



Metal Bank Limited (ASX: MBK)
In Search of the Next Big Gold Discovery in QLD

Speculative Buy

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Capital Summary

Ordinary Shares	712.4m
Unlisted Options (3c strike, Nov '18)	15.0m
Market Capitalisation (m, undil.)	\$19.2
Cash & equivalents (m) – as 31/12	\$4.2
Share Price (21/03/2017)	\$0.027
52 week high/low	\$0.043/\$0.003

Share Price Graph



Directors & Key Management

Inés Scotland	Non-Executive Chair
Tony Schreck	Managing Director
Guy Robertson	Executive Director
Sue-Ann Higgins	Company Secretary
Trevor Wright	Exploration Manager

Major Shareholders

Inés Scotland	13.51%
Greenvale Asia Ltd.	11.85%
Aristo Jet Capital Ltd.	6.98%
Celtic Stars Capital Ltd.	6.34%
Directors and Management	25%

Key Points

- Exploration by MBK on the Triumph Project has discovered a **large underexplored gold system** through greenfields exploration around a historical goldfield. **The 15km² gold system is 95% concealed beneath shallow alluvium.** The project is an intrusion related gold camp centred about the historical high grade Norton goldfield (mined in the late 1800's and again in the 1990's) located **between Mt Rawdon (2Moz Au) gold mine and the historical Mt Morgan (8Moz Au and 0.4Mt Cu) mine** in south-east Queensland.
- **New Constitution Prospect:** Mineralisation consistent with that of the 'outer zone' of a **bulk tonnage gold deposit.**
 - 10m @ 26.9g/t Au, 165g/t Ag and 6% Zn from 51m
- **Bald Hill Prospect:** High grade gold intersected beneath shallow cover.
 - 15m @ 10.3g/t Au, 76g/t Ag, 0.5% Cu from 9m
 - 9m @ 3.0g/t Au, 26g/t Ag from 16m
- **Handbrake Hill Prospect:** Gold mineralisation in initial drilling highlights **>800m of untested strike potential beneath shallow cover.**
 - 1m @ 6.1g/t Au, 14g/t Ag, 0.8% Zn from 39m
 - 3m @ 10.5g/t Au, 23g/t Ag, 0.6% Zn from 16m (*historical drilling*)
- **Recent changes** to the environmental conditions associated with the Triumph project, **removing the 300m buffer zone around National Park.**

IP geophysics has proven an effective targeting tool at the Triumph Project enabling MBK to identify new near surface high grade gold targets under shallow cover sediment and is consistent with numerous drilling results released by MBK. The Company is now in a position to be more directed with further drilling campaigns as it aims towards the idea of a larger target at depth. Based on the multi-million ounce potential of the exploration ground (with plenty of news flow on the horizon); we rate Metal Bank Ltd (MBK) as a Speculative Buy.

Triumph Project

Location



Figure 1 – Location of Metal Bank’s two projects (Triumph and Eidsvold)

Exploration

Reverse circulation (RC) and diamond drilling (DD) has been completed at the **New Constitution, Bald Hill Prospects** and initial drill investigation on the **Handbrake Hill Prospect**. Over the past 6 months, the drilling campaign has consisted of the following RC and diamond drilling at each prospect:

	RC Holes	RC Metres	DD Holes	DD Metres
New Constitution	33	3186	7	931.6
Bald Hill*		204	8	1270.2
Bald Hill West	6	552.5		
Handbrake Hill	2	120		
Total	41	4062.5	15	2201.8

*(note RC metres are pre-collars to DD holes)

The widespread occurrence of zinc mineralisation associated with high-grade Au-Ag mineralisation is typical of the ‘outer halo leakage’ to many large intrusion related gold deposits of eastern Australia and could indicate that exploration to date has only investigated the peripheral zone of a **potentially larger gold system**. Reprocessing of induced polarisation (IP) geophysical data shows a strong correlation between high-grade Au mineralisation associated with the New Constitution ‘discovery’ structure. Consistent with this, the company is completing a large IP geophysical survey which it will use to target additional near surface high grade zones and deeper bulk tonnage targets with **drilling planned in Q2 2017**.

RC drilling at **Bald Hill prospect** has intersected high grade gold mineralisation along an east-west outcropping mineralised zone. High grade Au-Ag mineralisation controls are now better understood from recent diamond drilling and are confirmed as a series of north-south cross cutting structures. These have not previously been targeted and **further drilling along the north-south structure is required to investigate the geometry of these high-grade zones** as well investigate other nearby IP anomalies which could represent parallel mineralised structures under cover.

At **Handbrake Hill prospect**, results from two shallow RC drill holes now highlight a new target associated with a >800m long magnetic low almost entirely concealed beneath <3m of cover. **A historical drill hole, 600m to the south**, intersected further high grade mineralisation associated with a coincident magnetic low with **3m @ 10.5g/t Au, 23g/t Ag, 0.6% Zn from 31m (2007)**. Further drilling will be planned to target high-grade mineralisation not only on the >800m magnetic low, but also on other adjacent magnetic lows and IP anomalies that could also be associated with high-grade mineralisation concealed beneath the shallow cover.

Advanced/Brownfields Targets at Triumph

Metal Bank’s immediate priority is to define near surface high-grade gold resources at New Constitution, Bald Hill and Handbrake Hill. There is also a **strong pipeline of other very promising untested targets that are planned for initial testing over the next 6-12 months**. In conjunction with this strategy, Metal Bank plans to **target the bulk tonnage gold potential**, which is likely to be associated with causative intrusives that drive the widespread high-grade mineralisation within the system.

Advanced Targets:

- **New Constitution:** 3km strike with immediate Resource potential.
- **Bald Hill:** Immediate Resource potential

Brownfields Targets:

- **Handbrake Hill:** >1km strike potential
- **Advance:** Historical gold camp
- **Big Hans:** Interpreted extension of Bald Hill
- **Harmony:** >1km strike potential
- **Super Hans:** 100m x 500m+ long shear zone
- **Old Welcome:** >800m long shear zone
- **Cattle Creek:** >1km long shear zone

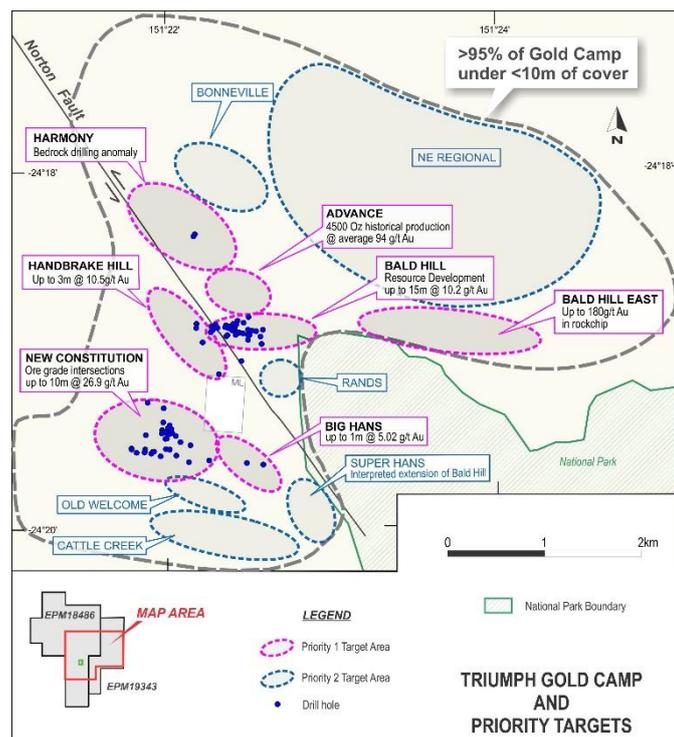


Figure 2 – Identified gold targets at the Triumph Project

Buffer Zone Removed....More Targets to come at Triumph

Recent changes to the environmental conditions associated with the Triumph project, **removing the 300m buffer zone**, now allow exploration and drilling to be conducted up to the boundary of the National Park situated in the south east of the project. **These changes now open up additional priority targets** on the project including the extensions of the Bald Hill mineralisation where historical rock chip returned up to 180 g/t Au with further exploration planned in preparation for drilling.

Eidsvold Project

Metal Bank Ltd (MBK) also has 100% ownership of the Eidsvold Project (658km²), which is centred on a historical goldfield (100,000 oz Au mined in the early 1900's) within the Eidsvold intrusive complex. The project is located between the Cracow (3Moz Au) and Mt Rawdon (2Moz Au) gold mines in the Northern New England Orogen. Although this is a second priority for Metal Bank, the Eidsvold Project remains a highly prospective area for further exploration.

The Eidsvold intrusive complex is underexplored and Metal Bank has identified several high priority targets using regional airborne magnetics, and plans to fly detailed helimagnetics over the target areas. One of Metal Bank's key exploration tools is the use of airborne magnetics data to identify highly prospective zones of magnetite destructive alteration, which are likely to be associated with the intrusion related gold mineralisation within the Eidsvold intrusive complex (Figure 3).

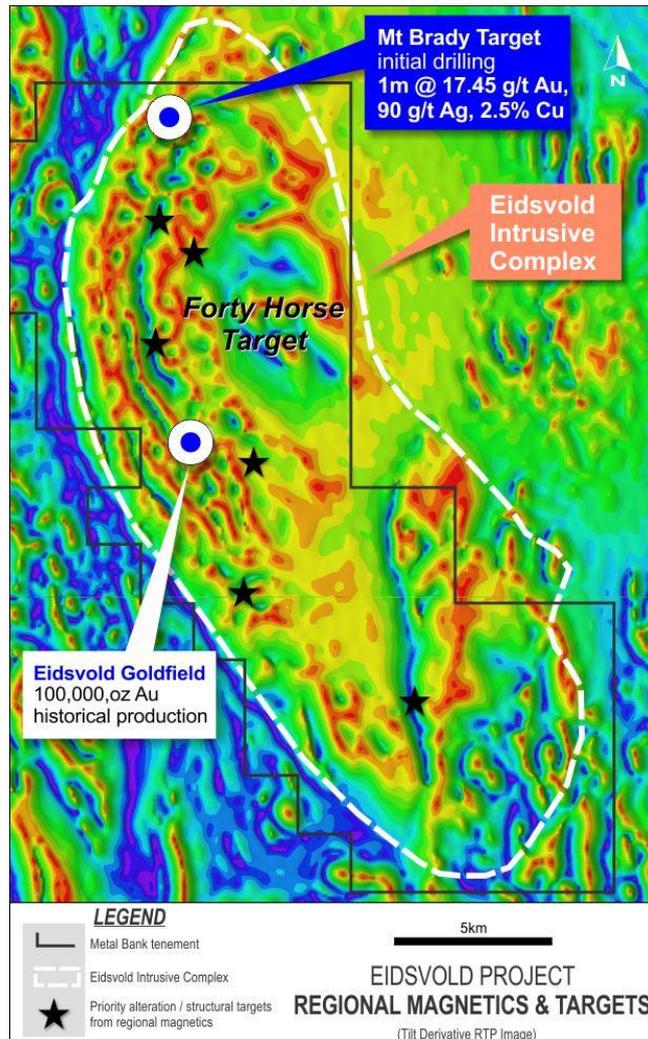


Figure 3 – Location of priority target areas on regional magnetics

IP geophysics will also be completed at the end of this month and a drill program to test the anomalies will follow-on after the completion of drilling at the Triumph Project so that IP can effectively be proven as a targeting tool through the cover (not too dissimilar to what has been done at Triumph).

Potential News Flow

- Detailed IP geophysical survey is due to be completed by the end of March covering New Constitution, Bald Hill, Handbrake Hill and two other target areas.
- Drilling of new IP geophysical anomalies will commence in early April (duration 6-8 week program) involving both diamond and RC drilling.
- RC drilling program at the Eidsvold Project to test IP targets (the geophysical work has been shown as an effective way to generate targets under cover).

Directors and Management

Inés Scotland – Non-Executive Chair

Ms Scotland has worked in the mining industry for over 20 years for large scale gold and copper companies in Australia, Papua New Guinea, USA and the Middle East. This has included working for Rio Tinto companies, Comalco, Lihir and Kennecott Utah Copper. Ms Scotland was most recently the Managing Director and CEO of Ivanhoe Australia, an ASX listed entity with a market capitalisation of \$500m.

Prior to this Ms Scotland was the Managing Director and CEO of Citadel Resource Group Limited. Ms Scotland was a founding shareholder of Citadel and was its managing director through its growth, until its acquisition by Equinox Minerals in January 2011. At the time of acquisition by Equinox, Citadel was developing the Jabal Sayid Copper Project in Saudi Arabia, had a market capitalisation of \$1.3B and had raised more than \$380m on the equity markets.

Tony Schreck - Managing Director

Mr Schreck has over 25 years of mineral exploration experience in Australia, USA and the South West Pacific region. He has managed large exploration projects in challenging terrains for major companies including North Flinders Mines, Normandy, Newmont, Anglo Gold Ashanti and Xstrata.

Mr Schreck is credited with the grassroots discovery of the multi-million ounce Twin Bonanza gold system (Buccaneer and Old Pirate gold deposits) in the Northern Territory. He has been key in the successful start-up and management of a number of private resource companies.

Guy Robertson - Executive Director

Mr Robertson has more than 30 years experience as Chief Financial Officer, Company Secretary and Director of both public and private companies in Australia and Hong Kong. His previous roles include as Chief Financial Officer / GM Finance of Jardine Lloyd Thompson, Colliers International Limited and Franklins Limited.

Mr Robertson has over 7 years experience in ASX listed mineral exploration companies and is currently a director of Draig Resources Limited.

Sue-Ann Higgins - Company Secretary

Ms Higgins is an experienced company executive who has worked for over 25 years in the mining industry including in senior legal and commercial roles with ARCO Coal Australia Inc, WMC Resources Ltd, Oxiana Limited and Citadel Resource Group Limited. Ms Higgins has extensive experience in governance and compliance, mergers and acquisitions, equity capital markets and mineral exploration, development and operations.

Trevor Wright - Exploration Manager

Mr Wright has over 20 years of mineral exploration and business experience in Australia, New Zealand, USA, China and the South West Pacific region. He has built and managed exploration teams globally including with Anglo Gold Ashanti and has a track record of identifying and developing overlooked opportunities.

During his career he has provided high quality exploration solutions to both private and ASX listed companies and has been involved in the foundation and management of a number of successful private resource companies. Mr Wright has been key to the success of Metal Bank's Triumph project since inception including project generation/acquisition phase and exploration to date.

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