

## December 2021 Quarterly Activities Report

MetalsTech Limited (ASX: MTC) is pleased to report its activities for the quarter ended 31 December 2021. During the quarter ended 31 December 2021, the Company continued with its Phase II Underground Diamond Drilling Program at its flagship 100%-owned Sturec Gold Mine in Slovakia following the upgrade of the JORC (2012) Mineral Resource Estimate which was announced to shareholders during the Quarter ended 30 September 2021.

### Underground Diamond Drilling

The Sturec Gold Mine hosts a JORC (2012) Resource of **38.5Mt @ 1.23 g/t Au and 8.8 g/t Ag, containing 1.522Moz of gold and 10.93Moz of silver** using a 0.26g/t Au cut-off. The Mineral Resource also includes a higher-grade subset of **6.25Mt @ 3.27 g/t Au and 19.4 g/t Ag containing 658Koz of gold and 3.89Moz of silver** using a cut-off grade of 2 g/t Au. Incredibly, 93% of the Mineral Resource is in the Measured + Indicated categories, representing a high degree of confidence in the geological structure.

Drilling by the Company has continued to intersect a southerly plunging, high-grade mineralised zone which has significantly contributed to the increase in the size and confidence of the Mineral Resource. The Company is currently awaiting the assay results of the recent drilling, which will be announced to shareholders as soon as they are available.

The deposit at the Sturec Gold Mine remains open to the north and south along strike, as well as down-dip, indicating there is significant exploration upside. In addition, the Company has identified shallow high-grade mineralisation north of the Sturec resource outside of the existing JORC (2012) Mineral Resource Estimate. These results have not been followed up with modern exploration techniques and will be the focus of the Company during its Phase III Drilling Campaign.

As part of the ongoing development of the Sturec Gold Mine, the Company is investigating the potential of a high grade and low impact bulk underground mining operation at Sturec focusing on the higher-grade tonnes within the Mineral Resource. The Company is progressing with the completion of its scoping study which it expects will be received during Q1 of 2022.

Drilling results to date include:

- 18m @ 34.07 g/t Au and 10.7 g/t Ag (UGA-18)
- 35m @ 3.31 g/t Au and 12.3 g/t Ag (UGA-17)
- 70m @ 9.23 g/t Au and 7.8 g/t Ag (UGA-16)
- 90m @ 3.88 g/t Au and 13.9 g/t Ag (UGA-04)
- 70m @ 3.43 g/t Au and 14.7 g/t Ag (UGA-06)
- 32m @ 4.62 g/t Au and 17.5 g/t Ag (UGA-05)
- 73m @ 2.14 g/t Au & 8.8 g/t Ag (UGA-03)
- 24m @ 2.28 g/t Au and 11.5 g/t Ag (UGA-07)
- 35m @ 3.73 g/t Au and 11.6 g/t Ag (UGA-12)

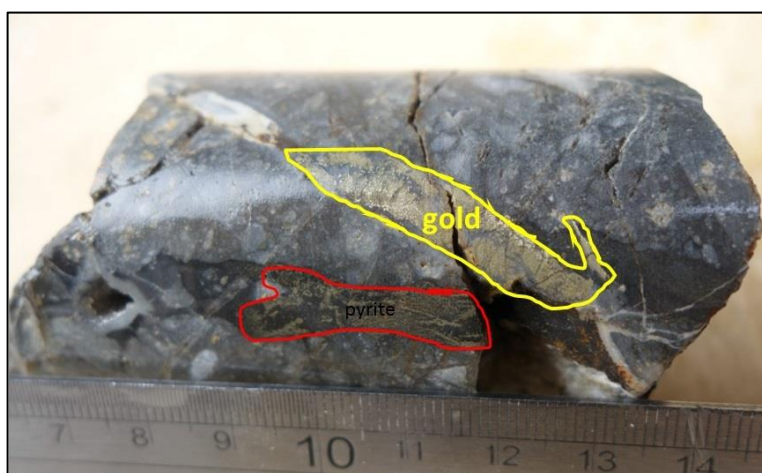


Figure 1: 5cm long and 1 cm wide zone of visible gold in a wide, drusy, fine grained, white to grey chalcedonic quartz-pyrite filled vein which is part of a stockwork zone at 81.35m in UGA-18

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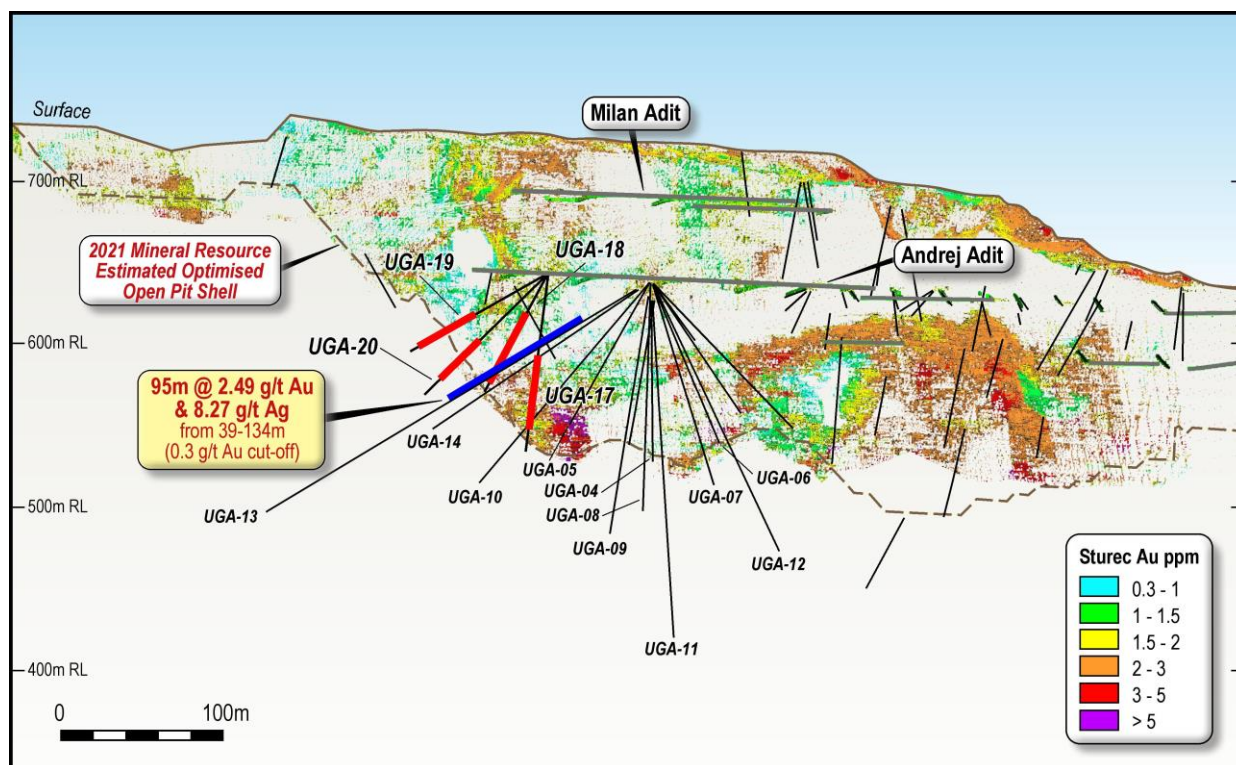


Figure 2: Long-section showing the traces of drill holes from the current drill program from Drill Chamber 2, as well as the previous Phase 1 drill program from Drill Chamber 1; shown relative to mineralisation within the existing Sturec Mineral Resource displayed as a 3D point cloud (grade scale shown with pseudocolor spectrum). This view is looking west

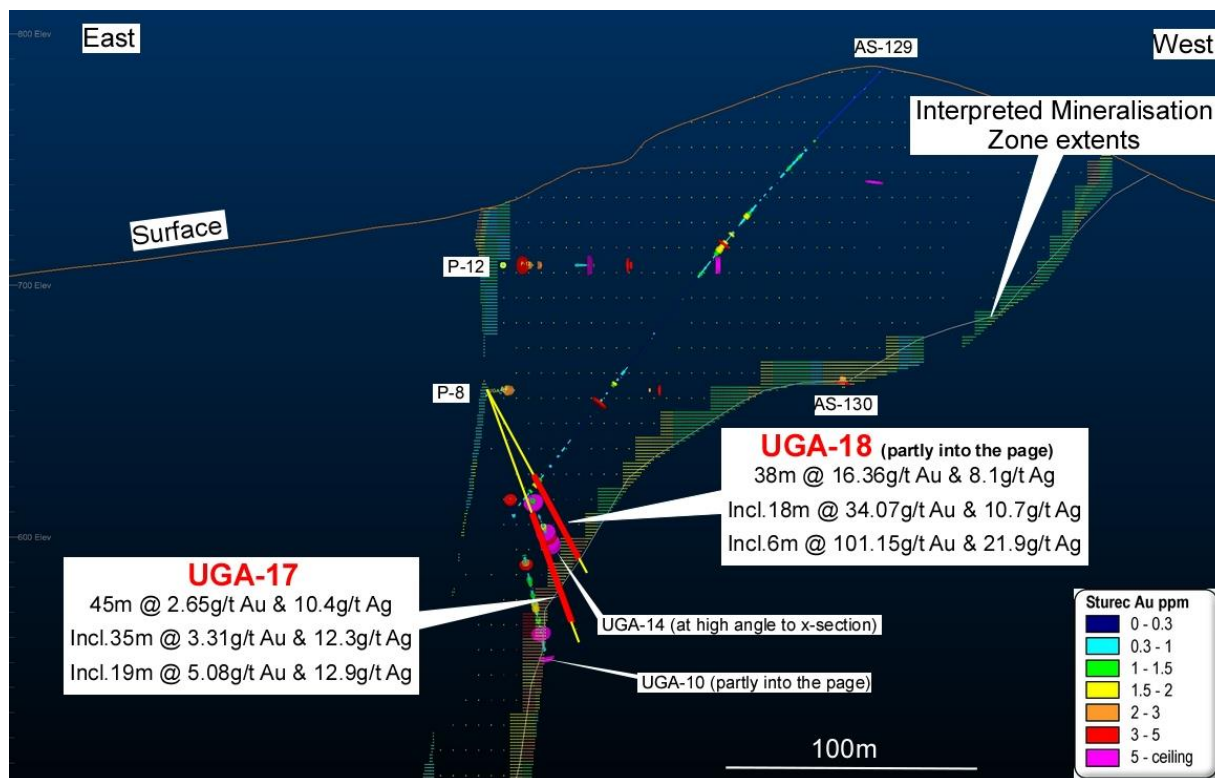


Figure 3: Cross-section showing UGA-17 and UGA-18 looking south and the interpretation of the extents of the mineralisation zone with the current Sturec Mineral Resource

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The Company also set a new record bonanza result of **1m @ 646g/t Au and 459.0 g/t Ag** from 81m down hole in UGA-18 at the flagship Sturec Gold Mine in Slovakia. This also included an incredible **6m @ 109.82 g/t Au and 81.7 g/t Ag** in UGA-18.

UGA-17 also boasts impressive intercepts of:

- 45m @ 2.65 g/t Au and 10.4 g/t Ag from 52m (0.26g/t Au cut-off, downhole thickness) including higher grade zones:
  - 35m @ 3.31 g/t Au and 12.3 g/t Ag from 60m (1g/t Au cut-off);
  - including 19m @ 5.08 g/t Au & 12.9 g/t Ag from 67m (2g/t Au cut-off)

In recent drilling, the Company has also reported multiple showings of visible gold and additional bonanza grades over 1m intervals including **89.1 g/t Au** in UGA-04, **80.3 g/t Au** in UGA-05 and **77.7 g/t Au** in UGA-06.

In addition, the Company has commenced the construction of additional drilling chambers within the underground Andrej Adit which will enable multiple drill rig access and capability and enable an enlarged exploration campaign to be completed.



Figure 4: Sturec Gold Project Location Map

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## Regional Exploration Campaign

During the Quarter ended 31 December 2021, the Company completed a regional mapping and rockchip sampling campaign to better define drill targets for a broader regional drill program at the flagship Sturec Gold Mine in Slovakia.

Assay results from the program remain outstanding and will be reported to shareholders as soon as they become available and have been interpreted and analysed by the Company.

The regional exploration program focused on three main prospects outside the Updated 2021 Sturec Mineral Resource Estimate area, including:

- **Vratislav Prospect** containing **historic** drill holes including:
  - **KG-V-7: 28.1m @ 6.3g/t Au & 8g/t Ag** from 79.4m down hole using a 0.3g/t Au cut-off;
  - **KG-V-6: 6.9m @ 2.5g/t Au** from 111.6m down hole using a 0.5g/t Au cut-off.
- **Wolf Prospect** containing **historic** drill holes including:
  - **KG-W-2: 10m @ 2.83g/t Au & 2.8g/t Ag** from 58m down hole using a 1g/t Au cut-off;
  - **AS134: 10.0m @ 2.05g/t Au & 58g/t Ag** from 51m down hole using a 0.3g/t Au cut-off;
    - and **8m @ 2.35g/t Au & 11.0g/t Ag** from 81.5m down hole using a 1g/t Au cut-off;
  - **AS135: 5.5m @ 4.09g/t Au & 34.2g/t Ag** from 30m down hole using a 2g/t Au cut-off;
  - **AS136: 11m @ 4.17g/t Au & 19.8g/t Ag** from 79m down hole using a 1g/t Au cut-off;
  - **AS153: 8m @ 2.65g/t Au & 19.1g/t Ag** from 60m down hole using a 0.3g/t Au cut-off;
    - and **5.8m @ 2.04g/t Au & 18.6g/t Ag** from 95m down hole using a 1g/t Au cut-off.
- **Katerina Prospect** containing **historic** drill holes including:
  - **KAT-7: 15.25m @ 6.77g/t Au & 3.8g/t Ag** from 54m down hole using a 0.3g/t Au cut-off;
    - including **4.05m @ 24.69g/t Au & 10.7g/t Ag** from 62.1m down hole using a 1g/t Au cut-off;
  - **KAT-9: 17m @ 1.88g/t Au & 2.6g/t Ag** from 267m down hole using a 0.5g/t Au cut-off;
    - including **11m @ 2.56g/t Au & 2.3g/t Ag** from 267m down hole using a 1g/t Au cut-off.

These targets sit outside of the Sturec JORC (2012) Mineral Resource Estimate and are considered high-priority targets for future diamond drilling programs.

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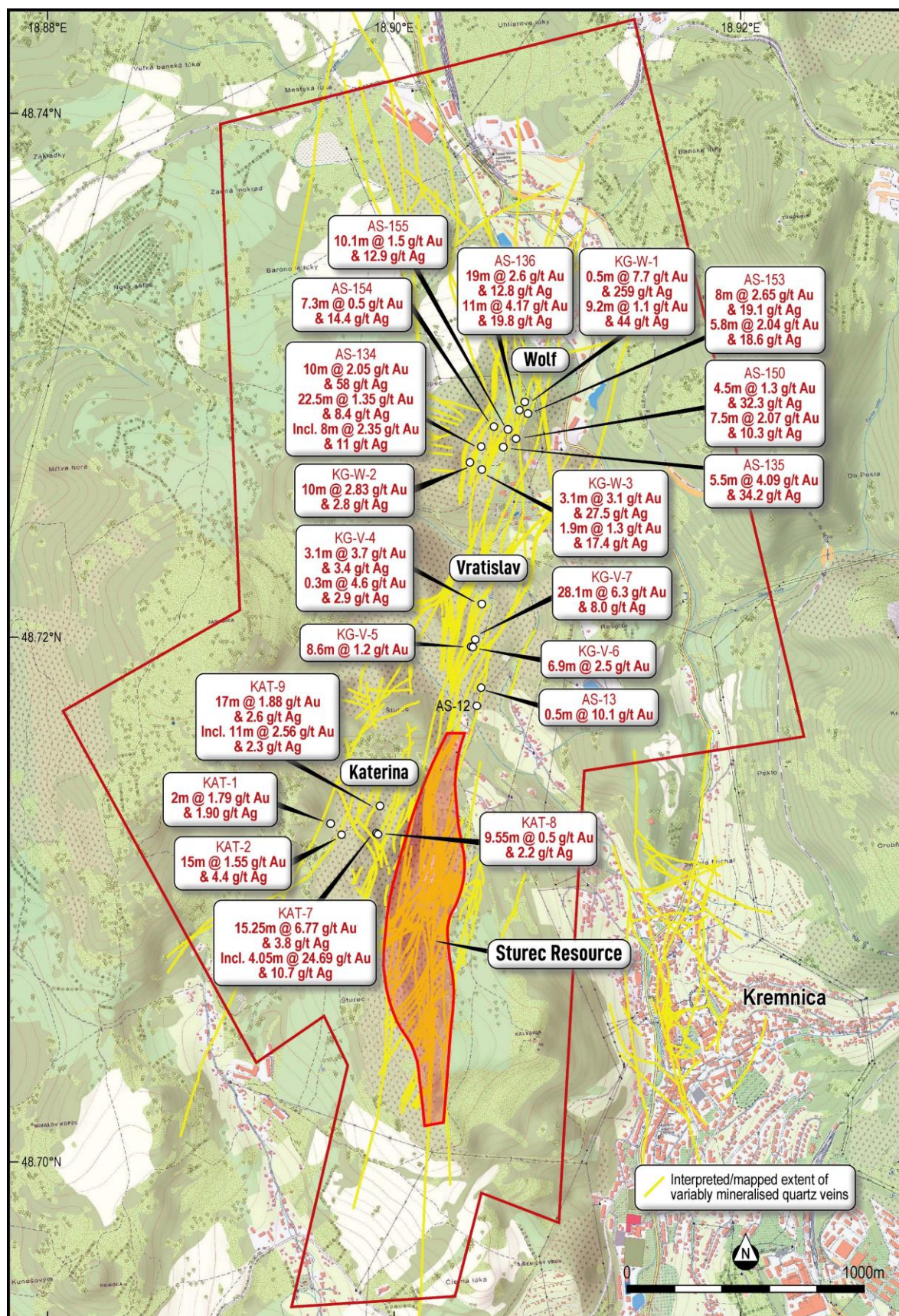


Figure 5: Map of the drill holes that define the three main prospects outside the Updated 2021 Sturec Mineral Resource Estimate area

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## Metallurgical Test Work Results

During the Quarter ended 31 December 2021, the Company received the results of its metallurgical testing program. The objective of testing the mineralisation intersected in UGA-14 was to confirm:

1. the metallurgical characteristics of this newly discovered mineralisation compared to the rest of the Sturec Mineral Resource, which has been metallurgically tested multiple times during the history of the Sturec Gold Project;
2. that potentially economic levels of gold and silver recovery could be obtained using conventional gravity and flotation processes from the mineralisation intersected in MTC's Phase 1 drill program, to produce gold and silver concentrates.

A composite sample from UGA-14 was taken from the coarse reject material (-2mm) that is surplus from the routine sample analysis for assay results. The coarse rejects samples have been securely stored at the ALS laboratory in Romania, since they were generated from our drill core samples during the routine sample preparation procedure, prior to Fire Assay and Multi-element ICP analysis. The selected samples were collected by ALS personnel and shipped securely, under strict quarantine protocols to ALS Metallurgy in Perth for metallurgical test work.

UGA-14 was chosen to provide a metallurgical sample because it is well situated at the southern extent of the new mineralisation area that was discovered during MTC's Phase I drill program earlier this year (Figure 2), as well as the southern extent of the overall Sturec Mineral Resource. Obviously, the newly discovered mineralisation from UGA-14, which is now part of the Sturec Mineral Resource, has not been previously subjected to metallurgical test work. Therefore, it was necessary to complete further test work in order to understand if this material had similar metallurgical characteristics to the rest of the Sturec Mineral Resource, which has been metallurgically tested multiple times during the history of the Sturec Gold Project.

UGA-14 intersected multiple zones of quartz filled vein/stockwork/breccia structures, variably rich in fine to very fine grained sulphides (mainly pyrite/marcasite) and hosted within argillic altered andesite host rock from approximately 26m to 134m down hole (\*not true thickness). A continuous 95m long interval through the current Sturec Mineral Resource from UGA-14 was chosen. The sample interval was chosen from the routine assay results with the aim of providing of continuous interval of approximately 2.5g/t Au grade material at a 0.26g/t Au cut-off (same as Sturec Mineral Resource within an optimised open pit shell), as well as sufficient material for the test work (Table 2).

The drill hole collar details for UGA-14 is set out in Table 1 below.

Table 1: Drill Collar details

Drill hole name	Easting (m)	Northing (m)	RL (m)	Datum	Azi (°TN)	Dip (°)	EOH Depth (m)
UGA-14	-435,852	-1,230,204	656	S-JTSK/Krovak	195	-35	165.50

Table 2: Metallurgical composite weighted mean assay result from routine Fire Assay and Multi-Element ICP analysis

Drill Hole ID	Au (ppm)	Ag (ppm)	As (ppm)	Cu (ppm)	Fe (%)	Pb (ppm)	S (%)	Zn (ppm)
UGA-14	2.49	8.27	289	27	3.9	8.7	3.0	55

The routine assays from UGA-14 were announced in MTC announcement dated 1 June 2021 but are shown again in Table 3 below.

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Table 3: Significant intersections in UGA-14

Hole	Width (m) (Down hole depth)		Au g/t	Ag g/t	From (m) (Down hole depth)	To (m) (Down hole depth)	Cut-off (%)
UGA-14	108.00	@	2.22	7.6	26.00	134.00	0.2g/t Au cut-off and max. 7m continuous internal dilution
	63.00	@	3.53	9.6	71.00	134.00	0.3g/t Au cut-off and 9m internal dilution
	42.00	@	4.98	11.9	91.00	133.00	1g/t Au cut-off and max. 5m continuous internal dilution
	including						
	10.00	@	16.98	26.4	95.00	105.00	2g/t Au cut-off and 2m internal dilution

The metallurgical test work program was designed to assess the achievable gold recovery utilising a flowsheet comprised of gravity recovery followed by conventional flotation circuit, with possible cyanidation leaching of the rougher flotation tailings to maximise gold recovery.

- Key components of the scoping metallurgical test work program include:
- Comprehensive head analysis of each master composite sample
- Gravity recovery test work, to assess amenability of gold to recovery by gravity techniques
- Rougher flotation test work, with and without gravity pre-concentration, at a pre-determined primary grind size and with varying reagent suites, with the view to maximising achievable rougher gold recovery
- Cleaner flotation test work, with and without concentrate regrind, to assess final concentrate quality

A multi-element ICP analysis was conducted on the UGA-14 sample composite to generate an understanding of the chemical composition. The gold and silver content of the sample was determined in duplicate, by fire assay and screen fire assay. The head analysis results are presented in Table 4 and are comparable with the assay results from the routine drill core analysis announced on 1 June 2021.

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Table 4: Composite Sample Head Assay

Element	Unit	UGA-14
Ag	ppm	6.00
Al	%	4.52
As	ppm	300
Au 1	ppm	2.92
Au 2	ppm	2.68
Au 3	ppm	-
Au 4	ppm	-
<b>Average</b>	<b>ppm</b>	<b>2.80</b>
Ba	ppm	500
Be	ppm	<5
Bi	ppm	<10
C	%	0.66
C org	%	<0.03
Ca	ppm	7,000
Cd	ppm	<5
Co	ppm	15.0
Cr	ppm	50.0
Cu	ppm	38.0
Fe	%	3.42
Hg	ppm	0.60
K	%	3.55
Li	ppm	70.0
Mg	%	1.56
Mn	ppm	300
Mo	ppm	10.0
Na	ppm	700
Ni	ppm	10.0
P	ppm	1,100
Pb	ppm	10.0
S	%	2.90
S-2	%	2.80
Sb	ppm	17.5
SiO2	%	71.2
Sr	ppm	84.0
Te	ppm	0.40
Ti	ppm	2,200
V	ppm	84.0
Y	ppm	<100
Zn	ppm	48.0

### Gravity Recovery

The gravity amenability of the UGA-14 composite sample was assessed utilizing a 3" laboratory Knelson concentrator. A 1kg sample of the UGA-14 composite was ground in a laboratory ball mill, to a P80 of 75Qm, prior to being subjected to the gravity recovery stage. Concentrate from the Knelson concentrator was subjected to subsequent intensive cyanidation (ILR) or mercury amalgamation to assess the overall gravity recovery amenability. Gravity recovery test work data is summarised in Table 5.

The test work methodology applied to the UGA-14 composite sample provides an initial indication of the sample's amenability to utilising gravity techniques for gold recovery. The results achieved are considered the maximum gravity gold achievable and in practice recovery is likely to be ~28% for the UGA-14 composite, based upon the amalgam test work. De-rating the ILR gravity gold recovery, to account for mineralogy, scale-up and mass yield, indicates a gravity recovery range of ~25%, which aligns closely with the amalgam test work results.

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**Table 5: Gravity Test Work Summary**

Sample	Head Grade		Recovery (%)		Mass Yield (%)
	Au (g/t)	Ag (g/t)	Au	Ag	
UGA-14 ILR	2.45	8.2	41.5	10.8	7.4
UGA-14 Amalgam	2.56	8.1	28.7	5.2	7.4

### **Baseline Rougher Flotation Test Work**

Baseline (sighter) rougher flotation tests were conducted to assess the flotation response of the composite sample. The sample was ground in a ball mill, to achieve a flotation feed P80 of 75Qm, after which the pulp was diluted to achieve a flotation pulp density of 34% solids. A standard gold flotation scheme was adopted, and slurry conditioned with a PAX collector (35 g/t). Flotation was conducted at natural pH 7.5. Five rougher concentrates were recovered over a total flotation time of 20 minutes (Figure 6). Staged addition of A3477 (8 g/t; gold collector) and frother (W24) was utilised.

The sighter rougher flotation test series yielded very encouraging results with the UGA-14 sample achieving a gold recovery of 93.6% into a concentrate containing 9.8 g/t gold. Mass pull to concentrate was moderately low at 14.9%. Arsenic reporting to concentrate was moderately high, at 0.18%, and arsenic depression within the cleaner circuit will need to be considered, such that penalty limits are not exceeded. Results from the sighter rougher flotation test work, conducted on the UGA-14 composite sample, are summarised in Table 6.

**Table 6: UGA-14 Composite Flotation Test Work Summary (75Qm)**

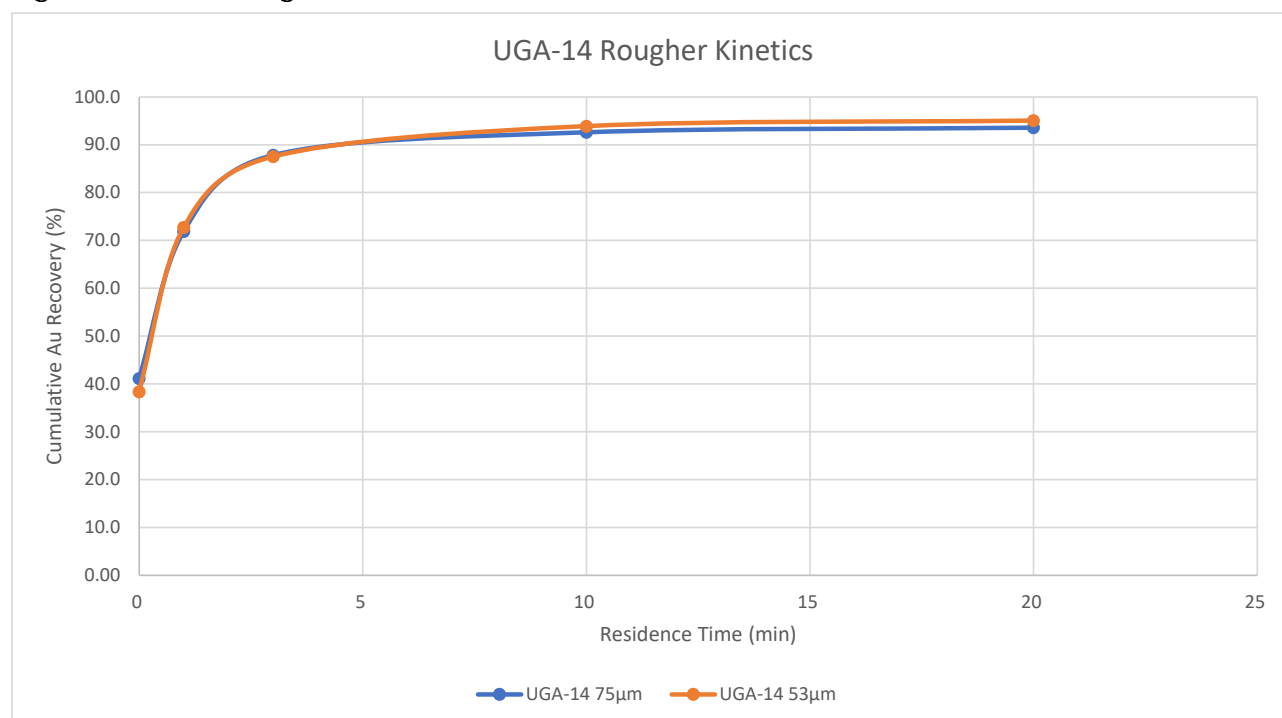
Sample	Assayed Grade			Recovery (%)			Mass Yield (%)
	Au (g/t)	Ag (g/t)	As (ppm)	Au	Ag	As	
Gravity Concentrate	-	-	-	41.1	11.0	-	-
Concentrate 1	23.3	76	3,425	30.8	33.7	43.5	3.67
Concentrate 2	12.1	49	2,530	15.9	21.6	32.0	3.66
Concentrate 3	2.72	18	770	4.77	10.6	13.0	4.87
Concentrate 4	0.99	8	280	0.96	2.61	2.62	2.70
Tails	0.21	2	30	6.43	20.5	8.84	85.1
<b>Cumulative Recovery</b>	<b>9.8</b>	<b>38</b>	<b>1,767</b>	<b>93.6</b>	<b>79.5</b>	<b>91.2</b>	<b>14.9</b>

The sighter rougher flotation test series indicated that UGA-14 composite rougher flotation kinetics was moderately fast (Figure 6) with greater than 88% recovery of the available gold achieved after 3 minutes of flotation and 93% recovered after 10 minutes of flotation.

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Figure 6: UGA-14 Rougher Kinetic Curve



### Rougher Flotation Reagent Optimisation

As part of the flotation test work program, alternate reagents suited were trialled, with the aim of enhancing gold recovery. The reagent optimisation test work was conducted at the selected optimum grind size of 53Qm, with a rougher flotation residence time of 15 minutes. The alternate reagents tested include:

- 3418A (gold collector);
- MAXGOLD® 900 (gold collector); and
- Copper Sulphate (activator).

The impact of excluding gravity recovery, prior to rougher flotation, was also tested. Results from the reagent optimisation test work, conducted on UGA-14, are presented in Table 7 and Figure 7.

Of the reagents tested, A3418A proved to be the most selective with a reduced mass yield and increased concentrate grade, with negligible impact on gold recovery to rougher concentrate. Also, excluding the preceding gravity recovery stage had a marked impact on circuit performance with higher gold and silver recovery and significantly improved concentrate grades.

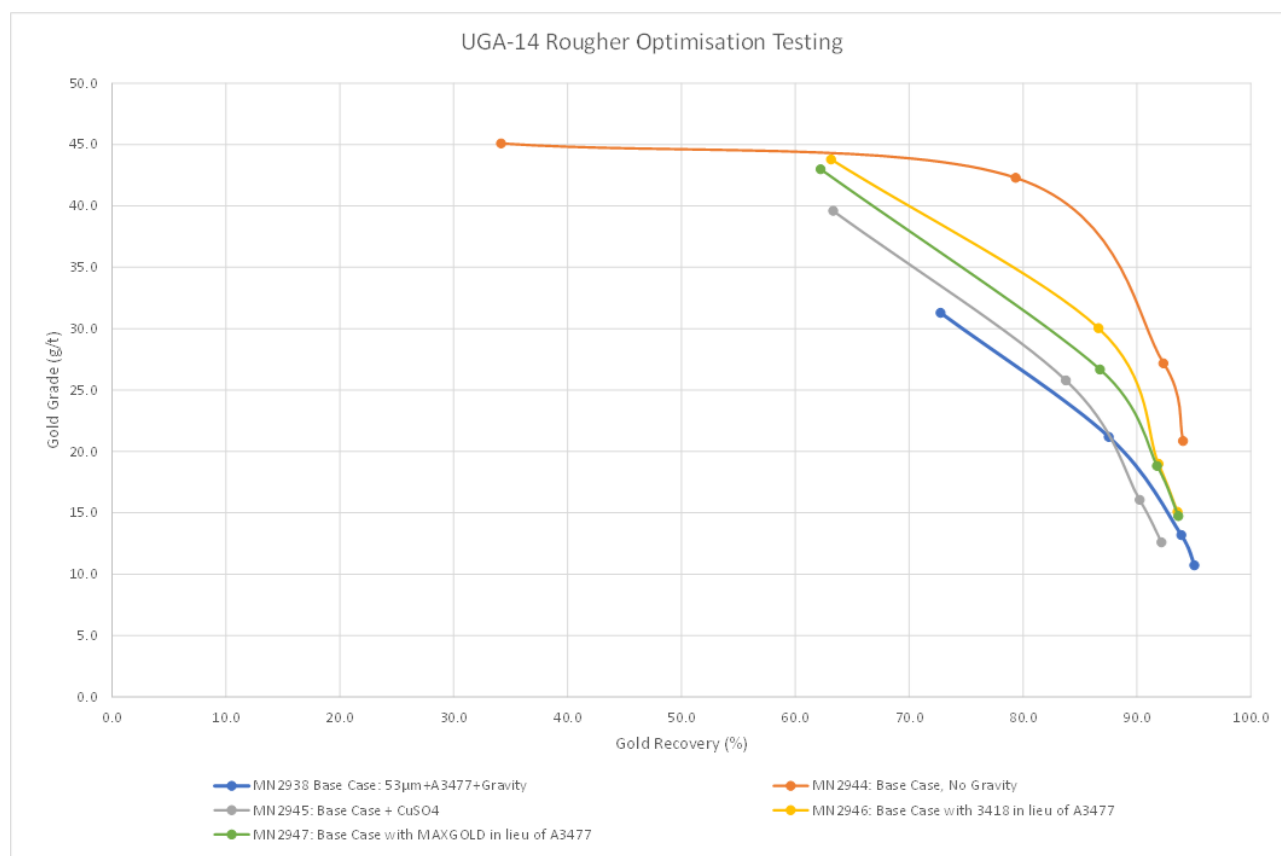
Table 7: UGA-14 Reagent Optimisation Test Work Summary

Test Number	Assayed Grade - Rougher				Recovery (%)				Mass Yield (%)
	Au (g/t)	Ag (g/t)	As (ppm)	Hg (ppm)	Au	Ag	As	Hg	
Base Case	10.7	41.8	1,912	3.7	95.0	88.4	91.1	85.6	13.8
MN2944 - No Gravity	20.9	54.2	2,051	4.2	94.1	94.0	89.4	85.7	12.6
MN2945 - Activator	12.6	44.9	1,896	4.0	92.1	93.0	90.4	75.0	13.0
MN2946 - 3418A	15.1	49.3	2,028	4.2	93.6	93.4	90.7	92.3	12.6
MN2947 - MAXGold	14.7	44.6	1,929	4.1	93.6	93.0	90.6	92.5	13.0

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Figure 7: UGA-14 Reagent Optimisation Grade Recovery Curve



### Cleaner Flotation Recovery

Cleaner flotation test work was conducted to assess the achievable concentrate gold and silver grade and determine the resultant gold and silver recovery. The initial cleaner flotation test work was conducted on an 'as received' sample, without any regrinding of the rougher concentrate. The rougher concentrate was diluted to achieve a flotation pulp density of approximately 20% solids. The slurry was conditioned with a PAX collector and flotation conducted at pH 7.5. Cleaner concentrates were recovered over a total flotation time of 30 minutes. Staged addition of A3418 (gold collector) and W24 (frother) was utilised. The cleaner flotation test work results are presented in Table 8.

Table 8: Cleaner Flotation Test Work Summary

Sample	Assayed Grade				Recovery (%)				Mass Yield (%)
	Au (g/t)	Ag (g/t)	As (ppm)	Hg (ppm)	Au	Ag	As	Hg	
UGA-14 3 <sup>rd</sup> Cleaner Concentrate	31.1	80.3	3,217	6.4	91.0	88.4	86.4	86.6	8.1

The cleaner flotation test work concluded that for UGA-14 a final concentrate grading 31 g/t gold and 80 g/t silver can be achieved, with a corresponding gold and silver recovery of 91.0% and 88.4% respectively.

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The grade of deleterious elements present in the cleaner concentrate is moderately high with an arsenic content of 0.32% and a mercury content of between 6 g/t. The arsenic content of the concentrate will incur penalty charges, whilst it is considered unlikely that the mercury content will incur penalty charges given it is below or equivalent to the nominal penalty threshold of 20 g/t.

#### **Cleaner Concentrate Regrind Size Effect**

The impact of grind size, on concentrate grade and gold and silver recovery to concentrate, was also investigated. The Rougher concentrate was subjected to a regrind stage, with a target grind P80 of 15Qm. Cleaner flotation conditions were maintained as per the initial investigation above. Results of the cleaner flotation, concentrate regrind test work, are presented in Table 9.

**Table 9: Cleaner Flotation Regrind Test Work Summary**

Sample	Assayed Grade				Recovery (%)				Mass Yield (%)
	Au (g/t)	Ag (g/t)	As (ppm)	Hg (ppm)	Au	Ag	As	Hg	
UGA-14 3 <sup>rd</sup> Cleaner Concentrate	37.5	117.4	4,510	8.8	71.4	75.6	69.1	62.3	4.4

The regrind cleaner flotation test work concluded that a final concentrate grading 37.5 g/t gold and 117.4 g/t silver can be achieved, with a corresponding gold and silver recovery of 71.4% and 75.6% respectively. Although regrinding of the concentrate improved concentrate gold and silver grade, and reduced mass yield, there was a substantial reduction in gold and silver recovery, such that regrinding is not considered viable.

#### **Concentrate Quality**

Using the typical sulphide concentrate payable parameters displayed in Table 10, the UGA-14 concentrate would achieve 96% payability for gold and 90% payability for silver.

**Table 10: Sulphide Concentrate Typical Payable Elements**

Element	Concentrate Grade	Minimum Deduction (%)	Payable Content (%)
Gold	>250 g/t	N. A	97.50%
	>200 - <250g/t	N. A	97.25%
	>150 - <200g/t	N. A	96.75%
	>100 - <150g/t	N. A	96.50%
	>10 - <100g/t	N. A	96.00%
	>5 - <10g/t	N. A	95.00%
	>3 - <5g/t	N. A	94.00%
Silver	>1 - <3g/t	N. A	90.00%
	>30 g/t	N. A	90.00%
	<30 g/t	N. A	0.00%

Test work indicates that the concentrates produced contain marginally elevated levels of penalty elements, specifically arsenic. Arsenic penalties are typically triggered at 0.1% and incur a \$5/t penalty for every 0.1% increment: so, 0.32% As would incur a total penalty of \$15/t. Future test work will need to consider mitigation strategies to limit the recovery of arsenopyrite. Measures to be considered include depressants and flotation alkalinity – should these measures prove unsuccessful, and negatively impact on gold and silver recovery, alkaline sulphide leach (ASL) or the Toowong® process should be evaluated.

The Company is continuing to conduct recovery testwork utilising a flowsheet comprised of gravity recovery followed by conventional flotation circuit. A composite sample from drill hole UGA-15 has also been subjected to the same test work program with the results to be announced once completed.

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Further testwork recommended also included:

- Mineralogy – Bulk mineralogy via XRD and detailed mineralogy via QEMSCAN® to identify major and accessory minerals, associations, grain size, liberation as well as identify gangue minerals and deleterious elements including the deportment and association of gold with arsenopyrite;
- Detailed mineralogy on flotation circuit tails to assess nature and occurrence of metal losses;
- Comminution test work, specifically UCS test work, Crusher Work Index Determination, SMC test work and Bond test work to assess ore hardness, competency, and abrasion index;
- Ore sorting test work, to assess whether ore sorting would provide a means of rejecting barren material from gold bearing sulphide material, allowing for a lower mass, higher grade product to be processed;
- Gravity test work, specifically eGRG test work to assess maximum gravity recoverable gold and determine whether direct smelting of gravity concentrates, to doré, is viable process route with enhanced payable value, compared to concentrate sale only;
- Rougher flotation test work, to further enhance kinetics and reagent schemes whilst also assessing means of depressing deleterious elements early in the process, through slurry pH manipulation or other techniques;
- Cleaner flotation test work, to optimize the number of cleaner stages required, assess the impact of dilute cleaner flotation, optimize regrind size and optimize reagent regime and depression of deleterious elements;
- Locked cycle flotation test work, to establish overall circuit performance with due cognisance of the impact of circulating loads and water quality on metallurgical performance
- Other technologies such as the Toowong Process could be considered for arsenic removal from concentrates, should smelter penalties prove economically prohibitive;
- Full spectrum concentrate analysis to assess generate and understand of concentrate impurities and assess the impact on concentrate marketability;
- Auxiliary test work including slurry rheology, settling rate, filtration rate and transportable moisture limit (TML);
- Production composite test work, to assess predicted circuit performance as related to mine scheduling; and
- Variability test work, on discrete variability samples, to assess variability in metallurgical performance and predicted circuit recovery.

## Corporate

During the Quarter ended 31 December 2021, Mr Russell Moran resigned as a director of the Company however continues to provide consulting services pursuant to an ongoing services agreement.

Major shareholders Courchevel 1850 Pty Ltd and Natres Services Pty Ltd, entities owned and/or controlled by Ms Fiona Paterson (Mr Moran's spouse), remain supportive long-term shareholders.

During the Quarter ended 31 December 2021, Ms Candice Stevenson was appointed to the Board as a casual appointment. Ms Stevenson has a background in commercial and management accounting in the private and public sector across natural resources, technology and the medical sector.

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## Other Activities

During the Quarter, the Company completed the spin out of the Quebec-based lithium projects into Winsome Resources Limited (ASX: WR1) following completion of an oversubscribed A\$18 million Initial Public Offering (IPO). Winsome is headed up by Chris Evans and the IPO was managed by Canaccord Genuity (Australia) Limited.

## Appendix 5B Commentary

In Payments to related parties of the entity and their associates (refer to 6.1), the \$259,000 payment refers to the payment of non-executive fees and director consulting fees.

Cash outflows from operating activities for the quarter were \$910,000. Cash outflows from investing activities for the quarter were \$874,000.

Cash and cash equivalents as at 31 December 2021 were \$4,077,000.

## ENDS

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## Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning MetalsTech. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of MetalsTech as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

## Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Dr Quinton Hills Ph.D., M.Sc., B.Sc. Dr Hills is the technical advisor of MetalsTech Limited and is a member of the Australasian Institute of Mining and Metallurgy (No. 991225). Dr Hills has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Dr Hills consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in the report to which this statement is attached that relates to Mineral Resources for the Sturec Gold Deposit is based on information compiled by Mr Chris Grove, who is a Member of The Australasian Institute of Mining and Metallurgy (No. 310106). Mr Grove is a full-time employee of Measured Group Pty Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Grove consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## ASX Listing Rules Compliance

In preparing this announcement, the Company has relied on the announcements previously made by the Company and disclosed below. The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement. Pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement dated 4 October 2021, 5 October 2021 and 7 October 2021, 11 October 2021, 21 October 2021 and 4 November 2021.

**\*\* This announcement is authorised by the executive board on behalf of the Company \*\***





## Background: Sturec Gold Mine

The Sturec Gold Mine is located in central Slovakia between the town of Kremnica and the village of Lučky, 17km west of central Slovakia's largest city, Banská Bystrica, and 150km northeast of the capital, Bratislava.

Sturec contains a total Mineral Resource estimate for Sturec is reported as 38.5Mt @ 1.23 g/t Au and 8.8 g/t Ag (1.30g/t AuEq<sup>1</sup>) within an optimised open pit shell using a 0.26g/t Au cut-off, containing 1.522Moz of gold and 10.93Moz of silver (1.611Moz of gold equivalent) in accordance with JORC (2012); as well as 148kt @ 3.55 g/t Au and 12.6 g/t Ag (3.64g/t AuEq<sup>1</sup>) outside the optimised open pit shell using a 2.0g/t Au cut-off on an underground mining basis, containing 17koz of gold and 60koz of silver (18koz of gold equivalent), reported in accordance with JORC (2012).

**Table 1: Mineral Resource Estimate – Sturec Gold Project**

Updated Sturec Mineral Resource Estimate							
Resource Estimate above 0.26 g/t Au cut-off and within an optimised open pit shell							
Resource Category	Tonnes (kt)	Au (g/t)	Ag (g/t)	AuEq (g/t) <sup>1</sup>	Au (koz)	Ag (koz)	AuEq (koz)
Measured	15,340	1.43	12.04	1.53	704	5,940	752
Indicated	18,438	1.20	6.74	1.25	709	3,995	742
Measured + Indicated	33,778	1.30	9.15	1.38	1413	9,935	1494
Inferred	4,717	0.72	6.56	0.77	109	995	117
<b>TOTAL</b>	<b>38,495</b>	<b>1.23</b>	<b>8.83</b>	<b>1.30</b>	<b>1,522</b>	<b>10,930</b>	<b>1,611</b>
Resource Estimate above 2 g/t Au cut-off: outside optimised open pit shell							
Resource Category	Tonnes (kt)	Au (g/t)	Ag (g/t)	AuEq (g/t) <sup>1</sup>	Au (koz)	Ag (koz)	AuEq (koz)
Measured	30	2.90	21.18	3.08	3	21	3
Indicated	114	3.75	10.5	3.81	14	38	14
Measured + Indicated	144	3.57	12.74	3.66	17	59	17
Inferred	4	2.73	8.0	2.80	0	1	1
<b>TOTAL</b>	<b>148</b>	<b>3.55</b>	<b>12.62</b>	<b>3.64</b>	<b>17</b>	<b>60</b>	<b>18</b>

<sup>1</sup> AuEq g/t = ((Au g/t grade\*Met. Rec.\*Au price/g) + (Ag g/t grade\*Met. Rec.\*Ag price/g)) / (Met. Rec.\*Au price/g)

Long term Forecast Gold and Silver Price (source: Bank of America): \$1,785 USD/oz and \$27 USD/oz respectively.

Gold And silver recovery from the 2014 Thiosulphate Metallurgical test work: 90.5% and 48.9% respectively.

It is the Company's opinion that both gold and silver have a reasonable potential to be recovered and sold from the Sturec ore using Thiosulphate Leaching/Electrowinning as per the recoveries indicated.

\*\* This announcement is authorised by the executive board on behalf of the Company \*\*



## DESCRIPTION OF THE MINING RIGHTS

### Slovakian Gold Project

#### *Sturec Gold Mine*

Tenement ID°	Status	Registration Date	Expiry Date	Area
Sturec Gold Mine – Mining License 1830- 3359/2008	Active		Indefinite	9.47 sq km

**\*\* This announcement is authorised by the executive board on behalf of the Company \*\***

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Metalstech Limited

ABN

82 612 100 464

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts – sale of royalty interests	-	6,646
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(38)	(76)
	(e) admin and corporate costs	(407)	(1,915)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	(78)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – cost of spin out of Winsome Resources	(420)	(565)
	- cash in subsidiaries sold	(45)	(45)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(910)</b>	<b>3,967</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities – Gold Project entity	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(874)	(1,543)
	(e) investments	-	-
	(f) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(874)</b>	<b>(1,543)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	276	476
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(300)	(1,100)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(24)</b>	<b>1,376</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,885	277
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(910)	3,967
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(874)	(1,543)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(24)	1,376

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,077</b>	<b>4,077</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,077	5,885
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,077</b>	<b>5,885</b>

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**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Item 6.1 – Consulting fees and directors fees paid to directors and their associated entities

R Moran/associated entity - \$108,600 G D'Anna/associated entity \$72,429 Q Zeng/associated entity \$78,000

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	3,967
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(1,543)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	2,424
8.4 Cash and cash equivalents at quarter end (Item 4.6)	4,077
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	4,077
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	>2

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A



**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2022

Authorised by: Gino D'Anna  
By the Board

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.