



March 2018 Quarterly Activities Report

MetalsTech Limited (ASX: MTC) is pleased to report on its activities, for the quarter ended 31 March 2018.

OVERVIEW

During the quarter MTC undertook a corporate review and introduced a number of strategic and structural corporate changes and actions including Board level changes and key executive appointments.

MTC further enhanced the underlying value of its Lithium portfolio in Quebec, through the consolidation of ground holding at Wells-Lacourciere and commenced a maiden diamond drilling program at Adina.

MTC also advanced its cobalt exploration programs, for the Bay Lake prospect and Rusty Lake Silver - Cobalt Mine, through a variety of site visits and stakeholder meetings, drilling contract, technical engagements and executive appointments. These activities were part of the preparatory processes introduced for the upcoming ground based, exploration season and maiden drilling programs during the June and September 2018 quarters.

The Company also welcomed cornerstone shareholder, Wuxi Baichuan Chemical Industrial Co ("BC Chem") to the register. Together with a capital raising with sophisticated and professional investors in April, the Company is well funded and resourced with experienced personnel to commence its maiden exploration activities on the prospective cobalt portfolio in Ontario.

OUTCOMES AND ACTIONS

- Maiden reconnaissance diamond drilling program commenced at the Adina lithium project, Quebec
- Interest received from strategic partners and end-users with respect to project level funding of MTC's lithium projects, including Cancet and Adina
- MetalsTech resolved to retain its valuable high-grade cobalt assets, including the Rusty Lake silver-cobalt mine and cancel the spinout of iCobalt
- Appointment of David Riekie as Managing Director of MTC and Cherie Leeden as Technical Director - Canada, who collectively bring exploration, energy storage and aligned battery mineral experience
- Appointment of Dr Alain Berclaz as VP Exploration (Lithium) to support the future lithium exploration activities
- Reduction of the number of Directors and transition of Messrs Moran and D 'Anna to Non-executive responsibilities
- Progress several low-cost/high value pipeline opportunities in the cobalt space
- Leading diversified and battery-related chemicals manufacturer Wuxi Baichuan Chemical Industrial Co confirms cornerstone 9.44% stake in MTC, through a \$1.8 million placement
- MTC subsequently raised an additional \$1.42 million with sophisticated and institutional investors via the issue of ~5.92m fully paid ordinary shares during April 2018



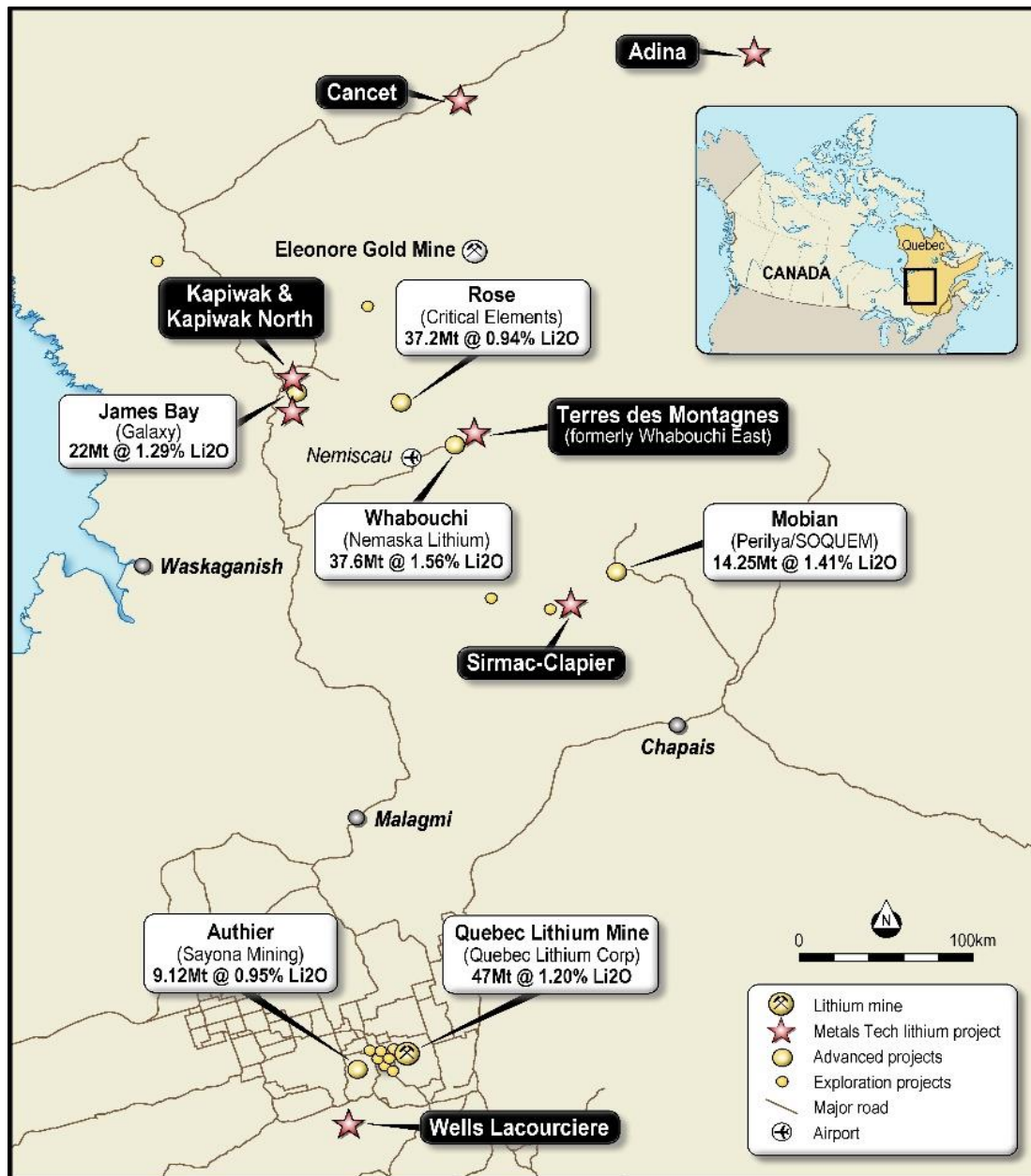
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Board of Directors
Non-Executive Chairman - Russell Moran
Non Executive Director - Gino D'Anna
Managing Director - David Riekie
Company Secretary - Paul Fromson

Projects	
Cancet (Li)	100% owned
Adina (Li)	100% owned
Terre Des Montagnes (Li)	100% owned
Wells-Lacourciere (Li)	100% owned
Kapiwak (Li)	100% owned
Sirmac-Clapier (Li)	100% owned
Bay Lake (Co)	100% owned
Rusty Lake (Co)	100% owned

LITHIUM PROJECTS - QUEBEC

MTC now owns through its wholly owned, project specific subsidiaries, approximately 52,000 hectares, prospective for lithium all in the province of Quebec, Ontario. These mining claims offer a mixture of contiguous and close proximity, strategic ground holdings relative to a number of Lithium mining and processing operations in Quebec.



MTC Lithium projects - Quebec, Canada

Adina Lithium Project

The Adina Project is located ~60 km south of the Mirage Lodge, in the James Bay Region of Quebec. The project area is considered prospective for lithium with spodumene bearing pegmatite identified at the surface.

In February, MTC commenced a seven-week, ~2000m reconnaissance drilling program with up to 25 holes planned subject final drillhole depths. The primary objectives of the program



being to test strike and depth features of two pegmatite trends identified and sampled in 2016.

Cabo Drilling Corp. (Ontario) was engaged to undertake the diamond drilling campaign with geological oversight of Dahrouge Geological Consultants (Dahrouge). Dahrouge provided services, including drilling core logging, sample preparation and geological modelling.

The program was concluded during April 2018 with laboratory assay results pending.

Cancel Lithium Project

Cancel is the Company's flagship Lithium Project, in Quebec. The 100%-owned project, is undergoing additional independent review and assessment, to refine a lower cost/high impact exploration and drilling programs for the upcoming field season. Modelling of the existing drill hole data will commence next month.

Wells-Lacourciere

During the March quarter MTC consolidated and expedited the company's interests in the Wells-Lacourciere Lithium Project.

The projects are located in Quebec, Canada, covers an area of 9,350 hectares and is located close to existing mine-related infrastructure including the recently restarted Quebec Lithium Mine.

MTC entered into a deed of variation, whereby the Company made the following payments to the Vendors:

- a) completed a cash payment of CAD\$50,000 to the Vendors;
- b) issued of 165,000 fully paid ordinary shares to the Vendors, subject to 4-months voluntary escrow from the date of their issue.

The three key claims at Wells-Lacourciere, are now held 100% by the Company and transfer of the respective mining claims is in process. (Reference ASX release dated 24 January 2018).

The Company will commence geological field activities after the snow has melted, which is expected to be circa late May.

Terre des Montagne, Sirmac-Clapier, Kapiwak

Planning programs for the upcoming field season, were commenced.

COBALT PROJECTS- ONTARIO

Acquisition of Rusty Lake Cobalt-Silver Mine

During the previous quarter MetalsTech, through its fully owned subsidiary iCobalt, signed a binding option agreement to acquire 100% of the Rusty Lake High Grade Cobalt-Silver Mine located near Gowganda in Ontario, Canada. The project which boasts stockpile grades of up to 11.85% Co, 8.64% Ni and >10,000 g/t Ag after completion of due diligence and site visits.

The Rusty Lake Cobalt-Silver Mine is in Leith, Larder Lake Mining Division, Ontario. It comprises of 52 mining claim units (~816 hectares) including the No 1, No 2, No 3 and No 4 mining shafts within the historical mining operation. It is approximately 70km from the Company's Bay Lake High Grade Cobalt Project.

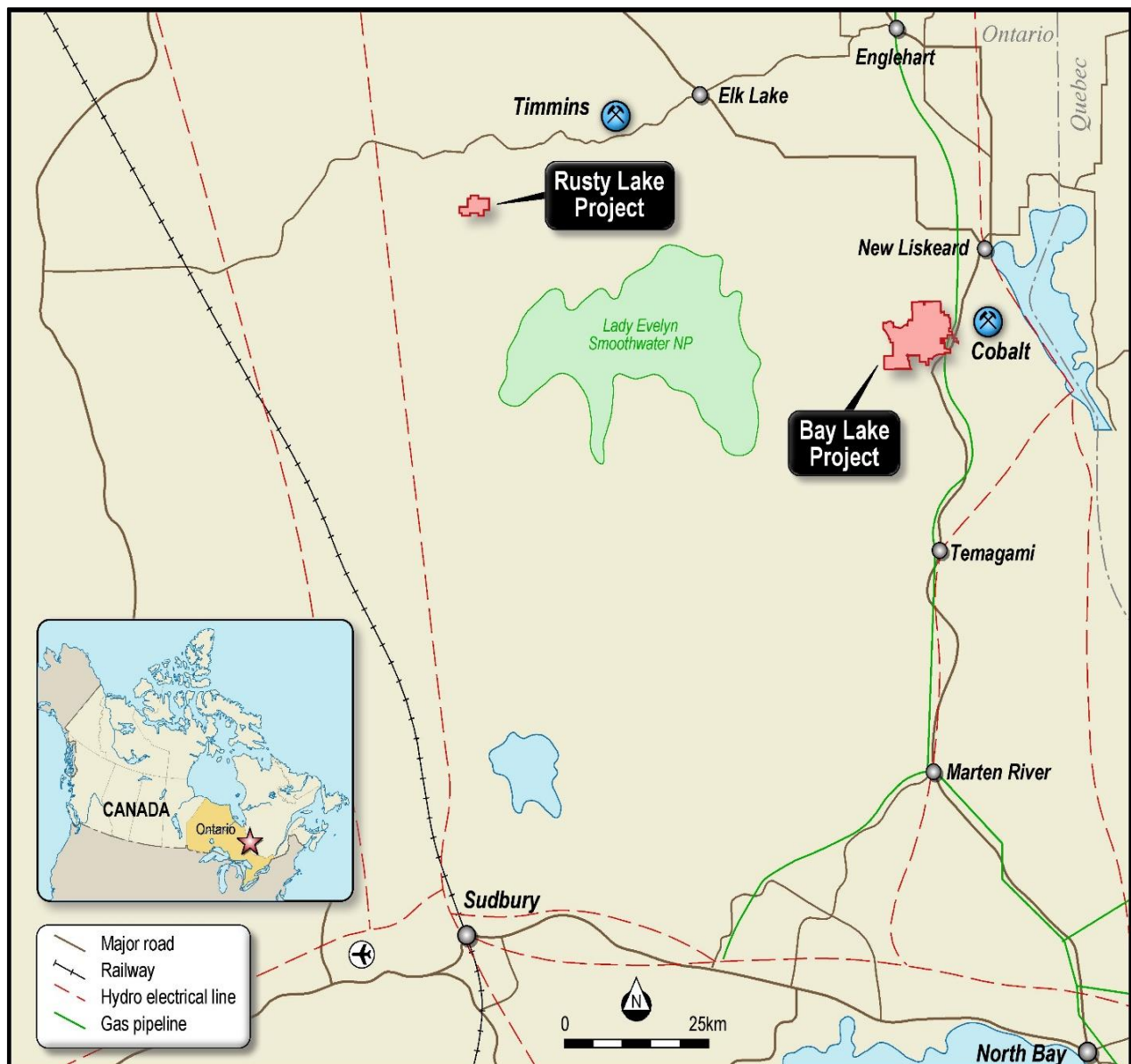
As part of the corporate and strategic reviews completed the Company proceeded with an accelerated acquisition process, which completed in mid-April. This will enable the exploration activities at Rusty Lake to commence earlier and as part of the proposed field activities for the upcoming exploration season.



The Rusty Lake project represents a near term drill target. Ground work for drilling preparation will commence after the snow has melted from the surface area, this is anticipated to be circa June (and is weather dependent). Surface exploration work is likely to take approximately 2 months prior to being drill ready.

Bay Lake Project, Cobalt Ontario

The Company undertook site visits, stakeholder meetings, and technical engagements as part of the preparatory processes being introduced for the upcoming ground based exploration field work. The exploration season is scheduled to commence as soon as the snow has melted from the surface area, this is anticipated to be circa June 2018.



MTC's Cobalt projects, Ontario, Canada



CORPORATE

iCobalt spinout cancelled

During the quarter, MTC cancelled its proposed spinout of 100%-owned subsidiary iCobalt Limited (ICO) and retained the Bay Lake and Rusty Lake high grade cobalt projects, as well as pipeline cobalt opportunities within the current corporate structure.

The rationale for retaining the high-grade cobalt assets and cancelling the spinout included:

- A shortcoming of the spinout as it failed to deliver fair value to MTC shareholders in light of:
 - a rapid escalation in the price of cobalt metal (four fold over the last 2 years);
 - significant M&A and fund raising activity for cobalt assets in the Township of Cobalt, Ontario where MTCs cobalt projects are located;
 - recent exploration success by third parties similarly targeting the Nipissing Diabase (the same cobalt-bearing rock that MTC is targeting at its cobalt projects);
- Ability to capitalise on opportunities available in the cobalt sector;
- Emergence of an opportunity to secure non-dilutive project level funding for Cancet and Adina from strategic investors and end-users, including BC Chem and
- Scope to utilise the deep energy storage and aligned battery mineral and exploration experience, through integration of the proposed ICO team, into MTC.

Board and Management Appointments and changes

a) Appointment of Managing Director

The Company appointed David Riekie as Managing Director who is an experienced ASX director at both Executive and Non-Executive levels.

He has provided corporate, strategic and compliance services to organisations in the resource and industrial sectors, and been responsible for capital raisings, stakeholder engagement, acquisition and divestment programs and overseen, exploration and resource development, scoping and feasibility studies, production, optimisation and rehabilitation initiatives.

He has special interest in the energy and energy storage sector, primarily through energy storage minerals and commodities with specific knowledge of cobalt, lithium, vanadium, uranium and graphite.

He is an independent Non- Executive Director of Paladin Energy Limited (ASX: PDN) and was formerly General Manager – Corporate for Battery Minerals Limited (ASX: BAT) and Managing Director of AVZ Minerals Limited (ASX: AVZ). He is a strong advocate, of the importance of battery resource commodities, energy storage and aligned energy sources.

b) Appointment of Technical Director for Canada

MTC appointed Cherie Leeden as its Technical Director for iCobalt Canada.

Ms Leeden holds a Bachelor of Science in Applied Geology with Honours from the Western Australian School of Mines and is a member of the Australian Institute of Geoscientists and Australian Institute of Company Directors.

She is a geologist with more than 15 years' experience in the multi-commodity mining and mineral exploration sector. She has led teams in the discovery and resource development of several graphite, base metals, iron ore and coal resources, two of which are now in production.

Ms Leeden was the co-founder and former Managing Director of Battery Minerals Limited (ASX: BAT) and was responsible for the discovery of an extensive portfolio of high grade graphite deposits in Mozambique.





c) Appointment of Vice President of Exploration

Dr Alain Berclaz was appointed Vice President Exploration. He is based in Quebec, Canada and has operated as a senior exploration project manager and geoscience expert for nearly 30 years.

Dr Berclaz has specific and localised experience in Canada and importantly has extensive LCT pegmatite experience including lithium, tantalum and rare earths. Alain is a qualified person for the purposes of NI 43-101. He has overseen a variety of exploration and project management activities and also has experience as an advisor and director of public companies.

MTC also appointed Mr Paul Fromson as a joint Company Secretary and Chief Financial Officer.

d) Board Changes and Non-Executive responsibility

As part of the restructure, Mr Russell Moran transitioned to Non-Executive Chairman and Gino D'Anna to Non-Executive Director.

Mr Michael Velletta and Mr Shane Uren resigned from their roles as Non-Executive directors

CAPITAL RAISING PROGRAMS

MTC completed a \$1.8 million escrowed placement (before costs) to diversified and battery-related chemicals manufacturer Wuxi Baichuan Chemical Industrial Co, which currently holds a 9.44% stake in MTC. This followed the registration of mining claims into MTC subsidiaries by the Quebec Government and the Minister of Energy and Natural Resources Quebec.

The Company also completed an additional placement of approximately \$1.42 million (before costs) to Sophisticated and Institutional Investors at an issue price of A\$0.24 per ordinary share, via the issue of 5,917,171 fully paid ordinary shares (Placement). Alto Capital were Lead Manager to the Placement.

Following completion of the Placement and allotment of the new fully paid ordinary shares, the Company has 112,195,404 fully paid ordinary shares on issue.

Results of General Meeting

At a General Meeting of MTC shareholders on 6 April 2018, the eight resolutions put to the meeting passed. As announced on 5 April 2018, the Company withdrew resolutions 9-12. Resolution 9, 10 and 11 were in relation to the issue of Performance Rights to certain Directors of the Company. Resolution 12 was for shareholders to vote on the sale/spinout of the Bay Lake Cobalt Project to iCobalt Limited.

ENDS

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Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning MetalsTech. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of MetalsTech as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Person Statement

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ms Cherie Leeden, who is Technical Director (Canada) and VP Exploration (Cobalt) of the Company. Ms Leeden is a Member of the Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Leeden consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

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

ASX Listing Rules Compliance

Rusty Lake Cobalt Project

Pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement dated 23 November 2017.

