ASX Release
7 August 2020

# Drilling Update - Sturec Gold Mine

## Highlights

- UGA-01 currently at a depth of 195m (planned to 350m total) with excellent core recovery averaging >95%
- At approximately 119m downhole, the drill hole intersected weak quartz vein and stockwork associated with argillic alteration, close to the predicted depth of 110m for the start of the interpreted gold bearing exploration target zone along plunge of historic drill hole STOR 3.11
- From approximately 182.5m to 185.4m downhole, the drill hole intersected a very prospective zone of intense quartz stockwork to breccia with fine-grained quartz fill, rich in pyrite and hosted within prevasively leached and argillic altered andesite host rock expected to be associated with the high grade core zone
- From approximately 185.4m downhole till the current depth, the drill hole intersected moderate quartz vein and stockwork associated with argillic alteration - the drill hole is currently progressing through this zone
- At approximately 210m downhole, the drill hole is expected to intersect the current mineral resource wireframe at an acute angle and is planned to continue through until approximately 330m downhole, an intersection of ~120m - the true thickness in this part of the mineral resource is approximately 50m
- UGA-01 is expected to intersect the exploration target zone approximately 80m along plunge from STOR 3.11 which intersected:
    - **89.0m @ 6.9g/t Au and 23.6g/t Ag from 114m to 203m down hole (~65m true thickness) using a 3g/t Au cut-off**

      within a broader intersection of
    - **137.3m @ 4.6g/t Au and 16.5g/t Ag from 67.7m to 205m down hole (~100m true thickness) using a 0.3g/t Au cut-off**
- The gold price rallied to over US$2,070 per ounce overnight and silver traded at over US$28 per ounce

**Commenting on the progress of drilling, MetalsTech Chairman, Russell Moran stated:**

*"The first part of this drill hole has provided valuable information about how we position future drill holes to continue to target the plunging high grade zone. Drilling into the lower portion of the existing resource in the last half of this hole will also provide potential for an improvement in the number of ounces in the existing resource envelope if we are able to successfully intersect higher grade mineralisation at depth."*

*Note: This announcement is authorised by the executive board on behalf of the Company.*

**MetalsTech Limited (ASX: MTC)** (the **Company** or **MTC**) is pleased to provide shareholders with a further update on its maiden drilling program from the Company's 100%-owned Sturec Gold Mine (**Sturec**).

The map below shows the location of Sturec relative to the other major gold and copper-gold projects in the region.

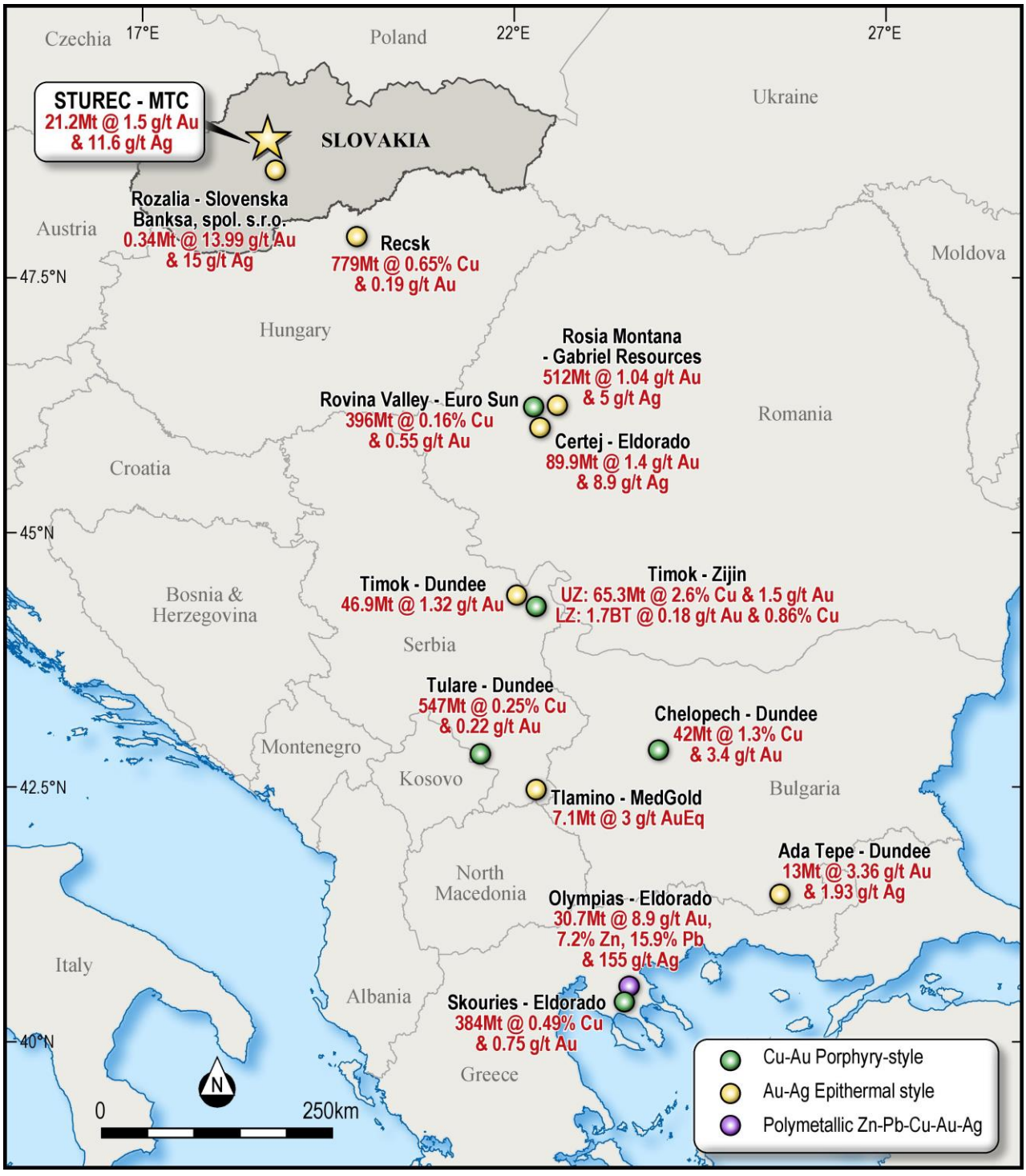


Figure 1: Location of Sturec relative to the other major gold and copper-gold projects in the region

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## Maiden Diamond Drilling Program from within the Andrej Adit

The current diamond drill program has been designed to test a previously unexplored area along strike/down plunge of the southerly plunging, high-grade gold zone observed within the existing Mineral Resource at Sturec (see figure below). The drill program was designed from within the Andrej Adit in order to commence drilling sooner and at a lower cost than through surface drilling.

The first drill hole is expected to test the interpreted extension of the high-grade plunging zone at approximately 80m along plunge from historic drill hole STOR 3.11 and on the margin of the recently announced JORC (2012) Mineral Resource Estimate for Sturec. At the margin of the Mineral Resource in this area, the mineralised zone is approximately 80-100m wide. However, the first drill hole was planned at an acute angle to the mineralised zone due to location of the underground drill site relative to the exploration target zone and therefore, it is interpreted that if this drill hole is successful it will intersect a much thicker interval of mineralisation than the true thickness. Obviously, the true thickness of any mineralisation intersected can not be estimated until assay results have been received and interpreted.

STOR 3.11 intersected 89.0m @ 6.9g/t Au and 23.6g/t Ag from 114m to 203m down hole (~65m true thickness) using a 3g/t Au cut-off within a broader intersection of 137.3m @ 4.6g/t Au and 16.5g/t Ag from 67.7m to 205m down hole (~100m true thickness) using a 0.3g/t Au cut-off.

*Refer to ASX Announcement dated 21 April 2020 and titled "MetalsTech Targets High Grade Gold Zone".*

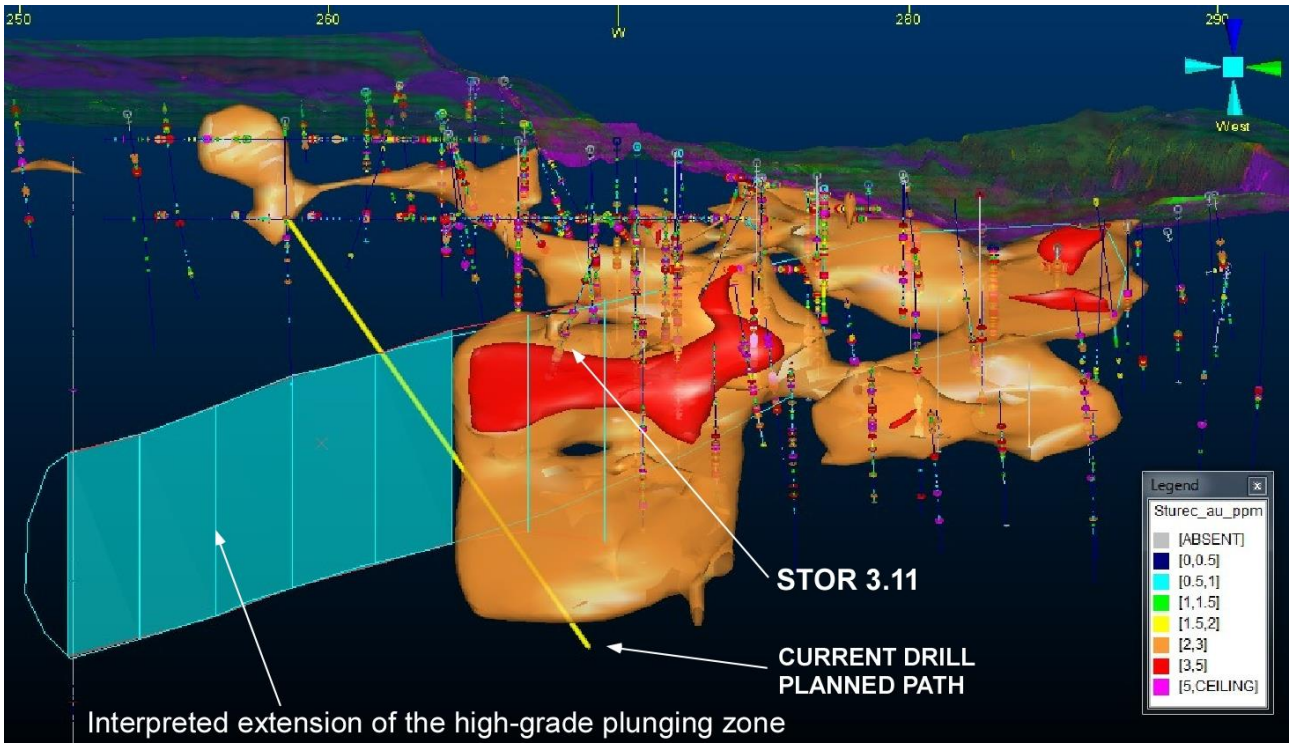


Figure 2: Planned trace of the current drill hole (UGA-01) and its location relative to STOR 3.11 and the border of the known mineralisation within the existing Mineral Resource.

## Current Drill Hole Update

From the start to 119m downhole, the current drill hole (UGA-01) intersected weakly altered andesite with minor, localised quartz veinlets.

At approximately 119m downhole, the drill hole intersected weak quartz vein and stockwork associated with argillic alteration, characterised by clay minerals (illite-smectite), pyrite, quartz, chlorite and carbonate; close to the predicted depth of 110m for the interpreted exploration target zone along plunge of historic drill hole STOR 3.11 (Figure 2).

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Then at approximately 182.5m till 185.4m downhole, the drill hole intersected a very prospective zone of intense stockwork to breccia with fine-grained quartz fill and quartz druse texture (coating of fine crystals on a rock fracture surface, vein or within a vug), rich in pyrite and hosted within pervasively leached and argillic altered andesite host rock (Figure 3). Also at approximately 180m the drill hole intersected a zone of clay minerals (illite-smectite), interpreted to be directly comparable to the rock type of the high-grade zone intersected in STOR 3.11.

From approximately 185.4m downhole till the current depth (195m), the drill hole has intersected moderate quartz vein and stockwork associated with argillic alteration (Figure 3). The drill hole is still progressing through this zone.

At approximately 210m downhole, the drill hole is expected to intersect the current mineral resource wireframe (Figure 2) and is planned to continue through till approximately 330m. This predicted long intersection of approximately 120m, is due to the acute angle that this drill hole has been planned at due to location of the underground drill site relative to the exploration target zone and the mineral resource wireframes. The estimated true thickness in this deepest part of the mineral resource is approximately 50m.

Once the drill hole is completed, the Company plans on rushing its drill core sample assays.


Figure 3: Drill core photo of the very prospective zone of intense stockwork to breccia with fine-grained quartz fill/quartz drusy texture, rich in pyrite and hosted within pervasively leached and argillic altered andesite host rock from approximately 182.5m till 185.4m downhole and then the moderate quartz vein and stockwork associated with argillic alteration zone from 185.4m till the current hole depth.

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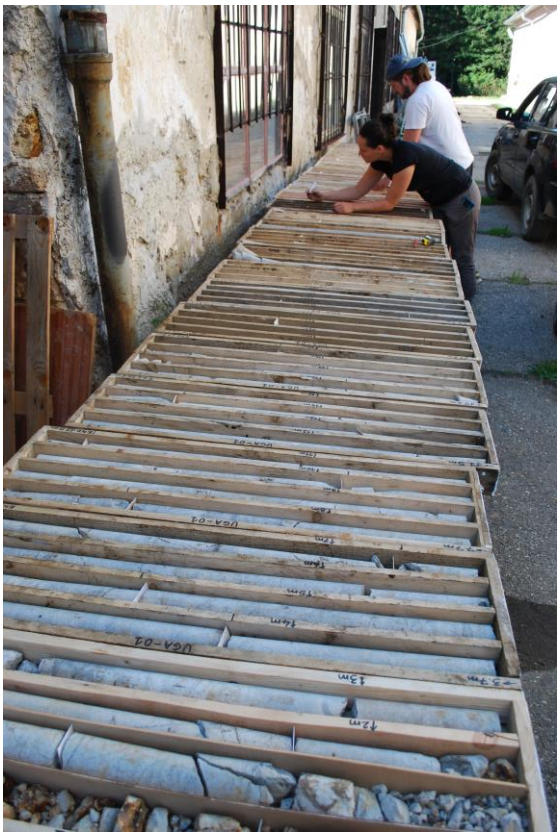
The photo below shows geologist and field technician processing the drill core from UGA-01 at Sturec:



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**For further information, contact:**


Russell Moran
**Chairman**
M +61 415 493 993
russell@metalstech.net

Nathan Ryan
**Investor Relations**
M +61 420 582 887
nathan.ryan@nwrcommunications.com.au

Gino D'Anna
**Director**
M +61 400 408 878
gino@metalstech.net


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## Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning MetalsTech. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of MetalsTech as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

## Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Dr Quinton Hills Ph.D., M.Sc., B.Sc. Dr Hills is the technical advisor of MetalsTech Limited and is a member of the Australasian Institute of Mining and Metallurgy (No. 991225). Dr Hills has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Dr Hills consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in the report to which this statement is attached that relates to Mineral Resources for the Sturec Gold Deposit is based on information compiled by Mr Chris Grove, who is a Member of The Australasian Institute of Mining and Metallurgy (No. 310106). Mr Grove is a full-time employee of Measured Group Pty Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Grove consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## ASX Listing Rules Compliance

In preparing this announcement dated 7 August 2020, the Company has relied on the announcements previously made by the Company and specifically dated 21 April 2020. The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement dated 7 August 2020.

*Note: This announcement is authorised by the executive board on behalf of the Company.*

## Background: Sturec Gold Mine

The Sturec Gold Mine is located in central Slovakia between the town of Kremnica and the village of Lučky, 17km west of central Slovakia's largest city, Banská Bystrica, and 150km northeast of the capital, Bratislava.

Sturec contains a total Mineral Resource of 21.2Mt @ 1.50 g/t Au and 11.6 g/t Ag (1.59g/t AuEq) using a 0.4g/t Au cut-off and within an optimised open pit, containing 1,026,000 ounces of gold and 7,944,000 ounces of silver (1,086,000 ounces of gold equivalent) in accordance with JORC (2012). An additional 388,000 tonnes at 3.45 g/t Au and 21.6 g/t Ag (3.60g/t AuEq) outside the optimised open pit contains an additional 43,000 ounces of gold and 270,000 ounces of silver (45,000 ounces of gold equivalent), reported in accordance with JORC (2012).

Table 1: Mineral Resource Estimate – Sturec Gold Project

| Sturec Mineral Resource Estimate | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Resource Estimate above 0.40 g/t Au cut-off and within an optimised open pit shell** | | | | | | | | |
| **Resource Category** | **Tonnes (kt)** | **Density (t/m³)** | **Au (g/t)** | **Ag (g/t)** | **AuEq[1] (g/t)** | **Au (koz)** | **Ag (koz)** | **AuEq[1] (koz)** |
| Measured | 3,000 | 2.17 | 1.69 | 13.5 | 1.79 | 161 | 1291 | 171 |
| Indicated | 11,200 | 2.24 | 1.79 | 14.9 | 1.90 | 643 | 5373 | 685 |
| Measured + Indicated | 14,200 | 2.23 | 1.77 | 14.6 | 1.87 | 804 | 6664 | 856 |
| Inferred | 7,000 | 2.33 | 0.97 | 5.6 | 1.01 | 222 | 1280 | 230 |
| TOTAL | 21,200 | 2.26 | 1.50 | 11.6 | 1.59 | 1026 | 7944 | 1086 |
| **Resource Estimate above 2.85 g/t Au cut-off: outside optimised open pit shell** | | | | | | | | |
| **Resource Category** | **Tonnes (kt)** | **Density (t/m³)** | **Au (g/t)** | **Ag (g/t)** | **AuEq[1] (g/t)** | **Au (koz)** | **Ag (koz)** | **AuEq[1] (koz)** |
| Measured | - | - | - | - | - | - | - | - |
| Indicated | 114 | 2.28 | 3.39 | 25.6 | 3.57 | 12 | 94 | 13 |
| Measured + Indicated | 114 | 2.28 | 3.39 | 25.6 | 3.57 | 12 | 94 | 13 |
| Inferred | 274 | 2.34 | 3.47 | 19.9 | 3.61 | 31 | 176 | 32 |
| TOTAL | 388 | 2.34 | 3.45 | 21.6 | 3.60 | 43 | 270 | 45 |

[1] AuEq g/t = ((Au g/t grade*Met. Rec.*Au price/g) + (Ag g/t grade*Met. Rec.*Ag price/g)) / (Met. Rec.*Au price/g)
Long term Forecast Gold and Silver Price USD/oz (source: World Bank, JP Morgan): $1,500 and $20 respectively.
Gold And silver recovery from the 2014 Thiosulphate metallurgical test work: 90.5% and 48.9% respectively.
It is the Company's opinion that both gold and silver have a reasonable potential to be recovered and sold from the Sturec ore using Thiosulphate Leaching/Electrowinning as per the recoveries indicated.

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