

## QUARTERLY ACTIVITIES REPORT

### For the quarter ended 31 December 2015

#### HIGHLIGHTS

##### Mason Valley Copper Project (Nevada, USA)

- First two drill holes at the **Mason Valley mine** identified extensions to the mineralisation with results including **12m @ 0.83% Cu** from 181m (MVDH014) and **3m @ 1.97% Cu** from 221m (MVDH017) <sup>1</sup>.
- Drilling at the **Copper Hill prospect** intersected **3m @ 1.2% Cu, 88g/t Ag, 1.0% Pb and 5.5% Zn** from surface (MVDH008a) <sup>2</sup>. Multiple underground workings at the Copper Hill prospect have prevented all three drill holes completed from reaching the main target zone.
- A single drill hole completed at **Bluestone prospect** targeting the interpreted extension of the copper mineralised breccia at depth intersected narrow copper mineralised shear zones suggesting that breccia has been offset by faulting.

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#### 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 2015.

#### About the Mason Valley Copper Project

The Yerington camp is a significant copper district with world class statistics supported by a resource base of over 12Mt of copper<sup>3</sup> and past production of approximately 1Mt of copper. Mineralisation within the Yerington copper district is intimately associated with the Yerington batholith creating large scale porphyry style deposits together with associated skarn and breccia style deposits.

The Project includes three main historical underground copper mines (high grade copper skarn and breccia style deposits) with average mined grades of between of 2.5% to 6% copper and with underground mining to depths of approximately 150m.

The Project consists of numerous historical underground mines from which three of the mines, for which historical documentation is currently available, collectively produced approximately 3.8Mt at a grade of 2.5% to 6.2% copper from 1910 to 1931. The closure of

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<sup>1</sup> MBK ASX Release 17 December 2015

<sup>2</sup> MBK ASX Release 24 December 2015

<sup>3</sup> Source: Nevada Copper, Entrée Gold and Quaterra Resources NI43-101 reports

these mines coincided with the onset of the 'Great Depression'. The three copper mines for which documentation is available are:

- **Mason Valley Mine** historical production 1.7Mt @ 2.5% to 6% Cu
- **Bluestone Mine** historical production 1.5Mt @ 2.5% to 3.5% Cu
- **Malachite Mine** historical production 0.6Mt @ 3.5% to 6.2% Cu

Copper mineralisation within the Yerington district is intimately associated with the Yerington Batholith (Jurassic age) with significant porphyry copper style mineralisation and high grade skarn style copper mineralisation collectively amounting to approximately 13Mt in copper resources and past production in the district<sup>4</sup>.

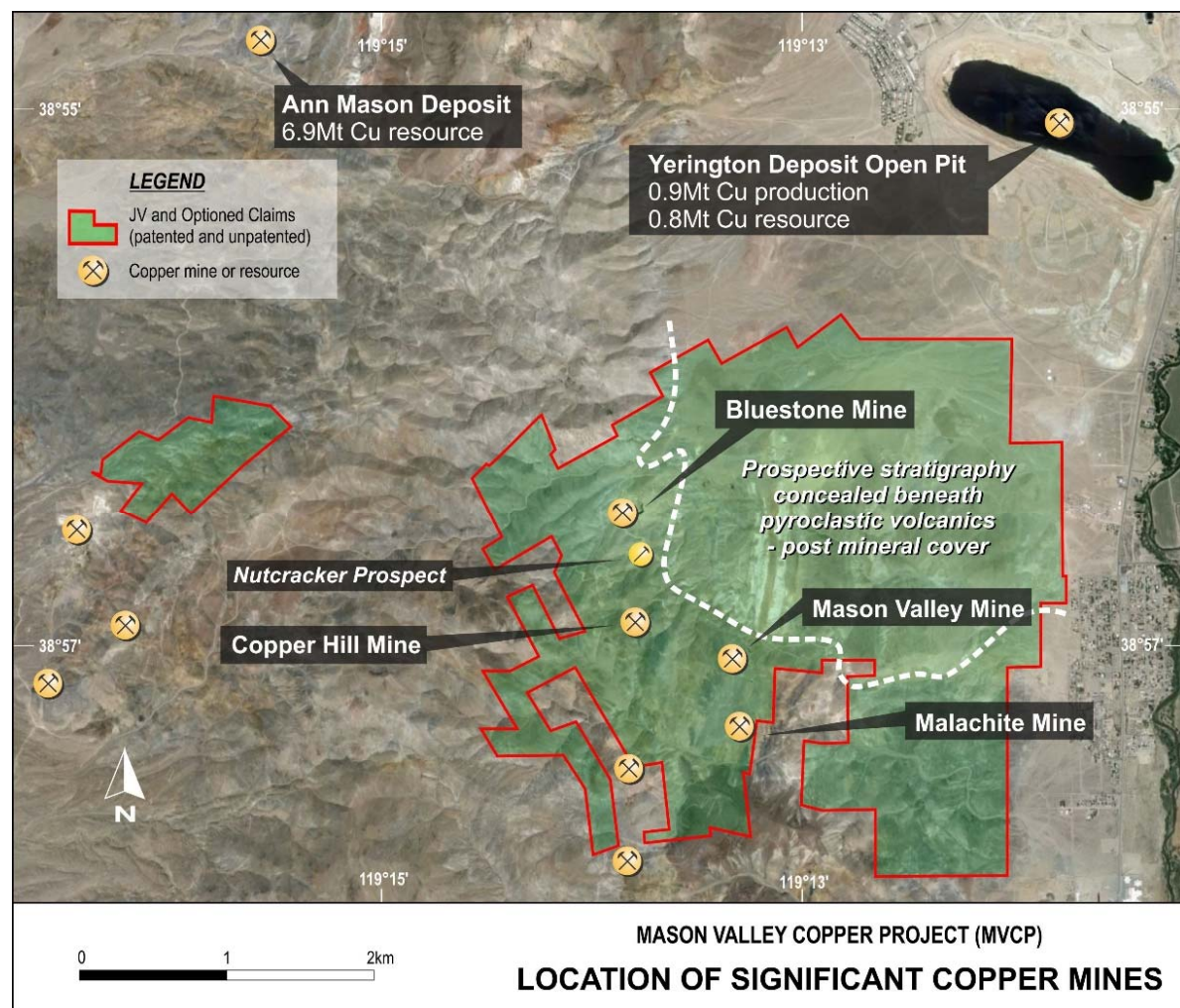


Figure 1: Showing the Mason Valley Copper Project.

<sup>4</sup> Source: Nevada Copper, Entrée Gold and Quaterra Resources NI43-101 reports

### **Mason Valley Mine**

Historical production from the mine is reported at approximately 1.7Mt @ 2.5% to 6% Cu with mine production ceasing in the 1930's with the onset of the Great Depression. Open stope mining was completed over 400m of strike and down to depths of approximately 150m with records indicating that the mineralisation remains open at depth.

Copper mineralisation was intersected in both holes (2 holes for 523m) that were completed during the quarter targeting the down dip extension of the historical copper mine. Importantly, these drill holes represent the first holes ever completed at the Mason Valley mine, which was one of the highest grade copper mines in the world class Yerington copper district.

Significant results from the initial drilling include:<sup>5</sup>

- **12m @ 0.83% Cu** from 181m including **3m @ 1.85% Cu** from 190m (MVDH014)
- **3m @ 1.97% Cu** from 221m (MVDH017)

The mineralised zone also remains open along strike to the south where repetitions of the high grade copper mineralisation are interpreted and are yet to be tested.

Refer to the Figure 2 and 3 showing a plan and long section through the Mason Valley mine.

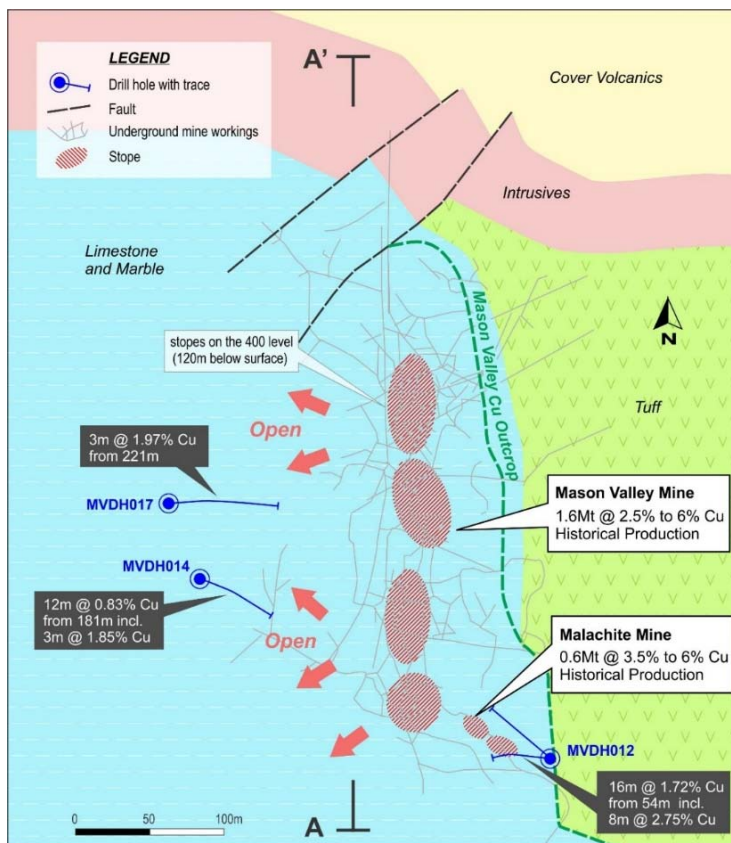


Figure 2: Plan of Mason Valley and Malachite mines showing drill holes and location of section A-A'.

<sup>5</sup> MBK ASX Release 17 December 2015

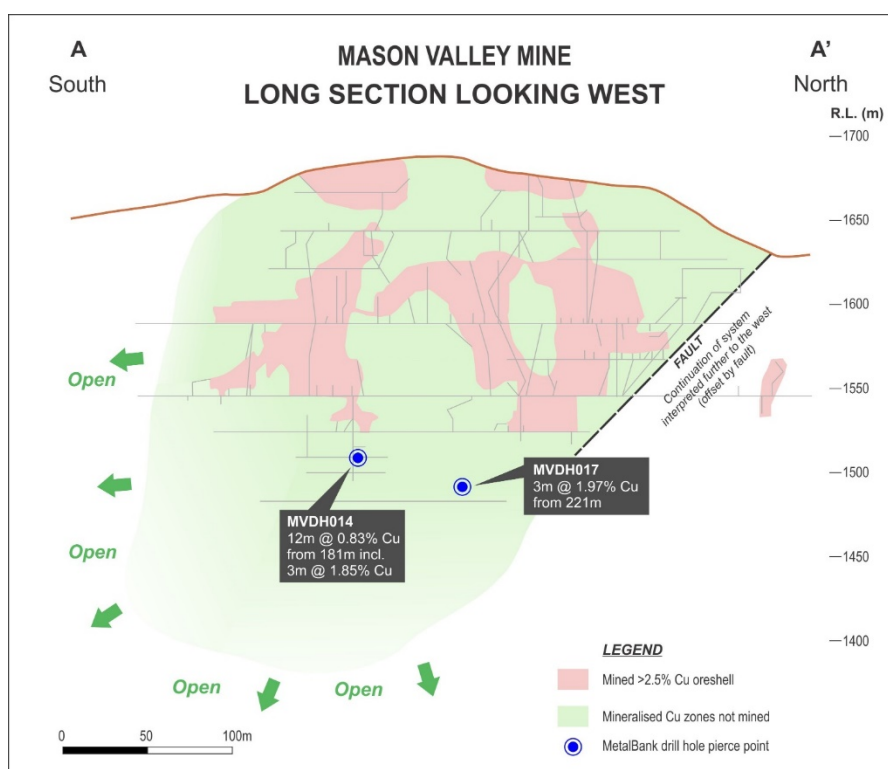


Figure 3: Long section A-A' (looking west) showing drill results. The location of the long section is shown in Figure 2.

### Bluestone Prospect

The Bluestone prospect is centered on the Bluestone copper mine which produced approximately 1.5Mt @ 2.5% Cu (production 1890's to 1920's). Copper mineralisation is hosted within a skarn altered breccia pipe which was likely emplaced as part of a vertical body but has now been structurally tilted onto its side as a shallow plunging copper ore system.

As part of a second phase of drilling a single drill hole (156m RC, MVDH016) was completed during the quarter to test the interpreted down plunge extension of the historically mined copper mineralised breccia. The drill hole intersected narrow low grade copper mineralisation<sup>6</sup> and it appears the targeted breccia has been truncated by faulting. Further structural interpretation is required to locate the faulted offset portion of the mineralisation observed in the historical mine.

Best results from the MBK drill programme this year were returned from the mineralised breccia to the west and south-east of the Bluestone historical mine, with results including 42m @ 1.5% Cu<sup>7</sup> from surface in the oxidised breccia.

<sup>6</sup> MBK ASX Release 24 December 2015

<sup>7</sup> MBK ASX Release 30 July 2015

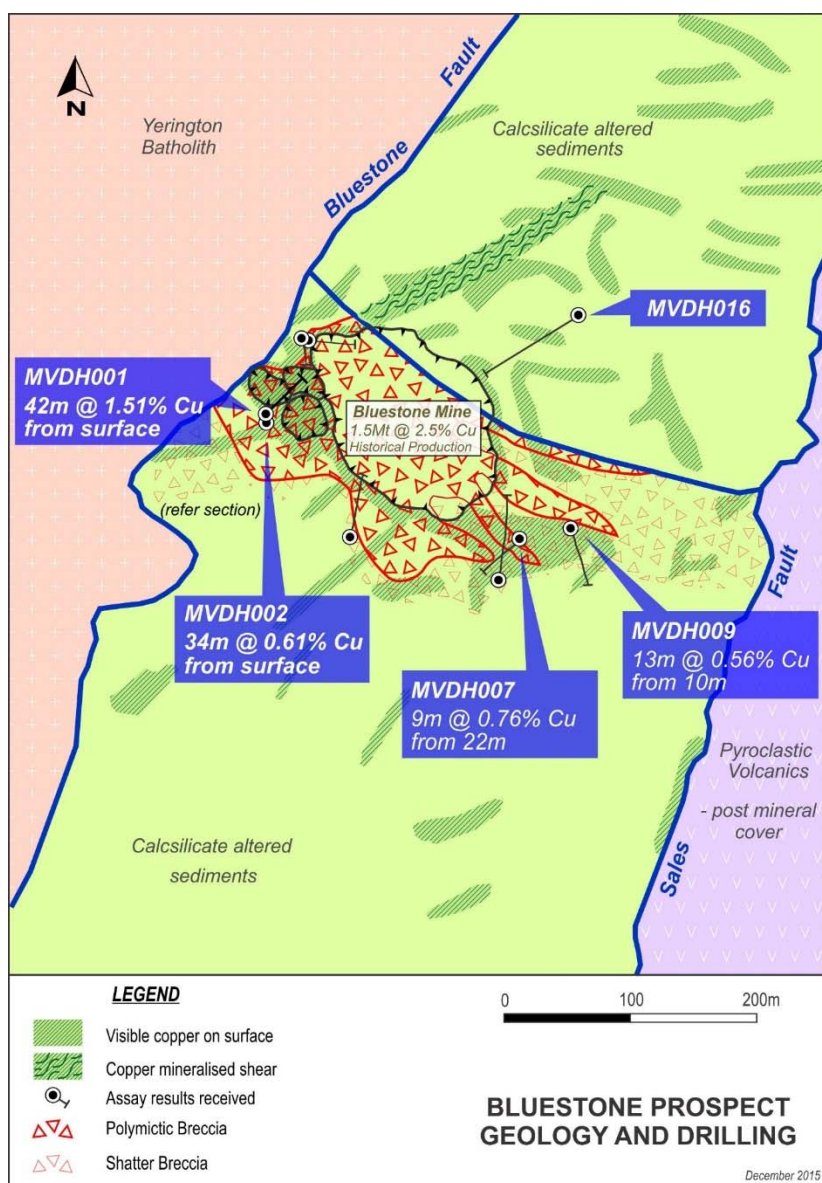


Figure 4: Plan of Bluestone prospect showing drill holes

### Copper Hill Prospect

Historical records indicate that over 400m of underground development was completed in the early 1900s to a depth of approximately 60m below surface. Detailed mapping during 2015 of the outcropping high grade copper mineralisation led to the interpretation of a structural/mineralisation target approximately 150m below surface at the intersection of the main mineralised structures. Three RC holes were completed (for 90m of drilling) although all three holes failed to reach the target zone due to multiple underground workings that were intersected, with the deepest hole reaching 61m. Significant results were returned including **3m @ 1.2% Cu, 88g/t Ag, 1.0% Pb and 5.5% Zn from surface (MVDH008a)**<sup>8</sup>.

This is the first drilling programme completed on the Copper Hill prospect.

<sup>8</sup> MBK ASX Release 24 December 2015



*Figure 5: Surface outcrop of high grade copper oxide ore (malachite) from Copper Hill*

### ***Malachite Prospect***

Further mapping and interpretation was completed after the initial drilling intersected **16m @ 1.72% Cu** from 54m<sup>9</sup> (reported Q3). The Malachite mine represents the southern extension to the high grade Mason Valley mine with historical underground development at Malachite extending to approximately 60m depth below surface.

New interpretations indicate the potential for multiple crosscutting 'early' structures which appear to represent critical controls to the distribution of the high grade copper ore within the Mason Valley-Malachite mine skarn system, a concept that has not been tested by drilling.

### ***Eastern Australia Gold and Copper - Triumph, Eidsvold and Mt MacKenzie Projects***

No work was undertaken during the quarter on the above projects.

A five year renewal has been granted for the Triumph Project EPM 18486 (to 11/10/2020).

A three year renewal has been granted for the Mt MacKenzie Project EPM15668 (to 27/9/2018).

For further information contact:

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Director

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<sup>9</sup> MBK ASX Release 17 August 2015

### **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 project is the Mason Valley Copper Project situated in the World Class Yerington copper district, Nevada, USA. In addition the company is also focused on the Eidsvold and Triumph Gold Projects situated in the northern New England Fold Belt of central Queensland, Australia which 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 1, Level 16 60 Collins Street Melbourne VIC 3000 AUSTRALIA</p> <p>Phone: (+61) (3) 9639 0558 Facsimile: (+61) (3) 9671 3299</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 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