

ASX RELEASE: 19 December 2019

Kookynie Drilling Campaign Finished & Drone Magnetic Survey Completed

HIGHLIGHTS

- **10 reverse circulation (RC) drill holes completed across the McTavish, Leipold and Champion Prospects.**
 - All drill holes intersected the target mineralised structure.
 - Results due early in the New Year.
- **A Drone Magnetic Survey over key trends – the Diamantina-Cosmopolitan-Cumberland, Altona and Leipold-McTavish areas surveyed at high definition.**

Metalicity Limited (ASX: MCT) (“MCT” or “Company”) is pleased to announce the it has completed its third drilling programme for the year since entering into the Farm In agreement with Nex Metals Exploration Ltd in May 2019¹. Furthermore, Metalicity has engaged Roc Aerial Pty Ltd (www.rocaerial.com.au) to perform a detailed aerial drone magnetics survey over key trends to better delineate along strike targets.

A well-executed programme, in terms of safety and technical success, consisting of 10 RC drill holes over the McTavish, Leopold and Champion Prospects, was completed to further test mineralisation to assist in future resource estimation work to JORC 2012 standards.



Photograph 1 – Drilling at the McTavish Prospect, December 2019.

The observed mineralisation in this current drilling is consistent with previous observations and it is incredibly encouraging that every drill hole completed to date has intersected the target mineralised structure. As previously announced, all drill holes to date have intersected the targeted mineralised structure at Kookynie with highlight intercepts of:

- 9 metres @ 7.31 g/t Au from 34 metres, including 3 metres @ 7.91 g/t Au from 34 metres at Leipold²
- 2 metres @ 22.1 g/t Au from 76 metres at Cosmopolitan³
- 4 metres @ 6.4 g/t Au from 67 metres, including 1 metre @ 15.47 g/t Au from 67 metres at McTavish³

Further to the drilling programme, Metalicity in conjunction with Roc Aerial Pty Ltd, has commissioned an aerial drone magnetics survey over key trends on the Kookynie Gold Project. Our initial survey has targeted the strike extents of the DCC (Diamantina-Cosmopolitan-Cumberland) Trend, the Altona trend and the Leipold-McTavish trend:

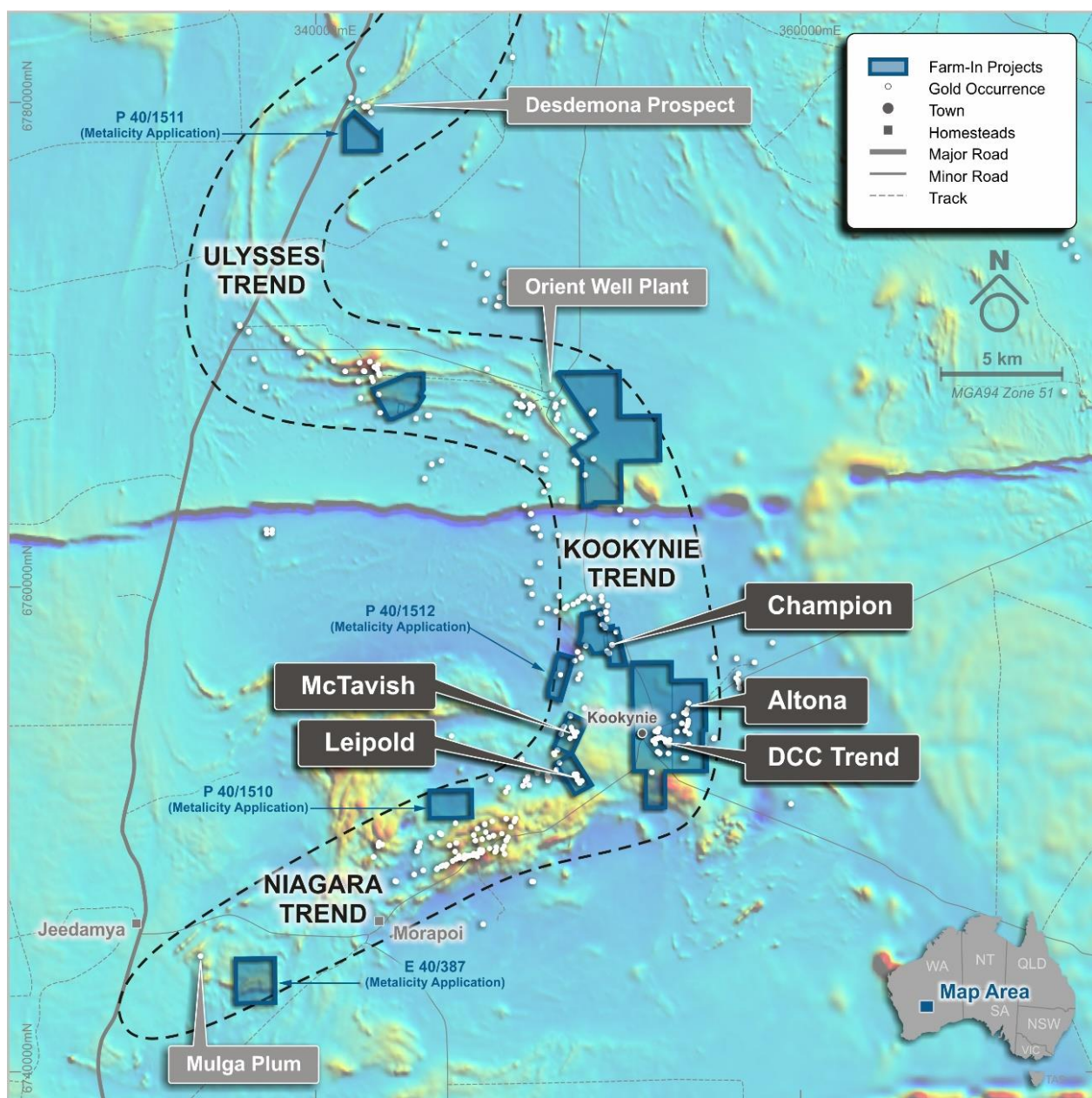


Figure 1 – Kookynie Gold Project Tenure & Prospect Locations.

The benefit of this type of survey is the incredible detail and resolution it provides by way of magnetic imagery and structural definition. The slower flight speed, and lower ground clearance afforded by the drone allows for better data capture, and hence processing of the raw magnetic data allows for greater detail.

To date, Metalicity and Nex's structural model, which projects where mineralisation should occur, has been validated by the successful exploration drilling programmes to date. The information derived from this drone magnetics survey coupled with our technical understanding of the known Prospects like the DCC Trend, McTavish, Leopold etc. will allow succinct and high probability exploration success in the 8 kilometres of strike extents of these prolific Prospects which remains untested by drilling.

Managing Director and CEO, Jason Livingstone commented;

"I am pleased to round off 2019 with a third successful drilling programme at our flagship Kookynie Gold Project. I look forward to January 2020 in presenting the results of this drilling with the details of what the drone magnetics survey has uncovered."

1. Refer to ASX Announcement dated 6th May 2019 titled "Metalicity Farms Into Prolific, Kookynie & Yundamindra Gold Projects, WA".
2. Refer to ASX Announcement dated 2nd October 2019 titled "Metalicity Confirms Additional Gold Mineralisation at Kookynie".
3. Refer to ASX Announcement dated 31st July 2019 titled "Metalicity Confirms Mineralisation".

ENQUIRIES

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