

ASX RELEASE: 25<sup>th</sup> August 2022

## Multiple Outcropping Pegmatites in New Lithium Project Secured

- Metalicity has secured a second highly prospective lithium project with the acquisition of the Georgetown Lithium Project, located 40km west of the town of Mt Surprise in Queensland.
- Historical mapping at Georgetown identified multiple outcropping pegmatites and other felsic intrusives hosted in metasediments over a strike-length of several kilometres in the north-eastern area of the tenure.
- The tenure remains sparsely explored and is considered prospective for various lithium minerals including spodumene.
- The outcropping pegmatites and other felsic intrusives will enable focus for initial exploration to progress quickly, however with minimal work on the remaining expansive tenure, a significant opportunity exists to identify more prospective lithium mineralisation.
- Securing a second highly prospective Lithium project around the Mt Surprise area, complements the recently secured Mt Surprise Lithium Project, where historic rock chip samples returned 3.55% Li<sub>2</sub>O, 125ppm tantalum, 0.25% caesium and 1.26% rubidium<sup>1</sup>.

Metalicity Limited (ASX: MCT) (“MCT” or “Company”) is excited to announce that it has secured a second highly prospective Lithium Project, the Georgetown Lithium Project (EPM 28121) in North Queensland. The Project is located circa 40km west of the town of Mt Surprise and only 70km southwest of the recently secured Mt Surprise Lithium Project<sup>1</sup> and is serviced by excellent infrastructure in the area and easy access (Figure 3).

The Georgetown Lithium Project is sparsely explored; however, historical mapping and sampling identified pegmatites hosted in volcanic metasediments that strike over at least 3km as well as other unidentified felsic intrusive dykes over a strike-length of several kilometres in the north-eastern area of the tenement (Figure 1). The total Georgetown Project area significantly increases Metalicity’s exploration potential for lithium and other high value minerals in this exciting and under explored area of North Queensland.

### Commenting on the drilling results, Metalicity CEO, Justin Barton said:

*“We are incredibly pleased to have been able to secure another exciting Lithium Project, which adds to the recently secured Mt Surprise Lithium Project and strengthens our land position in the area. We know Georgetown is completely under explored, but to have a Project with several strike kilometres of pegmatites and other felsic intrusive that have never been assayed for lithium and associated metals is very significant. We believe there is a strong chance there are lots more outcropping pegmatites on the ground and we look forward to starting exploration works there as soon as possible. This is another exciting acquisition for the Company in the rapidly emerging battery materials sector where demand for Lithium continues to soar.”*

<sup>1</sup>Please refer to ASX Announcement “Metalicity Secures Highly Prospective Lithium Project” dated 18<sup>th</sup> August 2022.

## Overview of Project

The Georgetown Project covers an extensive area and a wide range of prospective lithologies including the White Springs Granodiorite, Einasleigh Metamorphics as well as a number of other intrusives, volcanic and non-volcanic metasediments (Figure 1). The regional area of the Georgetown Project is a highly mineralised system which includes numerous mineral occurrences of precious and base metals as well as Lithium Caesium Tantalum (LCT) occurrences including the Buchanan pegmatite hosted lithium-tantalum deposit held by Strategic Metals Australia (Buchanans LCT pegmatite discovery by Strategic Metals Australia<sup>2</sup>) (Figure 1). Similar to the lithology of the Mt Surprise Project area, Metalicity regards the Georgetown Project area as fertile for more LCT (Lithium-Caesium-Tantalum) pegmatites prospective for lithium mineralisation.

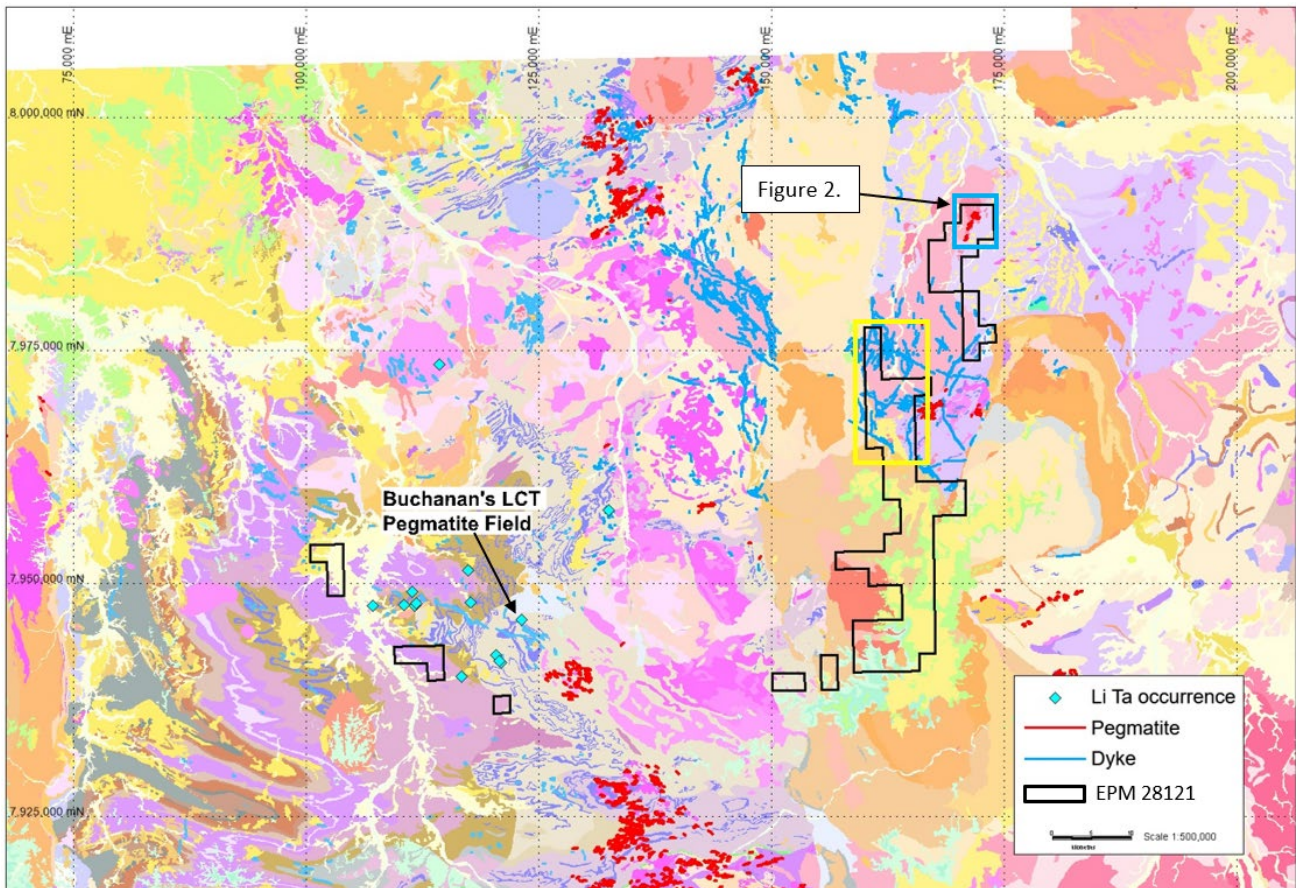


Figure 1 - Location of Application EPM 28121 Georgetown Project - North Queensland. 100,000 bedrock geology by Geological Survey of Qld. Blue polygon indicates mapped pegmatites (shown in Figures 2), significant area of Felsic/Rhyolitic dykes highlighted as yellow polygon.

Within the northern area of the exploration permit application EPM 28121, several outcropping pegmatite dykes were mapped from well exposed outcrops with a total strike length of up to 3 kilometres (Figure 2). These pegmatites will be the initial investigation sites for a detailed exploration program including detailed field mapping and rock chip sampling that will assist in developing a more detailed exploration program across the total tenement area (Figure 1).

<sup>2</sup> Refer to <https://strategicmetalsaustralia.com/index.php/lithium-caesium-rubidium/> and <https://az659834.vo.msecnd.net/eventsairseasiaproduct/production-ausimm-public/8efc59e339ec4e3eab214fd5fbb1ded5f>

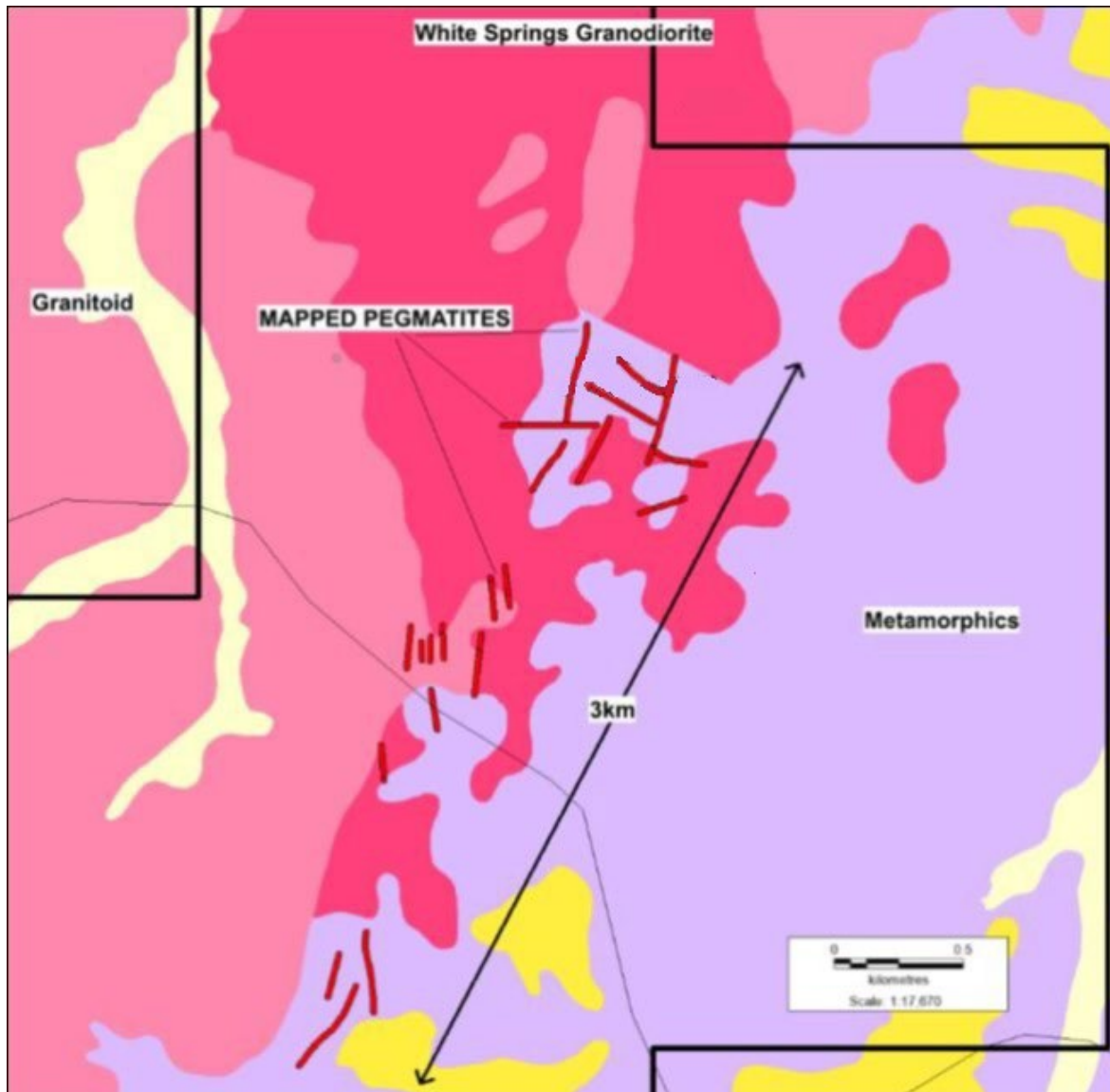


Figure 2 - Northern extents of the Georgetown Project EPM 28121 tenement showing the 100,000 bedrock geology by Geological Survey of Qld and locations of mapped pegmatites.

It is important to note that the Buchannans LCT Pegmatite Field occurs closely to and is associated with several mapped felsic dykes such as rhyolite (Figure 1). Several strike kilometres of the same dykes have been mapped within the north-eastern portion of the application area and are also considered prospective for associated LCT pegmatite dykes similar to those discovered at Buchannans. This area will be included in the upcoming initial exploration activities.



This acquisition complements the recently secured Mt Surprise Project, which is considered highly prospective for lithium, as evidenced by a historical rock chip sample that returned 3.55% Li<sub>2</sub>O, 1.23% Rb, 125ppm tantalum and 0.25% caesium <sup>1</sup>. The Project has seen minimal exploration work and has not been properly explored for lithium and other valuable associated metals.

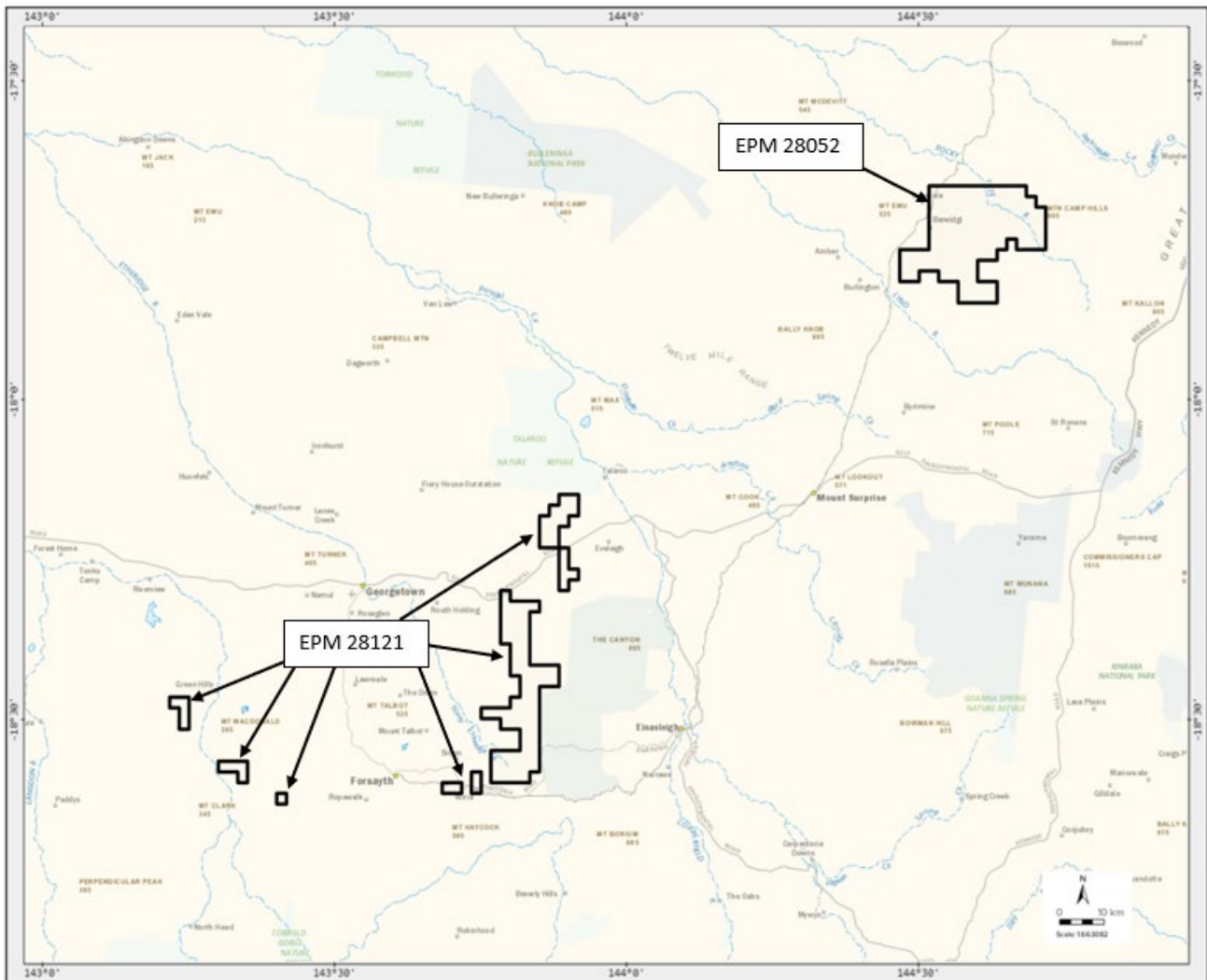


Figure 3 - Location of Application EPM 28121 Georgetown Project - North Queensland.

## Terms of Offer

Under the terms of the agreement, Metalicity will acquire a 100% interest in EPM 28121 from the tenement holder for consideration of:

- 12,500,000 Metalicity Shares, subject to 3 months Voluntary Escrow (Initial Consideration);
- Upon achievement of 500,000 tonne Mineral Resource Estimate, as defined under the JORC Code 2012, at 1% Li<sub>2</sub>O or greater, 12,500,000 Metalicity Shares (Milestone 1 Consideration Shares); and
- Upon achievement of 1,000,000 tonne Mineral Resource Estimate, as defined under the JORC Code 2012,



at 1% Li<sub>2</sub>O or greater, 12,500,000 Metalicity Shares (Milestone 2 Consideration Shares).

This Announcement is approved by the Board of Metalicity Limited.

#### References:

<sup>1</sup> Please refer to ASX Announcement “Metalicity Secures Highly Prospective Lithium Project” dated 18<sup>th</sup> August 2022.

#### 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.

##### Competent Person Statement

The information in this announcement that relates to previous Exploration Results based on and fairly represents information and supporting documentation prepared by Mr Leo Horn. Mr Horn is a **consultant for Metalicity** and a member of the Australian Institute of Geoscientists. Mr Horn has sufficient experience relevant to the styles of mineralisation and types of deposits that are covered in this announcement and to the activity that they are 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’ (“JORC Code”). Mr Horn consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

##### 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.

**Appendix One – JORC Code, 2012 Edition – Table 1**
**Section 1: Sampling Techniques and Data**

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>● <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>● <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>● <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>● <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>● Not Applicable – no sampling results reported</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>● <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails,</i></li> </ul>	<ul style="list-style-type: none"> <li>● Not Applicable – no drilling results reported.</li> </ul>

	<i>face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no drilling results reported.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no drilling results reported.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no sampling results reported</li> </ul>

	<p><i>of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <ul style="list-style-type: none"> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no sampling results reported</li> </ul>
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no drilling results reported.</li> <li>• Not Applicable – no sampling results reported</li> </ul>
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system</i></li> </ul>	<ul style="list-style-type: none"> <li>• MGA94 (Zone 55)</li> </ul>



	<p><i>used.</i></p> <ul style="list-style-type: none"> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no sampling results reported</li> <li>• Not Applicable – no drilling results reported.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no sampling results reported</li> <li>• Not Applicable – no drilling results reported.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no sampling results reported</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No audits or reviews have been completed.</li> </ul>

## SECTION 2: REPORTING OF EXPLORATION RESULTS

<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding</i></li> </ul>	<ul style="list-style-type: none"> <li>• EPM 28121 is currently an application. As part of the heads of agreement, once the licenses are granted, ownership of the licenses will transfer over to Metalicity.</li> <li>• The EPM is free of any known impediments.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <ul style="list-style-type: none"> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties</i></li> </ul>	<ul style="list-style-type: none"> <li>• Limited historical lithium exploration has been undertaken within the area.</li> <li>• Previous company exploration has focused on gold and base metals.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The deposit style of lithium mineralisation on the project is unknown however is likely to be either pegmatite-hosted or volcanic rhyolite hosted.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>• <i>Easting and northing of the drill hole collar</i></li> <li>• <i>Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>• <i>Dip and azimuth of the hole</i></li> <li>• <i>Down hole length and interception depth</i></li> <li>• <i>Hole length.</i></li> </ul> </li> <li>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable – no drilling results reported</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable – no drilling results reported</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <ul style="list-style-type: none"> <li>• <i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable – no drilling results reported</li> </ul>
<p><i>Diagrams</i></p>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All data has been presented using appropriate scales and using industry standard compilation methods for the presentation of exploration data.</li> <li>• Geological and mineralisation/anomalism interpretations are based on current knowledge of Metalicity geologists and associated consultants. Interpretations may change with further exploration.</li> </ul>
<p><i>Balanced reporting</i></p>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable - No exploration results reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.</i></p>	
<p><i>Other substantive exploration data</i></p>	<ul style="list-style-type: none"> <li>● <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>● Not applicable – limited history of lithium exploration reported in the area</li> </ul>
<p><i>Further work</i></p>	<ul style="list-style-type: none"> <li>● <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>● <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>● Metalicity is planning to undertake mapping as well as rock and soil sampling within the tenement application area once granted.</li> </ul>