

21st January 2021

Quarterly Report

For the period ending 31st December 2020

Metal Hawk Limited (**ASX: MHK**, “Metal Hawk” or “The Company”) is pleased to report on its quarterly activities for the period ending the 31st of December 2020. The Company’s main focus during the period was exploration drilling activities at its two key goldfields projects; Kanowna East and Emu Lake. Over 13,000 metres of aircore drilling was completed during the December quarter.

2020 Q4 HIGHLIGHTS

CORPORATE

- Successful oversubscribed IPO raising A\$5.5 million (before costs)
- End of quarter cash position of \$4.85 million

EXPLORATION ACTIVITIES

KANOWNA EAST PROJECT

- 148 aircore holes completed for 9,417 metres
- Western Areas Limited (ASX:WSA, “Western Areas”) commenced nickel exploration drilling (49 aircore holes completed)

EMU LAKE PROJECT

- 59 aircore holes completed for 3,801 metres

MARCH QUARTER 2021 - PLANNED ACTIVITY

- Completion of Stage-1 aircore drilling at Kanowna East
- Stage-2 aircore drilling to be planned and commissioned at Emu Lake and Kanowna East following receipt of Stage-1 assays
- Auger drilling to commence at Emu Lake
- Metal Hawk Nickel sulphide exploration to commence at the Blair North and Clinker Hill Projects

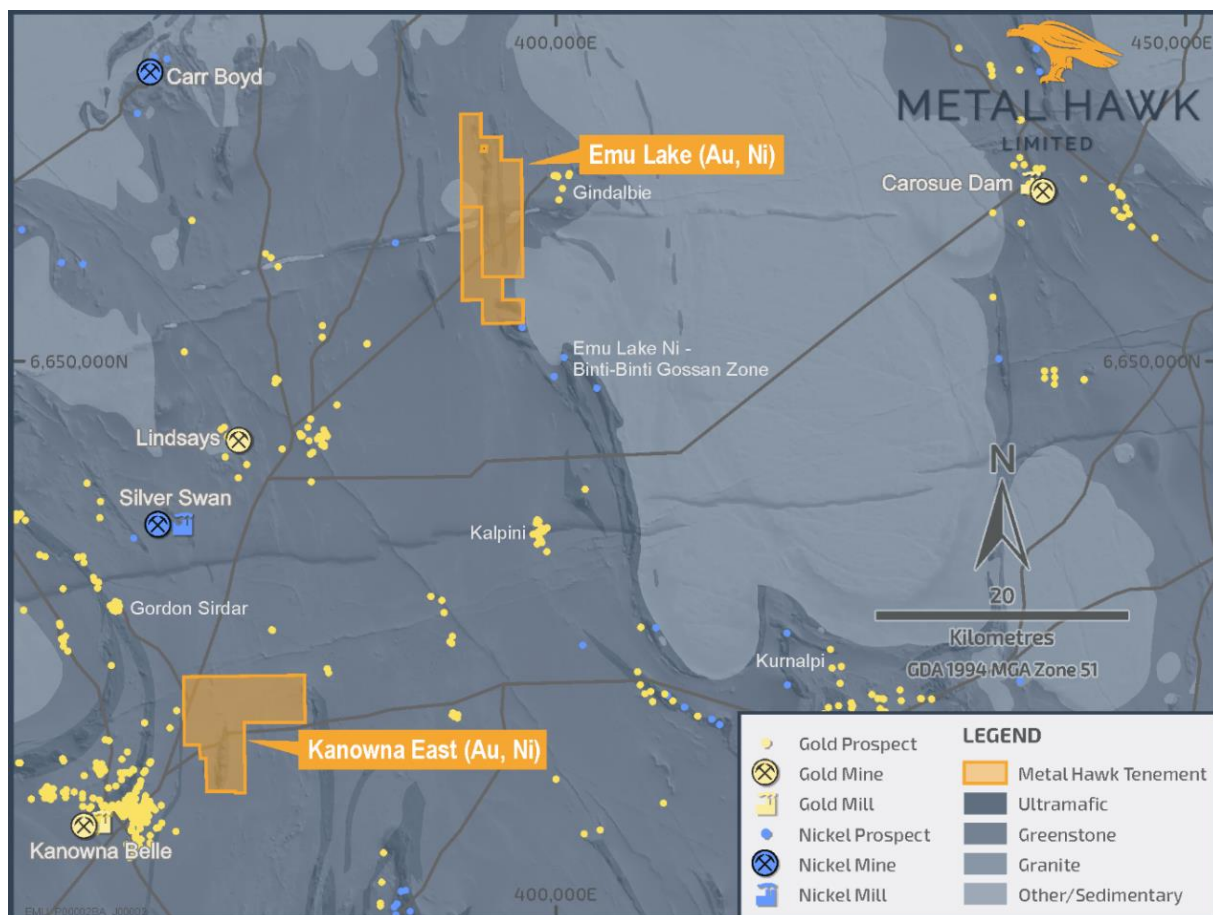


Figure 1. Metal Hawk's Emu Lake and Kanowna East Projects

KANOWNA EAST PROJECT

The Kanowna East Project is situated 25km northeast of Kalgoorlie and 8km northeast of the +5million ounce Kanowna Belle gold mine. The project is located along strike and 10 kilometres south of the Silver Swan / Black Swan nickel deposits. Historical work on Metal Hawk's tenure has been limited, with only shallow wide-spaced aircore/RAB drilling completed.

The Kanowna East Project is subject to an Earn-In and Joint Venture Agreement with Western Areas Limited, whereby Western Areas can earn a joint venture interest of up to 75% in all non-gold minerals and Metal Hawk retains 100% of the gold rights.

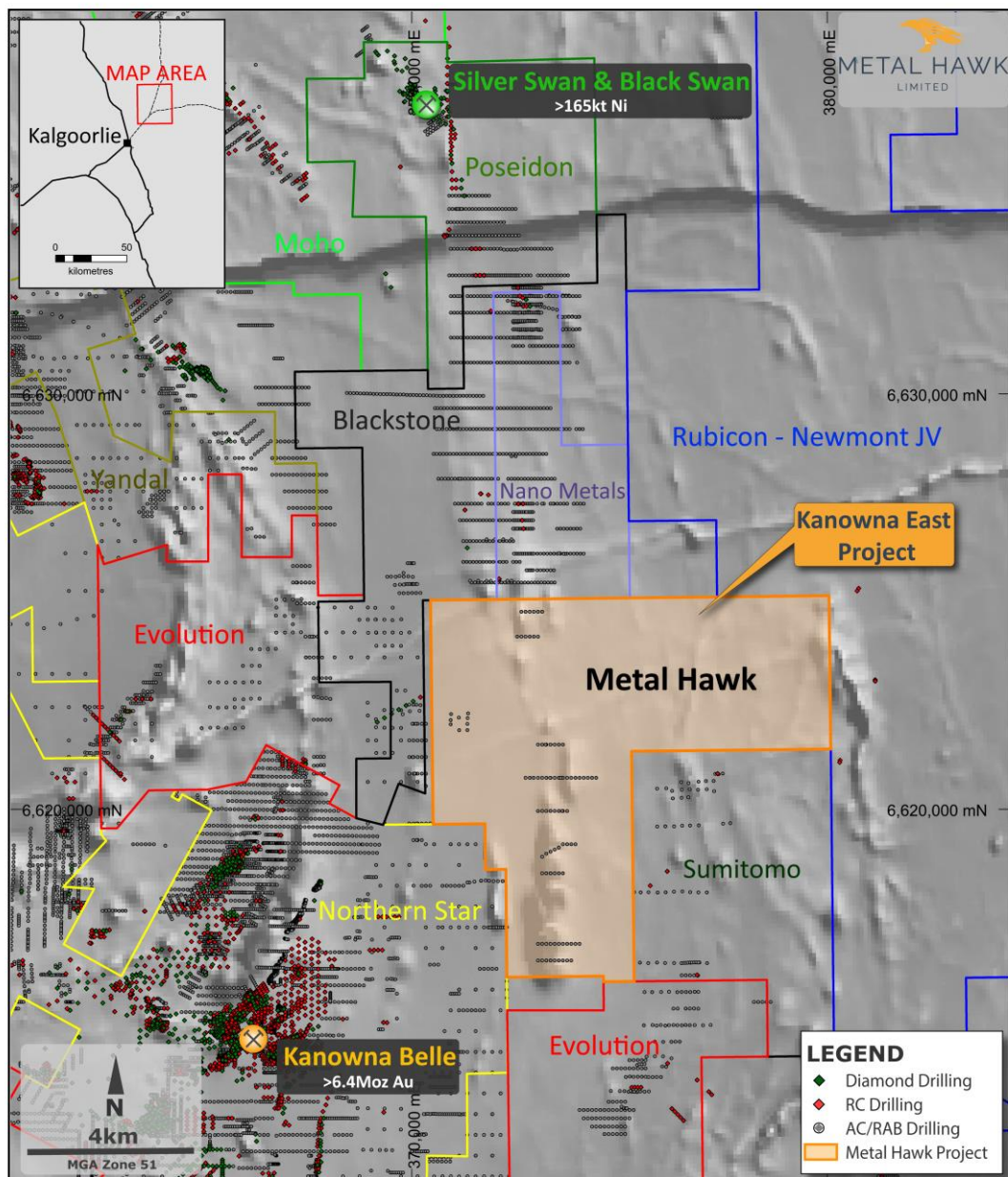


Figure 2. Kanowna East Project showing historical drilling

The Company is currently focusing drilling on the western side of the project area, targeting structural-hosted gold mineralisation associated with felsic rocks under shallow cover. Additionally, Western Areas commenced nickel sulphide exploration during the December quarter.

During the reporting period 148 aircore holes were drilled for 9,417 metres (shown in Figure 3) including 49 holes drilled for 2,311 metres by Western Areas.

Gold assay results are expected in early 2021.

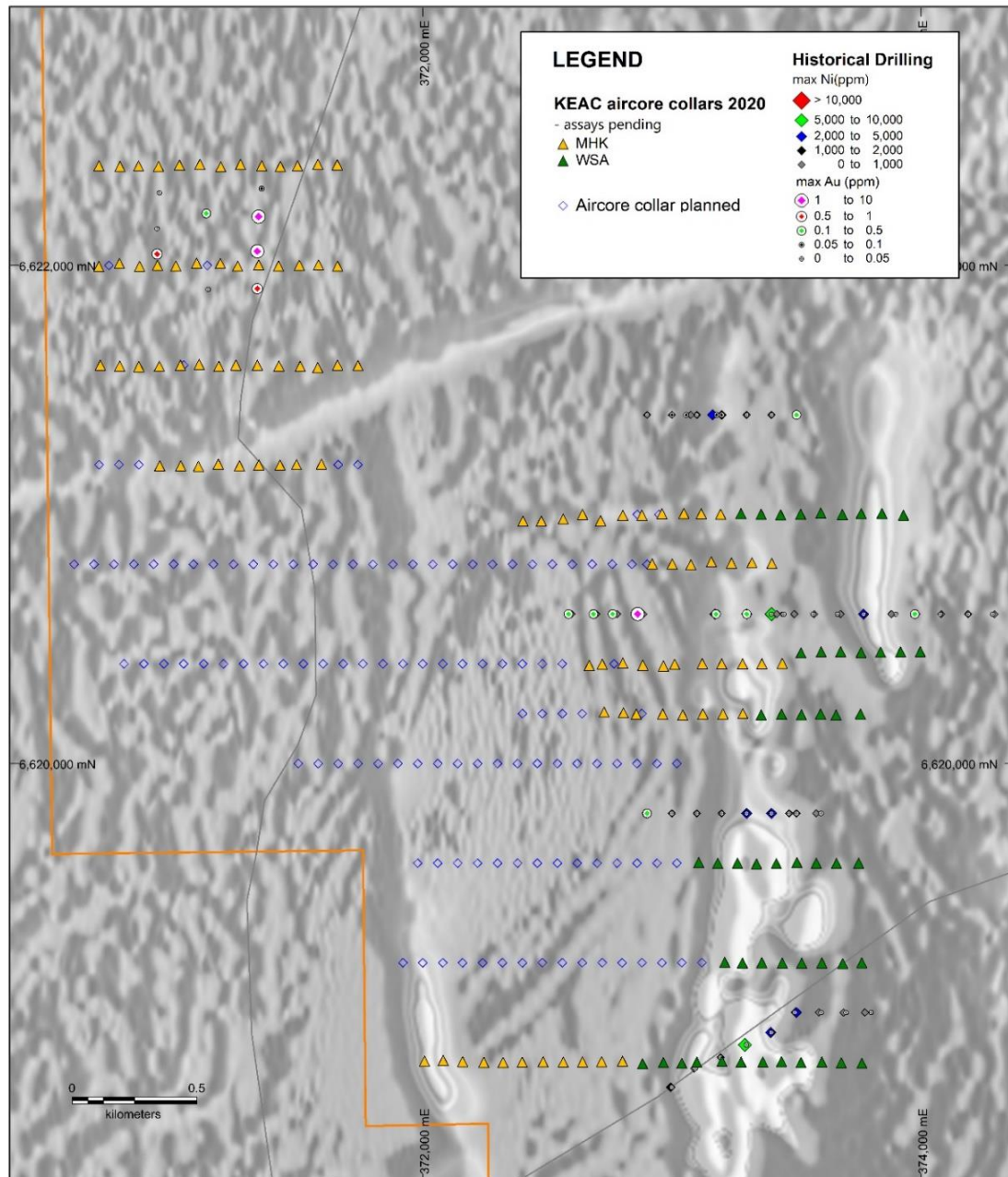


Figure 3. Kanowna East Aircore drilling – Q4 2020

EMU LAKE PROJECT

The Emu Lake Project is located 75km northeast of Kalgoorlie (Figure 1) and consists of two granted Exploration Licences covering approximately 65km². The Emu Lake Project is considered prospective for gold and nickel sulphide mineralisation. Previous gold exploration on the project has been limited to shallow geochemical sampling.

In November 2020 Metal Hawk completed Stage-1 aircore drilling with 59 holes drilled for 3,801 metres (shown in Figure 4). The drilling targeted a number of untested broad surface geochemical gold anomalies. Assays are expected in late January 2021.

Additionally, 378 auger samples were submitted for geochemical analysis (gold and multi-element) during the December quarter (see Figure 4). These samples were drilled in mid-2020 prior to the Company's listing on ASX. Follow-up work will be planned pending results.

The Emu Lake Project is also subject to the Western Areas Earn-In and Joint Venture Agreement with Metal Hawk retaining 100% of the gold rights.

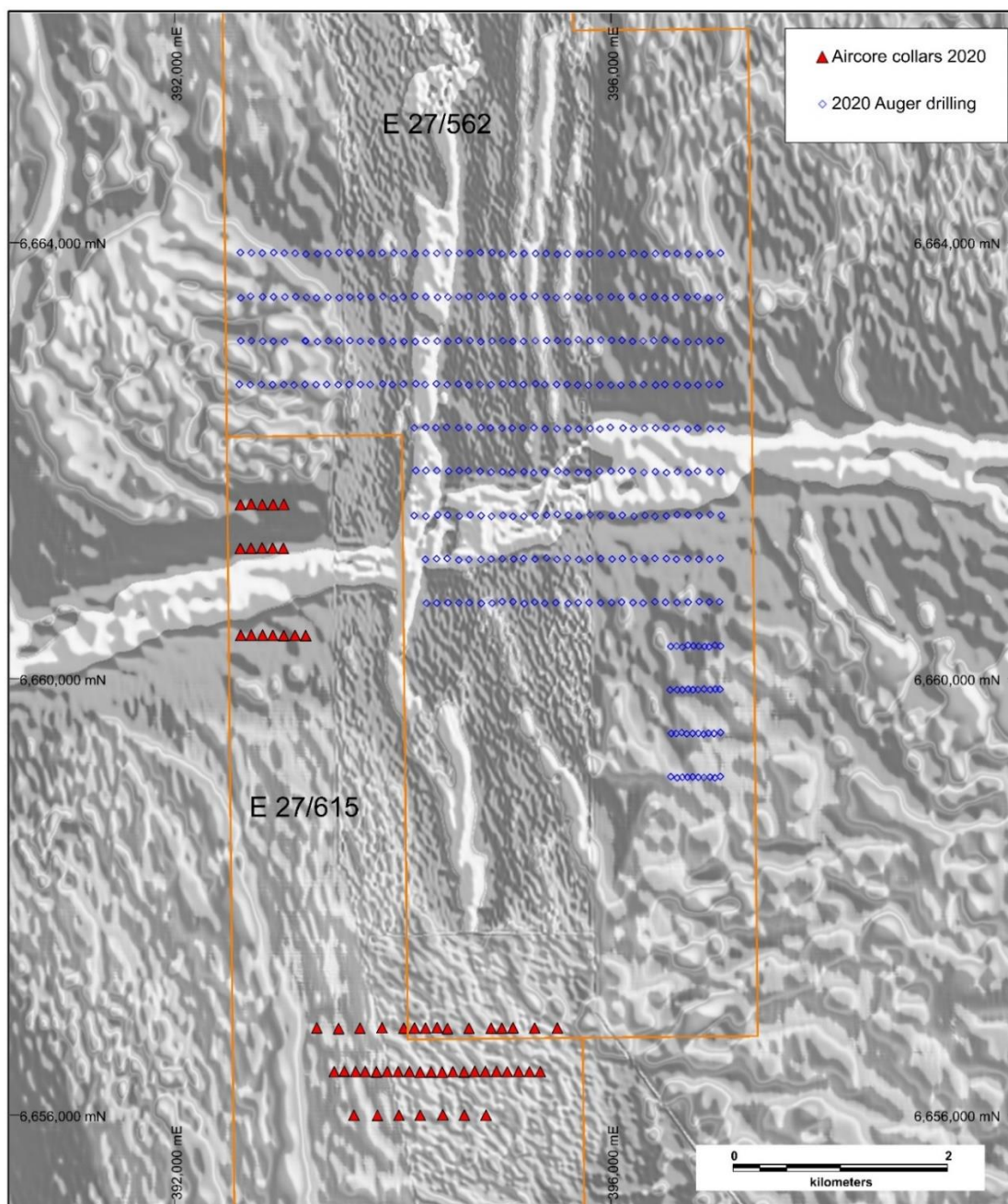


Figure 4. Emu Lake - Aircore collar locations and Auger drilling over airborne magnetics

FORWARD PLAN

KANOWNNA EAST PROJECT

Aircore drilling at Kanownna East is ongoing with the completion of Stage-1 expected in February.

Additional drilling will be planned as assay results are received in Q1 2021.



Figure 5. Aircore Drilling at Kanownna East

EMU LAKE PROJECT

At Emu Lake further aircore drilling will be planned once assay results from Stage-1 drilling have been received.

In addition to the work planned by Metal Hawk, Western Areas is preparing to commence nickel exploration at Emu Lake in Q2 2021.

BLAIR NORTH AND CLINKER HILL

At the Company's Blair North and Clinker Hill Projects (see Figure 5), moving loop electromagnetic surveys (MLTEM) are due to commence in Q1 2021 as part of a systematic nickel sulphide exploration program. The geophysical work is being designed with the assistance of industry-leading geophysical consultants Newexco Exploration Pty Ltd. The aim of the program is to test a number of geologically favourable ultramafic rock units for conductive responses related to massive nickel sulphides. Drilling will be designed following completion of the geophysical work.

The southern-most MLTEM survey at Blair North will be located approximately 2.5km north of the Blair nickel mine (historical production of 1.26Mt of nickel ore at 2.6% Ni). Limited historical shallow drilling has shown that ultramafic lithologies extend throughout the project area which has historically been poorly explored for nickel sulphides.

At Clinker Hill a broad target area consists of highly anomalous Ni-PGE surface geochemistry situated over an interpreted ultramafic unit. This target area has not yet been covered with electromagnetics.

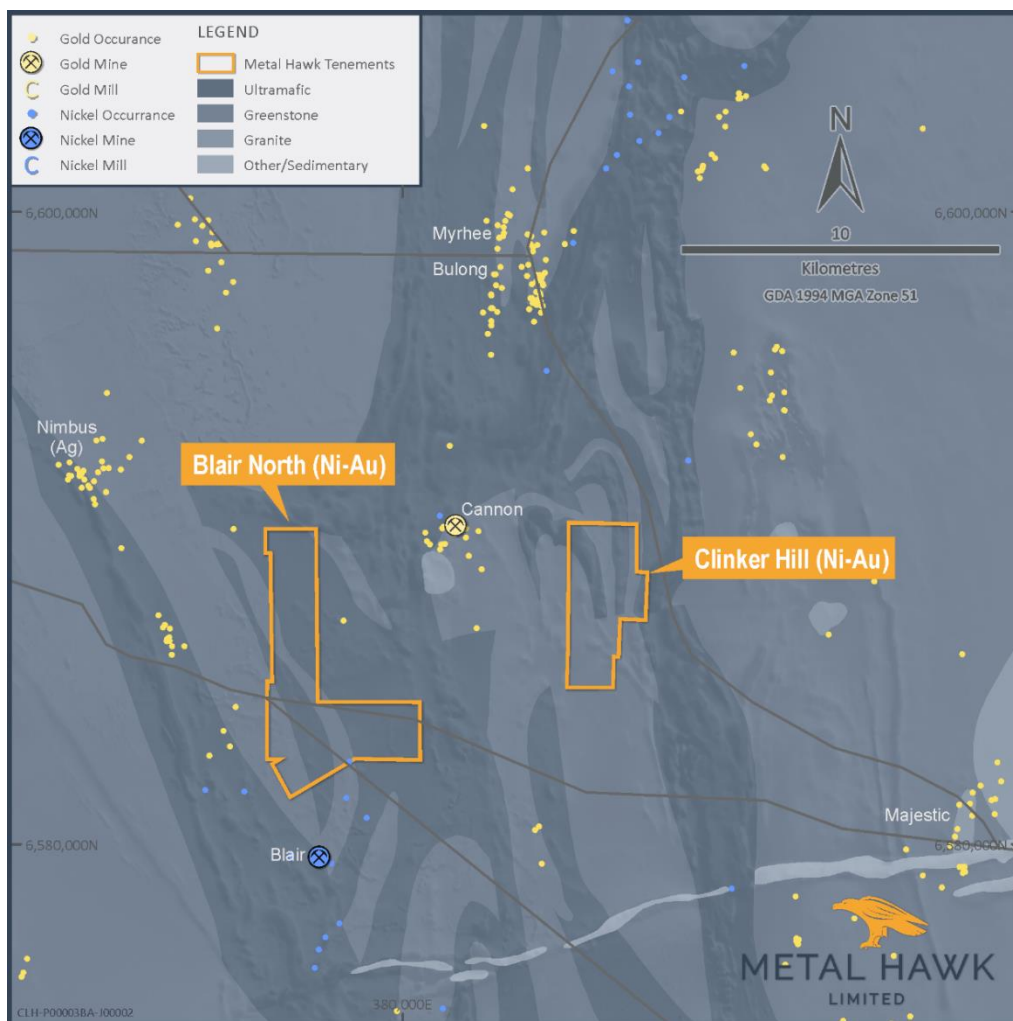


Figure 5. Blair North and Clinker Hill Project locations

CORPORATE

The Company raised \$5,500,000 before costs via IPO at an issue price of \$0.20.

Cash balance at 31st December was A\$4.85 million.

OTHER

In line with its obligations under ASX Listing Rule 5.3.5, Metal Hawk notes that the only payments to related parties of the Company, as disclosed below for the period from listing and separately for the full quarter in the Appendix 5B (Quarterly Cashflow Report) for the quarter ended 31 December 2020, relate to payments for Executive Directors' and Non-Executive Directors' salary and superannuation. These payments are detailed in *Table 1* and relate to the existing remuneration agreements for the Executive and Non-Executive Director. No other payments were made to related parties or their associates during the quarter.

Table 1. Director's Fees

Director fees (related parties)	Period ending 31st December 2020	Period 19 Nov - 31 Dec 2020
	A\$	A\$
Executive Director Fees	83,037	17,138 ¹
Non-Executive Director fees	13,687	4,562
	96,724	21,700

¹\$7,500 of the MD's salary for this period was capitalised to exploration expenditure and not included in this figure.

During the quarter ended 31 December 2020, the Company spent approximately \$221,142 on project and exploration activities relating to its Kanowna East and Emu Lake projects, reported above. These activities included aircore drilling and this expenditure is in line with use of funds disclosed in the Company's Prospectus dated 29 September 2020. The expenditure represents direct costs associated with these activities as well as capitalised wages which can be directly attributable to these projects.

Table 2. Use of Funds

Use of funds	As per Prospectus dated 29 September 2020	Actual expenditure 19 Nov - 31 Dec 2020
	A\$	A\$
Exploration	3,310,000	221,142
Directors' fees	700,800	21,700
General administration fees and working capital	482,800	43,979
Future acquisition costs	816,263	0
Estimated expenses of the Offer	524,028	465,289
	5,833,891	752,110

Metal Hawk considers that there are no material variances with the use of funds table in the Prospectus and the expenditure of funds over the period 19 November 2020 to 31 December

2021, save for a deficiency in the expenses of the Offer, which was due to original offer costs being less than anticipated.

This announcement has been authorised for release by Mr Will Belbin, Managing Director, on behalf of the Board of Metal Hawk Limited.

Will Belbin
Managing Director
admin@metalthawk.com.au

APPENDIX 1: INTEREST IN MINING TENEMENTS

Project	Tenement	Area	Status	Interest	comments
Blair North	E26/0210	4 Blocks	Granted	0%	subject to Option Agreement
Blair North	E26/0216	2 Blocks	Granted	0%	subject to Option Agreement
Blair North	P26/4174	179 Ha	Granted	0%	subject to Option Agreement
Clinker Hill	P25/2289	188 Ha	Granted	100%	
Clinker Hill	P25/2290	188 Ha	Granted	100%	
Clinker Hill	P25/2335	122 Ha	Granted	100%	
Clinker Hill	P25/2370	121 Ha	Granted	100%	
Clinker Hill	P25/2371	121 Ha	Granted	100%	
Clinker Hill	PLA25/2672	95 Ha	Pending	-	
Clinker Hill	PLA25/2673	200Ha	Pending	-	
Kanowna East	E27/0596	19 Blocks	Granted	100%	WSA JV (non-gold rights)
Kanowna East	P27/2428	34 Ha	Granted	100%	WSA JV (non-gold rights)
Emu Lake	E27/0615	7 Blocks	Granted	100%	WSA JV (non-gold rights)
Emu Lake	E27/0562	15 Blocks	Granted	100%	WSA JV (non-gold rights)
Fraser South	ELA69/3584	25 Blocks	Pending	-	WSA JV (all mineral rights)
Fraser South	ELA69/3593	41 Blocks	Pending	-	WSA JV (all mineral rights)
Fraser South	E63/1936	58 Blocks	Granted	100%	WSA JV (all mineral rights)
Fraser South	ELA69/3808	34 Blocks	Pending	-	WSA JV (all mineral rights)
Fraser South	ELA69/3809	112 Blocks	Pending	-	WSA JV (all mineral rights)
Viking	ELA63/1963	69 Blocks	Pending	-	CHN earn-in
Queen Victoria Rocks	ELA15/1776	55 Blocks	Pending	-	
Norseman East	ELA63/2042	13 Blocks	Pending	-	
Total Granted		952 Ha / 171 Blocks			

About Metal Hawk Limited

Metal Hawk Limited is a Western Australian mineral exploration company focused on early-stage discovery of gold and nickel sulphides. Metal Hawk owns a number of quality projects in the Eastern Goldfields and the Albany Fraser regions.

Western Areas Limited (ASX: WSA) has an Earn-In and Joint Venture Agreement with Metal Hawk whereby WSA have the right to earn a 75% interest on three of MHK's projects; Kanowna East, Emu Lake and Fraser South by spending \$7.0 million over 5 years. Metal Hawk is free carried to decision to mine and retains gold rights at Kanowna East and Emu Lake.

Chalice Gold Mines (ASX: CHN) has an Earn-in Agreement with Metal Hawk on the Viking Gold Project whereby CHN can earn up to 70% of the Viking Project by spending \$2.75 million on exploration over 4.5 years.

For further information regarding Metal Hawk Limited please visit our website at www.metalhawk.com.au

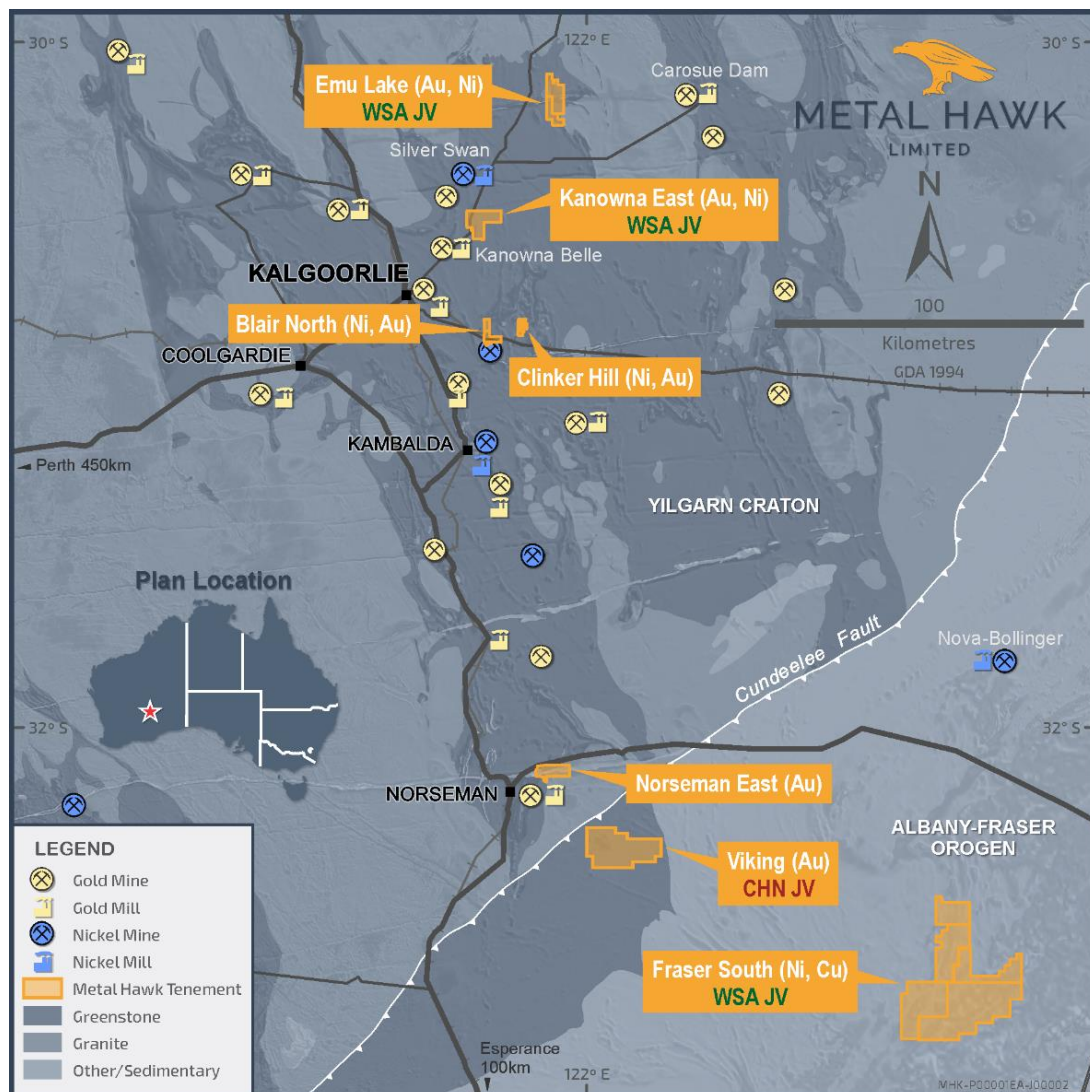


Figure 1. Metal Hawk project locations

Competent Person statement

Exploration results contained in this announcement were previously included in Metal Hawk's Prospectus dated 29 September 2020. Metal Hawk confirms that it is not aware of any new information or data that materially affects the information included in this quarterly.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Metal Hawk Limited's planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements.

Appendix 5B

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

Name of entity

Metal Hawk Limited

ACN

630 453 664

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(68)	(88)
	(e) administration and corporate costs	(203)	(236)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Farm-out funds received)	-	-
1.9	Net cash from / (used in) operating Activities	(272)	(325)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	(28)	(299)
	(c) property, plant and equipment	(49)	(49)
	(d) exploration & evaluation	(235)	(391)
	(e) investments	-	-
	(f) other non-current assets	(18)	(18)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	(330)	(757)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,500	6,256
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(417)	(417)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease liabilities right of use assets)	(5)	(5)
3.10	Net cash from / (used in) financing activities	5,078	5,834

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	374	98
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(272)	(325)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(330)	(757)

Appendix 5B

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
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,078	5,834
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,850	4,850

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	1,850	374
5.2	Call deposits	3,000	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,850	374

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	63
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (provide details if material)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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)	(272)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(235)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(507)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,850
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,850
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	9.45
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	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?	
	N/A	
8.8.2	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?	
	N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

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: 20 January 2021

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

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 – e.g. 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.