

ASX RELEASE: 25 August 2020

Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project

HIGHLIGHTS

- First assays from the Phase Two Drilling Programme continue to deliver spectacular, near surface, high grade drilling results at the Kookynie Gold project, including:
 - LPRC0049 – 10 metres @ 7.44 g/t Au from 108 metres,
 - inc. 2 metres @ 21.03 g/t Au from 111 metres
 - LPRC0049 – 2 metres @ 35.23 g/t Au from 124 metres,
 - LPRC0046 – 9 metres @ 3.96 g/t Au from 35 metres,
 - inc. 2 metres @ 9.25 g/t Au from 42 metres,
 - LPRC0065 – 7 metres @ 3.31 g/t Au from 27 metres,
 - inc. 2 metres @ 7.01 g/t Au from 32 metres,
 - LPRC0064 – 6 metres @ 4.54 g/t Au from 24 metres
- Notably, LPRC0064 and LPRC0065 are ~250 metres south of LPRC0032¹ that returned 10 metres @ 3.21 g/t Au from 26 metres which has extended the mineralisation footprint significantly to 700 metres at the Leipold Prospect – please note drilling to the north of Leipold is underway.
- LPRC0049 is the deepest hole drilled to date which returned spectacular gold intersections and confirmed the mineralisation continues down dip.
- We have completed 53 drill holes for 3,798 metres at Leipold to date, 16 holes have had assays received, a further 24 drill holes are pending at the Laboratory and the remaining 13 drill holes were despatched to the laboratory on the 23rd August 2020.
- Next batch of assay results are due in late August with release as soon as possible after receipt.
- Drilling continues to highlight the high-grade and shallow nature of mineralisation at the Kookynie Gold Project.

Metalicity Limited (ASX: MCT) (“MCT” or “Company”) is pleased to announce the return of first assays from the Phase Two Drilling Programme at the Kookynie Gold Project² in the Eastern Goldfields, Western Australia, approximately 60 kilometres south southwest of Leonora.

The Company has received assays for the first 16 holes of the expanded drilling programme currently underway at the Kookynie Gold Project. So far, the drilling has confirmed significant and extensive high grade, near surface gold mineralisation at the Leipold Prospect that not only continues to the southern strike extents, but down dip as well. There are 24 drill holes remaining at the laboratory pending analysis, which is due in late August with further samples being dispatched periodically, with drilling still underway at the Kookynie Gold Project.

Commenting on the drilling results, Metalicity Managing Director, Jason Livingstone said:

“It is incredibly pleasing to have extended the mineralisation at Leipold along strike and down dip with the return of the initial holes. It is apparent that the Leipold mineralisation extends a considerable distance, some 250 metres south, past our previous drilling, and I look forward to receiving the balance of the assays and the results from our current drilling which is underway.”

¹Please refer to ASX Announcement “Metalicity Continues to Deliver Excellent Drill Hole Results for the Kookynie Gold Project” dated 2nd July 2020

²Please refer to ASX Announcement “Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA” dated 6th May 2019 with Nex Metals Explorations Ltd, ASX:NME.

Assay & Drilling Discussion

The Kookynie Project is host to seven, significant prospects; Champion, McTavish, Leipold, Diamantina, Cosmopolitan and Cumberland (collectively known as the DCC Trend), and finally, the Altona Trend 1.5 kilometres east of the DCC Trend. The table below summarises the significant intercepts from the 16 returned drill holes of the 40 drill holes currently pending assays results (that is, we are expecting results for the balance of the 24 holes currently at the laboratory in late August with reporting of results in early September post quality control checks), however, please note that drilling is ongoing and further results are expected (please note, drill holes LPRC0050 to LPRC0063 and LPRC0066 to LPRC0067 are pending):

MGA 94 Zone 51 South																			
Prospect	Hole ID	Tenement	Hole Type	Easting	Northing	RL	EOH	Dip	Azi	From (m)	To (m)	Down Hole Width (m)	Grade (Au g/t)	Comments assays:					
Leipold	LPRC0039	M40/22	RC	350,861	6,752,095	430	132	-60	250	49	52	3	3.4	3 metres @ 3.4 g/t Au from 49 metres					
	LPRC0041			350,815	6,751,958	430	60	-60	250	79	81	2	2.33	2 metres @ 2.33 g/t Au from 79 metres					
	LPRC0043			350,856	6,751,975	431	90	-60	250	42	43	1	6.13	1 metre @ 6.13 g/t Au from 42 metres					
	LPRC0044			350,826	6,751,941	430	72	-60	250	75	77	2	2.22	2 metres @ 2.22 g/t Au from 75 metres					
	LPRC0046			350,848	6,751,950	430	90	-60	250	35	44	9	3.96	9 metres @ 3.96 g/t Au from 35 metres					
															including	42	44	2	9.25
	LPRC0049			350,826	6,751,920	430	66	-60	250	81	82	1	2.2	1 metre @ 2.2 g/t Au from 81 metres					
															93	94	1	2	1 metre @ 2 g/t Au from 93 metres
															including	111	113	2	21.03
	LPRC0064			350,846	6,751,757	431	42	-60	250	24	30	6	4.54	6 metres @ 4.54 g/t Au from 24 metres					
	LPRC0065			350,868	6,751,766	430	54	-60	250	27	34	7	3.31	7 metres @ 3.31 g/t Au from 27 metres					
															including	32	34	2	7.01

Table 1 – Significant Drill Hole Intercepts

Intercepts were calculated based on a sample returning an assay value of greater than 1 g/t Au over an interval greater than 1 metre, but not including any more than 1 metre of internal material that graded less than 1 g/t Au.

The Phase Two drilling programme is designed to significantly step out and continue to confirm the mineralisation observed in our previous drilling programmes, this is the methodical approach we have adopted in our efforts to develop JORC 2012 compliant mineral resource estimates in the future. The full intercept list for completed drill holes is available in Appendix Two along with the collar details for the drill holes discussed in this announcement. This programme is a significant step out to define the shallow and down dip mineralisation observed at the Leipold Prospect. Please refer to Figure 1 for Prospect and tenure locations within the greater Kookynie Gold Project:

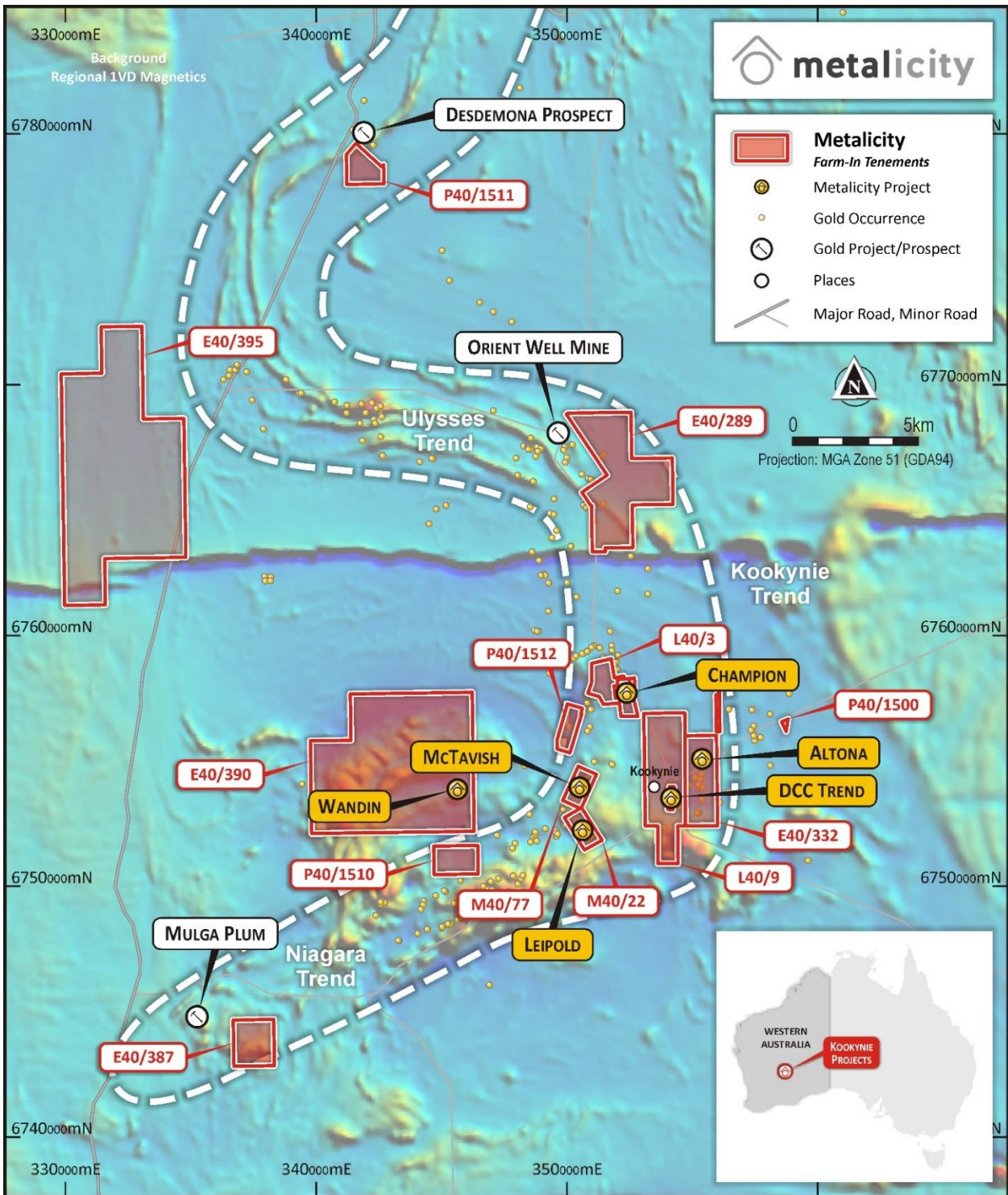


Figure 1 – Kookynie Prospect Locality Map with mineralised trends.

Drill Hole Plane of Vein Long Section

Below is a drill hole plane of vein long section, cross section and collar plot that illustrate the recent and planned drilling pierce points and discussion detailing the significance of the results to date at the Leipold Prospect. As noted earlier in this announcement, not all assays from the Phase Two drilling programme are available now, therefore, all assays received to date for an entire hole have been plotted on a long section to illustrate the strike extents of the mineralisation observed to date.

The Leipold Prospect

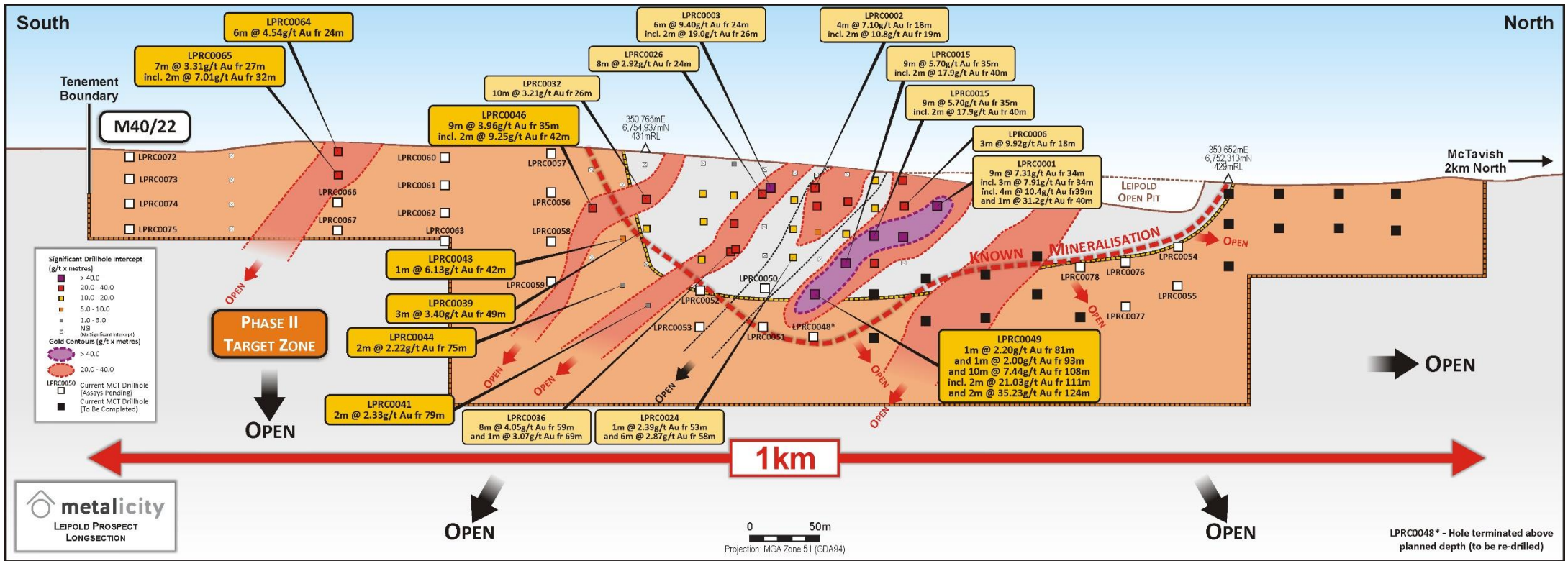


Figure 2 – Leipold Plane of Vein Section with recent drilling³.

³Please refer to ASX Announcement “Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project” dated 25 June 2020, ASX Announcement “Metalicity Continues to Deliver Excellent Drill Hole Results for the Kookynie Gold Project” dated 2 July 2020 & ASX Announcement titled “Metalicity Reports Drill Hole Intercepts Up To 80 g/t Au & Additional Tenement Acquisition for Kookynie” dated 21 January 2020.

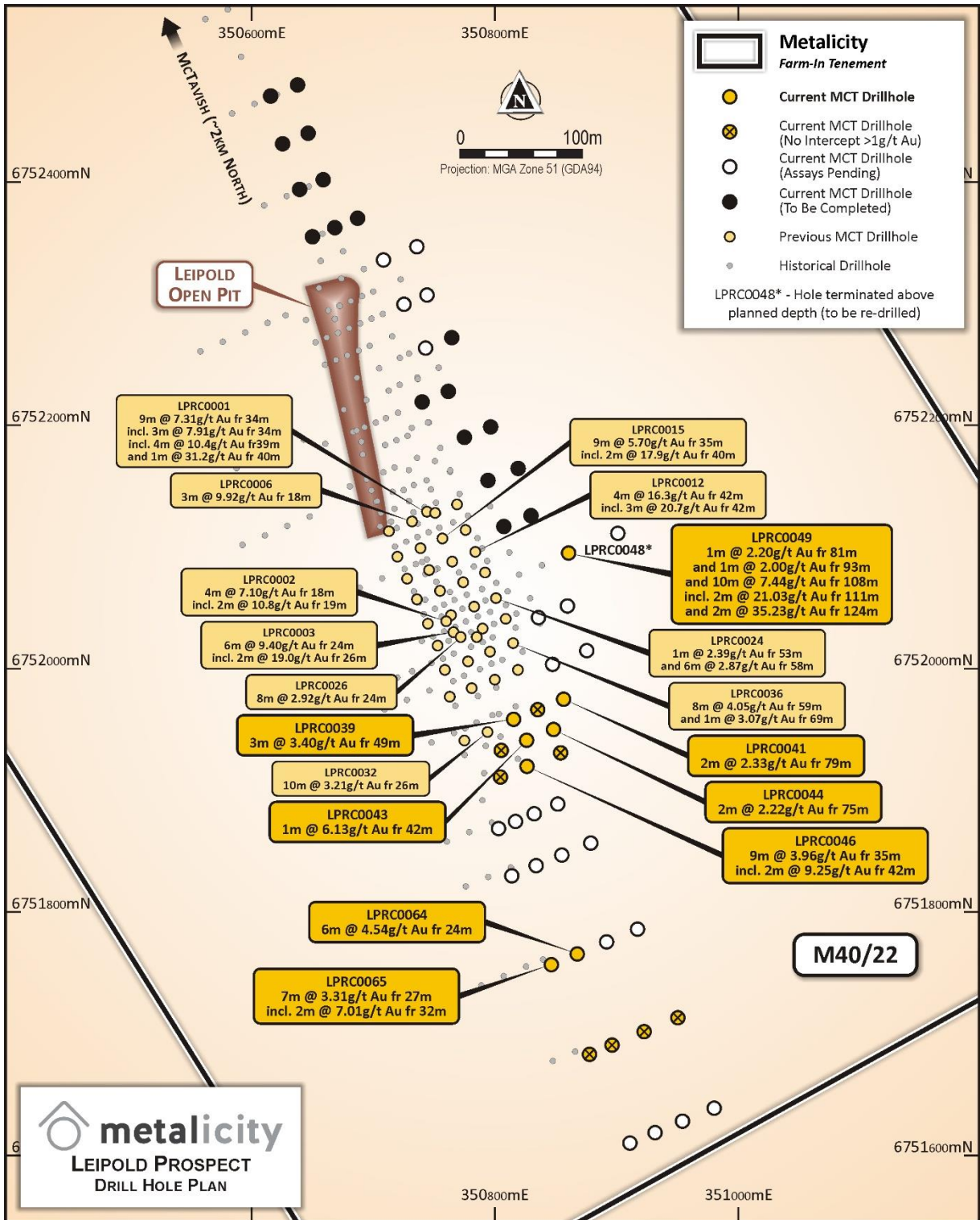


Figure 3 – Leipold Collar Plot of all drilling and mineralised trend³.

The Company has received assays for sixteen (16) Reverse Circulation (RC) drill holes at the Leipold Prospect for a total of 1,218 metres in an area that is down dip and along strike from recent and historical drilling. We are pleased that the initial results have confirmed significant extensions, demonstrating the down dip and strike continuance of mineralisation beyond the previously defined limits.

This is incredibly exciting and continues to demonstrate very shallow mineralisation exists at the Leipold Prospect. Table One illustrates all the available drill hole intercepts returned to date for the Leipold Prospect. Please note the Company has the balance of the samples at the laboratory due to be reported in late August 2020 and drilling at the Kookynie Gold Project is still underway.

Noteworthy is the consistent widths and relatively consistent grades observed at the Leipold Prospect in relation to the structural framework that hosts the mineralisation. The structural framework appears to be a general north south trending auriferous vein dipping moderately shallow towards the east, but with cross cutting south west trending cross structures with south easterly dips interacting and producing these plunging higher grading shoots. Therefore, with the exceptions of significantly wider mineralised intercepts, we are observing a general halo of mineralisation but with higher grading, southerly plunging shoots within the mineralised envelope. Whilst the Company has validated its structural interpretation through this drilling, the rationale behind the very high detailed drone magnetic survey is to allow for an efficient and high confidence interpretation of the 8 kilometres of strike the Kookynie Gold Project hosts from these known Prospects. Applying this learning to other targets within the Project will ensure that targets are evaluated efficiently, and work performed will be as effective as possible.

Pending Assays & Drone Magnetism Survey

As noted, there is a significant number of assays still pending from the drilling completed to date, and with drilling currently still being conducted, further results are expected and will be published in due course. However, the drone magnetic survey has been completed and data processed, with “Compass Geological”, the consultancy who performed the fact mapping when the Company first entered into the farm in agreement with Nex Metals, contracted to perform the detailed interpretation and target generation. This is progressing well, and we expect to publish the results of this exercise late this week/early the following week.

Plan Moving Forward

With most of the assays still pending, we are using this information derived from the RC drilling to plan further work at both Leipold and McTavish. We await the drone magnetism survey, with these pending assays to confirm our next stage which will be articulated as the results are presented over the coming weeks. It is intended to expand the next programme of work to continue to evaluate Champion, Altona and to return to the Cosmopolitan Gold Mine area where 360,000 ounces was produced historically at a head grade of 15 g/t over the life of that mine between 1896 to 1922.

Quality Control

The Company, as is normal during a drilling programme, implemented a quality assurance and control process (QAQC) whereby reconciliations with the drilled metre, the representative sample, and the actual sample bag that was submitted to the laboratory was rigorously controlled. Sampling and the designated analytical methods were also based on geology. That is interpreted mineralised zones were submitted for Screen Fire Assay whereas non mineralised interpreted zones were submitted for Fire Assay as a double check on the interpretation. The original cone split samples from the rig mounted cone splitter were submitted to the laboratory for analytical and QAQC investigations.

Furthermore, usual Industry Practice is to insert a standard (referred to as a CRM – Certified Reference Material that has a known grade within a specified confidence interval), a duplicate or a blank (whereby it is devoid of any mineralisation whatsoever) into the sampling regime to ensure, and on top of the laboratories own QAQC measures of 1 sample in every 20 is to represent one of these samples to ensure quality control.

The results returned by the laboratory where within the CRM stated acceptable standard deviation limits and the duplicity of the samples, given the nature of the mineralisation, were within acceptable limits.

Geology

The Kookynie Project area is in the Keith-Kilkenny Tectonic Zone within the north-northwest trending Archean-aged Malcolm greenstone belt. The Keith-Kilkenny Tectonic Zone is a triangular shaped area hosting a succession of Archean mafic-ultramafic igneous and meta-sedimentary rocks. Regional magnetic data indicates the Kookynie region is bounded to the west by the north-trending Mt George Shear, the Keith-Kilkenny Shear Zone to the east and the Mulliberry Granitoid Complex to the south.

There are several styles of gold mineralisation identified in the Kookynie region. The largest system discovered to date is the high-grade mineralisation mined at the Admiral/Butterfly area, Desdemona area and Kookynie (Niagara) areas. The gold mineralisation is associated with pyritic quartz veins hosted within north to northeast dipping structures cross-cutting 'favourable' lithologies which can also extend into shears along geological contacts. Gold mineralisation at Kookynie tends to be preferentially concentrated in magnetite dominated granitic fractions of the overall granite plutons observed within the Kookynie area.

This Announcement is approved by Jason Livingstone, Managing Director & CEO of Metalicity Limited.

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

Information in this report that relates to Exploration results and targets is based on, and fairly reflects, information compiled by Mr. Jason Livingstone, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Livingstone is an employee of Metalicity Limited. Mr. Livingstone has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Livingstone consents to the inclusion of the data in the form and context in which it appears.

Note

This Announcement is designed to also supplement for Nex Metals Exploration as it relates to our farm-in agreement as announced on the 6th May 2019 titled "*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*".

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
Sampling techniques	<ul style="list-style-type: none"> • 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. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • 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. 	<ul style="list-style-type: none"> • Reverse circulation (RC) sampling was conducted by the offsideers on the drill rig and checked at the end of each rod (6 metres) to ensure that the sample ID's matched the interval that was intended to be represented by that sample ID. No issues were seen or noted by the Competent person during the entire drilling campaign. These samples are kept onsite in a secure location available for further analysis if required. • All RC samples were sieved and washed to ensure samples were taken from the appropriate intervals. The presence of quartz veining +- sulphide presence +- alteration was used to determine if a zone was interpreted to be mineralised. If the sample was deemed to be potentially mineralised, the samples were submitted for screen fire assay. If no mineralisation was observed, the sample was submitted for check using fire assay. • All samples were submitted for analysis, no compositing took place. • The quality of the sampling is industry standard and was completed with the utmost care to ensure that the material being sampled, can be traced back to the interval taken from the drill hole for both RC and diamond core. • OREAS standards of 60 gram charges of OREAS 22F (Au grade range of <1ppb Au – this is a blank), OREAS 251 (Au grade range of 0.498ppm Au to 0.510ppm Au), OREAS 219 (Au grade range of 0.753ppm Au to 0.768ppm Au) and OREAS 229b (Au grade range of 11.86ppm Au to 12.04ppm Au) were used in alternating and sporadic patterns at a ratio of 1 QAQC sample in 20 samples submitted. The material used to make these standards was sourced from a West Australian, Eastern Goldfields orogenic gold deposits.
Drilling techniques	<ul style="list-style-type: none"> • 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, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> • RC drilling used a bit size of 5 ¼ inch.
Drill sample recovery	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<ul style="list-style-type: none"> • RC drilling sample recovery was excellent. • No relationship was displayed between recovery and grade nor loss/gain of fine/course material.

	<ul style="list-style-type: none"> • 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. 	
Logging	<ul style="list-style-type: none"> • 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. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • All recovered sample from RC has been geologically logged to a level where it would support an appropriate Mineral Resource Estimate, mining studies and metallurgical test work. • Logging was qualitative based on the 1 metre samples derived from the RC drilling.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • RC samples were cone split from the rig. • All RC samples were dry. All recoveries were >90%. • Duplicates or a CRM standard were inserted every 20 samples. • The Competent Person is of the opinion the sampling method is appropriate.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • 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. • 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. 	<ul style="list-style-type: none"> • Fire assay has been selected for RC samples. The methodology employed in these analytical procedures are industry standard with appropriate checks and balances throughout their own processes. Selected intervals have been submitted for Screen Fire Analysis to understand the relationship between gold distribution and the influence of potential nuggety gold. • The analytical method employed is appropriate for the style of mineralisation and target commodity present. • No geophysical tools, spectrometers, handheld XRF instruments were used. • A 1 in 20 standard or duplicate or blank was employed during this programme. QAQC analysis shows that the lab performed within the specifications of the QAQC protocols. The standards used were from OREAS and based on material sourced from with the Eastern Goldfields. Blanks were also sourced from OREAS as well.

Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • No umpire analysis has been performed. • No twinned holes have been completed. • Data was collected on to standardised templates in the field and data entered at night. Cross checks were performed verifying field data • No adjustment to the available assay data has been made.
Location of data points	<ul style="list-style-type: none"> • 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. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Drill hole collars will be surveyed using a DGPS. • The RC holes were downhole surveyed using a “Champ Gyro multi-shot down hole survey camera”. • GDA94 Zone 51S was used, collars will be picked up by a qualified surveyor using a DGPS (Trimble S7). • The surveyed collar coordinates appear to be sufficient, however, better definition is required of the topography to allow for a JORC 2012 compliant estimation. • Appendix Two contains collar coordinates as drilled:
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • The data spacing is sufficient to establish a relatively high confidence in geological and grade continuity, however, peripheral data to support the drill holes requires further work to ensure compliance with JORC 2012 guidelines. • No sample compositing was applied beyond the calculation of down hole significant intercepts.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • 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. 	<ul style="list-style-type: none"> • All drilling was perpendicular to the main structure that hosts mineralisation. Secondary structures oblique to the main structure may have influence hanging and foot wall intercepts. • The author believes that the drilling orientation and the orientation of key mineralised structures has not introduced a bias.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • The chain of supply from rig to the laboratory was overseen a contract geologist under the supervision of the Competent Person. At no stage has any person or entity outside of the Competent Person, the contract geologist, the drilling contractor, and the assay laboratory came into contact with the samples. • Samples dispatched to the laboratory were delivered to the laboratory by a

		contract geologist, no third-party courier used.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No external audit of the results, beyond the laboratory internal QAQC measures, has taken place.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 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. 	<ul style="list-style-type: none"> Please refer to the tenement column below to where the drill holes were completed. Nex Metals Explorations Ltd holds the tenure in question. Metalicity is currently performing an earn in option as part of our farm in agreement (please refer to ASX Announcement "Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA" dated 6th May 2019) No impediments exist to obtaining a license to operate over the listed tenure.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Nex Metals Explorations Ltd have done a great job of collating the historical drilling completed over the previous 30 years. The historical work completed requires further field verification via re-down hole surveying (if possible) of drill holes beyond 60 metres depth – it appears below this depth; hole deviation becomes a factor in establishing the location of mineralisation in 3D. Furthermore, collar pickups require verification. All laboratory certificates for the assays on file are collated, only recommendation is possibly more duplicate information in mineralised zones.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Kookynie: <ul style="list-style-type: none"> The project area is in the Keith-Kilkenny Tectonic Zone within the north-northwest trending Archean-aged Malcolm greenstone belt. The Keith-Kilkenny Tectonic Zone is a triangular shaped area hosting a succession of Archean mafic-ultramafic igneous and meta-sedimentary rocks. Regional magnetic data indicates the Kookynie region is bounded to the west by the north-trending Mt George Shear, the Keith-Kilkenny Shear Zone to the east and the Mulliberry Granitoid Complex to the south. There are several styles of gold mineralisation identified in the Kookynie region. The largest system discovered to date is the high-

		<p>grade mineralisation mined at the Admiral/Butterfly area, Desdemona area and Niagara area. The gold mineralisation is associated with pyritic quartz veins hosted within north to northeast dipping structures cross-cutting 'favourable' lithologies which can also extend into shears along geological contacts. Gold mineralisation tends to be preferentially concentrated in differentiated dolerite sills associated with pyrite/carbonate/silica/sericite wall rock alteration.</p>
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • 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. 	<ul style="list-style-type: none"> • For Kookynie (and Yundramindra), please refer to the Company's announcement dated 6th May 2019, "Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA", for all historical drill collar information, and selected significant intercepts. • For the drilling performed and subject to this announcement, please see Appendix Two in this announcement.
<p><i>Data aggregation methods</i></p>	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • 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. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • All intercepts have been calculated using the weighted average method but are based on 1 metre samples from RC drilling. Specific intervals within an interval have been described as part of the overall intercept statement. • Intercepts were calculated based on a sample returning an assay value of greater than 1 g/t Au over an interval greater than 1 metre, but not including any more than 1 metre of internal material that graded less than 1 g/t Au. Intervals were based on geology and no top cut off was applied. • No metal equivalents are discussed or reported.
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not 	<ul style="list-style-type: none"> • Given the shallow dipping nature (approximately -45° on average) of the mineralisation observed at Kookynie, the nominal drilling inclination of -60° lends to close to truth width intercepts. • However, cross cutting structures within the hanging wall and footwall are noted and may influence the results.

	<i>known’).</i>	
<i>Diagrams</i>	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • Please see main body of the announcement for the relevant figures.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • All results have been presented. Please refer to Appendix 2.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • The area has had significant historical production recorded and is accessible via the MINEDEX database. • All stated mineral resources for the Kookynie (and Yundramindra) Projects are pre-JORC 2012. Considerable work around bulk density, QAQC, down hole surveys and metallurgy, coupled with the planned drilling will be required to ensure compliance with JORC 2012 guidelines.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <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> 	<ul style="list-style-type: none"> • Metalicity intends to drill the known and extend the mineralised occurrences within the Kookynie and Yundramindra Projects. The Yundramindra Project is currently under the plaint process, however Metalicity believes that Nex Metals is well advanced in defending those claims. The drilling will be designed to validate historical drilling with a view to making maiden JORC 2012 Mineral Resource Estimate statements. Metalicity has made the aspirational statement of developing “significant resource and reserve base on which to commence a sustainable mining operation focusing on grade and margin”. • Diagrams pertinent to the area’s in question are supplied in the body of this announcement.

Appendix Two – Drilling and Assay Information

Reverse Circulation Drilling and Assay Information

Collar & Intercept Information:

Prospect	Hole ID	Tenement	Hole Type	MGA 94 Zone 51 South						From (m)	To (m)	Down Hole Width (m)	Grade (Au g/t)	Comments	
				Easting	Northing	RL	EOH	Dip	Azi						
Leipold	LPRC0039	M40/22	RC	350,861	6,752,095	430	132	-60	250	49	52	3	3.4	3 metres @ 3.4 g/t Au from 49 metres	
	LPRC0040			350,835	6,751,966	430	84	-60	250	No significant intercept					
	LPRC0041			350,815	6,751,958	430	60	-60	250	79	81	2	2.33	2 metres @ 2.33 g/t Au from 79 metres	
	LPRC0042			350,805	6,751,933	430	54	-60	250	No significant intercept					
	LPRC0043			350,856	6,751,975	431	90	-60	250	42	43	1	6.13	1 metre @ 6.13 g/t Au from 42 metres	
	LPRC0044			350,826	6,751,941	430	72	-60	250	75	77	2	2.22	2 metres @ 2.22 g/t Au from 75 metres	
	LPRC0045			350,805	6,751,911	430	54	-60	250	No significant intercept					
	LPRC0046			350,848	6,751,950	430	90	-60	250	35	44	9	3.96	9 metres @ 3.96 g/t Au from 35 metres	
	including									42	44	2	9.25	inc. 2 metres @ 9.25 g/t Au from 42 metres	
	LPRC0047			350,854	6,751,931	430	90	-60	250	No significant intercept					
	LPRC0049			350,826	6,751,920	430	66	-60	250	81	82	1	2.2	1 metre @ 2.2 g/t Au from 81 metres	
										93	94	1	2	1 metre @ 2 g/t Au from 93 metres	
										108	118	10	7.44	10 metres @ 7.44 g/t Au from 108 metres	
										including		111	113	2	21.03
	LPRC0064			350,846	6,751,757	431	42	-60	250	124	126	1	35.23	2 metres @ 35.23 g/t Au from 124 metres	
	LPRC0065			350,868	6,751,766	430	54	-60	250	27	34	7	3.31	7 metres @ 3.31 g/t Au from 27 metres	
										including		32	34	2	7.01
	LPRC0068			350,878	6,751,683	430	48	-60	250	No significant intercept					
LPRC0069	350,896	6,751,691	431	54	-60	250	No significant intercept								
LPRC0070	350,923	6,751,702	431	72	-60	250	No significant intercept								
LPRC0071	350,950	6,751,713	431	90	-60	250	No significant intercept								

Note:

Duplicates and CRM analysis was not used in the calculation of the significant intercepts.

A hole listed with “no significant intercept” means that no sample returned a value over 1 g/t Au.

Holes LPRC0050 to LPRC0063 and LPRC0066 to LPRC0067 are pending assays.