ASX Release
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METALSTECH
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MetalsTech Completes Placement to Accelerate Cobalt and Lithium Development

MetalsTech Limited (ASX: MTC) (the "Company") is pleased to announce it has successfully completed a share placement to sophisticated and institutional investors to accelerate exploration and development at the Company's 100%-owned Bay Lake High Grade Cobalt Project and its 100%-owned Cancet Lithium Project.

Highlights:

Placement

- $1 million share issue supported strongly by new sophisticated and institutional investors
- Placement designed to broaden the pool of supportive investors and secure like-minded shareholders that believe in the strategy for the Company's high grade cobalt and lithium assets in Canada
- Funds will help accelerate exploration and development activities at Bay Lake, where in-vein sampling has returned assays of >15% Co and surface "dump" pile sampling has returned assays of >2% Co *(refer to ASX announcement dated 16 May 2017, titled "MetalsTech Expands High Grade Bay Lake Cobalt Project")*

Bay Lake (Cobalt) – Value Catalysts

- Results from the recent exploration program expected late July 2017
- Airborne surveys to commence late July 2017
- Phase I drilling planned for late August 2017
- The Company is also evaluating additional cobalt opportunities around Bay Lake and in close proximity to the Town of Cobalt, Ontario (Canada)

Cancet (Lithium) – Value Catalysts

- Field exploration to commence in late July 2017 with a focus on continuing to extend the mineralised pegmatite strike, and channel sampling and mapping of complementary mineralised structures
- Phase II drilling to follow completion of the field program with a focus on building tonnage of the high grade deposit which starts at surface
- Initial results from representative drill core metallurgical and mineralogy testing expected shortly followed by final results in August 2017
- The completion of representative product profiling will support offtake and strategic partner discussions

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Projects

Cancet	100% owned
Adina	100% owned
Terre Des Montagnes	100% owned
Wells-Lacourciere	100% owned
Kapiwak	100% owned
Sirmac-Clapier	100% owned
Bay Lake	100% owned

Commenting on the completion of the Placement, Executive Director Mr Gino D'Anna stated:

"The placement has allowed us to attract a new pool of supportive sophisticated and institutional investors, which will complement our tight share register and existing investor network. The funds raised will allow us to accelerate exploration and development at our high grade cobalt and lithium projects.

"We have a strong pipeline of value catalysts and look forward to delivering on our strategy."

Completion of Sophisticated and Institutional Investor Placement

The Company has raised $1 million (before costs) at an issue price of A$0.185 per ordinary share, via the issue of 5,405,405 fully paid ordinary shares. The Placement represents minimal dilution to the previous capital structure (~7%) and new funds will allow the Company to accelerate development of its Bay Lake High Grade Cobalt Project and the Cancet Lithium Project.

Following completion of the Placement and allotment of the new fully paid ordinary shares, the Company will have 81,653,405 fully paid ordinary shares on issue.

The Placement was strongly subscribed by new institutional and sophisticated investors and was managed by Sanlam Private Wealth Pty Ltd as Lead Bookrunner for the Placement, with the involvement of Bell Potter, Cygnet Capital, Ord Minnett and Shaw and Partners Limited.

Strong participation from institutional investors is a significant validation of the development that has been achieved to date at the Company's high grade cobalt and lithium projects.

It is anticipated that allotment of shares under the Placement will occur next week.

Bay Lake High Grade Cobalt Project

As announced on 26 June 2017, the Company commenced a field exploration program at Bay Lake. The program was designed to re-sample historical exploration shafts, pits and trenches as well as sample other outcropping areas that sit within the highly prospective Nippising Diabase. Geologists located the historic Bay Lake Prospect and the historic Price Prospect and completed re-sampling of surface "dump" pile material.

The Company is currently awaiting the results from this program, which are expected before the end of July 2017.

As a second phase to the exploration program, the Company will undertake an Airborne survey. This work is due to commence towards the end of July 2017 and will help define additional priority exploration targets and support the next stage of exploration at Bay Lake, which will include trenching, sampling and mapping, ahead of maiden drilling.

The Company is targeting to commence a Phase I drill program at Bay Lake during late August 2017.

The Company is also evaluating additional cobalt opportunities around the Bay Lake area and in close proximity to the Town of Cobalt, Ontario (Canada).

Cancet High Grade Lithium Project

As announced on 30 June 2017, the Company has been progressing through its metallurgical testing program at Cancet using a representative composite sample which was selected from split drill core. Using the batched samples, three composites were created, being a high grade ore (>2.3% Li_2O), a mid-grade ore (>1.8% Li_2O and <2.3% Li_2O) and a lower grade ore (>1.1% Li_2O and <1.8% Li_2O).

The composite samples were then analysed with NAGROM using the same parameters as those previously employed on outcrop sample testing. Initial results from this metallurgical testing is expected to be received shortly.

Final results from representative metallurgical testing will underpin product profiling and support accurate definition of the mineralogy including low cost processing options for the extraction of lithium and tantalum, and delivery of a battery grade spodumene concentrate.

In mid-June 2017, the Company completed a LIDAR and orthophoto survey at Cancet. The survey will provide high-accuracy topographic control to assist with geologic and resource modelling, as well as support the regional prospecting and Phase II drill programs planned for this year. The pegmatite body correlates well with topographic highs, however existing topographic control over the deposit area is coarse and limits this as an exploration tool. The new 2017 dataset will provide high-accuracy topography (~0.2 m accuracy) across the entire project, which will be useful in defining potential parallel structures and highs that may represent additional pegmatite bodies not previously identified.

A comprehensive field mapping and sampling program will commence in the coming weeks as a pre-cursor to the commencement of the Phase II drill program. This work will follow up on the highly successful Phase I drill program that intersected significant shallow and high grade lithium and tantalum mineralisation over wide widths, as previously reported.

ENDS

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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.