



ASX RELEASE: 5 FEBRUARY 2018

INSTITUTIONAL PLACEMENT FOR ZINC PROJECT DEVELOPMENT

HIGHLIGHTS

- Brokered private placement of A\$2.61M via issue of 58.25M shares at A4.5cps to Australian and international institutional and sophisticated investors
- Issue price of A4.5c represents a 6.6% discount to the A4.8c closing price on 29 January 2018
- 1 for 2 free attaching option exercisable at A8c with a five-year term
- Proceeds to be used to:
 - undertake resource and exploration drilling at the Napier Range Zinc Project
 - progress Pre-Feasibility Studies (PFS) at the Admiral Bay Zinc Project
 - due diligence and evaluation of a dual listing on the TSX Venture Exchange
 - working capital
- Placement is scheduled to close on or about 15 February 2018

Metalicity Limited (**ASX:MCT**) ("**MCT**" or "**Company**") is pleased to report that it has agreed to the terms of a brokered private placement with Australian and international institutional and sophisticated investors ("**Private Placement**") co-lead by Echelon Wealth Partners Inc. and Paradigm Capital Inc.

The Private Placement to raise A\$2.61M is via the issue of 58.25M shares at A4.5c per share, with a 1 for 2 free attaching option exercisable at A8c with a five-year term.

Proceeds of the Private Placement will be used to (1) undertake resource and exploration drilling at the Company's 100% owned Napier Range Zinc Project, (2) progress Pre-Feasibility Studies (PFS) at the Company's 100% Admiral Bay Zinc Project, (3) undertake due diligence and evaluation of a dual listing on the TSX Venture Exchange, and (4) working capital.

Completion of the North American tranche of the Private Placement is subject to a number of conditions, including the completion of due diligence by the Agents, the negotiation and execution of a definitive Agency Agreement and receipt of completed Subscription Agreements. The closing date for the Private Placement is scheduled to be on or about 15th February 2018.

The Private Placement will be completed by utilising the Company's existing capacity under ASX Listing Rules 7.1 (37,431,087 securities) and 7.1A (49,943,913 shares). The issue price of A4.5c represents a discount of 6.6% to the closing price on the 29th January 2018.

Metalicity Managing Director Matthew Gauci commented:

"We are pleased to welcome to the register key North American institutional funds as the Company undertakes due diligence and evaluation of a TSX Venture Exchange listing as well as drilling and feasibility studies on our 100% owned Napier Range Zinc Project and Admiral Bay Zinc Project, while considering a spin out of our cobalt and lithium projects. We'd like thank Echelon Wealth Partners Inc. and Paradigm Capital Inc for their efforts."

THIS ANNOUNCEMENT EFFECTIVELY CEASES THE VOLUNTARY SUSPENSION REQUESTED BY THE COMPANY ON THURSDAY 1 FEBRUARY 2018. THE COMPANY IS NOT AWARE OF ANY REASON WHY THE ASX WOULD NOT ALLOW TRADING TO RECOMMENCE IMMEDIATELY.

ENQUIRIES

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About Metalicity Limited

Metalicity Limited is an Australian exploration company with a primary focus on the base metals sector and the development of a pipeline of zinc projects including the high-grade Napier Range Zinc Project and the large-scale Admiral Bay Zinc Project, both located in the north west of Australia. The Company's secondary focus is the lithium and cobalt sector with early stage exploration projects located in existing world class and/or emerging districts for lithium and cobalt. The Company is supported by a management team with significant collective experience in the resources sector as well as private equity, institutional and retail funds.