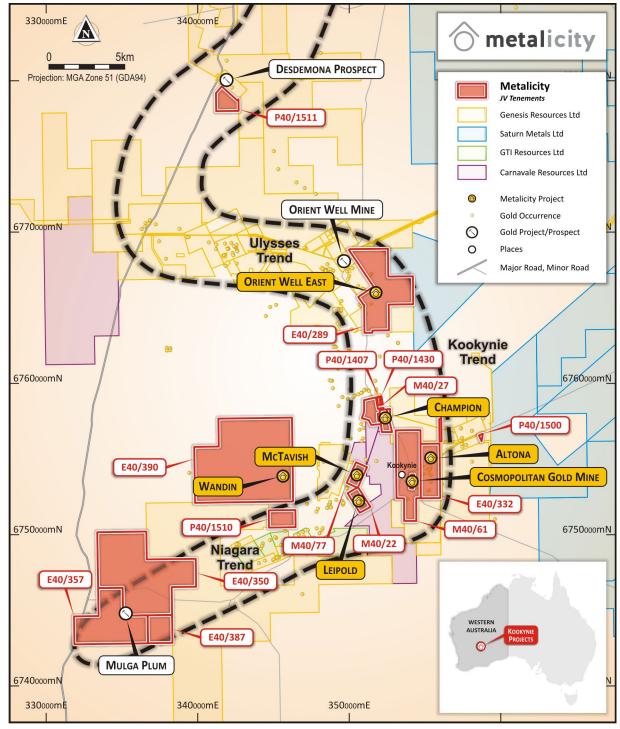


Figure 1 – Kookynie Prospect Locality Map with mineralised trends.

# **Exploration Update, Targets and Activities**

The circa 9,000m Aircore and RC initial drilling programme designed to test several exciting new targets and potential substantial extensions to the Leipold-McTavish-Champion golden corridor over a combined potential strike length of circa 3kms has been completed<sup>2</sup>.

<sup>&</sup>lt;sup>2</sup>Please refer to ASX Announcement "Metalicity Commences Significant Step Out Drilling Programme" dated 22 February 2022.

Initial lithological and alteration observations are very encouraging (see Figure 2 below) and has seen numerous intersections typical of the rocks that host gold in the area. The Company has begun sending samples to the laboratories for assay and is eagerly awaiting results which Metalicity anticipates will drive forward and expand existing mineralization and pave the way for further testing of these targets in future exploration drilling campaigns.



Figure 2. Aircore drilling sample piles from 2022 drilling programme. Note highly interesting and prospective colour of sample piles.

Meanwhile, Metalicity is looking to expand the drilling programme to follow up on the substantial Mulga Plum tenure, which has shown some significant promise from historical drilling in 2020. Exploration at Mulga Plum is an applied example of target generation which aims to expand upon extents of observed mineralisation from field mapping and follow up drilling and rock chip results. The historical results referred to are stated in the Metalicity ASX announcement dated 23<sup>rd</sup> Nov 2020 including (Figure 3):

- AJAR0009 2 metres @ 8.84 g/t Au from 14 metres,
- AJAR0003 2 metres @ 2.96 g/t Au from 42 metres, &
- AJAR0011 6 metres @ 1.22 g/t Au from 10 metres.
- Rock chips from veins have hosted mineralisation of up to 17.1 g/t Au.

The expanded drilling programme will safely test for structurally controlled, near surface mineralisation anomalies and potential unexposed extensions where the orientation of host structures and areas of associated mineralisation can be confidently extrapolated under alluvial cover at Mulga Plum.

<sup>&</sup>lt;sup>2</sup>Please refer to ASX Announcement "Metalicity Commences Significant Step Out Drilling Programme" dated 22 February 2022.

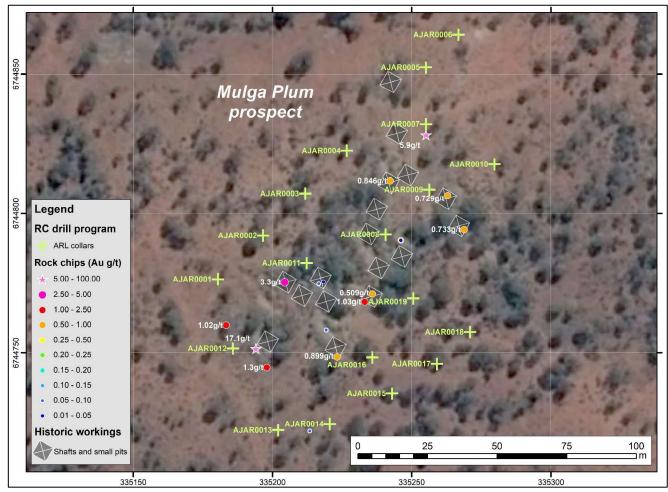


Figure 3. Previous Mulga Plum RC Drilling Collar Plot & Rock Chip Sample Locations.

In addition to the drilling programme outline above, Metalicity is continuing to undertake a detailed review and looking to generate new untested targets in the exploration areas within the tenements M40/61 and E40/332 off the back of recent structural target interpretation and analysis in conjunction with results from the Puzzle and Puzzle North prospects by Genesis (ASX: GMD)<sup>2</sup>. These two tenements host Metalicity's highly mineralised and historically productive Cosmopolitan and Altona deposits and are located within the same highly mineralized granite hosted gold system.

Results from this drill programme will further enhance Metalicity's understanding of the geological and structural complexity within the Kookynie Gold Project and ability to generate viable exploration targets in the future.

This Announcement is approved by the Board of Metalicity Limited.

# **ENQUIRIES**

### Investors

Justin Barton CEO +61 8 6500 0202 jbarton@metalicity.com.au 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.

#### 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.