

CHIFENG GOLD MAKES STRATEGIC \$3M PLACEMENT IN METALSTECH

Highlights

- ★ \$3 million placement to Chijin International (HK) Limited (Chifeng) to provide the Company with further exploration funds ahead of its anticipated update to its Mineral Resource Estimate at the flagship 1.5Moz+ Sturec Gold Deposit in Slovakia
- ★ Following the placement, Chifeng will become a ~9% shareholder in MetalsTech after increasing its share position through 'on-market' buying during the past month
- ★ Chifeng is one of China's largest precious metals miners with a market cap of approximately \$7 billion listed on the Shanghai Stock Exchange
- ★ Chifeng is chaired by highly regarded gold mining business veteran Mr Wang Jianhua who was previously Chairman of Shandong Gold and President of Zijin Mining
- ★ Geological modelling underway with a significant update of the JORC Resources at Sturec expected taking into account recent drilling and surface exploration that will feed into the pre-feasibility study
- ★ Drilling from both surface and underground rigs progressing well with further drilling results expected periodically
- ★ MTC has experienced a significant up-tick of in-bound strategic interest in Sturec and the upcoming Mineral Resource Estimate update

Commenting on the strategic placement, MetalsTech Director, Gino D'Anna stated:

"Chifeng is widely considered to be the most successful gold miner in China owing to the experience of their Chairman Mr Wang Jianhua who before transforming Chifeng in his role as Chairman, served as CEO of \$58 billion capped Zijin Mining and before that, served as Chairman of \$18 billion capped Shandong Gold. We are delighted that Chifeng continues to increase its ownership in our exciting Company.

"Our wholly owned Sturec deposit is located in the Western Tethys belt in Europe amongst major miners including Dundee Precious Metals, Eldorado Gold and China's Zijin Mining who are all chasing similarly large epithermal as well as porphyry deposits. Sturec boasts world class potential with 1.5 million ounces of historic gold production and a current JORC resource of over 1.5 million ounces of gold with significant growth potential."

The Placement will be completed using the Company's existing capacity pursuant to ASX Listing Rule 7.1. An accompanying Appendix 3B has also been lodged.

**** This announcement is authorised by the executive board on behalf of the Company ****



Summary of Placement Agreement

The terms of the placement agreement between the Company and Chifeng Gold in general are as follows:

| | | |
|----|----------------------|--|
| 1. | Subscription | Chifeng agrees to subscribe for, or procure its nominee subscribe for, and the Company agrees to issue 7,500,000 Shares (Subscription Shares) at an issue price of A\$0.40 per Share to raise a total of A\$3,000,000 (Subscription Amount). |
| 2. | Subscription Amount | The Subscription Amount must be paid by Chifeng to the Company (to a bank account nominated by the Company) on or by Friday 23 December 2022 (Record Date). |
| 3. | Subscription Purpose | The Company intends to use funds raised from the issue of the Subscription Shares for the following purposes: <ul style="list-style-type: none">(a) continue resource definition drilling at the Company's flagship Sturec Gold Project, located in Slovakia (Project);(b) advancement of an update to the Mineral Resource Estimate at the Project;(c) advancement of a Pre-Feasibility Study at the Project;(d) advancement of the Company's existing operations by conducting further exploration at the regional targets identified at the Project; and/or(e) for general working capital purposes. |
| 4. | No Short Sell | Chifeng agrees not to, and agrees to take reasonable steps to ensure that each of its controlled related bodies corporate (and persons acting in concert with it or with whom it or any such controlled related body corporate has entered into a relevant agreement for the purpose of dealing in any Shares or interest in Shares in the Company) do not short sell the Subscription Shares of the Company. |
| 5. | Other Terms | Standard terms for an agreement of this nature. |

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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.

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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 is a low sulphidation epithermal system and contains a total Mineral Resource of 38.5Mt @ 1.23 g/t Au and 8.8 g/t Ag (1.30g/t AuEq¹), containing 1.522Moz of gold and 10.93Moz of silver (1.611Moz of gold equivalent) using a 0.26g/t Au cut-off within an optimised open pit shell; as well as 148kt @ 3.55 g/t Au and 12.6 g/t Ag (3.64g/t AuEq¹), containing 17koz of gold and 60koz of silver (18koz of gold equivalent) outside the optimised open pit shell on an underground mining basis; reported in accordance with JORC (2012).

Mineral Resource Estimate – Sturec Gold Project

| Updated Sturec Mineral Resource Estimate | | | | | | | |
|--|---------------|-------------|--------------|-------------------------|--------------|---------------|--------------|
| Resource Estimate above 0.26 g/t Au cut-off and within an optimised open pit shell | | | | | | | |
| Resource Category | Tonnes (kt) | Au (g/t) | Ag (g/t) | AuEq (g/t) ¹ | Au (koz) | Ag (koz) | AuEq (koz) |
| Measured | 15,340 | 1.43 | 12.04 | 1.53 | 704 | 5,940 | 752 |
| Indicated | 18,438 | 1.20 | 6.74 | 1.25 | 709 | 3,995 | 742 |
| Measured + Indicated | 33,778 | 1.30 | 9.15 | 1.38 | 1413 | 9,935 | 1494 |
| Inferred | 4,717 | 0.72 | 6.56 | 0.77 | 109 | 995 | 117 |
| TOTAL | 38,495 | 1.23 | 8.83 | 1.30 | 1,522 | 10,930 | 1,611 |
| Resource Estimate above 2 g/t Au cut-off: outside optimised open pit shell | | | | | | | |
| Resource Category | Tonnes (kt) | Au (g/t) | Ag (g/t) | AuEq (g/t) ¹ | Au (koz) | Ag (koz) | AuEq (koz) |
| Measured | 30 | 2.90 | 21.18 | 3.08 | 3 | 21 | 3 |
| Indicated | 114 | 3.75 | 10.5 | 3.81 | 14 | 38 | 14 |
| Measured + Indicated | 144 | 3.57 | 12.74 | 3.66 | 17 | 59 | 17 |
| Inferred | 4 | 2.73 | 8.0 | 2.80 | 0 | 1 | 1 |
| TOTAL | 148 | 3.55 | 12.62 | 3.64 | 17 | 60 | 18 |

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 (source: Bank of America): \$1,785 USD/oz and \$27 USD/oz 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.

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