

QUARTERLY ACTIVITIES REPORT

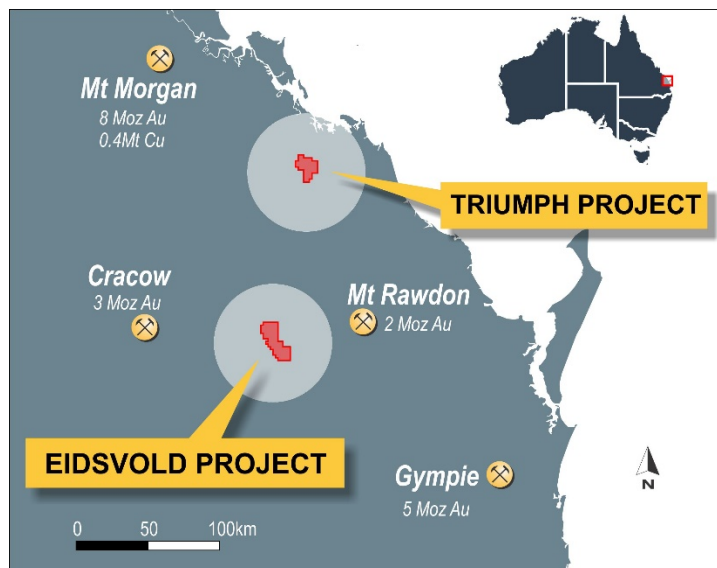
For the quarter ended 30 September 2016

HIGHLIGHTS

- Discovery of high grade gold mineralisation at New Constitution prospect, **Triumph project**
- Further high grade mineralisation intersected from drilling at Bald Hill prospect, **Triumph project**
- Successful capital raising completed - \$5.4M (before costs)

Metal Bank Limited (ASX:MBK)

Metal Bank Limited ('MBK' or 'the Company') is pleased to outline below the activities for the quarter ended 30 September 2016.



Business Overview

Metal Bank Limited 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 \pm 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 over the past six months has focussed on the Triumph project where near surface high grade gold results have been intersected at the New Constitution and Bald Hill prospects. MBK has invested in a significant greenfields exploration programme on the Triumph project over the past five years resulting in the definition of an extensive gold camp / system predominantly concealed by shallow cover with only two of the priority targets tested to date.

The exploration priority on the Triumph project is to prove up near-surface high grade gold resources particularly at New Constitution and Bald Hill prospects and to follow the high grade zones at depth. The improved geological understanding to be gained through further drilling will provide greater confidence in targeting the causative mineralising intrusive, which could hold potential for a bulk tonnage style gold system.

The eastern Australian exploration projects of Triumph and Eidsvold represent 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).

Intrusion related gold systems like Triumph are well represented in Eastern Australia and have formed the basis for significant gold production in the region. Refer to Figure 1 showing the intrusion related gold model and MBK projects.

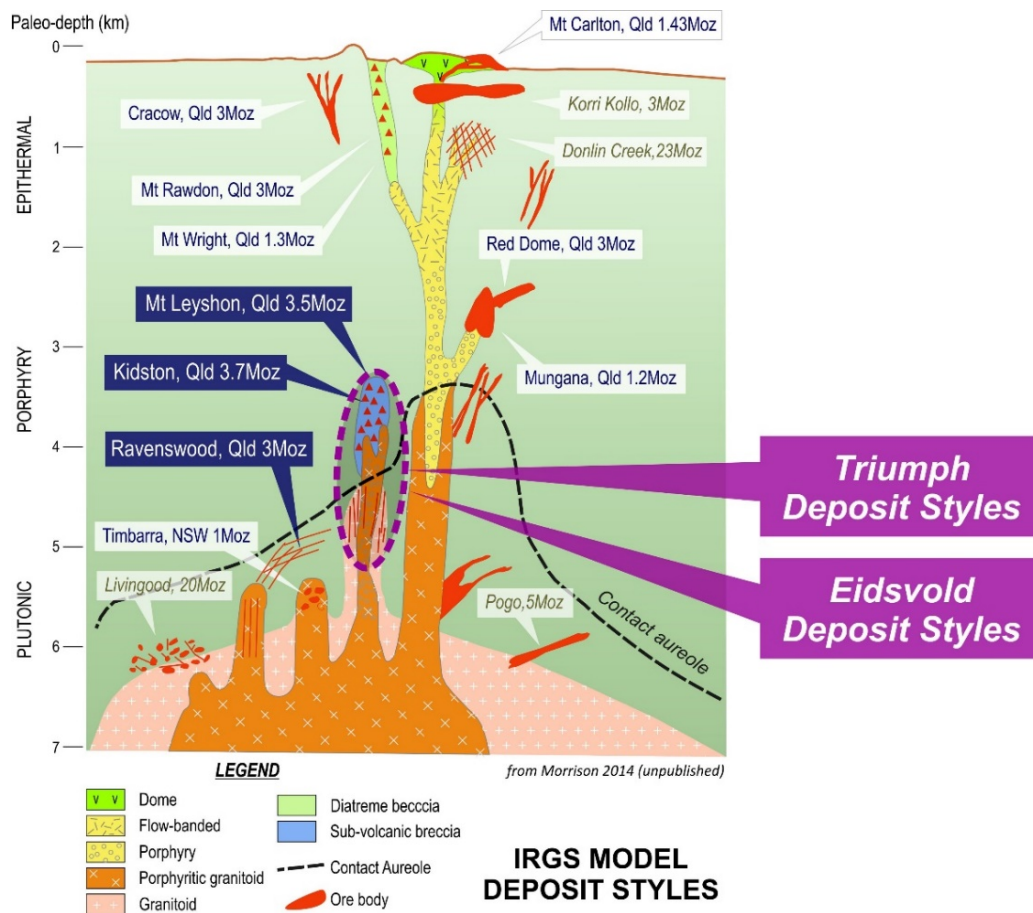


Figure 1: Intrusive related gold deposit styles showing MBK projects.

EASTERN AUSTRALIA GOLD PROJECTS

Triumph Project (100% MBK)

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 (2Moz Au) gold mine and the historical Mt Morgan (8Moz Au and 0.4Mt Cu) mine in the Northern New England Orogen, south-east Queensland.

RC drilling was completed at the New Constitution and Bald Hill prospects during the quarter to follow-up previous high grade drill results reported in Q2. Fifteen holes were completed for 897 metres of RC drilling.

Shallow high grade gold results achieved in drilling over the past six months confirm the Triumph project as a genuine 'first mover opportunity' with significant upside yet to be tested.

Two RC holes totalling 121m were completed at the **New Constitution prospect** to follow up and investigate the geometry of near surface gold mineralisation intersected in previous drilling¹.

Significant results from the drill programme at New Constitution include²:

- **10m @ 26.9g/t Au, 165g/t Ag and 6.0% Zn** from 51m (open) (*TDH056*) including
 - **7m @ 36.3g/t Au, 220g/t Ag and 7.9% Zn** from 51m (open – note an historical stope void was intersected from 41.5m to 51m)
- **3m @ 8.1 g/t Au, 79g/t Ag** from 35m (*TDH055*)

The true width of high grade mineralisation will only be determined with further drilling. However, TDH056 intersected 0.5m @ 2.6g/t Au prior to entering a 9.5m historically mined stope (downhole length) and then intersected 10m @ 26.9g/t Au, 165g/t Ag, and 6% Zn from 51m. If the stope represents historically mined high grade mineralisation, then the true width may be approximately 8m. Historical workings at surface can be traced along this particular target zone for over 500m with the majority of this trend being concealed by shallow cover. The historical underground stope intersected in drilling was not previously mapped and no production records are available. Refer to Figure 2.

Across the New Constitution prospect, multiple interpreted target zones have been identified which collectively could indicate over 3km of strike potential, the majority of which is concealed by shallow cover (<5m). Ground EM geophysics and further drilling is planned to commence in October on the New Constitution prospect to target the extensions of the high grade mineralisation as well as test parallel structures.

¹ MBK ASX Release 21 June 2016

² MBK ASX Release 05 September 2016

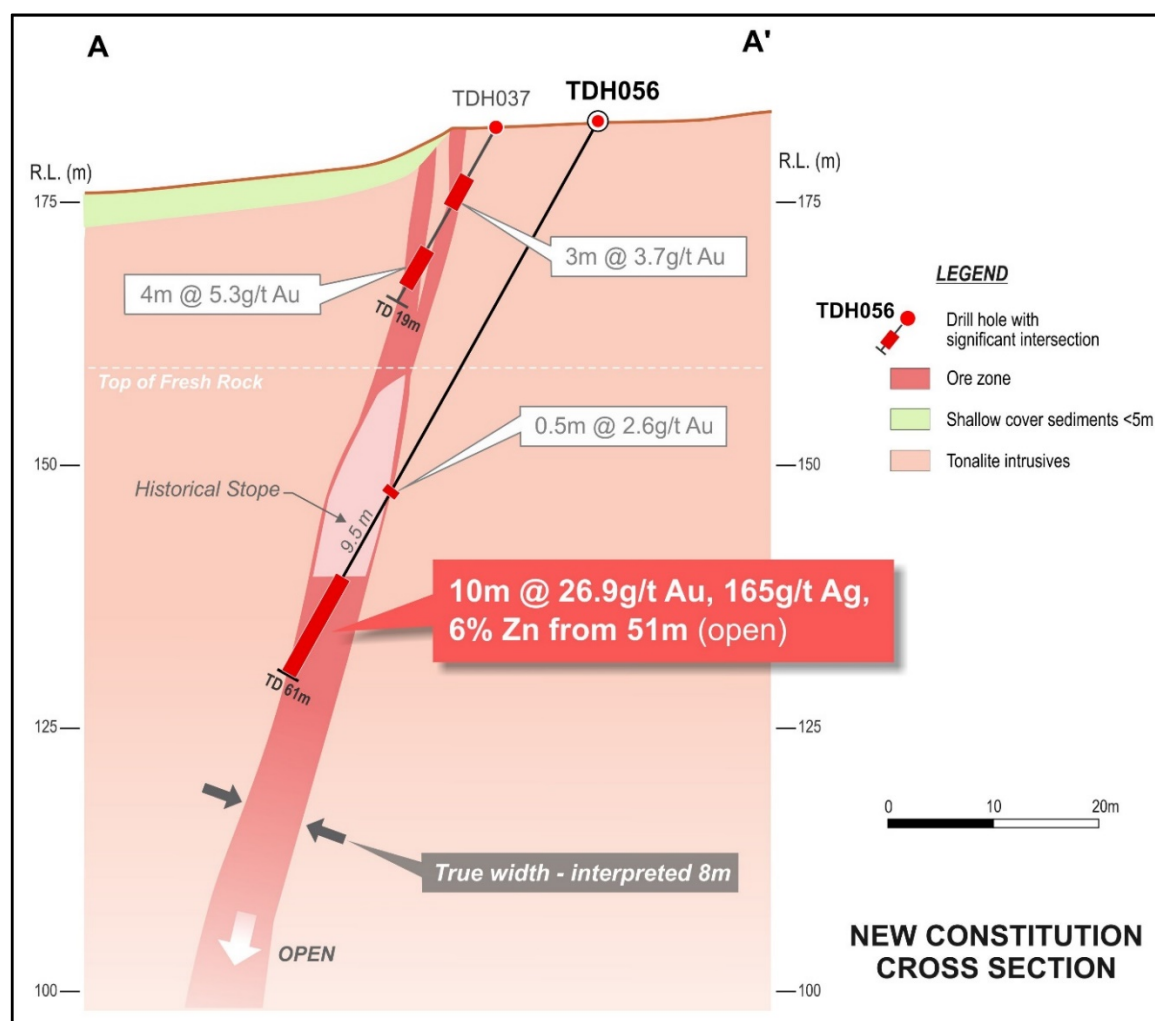


Figure 2: Drill section looking north-west showing high grade mineralisation intersected in TDH056 with section location shown in Figure 2.

Thirteen RC holes totalling 776m were completed at the **Bald Hill prospect** to follow up and investigate the geometry of near surface high grade gold mineralisation intersected in previous drilling including 15m @ 10.3g/t Au, 76g/t Ag, 0.5% Cu from 9m, released in Q2³.

A summary of significant results returned from this shallow programme include⁴:

- **7m @ 4.9g/t Au**, 27g/t Ag, 0.2% Cu from 11m (TDH040)
 - incl. **2m @ 12.7g/t Au, 74g/t Ag, 0.5% Cu** from 11m
- **8m @ 2.0g/t Au**, 23g/t Ag from 27m (TDH041)
- **14m @ 2.6/t Au, 34g/t Ag, 1.1% Cu** from 18m (TDH046)
 - Incl. **2m @ 10.6g/t Au, 152g/t Ag, 7.2% Cu** from 25m
- **10m @ 3.0g/t Au**, 24g/t Ag, 0.2% Cu from 16m (TDH047)
- **6m @ 2.0g/t Au**, 9g/t Ag, 0.1% Zn from 35m (TDH048)
- **14m @ 1.0g/t Au**, 10g/t Ag, 0.1% Cu from 12m (TDH049)

³ MBK ASX Release 21 June 2016

⁴ MBK ASX Release 14 September 2016

Drill results show continuity of near surface ore grade gold mineralisation (<40m below surface) extending over 200m of strike (Figure 3). This zone shows an excellent correlation with an Induced Polarisation (IP) geophysical anomaly⁵ which extends to greater than 300m depth, i.e. the limit of the survey / model.

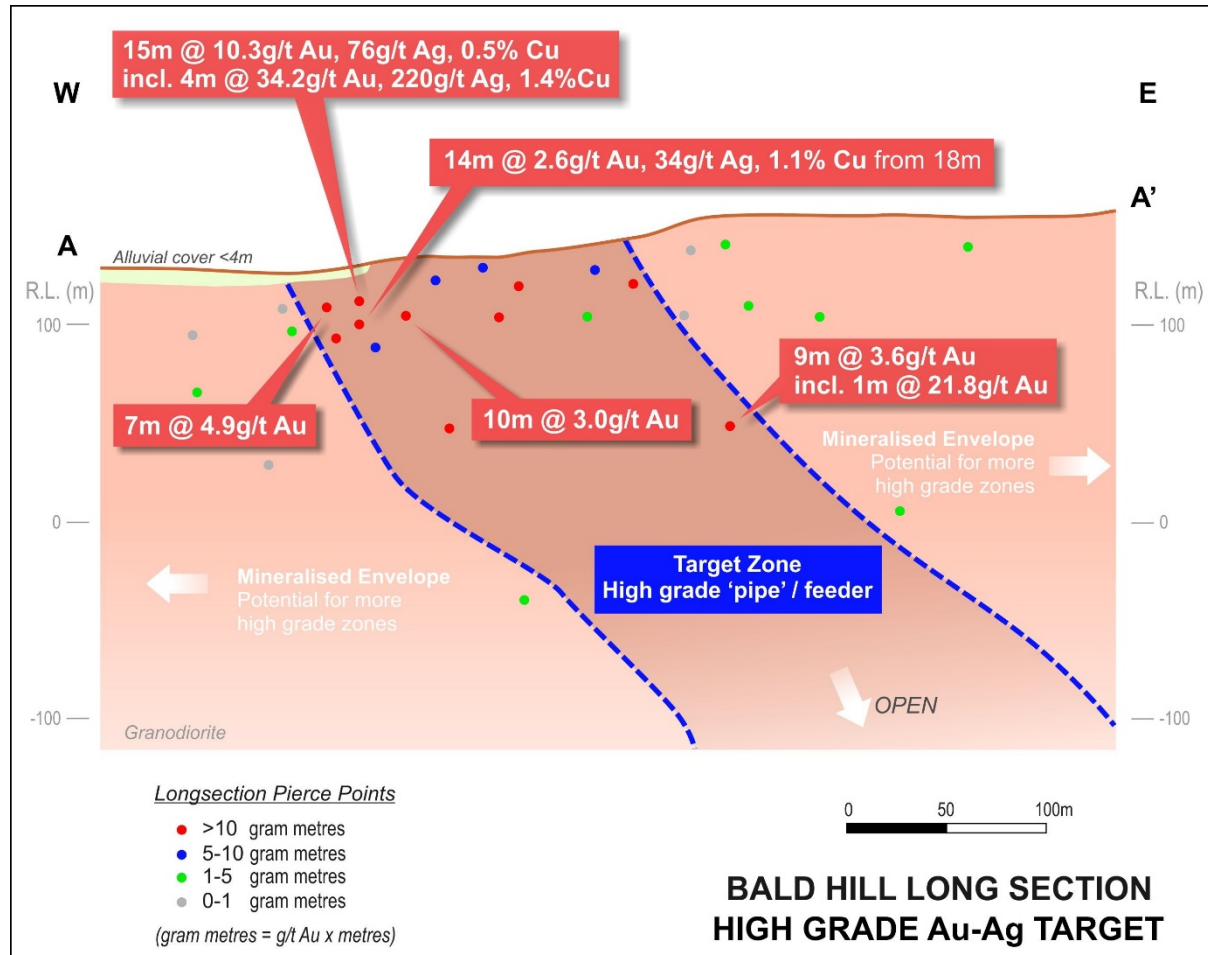


Figure 3: Bald Hill prospect long section showing preliminary gold results.

As part of **regional exploration** two shallow RC drill holes (total 96m) were completed on the Harmony prospect as an initial investigation of a bedrock geochemical anomaly (Au-Ag-Bi-Cu-Mo). The drill holes intersected anomalous pathfinder geochemistry and further follow-up is warranted on this broad target concealed beneath shallow cover (<3m).

To date, the Company's exploration has focussed on zones of outcropping mineralisation, which has essentially only tested a small portion (<20%) within the 15km² Triumph gold camp which is dominantly (>90%) concealed beneath shallow cover.

A revision of the geological model for the Triumph gold camp now provides strong indication for a bulk tonnage gold target. Large intrusion related gold systems in eastern Australia (and around the world) are commonly zoned in both hydrothermal alteration and multi-element geochemistry patterns. Improved understanding of the zoning patterns within the 15km²

⁵ MBK ASX Release 22 July 2014

Triumph gold camp has directly contributed to the recent near surface high grade gold drilling success at both Bald Hill and New Constitution prospects and underpins the Company's confidence in the other high priority targets in the project pipeline yet to be tested. Refer to current priority targets in Table 1 below with locations shown in Figure 4.

Table 1: Priority gold targets within the Triumph gold camp.

Target		Attributes	Highlights
ADVANCED	New Constitution	Resource definition - Combined 3km strike potential	Up to 10m @ 26.9g/t Au, 165g/t Ag and 6.0% Zn from 51m (open)
	Bald Hill	Resource definition	Up to 15m @ 10.3g/t Au, 76g/t Ag, 0.5% Cu from 9m in drilling
	Advance	Historical gold camp	4500 Oz Au at 94 g/t Au historical production
	Big Hans	Interpreted extension of Bald Hill	Up to 4m @ 3.67 g/t Au from 22m historical drilling
BROWNFIELDS	Harmony	>1km strike potential	Up to 62.8 g/t Au and 161 g/t Ag in rockchip
	Handbrake Hill	>1km strike potential	4m @ 10.55 g/t Au from historical drilling
	Super Hans	100m x >500m long shear zone	Up to 20.1 g/t Au in rockchip
	Old Welcome	>800m long shear zone	Up to 32.7 g/t Au in rockchip
	Cattle Creek	>1km long shear zone	Up to 53.5 g/t Au in rockchip
GREENFIELDS	Bonneville	>1km strike potential	Up to 255 g/t Au in float rockchip
	Rands	Southern extension of Bald Hill	Up to 20.3 g/t Au in historical stream sediment
	NE Regional	5km ²	Untested area within fertile intrusive, masked by shallow cover

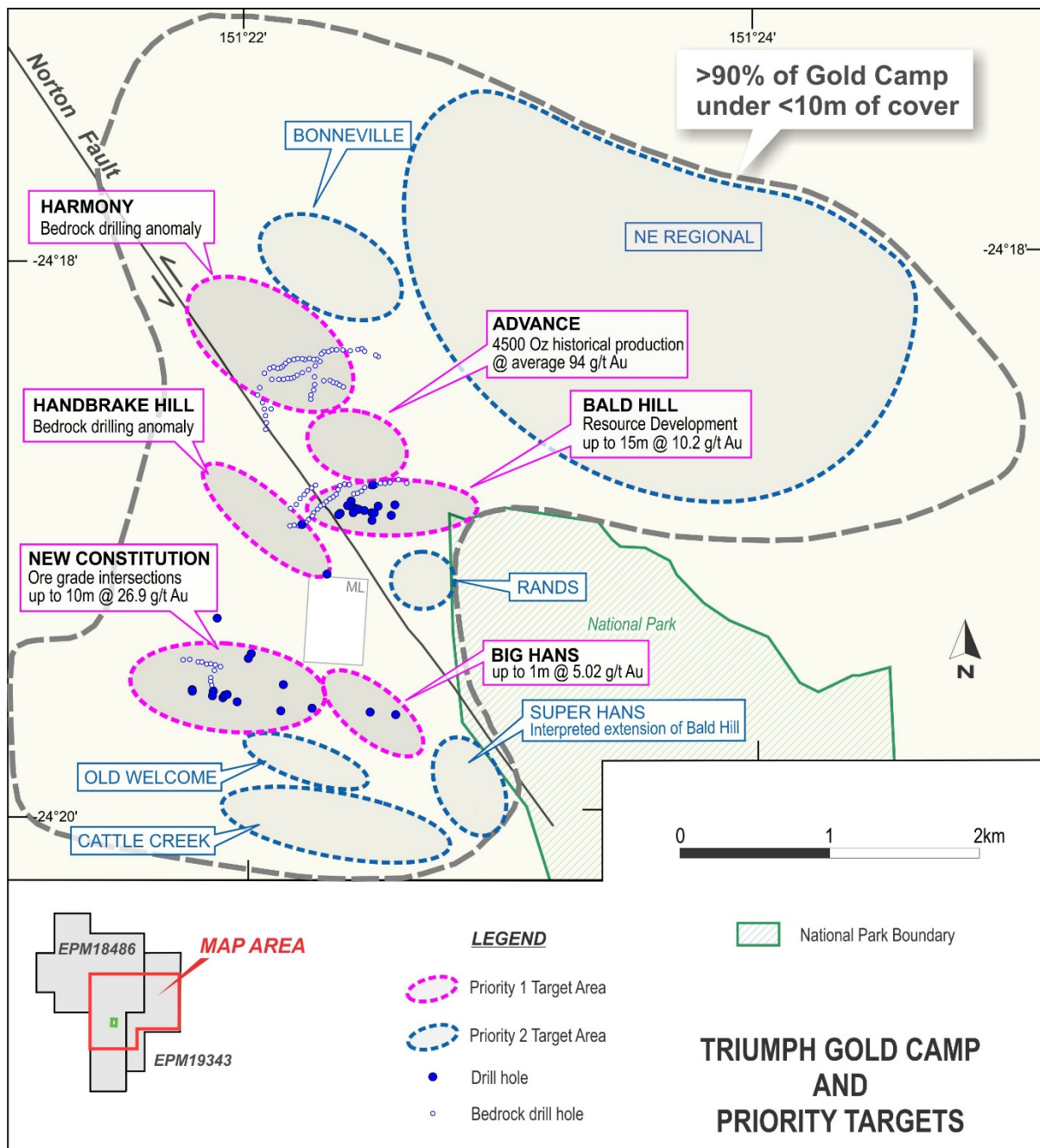


Figure 4: Triumph gold camp and priority targets

Eidsvold Project (100% MBK)

The Eidsvold project is centred on the historical Eidsvold goldfield (100,000oz Au mined in the early 1900's) within the Eidsvold intrusive complex, located between the Cracow (3Moz Au) and Mt Rawdon (2Moz Au) gold mines in the Northern New England Orogen (refer Figure 5 and Figure 6). No exploration activity was completed on the project during the quarter.

The discovery of high grade gold mineralisation including 1m @ 17.45g/t Au, 90g/t Ag and 2.5% Cu⁶ as part of an intrusion related gold system confirmed the Company's exploration model and has opened up the potential of the entire Eidsvold intrusive complex (250km²) which is almost entirely concealed beneath sedimentary cover.

A renewal application of the main tenement (EPM18431) has been approved for a further five years.

No field work was completed on the Eidsvold project during the quarter.

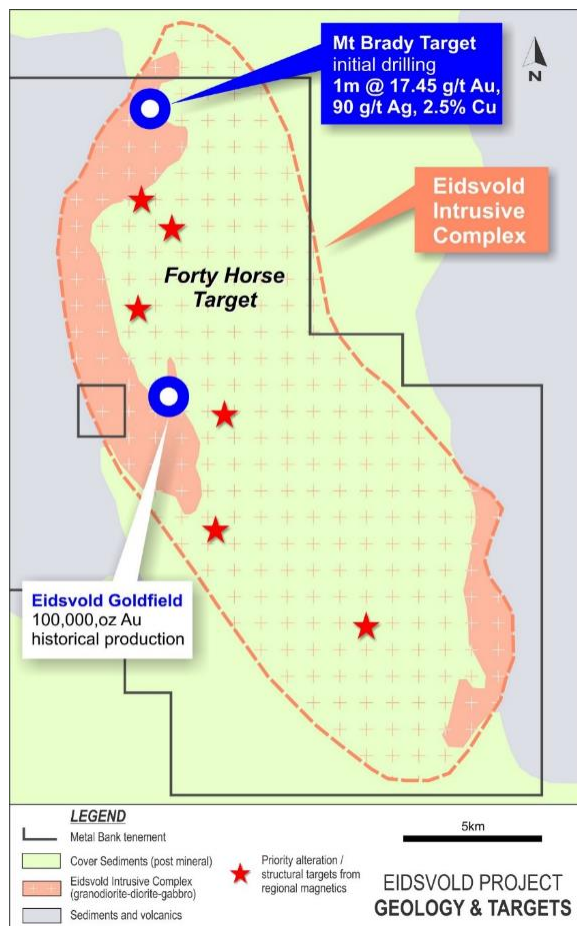


Figure 5: Location of priority target areas on regional geology summary

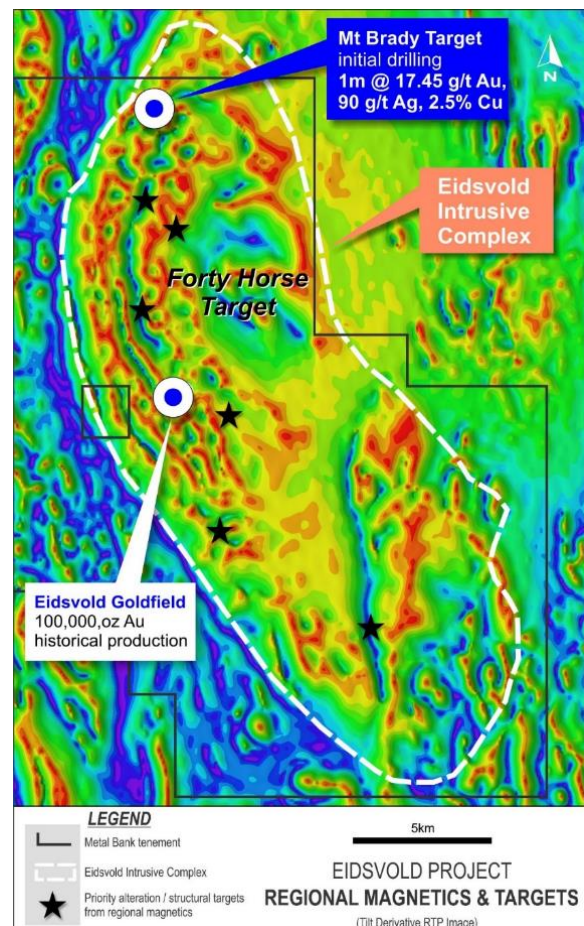


Figure 6: Location of priority target areas on RTP tilt derivative processed regional magnetics

⁶ ASX Release 15/4/2014

Mt Mackenzie Project (100% MBK)

Results from the field programme completed in quarter 2 do not warrant further follow-up and the project was relinquished during the quarter.

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. The Company is continuing to review potential prospective gold opportunities in Nevada after establishing relationships as well as a technical database and understanding of the region.

Corporate

During the quarter the Company successfully raised \$3.5 million (before costs), issuing 116,666,667 shares at 3 cents each, through a placement to sophisticated investors. The raising was lead managed by Taylor Collison and was supported by affiliates of the Sprott Group of Companies.

Subsequent to quarter end the Company closed its rights issue oversubscribed, raising a further \$1,878,609 before costs, issuing 62,620,330 shares at 3 cents each.

For further information contact:

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Managing 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 Triumph and Eidsvold 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>Board of Directors and Management</p> <p>Inés Scotland (Non-Executive Chairman)</p> <p>Tony Schreck (Managing Director)</p> <p>Guy Robertson (Executive Director)</p> <p>Sue-Ann Higgins (Company Secretary)</p> <p>Trevor Wright (Exploration Manager)</p>	<p>Registered Office</p> <p>Metal Bank Limited Suite 2508, Level 25 31 Market Street Sydney NSW 2000 AUSTRALIA</p> <p>Phone: +61 2 8268 8691 Facsimile: +61 2 8268 8699</p> <p>www.metalbank.com.au</p> <p>Share Registry</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 www.advancedshare.com.au 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

Relinquished EPM15668 – Queensland

Roar Resources Pty Ltd (Wholly Owned Subsidiary)

Triumph Project

EPM18486 – Queensland

EPM19343 – Queensland

Eidsvold Project

EPM18431 – Queensland

EPM18753 – Queensland