

METAL BANK LIMITED

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 December 2020

Highlights

- 8 Mile** Successful first drilling for bulk tonnage mineralisation at Flori's Find returned 52m @ 0.3g/t Au and 250 ppm Mo at the Company's **8 Mile project** located near the Mt Rawdon gold mine (2 Moz) in SE Queensland. Additional drilling has been designed to follow up these results.
- Eidsvold** Broad alteration, veining and textures confirm the presence of a large hydrothermal system in the first two drill holes located 400m apart at the Great Eastern Target, Eidsvold Project. These two drill holes were completed to fulfill the Queensland Government CEI (Collaborative Exploration Initiative) Grant to MBK in 2020. Additional petrological, geophysical studies have commenced with results expected in the near future to guide the next phase of exploration.
- Corporate** Annual General Meeting held on 26 November 2020. All resolutions were passed by way of a poll.

Exploration Summary

8 Mile Project

Results from Phase 1 drilling the Flori's Find target 8 Mile were received. Highlights include:

- First direct test for a bulk tonnage intrusive related Au system at Flori's Find intersected broad mineralisation on the edge of the system and 125m further down-dip from previous drilling, including:
 - 52m @ 0.3g/t Au and 250 ppm Mo from 219m (ETDD037)
- High-grade Mo component emerging with results up to:
 - 5m @ 1343 ppm Mo from 68m (ETRC029)
 - 10m @ 519 ppm Mo from 248m (ETDD037)
- Additional support for the Exploration Target 1 grade and tonnes at Floris's Find including:
 - 6m @ 1.87 g/t Au from 159m (ETRC035)
 - 3m @ 1.95 g/t Au from 70m (ETRC 033)
- Increased technical understanding indicates that the first direct test drill hole is on the southern margin of the intrusive system and the main part of the system lies to the immediate northwest of Flori's Find.
- Further drilling to commence in February to intersect 100m further north relative to the first direct test drill hole.

Eidsvold Project

- Two drill hole program for 991.9m at Great Eastern Target completed confirming pervasive alteration with veining and rock textures consistent with a large hydrothermal system. Results are awaited.
- Three drill holes completed each at Mt Brady and Forty Horse targets for total of 1093.5m. Weak mineralization and alteration was intersected at Mt Brady and elevated pathfinder geochemistry at Forty Horse.

¹ MBK: ASX Release 23 April 2020

Metal Bank Limited (ASX:MBK)

Metal Bank Limited ('MBK' or 'the Company') is pleased to outline below the activities for the Quarter ended 31 December 2020 ('Quarter').

Business Overview

MBK's 8 Mile and Eidsvold projects are high quality large-scale gold projects with multi-million-ounce potential in a region that hosts several gold mines including Cracow (3 Moz Au), Mt Rawdon (2 Moz Au), Mt Morgan (8 Moz Au, 0.4 Mt Cu) and Gympie (5 Moz Au), refer to Figure 1. Both projects are associated with historical goldfields and represent intrusion related gold systems (IRGS) with multi-million-ounce upside within the northern New England Orogen of eastern Australia.



Figure 1: Location of MBK projects.

8 Mile Project

The **8 Mile project** is centred on the Perry goldfield and represents a large hydrothermal mineral system near the Mt Rawdon gold mine (2 Moz).

Mineralisation at the Eastern Target of the 8 Mile project is focused along a >3.6km long structural corridor which hosts the Perry prospect in the north and Flori's Find prospect in the south. The Western Target and northern extensions of the Eastern Target remain untested.

A near surface maiden Inferred Mineral Resource of 195,000t @ 2.4g/t Au has been identified at the Flori's Find prospect forming the basis for an Exploration Target of 3.6 to 5.1 Mt grading between 1.60 - 2.14 g/t Au for a total of 180,000 to 355,000 oz Au using a nominal 1 g/t Au cut-off².

Results from the drill program included the first direct test for bulk tonnage style mineralisation at Flori's Find prospect (ETDD037). The hole returned four intercepts within a 52m zone of strong alteration from 219m downhole and 125m down-dip of previous drilling. Results include 4m @ 0.84 g/t Au from 219m, 5m @ 0.64 g/t Au from 266m and anomalous molybdenum zones up to 10m @ 519ppm Mo from 248m. A composite uncut interval over the entire altered zone returned 52m @ 0.3g/t Au and 250ppm Mo. Further details are provided in Figure 2.

² MBK ASX Release 23 April 2020

Geological logging confirms mineralisation and alteration are increasing in scale and intensity with depth. The geometry of the mineralized system has now been established as plunging to the northwest and ETDD037 appears to have intersected mineralisation on the southern margin of the system.

The drill results strongly support the Company’s exploration strategy for locating a potentially mineralized bulk tonnage Au system at depth, down-dip of Flori’s Find deposit. Additional drilling is now planned to the immediate north of ETDD037 with the aim to intersect the main mineral system.

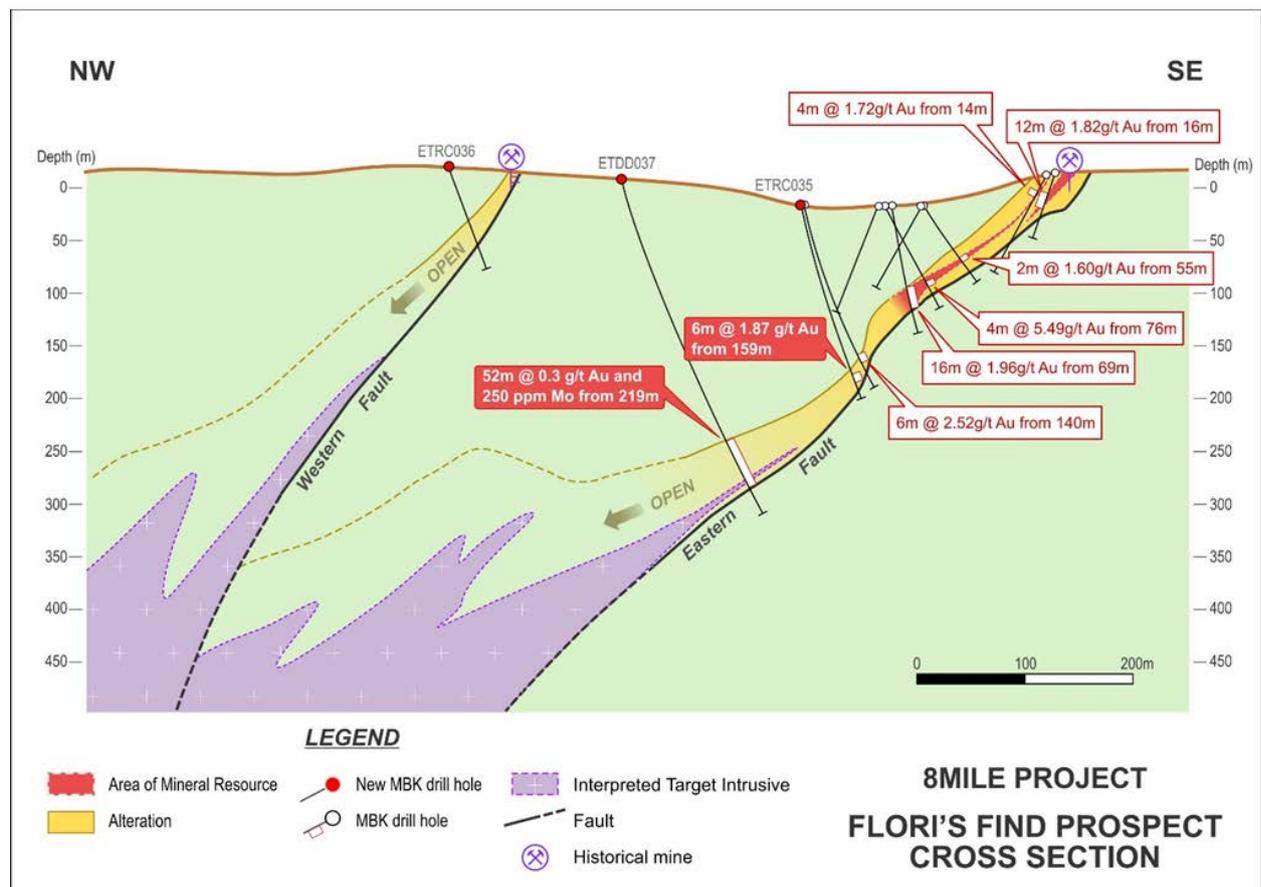


Figure 2: Cross section of Flori’s Find and Flori’s Copper show prospects showing alteration continues for 375m down dip from surface based on visual alteration observations in ETDD037 and a second parallel dipping system emerging from initial drilling in the west.

Results from nine drill holes provided additional support for the Exploration Target (of 3.6 to 5.1 Mt grading between 1.60 - 2.14 g/t Au for a total of 180,000 to 355,000 oz Au using a nominal 1 g/t Au cut-off³), as infill and step out holes. Results include 6m @ 1.87 g/t from 159m (ETRC035) and 3m @ 1.95 g/t Au from 70m (ETRC 033). The holes also demonstrate that mineralisation was likely derived more from the west, with the location of the first diamond drill hole to test for bulk tonnage style mineralisation (ETDD037) adjusted and the hole completed.

³ MBK: ASX Release 23 April 2020

ETDD037 collared 150m west of previous drilling, designed as a step back hole and the first direct test for bulk tonnage intrusion-related Au mineralization in support of the exploration model of a large-scale intrusive system at depth driving of Au (and Mo) mineralisation.

ETDD037 terminated at 297.1m after intersecting a broad (52m downhole) strongly altered zone from 219m downhole. Detailed analysis of drill core demonstrates the occurrence of small fingers or dykes of intensely altered porphyry intrusive. These dykes are coincident with broad Au mineralisation and strong peripheral alteration, and are interpreted as emanating out of the main intrusive body providing the first direct evidence for bulk tonnage style Au mineralization potential.

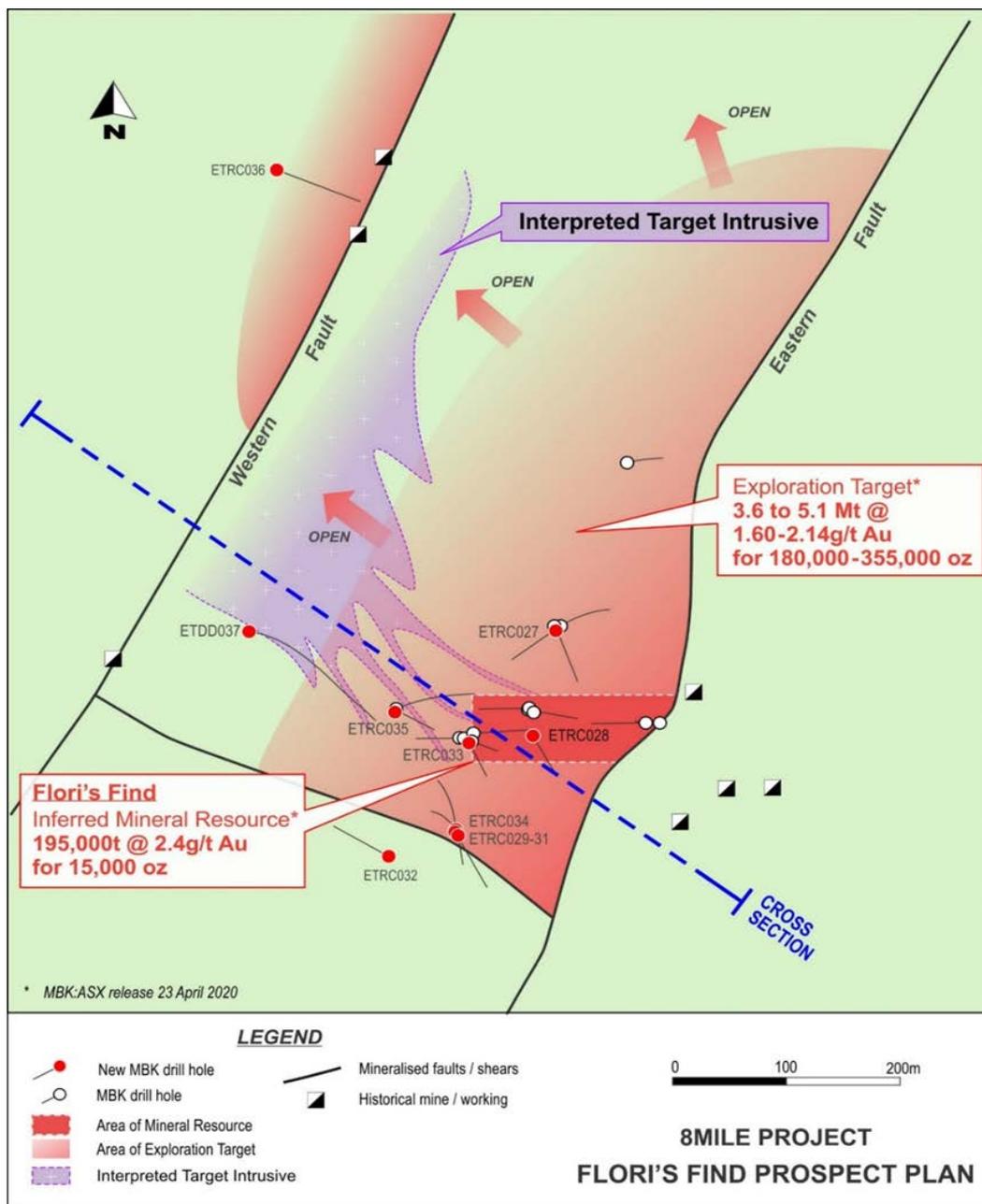


Figure 3: Drill plan of Flori's Find showing Mineral Resource, Exploration Target and location of porphyry leaking into the main shear zone.

This drillhole also demonstrates an increasing intensity of alteration and associated mineralisation in proximity to an intrusion source, and a strong molybdenum component is emerging within the Flori's Find system. This is identified as a separate phase from the Au mineralised component and Mo results from this program build on previous results⁴ including 5m @ 1343 ppm Mo from 68m (ETRC029) and 10m @ 519 ppm Mo from 248m (ETDD037).

The completed drilling program has established the geometry of the mineralised system as plunging to the northwest, and ETDD037 appears to have intersected mineralisation on the southern margin of the system.

8 Mile Project – Forward Programme

The second phase of exploration is scheduled to commence in February. This phase will focus on expansion drilling on the bulk tonnage target and infill drilling aimed at converting the Exploration Target⁵ to a Resource and demonstrating that mineralization at Perry prospect⁶ continues south towards Flori's Find.

Eidsvold Project (100% MBK)

The Eidsvold Project presents a drill ready 7km² opportunity at its Great Eastern Target⁷ of a similar scale and geophysical response to the 3M oz Au Mt Leyshon deposit and 6 km northeast of the Eidsvold historical goldfield with 100,000 oz Au historical production.

MBK completed a total of eight drill holes at the Eidsvold Project during the quarter. Two drill holes were completed at the Great Eastern target (excluding one abandoned prior to reaching the target hole due to ground conditions) confirming pervasive alteration with veining and rock textures consistent with a large hydrothermal system. Results from analysis of drill core are awaited.

Three drill holes were also completed each at of the Mt Brady and Forty Horse targets for a total of 1093.5m. Weak mineralization and alteration was intersected at Mt Brady and elevated pathfinder geochemistry at Forty Horse.

Refer to Figure 4 for the location of drill holes completed at Eidsvold during the quarter.

⁴ MBK: ASX Release 7 July 2020

⁵ MBK:ASX Release 23 April 2020

⁶ MBK:ASX Release 7 November 2019

⁷ MBK ASX Release 5 May 2020

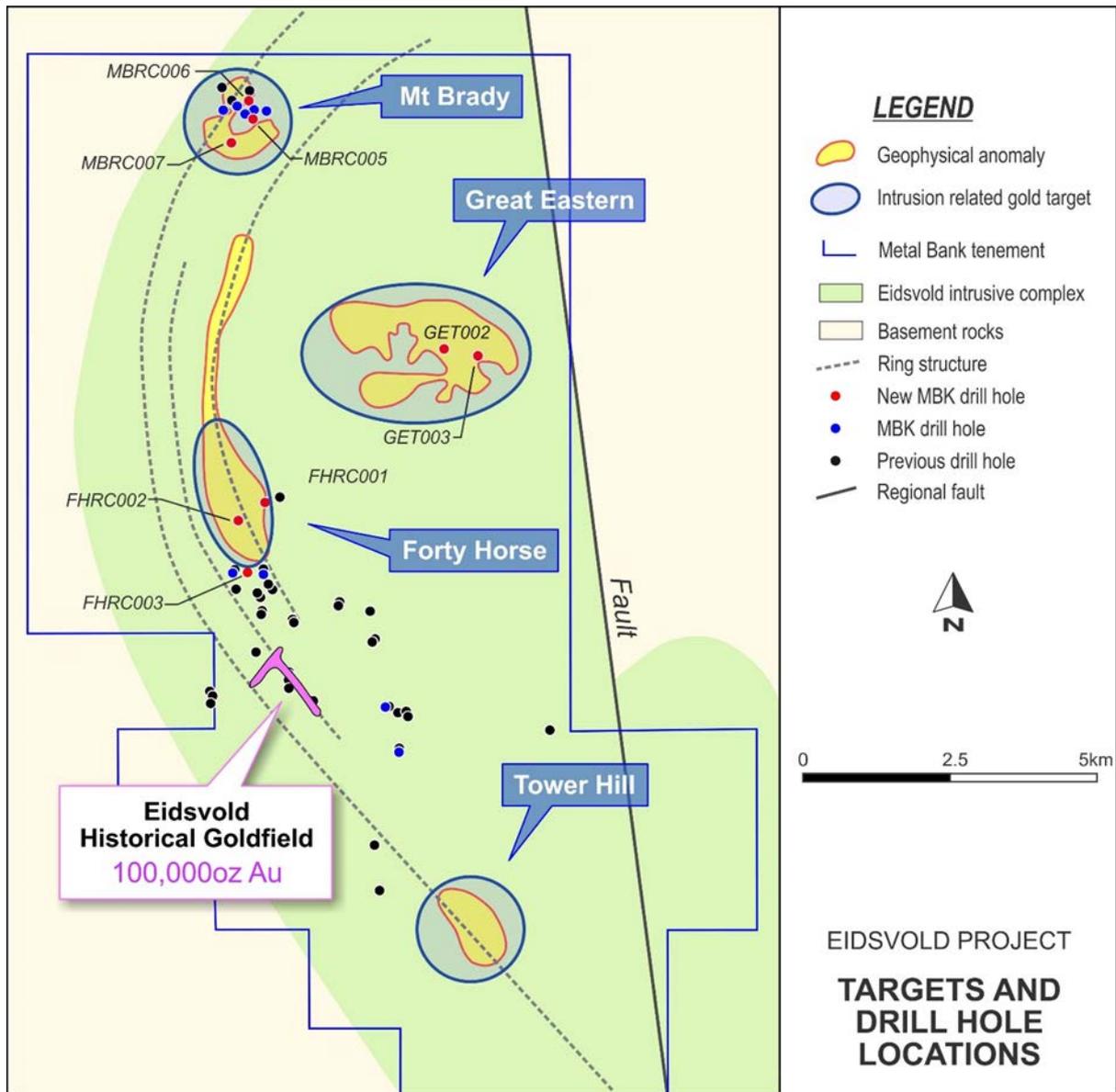


Figure 4: Eidsvold Project targets and drill hole locations.

Great Eastern Target

In May 2020⁸, the Queensland Government awarded MBK a drilling grant under its CEI (Collaborative Exploration Incentive) drilling initiative. The drill program was designed to directly test beneath overlying sediment and into the blind, conceptual very large Great Eastern target located 6 km northeast of the 100,000 oz Au Eidsvold Goldfield. The aim of the drilling was to determine if the large Great Eastern Target area is hydrothermally altered, consistent with IRG mineralized systems and supported by multiple surface and geophysical evaluations⁹ or a large unaltered intrusive plug.

⁸ MBK:ASX Release 3 August 2020

⁹ MBK:ASX Release 5 May 2020

The maiden drill test comprised two drill holes for 991.9m, confirming pervasive alteration with veining and rock textures consistent with a large hydrothermal system. Results from analysis of drill core are awaited.

Mt Brady and Forty Horse Targets

Three drill holes were completed at Mt Brady. Two drill holes were designed to test below previous results of 1m@ 17.4 g/t Au and 2.5% Cu¹⁰. A single drill hole was completed 400m to the southwest, beneath historical workings.

At the blind Forty Horse target which is located directly along strike from the 100,000 oz Au historical Eidsvold Goldfield, three drill holes were completed. Results are awaited.

Corporate

During the Quarter, the Company made application for additional exploration projects in Queensland. One application is over an area adjacent to the 8 Mile Project for which the application process is ongoing, with MBK being the only applicant. The other application has been made over an area unrelated to the Company's existing projects, however, is subject to competing applications. Further details will be provided in the event MBK's application is successful.

The Company also continued with its review and analysis of new growth opportunities through acquisition and corporate transactions, with the focus on cash-flow generating assets to assist with the funding of the exploration portfolio.

The Company paid related parties comprising executive director and company secretary fees \$36,000 for the quarter ended 31 December 2020.

The Company spent \$502,000 on exploration activities in the quarter, including \$215,000 in drilling costs with the balance in geological, geophysical and assay costs.

The Annual General Meeting of the Company was held on 26 November 2020, with all resolutions passed on a poll.

Authorised by the Board

For further information contact:

Inés Scotland, Executive Chair

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Sue-Ann Higgins, Executive Director and Company Secretary

Email: sue-ann@metalbank.com.au

¹⁰ MBK ASX Release 15 Apr 2014

Metal Bank Limited Tenement Schedule

Roar Resources Pty Ltd (Wholly Owned Subsidiary)

Eidsvold Project

EPM18431 – Queensland

EPM18753 – Queensland

8 Mile Project

EPM26945 - Queensland

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources and Exploration Target statements is based on information compiled or reviewed by Mr Trevor Wright as set out in the Company's ASX Releases dated 7 Nov 2019, 23 April 2020, 6 July 2020 and 16 November 2020 (8 Mile) and 5 May 2020 and 22 October 2020 (Eidsvold). The Company is not aware of any new information or data that materially affects the information included in these ASX Releases and in the case of reported Mineral Resources, all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Mr Wright is a Member of The Australasian Institute of Geoscientists and is a contractor to the Company. Mr Wright has sufficient experience which 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 in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Wright consents to the inclusion in the report of the matters based on his information in the form and context in which it applies. The Exploration Targets described in this report are conceptual in nature and there is insufficient information to establish whether further exploration will result in the determination of Mineral Resources.

About Metal Bank

Metal Bank Limited is an ASX-listed minerals exploration company (ASX: MBK).

Metal Bank's core focus is creating value through a combination of exploration success and quality project acquisition. The company's key projects are the 8 Mile, Triumph and Eidsvold gold projects situated in the northern New England Fold Belt of central Queensland, which also hosts the Cracow (3Moz Au), Mt Rawdon (2Moz Au), Mt Morgan (8Moz Au, 0.4Mt Cu) and Gympie (5Moz Au) gold deposits.

The company has an experienced Board and management team which brings regional knowledge, expertise in early stage exploration and development, relevant experience in the mid cap ASX-listed resource sector and a focus on sound corporate governance.

Board of Directors and Management

Inés Scotland
(Executive Chair)

Guy Robertson
(Executive Director)

Sue-Ann Higgins
(Executive Director and Company
Secretary)

Trevor Wright
(Exploration Manager)

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Web site: www.automic.com.au

Please direct all shareholding enquiries to
the share registry.