ASX Release
7 April 2017

METALSTECH
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MetalsTech Completes Due Diligence at Bay Lake High Grade Cobalt Project

Cobalt and lithium developer MetalsTech Limited (ASX:MTC) is pleased to announce it has completed legal and technical due diligence pursuant to the proposed 100% acquisition of the high grade Bay Lake Cobalt Project, located in Ontario, Canada.

The Company has commenced settlement of the acquisition.

Highlights:

- Completion of legal and technical due diligence in relation to the high grade Bay Lake Cobalt Project with commencement of settlement of the 100% acquisition
- Attractive acquisition structure with minimal dilution provides the company with exposure to highly prospective ground in one of the most exciting high grade cobalt jurisdictions globally
- Acquisition complements the company's existing high grade lithium projects and exposure to strategic commodities for the battery market
- Bay Lake covers 672 Ha 10 km south-south-west of the Historic Silver Mining Camp of Cobalt Township and has assayed up to 15.36% Co in cobalt-rich veins *(refer to ASX announcement dated 16 March 2017 and titled "MetalsTech to Acquire Two High Grade Cobalt Projects")*
- The company is in the process of expanding its landholding in and around the Bay Lake project area
- Drilling progressing well with 10 holes complete from the 4,000m drill campaign at the Cancet Lithium Project, where up to 5.58% Li_2O has been assayed in channel samples *(refer to ASX announcement dated 2 March 2017, titled "Up to 5.58% Li2O in Drill Target Zone at MTC Cancet Project")*
- Significant spodumene mineralised pegmatite intersections delineated in first batch of drill holes starting at surface with assay confirmation from laboratory pending

Commenting on the completion of the legal and technical due diligence, Executive Chairman Mr Russell Moran stated:

"We are excited to be proceeding with the Bay Lake acquisition as it is an important part of our strategy to build exposure to key commodities for the growing battery market. The Township of Cobalt is in our view, the jurisdiction with the most potential for new high grade cobalt discoveries outside of the DRC. We have spent considerable time assessing our entry into the cobalt market and have on the whole

found it very difficult to identify real high grade opportunities. For most cobalt projects, cobalt is only a secondary credit at best, constrained by grade. The Township of Cobalt, which boasts abundant silver-cobalt geology, has a long history of mining and a significant regional data set that includes consistently high grade cobalt assays which supports a thesis for high grade discoveries. We believe the area presents a real opportunity for primary cobalt development. We are excited to be one of the few early movers in this region and we will look to grow our exposure to this area over time."

Bay Lake Cobalt Project

Bay Lake covers 672 hectares and is located less than 10 km south-south-west of the Historic Silver Mining Camp of the Cobalt Township on the eastern shore of Bay Lake in Coleman Township, Ontario, Canada.

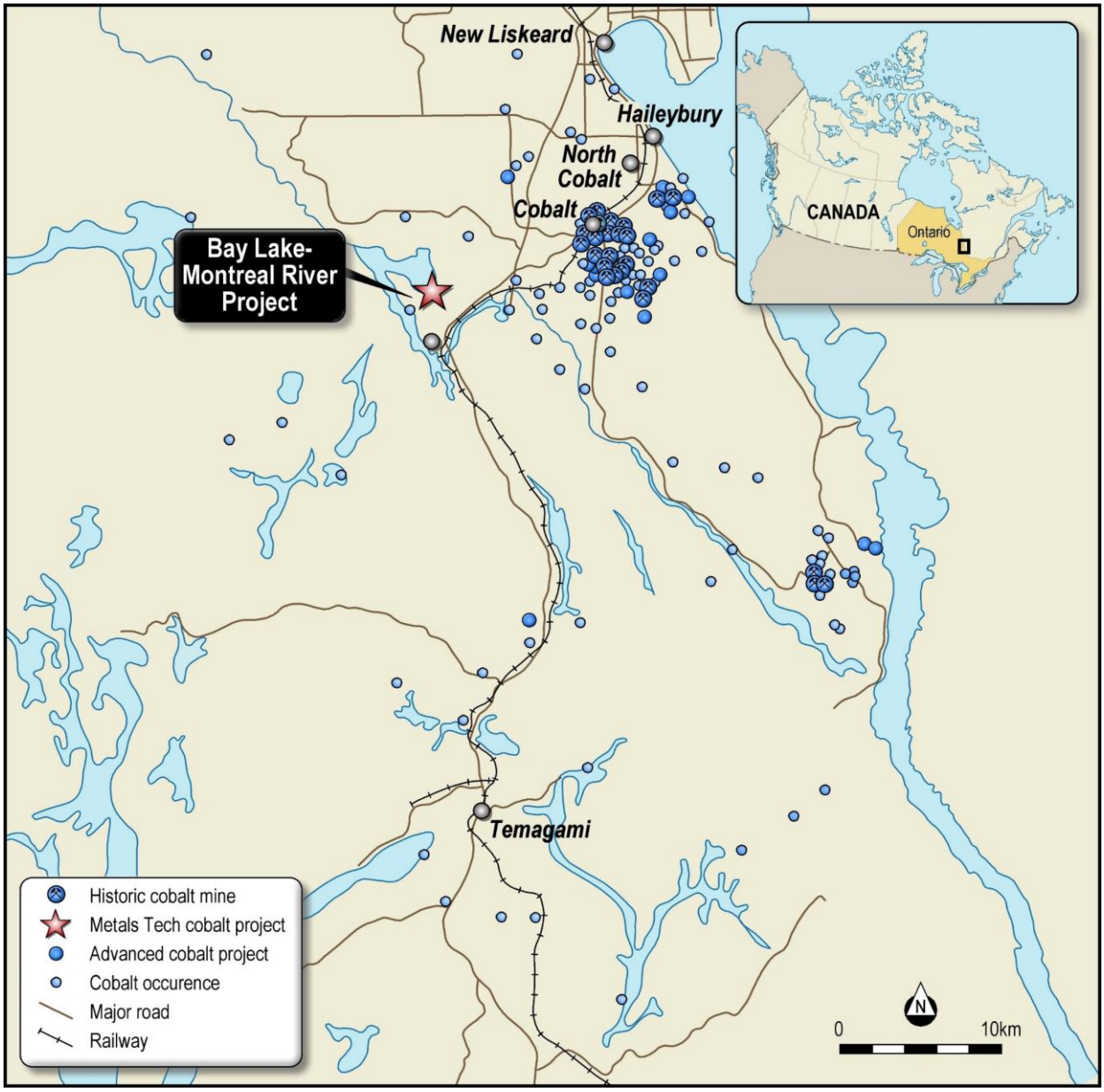

Figure 1: Location of Bay Lake Cobalt Project

Bay Lake is located approximately 5km NNW of Equator Resources Limited (ASX: EQU), the owner of the Cobalt Camp Project where historical assays have reported cobalt grades up to 12.3% Co (range 0.42% Co to 12.3% Co - average of 5.84% Co) along strike in the same geological structure *(refer to ASX announcement dated 28 November 2016 and titled "High Grade Cobalt Project Acquisition, Canada")*.

The majority of historical work was completed in 1913 by the Bay Lake and Montreal River Mining Company and included six (6) shafts in Nipissing diabase and extensive stripping of the Nipissing diabase-Lorrain sediment contact.

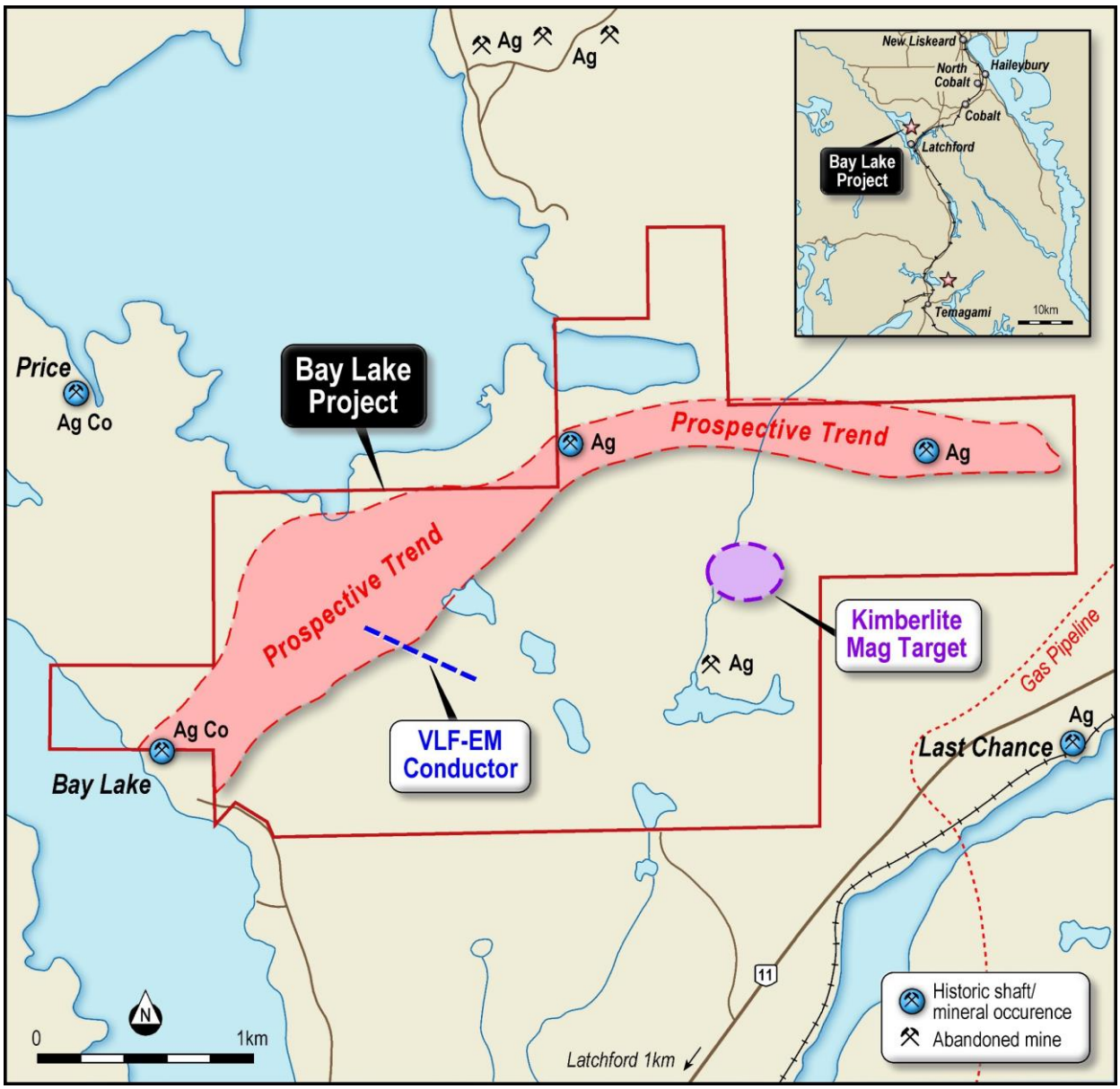

Figure 2: Bay Lake Cobalt Project – Prospective Geological Trend

From 1923 - 1934 Nipissing Mining Company Ltd, trenched and striped a portion of the project area and completed an unquantifiable amount of subsequent underground development. In 1951, Sadler and La

Pierre completed 30m of shaft sinking and 30m of drifting on the 27m level. This drifting exposed a 15cm wide cobaltite-rich vein. Sub-surface rock samples taken from this cobaltite-rich vein on the 27m level produced assays including 15.36% Co, 15.29% Co, 14.31% Co and 15.27% Co *(source: geological notes by R. Thompson, 1951, Resident Geologists' Files, Township of Cobalt)*. The relevant coordinates for the sub-surface rock samples is noted as Map Sheet 19 and Claim Block 004.

Historical reports indicate substantial cobalt grades in silver ore however the project's cobalt potential remains untested – cobalt was used as a tracer for silver mineralisation but not targeted in its own right.

Bay Lake has substantial existing underground mine workings related to past operations. The Company believes re-entry following rehabilitation of existing adits will open up a significant amount of strike length of known structures for modern cobalt focused exploration and production.

In the project area, several Calcite veins occur within the lowest part of a Nipissing diabase sill near the contact with arkoses of the Lorrain Formation.

A surface grab sample of dump material (often referred to as "muck" which was left on surface during the silver mining and separation process) with disseminated pyrite, chalcopyrite, malachite and erythrite conducted in 1988 yielded assay values of 2600ppm Cu, 6550 ppm Co, 305 ppb Au and 920 ppm Ni *(source: Geoscience Laboratories Section, Ontario Geological Survey, Toronto)*. The relevant coordinates for the sub-surface rock samples is noted as Map Sheet 19 and Claim Block 004.

Cancet Lithium Project Drilling Update

Drilling at Cancet commenced on 20 March 2017 and is progressing well as expected, with the Company having completed ten (10) diamond drill holes out of its Phase I plan which includes 26 holes. Significant mineralised intersections have been encountered in drill core (starting from surface) and geologists have been working to established the geometry and orientation of the pegmatite structure. Drilling will continue for a further 6 weeks (with Phase I expected to expand due to strong intersections to date) and the Company is awaiting the results of its initial assays on the first batch of drill core.

In addition, as part of site preparation, a number of additional mineralised pegmatite outcrops have been identified where coarse grain, large stubbly spodumene crystals have been exposed. A detailed regional mapping campaign is planned following completion of this drilling campaign.

The Company is permitted for 50 diamond drill holes at Cancet under its current drilling permit.

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 Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Jody Dahrouge, PGeo, is a Competent Person who is a Professional Geologist registered with the Association of Professional Engineers and Geoscientists of Alberta, in Canada. Mr. Jody Dahrouge, PGeo, is the principal and founder of Dahrouge Geological Consulting Ltd. (Dahrouge). Dahrouge Geological Consulting Ltd. and all competent persons are independent from the issuer of this statement, MetalsTech Limited. Mr. Jody Dahrouge 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. Jody Dahrouge consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Mr Dahrouge has reviewed the historical exploration results that are contained in this announcement and has validated the source of the historical information. Mr Dahrouge is satisfied with its inclusion in the form and context in which it appears in this announcement.