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SHANGHAI METALS MOU AND SHAREHOLDING UPDATE

Metalicity Limited (“Metalicity” or “the Company”) advises that it is in advanced discussions with China New United Shanghai Metal Resources Co, Ltd (“Shanghai Metals”) to broaden the existing Memorandum of Understanding (MOU) to fund, develop and acquire lithium projects in Australia, to incorporate cobalt projects in Australia.

The Company will continue discussions with Shanghai Metals on a planned roadshow in China in mid-March. Meetings will also be held with representatives of CNFC Equipment Co Ltd, a subsidiary of leading zinc project development group China Nonferrous Metal Industry’s Foreign Engineering and Construction Co Ltd, which recently signed an MOU regarding a potential partnership on Metalicity’s the Admiral Bay Zinc Project.

Additionally, the Company wishes to clarify that the notice of change of interest of substantial holder lodged on 1 March 2017 reflects a transfer of Metalicity shares between controllers of Shanghai Metals. No Metalicity shares were sold by Shanghai Metals. The Company continues to work closely with Shanghai Metals and looks forward to jointly exploring, developing and acquiring lithium and cobalt projects in Australia.

The Company recently announced the acceleration of exploration on the Kyarra Cobalt Project located in the Yerrida Basin (see ASX announcement dated 17 February 2017) and is in the process of compiling a comprehensive database of geological information and historical exploration results in preparation for a drill program once the tenements are granted, expected later this month.

ENQUIRIES

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