

ASX RELEASE: 3rd May 2022

Fully Underwritten Non-Renounceable Rights Issue to Raise ~\$3.65m

HIGHLIGHTS

- Fully underwritten non-renounceable rights issue to raise ~\$3,650,751.
- Canaccord Genuity (Australia) Limited is the Lead Manager and Underwriter.
- Proceeds will go towards drilling at the Kookynie Gold Project¹ in the prolific Eastern Goldfields region
- The Company is currently drilling to test several exciting new targets and potential substantial extensions to the Leipold-McTavish-Champion golden corridor
- Circa 9,000m of initial Aircore and RC drilling has been completed thus far with the program now moving to the highly prospective Mulga Plum and Wandin tenements shortly.
- First Assay results for the Aircore and RC drilling programme are expected in the coming weeks.

Metalicity Limited (ASX: MCT) (“MCT” or “the Company”) is pleased to announce that it is undertaking a 2 for 7 non-renounceable Rights Issue to raise a total of circa \$3.65 million before costs. Eligible participants who subscribe to the offer will also receive 1 free attaching option for every 3 shares subscribed, exercisable at \$0.01, with a 2 year expiry. It is intended for the options to be listed, subject to meeting relevant listing requirements. The rights issue is to be fully underwritten by Canaccord Genuity (Australia) Limited with an underwriting agreement to be executed in conjunction with the lodgement of the Prospectus shortly.

The primary focus of the offer is to continue with further drilling at the Kookynie Gold Project including new targets and potential extensions to the Leipold-McTavish-Champion golden corridor over a combined potential strike length of circa 3kms and where 9,000m of drilling has recently been completed. Funds will also facilitate a drilling programme at our highly prospective Mulga Plum and Wandin prospects, also part of the wider Kookynie Gold Project. Drilling is scheduled to commence at the Mulga Plum and Wandin prospects shortly, subject to finalisation of a drilling contract and POW approvals. Assays from the recent ~9,000m Aircore and RC drilling programme are due in the next few weeks.

Metalicity Managing Director, Justin Barton commented:

“We eagerly await receipt of the pending assay results from our recent step-out drilling programme at the Leipold-McTavish-Champion golden corridor and are excited by the potential of the underexplored and highly prospective Mulga Plum and Wandin tenements where we will be drilling shortly. We continue to look for opportunities to accelerate the development of this Project and create shareholder value as we look to expand the prospective size of our gold footprint at Kookynie.”

It is therefore exciting that this rights issue gives our long standing and newly acquired shareholders the first opportunity to participate in this expanded programme, which has the potential to be a step change for the Project.”

¹Please refer to ASX Announcement “Metalicity Achieves Earn-In On The Kookynie & Yundamindra Gold Projects” dated 20th May 2021 with Nex Metals Explorations Ltd, ASX:NME.

Under the Rights Issue, up to 730,150,287 shares and 243,383,429 options will be offered. Eligible shareholders will be given the opportunity to apply for additional securities in excess of their entitlement, which shall be allocated at the absolute discretion of the Board. The Directors intend to participate in the rights issue.

The Rights issue is to be fully underwritten by Canaccord Genuity (Australia) Limited. Details of the Underwriting Agreement will be contained within the Prospectus.

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for the new shares, please contact your financial advisor, or the **Share Registry “Link Market Services” on 1300 554 474** or Mr. Nick Day, Metalicity’s Company Secretary, on +61 8 6500 0202.

The proposed timetable for the Rights Issue is as follows (and is indicative only and subject to change if the Prospectus is lodged on a different date):

Action	Date
Announcement of the Offer and lodgment of Appendix 3B with ASX	3 May 2022
Lodgement of Prospectus with the ASIC and ASX	4 May 2022
Ex-date	9 May 2022
Record Date for determining Entitlements	10 May 2022
Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders and Company announces dispatch has been completed	13 May 2022
Last day to extend the Closing Date of the Offer	19 May 2022
Closing Date (Offer closes 5:00 pm WST)*	24 May 2022
Shortfall Notice Day	24 May 2022
Securities quoted on a deferred settlement basis	25 May 2022
Announcement of results of the Offer	27 May 2022
Issue date, Securities entered into Shareholders’ security holdings and lodgment of Appendix 2A with ASX	31 May 2022
Quotation of Securities issued under the Offer*	1 June 2022

*The Directors may extend the Closing Date by giving at least 3 Business Days’ notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.

ENQUIRIES

Investors

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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.