

ASX RELEASE: 22 October 2020

Metalicity Continues to Deliver Impressive Drill Hole Results for the Kookynie Gold Project

HIGHLIGHTS

- Assays from the McTavish Prospect at the Kookynie Gold project continue to deliver near surface high grade results, including:
 - McTRC0025 - 8 metres @ 3.57 g/t Au from 47 metres,
 - McTRC0018 - 4 metres @ 4.1 g/t Au from 47 metres,
 - McTRC0026 - 3 metres @ 5.25 g/t Au from 69 metres, &
 - McTRC0029 - 4 metres @ 4.3 g/t Au from 62 metres
- The Company has completed 78 drill holes to date for 5,784 metres at Leipold, McTavish and Champion:
 - All 55 drill holes for Leipold received and published.
 - 36 holes from Leipold returned significant intercepts,
 - 14 drill holes for McTavish are reported in this announcement, &
 - 9 drill holes pending assays for Champion.
- Drilling has resumed at Kookynie the rig is currently at the Altona Prospect where 24 holes have been drilled, assays are pending.
- The historic Altona Mining Centre produced 88,700 ounces between 1900 to 1965 at an average head grade of 30 g/t Au (circa 1.5kms from the Cosmopolitan Gold mine).
- Approvals have now been received to drill a significant 1.3km geophysical anomaly along strike from the historic Cosmopolitan Gold Mine that produced 360,000 ounces between 1896 to 1922 at an average head grade of 15 g/t Au.
- Second rig scheduled for late October/early November 2020 to test these significant anomalies and to accelerate the drilling programme across the wider Kookynie Gold Project, with additional drill plans for Cosmopolitan, Leipold, McTavish and Champion being finalised.

Metalicity Limited (ASX: MCT) ("MCT" or "Company") is pleased to announce the return of further assays from the Drilling Programme at the Kookynie Gold Project¹ in the Eastern Goldfields, Western Australia, approximately 60 kilometres south southwest of Leonora.

The Company has received assays for a further 14 drill holes from the McTavish Prospect of the expanded drilling programme currently underway at the Kookynie Gold Project. So far, the drilling has confirmed significant high-grade gold mineralisation at the Leipold Prospect and that mineralisation at the McTavish Prospect continues at depth. McTavish is circa 2 kms to the north and is along strike from Leipold. Metalicity has defined a significant anomaly between the two mineralised prospects where there is essentially no drilling and which the Company plans to test shortly.

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.

Commenting on the drilling results and approved programmes of work, Metalicity Managing Director, Jason Livingstone said:

"The intercepts returned from McTavish are incredibly encouraging. The results from just north of the Leipold Pit were in line with observations from the drill chips, however the drilling to date continues to illustrate the well-endowed area that is the Kookynie Gold Project."

“As we progress through the resource definition phase for Leipold, McTavish and Champion by upgrading and expanding the pre-2012 JORC mineral resource estimates, we are making great strides at the Altona Prospect which is showing encouraging signs already. However, we must wait on assays to verify our interpretations at Altona. It is also exciting to have gained approval from DMIRS to drill test the Cosmopolitan North and Leipold North geophysical targets generated from the drone magnetic survey.”

“The end of the year is fast approaching, and we at Metalicity are working hard to ensure we finish the year off well and set ourselves up for further success in 2021.”

Assay & Drilling Discussion

The Kookynie Project is host to seven, significant prospects; Champion, McTavish, Leipold, Diamantina, Cosmopolitan and Cumberland (collectively known as the DCC Trend), and finally, the Altona Trend 1.5 kilometres east of the DCC Trend. The table below summarises the significant intercepts from the 14 returned drill holes from the McTavish Prospect. The Company has pending results for nine (9) drill holes from the champion Prospect which will be reported in due course:

MGA 94 Zone 51 South														
Prospect	Hole ID	Tenement	Hole Type	Easting	Northing	RL	EOH	Dip	Azi	From (m)	To (m)	Down Hole Width (m)	Grade (Au g/t)	Comments
McTavish	McTRC0018	M40/77	RC	350,636	6,754,031	424	78	-60	270	47	51	4	4.1	4 metres @ 4.1 g/t Au from 47 metres
	McTRC0025			350,666	6,753,922	425	72	-60	270	47	55	8	3.57	8 metres @ 3.57 g/t Au from 47 metres
	McTRC0026			350,693	6,753,922	425	84	-60	270	69	72	3	5.25	3 metres @ 5.25 g/t Au from 69 metres
	McTRC0029			350,697	6,753,863	423	90	-60	270	62	66	4	4.3	4 metres @ 4.3 g/t Au from 62 metres

Table 1 – Significant Drill Hole Intercepts

Intercepts were calculated based on a sample returning an assay value of greater than 1 g/t Au over an interval greater than 1 metre, but not including any more than 1 metre of internal material that graded less than 1 g/t Au.

The drilling programme over Leipold, McTavish and Champion was designed to step out and continue to confirm and expand the mineralisation observed in our previous drilling programmes, this is the methodical approach we have adopted in our efforts to develop JORC 2012 compliant mineral resource estimates in the future. The full intercept list for completed drill holes is available in Appendix Two which also includes the collar details for the drill holes discussed in this announcement. Please refer to Figure 1 for Prospect and tenure locations within the greater Kookynie Gold Project.

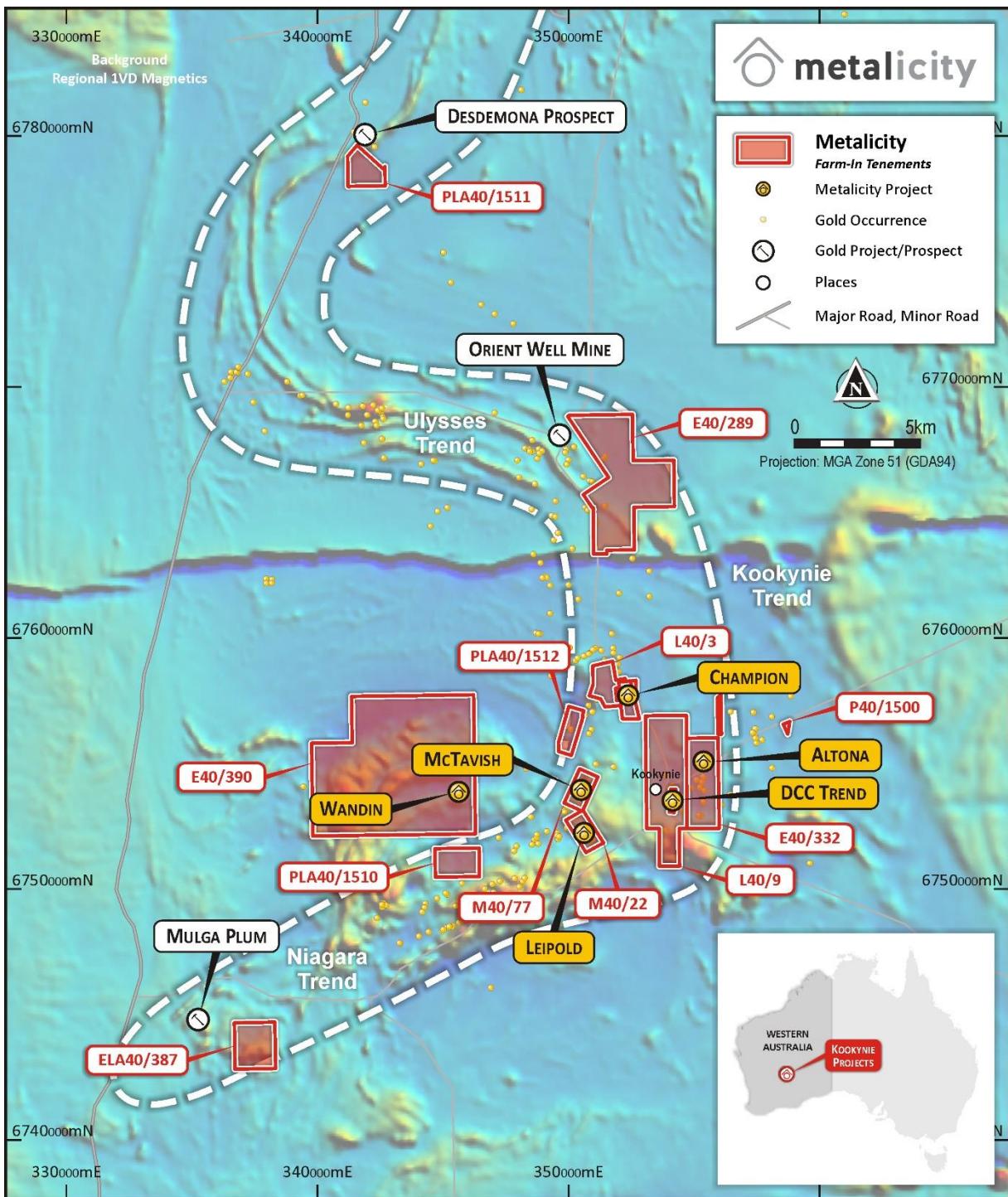


Figure 1 – Kookynie Prospect Locality Map with mineralised trends.

Drill Hole Plane of Vein Long Section

Below is a drill hole plane of vein long section, cross section and collar plot that illustrate the recent and planned drilling pierce points and discussion detailing the significance of the results to date at the Leipold Prospect. As noted earlier in this announcement, not all assays from the current drilling programme are available now, therefore, only assays received to date for an entire hole have been plotted on a long section to illustrate the strike extents of the mineralisation observed to date.

The McTavish Prospect

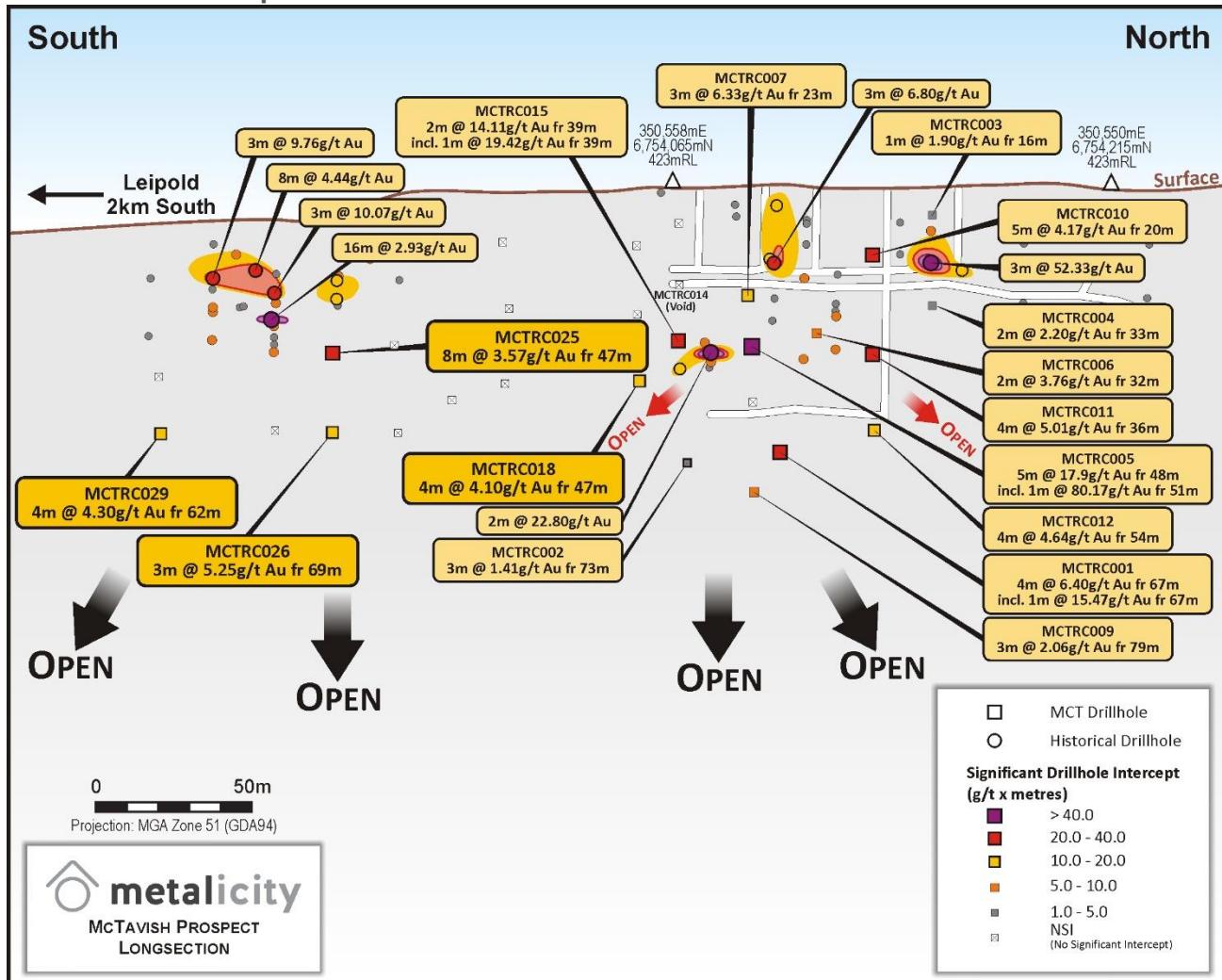


Figure 2 – McTavish Plane of Vein Section with recent drilling*.

*Please refer to ASX Announcement "Metality Delivers More Outstanding Drill Hole Results for the Kookynie Gold Project. Phase Two Drilling to Commence Imminently." dated 10 July 2020

With all assays returned from the McTavish Prospect demonstrating that previously identified mineralisation continues at depth, plans are underway to continue the exploration and development programmes at McTavish based on these results. The drill holes that have returned significant intercepts validate and confirm the down plunge extensions of previously drilled areas. This is encouraging and the Company is expediting plans to return to McTavish this year to continue that extensional work.

The Leipold Prospect

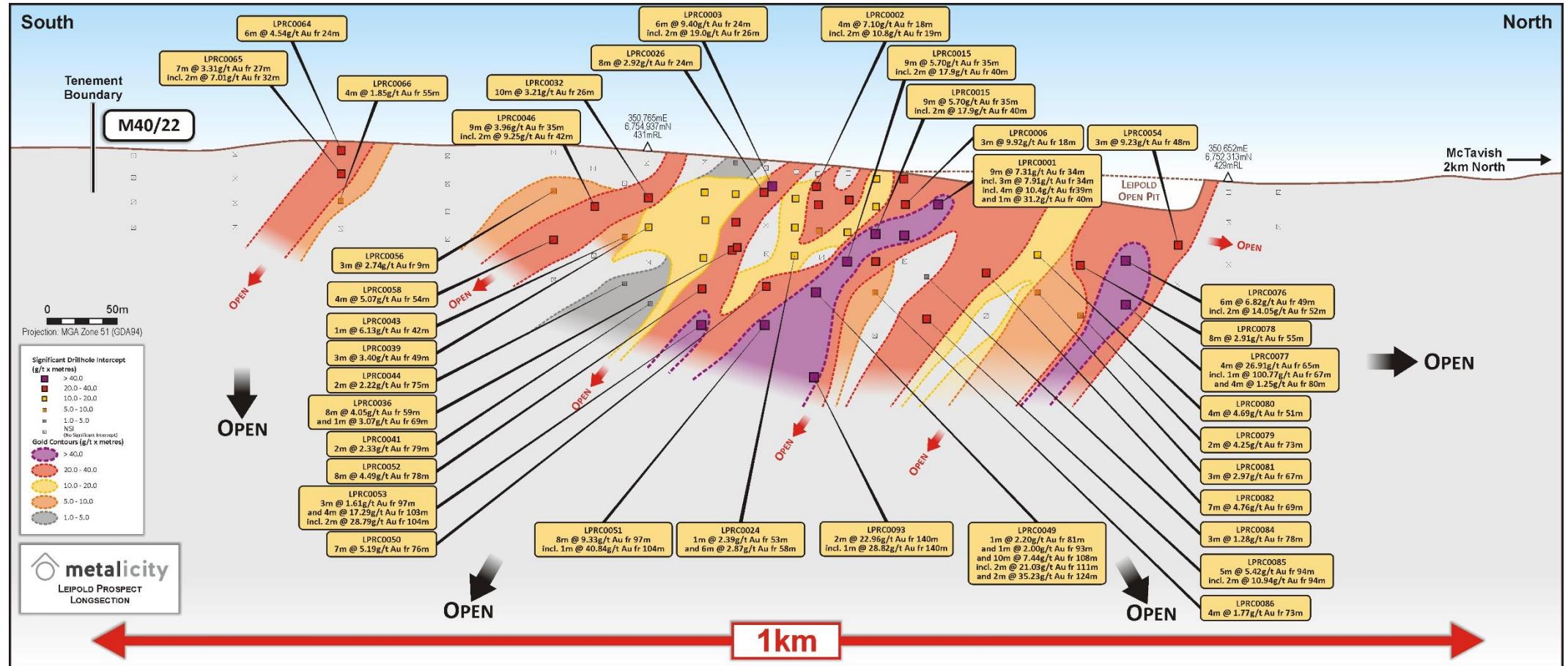


Figure 3 – Leipold Plane of Vein Section with recent drilling*.

*Please refer to ASX Announcement "Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project" dated 25 August 2020 & ASX Announcement "Metalicity Reports Drill Hole Intercepts Up to 100 g/t Au for the Kookynie Gold Project" dated 15th September 2020.

The Company has received assays the final 5 drill holes from the northern section of the Leipold Prospect (drill holes LPRC0087 to LPRC0091. We are pleased that the previous results have confirmed significant extensions, demonstrating the down dip and strike continuance of mineralisation beyond the previously defined limits. However, the Company took a pragmatic approach to the immediate northern extent as mineralisation seemed to be absent in observations in the drilling, and therefore did not complete all planned holes in that area. The results returned confirmed our interpretation that mineralisation immediately north of the Leipold Pit appears to be offset.

Leipold North & Cosmopolitan North Targets

Programmes of Work for drilling activities have been developed, submitted, and approved for the Leipold North and Cosmopolitan North targets that were defined from the ultra-high-resolution drone magnetic survey. These anomalies have very similar signatures to their respective counterparts and represent an incredible opportunity for exploration success.

The Leipold North target (please refer to Figure 4) the Company interprets to be the offset extension to the main Leipold drilling that has returned spectacular, near surface and high-grade drilling results:

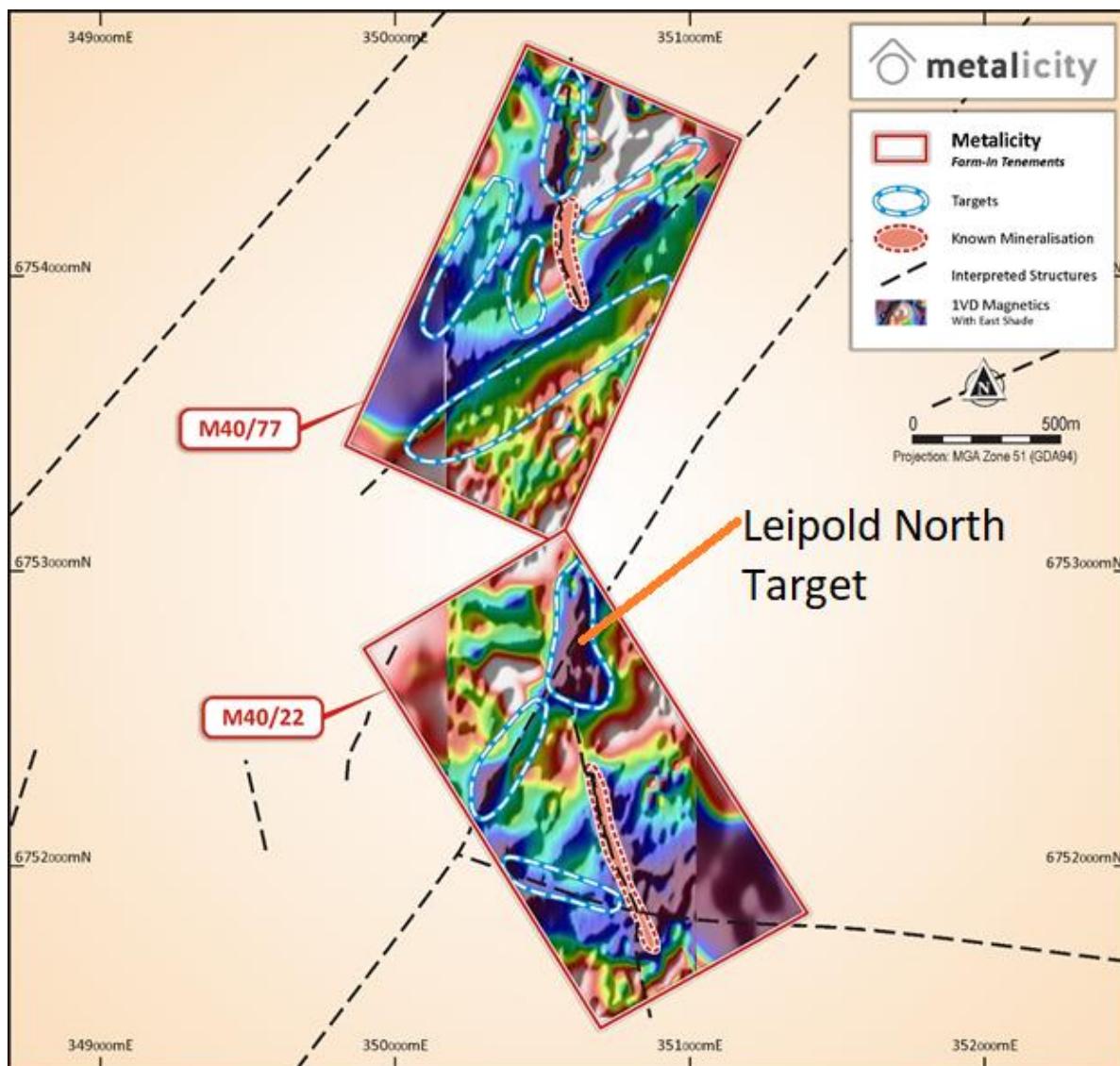


Figure 4 – Leipold – McTavish Trend Imagery (1VD Magnetics – drone survey draped over regional, with east shade) with interpretation.

Furthermore, the Cosmopolitan North target appears to be a strike extension and possible repeat of the prolific Cosmopolitan Gold Mine (please refer to Figure 5) that has historically produced 360,000 ounces at an average head grade of 15 g/t Au.

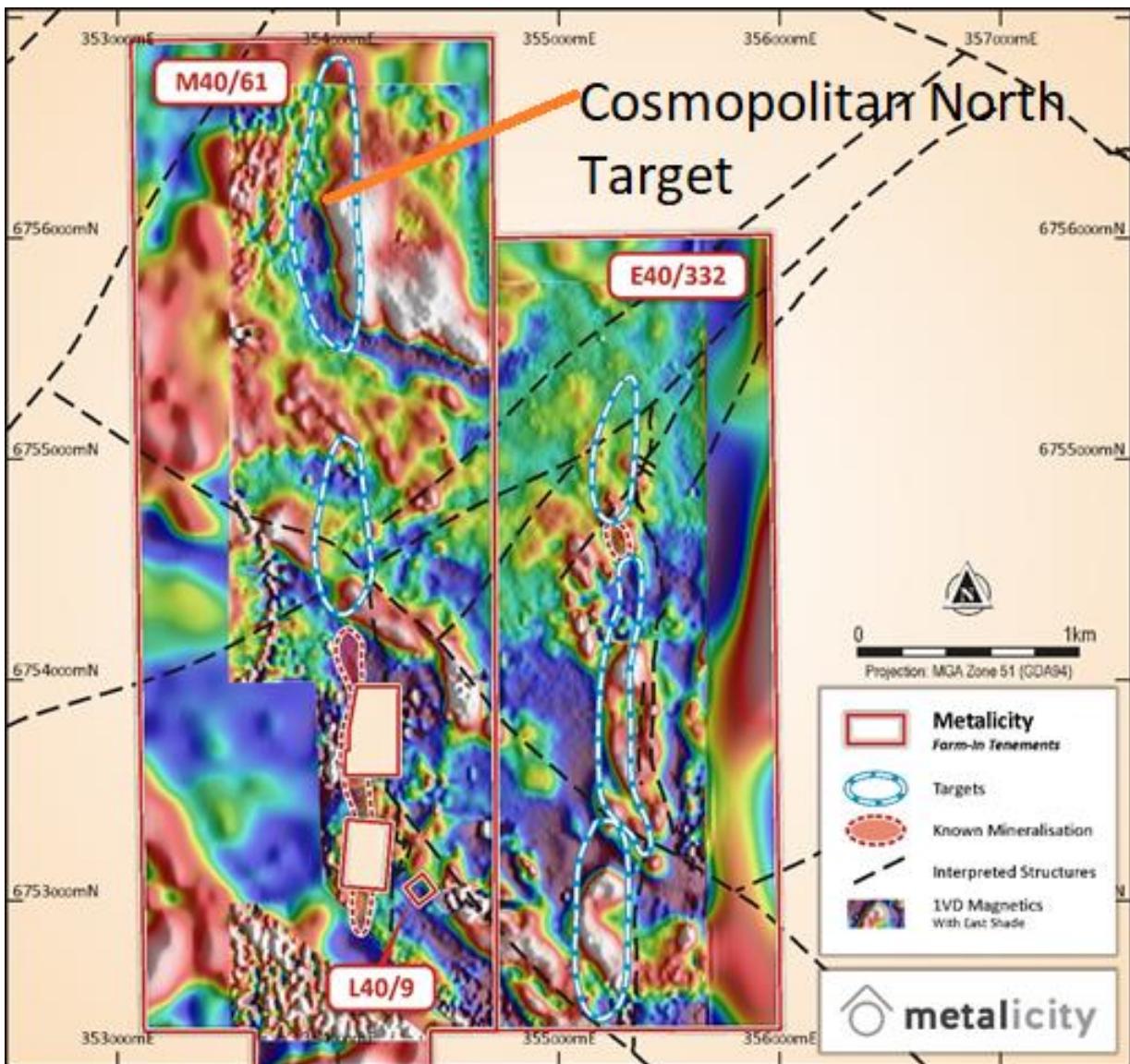


Figure 5 – The DCC & Altona Trend Imagery (1VD Magnetics – drone survey draped over regional, with east shade) with interpretation.

Both targets represent an incredible opportunity for exploration success and with approved programmes of work in place, these will be drilled before the end of the year.

Altona Programme

The drilling programme currently underway at Altona is designed to follow up and step out from known existing workings to evaluate the presence of remnant mineralisation. Mapping and geophysical interpretations have been conducted and drilling has commenced to evaluate this prospect. An initial 24-hole programme has been developed and is currently underway. Please refer to Figure 6 below:

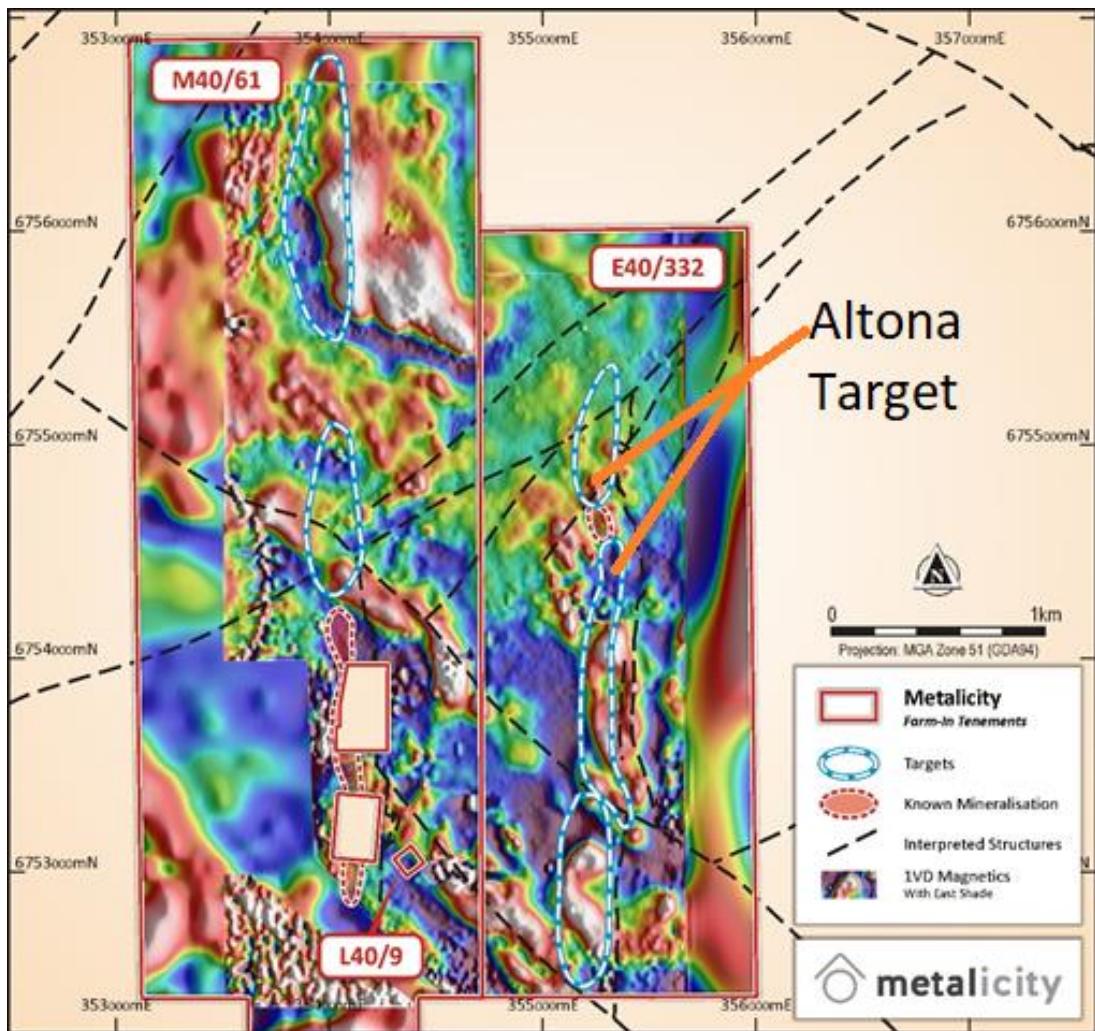


Figure 6 – The DCC & Altona Trend Imagery (1VD Magnetics – drone survey draped over regional, with east shade) with interpretation.

Interestingly, the Altona structure has been intersected in the drilling to date in ALTRC0012:



Photograph 1 – ALTRC0012, drill hole at the Altona Prospect (collar coordinate - MGA94 Zone 51 South - 355393E, 6754136N. Drill hole dip is -60° towards magnetic azimuth 300°).

The drill hole was orientated slightly oblique to the main north south structure so represents a skewed thickness, that is it is showing a thickness that is wider than true thickness. However, intersecting the Altona Structure is highly encouraging and the Company looks forward to presenting the results in due course.

Plan Moving Forward

With the bulk of the assays received, we are using this information derived from the RC drilling to plan further work at both Leipold, McTavish and Champion as these prospects move into the resource definition phase. With the results of the drone magnetic survey demonstrating a further 21 greenfield targets*, it is intended to expand the drilling programme to continue to evaluate Leipold, McTavish, Champion, Fortuna, Altona and to return to the Cosmopolitan Gold Mine area where 360,000 ounces was produced historically at a head grade of 15 g/t over the life of that mine between 1896 to 1922, whilst also performing “regional” geophysical target evaluation drilling concurrently.

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

Geology

The Kookynie Project area is in the Keith-Kilkenny Tectonic Zone within the north-northwest trending Archean-aged Malcolm greenstone belt. The Keith-Kilkenny Tectonic Zone is a triangular shaped area hosting a succession of Archean mafic-ultramafic igneous and meta-sedimentary rocks. Regional magnetic data indicates the Kookynie region is bounded to the west by the north-trending Mt George Shear, the Keith-Kilkenny Shear Zone to the east and the Mulliberry Granitoid Complex to the south.

There are several styles of gold mineralisation identified in the Kookynie region. The largest system discovered to date is the high-grade mineralisation mined at the Admiral/Butterfly area, Desdemona area and Kookynie (Niagara) areas. The gold mineralisation is associated with pyritic quartz veins hosted within north to northeast dipping structures cross-cutting ‘favourable’ lithologies which can also extend into shears along geological contacts. Gold mineralisation at Kookynie tends to be preferentially concentrated in magnetite dominated granitic fractions of the overall granite plutons observed within the Kookynie area.

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

ENQUIRIES

Investors

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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.

Competent Person Statement

Information in this report that relates to Exploration results and targets is based on, and fairly reflects, information compiled by Mr. Jason Livingstone, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Livingstone is an employee of Metalicity Limited. Mr. Livingstone has sufficient experience that 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 by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Livingstone consents to the inclusion of the data in the form and context in which it appears.

Note

This Announcement is designed to also supplement for Nex Metals Exploration as it relates to our farm-in agreement as announced on the 6th May 2019 titled “*Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA*”.

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.

Appendix One – JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> ● <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> ● <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> ● <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> ● <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> ● Reverse circulation (RC) sampling was conducted by the offshiders on the drill rig and checked at the end of each rod (6 metres) to ensure that the sample ID's matched the interval that was intended to be represented by that sample ID. No issues were seen or noted by the Competent person during the entire drilling campaign. These samples are kept onsite in a secure location available for further analysis if required. ● All RC samples were sieved and washed to ensure samples were taken from the appropriate intervals. The presence of quartz veining +- sulphide presence +- alteration was used to determine if a zone was interpreted to be mineralised. If the sample was deemed to be potentially mineralised, the samples were submitted for screen fire assay. If no mineralisation was observed, the sample was submitted for check using fire assay. ● All samples were submitted for analysis, no compositing took place. ● The quality of the sampling is industry standard and was completed with the utmost care to ensure that the material being sampled, can be traced back to the interval taken from the drill hole for both RC and diamond core. ● OREAS standards of 60 gram charges of OREAS 22F (Au grade range of <1ppb Au – this is a blank), OREAS 251 (Au grade range of 0.498ppm Au to 0.510ppm Au), OREAS 219 (Au grade range of 0.753ppm Au to 0.768ppm Au) and OREAS 229b (Au grade range of 11.86ppm Au to 12.04ppm Au) were used in alternating and sporadic patterns at a ratio of 1 QAQC sample in 20 samples submitted. The material used to make these standards was sourced from a West Australian, Eastern Goldfields orogenic gold deposits.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> ● <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> ● RC drilling used a bit size of 5 ¼ inch.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> ● <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> ● <i>Measures taken to maximise sample recovery and ensure representative</i> 	<ul style="list-style-type: none"> ● RC drilling sample recovery was excellent. ● No relationship was displayed between recovery and grade nor loss/gain of fine/course material.

	<p><i>nature of the samples.</i></p> <ul style="list-style-type: none"> ● <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	
<i>Logging</i>	<ul style="list-style-type: none"> ● <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> ● <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> ● <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> ● All recovered sample from RC has been geologically logged to a level where it would support an appropriate Mineral Resource Estimate, mining studies and metallurgical test work. ● Logging was qualitative based on the 1 metre samples derived from the RC drilling.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> ● <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> ● <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> ● <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> ● <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> ● <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> ● <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> ● RC samples were cone split from the rig. ● All RC samples were dry. All recoveries were >90%. ● Duplicates or a CRM standard were inserted every 20 samples. ● The Competent Person is of the opinion the sampling method is appropriate.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> ● <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> ● <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> ● <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias)</i> 	<ul style="list-style-type: none"> ● Fire assay has been selected for RC samples. The methodology employed in these analytical procedures are industry standard with appropriate checks and balances throughout their own processes. Selected intervals have been submitted for Screen Fire Analysis to understand the relationship between gold distribution and the influence of potential nuggety gold. ● The analytical method employed is appropriate for the style of mineralisation and target commodity present. However, selected entire intercepts with a returned weighted average assay above 5 g/t Au will be selected and analysed using the screen fire method to provide a statistical comparison between the two analytical methods in high grade zones. This is to ensure the high-grade nature (nugget effect) is defined and articulated. ● No geophysical tools, spectrometers, handheld XRF

	<i>and precision have been established.</i>	<p>instruments were used.</p> <ul style="list-style-type: none"> • A 1 in 20 standard or duplicate or blank was employed during this programme. QAQC analysis shows that the lab performed within the specifications of the QAQC protocols. The standards used were from OREAS and based on material sourced from with the Eastern Goldfields. Blanks were also sourced from OREAS as well.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • No umpire analysis has been performed. • No twinned holes have been completed. • Data was collected on to standardised templates in the field and data entered at night. Cross checks were performed verifying field data • No adjustment to the available assay data has been made.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Drill hole collars will be surveyed using a DGPS. • The RC holes were downhole surveyed using a “Champ Gyro multi-shot down hole survey camera”. • GDA94 Zone 51S was used, collars will be picked up by a qualified surveyor using a DGPS (Trimble S7). • The surveyed collar coordinates appear to be sufficient, however, better definition is required of the topography to allow for a JORC 2012 compliant estimation. • Appendix Two contains collar coordinates as drilled.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • The data spacing is sufficient to establish a relatively high confidence in geological and grade continuity, however, peripheral data to support the drill holes requires further work to ensure compliance with JORC 2012 guidelines. • No sample compositing was applied beyond the calculation of down hole significant intercepts.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • All drilling was perpendicular to the main structure that hosts mineralisation. Secondary structures oblique to the main structure may have influence hanging and foot wall intercepts. • The author believes that the drilling orientation and the orientation of key mineralised structures has not introduced a bias.

Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> The chain of supply from rig to the laboratory was overseen a contract geologist under the supervision of the Competent Person. At no stage has any person or entity outside of the Competent Person, the contract geologist, the drilling contractor, and the assay laboratory came into contact with the samples. Samples dispatched to the laboratory were delivered to the laboratory by a contract geologist, no third-party courier used.
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> No external audit of the results, beyond the laboratory internal QAQC measures, has taken place.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> Please refer to the tenement column below to where the drill holes were completed. Nex Metals Explorations Ltd holds the tenure in question. Metalicity is currently performing an earn in option as part of our farm in agreement (please refer to ASX Announcement "Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA" dated 6th May 2019) No impediments exist to obtaining a license to operate over the listed tenure.
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Nex Metals Explorations Ltd have done a great job of collating the historical drilling completed over the previous 30 years. The historical work completed requires further field verification via re-down hole surveying (if possible) of drill holes beyond 60 metres depth – it appears below this depth; hole deviation becomes a factor in establishing the location of mineralisation in 3D. Furthermore, collar pickups require verification. All laboratory certificates for the assays on file are collated, only recommendation is possibly more duplicate information in mineralised zones.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Kookynie: <ul style="list-style-type: none"> The project area is in the Keith-Kilkenny Tectonic Zone within the north-northwest trending Archean-aged Malcolm greenstone belt. The Keith-Kilkenny Tectonic Zone is a triangular shaped area hosting a succession of Archean mafic-ultramafic igneous and meta-sedimentary rocks. Regional magnetic data indicates the Kookynie region is bounded to the west by the north-trending Mt George Shear, the Keith-Kilkenny Shear Zone to the east and the Mulliberry Granitoid Complex to the south. There are several styles of gold mineralisation

		<p>identified in the Kookynie region. The largest system discovered to date is the high-grade mineralisation mined at the Admiral/Butterfly area, Desdemona area and Niagara area. The gold mineralisation is associated with pyritic quartz veins hosted within north to northeast dipping structures cross-cutting 'favourable' lithologies which can also extend into shears along geological contacts. Gold mineralisation tends to be preferentially concentrated in differentiated dolerite sills associated with pyrite/carbonate/silica-sericite wall rock alteration.</p>
Drill hole Information	<ul style="list-style-type: none"> ● A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. ● If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> ● For Kookynie (and Yundamindra), please refer to the Company's announcement dated 6th May 2019, "Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA", for all historical drill collar information, and selected significant intercepts. ● For the drilling performed and subject to this announcement, please see Appendix Two in this announcement.
Data aggregation methods	<ul style="list-style-type: none"> ● In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. ● Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. ● The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> ● All intercepts have been calculated using the weighted average method but are based on 1 metre samples from RC drilling. Specific intervals within an interval have been described as part of the overall intercept statement. ● Intercepts were calculated based on a sample returning an assay value of greater than 1 g/t Au over an interval greater than 1 metre, but not including any more than 1 metre of internal material that graded less than 1 g/t Au. Intervals were based on geology and no top cut off was applied. ● No metal equivalents are discussed or reported.
Relationship between	<ul style="list-style-type: none"> ● These relationships are particularly important in the reporting of 	<ul style="list-style-type: none"> ● Given the shallow dipping nature (approximately - 45° on average) of the mineralisation observed at

<i>mineralisation widths and intercept lengths</i>	<p><i>Exploration Results.</i></p> <ul style="list-style-type: none"> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<p>Kookynie, the nominal drilling inclination of -60° lends to close to truth width intercepts.</p> <ul style="list-style-type: none"> • However, cross cutting structures within the hanging wall and footwall are noted and may influence the results.
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Please see main body of the announcement for the relevant figures.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • All results have been presented. Please refer to Appendix 2.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • The area has had significant historical production recorded and is accessible via the MINEDEX database. • All stated mineral resources for the Kookynie (and Yundramindra) Projects are pre-JORC 2012. Considerable work around bulk density, QAQC, down hole surveys and metallurgy, coupled with the planned drilling will be required to ensure compliance with JORC 2012 guidelines.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Metalicity intends to drill the known and extend the mineralised occurrences within the Kookynie and Yundramindra Projects. The Yundramindra Project is currently under the plaint process, however Metalicity believes that Nex Metals is well advanced in defending those claims. The drilling will be designed to validate historical drilling with a view to making maiden JORC 2012 Mineral Resource Estimate statements. Metalicity has made the aspirational statement of developing "significant resource and reserve base on which to commence a sustainable mining operation focusing on grade and margin". • Diagrams pertinent to the area's in question are supplied in the body of this announcement.

Appendix Two – Drilling and Assay Information

Reverse Circulation Drilling and Assay Information

Collar & Intercept Information:

Prospect	Hole ID	Tenement	Hole Type	MGA 94 Zone 51 South								Comments	
				Easting	Northing	RL	EOH	Dip	Azi	From (m)	To (m)	Down Hole Width (m)	
McTavish	McTRC0016	M40/77	RC	350,586	6,754,031	424	54	-60	270				No significant intercept
	McTRC0017			350,607	6,754,031	424	78	-60	270				No significant intercept
	McTRC0018			350,636	6,754,031	424	78	-60	270	47	51	4	4.14 metres @ 4.1 g/t Au from 47 metres
	McTRC0019			350,616	6,753,982	424	42	-60	270				No significant intercept
	McTRC0020			350,637	6,753,982	424	60	-60	270				No significant intercept
	McTRC0021			350,662	6,753,982	424	84	-60	270				No significant intercept
	McTRC0022			350,675	6,753,962	426	78	-60	270				No significant intercept
	McTRC0023			350,701	6,753,942	425	96	-60	270				No significant intercept
	McTRC0024			350,661	6,753,942	425	66	-60	270				No significant intercept
	McTRC0025			350,666	6,753,922	425	72	-60	270	47	55	8	3.578 metres @ 3.57 g/t Au from 47 metres
	McTRC0026			350,693	6,753,922	425	84	-60	270	69	72	3	5.253 metres @ 5.25 g/t Au from 69 metres
	McTRC0027			350,691	6,753,902	425	84	-60	270				No significant intercept
	McTRC0028			350,658	6,753,862	425	54	-60	270				No significant intercept
	McTRC0029			350,697	6,753,863	423	90	-60	270	62	66	4	4.34 metres @ 4.3 g/t Au from 62 metres
Leipold	LPRC0087	M40/22	RC	350,650	6,752,355	430	30	-60	250				No significant intercept
	LPRC0088			350,669	6,752,362	430	30	-60	250				No significant intercept
	LPRC0089			350,687	6,752,370	430	48	-60	250				No significant intercept
	LPRC0090			350,659	6,752,402	430	30	-60	250				No significant intercept
	LPRC0091			350,679	6,752,402	430	48	-60	250				No significant intercept

Note:

Duplicates and CRM analysis was not used in the calculation of the significant intercepts.

A hole listed with “no significant intercept” means that no sample returned a value over 1 g/t Au.