

Leading Chinese Chemicals Manufacturer takes Strategic Stake in MetalsTech

MetalsTech (MTC or the Company) is pleased to announce it has signed a binding agreement with Shenzhen Stock Exchange listed leading hi-tech fine chemicals manufacturer Wuxi Baichuan Chemical Industrial Co Ltd (BCC) based in China to take a circa 10% stake in MTC through an escrowed placement at 18 cents per share.

Highlights

- BCC to participate in a circa 10% Cornerstone Placement by subscribing for 10,000,000 MTC shares at a price of \$0.18 per share to raise \$1,800,000 subject to 12 months' escrow, subject to shareholders ratifying the placement capacity at the upcoming AGM on 24 November 2017
- MTC to facilitate BCC share accumulation strategy by introducing third party shareholders (and advisors) for the acquisition of up to a further 5,000,000 MTC shares through on-market and off-market purchases
- If BCC increases its share ownership to >15% BCC will be entitled to an MTC board seat
- MTC and BCC to work in good faith to negotiate a project-level equity investment at its projects
- MTC has also completed a heavily oversubscribed placement to sophisticated and institutional investors via the issue of 4,200,000 fully paid ordinary shares at an issue price of \$0.18 per share to raise a further \$756,000 using the remaining ASX LR 7.1 placement capacity managed by Alto Capital
- Strategic funding deal allows MTC to:
 - continue resource definition and feasibility studies at its Cancet Lithium Project;
 - commence maiden drilling at the nearby Adina Lithium Project where surface samples have reported >3% Li₂O at surface; and
 - explore plans for a lithium carbonate and hydroxide beneficiation plant within Quebec to process spodumene concentrate from MTC's projects

Commenting on the strategic placement, Executive Chairman of MetalsTech, Mr Russell Moran stated:

"This is a game-changing milestone for the Company. Strategic alignment with a lithium-ion battery chemicals producer at this juncture will support us in tailoring our feasibility studies beyond spodumene concentrate production, as we look to maximise value and minimise market risk through the investigation



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Board of Directors

Executive Chairman - Russell Moran
Executive Director - Gino D'Anna
Non-Executive Director - Shane Uren
Non-Executive Director - Michael Vellella

Projects

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

of downstream processing opportunities with an experienced technical and financial cornerstone partner.”

About Wuxi Baichuan Chemical Industrial Co Ltd

Wuxi Baichuan Chemical Industrial Co. Ltd (BCC) is listed on the Shenzhen Stock Exchange (SHE:002455) and specializes in the production of hi-tech fine chemicals. BCC has a market capitalisation of approximately 5.5 billion CNY.

More information can be found at www.bcchem.com/enindex.html



BCC's Manufacturing Facility in Rugao, China

Material Terms

The Company has entered into a binding Terms Sheet with BCC, with the material terms of the agreement summarised below:

Placement	BCC to subscribe for 10,000,000 shares at an issue price of \$0.18 per share to raise a total of \$1,800,000 (Cornerstone Placement).
Escrow	Shares issued under the Cornerstone Placement are subject to 12 months voluntary escrow.
Conditions Precedent	<p>Completion of the Cornerstone Placement is conditional upon the satisfaction (or waiver) of the following conditions precedent:</p> <ul style="list-style-type: none"> (a) MTC obtaining all requisite shareholder and regulatory approvals (if any); and (b) BCC obtaining all requisite shareholder and regulatory approvals, and other certain due diligence conditions <p>(the Subscription Conditions Precedent).</p> <p>If the Subscription Conditions Precedent are not satisfied (or waived) by 15 December 2017, then either party may terminate the Terms Sheet.</p>
Share Accumulation	For a period of three months, MTC will use reasonable endeavors to introduce BCC to third parties (or their advisors) that may wish to sell or otherwise dispose of their Shares with a view of helping BCC acquire up to an additional 5,000,000 Shares through on-market and off-market purchases.

**Board Seat**

If BCC increases its share ownership above 15% it will be entitled to a board seat

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.

