

# QUARTERLY ACTIVITIES REPORT

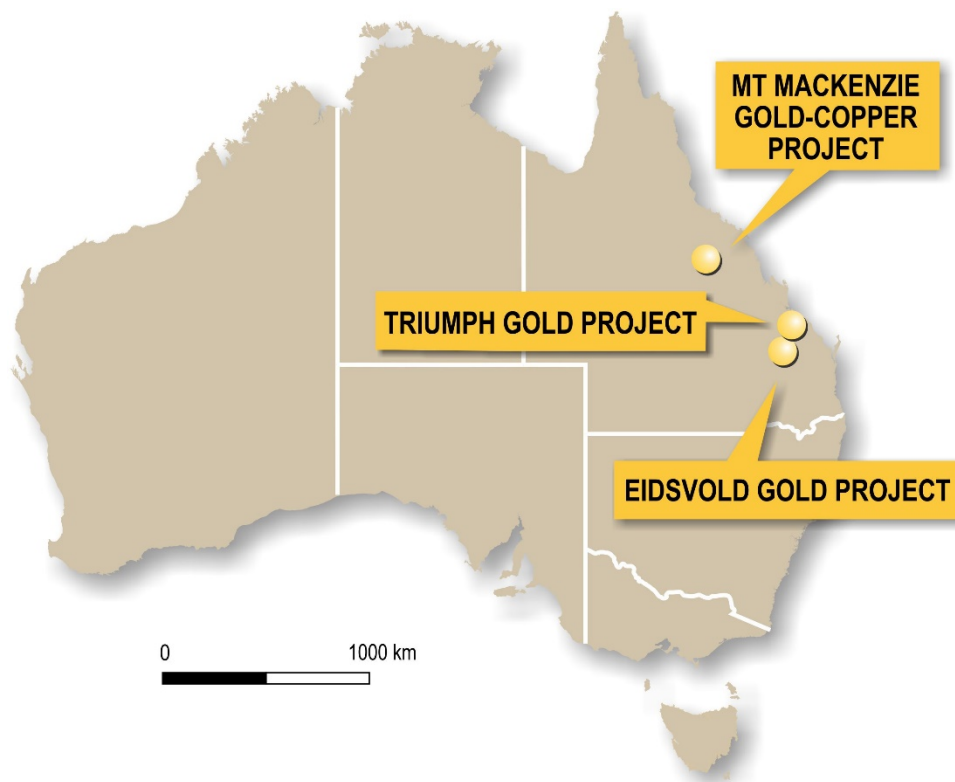
## For the period ended 31 December 2014

### HIGHLIGHTS

- Planning undertaken for the next phase of exploration at Triumph, Eidsvold and Mt MacKenzie projects
- Sale of Spinifex Ridge East project
- Review of new project opportunities

### Metal Bank Limited (ASX:MBK)

Metal Bank Limited ('MBK' or 'the Company') is pleased to outline below the activities for the quarter ended 31 December 2014.



### Metal Bank Project Locations

### ***Business Overview***

MBK is in the business of mineral exploration and development with a strategy focussed on creating shareholder value by building a successful resource company. MBK holds a strong portfolio of gold ± copper projects with untapped upside potential, championed by a board and management team with a depth of experience in project generation, early recognition of advanced opportunities, resource development and building of successful resource companies.

Exploration is currently focused on advancing three intrusion related gold systems (IRGS) within the northern New England Orogen of eastern Australia. This region hosts several gold mines including the Cracow (3Moz Au), Mt Rawdon (2Moz Au) gold mines and Mt Carlton gold-silver-copper mine (1.4Moz AuEq) as well as the historical Mt Morgan deposit (8Moz Au). Refer to Figure 1 showing the intrusion related gold model and MBK projects.

In parallel with advancing our current portfolio of projects we continue to identify and review other gold and/or copper resource opportunities.

On the **Triumph project** our improved understanding of the high grade gold mineralisation controls of the system has resulted in defining a previously unrecognised, large scale gold target with indications that it could represent the centre of the entire gold system. Further work is required to access this potential but it represents a significant step forward for the prospectivity of the project.

On the **Mt MacKenzie project**, compilation of historical data has identified a porphyry mineral system originally discovered via 1970's porphyry copper exploration and remarkably has been overlooked by modern gold exploration. Based on the historical data the porphyry system has many similarities to a number of intrusion related gold deposits of eastern Australia and MBK is planning initial field work over the 'rediscovered' mineral system.

The discovery of high grade gold and copper mineralisation on the **Eidsvold Project** earlier this year confirms the Company has identified a new intrusion related gold camp in the prospective New England Orogen. This represents a unique 'first mover opportunity' on a 250km<sup>2</sup> intrusive complex which is dominantly undercover and virtually unexplored. The intrusive complex is centred on the historical Eidsvold goldfield (100,000oz Au prod. circa. 1900's) which forms a small basement window through the cover sediments.

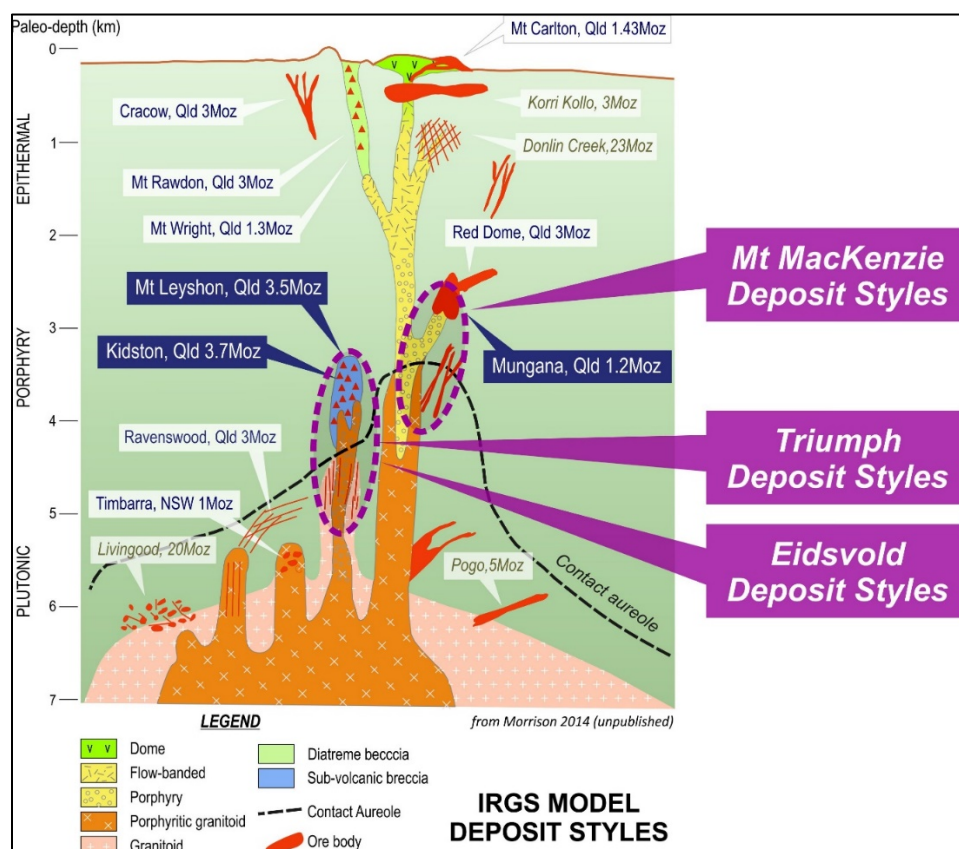


Figure 1: Intrusive related gold deposit styles showing MBK projects.

## TRIUMPH PROJECT (100% MBK) - GOLD

A review has been undertaken during the quarter to determine the exploration strategy for the first half of 2015 which will include:

- ✓ a review of all geophysical data to confirm the next drill targets
- ✓ undertake a drilling programme through the shallow cover to investigate structures and possible alteration features observed in the helimagnetic data interpreted to represent the centre of the gold system

The project is an intrusion related gold camp centred about the historical high grade Norton goldfield (mined in the late 1800's and again in the 1990's) located between Mt Rawdon (2 Moz Au) gold mine and the historical Mt Morgan (8 Moz Au and 0.4 Mt Cu) mine in the Northern New England Orogen, south-east Queensland.

Exploration by Metal Bank demonstrates that the Triumph gold camp extends over 15km<sup>2</sup>, of which approximately 90% is concealed beneath shallow sedimentary cover rocks (<10m thick), masking the prospective basement rocks. The district remains highly under explored with almost the entire focus of historical exploration and mining being contained within a

small mining lease (~0.2km<sup>2</sup> in area) located within an outcropping area in the centre of the goldfield.

A recent structural reconstruction of the Triumph Project area, reversing the late movement of the Norton Fault which postdates the gold mineralisation, points towards a magnetic low which is central to the entire project. Limited outcrop associate with the magnetic low (<1%) has identified a felsic intrusion (± porphyritic with minor to trace chalcopyrite) exposed through the shallow sedimentary cover.

Potential exists for significant gold mineralisation under the shallow sedimentary cover within the magnetic low as well as adjacent to the magnetic low. Refer to Figure 1 to Figure 4 below showing the current interpretation and the priority targets within and surrounding the central magnetic low. This target has been faulted and dislocated across the Norton Fault (approximately 1km displacement) with the structural reconstruction, reversing the fault movement, highlighting a magnetic low which is central to the Triumph gold camp and which is rimmed by the historical mines. The magnetic low has not been the focus of any previous exploration efforts.

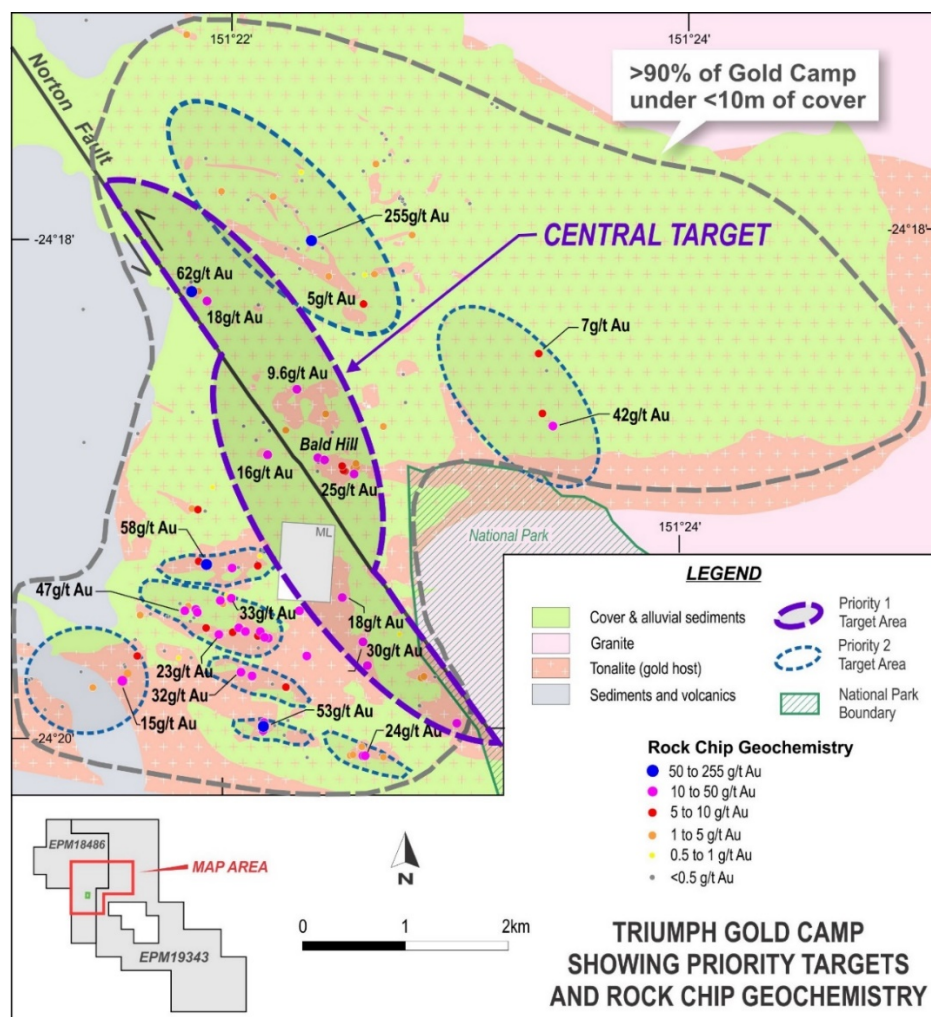


Figure 2: Triumph gold camp showing priority targets



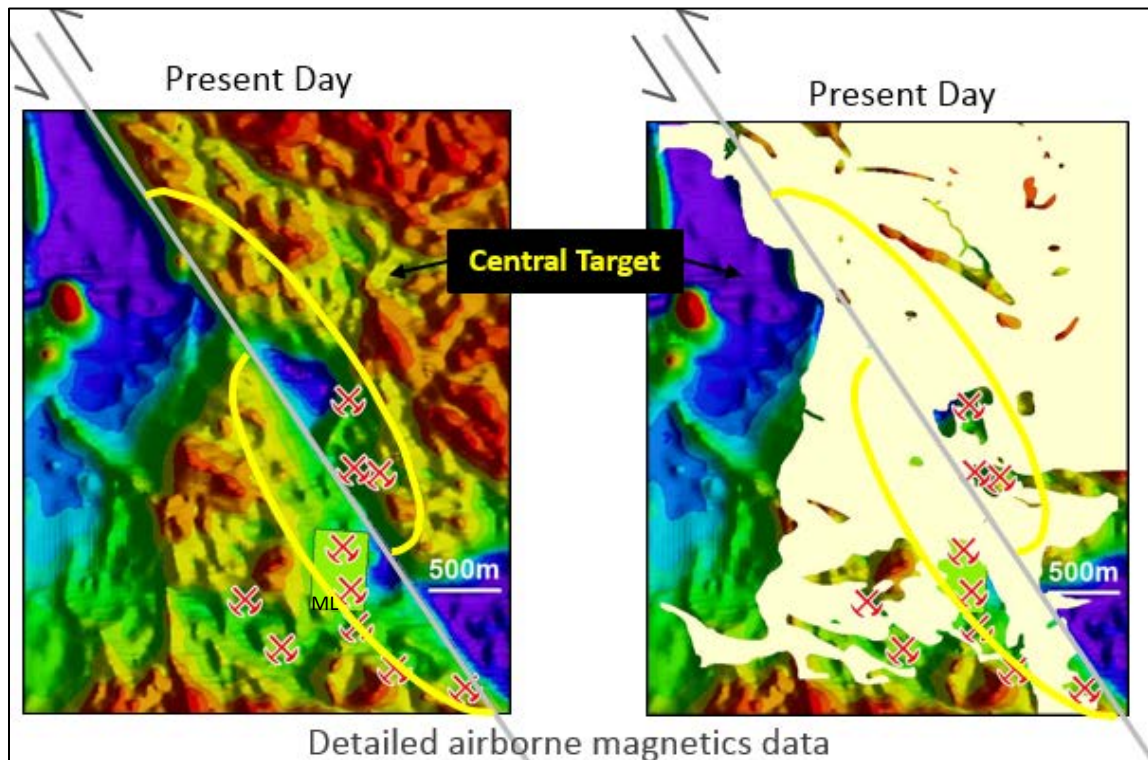


Figure 3: Central Target with magnetic low interpreted as the 'engine room' driving the gold system offset by the Norton fault.

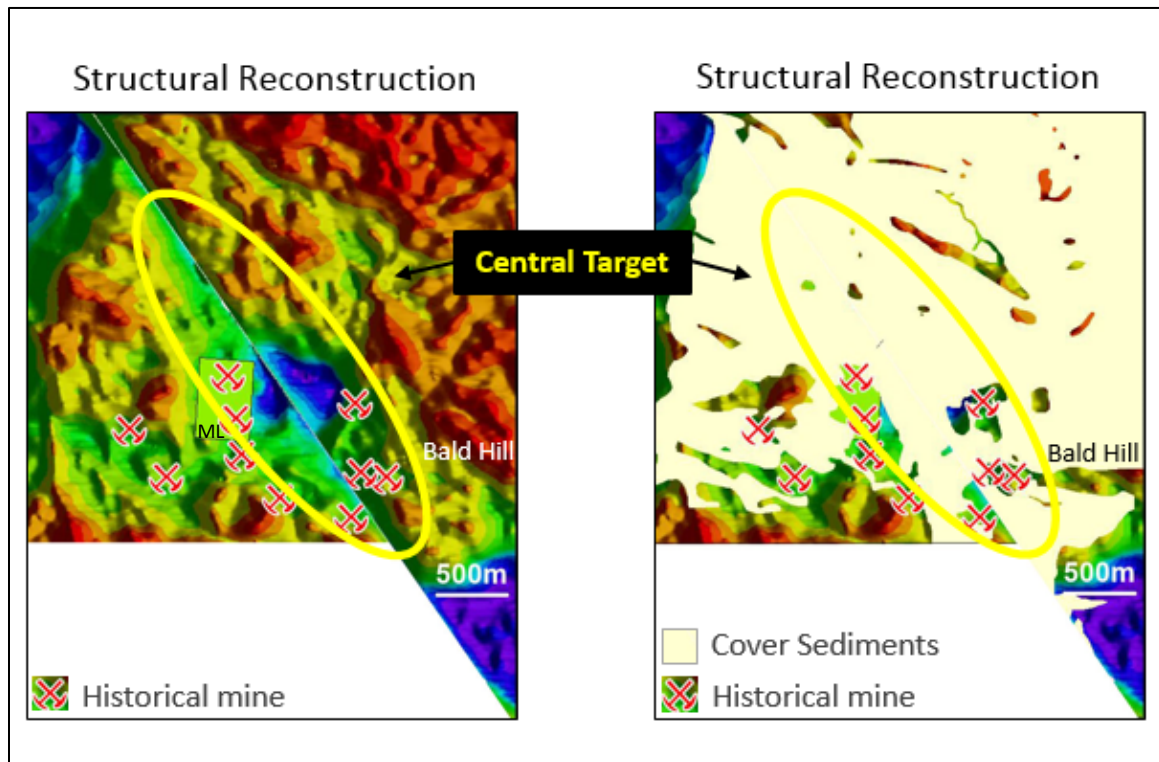


Figure 4: Structural reconstruction of the Central Target showing the magnetic low central to the gold system and almost completely concealed by shallow cover sediment.

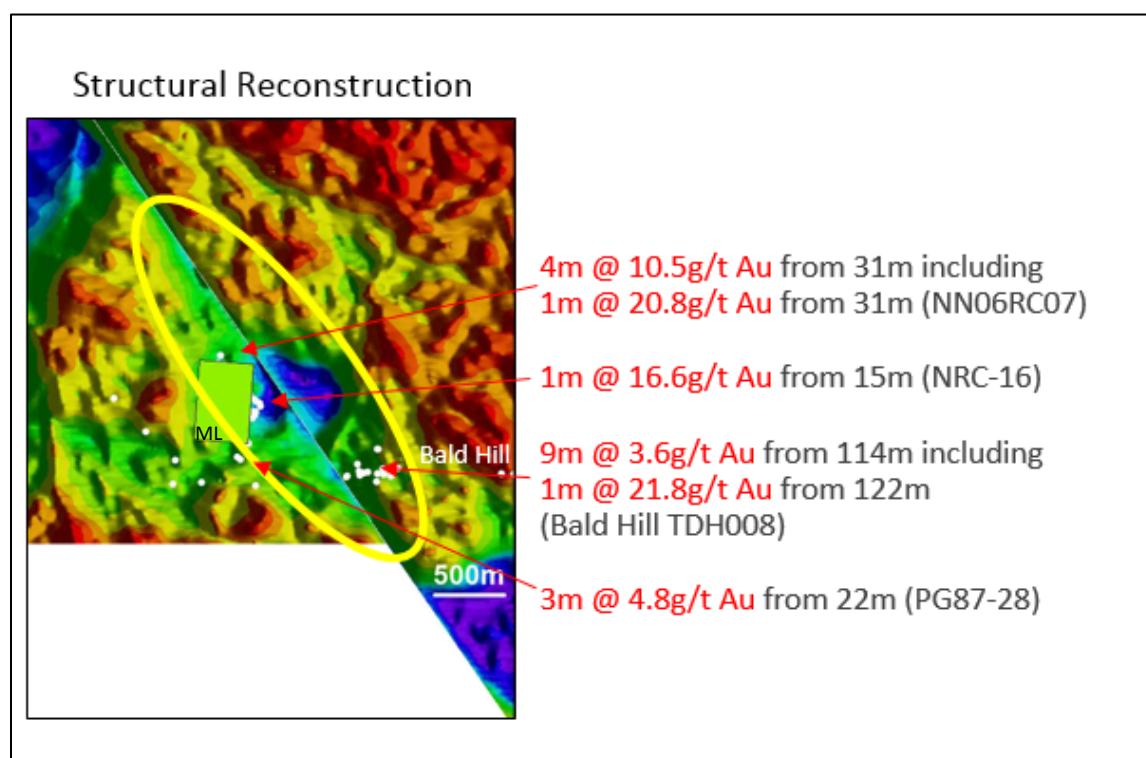


Figure 5: Structural reconstruction of the Central Target showing high grade gold intersected in the previous drilling peripheral to the magnetic low <sup>1</sup>

The wide spread, narrow high grade gold mineralisation identified to date within the 15km<sup>2</sup> **Triumph gold camp** is interpreted to represent the 'smoke' around a larger gold system that is still yet to be discovered within the project. Exploration to date has almost solely focused on areas of outcrop. While this work has identified numerous zones of narrow high grade zones, the exploration vectors point towards areas undercover which have not been tested.

## EIDSVOLD PROJECT (100% MBK) - GOLD

A review during the quarter has determined that the next phase of exploration will include the following:

- ✓ focus to be on assessing the 10km long corridor extending from Mt Brady through to the Eidsvold Goldfield
- ✓ a helimagnetic survey to better define alteration and structural targets
- ✓ a RC drill programme to test the alteration/structural targets generated

The Eidsvold project (658km<sup>2</sup>) is centred on the historical Eidsvold goldfield (100,000 oz Au mined in the early 1900's) within the Eidsvold intrusive complex, located between the

<sup>1</sup> ASX Release 22/7/2014

Cracow (3 Moz Au) and Mt Rawdon (2 Moz Au) gold mines in the Northern New England Orogen (refer to Figure 6 and Figure 7).

The discovery of high grade gold mineralisation including 1m @ 17.45g/t Au, 90g/t Ag, and 2.5% Cu<sup>2</sup> as part of an intrusion related gold system confirms our exploration model and importantly opens up the potential of the entire Eidsvold intrusive complex (250km<sup>2</sup>) which is almost entirely concealed beneath sedimentary cover.

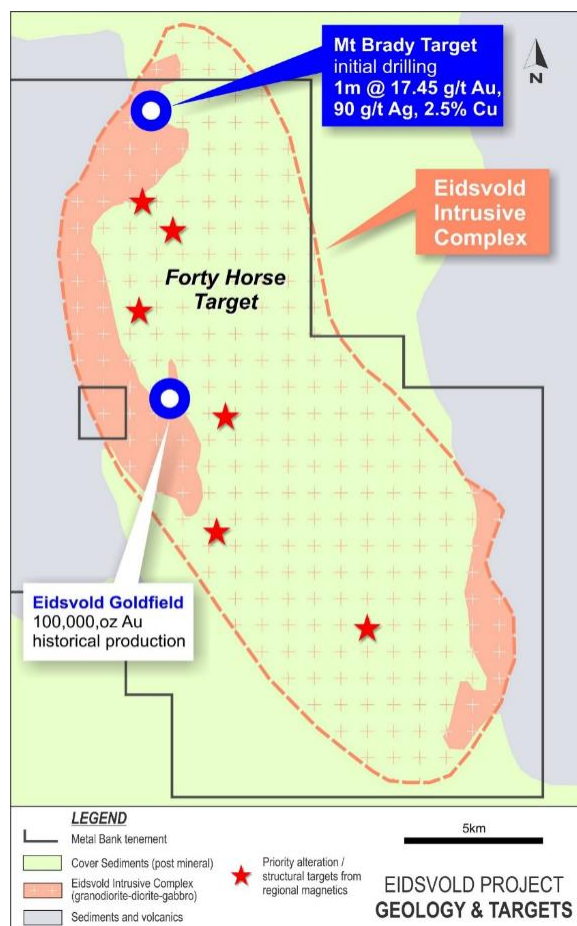


Figure 6: Location of priority target areas on regional geology summary<sup>2</sup>

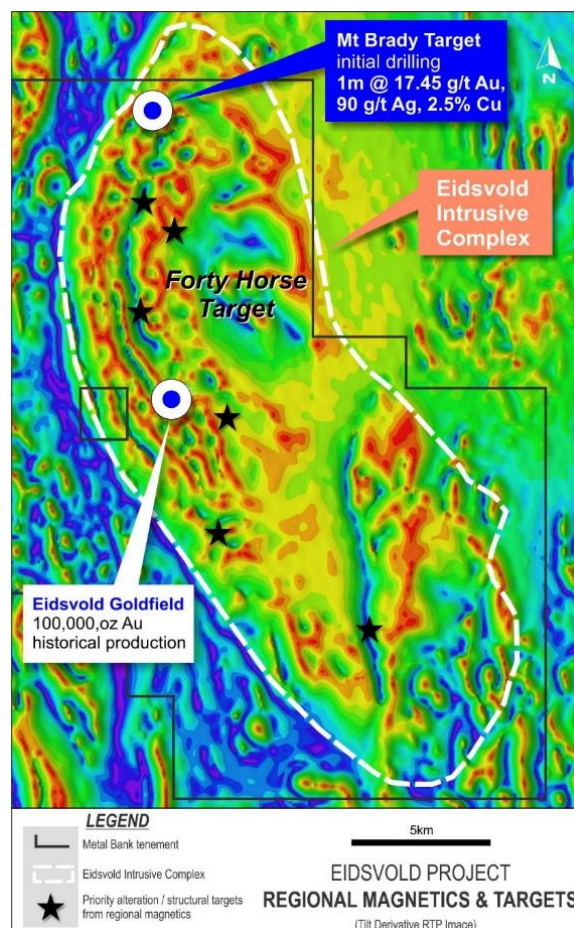


Figure 7: Location of priority target areas on RTP tilt derivative processed regional magnetics<sup>2</sup>

### Mt Mackenzie Project (100% MBK)

The Mt MacKenzie project is located 40km NE of the Mt Carlton Au-Ag-Cu mining operation owned by Evolution Mining, an operation that produces approximately 85,000 gold equivalent ounces per year.

<sup>2</sup> ASX Release 15/4/2014



Compilation of historical ‘porphyry copper’ exploration data from the 1970’s covering the Mt Mackenzie Project has led to the recognition of a copper-molybdenum porphyry style mineral system which has never been sampled for gold or silver. The historical data defines coincident copper (to 1000ppm Cu) and molybdenum (to 105ppm Mo) soil anomalies associated with porphyry style mineralisation within an area of approximately 800m x 800m; the anomalies being open (Figure 8). Geological mapping over the soil anomalies completed as part of the historical exploration highlights broad areas of silica-sericite-pyrite alteration as part of the porphyry mineral system. Two shallow drill holes (<150m) completed in the 1970’s intersected intense alteration but did not explain the source of the copper and molybdenum soil anomalies.

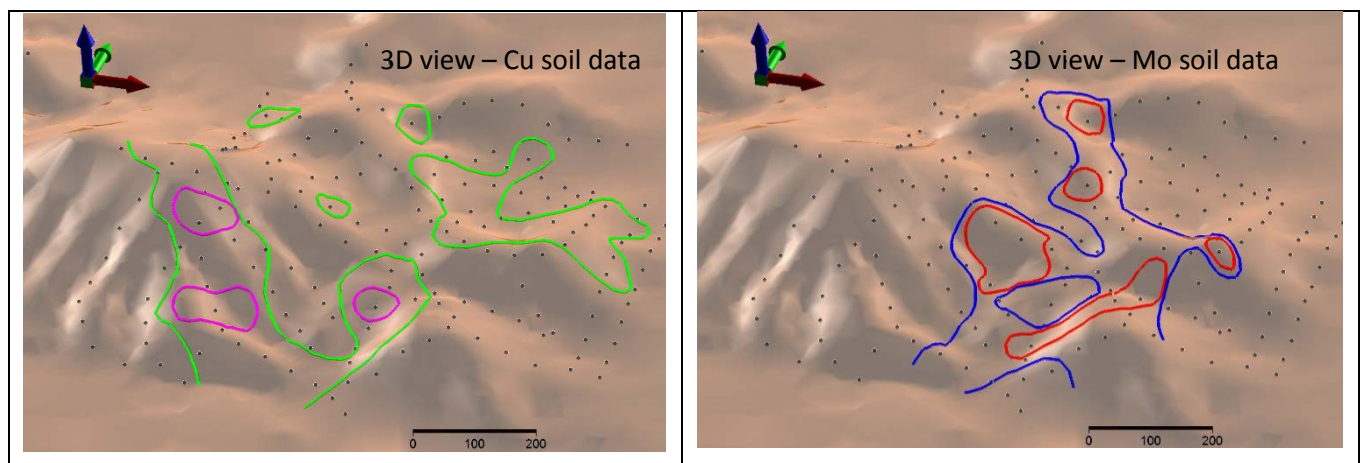


Figure 8: **Left figure** – 3D view of historical copper soils green contour 100ppm to 500ppm Cu, purple contour 500ppm to 1000ppm Cu. **Right figure** – 3D view of historical molybdenum soils (blue contour 10ppm to 30ppm Mo, red contour 30ppm to 105ppm Mo).

Many large porphyry style gold deposits in eastern Australia contain elevated copper and molybdenum with examples including the Mt Leyshon (3.5Moz Au) and Kidston (3.7Moz Au) deposits.

MBK is planning an initial exploration programme to assess the porphyry copper-molybdenum ± gold potential.

### **Spinifex Ridge East Project Cu-Au**

After reviewing this project Metal Bank has determined that it does not fit within the exploration strategy going forward and has sold of the project for \$75,000. A total of \$50,000 cash was paid upon signing of the deal and a further \$25,000 cash will be payable upon successful renewal of the tenement by the buyer.



## New Opportunities

During the quarter the Company continued to review new project opportunities with a view to identifying projects that fit with its growth strategy and have the ability to add shareholder value.

For further information contact:

Tony Schreck

Director

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## About Metal Bank

Metal Bank Limited is an ASX-listed minerals exploration company (ASX: MBK).

Metal Bank's core focus is creating value through a combination of exploration success and quality project acquisition. The company's key projects are the Eidsvold and Triumph Gold Projects situated in the northern New England Fold Belt of central Queensland, which also hosts the Cracow (3Moz Au), Mt Rawdon (2Moz Au), Mt Morgan (8Moz Au, 0.4Mt Cu) and Gympie (5Moz Au) gold deposits.

The company has an experienced Board and management team that brings regional knowledge, expertise in early stage exploration and development, relevant experience in the mid cap ASX-listed resource sector and a focus on sound corporate governance.

<p><b>Board of Directors and Management</b></p> <p>Inés Scotland (Non-Executive Chairman)</p> <p>Guy Robertson (Executive Director)</p> <p>Tony Schreck (Executive Director)</p> <p><b>Company Secretary</b></p> <p>Sue-Ann Higgins</p>	<p><b>Registered Office</b></p> <p>Metal Bank Limited Suite 1503B, Level 15 Gold Fields House, 1 Alfred St Sydney NSW 2000 AUSTRALIA</p> <p>Phone: (+61) (2) 9078 7669 Facsimile: (+61) (2) 9078 7661</p> <p><a href="http://www.metalbank.com.au">www.metalbank.com.au</a></p> <p><b>Share Registry</b></p> <p>Advanced Share Registry Services 110 Stirling Highway Nedlands WA 6009</p>
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	<p>AUSTRALIA</p> <p>Phone: (+61) (8) 9389 8033  Facsimile: (+61) (8) 9262 3723  <a href="http://www.advancedshare.com.au">www.advancedshare.com.au</a>  Please direct all shareholding enquiries to the share registry.</p>
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### **Competent Persons Statement**

*The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr Tony Schreck, who is a Member of The Australasian Institute of Geoscientists. Mr Schreck is an employee of the Company. Mr Schreck has sufficient experience which 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 in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Schreck consents to the inclusion in the report of the matters based on his information in the form and context in which it applies.*

*The Exploration Targets described in this report are conceptual in nature and there is insufficient information to establish whether further exploration will result in the determination of Mineral Resources. Any resources referred to in this report are not based on estimations of Ore Reserves or Mineral Resources made in accordance with the JORC Code and caution should be exercised in any external technical or economic evaluation.*

### **Metal Bank Limited Tenement Schedule**

#### **Metal Bank Limited**

Mount Mackenzie Project

EPM15668 - Queensland

#### **Roar Resources Pty Ltd (Wholly Owned Subsidiary)**

Triumph Project

EPM18486 – Queensland

EPM19343 – Queensland

Eidsvold Project

EPM18431 – Queensland

EPM18753 – Queensland

EPM19548 – Queensland