ASX Announcement

7 March 2018

ACN: 612 531 389

T: 08 6489 1600

F: 08 6489 1601

E: investors@tmtlimited.com.au

Suite 9, 330 Churchill Avenue,

Subiaco WA 6008

www.tmtlimited.com.au

Directors

Michael Fry:
Chairman

Ian Prentice:
Executive Director

Sonu Cheema:
Director and Company Secretary

Issued Capital

22,650,001 ("TMT") Fully Paid Ordinary Shares

12,500,000 Fully Paid Ordinary Shares classified as restricted securities

14,950,000 Unquoted Options exercisable at $0.25 on or before 31 December 2019 classified as restricted securities

3,000,000 Unquoted Options exercisable at $0.35 on or before 12 January 2021

10,000,000 Class B Performance Shares classified as restricted securities

ASX Code: TMT

FRA Code: TN6

GABANINTHA GLOBAL RESOURCE GROWS TO 119.9 MT AT 0.8 V_2O_5

WITH A HIGH GRADE RESOURCE OF 55 MT AT 1.1% V_2O_5

HIGHLIGHTS

- NORTHERN BLOCK MINERAL RESOURCE INCREASED BY 57% FROM 62.8 MT AT 0.8% V_2O_5 TO **98.4 MT AT 0.8% V_2O_5** INCLUDING AN **INDICATED PORTION OF 21.6 MT AT 0.9% V_2O_5**
- COMBINED WITH SOUTHERN TENEMENT RESOURCE[1] DELIVERS GLOBAL RESOURCE FOR THE GABANINTHA VANADIUM PROJECT OF **119.9 MT AT 0.8% V_2O_5**
- HIGH GRADE RESOURCE OF **55 MT AT 1.1% V2O5** INCLUDES INDICATED PORTION OF 14.5 MT AT 1.1% V2O5
- CONFIRMS POSITION OF GABANINTHA VANADIUM PROJECT AS ONE OF THE HIGHEST GRADE VANADIUM DEPOSITS IN THE WORLD
- METALLURGICAL TESTWORK PROGRESSING TO DOWNSTREAM PROCESSING FOCUSED ON THE EXTRACTION OF VANADIUM USING TRADITIONAL SALT ROAST / LEACH PROCESSING

BACKGROUND

Technology Metals Australia Limited (ASX: **TMT**) ("**Technology Metals**" or the "**Company**") is pleased to announce results for the update of the Northern Block Mineral Resource ("**Northern Block Resource**") estimate and the resulting Global Mineral Resource ("**Global Resource**") estimate, reported in accordance with the JORC Code 2012, for the Gabanintha Vanadium Project ("**Project**"). Resource estimation was completed by independent geological consultants CSA Global and was based on data from the Company's 2017 reverse circulation (RC) and diamond drilling programs[2].

The Global Resource estimate for the Project of 119.9 Mt at 0.8% V_2O_5 and 9.7% TiO_2 includes an outstanding **high grade component of 55.0 Mt at 1.1% V_2O_5 and 12.7% TiO_2** contained within the highly continuous and consistently mineralised massive magnetite zone (see Figure 1).

The update of the Northern Block Resource delivered an Inferred and Indicated Mineral Resource of **98.4 Mt at 0.8% V_2O_5 and 9.7% TiO_2**, a 57% increase on the previously reported Inferred Mineral Resource and included an Indicated Mineral Resource of **21.6 Mt at 0.9% V_2O_5 and 11.2% TiO_2**.

Executive Director Ian Prentice commented; "The delivery of this outstanding high grade Global Resource and the highly encouraging metallurgical testwork completed to date provides positive catalysts and momentum to fast track the development studies on this World Class deposit."

1 – Technology Metals Australia – ASX Announcements dated 18 December 2017.
2 – Technology Metals Australia – ASX Announcements dated 9 March 2017, 4 April 2017, 19 April 2017, 31 August 2017, 14 September 2017, 18 October 2017 and 7 December 2017.

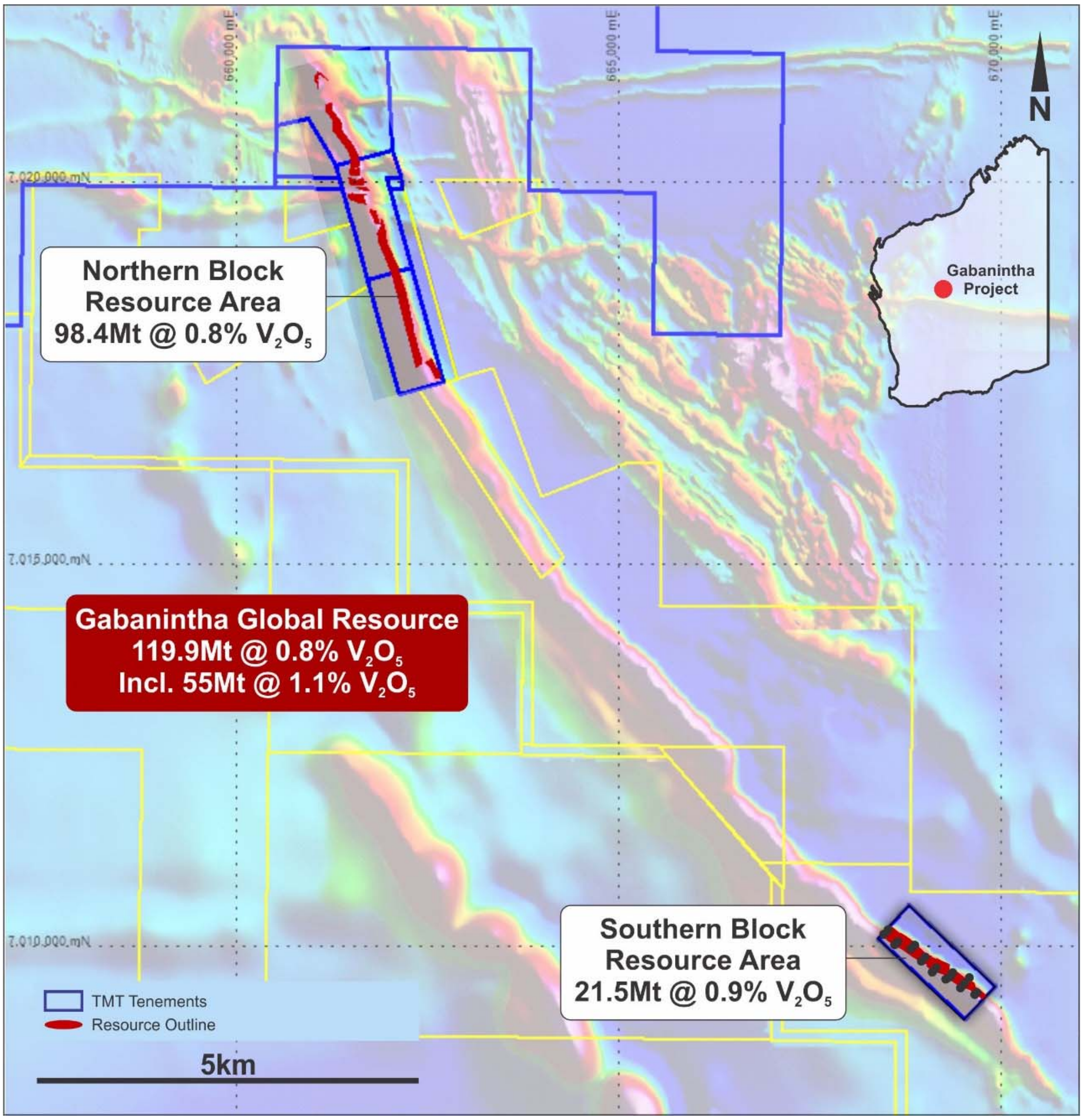

Figure 1: Gabanintha Vanadium Project – Location Diagram

NORTHERN BLOCK MINERAL RESOURCE ESTIMATE UPDATE

The Inferred and Indicated Mineral Resource estimate for the Northern Block has been reported in accordance with the JORC Code 2012 by CSA Global and incorporated 85 RC holes (for 8,386 m) and 13 HQ diamond holes (for 1,235.5 m) completed in the Company's 2017 drilling programs at the Northern Block at the Gabanintha Vanadium Project.

RC drilling was completed on a mix of section lines nominally either 100 m or 200 m apart over an approximately 4.4 km strike length with holes spaced nominally 40 m to 50 m apart on section lines. Holes were drilled at 60° to the east, with depths ranging from 33 m to 219 m. The 13 HQ diamond holes were completed along the strike length of the Northern Block, with three (3) holes in the Northern Zone and ten (10) holes in the Southern Zone. The holes were drilled at 60° to the east, with depths ranging from 36 m to 149.5 m. Five RC holes from the March/April 2017 drilling program completed by the Company were twinned with diamond holes.

The modelled mineralisation has been defined based on the RC and diamond drilling data, surface mapping and magnetic modelling. Mineralisation has been divided in to the high grade massive magnetite zone and disseminated and/or banded magnetite zones in the hanging wall and foot wall of the massive magnetite. The high grade massive magnetite zone was constrained geologically and by using a nominal 0.9% V_2O_5 lower cut-off grade, while the banded and disseminated magnetite zones were constrained using a nominal 0.4% V_2O_5 lower cut-off grade.

The Inferred and Indicated Mineral Resource was estimated using the ordinary kriging ("**OK**") estimation method and was quoted for mineralisation within the defined zones above a 0.4% V_2O_5 lower cut-off grade. An inverse distance squared estimation was also completed using the same search parameters as the OK estimation as a validation check estimate.

The updated Northern Block Resource consists of 98.4 Mt at 0.8% V_2O_5 and 9.7% TiO_2 and includes an Indicated Resource portion of 21.6 Mt at 0.9% V_2O_5 and 11.2% TiO_2.

Table 1: Mineral Resource estimate for the Gabanintha Vanadium Project Northern Block as at 5 March 2018

JORC Classification	**Mineralisation Type**	**Tonnage (Mt)**	**V2O5 %**	**Fe %**	**Al2O3 %**	**SiO2 %**	**TiO2 %**	**LOI %**	**P %**	**S %**
Indicated	Massive magnetite	14.5	1.1	49.2	5.1	5.8	12.8	-0.2	0.007	0.2
	Disseminated magnetite	7.1	0.6	29.9	12.6	24.4	7.8	2.9	0.032	0.1
	Combined total	**21.6**	**0.9**	**42.8**	**7.6**	**12.0**	**11.2**	**0.9**	**0.015**	**0.2**
Inferred	Massive magnetite	30.1	1.1	48.0	5.7	6.7	12.7	0.4	0.008	0.2
	Disseminated magnetite	46.6	0.5	26.5	14.1	27.4	7.0	4.4	0.027	0.2
	Combined total	**76.8**	**0.8**	**34.9**	**10.8**	**19.3**	**9.2**	**2.8**	**0.019**	**0.2**
Indicated + Inferred	**Combined total**	**98.4**	**0.8**	**36.7**	**10.1**	**17.7**	**9.7**	**2.4**	**0.018**	**0.2**

** Note: The Mineral Resource was estimated within constraining wireframe solids using a nominal 0.9% V2O5 lower cut-off for the basal massive magnetite zone and using a nominal 0.4% V_2O_5 lower cut-off for the banded and disseminated mineralisation zones. The Mineral Resource is quoted from all classified blocks within these wireframe solids above a lower cut-off grade of 0.4% V_2O_5. Differences may occur due to rounding.*

The high grade massive magnetite zone dips to the west (230°) at an average of 55°, has a true thickness ranging from 7 m to 25 m, and has been modelled over a strike length of about 4.4 km. The zone has been cross cut and slightly offset or displaced by eleven (11) interpreted faults, eight (8) dykes and three (3) felsic porphyries (see Figure 2).

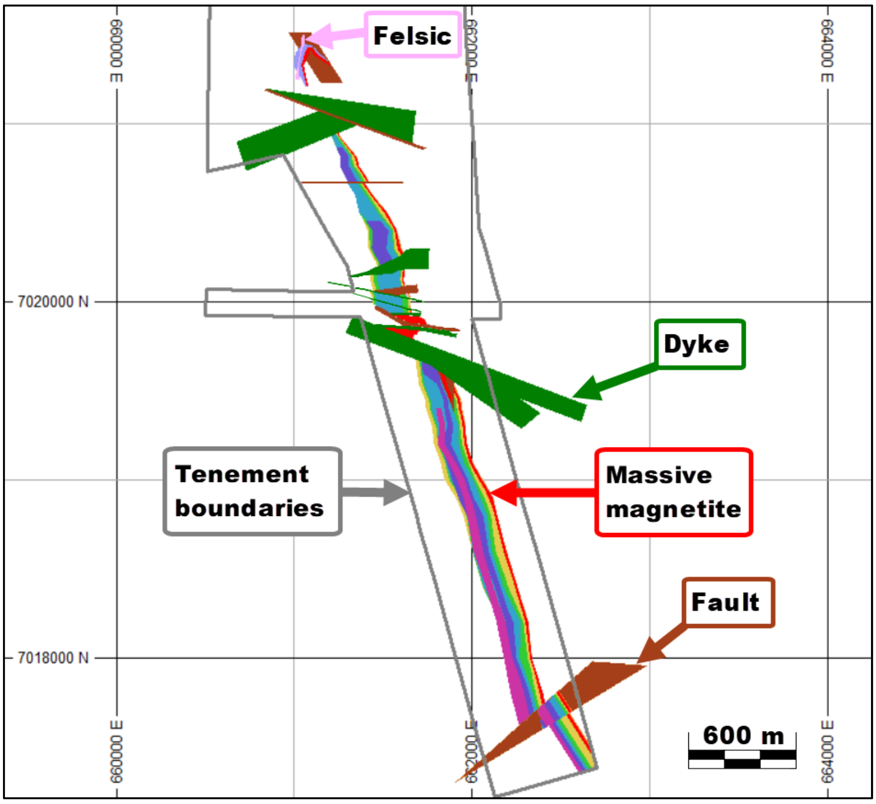

Figure 2: Plan View of the Modelled Mineralisation Showing Cross – Cutting Structures

The disseminated / banded mineralisation consists of up to six (6) separate layers with a cumulative true thickness of up to 45 m in the south and centre of the deposit, reducing to about 25 m in the northern third of the deposit. The disseminated / banded mineralisation consists of up to five (5) hanging wall layers and one (1) foot wall layer

The schematic cross section in Figure 3 shows the high grade basal massive magnetite zone (red) overlain by a series of medium grade hanging wall disseminated / banded lodes (yellow, green, pale blue, dark blue and magenta) and overlying one (1) medium grade foot wall disseminated / banded lodes (orange). The geometry of the hanging wall layers may result in any open pit development of the basal massive magnetite zone incorporating the medium grade hanging wall disseminated lodes, thereby potentially resulting in an overall lower strip ratio. The lower strip ratio may be expected to have a potentially material positive impact on project economics, meaning that more of the high grade basal massive magnetite could be accessible in an open pit development.

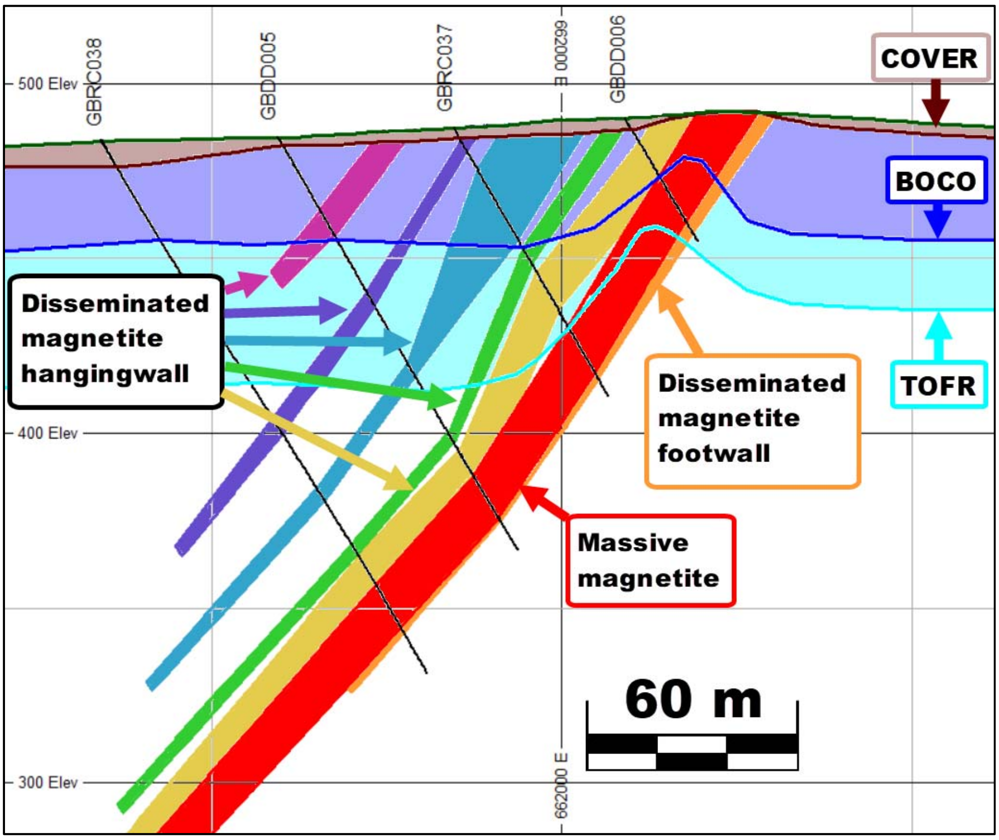

Figure 3: Schematic East-West Cross Section on 7,019,000N

Density measurements taken from the 13 diamond drill holes completed on the Northern Block of tenements consisted of 61 calliper measurements on full core segments during the logging of the core in the field and six samples measured by the weight in air, weight in water methodology, for a total of 67 measurements. The density measurements were domained based on the modelled weathering state surfaces and mineralisation type within the resource and applied to those domains within the model (see Table 2).

Table 2: Density values in t/m³ applied to model domains

Weathering State	Waste	Disseminated / banded magnetite	Massive magnetite
Oxide	1.8	2.0	3.0
Transition	2.7	3.2	3.8
Fresh	3.2	3.4	4.3

GLOBAL MINERAL RESOURCE ESTIMATE

CSA Global has combined the Inferred and Indicated Mineral Resource estimate for the Northern Block (98.4 Mt at 0.8% V_2O_5 and 9.7% TiO_2) with the previously reported Southern Tenement Inferred Mineral Resource estimate[3] (21.5 Mt at 0.9% V_2O_5 and 10.1% TiO_2) to produce a Global Resource estimate for the Project (see Table 3). The Global resource consists of 119.9 Mt at 0.8% V_2O_5 and 9.7% TiO_2 and contains a high grade component of 55.0 Mt at 1.1% V_2O_5 and 12.7% TiO_2.

3 – Technology Metals Australia – ASX Announcements dated 18 December 2017

Table 3: Global Mineral Resource estimate for the Gabanintha Vanadium Project as at 5 March 2018

Technology Metals Gabanintha Vanadium Project - Global Mineral Resources as at March 2018										
Material	**Classification**	**Tonnage (Mt)**	**V2O5%**	**Fe%**	**Al2O3%**	**SiO2%**	**TiO2%**	**LOI%**	**P%**	**S%**
Massive magnetite	Indicated	14.5	1.1	49.2	5.1	5.8	12.8	-0.2	0.007	0.2
	Inferred	40.5	1.1	48.3	5.5	6.5	12.7	0.2	0.007	0.2
	Indicated + Inferred	**55.0**	**1.1**	**48.5**	**5.4**	**6.3**	**12.7**	**0.1**	**0.007**	**0.2**
Disseminated magnetite	Indicated	7.1	0.6	29.9	12.6	24.4	7.8	2.9	0.032	0.1
	Inferred	57.7	0.6	27.2	13.7	26.7	7.2	4.0	0.024	0.2
	Indicated + Inferred	**64.9**	**0.6**	**27.5**	**13.5**	**26.4**	**7.2**	**3.9**	**0.025**	**0.2**
Combined	**Indicated + Inferred**	**119.9**	**0.8**	**37.1**	**9.8**	**17.2**	**9.7**	**2.1**	**0.016**	**0.2**

* Note: The Mineral Resource was estimated within constraining wireframe solids using a nominal 0.9% V2O5 lower cut-off for the Massive magnetite zone and using a nominal 0.4% V2O5 lower cut-off for the banded and disseminated mineralisation zones. The Mineral Resource is quoted from all classified blocks within these wireframe solids above a lower cut-off grade of 0.4% V2O5. Differences may occur due to rounding.

There is opportunity to further expand the Global Mineral Resource, particularly in the area of the Southern Tenement, and to increase the quantity of Indicated Resource through infill (100 m spaced) and extensional drilling to further validate grade and geological continuity. The Company will incorporate recommendations from CSA Global in its planning for further resource drilling, with this work expected to incorporate a component of diamond drilling to provide samples for metallurgical testwork at the Southern Tenement and to provide geological / structural data relating to the various mineralised lodes.

METALLURGICAL TESTWORK

The Company's metallurgical consultant Mineral Engineering Technical Services Pty Ltd ("**METS**") has developed a testwork program for the samples generated from the diamond drilling completed on the Northern Block of tenements. The testwork program is designed to build on the data from the preliminary (sighter) round of testwork completed on composite samples from the original RC drilling program and consists of:

- comminution testwork,
- generation of in-situ bulk density data,
- geometallurgical characterisation,
- establishment of grind sensitivity on beneficiation, and
- magnetic separation testwork.

Magnetic separation testwork has been completed on six representative diamond drilling composite samples, with the aim of testing a mix of oxide, transitional and fresh material from the high grade basal massive magnetite and the medium grade disseminated hanging wall zones.

This work consisted of Low Intensity Magnetic Separation ("**LIMS**") testing, designed to be representative of conditions that would occur in a processing plant, completed at three nominal grind sizes of P80 passing 45, 106 and 250 microns on each of the six composites to assess the variability of vanadium grade and recovery relative to grind size[4]. The LIMS testing for each grind size was undertaken by a triple pass methodology at 1200 Gauss, which has the benefit of producing a cleaner concentrate with less gangue (deleterious) material.

The LIMS testing at the 106-micron grind size delivered very high vanadium recoveries of 97.8% for the massive high grade fresh composite ranging down to 75.9 to 77% for the massive high grade transition and disseminated medium grade fresh composites. Vanadium grades reporting to the magnetic concentrate ranged from 1.27 to 1.34% V_2O_5 for these composites, with weight recoveries ranging from 85.6% for the massive high grade fresh composite to 33% for the disseminated medium grade fresh composite. The combination of high weight recovery and vanadium recovery is expected to result in a smaller plant / lower capital expenditure to produce a vanadium bearing magnetic concentrate.

4 – Technology Metals Australia – ASX Announcements dated 22 February 2018

Table 4: Summary Assay Results – LIMS Testwork on P80 106 Micron Grind Size

Sample ID	Target Screen Size (µm)	LIMS Testwork @ 1200G											
		Wt Dist'n (%)	Fe (%)		TiO_2 (%)		V (%)			SiO_2 (%)		Al_2O_3 (%)	
			Grade	Recovery	Grade	Recovery	V (%)	V2O5 (%)	Recovery	Grade	Recovery	Grade	Recovery
MASSIVE FRESH	**P80 106**	85.6	57.9	95.4	13.70	87.2	0.73	1.30	97.8	0.46	11.5	2.55	45.9
MASSIVE TRANSITION	**P80 106**	68.8	55.6	73.5	14.30	69.1	0.75	1.34	77.0	0.65	17.8	2.50	43.1
MASSIVE OXIDE	**P80 106**	25.2	54.7	28.2	14.4	25.2	0.75	1.14	28.0	1.0	5.7	2.7	13.2
DISSEMINATED FRESH	**P80 106**	33.0	55.5	64.9	14.30	63.7	0.71	1.27	75.9	2.62	3.3	2.80	7.0
DISSEMINATED TRANSITION	**P80 106**	17.3	52.6	32.7	15.00	37.4	0.63	1.12	39.4	4.49	3.0	2.51	3.7
DISSEMINATED OXIDE	**P80 106**	1.9	53.1	4.5	17.00	4.3	0.67	1.20	4.29	2.78	0.2	1.92	0.2

The testing delivered a very high rejection of gangue minerals across all of the composites, with between 82.2 and 99.8% of silica (SiO_2) and 54.1 to 99.8% of alumina (Al_2O_3) reporting to the non-magnetic tails stream at the 106-micron grind size. This results in very low levels of deleterious elements silica (SiO_2) and alumina (Al_2O_3) in the magnetic concentrates, with 0.46 to 1.0% and 2.5 to 2.7% respectively in the massive high grade magnetic concentrates. Low silica grades are an important factor for the efficient and effective salt roasting of vanadium concentrates.

Vanadium grades, recoveries and weight recoveries from the LIMS testwork for the massive high grade oxide, disseminated medium grade transition and disseminated medium grade oxide composites were in line with expectations given the lower levels of magnetic material present in the oxidised material. Levels of deleterious elements silica (SiO_2) and alumina (Al_2O_3) were slightly elevated in the magnetic concentrates for the disseminated medium grade composites, ranging from 2.6 to 4.5% and 1.9 to 2.8% respectively.

Wet High Intensity Magnetic Separation ("**WHIMS**") testing is being conducted on the non-magnetic tails stream produced from the LIMS testing, with a particular focus on optimising vanadium grade and recovery in the massive high grade oxide, disseminated medium grade transition and disseminated medium grade oxide composites. Results from this testwork will be reported as they become available.

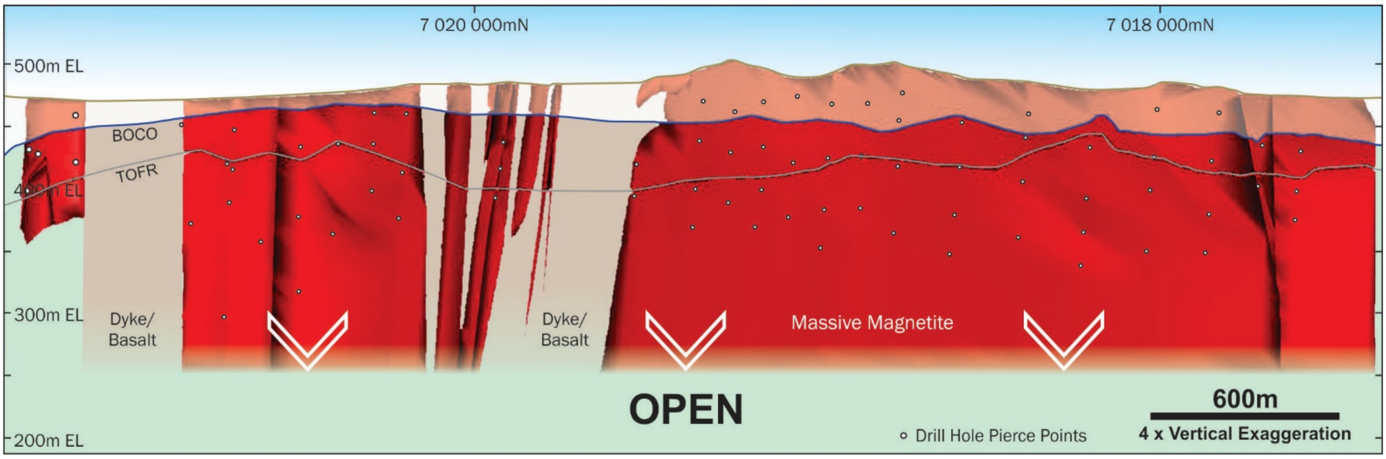

Figure 4: Long Section – Northern Block – Massive Magnetite Horizon

As can be seen from Figure 4 above, the depth of complete oxidation ranges from 30 to 40 m in the Southern Zone, to a very shallow 5 to 10 m in the Northern Zone (left hand side of Figure 4).

This shallow oxidation profile in the Northern Zone is expected to be very important from a project economics / development point of view, with the likelihood of being able to access the higher yielding massive transitional and massive fresh material very early in the mining process, thereby reducing the lead time to production. It is expected that the Southern Tenement Mineral Resource will have a similar shallower oxidation profile to that seen in the Northern Zone, based on drilling data and the resource model interpretation.

Analysis of the impact on grind size on variability of vanadium grade and recovery indicates that there is a slight increase in vanadium grade in the magnetic concentrate and a generally modest reduction in recoveries at the finer grain sizes. The exception to this is the massive high grade oxide composite, where the finer grind size has a larger impact on vanadium recovery due to the remnant magnetics in the core of magnetite grains enabling magnetic separation at the coarser grind sizes.

Follow up detailed magnetic beneficiation testwork will focus on a range of composite samples from discrete locations throughout the Northern Block Resource to provide characterisation along the strike and down dip of the Northern Block Mineral Resource. This work will involve running Davis Tube Recovery ("**DTR**") tests that are designed to replicate the parameters of the completed LIMS testwork on up to 30 individual diamond drilling sample composites. Data from this work will be incorporated in to open mine design work and assist with scheduling and identifying optimal blends of ore feed.

A program of downstream processing testwork has also commenced, using concentrate produced from the magnetic beneficiation testwork program. This work will focus on the extraction of vanadium pentoxide (V_2O_5) from the magnetic concentrates, utilising the traditional salt roast / leach processing route, but will also assess other processing options which may have the potential to extract other valuable minerals from the Resource.

PRE-FEASIBILITY STUDY

The results of the Resource upgrade work and the detailed metallurgical testwork program will form the basis of a pre-feasibility study ("**PFS**") on the Gabanintha Vanadium Project. This study is designed to:

- assess potential processing flowsheet options, with a focus on the extraction of vanadium using traditional salt roast / leach processing,
- provide conceptual open pit mine designs / pit optimisations,
- provide indicative capital expenditure estimates,
- provide indicative operating cost estimates, and
- based on the initial production profile, produce a project cashflow estimate.

CSA Global has been engaged to conduct the PFS mining study on the Gabanintha Vanadium Project based on the Global Mineral Resource, including the Indicated portion of the Northern Block Mineral Resource. This work will involve the generation of conceptual open pit designs, a preliminary mining and production schedule, mining capital and operating cost estimates and an economic model for the project based on the production schedule and project cost estimates. CSA Global will work closely with METS on developing a mining schedule that factors in the varying metallurgical properties of the different ore body layers and weathering states.

The Company is currently in discussions with a range of process engineering firms with regard to engaging a group to develop the processing route flowsheet, develop basic plant engineering, site and infrastructure assessments, process plant and associated infrastructure capital cost estimates, operating cost estimates, prepare a financial model and prepare a PFS report.

MINERAL RESOURCE ESTIMATE – MATERIAL INFORMATION SUMMARY

Geology and Geological Interpretation

The deposit is located in the north Murchison granite-greenstone terrain of the Archean Yilgarn Craton, and is hosted within mafic, ultramafic, extrusive and volcaniclastic rocks of the Gabanintha formation. The mineralisation is hosted in a differentiated gabbro closely associated with a series of massive to disseminated V-Ti-Fe bands ranging in size from a few metres up to 20–30 m thick. The mineralised units are offset and disrupted by later dolerites, faults and quartz porphyries. Mineralisation has been modelled based on surface mapping, magnetic modelling, and drilling data and strike extents are limited by the tenement boundary in the south and a structural (fold) termination in the north.

Mineralisation interpretations for the massive magnetite layer have been modelled based on the drill hole lithological logging and on a nominal lower cut-off grade of 0.9% V_2O_5. In the hangingwall and footwall of the massive magnetite, mineralised zones containing disseminated and/or banded vanadium bearing magnetite mineralisation (disseminated mineralisation), are modelled based on the lithological logging and on a nominal 0.4% V_2O_5 lower cut-off grade. A minimum downhole continuity length of 3 m was used to select the disseminated/banded intervals.

A total of 11 faults, eight dykes and three felsic porphyries have been interpreted to be younger than, and hence limit, offset or displace the mineralised zones. A surface colluvium layer is interpreted to blanket the mineralisation, and while it may be mineralised in part, is currently interpreted to deplete the interpreted mineralisation lenses pending further investigation.

Due to the offsetting caused by the interpreted faults and dykes, the massive magnetite layer interpretation consists of 12 individual wireframes. These strike approximately 160° to 340°, dipping on average approximately 55° towards 230°, with a modelled strike extent of approximately 4.4 km. The massive magnetite unit has a true thickness varying between approximately 7 m in the north to 25 m in the south and centre.

The disseminated mineralisation is interpreted to consist of up to six separate lenses, cumulatively having a true thickness of the order of 45 m in the south and centre of the modelled area. This then reduces to a cumulative true thickness of approximately 25 m in the northern third of the Project, with a minimum of approximately 8 m in the folded zone at the extreme northern end of the deposit. Due to the displacement caused by the interpreted faulting and dykes, a total of 36 separate wireframes have been developed to represent the disseminated mineralisation lenses.

The base of complete oxidation (BOCO) and top of fresh rock (TOFR) weathering zone boundary surfaces, representing the interpreted boundaries between the fully oxidised, transitional and fresh rock weathering states, have been defined based on the lithological and geochemical data.

Sampling and Sub-sampling

Diamond drilling was generally sampled at 1 m intervals, with some sub-sampling to 0.5 m or greater (but less than 1 m) for metallurgical purposes. Submitted samples are diamond rock saw cut half core. One in 20 samples were submitted as quarter core duplicates.

1 m samples from RC drilling using a face sampling hammer are cone split off the rig cyclone into polyweave bags, with sample weights between 2 and 3 kg collected. Duplicate samples were collected for every metre sample. One duplicate was submitted for analysis for every 20 m down hole.

Drilling Technique

RC drilling was completed on the Project during February 2017 by drilling contractor Strike Drilling using a LC36 RC drill rig with a diameter of 5.5” using a face sampling hammer. Documentation is available that describes data collection procedures for the RC drilling programme.

RC drilling on the Project was completed during July and August 2017 by drilling contractor Easternwell Drilling using a SDR06 RC drill rig with a diameter of 5.5” using a face sampling hammer. Documentation is available that describes data collection procedures for the RC drilling programme.

Diamond drilling on the project was completed during July and August 2017 by drilling contractor MT Magnet Drilling using HQ3 triple tube (for oxide) and HQ2 double tube (below oxide weathering surface). Diamond core was drilled and oriented using a reflex ACT III tool and holes were surveyed using a Reflex Gyroscope.

Classification Criteria

The Mineral Resource has been classified following due consideration of all criteria contained in Section 1, Section 2 and Section 3 of JORC 2012 Table 1.

The Mineral Resource estimate for the Project are classified as Indicated and Inferred.

The Indicated portion of the Mineral Resources are considered by the Competent Person to have adequately detailed and reliable, geological and sampling evidence, which are sufficient to assume geological and mineralisation continuity. Analytical result data spacing, confidence in the geological and grade continuity of the interpreted mineralisation zones, geophysical modelling evidence, surface geological mapping and geostatistical measures of estimation reliability have all been considered when determining the model volumes classified as Indicated.

The Inferred portion of the Mineral Resources are considered by the Competent Person to have more limited geological and sampling evidence, which are sufficient to imply but not verify geological and mineralisation continuity. Roughly 35% of the Inferred material may be considered to be extrapolated.

Drill holes are nominally spaced 40 m to 50 m apart on section lines nominally 100 m or 200 m apart. The drill holes are drilled at approximately 60 degrees dip towards the east to intersect the mineralised zones at a high angle.

Sampling Analysis Method

Intertek Genalysis laboratory in Perth pulverised the samples and fused them with a lithium borate flux to cast into disks for analysis of a 21-element suite by x-ray fluorescence (XRF) spectrometry (Method code FB1/XRF77). Loss on ignition (LOI) was determined by Thermal Gravimetric Analyser at 1000°C (Method code /TGA).

Estimation Methodology

Statistical analysis was completed using GeoAccess Pro and Supervisor software. The coefficient of variation (COV), histograms and probability plots were reviewed for all estimated elements. This was completed for the data from massive magnetite mineralisation and each disseminated magnetite mineralisation domain for each weathering state separately, to understand the distribution of grades, and assess the requirement for top cuts for each estimation domain. Some weathering state domains were combined due to lack of data to inform a robust estimate, with the oxide and transitional zones of the massive magnetite combined due to insufficient oxide data amongst others. Top cutting was deemed necessary where the COV was high (>1.0) and where individual high-grade samples were deemed to potentially result in biased block model results. The drill samples were downhole composited to 1 m prior to top cutting. Further statistical analyses using log probability plots was then completed, and a visual inspection in Datamine of any potential clustering of very high-grade sample data was then carried out prior to selecting a top-cut value. This analysis showed that grade capping top cuts should be applied to prevent estimation bias due to outlier grade values for silica, loss on ignition, sulphur and phosphorous in some domains.

Variography was completed for V_2O_5 from the massive magnetite unit using Supervisor software, with the variogram parameters obtained applied to all other estimated elements. Quantitative kriging neighbourhood analysis was then undertaken to assess the effect of changing key kriging neighbourhood parameters on block grade estimates. Kriging efficiency and slope of regression were determined for a range of block sizes, minimum/maximum samples, search dimensions and discretisation grids. Search ellipse parameters were selected based on the results. A three-pass search ellipse strategy was adopted whereby search ellipses were progressively increased if search criteria could not select sufficient data for the block estimate. Grade estimation was completed at the parent cell scale in Datamine Studio RM software using the ordinary kriging estimation method.

Cut-off Grade

The Mineral Resource is reported above a lower cut-off grade of 0.4% V_2O_5. The adopted cut-off grade is considered reasonable for Mineral Resources which are likely to be extracted by open pit methods.

Mining and Metallurgical Methods

<u>Mining</u>

It has been assumed that these deposits will be amenable to open cut mining methods and are economic to exploit to the depths currently modelled using the cut-off grade applied. No assumptions regarding minimum mining widths and dilution have been made.

<u>Metallurgy</u>

Metallurgical amenability has been assessed based on results from TMT's ongoing detailed metallurgical testwork program (TMT ASX announcement, 22 February 2018) from its Northern Tenement Block.

The work conducted to date consists of comminution testwork and magnetic beneficiation testwork based on six representative composite samples from diamond drilling throughout the Northern Tenement Block.

The magnetic beneficiation testwork consisted of LIMS on the six composite samples (massive fresh, massive transitional, massive oxide, disseminated fresh, disseminated transitional and disseminated oxide) at three nominal grind sizes of P80 passing 45, 106 and 250 microns undertaken by a triple pass methodology at 1200 Gauss.

The results showed that grades of 1.12% to 1.34% V_2O_5 reported to a magnetic concentrate at the P80 passing 106-micron grind size, with iron grades ranging between 52.6% and 57.9%. Massive fresh material showed a mass recovery of 85.6% reporting to the magnetic concentrate, with a vanadium recovery of 97.8%. The massive transitional and massive oxide returned mass recoveries of 68.8% and 25.2% respectively and vanadium recoveries of 77% and 28%. Mass recovery for the disseminated material ranged from 33% for the fresh, through 17.3% for transitional, and down to 1.9% for the oxide, with vanadium recoveries ranging from 75.9%, through 39.4%, and down to 4.29% respectively.

There was a very high rejection of gangue minerals from all of the composites, with SiO_2 grades in the magnetic concentrates ranging from 0.46% in the massive fresh up to 4.49% in the disseminated transitional. Al_2O_3 concentrations varied from 1.92% in the disseminated oxide up to 2.8% in the disseminated fresh.

WHIMS is being conducted on the non-magnetic tails stream produced from the LIMS to optimise vanadium grade and recovery in the massive high grade oxide, disseminated fresh, disseminated transitional and disseminated oxide material. Based on the LIMS results, preliminary WHIMS results, and assumed recoveries for the salt roast/leach processing the following recovery factors were estimated for each composite type:

- Massive fresh – 80%
- Massive transitional – 75%
- Massive oxide – 60%
- Disseminated fresh – 50%
- Disseminated transitional – 45%
- Disseminated oxide – 35%

Further beneficiation options will be explored for the more oxidised materials that do not perform as well with magnetic separation techniques. Additional metallurgical test work currently underway is assessing the extraction of V_2O_5 from the magnetic concentrates utilising traditional salt roast/leach processing.

Follow up beneficiation work is also underway focusing on a range of composite samples from discrete locations throughout the Northern Block Resource to provide characterisation along the strike and down dip of the Northern Block Mineral Resource. This work will involve completion of modified DTR tests designed to replicate the parameters of the completed LIMS testwork on up to 30 individual diamond drilling sample composites.

Based on the results of the metallurgical testing completed to date, the Competent Person considers it is reasonable to assume the deposits are amenable to metallurgical treatment using conventional processing methods.

CAPITAL STRUCTURE

The delivery of an Indicated Mineral Resource estimate of 21.6Mt at 0.9% V_2O_5 satisfies the performance hurdle for the Class B Performance Shares, which will result in the issue of 10 million fully paid ordinary shares, escrowed until 21 December 2018.

Table 4: Pro Forma Capital Structure Post Conversion of the Class B Performance Shares.

Capital Structure	
Tradeable Fully Paid Ordinary Shares	*22.65m*
Escrowed Fully paid Ordinary Shares[1]	*22.5m*
Fully Paid Ordinary Shares on Issue	*45.15m*
Unquoted Options[2] *($0.25 – 31/12/19 expiry)*	*14.95*[3]
Unquoted Options ($0.35 – 12/01/21 expiry)	*3.0m*

1 – 22.5 million fully paid ordinary shares will be tradeable from 21 December 2018.
2 –13.7 million unquoted options are subject to restriction until 21 December 2018.

ABOUT VANADIUM

Vanadium is a hard, silvery grey, ductile and malleable speciality metal with a resistance to corrosion, good structural strength and stability against alkalis, acids and salt water. The elemental metal is rarely found in nature. The main use of vanadium is in the steel industry where it is primarily used in metal alloys such as rebar and structural steel, high speed tools, titanium alloys and aircraft. The addition of a small amount of vanadium can increase steel strength by up to 100% and reduces weight by up to 30%. Vanadium high-carbon steel alloys contain in the order of 0.15 to 0.25% vanadium while high-speed tool steels, used in surgical instruments and speciality tools, contain in the range of 1 to 5% vanadium content. Global economic growth and increased intensity of use of vanadium in steel in developing countries will drive near term growth in vanadium demand.

An emerging and likely very significant use for vanadium is the rapidly developing energy storage (battery) sector with the expanding use and increasing penetration of the vanadium redox batteries ("**VRB's**"). VRB's are a rechargeable flow battery that uses vanadium in different oxidation states to store energy, using the unique ability of vanadium to exist in solution in four different oxidation states. VRB's provide an efficient storage and re-supply solution for renewable energy – being able to time-shift large amounts of previously generated energy for later use – ideally suited to micro-grid to large scale energy storage solutions (grid stabilisation). Some of the unique advantages of VRB's are:

- a lifespan of 20 years with very high cycle life (up to 20,000 cycles) and no capacity loss,
- rapid recharge and discharge,
- easily scalable into large MW applications,
- excellent long term charge retention,
- improved safety (non-flammable) compared to Li-ion batteries, and
- can discharge to 100% with no damage.

Global economic growth and increased intensity of use of vanadium in steel in developing countries will drive near term growth in vanadium demand.

The global vanadium market has been operating in a deficit position for the past five years (source: TTP Squared Inc), with a forecast deficit of 9,700 tonnes in 2017. As a result, vanadium inventories have been in steady decline since 2010 and they are forecast to be fully depleted in 2017 (source: TTP Squared Inc). Significant production declines in China and Russia have exacerbated this situation, with further short term production curtailment expected in China as a result of potential mine closures resulting from environmental restrictions and the banning of the import of vanadium slag.

The tightening supplies of vanadium are resulting in a global shortage, with prices appreciating dramatically since mid 2017, with reports indicating that vanadium pentoxide prices have rallied further in 2018 to in excess of US$12/lb V_2O_5, from a low of less than US$4/lb V_2O_5 in early 2017.

For, and on behalf of, the Board of the Company,

Ian Prentice
Executive Director
Technology Metals Australia Limited

- ENDS -

About Technology Metals Australia Limited

Technology Metals Australia Limited (ASX: TMT) was incorporated on 20 May 2016 for the primary purpose of identifying exploration projects in Australia and overseas with the aim of discovering commercially significant mineral deposits. The Company's primary exploration focus is on the Gabanintha Vanadium Project located 40 km south east of Meekatharra in the mid-west region of Western Australia with the aim to develop this project to potentially supply high-quality V2O5 flake product to both the steel market and the emerging vanadium redox battery (VRB) market.

The Project, which consists of five granted tenements and one exploration licence application, is on strike from, and covers the same geological sequence as, Australian Vanadium Limited's (ASX: AVL) Gabanintha Vanadium project. Vanadium mineralisation is hosted by a north west – south east trending layered mafic igneous unit with a distinct magnetic signature. Mineralisation at Gabanintha is similar to the Windimurra Vanadium Deposit, located 270 km to the south, and the Barambie Vanadium-Titanium Deposit, located 155 km to the south east. The key difference between Gabanintha and these deposits is the consistent presence of the high grade massive vanadium – titanium – magnetite basal unit, which is expected to result in an overall higher grade for the Gabanintha Vanadium Project.

Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Technology Metal Australia Limited's planned exploration programs, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Technology Metal Australia Limited believes that its forward-looking statements are reasonable; however, forward-looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

Competent Persons Statement

*The information in this report that relates to Exploration Results are based on information compiled by Mr Ian Prentice. Mr Prentice is a Director of the Company and a member of the Australian Institute of Mining and Metallurgy. Mr Prentice has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which they are undertaking 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' ("**JORC Code**"). Mr Prentice consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to Mineral Resources is based on information compiled by Mr Aaron Meakin. Mr Meakin is a Principal Consultant with CSA Global and a Member of the Australian Institute of Mining and Metallurgy. Mr Meakin has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which he is undertaking 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' ("**JORC Code**"). Mr Meakin consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

The information in this report that relates to the Processing and Metallurgy for the Gabanintha project is based on and fairly represents, information and supporting documentation compiled by Damian Connelly who is a Fellow of The Australasian Institute of Mining and Metallurgy and a full time employee of METS. Damian Connelly has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Damian Connelly consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX 1

JORC Code, 2012 Edition – Table 1

1.1 Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary

Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*
	• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*
		• A combination of reverse circulation (RC) and diamond drilling was completed across the project area to obtain 1m samples as follows:
		  o 85 RC holes for 8,386m on the Northern Block
		  o 13 HQ diamond holes for 1,235m on the Northern Block
		• For the RC drilling 1m samples were cone split off the rig cyclone, with sample weights of nominally 2 to 3 kg collected.
		• Duplicate 2 to 3 kg samples were collected from every metre sample.
		• Duplicate samples were submitted for analysis for every 20 m down hole, ensuring duplicates were submitted for mineralised zones (based on geological logging and hand-held Olympus Vanta XRF results).
		• For the diamond drilling 1m samples were cut half core except where duplicates were presented to the lab and the primary sample was quarter core (one in every 20 to test the consistency of sample preparation) with samples typically 2 to 6 kg being collected.
		• Six ~0.5m whole core samples were collected for metallurgical testwork.
		• Individual samples were assayed for every interval, with a representative half core being kept for the majority of intervals drilled.
		• Standards were submitted for analysis for every 20m down hole, testing QC of the XRF analysis.
		• Blank material (sand) was presented to the lab every 50th sample to test the cleanliness of the crushing procedure at the lab.
		• Samples analysed by XRF spectrometry following digestion and Fused Disk preparation.

Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC drilling utilised a 5.5" face-sampling hammer • HQ3 triple tube (for oxide) and HQ2 (below weathering surface) diamond core was drilled and oriented using a reflex ACT III tool and holes were surveyed using a Reflex Gyroscope.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC sample recovery was assessed based on the estimated bulk sample collected for each metre. Each bag was not weighed. For 1 in 3 holes a spring gauge was used to ensure the cone split remained within the 2 to 3 kg range. • Diamond drilling sample recovery was assessed based on the measured lengths of presented core, grinding marks and core loss noted in the drillers log with >95% recovery below the base of complete oxidation (which ranges from 5-70m across the mineralised units). Recoveries approached 100% in all but the faulted intervals in the fresh rock. • There does not appear to be any relationship between recovery and grade except that the massive mineralisation approximates 100% recovery as it does not weather easily.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Drill samples were logged in the field, with the total length of holes logged in detail. • RC drill chips for every meter were collected in trays and photographed. • Drill core was collected in trays, photographed, cut and palletised by hole near site for reference. • Basic geotechnical logging of the diamond core was undertaken including collecting recovery, rock quality designation (RQD) and fracture orientation data.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• For the RC drilling duplicate 2 to 3 kg samples were collected from every metre sample. • Samples were cone split at the drill rig and represent approximately 5% of the total material for each metre sampled. • Most samples were dry. • Samples were dried and pulverised in the laboratory and fused with a lithium borate flux and cast into disks for analysis. • Field duplicates were submitted such that there were at least 1 duplicate sample for every 20 samples analysed. • For diamond drilling half core was taken using a V notched slider on a manual diamond core saw, except for one in twenty samples where quarter core was presented to the lab as the primary sample and a duplicate quarter core presented with a different sample number. • The core saw cuttings were cleared every 30 samples and between high and low-grade samples and when chips were dislodged • Samples were collected in calico bags, double bagged in polweave bags and triple bagged in bulk bags to ensure no sample loss. Calico bags were dried then emptied and

Criteria	JORC Code explanation	Commentary
		crushed in jaw crushers then pulverised in ring mills at Intertek Genalysis • Samples were fused with a lithium borate flux and cast in to disks for analysis by XRF. • Diamond twin drilling has been completed for 5 holes from the previous RC program with the RC under reporting grade only marginally suggesting the sample size has been appropriate to the material being sampled. Any loss of fines in previous RC drilling is not contributing to a systematic 'upgrading' of V_2O_5 or TiO_2 • Standards were submitted for analysis for every 20m down hole, validating QC of the XRF analysis • Blank material (sand) was presented to the lab every 50th sample to test the cleanliness of the crushing procedure at the lab.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Pulverised samples from every interval (overwhelmingly one metre samples) were fused with a lithium borate flux and cast in to disks and analysed by XRF spectrometry – method FB1/XRF77. • Field duplicates, appropriate certified reference materials (CRMs) including crushed standards derived from previous RC drilling, laboratory check samples and blanks were used. • Quality control procedures demonstrate acceptable levels of accuracy and precision have been achieved. CRM materials inserted to the sample stream at the laboratory have performed acceptably, and field duplicate samples have performed well. Blanks have not shown signs of target element enrichment.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intersections correlate with mineralised zones as defined from geological logging. All sampling was completed by an independent geologist Mr John McDougall BSc. (Hons). MAIG. • The estimation of significant intersections has been verified by an alternate company personnel. • There were no adjustments to assay data. Where the half metre core for metallurgical testwork was removed the intersection was reported excluding this interval.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The grid system used for collar positions was MGA94 – Zone 50. • Planned hole collar positions were located using hand held global positioning system (GPS). Collars were later located by differential GPS (DGPS). The coordinates correlate well so DGPS hole position data has being verified.

Criteria	JORC Code explanation	Commentary
		• RL's are also derived from the DGPS and were collected to +- 0.10m. The accuracy has been rounded for presentation. • Down hole surveys were completed using an Axis Gyro every 30m down hole and at the collar and end of hole.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The drill data in the Northern Block is on nominal 100m and 200m line spacing with holes located every 40 to 50m along the drill lines. • 13 diamond holes were drilled in the Northern Block with 5 twins of previous RC drilling and a broad spread of locations to measure representative density data. • Detailed airborne magnetics supports strike and down dip continuity assumptions of the massive magnetite zone which is known to host high grade mineralisation. • This continuity has been additionally supported by drilling data. • Data is considered appropriate for use in estimating a Mineral Resource. • No sample compositing is applied to the resource numbers.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The drilling has been completed at an orientation that would have been unlikely to have introduced a sampling bias. The drill holes are drilled orthogonal to the measured strike +-10°, the apparent thickness is 0.85 X the true thickness, drill deviations were not noticeably higher through the mineralised zone
Sample security	• *The measures taken to ensure sample security.*	• Samples were collected in calico, polyweave and bulk bags, sealed securely and transported by Company personnel until handover to a commercial transport company, which delivered the samples by road transport to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A representative from the independent geological consultants, CSA Global, visited the site during the infill and extensional drilling program in the Northern Block and found drilling and sampling procedures and practices to be acceptable. • No other audits or reviews have been completed to date.

1.2 **Section 2 Reporting of Exploration Results**

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness*	• The areas drilled are located on current Prospecting Licences 51/2942, 51/2943 and 51/2944 and Exploration Licence 51/1510.

Criteria	JORC Code explanation	Commentary
land tenure status	*or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The tenements are granted and held by The KOP Ventures Pty Ltd, a wholly owned subsidiary of Technology Metals Australia Limited.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• RC drilling was completed in 1998 by Intermin Resources NL under an option agreement on tenements held by Oakland Nominees Pty Ltd – consisting of GRC9801 to GRC9805 (on Prospecting Licences 51/2164) and GRC9815 to GRC9817 (on Prospecting Licence 51/2183). • The areas drilled are located on current Prospecting Licences 51/2943 (GRC9801, GRC9802), 51/2944 (GRC9803, GRC9804, GRC9805) and 51/2942 (GRC9815 to GRC9817) held by The KOP Ventures Pty Ltd, a wholly owned subsidiary of Technology Metals Australia Limited. • Exploration prior to this drilling included geological mapping and limited rock chip sampling completed across a zone of outcropping vanadiferous titanomagnetite layered mafic igneous unit by various parties.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Massive vanadiferous titanomagnetite within an intrusive medium to coarse grained anorthositic gabbroic layered sill roughly 1 km thick in the Gabanintha formation. Fractionation within the intrusive body forms cumulate layers of magnetite near the base of the intrusion. • Occurs both in outcrop and extending down dip in parallel layers with a dip of ~60-65 degrees steepening in the northern zone to >70 degrees.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Not relevant. Exploration results are not being reported. Mineral Resources are being disclosed (see Section 3). • All relevant material from previous drilling has been reported to the ASX on the following dates: 9th March 2017, 4th April 2017, 19th April 2017, 31st August 2017, 14th September 2017, 18th October 2017 and 7th December 2017.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such*	• Not relevant. Exploration results are not being reported. Mineral Resources are being disclosed (See Section 3).

Criteria	JORC Code explanation	Commentary
	aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Not relevant. Exploration results are not being reported. Mineral Resources are being disclosed (See Section 3).
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate diagrams contained in the report to which this Table 1 applies.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Not relevant. Exploration results are not being reported. Mineral Resources are being disclosed (See Section 3).
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Geophysical data in the form of aeromagnetic data assists the geological interpretation of the main high magnetite unit and highlights offsets due to faults and or dykes. Historic drilling data is not used due to uncertainty in location and orientation • Down hole density had been collected as secondary information to the Vernier Caliper and Archimedean measurements on about half the RC and diamond drill holes
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further drilling is expected to consist of infill and extensional drilling, particularly in areas of current nominal 200m line spacing. • Diamond drilling expected to collect further samples for metallurgical testwork. • Geotechnical diamond drilling may be required subject to the outcome of ongoing mining and processing studies.

1.3 Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Drilling data is stored in a DataShed database system which is an industry best practise relational geological database. Data that has been entered to this data base is cross checked by independent geological contracting staff to ensure accuracy. CSA Global has been provided with a number of pdf format assay certificates from the laboratory and completed its own checks, finding that all

Criteria	JORC Code explanation	Commentary
		checked assay data was correctly captured in the relevant database table. • Data used in the Mineral Resource estimate is sourced from a database export. Relevant tables from the data base are exported to MS Excel format and converted to csv format for import into Datamine Studio RM software. • Validation of the data import include checks for overlapping intervals, missing survey data, missing assay data, missing lithological data, and missing collars.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A two-day site visit was completed by a CSA Global staff member in August 2017 while drilling was in progress. The site visit confirmed that industry best practice procedures are in place and being followed, with drilling, sampling and logging practice being observed. Drill collar locations have been captured by hand held GPS confirming their stated survey locations. Mineralisation outcrop extents were followed, with measurements taken confirming the interpreted strike and dip.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Based on surface geological and structural mapping, drill hole logging and sample analysis data and geophysical TMI data, the geology and mineral distribution of the massive V-Ti-magnetite zone appears to be relatively consistent through the interpreted strike length of the deposit. Cross cutting faults and dykes, interpreted from the drill hole and magnetic data and surface mapping have been modelled. These features displace the mineralisation as shown in the diagrams in the body of this report. Drill hole logging has shown some narrow quartz porphyry units which have been modelled, cutting through the mineralisation on some sections. In the hanging wall and foot wall of the massive magnetite zone, the mineralised units are defined at a nominal 0.4% V_2O_5 lower cut off grade and a nominal minimum 3m downhole continuity. The geological and grade continuity of some of these zones is not as well understood as the massive magnetite unit, however drill sample analysis demonstrates consistent zones of more disseminated mineralisation existing in the hanging wall and foot wall of the massive unit along strike and on section. Weathering surfaces for the base of complete oxidation (BOCO) and top of fresh rock (TOFR) have been generated based on a combination of drill hole logging, magnetic susceptibility readings and sample analysis results. A partially mineralised cover sequence is interpreted as depleting the top few metres of the model interpreted based on lithological logging of the drilling. • Surface mapping, drill hole intercept logging, sample analysis results and TMI data have formed the basis of the geological and mineralisation interpretations. Assumptions have been made on the depth and strike extent of the mineralisation based on the drilling and

Criteria	JORC Code explanation	Commentary
		geophysical data, as documented further on in this table. Based on the currently available information contained in the drilling data, surface mapping and the geophysical data, the assumption has been made that the hanging wall and foot wall disseminated mineralisation lenses that are in the same stratigraphic position relative to the massive magnetite are related and are grouped together as the same zones for estimation purposes. • The extents of the modelled mineralisation zones are constrained by the available drill and geophysical data. Alternative interpretations are not expected to have a significant influence on the global Mineral Resource estimate. • The continuity of the geology and mineralisation can be identified and traced between drill holes by visual, geophysical and geochemical characteristics. Additional data is required to more accurately model the effect of any potential structural or other influences on the modelled mineralised units, Confidence in the grade and geological continuity is reflected in the Mineral Resource classification.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The modelled mineralisation strikes approximately 160° to 340°, dipping on average about 55° towards 250°, with a modelled strike extent of approximately 4.4km. The mineralisation is interpreted to be folded back on itself at the northern end. The stratiform massive magnetite unit has a true thickness varying between 7m and 25m. The interpreted disseminated mineralisation lenses appear to be better developed in the southern half of the modelled area, with cumulative true thickness of the order of 45m in the south from up to six lenses, reducing to roughly 25m in the northern third from four to five lenses and approximately 8m from one lens in the extreme north of the deposit. The massive magnetite outcrops and has been mapped along the strike extent and has been extended to a maximum of approximately 260m below topographic surface or nominally 50m down dip of the deepest drill hole intersections. The strike extent is extended a nominal 200m, or half the nominal drill section spacing, past the last drilling section in the south to the intersection with the tenement boundary based on the surface mapping and geophysical data extents. In the north the mineralisation is terminated nominally 100m past drilling based on the surface mapping extents of the outcropping mineralisation. In the folded area in the north down dip extent is limited to a maximum 50m down dip of drill section data, or 120m below topographic surface, due to the greater geological uncertainty. The immediate hanging wall disseminated mineralisation zone above the massive magnetite is considered to be the most consistent of the disseminated magnetite zones and is interpreted to similar extents as the massive magnetite. The lenses further up in the

Criteria	JORC Code explanation	Commentary
		hanging wall are not as clearly constrained and understood, mostly due to lower drill coverage at depth, and therefore the down dip extent is successively reduced upwards in the sequence as can be seen in the representative cross section in the body of this report. Given the continuity defined over the drilled extents (fenceline spacings of 100m to 200m) and being additionally informed by the magnetics (TMI), these extrapolation extents are considered reasonable.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• The Mineral Resource estimate was completed in Datamine Studio RM software using the ordinary kriging (OK) estimation method, with an Inverse Distance Weighting to the power of two (IDW) estimation method also completed for validation purposes. Estimations were completed for V_2O_5, Fe and contaminant elements, TiO_2, Al_2O_3, SiO_2, P and S, and loss on ignition at 1000°C (LOI). Due to the mineralised zones being cut by and / or offset by faults and dykes the mineralisation interpretation consists of 12 massive magnetite and 36 disseminated magnetite mineralisation lenses. These are grouped together using a numeric zone code as the massive magnetite lenses, or for the disseminated mineralisation lenses they grouped together based on stratigraphic position in the hanging wall or foot wall relative to the massive magnetite. These lens groupings are then further split based on the weathering surface interpretations into oxide, transition and fresh materials. The preliminary statistical analysis completed on the massive magnetite and stratigraphically relative grouped disseminated magnetite domains showed that for the some of the combined mineralisation / weathering state domain groupings there were not sufficient samples to complete a robust grade estimation. As a result, due to insufficient data points for the oxide massive magnetite, the oxide material was combined with transitional to form one estimation domain. Similarly, in the foot wall disseminated magnetite domains, the oxide and transition zones are grouped together. All data in the upper most hanging wall disseminated unit is combined into a single domain. This has resulted in 17 separate estimation domains being defined with hard boundaries being used between the defined combined weathering and mineralisation estimation domains. A detailed statistical analysis was completed for each of the defined mineralisation / weathering state estimation domains. This analysis showed that while co-efficient of variation was generally low (below 0.5) for all grade variables, some outlier grades existed and, in the CP's opinion, required balancing cuts to prevent estimation bias associated with outlier values. For the massive magnetite top cuts were applied to P, S and SiO_2 in the combined weathered domain, and for P and SiO_2 in the fresh domain. For the disseminated magnetite domains, S was top cut in the oxide zone of

Criteria	JORC Code explanation	Commentary
		all hanging wall domains, in the transition zone of the second and fourth up hanging wall domains, and in the fresh zone of third up hanging wall and the foot wall domains. A top cut to P was applied in the fresh zone of the second up hanging wall domain. A top cut for LOI was applied to the fresh zone of the first and third hanging wall domains. Drill spacing is nominally 40m to 50m on sections spaced 100m or 200m apart. Maximum extrapolation away from data points is to 200m in the south and up to 100m down dip. Kriging neighbourhood analysis (KNA) was used in conjunction with the modelled variogram ranges and consideration of the drill coverage to inform the search parameters. Search ellipse extents are set to 320m along strike, 75m down dip and 40m across dip, ensuring that the majority of the block estimates find sufficient data to be completed in the first search volume. The search volume was doubled for the second search pass and increased 20-fold for the third search pass to ensure all block were estimated. A maximum of 8 samples per hole, with a minimum of 15 and a maximum of 36 samples are allowed for a block estimate in the first search pass, reducing to a minimum of 12 samples and a maximum 30 samples for the second pass, and the maximum was then further reduced to maximum 24 samples for the final pass. • The IDW check estimate results produced comparable results with a less than 0.1% difference in global V_2O_5 grade • No assumptions have been made regarding by-product recovery at this stage, however as metallurgical process testwork progresses all options will be assessed. • Potentially deleterious P and S have been estimated • A volume block model with parent block sizes of 50 m (N) by 10 m (E) by 5 m (RL) was constructed using Datamine Studio Software. Minimum sub cells down to 2.5 m (N) by 2.5 m (E) by 2.5 m (RL) were allowed for domain volume resolution. Drill spacing is nominally 40m to 50m across strike on west to east sections spaced either 100m or 200m apart north to south. • No assumptions have been made regarding selective mining units at this stage. • A strong positive correlation exists between Fe and V_2O_5 and TiO_2 and a strong negative correlation between Fe and Al_2O_3, SiO_2 and LOI. • The separate interpreted mineralisation zones domained based on the geological, geochemical and geophysical data, and further domained by weathering state have been separately estimated using hard boundaries between domains. The model is depleted by fault zones, intrusive dykes, cross cutting quartz porphyries and surficial colluvium zones that have been interpreted based on the geological, geochemical and geophysical data.

Criteria	JORC Code explanation	Commentary
		• Block model validation has been completed by statistical comparison of drill sample grades with the OK and IDW check estimate results for each estimation zone. Visual validation of grade trends along the drill sections was completed and trend plots comparing drill sample grades and model grades for northings, eastings and elevation were completed. These checks show reasonable comparison between estimated block grades and drill sample grades, with an increase in block model grade compared to the drill sample data for V_2O_5 of <1% in the massive magnetite, and a decrease of <1% for block grades compared to drill sample data in the disseminated mineralisation. • With no mining having taken place there is no reconciliation data available to test the model against.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages have been estimated on a dry, in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The adopted lower cut-off grade for reporting of 0.4% V_2O_5 is supported by the metallurgical results and conceptual pit optimisation study as being reasonable.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• It has been assumed that these deposits are amenable to open cut mining methods and are economic to exploit to the depths currently modelled using the cut-off grade applied. No assumptions regarding minimum mining widths and dilution have been made.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Metallurgical amenability has been assessed based on results from TMT's ongoing detailed metallurgical testwork program (TMT ASX announcement, 22 February 2018) from its Northern Tenement Block. • The work conducted to date consists of comminution testwork and magnetic beneficiation testwork based on six representative composite samples from diamond drilling throughout the Northern Tenement Block. • The magnetic beneficiation testwork consisted of low intensity magnetic separation (LIMS) on the six composite samples (massive fresh, massive transitional, massive oxide, disseminated fresh, disseminated transitional and disseminated oxide) at three nominal grind sizes of P80 passing 45, 106 and 250 microns undertaken by a triple pass methodology at 1200 Gauss. • The results showed that grades of 1.12% to 1.34% V_2O_5 reported to a magnetic concentrate at the P80 passing 106 micron grind size, with iron grades ranging between 52.6% and 57.9%. Massive fresh material showed a mass recovery of 85.6% reporting to the magnetic

Criteria	JORC Code explanation	Commentary
		concentrate, with a vanadium recovery of 97.8%. The massive transitional and massive oxide returned mass recoveries of 68.8% and 25.2% respectively and vanadium recoveries of 77% and 28%. Mass recovery for the disseminated material ranged from 33%, for the fresh, down to 1.9% for the oxide, with vanadium recoveries ranging from 75.9% down to 4.29%. • There was a very high rejection of gangue minerals from all of the composites, with SiO_2 grades in the magnetic concentrates ranged from 0.46% in the massive fresh up to 4.49% in the disseminated transitional, with Al_2O_3 ranging from 1.92% in the disseminated oxide up to 2.8% in the disseminated fresh. • Wet high intensity magnetic separation (WHIMS) is being conducted on the non-magnetic tails stream produced from the LIMS to optimise vanadium grade and recovery in the massive high grade oxide, disseminated fresh, disseminated transitional and disseminated oxide material. • Based on the LIMS results, preliminary WHIMS results and assumed recoveries for the salt roast / leach processing the following recovery factors have been estimated for each composite type: o Massive fresh – 80% o Massive transitional – 75% o Massive oxide – 60% o Disseminated fresh – 50% o Disseminated transitional – 45% o Disseminated oxide – 35% • Further beneficiation options will be explored for the more oxidised materials that do not perform as well with magnetic separation techniques. • Additional metallurgical test work currently underway is assessing the extraction of V_2O_5 from the magnetic concentrates utilising traditional salt roast / leach processing. Follow up beneficiation work is also underway focusing on a range of composite samples from discrete locations throughout the Northern Block Resource to provide characterisation along the strike and down dip of the Northern Block Mineral Resource. This work will involve running modified Davis Tube Recovery (DTR) tests designed to replicate the parameters of the completed LIMS testwork on up to 30 individual diamond drilling sample composites.
Environmen-tal factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project,*	• No work has been completed by the company regarding waste disposal options. It is assumed that such disposal will not present a significant barrier to exploitation of the deposit and that any disposal and potential environmental impacts would be correctly managed as required under the regulatory permitting conditions.

Criteria	JORC Code explanation	Commentary
	may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	

Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*
	• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.*
	• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*
		• Density measurements by calliper method have been completed for 61 samples across a range of material types from the drill core in the Northern Tenement Block. In addition, the density of six core samples submitted for metallurgical testing have been measured using immersion techniques and correlate well with the calliper measurements.
		• The density data has been separated by weathering state into oxide, transition and fresh, and further by mineralisation type into waste, disseminated mineralisation and massive mineralisation. The means of the measured densities from these various domains have been applied to the appropriate domains in the block model as follows:
		  • Massive magnetite mineralisation mean density in t/m^3:
		    o Oxide:.3
		    o Transition: 3.8
		    o Fresh: 4.3
		  • Disseminated magnetite mineralisation mean density in t/m^3:
		    o Oxide:.2
		    o Transition: 3.2
		    o Fresh: 3.4

Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Classification of the Mineral Resource was carried out taking into account the level of geological understanding of the deposit, quantity, quality and reliability of sampling data assumptions of continuity and drill hole spacing. • The Mineral Resource estimate has been classified in accordance with the JORC Code, 2012 Edition using a qualitative approach. All factors that have been considered have been adequately communicated in Section 1 and Section 3 of this Table. • The Mineral Resource is classified as an Indicated Mineral Resource for those volumes where in the Competent Person's opinion there is adequately detailed and reliable, geological and sampling evidence, which are sufficient to assume geological and mineralisation continuity. • Indicated Mineral Resources are reported for portions of the transitional and fresh materials in the massive magnetite and the immediate hanging wall disseminated magnetite unit. The confidence in grade and geological continuity is highest in these zones, based on the kriging slope of regression results, the majority nominal drill section spacing of 100 m, which is extended to 200 m spacing for three sections in the south where a high level of confidence was placed in geological continuity based on the drilling,

Criteria	JORC Code explanation	Commentary
		surface mapping and geophysical information. • The Mineral Resource is classified as an Inferred Mineral Resource where the model volumes are, in the Competent Person's opinion, considered to have more limited geological and sampling evidence, which are sufficient to imply but not verify geological and mineralisation continuity. • Inferred Mineral Resources are reported for all oxide material, the volumes of the massive magnetite and it's immediate hanging wall disseminated unit not classified as Indicated, and for all remaining hanging wall disseminated mineralisation lenses and the foot wall unit. These zones have a drill section spacing generally at 200 m or in the case of the upper hanging wall and foot wall disseminated zones there is a lower confidence in the geological and grade continuity. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits and peer review were completed by CSA Global which verified and considered the technical inputs, methodology, parameters and results of the estimate. No external audits have been undertaken.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code. • The Mineral Resource statement relates to global estimates of in situ tonnes and grade. • No mining has taken place at this deposit to allow reconciliation with production data.