

Placement Raises \$5 million to Accelerate the high-Grade Kookynie Gold Project

HIGHLIGHTS

- Strongly supported \$5m Placement underpinned by existing and new professional and sophisticated investors.
- Excellent near-term upside from the current exploratory work from within the Leipold, McTavish, Champion, the DCC and Altona Trends.
- Recent drilling has been highly successful and remains ongoing at the Kookynie Gold Project¹, with multiple near surface, high grade intersections returned at Leipold including:
 - LPRC0049 – 10 metres @ 7.44 g/t Au from 108 metres,
 - inc. 2 metres @ 21.03 g/t Au from 111 metres
 - LPRC0049 – 2 metres @ 35.23 g/t Au from 124 metres
 - LPRC0012 – 4 metres @ 16.3g/t Au from 42 metres,
 - inc. 3 metres @ 20.7g/t Au from 42 metres
- Funds will be used to significantly accelerate exploration efforts at Kookynie Gold Project¹ including plans to add a second drill rig to the programme.
- A key part of the expanded efforts will be to drill test the 21-high priority targets² recently identified:
 - Where the 21 drill targets generated are outside of the “known” mineralised areas of Leipold, McTavish, Champion, The DCC and Altona Trends.
 - A key focus will be the compelling 1.3-kilometre-long geophysical anomaly along strike and 2.5 kilometres north of the high-grade Cosmopolitan Gold Mine which produced 360,000 ounces at a grade 15 g/t Au.
- Strong balance sheet with circa \$5.8 million to accelerate exploration and development at the Kookynie Gold Project¹.
- Canaccord Genuity acted as Sole Lead Manager to the Placement.

Metalicity Limited (ASX: MCT) (Company) is pleased to announce a strongly supported \$5 million capital raising through a placement to existing and new sophisticated and professional investors.

¹Please refer to ASX Announcement “Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA” dated 6th May 2019 with Nex Metals Explorations Ltd, ASX:NME.

²Please refer to ASX Announcement “Drone Survey Demonstrates 21 Targets with Incredible Prospectivity for the Kookynie Gold Project” dated 2 September 2020.

The 208.3m shares were placed at a price of \$0.024 per share to be issued pursuant to available Placement Capacity under 7.1 and 7.1A. Canaccord Genuity acted as Sole Lead Manager to the Placement:

7.1 Placement Allotment	141,531,627 (inc. 35,000,000 options to Canaccord Genuity or its nominee)
7.1A Placement Allotment	101,801,706
Total Placement	243,333,333

The shares placed represent a 15% discount to the 15-day VWAP, and a 12.5% discount to the last traded price.

Canaccord Genuity (or its nominee), as Sole Lead Manager are to be issued 35,000,000 options at a strike price of \$0.03 expiring 3 years from the date of issue. These will be issued from our 7.1 placement capacity.

Proceeds raised will be used to significantly accelerate the exploration and development of the Kookynie Gold Project, with drilling to be ramped up significantly with additional rigs being sought with a view to producing maiden JORC 2012 compliant mineral resource estimates and additionally to supplement working capital.

Metalicity Managing Director, Jason Livingstone commented:

"I am delighted at the strong support that has been shown and I sincerely thank everyone who took part. This allows the Company to continue developing and exploring the Kookynie Gold Project at an accelerated rate. We are continuing field work with a very strong balance sheet, and I look forward to following up on the fantastic, high grade drill hole hits we have achieved so far this year."

Drilling is scheduled to continue at Kookynie with circa 78 holes drilled to date, with 16 released recently and circa 24 of those expected to be received and released shortly. The additional funds will enable the existing programme to be expanded and for the recently identified 21 new high priority targets to be drill tested in due course. A key focus will be the compelling 1.3km anomaly identified along strike and 2.5kms to the north of the high-grade Cosmopolitan mine which produced 360,000 ounces at 15 g/t Au. The anomaly appears to be an exact geophysical replica of the Cosmopolitan Gold Mine. The Company will keep the market informed as the exploration efforts continue and are ramped up.

This Announcement is approved by Jason Livingstone, Managing Director & CEO of Metalicity Limited.

ENQUIRIES

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THIS ANNOUNCEMENT IS DESIGNED TO LIFT THE CURRENT TRADING HALT OF THE COMPANY'S SECURITIES.

Metalicity confirms that the Company is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of "exploration results" that all material assumptions and technical parameters underpinning the "exploration results" in the relevant announcements referenced apply and have not materially changed.

Forward Looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have reasonable basis. However, forward-looking statements:

- (a) are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;
- (b) involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such risks include, without limitation, resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which the Company operates or supplies or sells product to, and governmental regulation and judicial outcomes; and
- (c) may include, among other things, statements regarding estimates and assumptions in respect of prices, costs, results and capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements.

All forward-looking statements contained in this presentation are qualified by the foregoing cautionary statements. Recipients are cautioned that forward-looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

The Company disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results or otherwise.