

MetalsTech Fast Tracks Drilling at Sturec Gold Mine

Highlights

- Underground diamond drilling from within the Andrej Adit at the Sturec Gold Mine to commence shortly
- Nine (9) diamond drill hole program totalling approximately 3,000m has been designed from two (2) locations within the Andrej Adit – the Company will prioritise drill hole order based on iterative results
- Drilling will follow up STOR 3.11 which intersected:
 - 89.0m @ 6.9g/t Au and 23.6g/t Ag from 114m to 203m down hole using a 3g/t Au cut-off
within a broader intersection of
 - 137.3m @ 4.6g/t Au and 16.5g/t Ag from 67.7m to 205m down hole using a 0.3g/t Au cut-off
- Surface based drilling to commence once permits have been received for a further thirty-six (36) diamond drill holes, expected this Quarter
- Underground mining has re-started at the Andrej Adit with metallurgical sampling for thiosulphate-based gold extraction technology test work and gold concentrate studies currently underway on bulk ore
- MetalsTech previously announced the execution of a Strategic Finance Agreement with existing MetalsTech financier Mr Zhengrong Chen for a further investment of A\$2.5 million by way of fixed price convertible notes (**Notes**)
- Following completion of the previously announced Placement of A\$1.125 million and the issue of the Notes, the Company will have approximately A\$4.1 million in available funds
- MTC is well funded to achieve its objectives at the Sturec Gold Mine for 2020 which include, recommencement of mining at the Andrej Adit, resource expansion drilling, scoping study on thiosulphate processing and update of its Pre-Feasibility Study
- Gold price remains above US\$1,700/oz and MTC is on track to be “deal-ready” in 2021

Commenting on the upcoming exploration activities, MetalsTech Chairman, Russell Moran stated:

“Our technical team has come up with an innovative way for us to commence drilling sooner and at a lower cost. The drill bit will be turning shortly and we look forward to seeing where STOR 3.11 takes us as we chase Sturec’s high grade gold mineralisation.”

MetalsTech Limited (ASX: MTC) (the Company or MTC) is pleased to announce that diamond drilling from within the underground Andrej Adit at the Company’s 100%-owned Sturec Gold Mine (Sturec) will commence shortly.

The Company has designed a multi-stage diamond drilling program at Sturec with drill holes planned both from within the existing underground adits, as well as drilling from surface. The program is designed to target and grow the high-grade extensions of the Sturec Mineral Resource and gain sufficient metallurgical samples to underpin the Pre-Feasibility Study update.

Note: This announcement is authorised by the executive board on behalf of the Company.

Diamond Drilling from within the Andrej Adit

The Company has designed a diamond drilling program from within the Andrej Adit in order to commence drilling sooner and at a lower cost than through surface drilling only. It will form the first phase of a multi-stage exploration program at Sturec.

Drilling from within the Andrej Adit will test the previously unexplored area adjacent to and down dip / plunge of the existing high-grade mineral resource at Sturec. A total of nine (9) diamond drill holes from two (2) locations within the Andrej Adit have been planned for a total of approximately 3,000m. The Company will prioritise drill holes actually drilled based on iterative assessment of drilling results.

Drilling can commence immediately without further permitting and due to the well developed mine workings, the drill hole locations are closer to the target mineralisation and the resulting drill lengths will be shorter meaning lower overall drill program cost compared to drilling by surface pads alone.

Drilling will test the interpreted extension of the high-grade plunging zone within the Sturec Mineral Resource that is believed to extend from historic drill hole STOR 3.11 to a previously unexplored area to the south. STOR 3.11 is included within the recently announced JORC (2012) Mineral Resource Estimate for Sturec and its close proximity to the boundary extent of the resource (~70m) is interpreted to indicate there is excellent potential along plunge of this drill hole to locate further high-grade mineralisation outside the current Sturec Mineral Resource (refer to Figure 2).

STOR 3.11 intersected **89.0m @ 6.9g/t Au and 23.6g/t Ag from 114m to 203m** down hole using a 3g/t Au cut-off within a broader intersection of **137.3m @ 4.6g/t Au and 16.5g/t Ag from 67.7m to 205m** down hole using a 0.3g/t Au cut-off.

Refer to ASX Announcement dated 21 April 2020 and titled "MetalsTech Targets High Grade Gold Zone".

An orthogonal view of the drill hole plan with the collar positions within the Andrej Adit is illustrated in Figure 1 (below). The existing underground workings are illustrated by the green tunnels and the interpreted high-grade extension of the Sturec Mineral Resource is illustrated by the turquoise oblique shape.

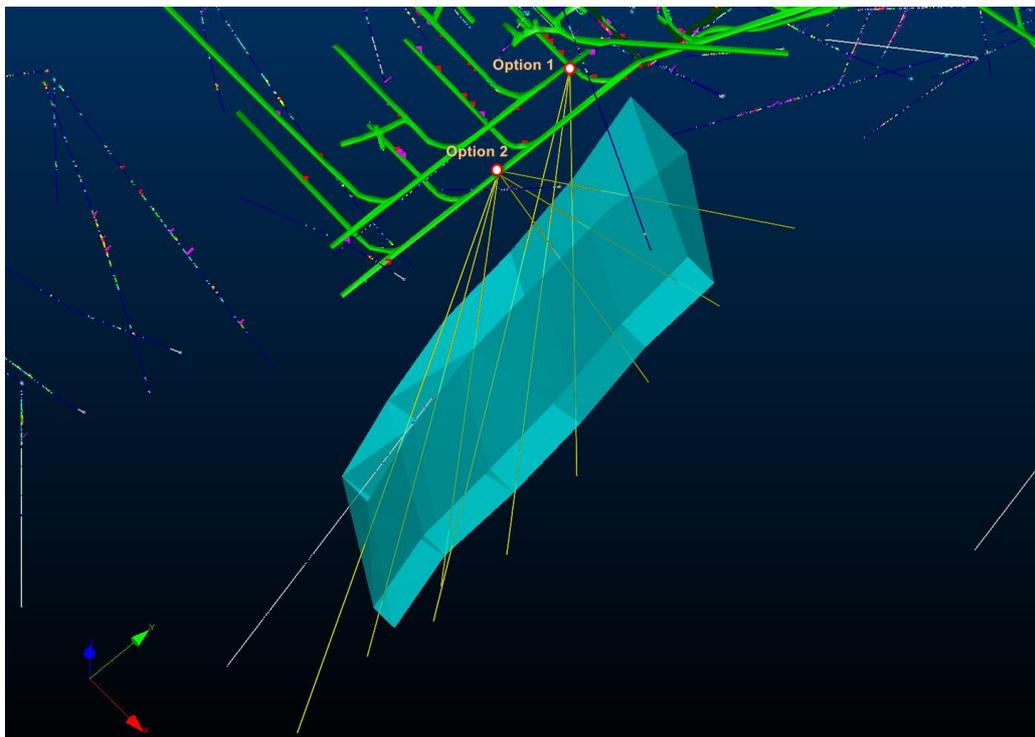


Figure 1: Orthogonal view of the drill hole plan with the collar positions within the Andrej Adit.

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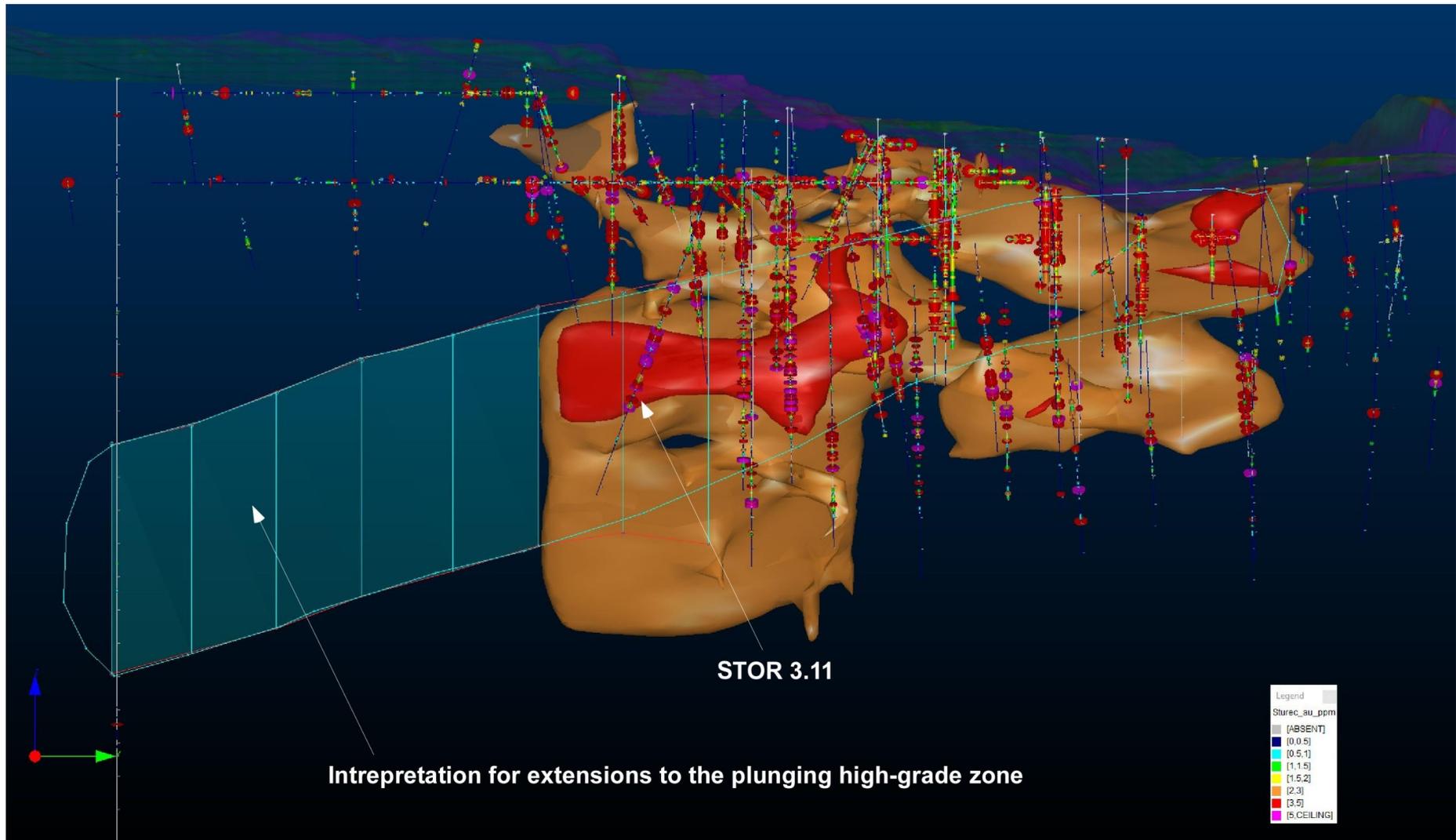


Figure 2: 3D visualisation of the mineralisation within the Sturec Mineral Resource displayed as iso-surfaces at greater than 0.5g/t Au in orange and greater than 3g/t Au in red (shown with transparency so that the down hole assay results can be seen). Figure also shows the location of STOR 3.11 relative to the boundary of the Sturec Mineral Resource.

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Re-commencement of Mining at Andrej Adit

Mining operations have recommenced at the Andrej Adit.

The metallurgical sampling program for the thiosulphate-based gold extraction technology test work has also been completed using ore from the current mining operation.

Refer to ASX Announcement dated 2 April 2020 and titled "MetalsTech Awarded Extension to Underground Mining Permit".

The Company is currently engaged in discussions with a nearby gold producer to determine potential interim processing solutions, including toll treatment options for the production of a gold concentrate which could present a near term source of cash flow.

We look forward to updating stakeholders on both the mining activities at the Andrej Adit, metallurgical test work and the progress of the drill program logistics prior to starting the planned drilling in the near term.

Diamond Drilling on the Kremnica Mining Licence

As part of the Company's multi-stage exploration program, further diamond drilling will take place from surface locations following the receipt of necessary permits, expected this Quarter. A further thirty six (36) diamond drill holes have been planned, which will target the Sturec plunging high-grade zone, including the high-grade mineralisation beneath STOR 3.11 as well as gain sufficient metallurgical samples to underpin the Pre-Feasibility Study update. The Company will prioritise drill holes actually drilled based on an iterative assessment of drilling results.

The Company is also seeking to drill exploration holes in adjacent targets within Sturec, namely the Volle Henne, Vratislav and Wolf Exploration target zones where gold mining has occurred previously and high-grade gold mineralisation has been demonstrated.

Refer to ASX Announcement dated 20 November 2019 and titled "MetalsTech Acquires Advanced Sturec Gold Project".

These holes will target those high-grade zones which were previously prospected or in some cases mined, but were not followed up with modern exploration and were not historically drilled.

Permitting is currently underway for these additional drill hole locations, which will be permitted on a staged basis.

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For further information, contact:

Russell Moran
Chairman
M +61 415 493 993
russell@metalstech.net

Nathan Ryan
Investor Relations
M +61 420 582 887
nathan.ryan@nwrcommunications.com.au

Gino D'Anna
Director
M +61 400 408 878
gino@metalstech.net

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Background: Sturec Gold Mine

The Sturec Gold Mine is located in central Slovakia between the town of Kremnica and the village of Lučky, 17km west of central Slovakia's largest city, Banská Bystrica, and 150km northeast of the capital, Bratislava.

Sturec contains a total Mineral Resource of 21.2Mt @ 1.50 g/t Au and 11.6 g/t Ag (1.59g/t AuEq) using a 0.4g/t Au cut-off and within an optimised open pit, containing 1,026,000 ounces of gold and 7,944,000 ounces of silver (1,086,000 ounces of gold equivalent) in accordance with JORC (2012). An additional 388,000 tonnes at 3.45 g/t Au and 21.6 g/t Ag (3.60g/t AuEq) outside the optimised open pit contains an additional 43,000 ounces of gold and 270,000 ounces of silver (45,000 ounces of gold equivalent), reported in accordance with JORC (2012).

Table 1: Mineral Resource Estimate – Sturec Gold Project

Sturec Mineral Resource Estimate								
Resource Estimate above 0.40 g/t Au cut-off and within an optimised open pit shell								
Resource Category	Tonnes (kt)	Density (t/m ³)	Au (g/t)	Ag (g/t)	AuEq ¹ (g/t)	Au (koz)	Ag (koz)	AuEq ¹ (koz)
Measured	3,000	2.17	1.69	13.5	1.79	161	1291	171
Indicated	11,200	2.24	1.79	14.9	1.90	643	5373	685
Measured + Indicated	14,200	2.23	1.77	14.6	1.87	804	6664	856
Inferred	7,000	2.33	0.97	5.6	1.01	222	1280	230
TOTAL	21,200	2.26	1.50	11.6	1.59	1026	7944	1086
Resource Estimate above 2.85 g/t Au cut-off: outside optimised open pit shell								
Resource Category	Tonnes (kt)	Density (t/m ³)	Au (g/t)	Ag (g/t)	AuEq ¹ (g/t)	Au (koz)	Ag (koz)	AuEq ¹ (koz)
Measured	-	-	-	-	-	-	-	-
Indicated	114	2.28	3.39	25.6	3.57	12	94	13
Measured + Indicated	114	2.28	3.39	25.6	3.57	12	94	13
Inferred	274	2.34	3.47	19.9	3.61	31	176	32
TOTAL	388	2.34	3.45	21.6	3.60	43	270	45

¹ $AuEq\ g/t = ((Au\ g/t\ grade * Met.\ Rec. * Au\ price/g) + (Ag\ g/t\ grade * Met.\ Rec. * Ag\ price/g)) / (Met.\ Rec. * Au\ price/g)$

Long term Forecast Gold and Silver Price USD/oz (source: World Bank, JP Morgan): \$1,500 and \$20 respectively.

Gold And silver recovery from the 2014 Thiosulphate metallurgical test work: 90.5% and 48.9% respectively.

It is the Company's opinion that both gold and silver have a reasonable potential to be recovered and sold from the Sturec ore using Thiosulphate Leaching/Electrowinning as per the recoveries indicated.

Note: This announcement is authorised by the executive board on behalf of the Company.

Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning MetalsTech. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of MetalsTech as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Dr Quinton Hills Ph.D., M.Sc., B.Sc. Dr Hills is the technical advisor of MetalsTech Limited and is a member of the Australasian Institute of Mining and Metallurgy (No. 991225). Dr Hills has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Dr Hills consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in the report to which this statement is attached that relates to Mineral Resources for the Sturec Gold Deposit is based on information compiled by Mr Chris Grove, who is a Member of The Australasian Institute of Mining and Metallurgy (No. 310106). Mr Grove is a full-time employee of Measured Group Pty Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Grove consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ASX Listing Rules Compliance

In preparing this announcement dated 13 May 2020, the Company has relied on the announcements previously made by the Company and specifically dated 20 November 2019, 2 April 2020, 21 April 2020 and 29 April 2020. The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement dated 13 May 2020.

Note: This announcement is authorised by the executive board on behalf of the Company.