

14 June 2022

The Company Announcements Officer
The Australian Securities Exchange
Level 40, 152-158 St Georges Terrace
Perth WA 6000

NME disputes MCT claim for \$1.28M

Metalicity Limited ('MCT') made an announcement today on the ASX platform, ('Supreme Court Case Against Nex for Failure to Pay \$1.28M') that it commenced proceedings against Nex Metals Exploration Ltd ('NME').

MCT claims that \$1.28 million is due it from NME, arising from the provisions of the farm-in and joint venture agreement made on or about 4 May 2019 ("the JVA") between MCT and NME.

MCT claims the following amounts from NME –

1. The amount of \$188,618 (the subject of a billing statement from the plaintiff to the defendant dated 3 March 2022).
2. The further amount of \$989,712.22 (the subject of a billing statement from the plaintiff to the defendant dated 11 March 2022).
3. The further amount of \$101,464.04 (the subject of another billing statement from the plaintiff to the defendant dated 11 March 2022) and therefore a total amount of \$1,279,794.26.

The aforementioned claims by MCT are disputed by NME on the basis inter alia, the amounts were never authorised as part of an approved budget and accordingly are at MCT own expense. MCT and NME until recently had been engaged in a dispute resolution process pursuant to the provisions of the JVA.

However, MCT has now elected to issue Supreme Court proceedings.

NME disputes the claims by MCT.

NME will vigorously defend the claim by MCT and has instructed its legal counsel accordingly.

Furthermore, NME will now reluctantly pursue its claims against MCT arising from the provisions of the JVA.

This announcement has been approved by Kenneth M Allen.

ENDS.