

QUARTERLY ACTIVITIES REPORT

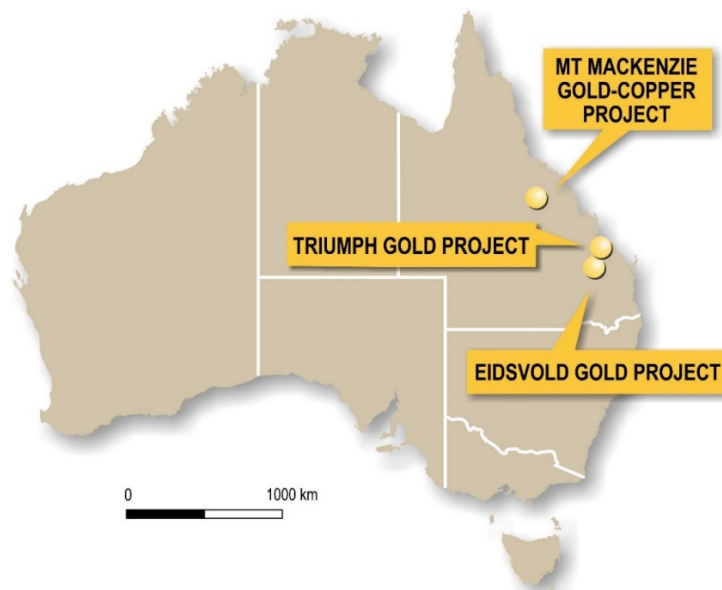
For the quarter ended 30 June 2016

HIGHLIGHTS

- RC Drilling on the **Triumph project** has intersected near surface high grade gold mineralisation on the Bald Hill and New Constitution prospects
- Field programme has been completed on the **Mt Mackenzie project**
- Successful capital raising completed

Metal Bank Limited (ASX:MBK)

Metal Bank Limited ('MBK' or 'the Company') is pleased to outline below the activities for the quarter ended 30 June 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 ± 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 6 months has focussed on the Triumph project where near surface high grade gold results were intersected in drilling. MBK has invested in a significant greenfields exploration programme on the Triumph project over the past 5 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 Bald Hill and in parallel target the potential for a bulk tonnage gold style system as part of the causative mineralising intrusive.

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

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.

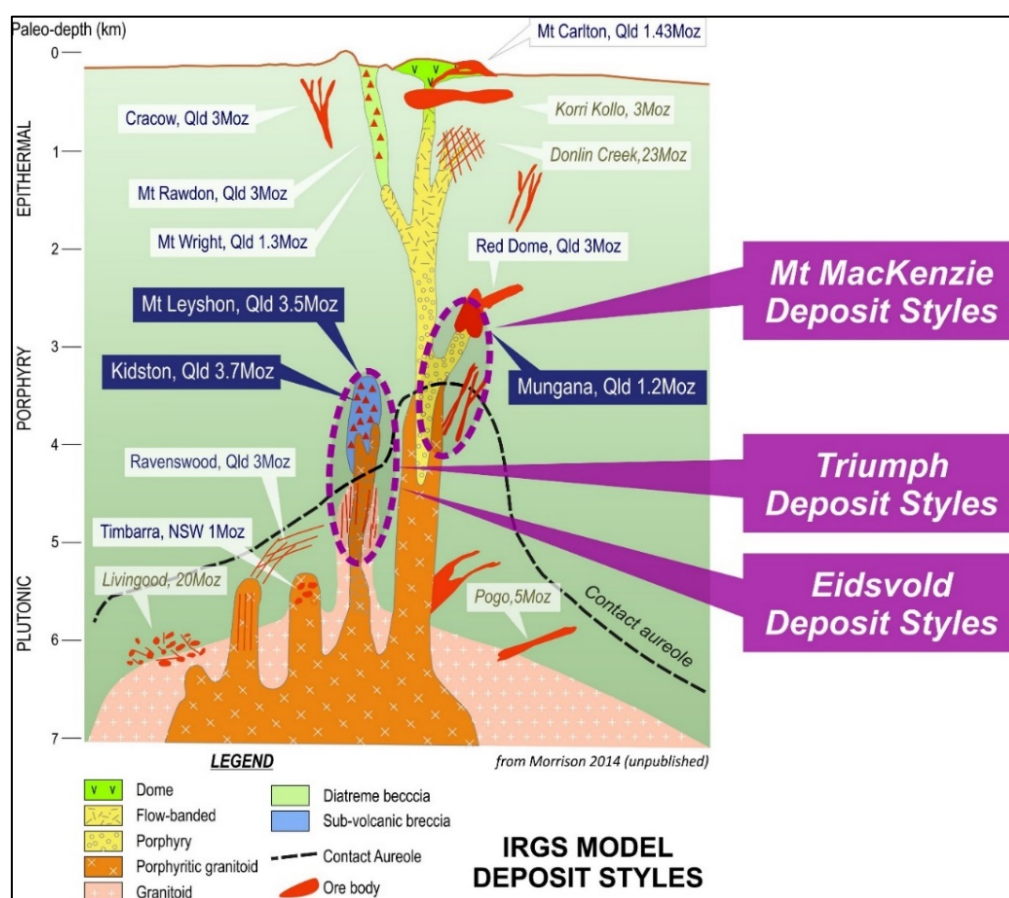


Figure 1: Intrusive related gold deposit styles showing MBK projects.

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 (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.

RC drilling was completed during the quarter on outcropping gold targets defined by soil and rock chip geochemistry at Bald Hill and New Constitution prospects. In addition, an orientation aircore bedrock sampling programme was completed as a first pass evaluation of broad, regional exploration target areas concealed by shallow sedimentary cover.

RC drilling at the **Bald Hill** prospect (9 holes for 181m) has now defined an extensive near surface gold mineralised system with potential for high grade gold including significant Ag and Cu mineralisation credits. Further drilling is planned to commence in August to focus on defining near surface, high grade gold resources. It is possible that the high grade mineralisation intersected represents leakage from a significant bulk tonnage gold system associated with the causative mineralising intrusive.

Significant results during the quarter include¹:

- **15m @ 10.3g/t Au, 76g/t Ag, 0.5% Cu** from 9m (TDH039)
 - incl. **4m @ 34.2g/t Au, 220g/t Ag, 1.4% Cu** from 14m
- **6m @ 2.4g/t Au, 18g/t Ag** from 7m (TDH021)
- **15m @ 1.6g/t Au, 9g/t Ag** from 7m (TDH022)

Refer to Figure 2 showing Bald Hill long section.

RC drilling at the **New Constitution** prospect (12 holes for 149m) targeted soil and rock chip gold geochemical anomalies not previously drill tested. Drill results highlight potential for multiple sub-parallel to parallel zones of gold-silver mineralisation and define a zone >600m x 600m and mostly concealed beneath shallow cover (<4m).

Significant results during the quarter include²:

- **18m @ 2.0g/t Au, 8g/t Ag** from surface (TDH037) including
 - **3m @ 3.7g/t Au, 29g/t Ag** from 6m
 - **4m @ 5.3g/t Au, 8g/t Ag** from 13m

Refer to Figure 3 showing New Constitution drill plan.

As part of **regional exploration** an orientation bedrock aircore drilling programme comprising of a total of 107 aircore drill holes (715m) was completed on wide spaced traverses to enable sampling of the concealed basement beneath <5m of cover sediments. This programme represents the first drilling completed through the shallow cover and has been successful in identifying three large scale zoned gold targets with strongly anomalous

¹ MBK ASX 20 June 2016

² MBK ASX 21 June 2016

pathfinder elements Au (max 0.43g/t), Ag-As-Bi. The three new targets of Harmony, Handbrake Hill and interpreted western extension of Bald Hill provide over 2.5km of additional strike potential beneath shallow cover. Refer to Figure 3.

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 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.

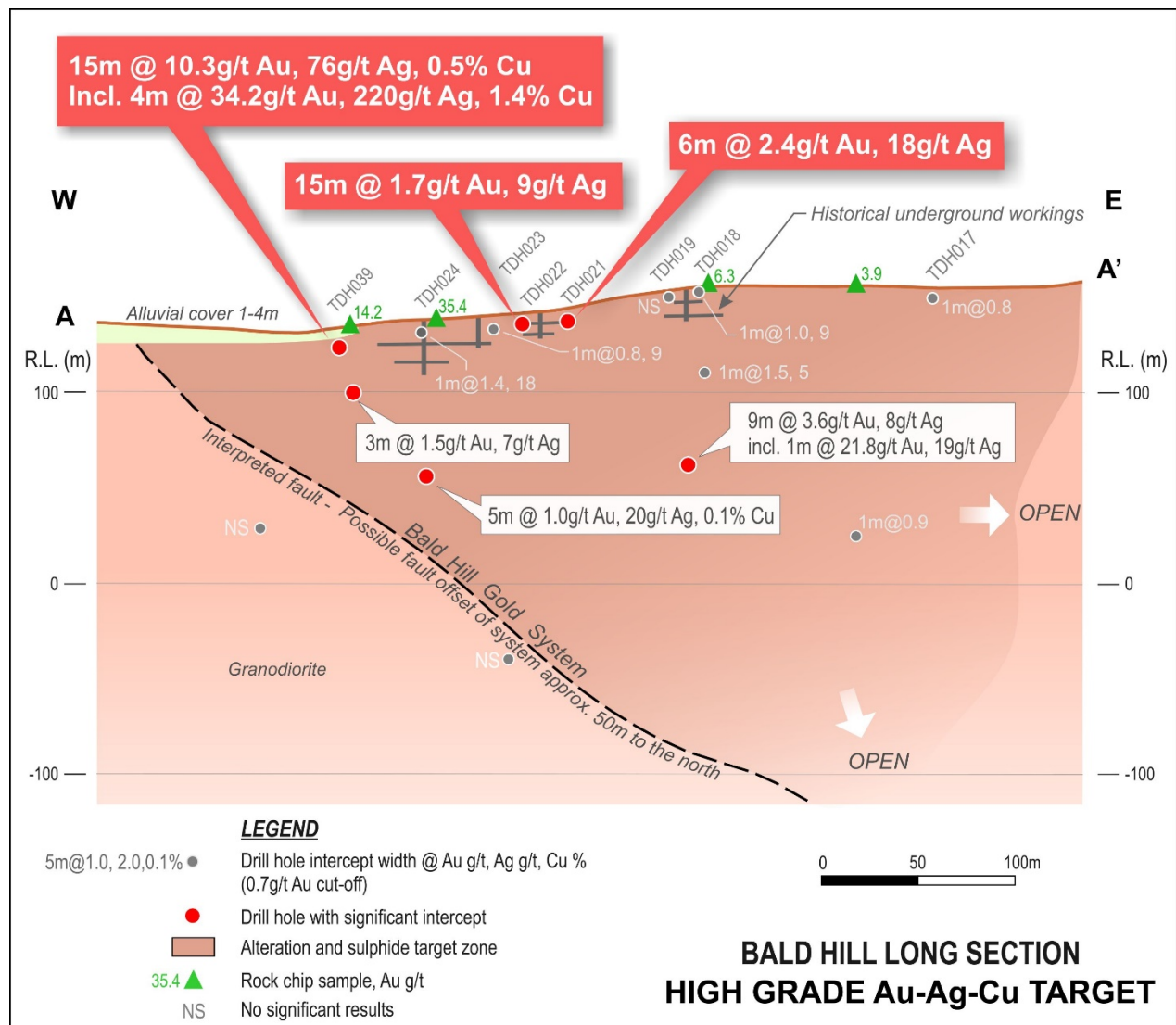


Figure 2: Bald Hill long section showing recent high grade gold intersections.

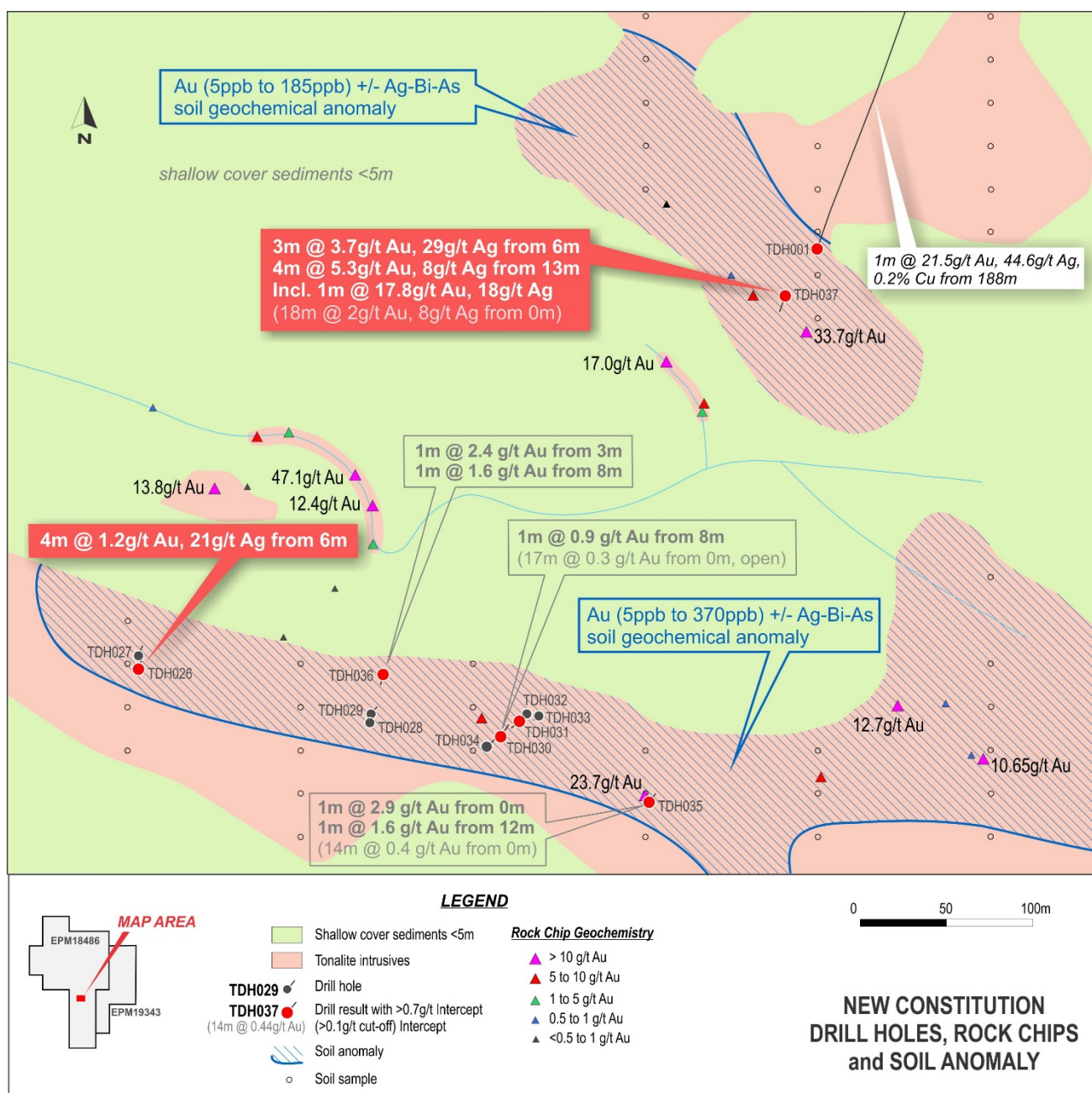


Figure 3: Drill plan of New Constitution showing recent drill results.

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

	Target	Attributes	Highlights
ADVANCED	Bald Hill	Resource definition	Up to 15m @ 10.3g/t Au, 76g/t Ag, 0.5% Cu from 9m in drilling
	New Constitution	Combined 3km strike potential	Up to 18m @ 2.0 g/t Au, 8 g/t Ag from surface 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

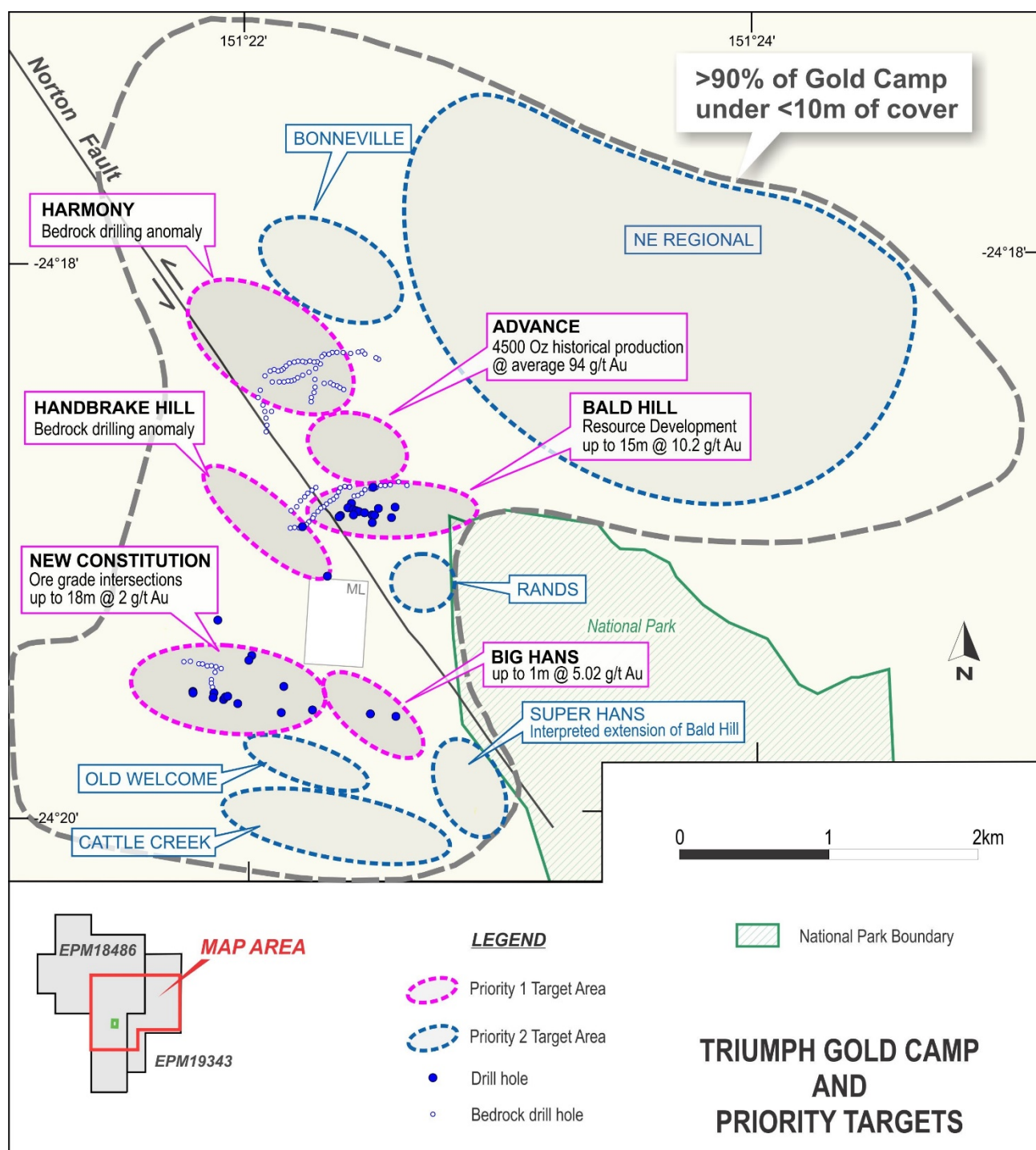


Figure 4: Triumph gold camp and priority targets

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 (3 Moz Au) and Mt Rawdon (2 Moz 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% Cu³ 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 5 years.

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

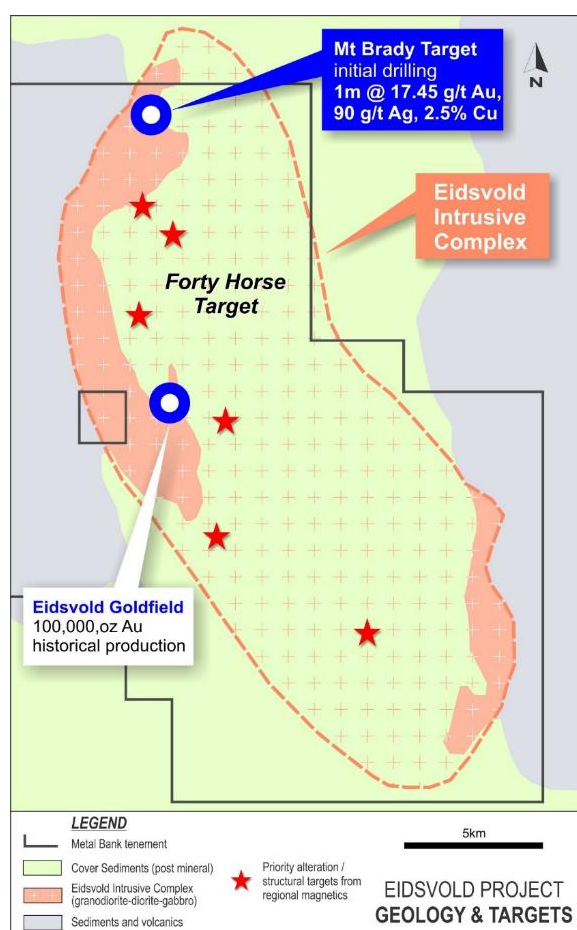


Figure 5: Location of priority target areas on regional geology summary

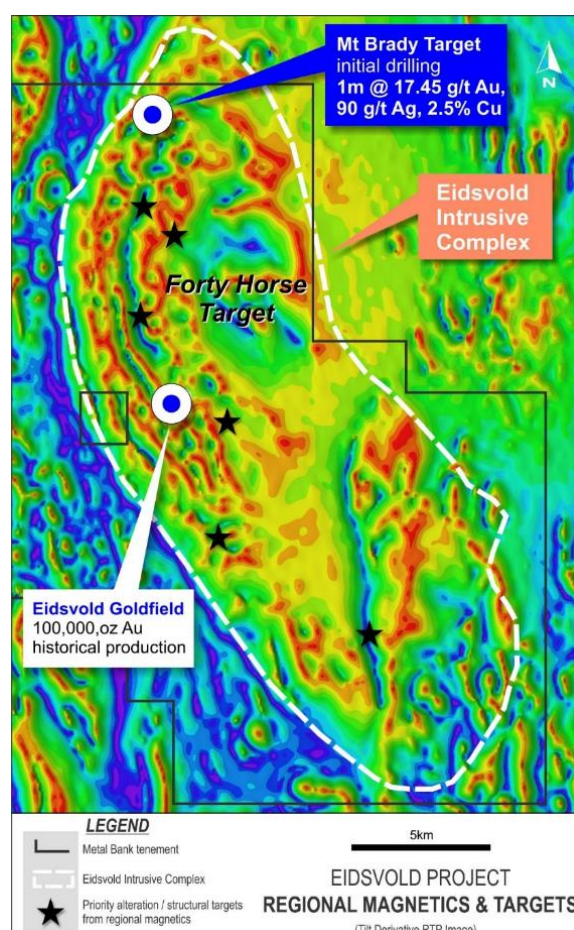


Figure 6: Location of priority target areas on RTP tilt derivative processed regional magnetics

³ ASX Release 15/4/2014

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.

During the quarter field geological mapping and surface geochemical sampling including 155 soil samples and 15 rock chip samples were completed over a porphyry system identified from historical 1970's sampling that had been overlooked by modern exploration. While strongly anomalous copper and molybdenum results were achieved, the lack of associated gold anomalism suggests that the gold target zone could be more distal (further away) along the main structural corridor. A review of the project will be conducted prior to completing further exploration.

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 a further \$464,500 through a placement and share purchase plan, with the issue of 116,125,000 shares at 0.4 cents per share. This brought the total capital raising in this round to \$564,500.

For further information contact:

Tony Schreck

Director

Email: tony@metalbank.com.au

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>Guy Robertson (Executive Director)</p> <p>Tony Schreck (Executive Director)</p> <p>Company Secretary</p> <p>Sue-Ann Higgins</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</p> <p>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