MetalsTech Limited

MetalsTech

Resourcing a cleaner greener future

Annual Report
For the year ended 30 June 2018

CORPORATE INFORMATION

Directors & Officers

Mr. Gino D'Anna	Non - Executive Director and Company Secretary
Mr. Russell Moran	Non - Executive Chairman
Dr. Quinton Hills	Technical Director

Company Secretary
Mr. Gino D'Anna
Mr Paul Fromson (Joint Company Secretary)

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Perth WA 6000

Auditors
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Stock Exchange
Australian Securities Exchange Limited (ASX)
Home Exchange - Perth
ASX Code - MTC

Share Registry
Securities Transfers Registrars
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Australian Company Number
ACN 612 100 464

Australian Business Number
ABN 86 612 100 464

Domicile and Country of Incorporation
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Solicitors
Steinepreis Paganin Lawyers & Consultants
Level 4, the Read Buildings
16 Milligan Street
Perth WA 6000 Australia

The directors present their report, together with the financial statements, on MetalsTech Limited ("Company", "MTC" or "MetalsTech") and the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of MetalsTech Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2018.

Directors

The names of the directors in office at any time during or since the end of the period are:

Mr. Gino D'Anna
Mr. Russell Moran
Dr. Quinton Hills (appointed 13 September 2018)
Mr. Michael Velletta (resigned 6 April 2018)
Mr. Shane Uren (resigned 6 April 2018)
Mr. David Riekie (appointed 6 April 2018, resigned 10 September 2018)

Directors were in office for this entire period unless otherwise stated.

Company Secretary

Gino D'Anna
Paul Fromson - Joint Company Secretary appointed 16 February 2018

Principal activities

The principal activity of the Group during the financial year was lithium and cobalt exploration.

Financial results

The financial results of the Group for the year ended 30 June 2018 are:

	30-June-18	30-June-17
Cash and cash equivalents (AUD $)	1,526,761	779,667
Net assets (AUD $)	11,186,492	7,536,180
Total revenue (AUD $)	6,234	10,810
Net loss after tax (AUD $)	(4,333,460)	(1,691,564)

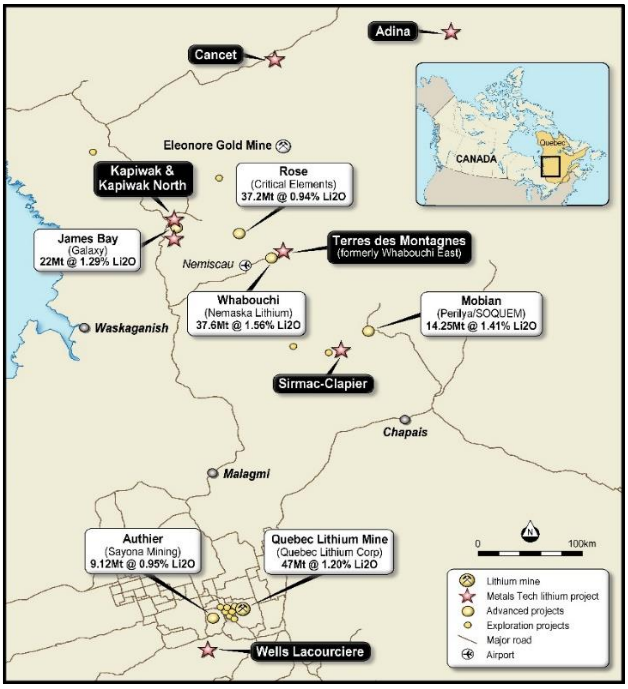
Review of Operations 2018

Summary

The Company completed an active exploration and development program throughout the 2018 financial year and the period to the date of this Directors Report, across its 100% owned portfolio of high-grade cobalt and lithium projects located in Ontario and Quebec (respectively), Canada.

During this period, MTC expanded its cobalt-focused ground holding through the completion of two strategic cobalt acquisitions, repositioning and rebalancing its exploration portfolio.

These acquisitions were part of a broader strategy to progress exploration programs which were focused on projects that will unlock the underlying value of the Company's assets, reinforcing its alignment with the market dynamics of the battery minerals sector and delivering enhanced returns to its shareholders.



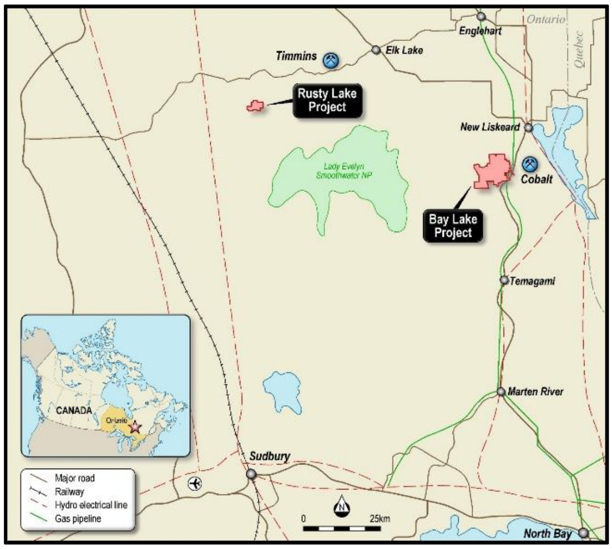


Figure 1 (left): Lithium Project Location Map, Quebec, Canada
Figure 2 (above): Cobalt Project Location Map, Ontario, Canada

Cobalt

In April 2018, the Company elected to withdraw from the process of separately listing its cobalt assets on the ASX through iCobalt Limited, and instead proceeded to significantly expand its strategic cobalt holdings in Ontario.

Through a series of strategic acquisitions, MTC has increased its cobalt landholding from 4,640 hectares to 16,112 hectares (161 km^2), as at September 2018.

The Company controls a regionally dominant position resulting from the acquisition of the former-producing Rusty Lake Mine and the Bay Lake North Project which is contiguous with the Company's core Bay Lake Project. Details of the terms of the acquisitions were announced to the ASX on 12 April 2018 and 26 July 2018 (respectively).

On 16 August 2018, MTC announced that it had commenced its maiden cobalt-focused 5,000m diamond core drilling campaign, commencing at Bay Lake North where approximately 1,200m of drilling has been completed followed by a planned 2,500m campaign at the Rusty Lake Mine during September / October 2018.

The Company plans to commence drilling at the Bay Lake project in October 2018 with a planned 1,300m of drilling.

The Cobalt Projects section of this Report contains additional details relating to the locations of the various mining claims (Figure 2, above), the primary prospects, previous, current and proposed exploration activities.

Lithium

During the financial year, the Company successfully completed two exploration drilling campaigns and a program of airborne and geophysical surveys to advance its regionally significant, lithium portfolio in the James Bay region of Quebec.

The Company's portfolio which comprises nine lithium projects all located in Quebec, comprises 898 mining claims over a total of area of 47,274 hectares (approximately 470 km^2). The project locations are shown in Figure 1, above.

The diamond core drilling programs (6,942m) were completed at the Company's flagship Cancet Lithium Project with a reconnaissance maiden drilling program completed at the Adina Lithium Project.

In addition to these drilling programs, the Company completed a program of airborne geophysical surveys at each of the Terre des Montagnes, Sirmac-Clapier and Wells-Lacourciere Lithium Projects representing a total of 5,756-line metres. In addition, the Company completed a series of project specific, prospect generative field campaigns during the period at the recently acquired Lac Rocher, Gladman and Sirmac-West Lithium Projects.

The total expenditure for the financial year relating to lithium focussed exploration activities was AUD$2.85 million. A significant portion of these expenditures have been identified as qualifying for the Quebec exploration cash rebates which are up to 38.75%. The specific details and corresponding outcomes and proposed program for each of the projects, are expanded upon, in the Lithium Projects section below.

Corporate Actions

During the financial year, the Company secured a cornerstone shareholder, Wuxi Baichuan Chemical Industry Co Ltd (BC Chem) following an investment of A$1.8 million at a share price of 18 cents per share.

In addition, the Company completed two further capital raisings totalling $3.2 million, which was applied to the maiden drilling campaign at the Adina Lithium Project, additional exploration at the Cancet Lithium Project, the acquisition of the Rusty Lake Cobalt-Nickel-Silver Mine, the acquisition of the Bay Lake North Cobalt Project, exploration at the Company's other lithium projects, exploration at the Company's Bay Lake and Rusty Lake Cobalt projects and general working capital.

Throughout the financial year, the Directors continued to actively pursue corporate and strategic opportunities to develop longer term relationships with current and prospective stakeholders in Canada and internationally.

COBALT PROJECTS – ONTARIO, CANADA (100% OWNED)

The Company has secured a dominant and expansive cobalt-focused landholding through a number of strategic acquisitions and investments. The Company's initial investment in cobalt was the Bay Lake Cobalt Project located in the prominent Cobalt-Silver Mining Camp of northern Ontario. The Company then expanded its position in this area with the acquisition of the Bay Lake North Cobalt Projects which expanded the Company's total landholding in to a district-scale of 15,280 Ha.

In April 2018, the Company announced the acquisition of the former producing Rusty Lake Nickel-Silver-

Cobalt mine which is located in the Gowganda Ag-Co Mining Camp, providing the Company with a high priority project target and an additional 832 Ha.

At present, the Company controls approximately 16,100 Ha (161 km^2) of cobalt-focused exploration project area (see Figure 3 and Table 1 below).

Table 1: Cobalt Claim and Area Summary

Cobalt Project	**Mining claims**	**Area (Ha)**
Rusty Lake	11	832
Bay Lake	55	4,640
Bay Lake North		10,640
Total		**16,112**

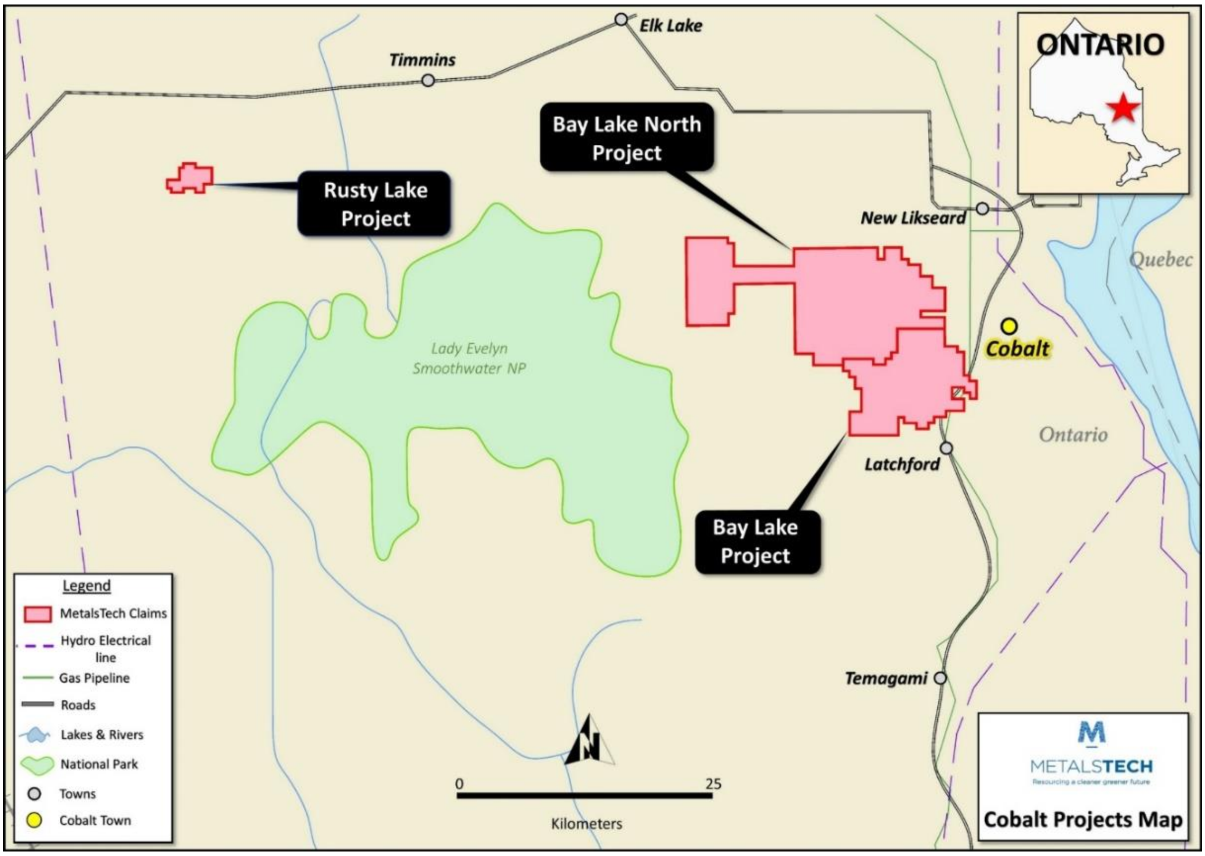


Figure 3: Location of MTC's cobalt projects in Ontario, Canada

Since the purchase of the Bay Lake Cobalt Projects, a number of field programs have been completed, including rock chip sampling campaigns, soil geochemistry campaigns, air-borne geophysical campaigns and regional prospecting designed to confirm the location of the historical cobalt occurrences and identify previous mining activities on the project area.

These programs have been successful in reconfirming the areas prospectivity for hosting high grade, vein-type mineralised cobalt.

The initial acquisition of the Bay Lake Cobalt Project formed the nucleus of the enlarged Bay Lake project area, following the recent acquisition of the highly prospective Bay Lake North Cobalt Project, providing the

Company with a contiguous cobalt ground holding of 15,280 hectares.

This combined area now represents a regionally significant and district-scale ground holding around the township of Cobalt as shown in Figure 4.

The early rock chip and soil sampling results are summarised below in Table 2.

SAMPLE	ME-ICP61 Ag ppm	ME-ICP61 Co ppm	ME-ICP61 Cu ppm	ME-ICP61 Ni ppm	ME-ICP61 Zn ppm	Co-OG62 Co %	PGM-MS23 Au ppm	PGM-MS23 Pt ppm	PGM-MS23 Pd ppm	Au-AA25 Au ppm
122733	2.4	1520	289	76	105		>1.00	0.0012	0.001	3.45
122743	1.8	1335	1535	127	45		0.012	0.0006	0.001	
122744	1.9	1200	4110	123	73		0.018	0.0006	0.001	
122745	0.9	3410	19	200	29		0.017	<0.0005	<0.001	
122746	<0.5	1480	37	115	9		0.008	<0.0005	0.001	
122751	2.2	35	1090	74	76		0.002	<0.0005	0.002	
122752	0.6	6050	16	175	25		0.004	0.0124	0.013	
122755	16.4	3030	37	2250	8		0.99	0.0009	0.001	
122764	1.1	2850	68	434	62		0.071	<0.0005	<0.001	
122765	<0.5	106	8920	25	2		0.094	<0.0005	<0.001	
122766	<0.5	3990	380	290	36		0.019	<0.0005	<0.001	
122767	<0.5	1165	75	114	36		0.194	<0.0005	<0.001	
122778	<0.5	5920	19	687	23		0.037	0.0005	0.001	
122779	<0.5	1045	7	74	120		0.004	<0.0005	<0.001	
122781	7.7	>10000	41	796	81	1.165	0.024	<0.0005	<0.001	

Table 2: Rock Chip Sample Summary – Bay Lake Cobalt Project

Common to the Cobalt Mining Camp and the Gowganda Mining Camp, the target mineralisation at all project locations is typically narrower at surface (less than 1.5m wide).

The mineralisation is vertically dipping which is ideal for underground mining methods, with the geology exhibiting a cobalt dominant mineralised lithology which is likely to be associated with other metalliferous elements such as silver, copper and nickel as evidenced in the samples assayed to date.

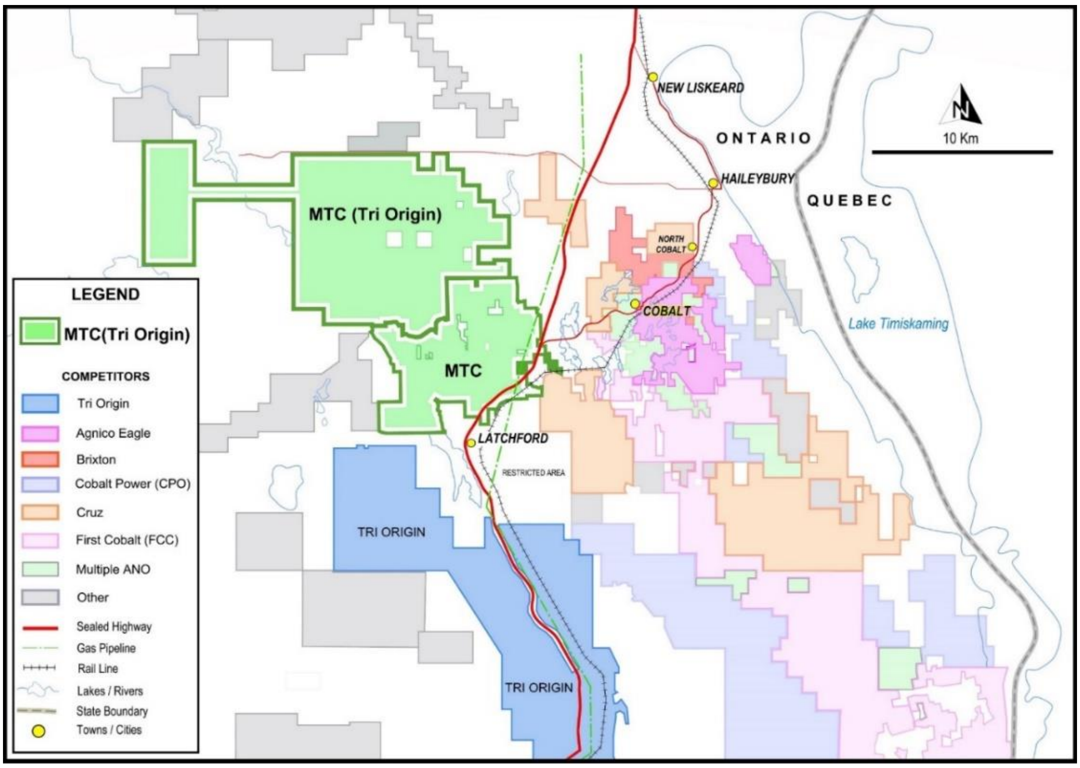


Figure 4: Regional overview of MTC and selected cobalt explorers in Cobalt Ontario (including BLN)

Rusty Lake Cobalt-Silver-Nickel Mine

The Rusty Lake Cobalt-Silver-Nickel Mine has recorded production of both silver and cobalt, from historical mining records (see Table 3).

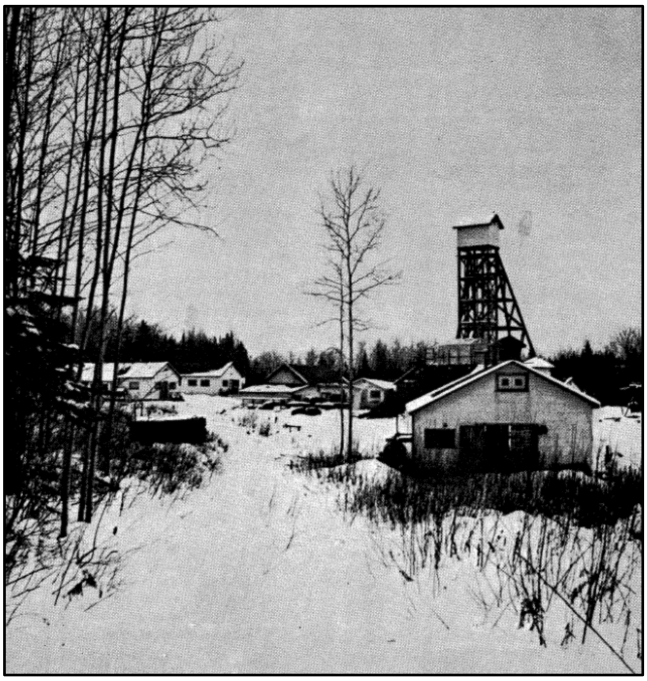


Figure 5: Historical Rusty Lake Mine c 1960

The mining activities historically focussed on high grade silver. Anecdotal and recent regional exploration has confirmed that high grade cobalt was a "pathfinder" mineral when mining for the associated, high-grade silver.

Accordingly, a feature of the high-grade cobalt is evident in the waste material in the surrounding waste dumps around the mines and shafts.

Year	Cobalt			Silver		Total Value
	lbs	value ($)		ozs	value ($)	
1936	113	30		NA	NA	30
1937	NA	NA		283	127	127
1938	371	167		1029	442	609
1964	NA	NA		22,399	31,359	31,359
1965	81	159		40,306	40,465	40,465
1966	NA	NA		30,731	38,731	38,731

Table 3: Historical Mining records and production

Investigation by the Company of historical mining records from mine department archives has enabled an illustrative representation of the extent of the historical mine and workings.

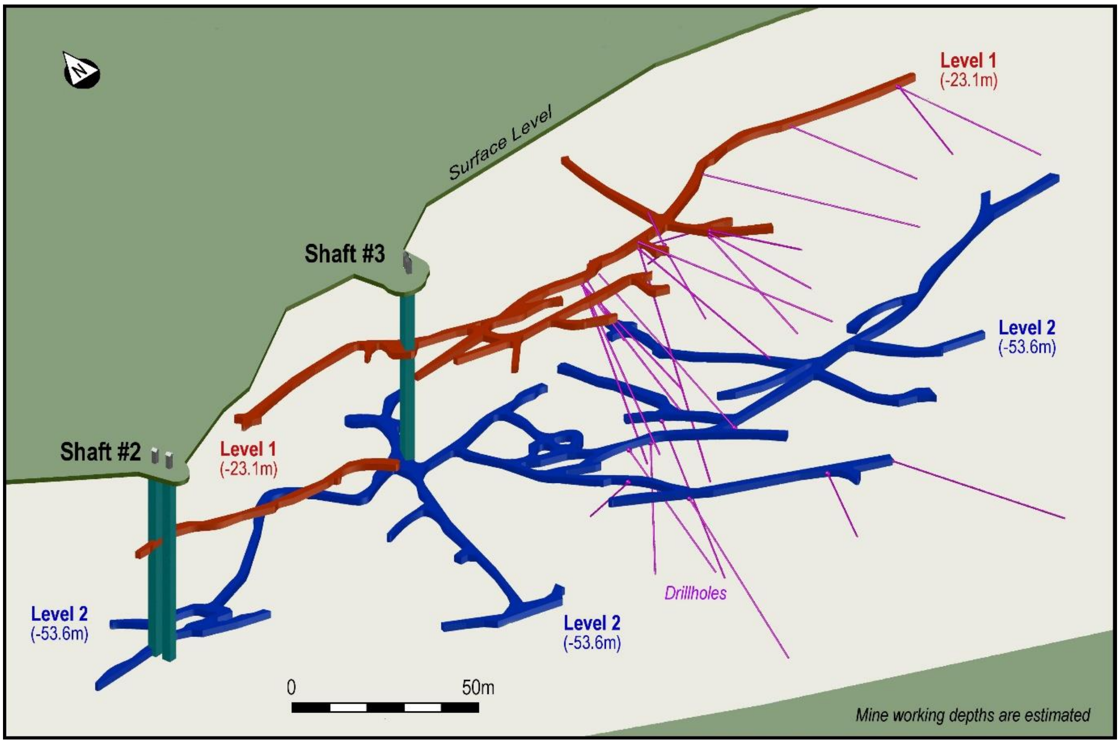


Figure 6: Old mine workings at the Rusty Lake Cobalt-Silver-Nickel Mine, Ontario, Canada - **Illustrative purposes only, based on historical reports**

On 12 April 2018, the Company announced the completion of the Rusty Lake Mine acquisition and immediately accelerated both geophysical surveys and ground-based exploration activities. These early exploration activities formed the foundation for the planned 2,500m drilling campaign that commenced at the Rusty Lake Mine in September 2018. A summary of these results is shown in Table 4.

				Co	Co	Cu	Cu	Ni
Sample	UTM-E	UTM-W	Rock Description	ppm	%	ppm	%	ppm
RLRC001	514924	5262417	Quartz-Calcite Vein. Trace sulphides	68.8	0.0069	1755	0.1755	24.8
RLRC002	514905	5262421	Diabase. Plagioclase feldspar and pyroxene	>10000	**2.3500**	4920	0.492	9510
RLRC003	514924	5262425	Feldspathic Quartzite	883	0.0883	2740	0.274	324
RLRC004	514906	5262426	Diabase - Plagioclase feldspar and pyroxene	103.5	0.0104	976	0.0976	24.5
RLRC005	514906	5262426	Quartz-Calcite Vein. Trace copper sulphides	130.5	0.0131	3870	0.387	22.4
RLRC006	514897	5262423	Calcite-Diabase contact	408	0.0408	3010	0.301	62.7
RLRC007	514894	5262411	Quartz-Calcite Vein. Trace copper, nickel and cobalt sulphides	5680	**0.5680**	4270	0.427	4110
RLRC008	514878	5262406	Quartz-Calcite Vein. Trace copper, nickel and cobalt sulphides	1680	0.1680	2320	0.232	2990
RLRC009	514854	5262388	Diabase. Trace cobalt and nickel sulphides	6320	**0.6320**	>10000	**3.92**	1900
RLRC010	514851	5262365	Diabase. Cobalt and nickel sulphides	>10000	**7.1900**	1875	0.1875	**5810**

Table 4: Rusty Lake Rock Sampling Results – May 2018 Program
UTM UPS, NAD83, GRS80. Date of sampling: 17th May 2018.
Note: All rock chip samples were collected from the former Rusty Lake Mine 'waste dumps' and 'stockpiles' therefore no samples were in situ. The samples represent a mix of representative lithologies, containing a range of lithology types. The exact extraction location, nor width of mineral vein systems is known, because the samples were taken from already mined waste dumps (adjacent to the Rusty Lake mine shaft).

The Company's mining claims at the Rusty Lake Mine extend over 832 hectares and remain a priority drilling target as part of the ongoing cobalt drilling campaign.

The Rusty Lake Mine is considered to be a brownfields project given the extent of historical mining activities. The diamond core drilling program has been designed to test the depth and strike extent of the known mineralisation. The historical mine is estimated to have been developed to a vertical depth of approximately 50m and for a strike length of approximately 200m. The Rusty Lake Project exhibits a number of readily identified drill targets hosted within highly prospective geology.

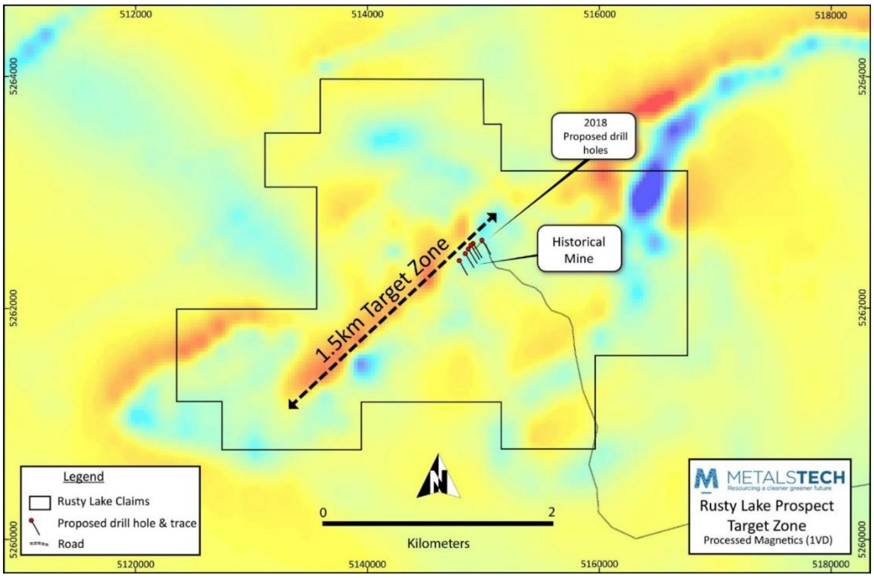


Figure 7: Initial drill collar location and potential strike extension based on historical workings

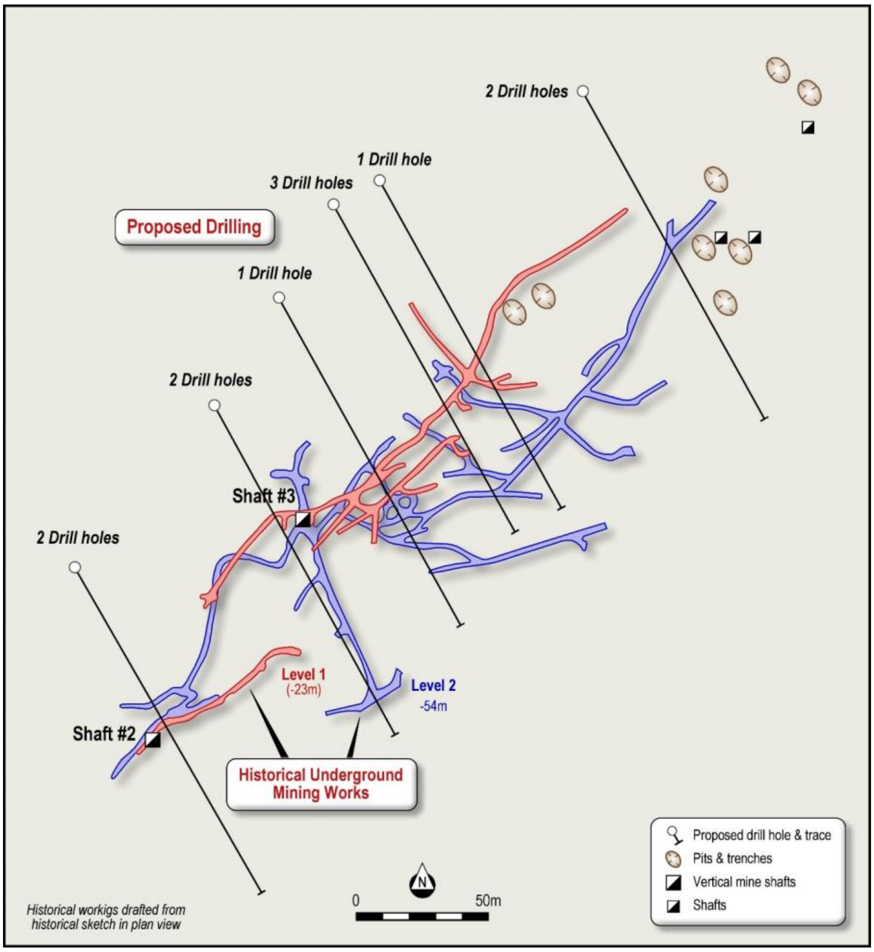


Figure 8: Proposed drill hole traces over historical workings

The majority of the drill pads prepared for the September exploration program allowed for two drill holes to be drilled at different angles from the same pad to test the depth extent of the vertical mineralised zone below the old mine workings and mine shafts.

The initial drilling program is planned to be conducted over a 400m strike length, however the prevalence of previous historical workings including costeans, trenches and shafts extend over 1.5km, thereby supporting future drilling beyond the current planned 2,500m drilling program.

Bay Lake North Cobalt Project

The Company completed a review process of previous airborne geophysical data that had been completed as part of its technical due diligence evaluation prior to the acquisition of the 10,600Ha mining claim package that comprise the Bay Lake North project, refer to Figure 9.

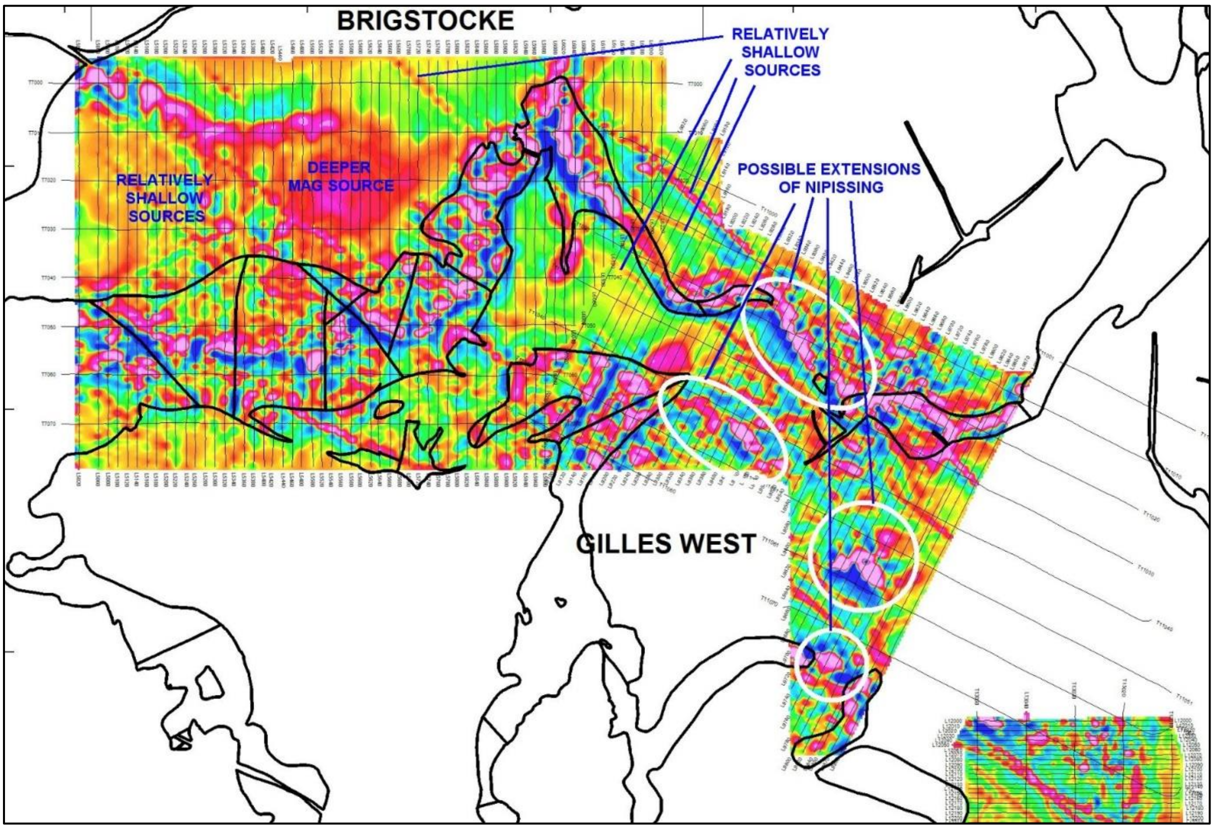


Figure 9: VTEM airborne geophysical survey of the Bay Lake North Cobalt Project

This review process generated a number of prospective targets that were followed up by geological field programs, resulting in the identification of two immediate drill targets. These prospects, known as ***Sixth Sense*** and ***Basic Instinct*** (see Figure 10 below) hosted a number of old workings including costeans/trenches as well as adits and visible trace cobalt mineralisation observed at surface.

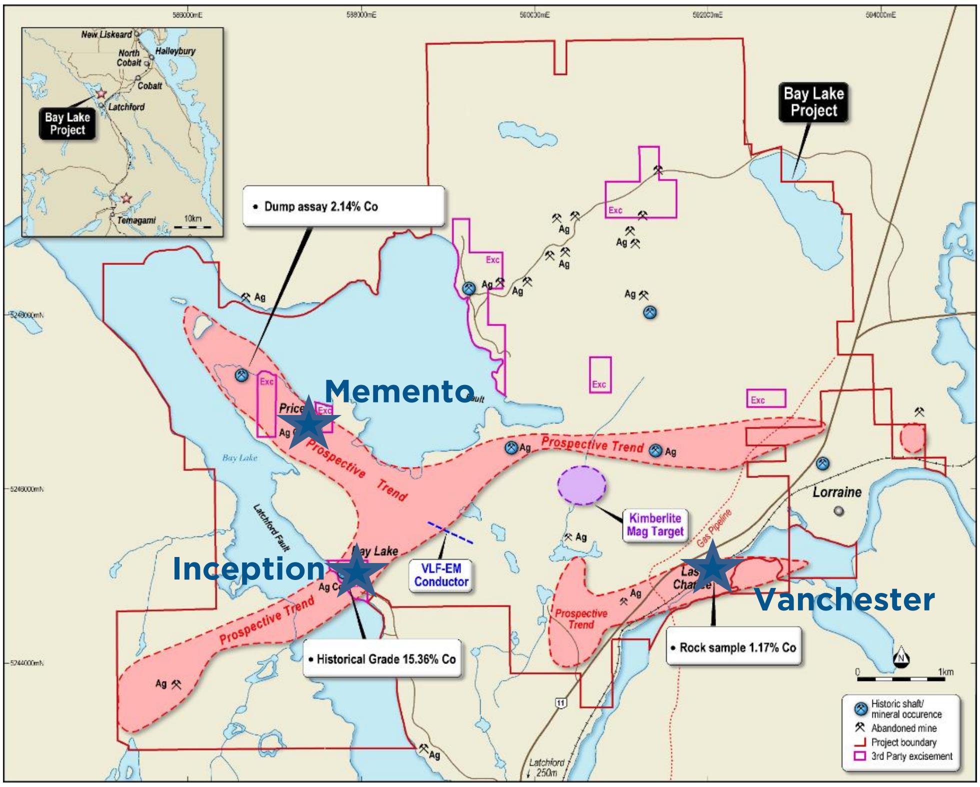


Figure 10: Updated BLN map with drill targets and cobalt occurrences

The initial 1,000 - 1,500m diamond core drilling program was completed across ten (10) drill holes during September 2018. The Company is currently awaiting the receipt of the assay results. The ongoing field survey in the Bay Lake North project area continues to uncover additional areas hosting historical exploration and mine workings.

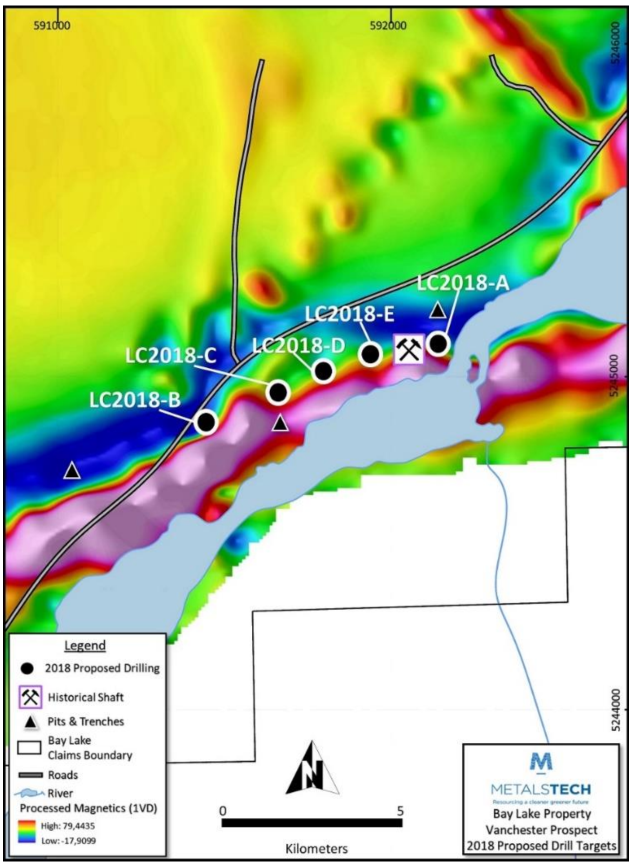


Figure 11: Proposed drill hole locations at Vanchester Prospect over magnetics data depicting a correlation between the mineralisation occurring at mag high/low contact zones

A third prospect and drill target, known as ***Mother*** was identified through the interrogation of the airborne geophysics and presents as an at depth conductor warranting further exploration and diamond drilling.

Bay Lake Project
The Bay Lake project represents the Company's initial cobalt asset. Soil sampling in conjunction with detailed prospect scale geological mapping has defined three potential drill targets at the Bay Lake project. These include ***Memento***, ***Inception*** and ***Vanchester*** as shown in Figure 10 above.

An initial 1,000 - 1,500m of diamond core drilling across ten (10) drill holes is planned.

LITHIUM PROJECTS – QUEBEC, CANADA (100% ownership)
The Company has acquired a portfolio comprising of nine high-quality hard rock lithium projects in the James Bay Region of Quebec, Canada. The total mining claims by number and area for each of the individual projects is shown in Table 3 with relative project locations of other major projects in the region shown in Figure 12 below.

Project	**Area (Ha) Main**	**Area (Ha) Strategic**	**Area (Ha) Pipeline**	
Priority Project portfolio				
Cancet	12,640			
Adina	2,937			
Sirmac	1,931			
Wells- Lacourciere	9,017			
Strategic Projects				
Kapiwak		6,382		
Terre Des Montagne (Main/S/E)		13,074		
Project Pipeline				
Gladman			418	
Lac Rocher			438	
Sirmac West			437	
TOTAL	**26,525**	**19,456**	**1,293**	**47,274 Ha**

Table 3: Lithium Projects Landholding by Area

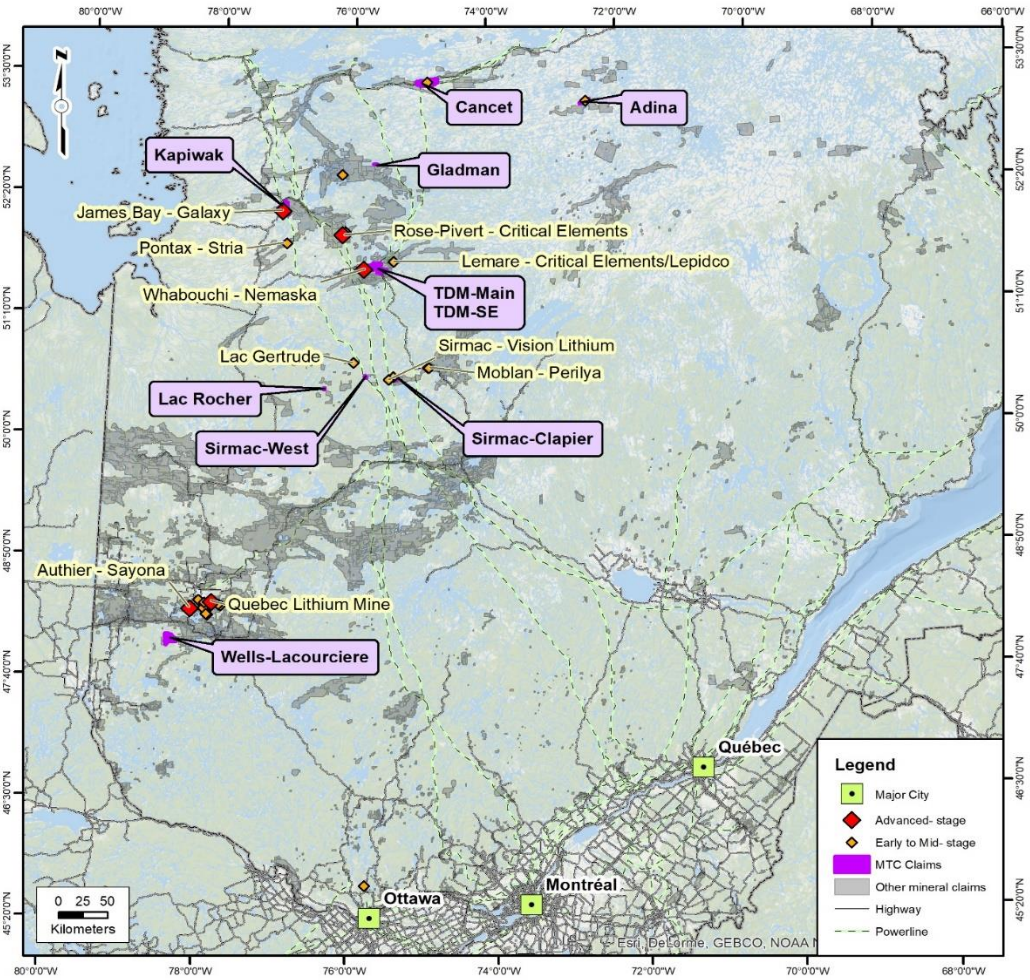


Figure 12: Overview of lithium project portfolio in the James Bay Precinct in Quebec, Canada

Quebec has consistently been ranked by the Fraser Institute as a top jurisdiction globally with respect to investment attractiveness for mineral exploration and development. The James Bay Region has received a significant amount of lithium exploration focus due to its demonstrated spodumene-bearing pegmatite potential. An important attribute of mineral exploration in Quebec is the provisional government cash rebates that, depending on the specific project location within Quebec. Each of the Company's Quebec-based lithium projects qualifies for an exploration expenditure cash rebate of 38.75%, with the exception of the Wells-Lacourciere Lithium Project which qualifies for a lesser exploration expenditure cash rebate of 16.75% due to its location.

LITHIUM PROJECTS OVERVIEW
Main Project Portfolio

Cancet
Cancet is the Company's flagship and most advanced lithium asset in the portfolio, comprising of 249 claims for a total area of 12,640 ha.

Cancet is 155 km east of Radisson, located within a favourable geological setting with well-mineralized spodumene-bearing pegmatite. The project is not presently geologically constrained, offering further exploration potential.

Since acquiring the Cancet project, MTC has completed a total of 59 drill holes for 5,216 m of diamond core drilling. Significant intersections encountered included MTC17-015 which intersected 3.14% Li_2O and 284 ppm Ta_2O_5 over 18.00m, including 4.12% Li_2O and 118 ppm Ta_2O_5 over 5.0m and drill hole MTC17-021 which intersected 2.24% Li_2O and 310 ppm Ta_2O_5 over 21.46m, including 3.50% Li_2O and 746 ppm Ta_2O_5 over 8.46m (*refer to ASX Announcement dated 9 May 2017 for additional details*).

The recent diamond drilling has highlighted the impressive potential of the Cancet project to host a high-grade and near-surface lithium plus tantalum mineralised deposit.

The combined phased drill programs comprised 59 holes for a total of5,216 m, with the initial drilling program taking place during the winter of 2017 (Q1-2) consisting of 40 holes for 3,941 m and a subsequent diamond drill program occurring in late 2017 consisting of 19 holes totalling 1,275 m.

During the summer of 2017, the Company completed a further field exploration program consisting of a soil orientation survey, a ground magnetic survey (deposit area) and a Property-wide LiDAR and Orthophoto survey.

Interpretation of the 2017 ground magnetic surveys completed by the Company identified several areas of potential structural off-setting zones which are considered high-priority areas for additional spodumene-bearing pegmatite. These areas were subsequently followed up during the summer 2018 field exploration program, which commenced in August 2018.

The pegmatite at Cancet has been traced over a strike length of approximately 1.1 km of which approximately 500 m of strike length identified from drilling, is shown to be well-mineralised. The mineralised pegmatite at Cancet has been mapped over 2 km of prospective strike length and was sampled in September 2018 with assays awaited.

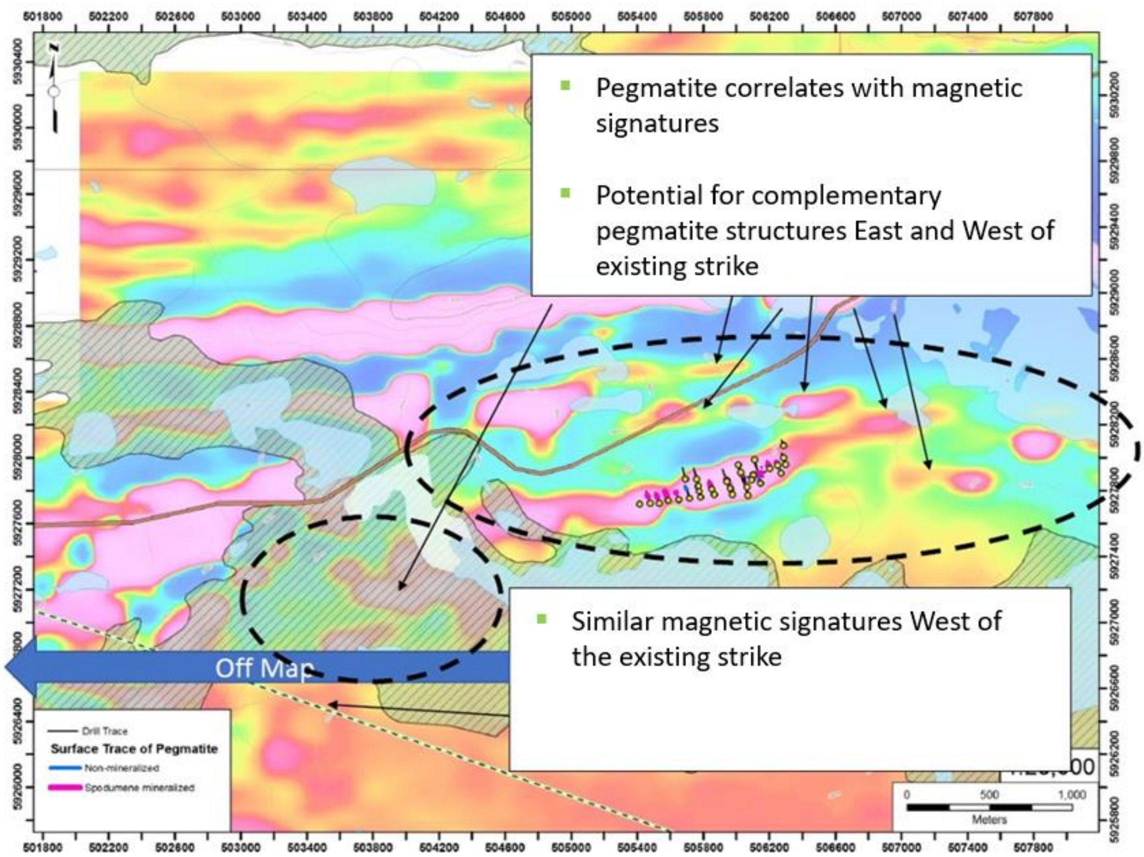


Figure 13: Magnetic Signatures identified at the Cancet Lithium Project

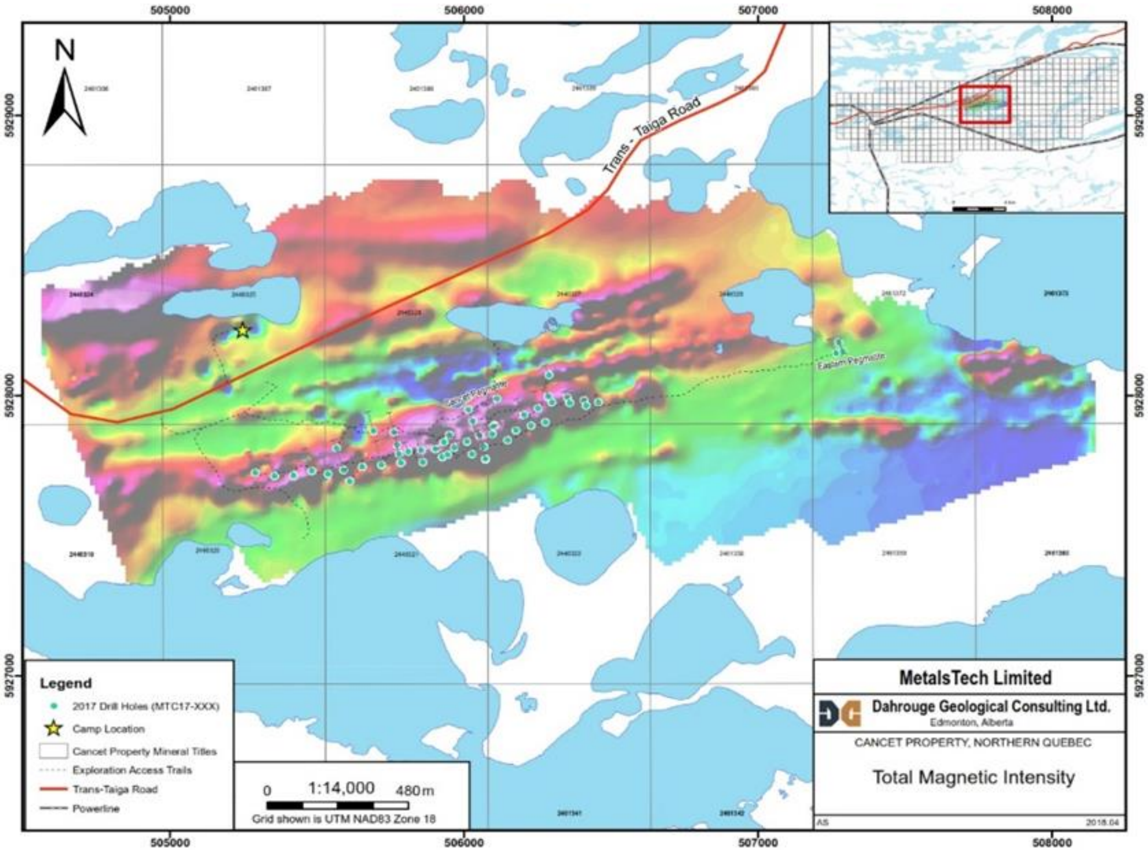


Figure 14: Total Magnetic Intensity Survey at the Cancet Lithium Project

During the 2018 field exploration program, the Company completed an Optical-Acoustic Televiewer (OTV-ATV) downhole survey to assist with structural orientation of the local geology and an update of the geological model. The survey was conducted over fifteen (15) drill holes ahead of an anticipated Phase III diamond drilling campaign at Cancet.

In addition, initial metallurgical assessment based on bulk samples, indicate that the pegmatite is amenable to simple coarse crushing and gravity separation.

Independent metallurgical testing confirmed that coarsely crushed 10mm and 5.6mm material (drill core from Cancet) could yield 89% to 91% recovery of the contained lithium to a grade of >6.4% Li_2O via Dense Media Separation (DMS). This was demonstrated on a variety of low to higher grade source material (1.06% to 2.35% Li_2O) together with low iron oxide (0.5% to 0.8% Fe_2O_3) – producing a high purity coarse grain, clean premium spodumene concentrate.

Adina
The Adina Lithium Project is located in the James Bay Region of Quebec, approximately 350 km south-southeast of the township of Radisson, QC, and comprises of 57 claims (2,937.33 ha), forming one contiguous block.

Initial reconnaissance field prospecting during 2016 identified pegmatite outcrops over an approximate 680 m strike length with samples assaying up to 3.12% Li_2O.

A maiden reconnaissance diamond drilling program consisting of 10-holes covering 1,726 m was completed during the financial year, taking place in the winter of 2018 (Q2). This drilling program was considered successful and returned several well-mineralised albeit narrow intervals of mineralisation. Additional field prospecting and mapping is planned for Adina as a pre-cursor to a follow up drilling campaign.

Key results received from the drilling campaign include:

- **AD18-001**: 3.2m @ 1.45% Li_2O from 95.89m to 99.09m, including:
    - 1.49m @ 2.08% Li_2O from 95.89m to 97.38m; and
    - 0.90m @ 1.58% Li_2O from 98.19m to 99.09m
- **AD18-002**: 3.89m @ 1.40% Li_2O from 8.78m to 12.67m, including:
    - 0.86m @ 3.06% Li_2O from 8.78m to 9.64m; and
    - 1.86m @ 1.93% Li_2O from 8.78m to 10.64m
- **AD18-003**: 0.92m @ 1.85% Li_2O from 87.06m to 87.98m
- **AD18-003**: 4.42m @ 1.42% Li_2O from 92.80m to 97.22m, including:
    - 2.93m @ 1.83% Li_2O from 92.80m to 95.73m;
    - 0.98m @ 2.39% Li_2O from 93.76m to 94.74m; and
    - 0.99m @ 2.13% Li_2O from 94.74m to 95.73m
- **AD18-004**: 3.37m @ 1.32% Li_2O from 40.63m to 44.00m, including:
    - 2.37m @ 1.86% Li_2O from 40.63m to 43.00m; and
    - 1.20m @ 2.86% Li_2O from 41.80m to 43.00m
- **AD18-005**: 8.02m @ 1.27% Li_2O from 52.34m to 60.36m, including:
    - **1**.01m @ 3.94% Li_2O from 55.35m to 56.36m
    - **1**.00m @ 2.02% Li_2O from 54.35m to 55.35m
    - **3**.00m @ 2.46% Li_2O from 53.36m to 56.36m; and
    - 4.02m @ 2.09% Li_2O from 52.34m to 56.36m
- **AD18-006**: 2.11m @ 1.24% Li_2O from 38.00m to 40.11m, including:
    - **1**.00m @ 2.14% Li_2O from 38.00m to 39.00m
- **AD18-006**: 1.54m @ 1.50% Li_2O from 43.86m to 45.40m

Wells-Lacourciere

The Wells-Lacourciere Lithium Project is located in the Abitibi-Témiscamingue Region of Quebec, approximately 20 km west of Malartic and approximately 40 km west of Val-d'Or. The Project is comprised of 160 claims, totaling 9017.12 ha, forming one (1) contiguous claim block.

The Property is considered prospective for lithium hosted in spodumene-bearing pegmatites. Historic exploration describes a number of northwest-southeast trending pegmatite dykes on the Property (the "Wells-Lacourciere Showing"), with some up to 600 m in length, ~7 to 15 m in width, and containing up to 5% spodumene.

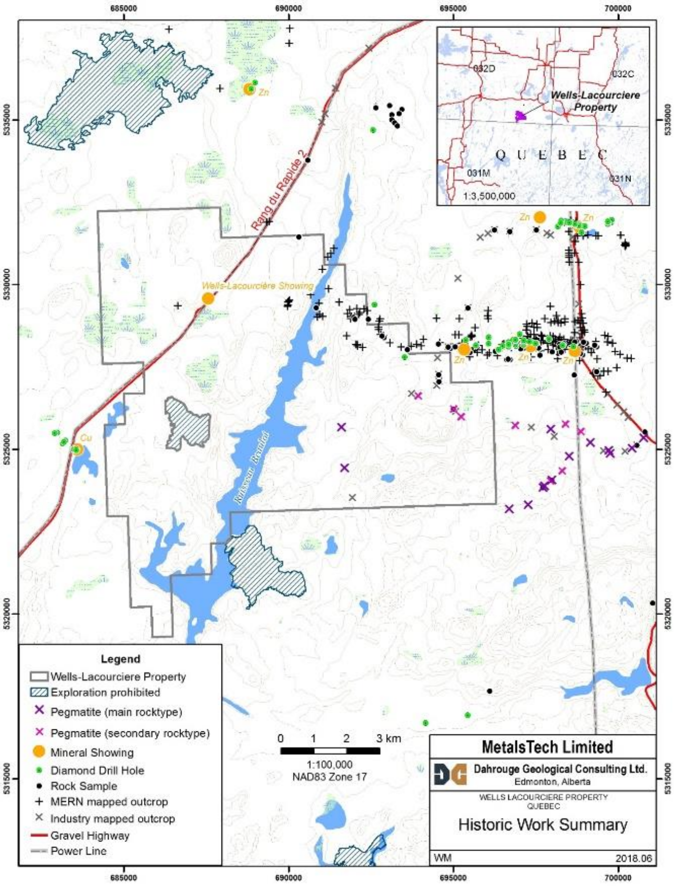


Figure 15: Historic Exploration Work Map for the Wells-Lacourciere Lithium Project

A desktop assessment including a site visit as well as a mapping program, focused on the Wells-Lacourciere historic bulk sample site was completed by the Company in 2016. A Property-wide, high-resolution heliborne magnetic survey was subsequently completed by the Company in early 2018.

The Company is currently reviewing its exploration strategy and preparing a follow-up field campaign.

Strategic Landholding - Lithium Projects

Sirmac-Clapier

The Sirmac-Clapier Property is located in the James Bay Region of Quebec, ~105 km northwest of Chibougamau. The Property is comprised of 39 claims (1,931ha).

A desktop assessment with site visit was completed by the Company in 2016 and a property-wide, high-resolution heliborne magnetic survey was completed on the 1,931 Ha property in early 2018.

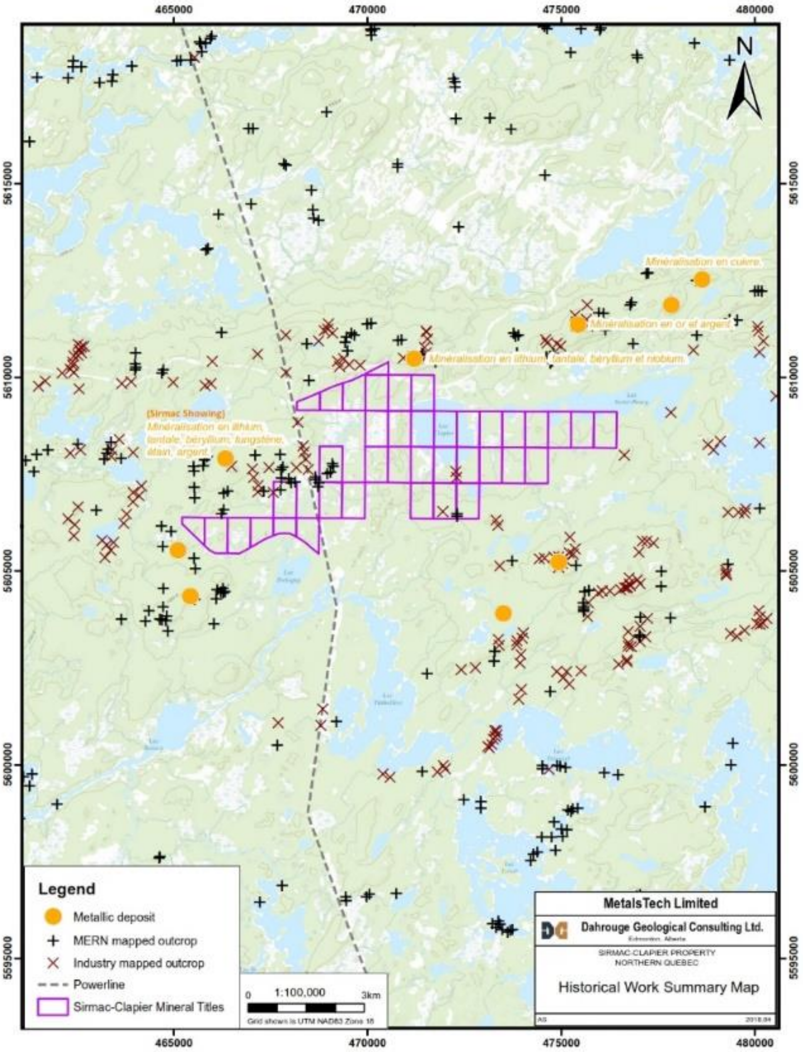


Figure 16: Historic Exploration Work Map for the Sirmac-Clapier Lithium Project

Similar to Kapiwak the Sirmac-Clapier project and landholding is considered to be strategic as it is adjacent to, and along strike of the Sirmac deposit owned by Vision Lithium Inc. (TSX.V: VLI). Nemaska Lithium Inc. is a 19.99% cornerstone shareholder and lithium marketing partner of Vision Lithium.

The Company is currently reviewing its exploration strategy and preparing a follow-up field campaign.

Kapiwak

The Kapiwak Property is located in the James Bay Region of Quebec, ~95 km east of Eastmain and ~165 km south of Radisson and comprises 121 claims (6382.03 ha) over two distinct claim blocks, straddling the Route de la Baie James.

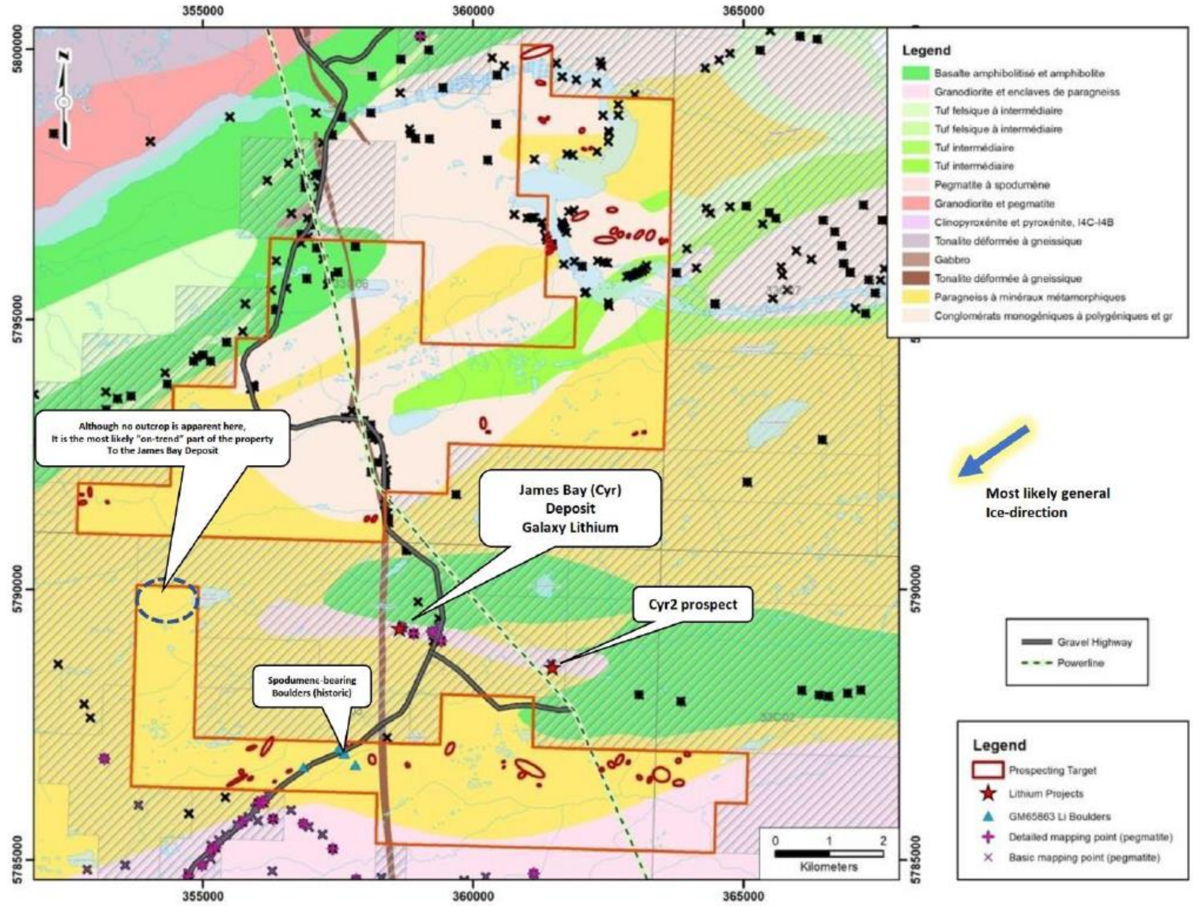


Figure 17: Historic Exploration Work and Project Location Map relative to the James Bay Lithium Deposit (Galaxy Resources) for the Kapiwak Lithium Project

Kapiwak is considered a strategic landholding adjacent to the James Bay (Cyr) Deposit, which hosts an JORC (2012) Indicated Mineral Resource of 40.3 Mt at 1.40% Li_2O. Kapiwak is located north and south of the James Bay Deposit as two distinct claim blocks, within 1-2 km of the James Bay Deposit owned by Galaxy Resources (ASX: GXY). (Source: www.galaxylithium.com).

The Kapiwak Property is considered prospective for lithium hosted in spodumene-bearing pegmatite, with several historic occurrences mapped in the region.

The Company completed an aero-magnetic survey on the 6,382 Ha Kapiwak project this year. The Company is currently reviewing its exploration strategy and preparing a follow-up field campaign.

Terra des Montagne (Main and South East)

The Terre des Montagnes (TDM Main) Property is 25 km east of the town of Nemaska and is comprised of 143 claims (7,630.19 ha).

The Property is considered prospective for lithium hosted in spodumene-bearing pegmatites with several historic occurrences mapped adjacent to the Property. The most notable of which is the Whabouchi Deposit owned by Nemaska Lithium Inc. (TSX.V: NMX) which hosts the Whabouchi Spodumene Mine with an NI 43-101 Compliant Resource of 44Mt @ 1.46% Li_2O (Source: www.nemaskalithium.com).

TDM Main is located ~3 km west of the Whabouchi Spodumene Mine.

Terre des Montagnes (Southeast)
The Terre des Montagnes (TDM Southeast) Property is located 35 km east of the town of Nemaska and is comprised of 105 claims (5,444.70 ha) over four (4) distinct claim blocks. The Company completed a project-wide aero-magnetic survey on the TDM Southeast mining claims during the year.

Pipeline projects

Gladman, Lac Rocher and Sirmac-West
An initial field-based exploration program was completed during September 2018 for the 100% owned Gladman, Lac Rocher and Sirmac-West properties. All projects are located in the James Bay Region of Quebec.

This phase of exploration focused on field mapping, project-wide prospecting and rock sampling, with field crews targeting historically documented pegmatite outcrops where spodumene had been identified by the field geologist at the time.

The projects are situated within favourable geological settings with sizable pegmatite outcrops described, including 100 m x 25 m at Gladman, 900 m x 100 m at Lac Rocher and 900 m^2 at Sirmac-West.

The main showings from these areas will be sampled and the immediate area prospected in detail to determine extensions along strike. The over-arching objective of the field programs for these prospects is to evaluate the potential of the properties to host spodumene-bearing pegmatite(s) of significance.

The Gladman Property is located 115 km north-northeast of Nemaska and ~25 km east of Goldcorp's Éléonore Gold Mine, comprising of 8 claims (417.60 ha) forming one contiguous claim block extended in an east-west direction.

The Lac Rocher Property is located 130 km south of Nemaska and ~120 km northeast of Matagami and comprises of 8 claims (437.99 ha) forming one contiguous claim block.

The Sirmac-West Property is located ~120 km south of Nemaska and ~130 km northwest of Chibougamau. The Property is comprised of 8 claims (436.81 ha) forming one contiguous claim block.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information prepared and reviewed by Dr. Quinton Hills who is a director of MetalsTech Limited. Dr Hills is a Member of the Australasian Institute of Mining and Metallurgy. Dr Hills has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Hills consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Significant changes in state of affairs
Other than those disclosed in this financial report, there were no significant changes in the Company's state of affairs that occurred during the financial period.

The Company acquired a number of Lithium and Cobalt Projects during the year:

- Rusty Lake Project - Cobalt
- West Cobalt Project - Cobalt
- Van Chester Project – Cobalt
- Cancet East Project – Lithium
- Wells Lacourciere Project - Lithium

The Company also renegotiated the terms of the Terres des Montagnes Project to remove expenditure commitments and future cash payments. The considered paid for the amended terms was the issue of 1,350,000 fully paid shares.

The Company also extended the Bay Lake Cobalt Project by acquiring additional ground adjacent to the project.

The Company conducted a number of capital raisings during the year and issued share based compensation to enable it to acquire the above projects and to conduct exploration on its expanded portfolio of projects.

Events occurring after the reporting period

Board Changes

Dr Quinton Hills was appointed a Non-Executive Director on 13 September 2018. Mr David Riekie resigned as Managing Director on 10 September 2018.

Cancellation of Performance Rights and Options

As a result of the resignation of the Managing Director and another executive a total of 7,250,000 Performance Rights and 1,000,000 unlisted options were cancelled.

Acquisition of Project
After the reporting date, the Company entered into a binding agreement with gold focussed Canadian listed explorer Tri-Origin Exploration Limited (TSXV: TOE) (Tri- Origin or TOE), to acquire a portfolio of prospective cobalt exploration licenses. A summary of the transaction terms is as follows:

100% acquisition of exploration licenses subject to satisfaction of the conditions precedent listed below:

- Completion of due diligence on the exploration licenses within 30 days of execution of the agreement; and
- Parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 (Cth) or any other law and all third party approvals, consents and necessary documentation required to lawfully complete the acquisition of the exploration licenses and related matters set out in the agreement.

Initial consideration of:

- CAD$10,000 deposit; CAD$90,000 initial payment; and
- the issue of 750,000 fully paid ordinary shares (Shares) on settlement.
- These Shares will be subject to a six-month voluntary escrow period from issue.

MetalsTech to complete CAD$300,000 minimum in-ground expenditure year one; CAD$500,000 in-ground minimum spend year two.

Deferred consideration consisting of:

- CAD$100,000 and the issue of 750,000 Shares on that date which is 12 months from the settlement date.
- These Shares will be subject to a six-month voluntary escrow period from issue.

Performance bonuses consisting of the issue of:

- 500,000 Shares on achievement by MetalsTech of 20day VWAP greater than 35 cents; during the first year following settlement.
- 500,000 Shares on achievement by MetalsTech of 20day VWAP greater than 50 cents; during the second year following settlement.
- 750,000 Shares if MetalsTech delineates a 1MT JORC or NI 43-101 Indicated Resource greater than 0.5% Co equivalent within four years from execution of the agreement.
- 1,500,000 Shares if MetalsTech delineates a 2MT JORC or NI 43-101Indicated Resource greater than 0.5% Co equivalent within four years from execution of the agreement.
- All of these Shares (if issued) will be subject to a six-month voluntary escrow period from issue.

Following completion of MetalsTech's first and second year obligations, the Company will grant Tri-Origin Exploration Limited a net smelter royalty of 1.75% in respect of all metals and minerals produced from the exploration licenses (NSR). The Company will be granted the right to buy-back part of the NSR and a first and last right of refusal to acquire the remainder of the NSR in certain circumstances.

In the event that the Company does not meet its minimum expenditure requirements or does not issue the consideration Shares (for the avoidance of doubt, this does not apply to the performance bonuses) MetalsTech's interests in the exploration licenses will revert to Tri-Origin Exploration Limited.

In August 2018 the Company completed the acquisition by making the initial payment of CAD$90,000 and issued the 750,000 shares.

Other than the above, there have been no other matters or circumstances which have arisen since 30 June 2018 that have significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 30 June 2018, of the company, or
(b) the results of those operations, or
(c) the state of affairs, in financial years subsequent to 30 June 2018, of the company.

Information on directors

Michael Velletta and Shane Uren resigned as directors on 6 April 2018.
David Riekie was appointed as Managing Director on 6 April 2018 and at that time Mr Moran and Mr D'Anna stepped down from their executive director positions and became non-executive directors. Mr Riekie later resigned on 10 September 2018. Dr Quinton Hills was appointed a non-executive director on 13 September 2018.

Details of the Board of Directors as at the date of this report are as follows:

Name	**Gino D'Anna**
Title	Non-Executive Director and Company Secretary
Qualifications	Bachelor of Commerce (Honours)
Experience	Mr D'Anna is a founder and Executive Director of the Company. Mr D'Anna has significant primary and secondary capital markets experience and has extensive experience in resource exploration, public company operations and administration and financial management. Mr D'Anna has particular experience in Canadian Government and First Nations relations in the mining sector. Mr D'Anna was a founding shareholder and founding Executive Director of Atrum Coal (ASX: ATU) which is developing the Groundhog Anthracite Project, located in British Columbia, Canada. Mr D'Anna is currently a Director of 3G Coal Limited, Non-Executive Director of Metals Australia Limited (ASX: MLS) and was previously a director of K2fly Limited (ASX: K2F).
Special Responsibilities	None
Security Holdings	12,593,785 ordinary shares 3,000,000 unlisted options 1,375,000 performance rights
Name	**Russell Moran**
Title	Non-Executive Chairman
Qualifications	N/A
Experience	Mr Moran is a co-founder and Executive Chairman of the Company. He is an experienced natural resources and technology investor with experience across bulk commodities, base metals and mining and engineering services sectors. He is the Founder and former Executive Director of Canadian anthracite mine developer Atrum Coal (ASX: ATU) and has significant experience in Canadian exploration and resource development. Mr Moran is currently Chairman of Oceanic Dental Pty Ltd and 3G Coal Limited. Mr Moran was previously a Non-Executive Director of K2fly Limited (ASX: K2F).
Special Responsibilities	Chairman
Security Holdings	18,364,182 ordinary shares 6,600,000 unlisted options 1,375,000 performance rights

Name	**Quinton Hills (appointed 13 September 2018)**
Title	Non-Executive Director
Qualifications	BSc, MSc. PhD., MAusIMM
Experience	Dr Hills is a qualified geologist and minerals industry executive with 15 years experience in project generation, exploration and project development across a broad range of base, precious and tech metals in Australia, Botswana, Sweden and Finland. He has significant technical and project management expertise having previously been the Exploration Manager and Interim CEO of Avalon Minerals Limited, the Exploration Manager of Meridian Minerals Limited and the Senior Geologist of Discovery Metals Limited. Dr Hills has a PhD in Structural Geology with extensive experience in multiply deformed and highly metamorphosed terranes and is an expert in exploration concept/target generation
Special Responsibilities	None
Security Holdings	Nil
Name	**David Riekie (appointed 6 April 2018 and resigned 10 September 2018)**
Title	Managing Director
Qualifications	B.Econ. Dip Acc. CA MAICD
Experience	David Riekie is an experienced ASX director at both the Executive and Non-Executive levels. He has operated in a variety of counties globally and throughout Africa; notably Namibia and Tanzania. He has throughout his career provided corporate, strategic and compliance services to a variety of organisations operating in the Resource and Industrial sector, usually enterprises seeking expansion capital and listing on ASX. He has been directly responsible for successful capital raising, stakeholder engagement, acquisition and divestment programs. Additional experiences were been gained during his time as a corporate reconstruction specialist with Price Waterhouse. He has overseen, exploration and resource development, scoping and feasibility studies, production, optimisation and rehabilitation initiatives.
Name	**Michael Velletta (resigned 6 April 2018)**
Title	Non-Executive Director
Qualifications	Bachelor of Law
Experience	Mr Velletta has more than 20 years' experience in corporate law, building public companies, mergers and acquisitions, financing and corporate governance. He is a Director of MNP Petroleum (TSX.V:MNP), African Metals Corporation (TSX.V:AFR) and privately held gold exploration companies. He is a member of the Association of International Petroleum Negotiators, the Law Society of British Columbia and past governor of the Trial Lawyers Association of British Columbia.
Special Responsibilities	None

Name	**Shane Uren (resigned 6 April 2018)**
Title	Non-Executive Director
Qualifications	Science Degree (Biology)
Experience	Mr Uren is a Registered Professional Biologist in British Columbia. He has extensive Environmental Assessment experience including; BHPs Ekati Diamond Mine, Cambior's Rosebel Mine, Inco Ltd.'s Goro Project, Novagold's Galore Creek Project, Thompson Creek Metal's Davidson Project, Atrum Coal's Groundhog Project and Copper Fox Metal's Schaft Creek Mine.
Special Responsibilities	None

Likely developments and expected results of operation
The Company expects to maintain the present status and level of operations and will continue with exploration on its lithium and cobalt projects. The Company will also commence exploration on its newly acquired Cobalt Project at Bay Lake North – see subsequent event note.

Directors' Meetings
The following directors' meetings (including meetings of committees of directors) were held during the year and the number of meetings attended by each of the directors during the year were:

2018	Directors' meetings eligible to attend	Directors' meetings attended
Directors		
Gino D'Anna	2	2
Russell Moran	2	2
Michael Velletta (i)	-	-
Shane Uren (ii)	-	-
David Riekie (iii)	2	2

(i) resigned 6 April 2018
(ii) resigned 6 April 2018
(iii) appointed 6 April 2018 and resigned 10 September 2018

The Company conducted the majority of its business via circular resolutions because two of its directors during the year were based in Canada and in different time zones. The above two formal meetings were held after the resignation on the two Canadian based directors.

Shares under option
Unissued ordinary shares of MetalsTech Limited under option at the date of this report are as follows:

Expiry date	Exercise price	Balance at start of year	Issued during the year	Cancelled/ lapsed during the year	Balance at end of the year
1 Aug 2020	$0.25	-	500,000	-	500,000
8 Jul 2021 *	$0.25	9,600,000	-	-	9,600,000
21 Feb 2020 *	$0.25	5,800,000	-	-	5,800,000
10 Aug 2020	$0.25	-	500,000	-	500,000
1 Nov 2020	$0.30	-	100,000	-	100,000
1 Nov 2020	$0.25	-	1,600,000	-	1,600,000
1 Nov 2021	$0.25	-	1,100,000	-	1,100,000

No option holder has any right under the options to participate in any other share issue of the company or any other entity.

* These options are subject to escrow conditions until 24 February 2019.

Environmental regulation
The Group is not subject to any significant environmental regulations under either Commonwealth or State legislation. The Board is not aware of any breach of environmental requirements as they apply to the Group. The Company remains in compliance with the environmental regulations of Quebec and Ontario, Canada.

Greenhouse Gas and Energy Data Reporting Requirements
The Group is cognisant of the reporting requirements under the Energy Efficiencies Opportunity Act 2006 or the National Greenhouse Energy Efficient Reporting Act 2007, and believes it has adequate processes in place to ensure compliance with these Acts.

Dividends paid, recommended and declared
No dividends were paid or declared since the start of the period. No recommendation for payment of dividends has been made.

Remuneration Report - Audited

The remuneration report is set out under the following main headings:

A Remuneration Governance
B Remuneration Structure
C Details of Remuneration
D Share-based compensation
E Equity instruments issued on exercise of remuneration options
F Value of options to Directors
G Equity instruments disclosures relating to key management personnel
H Other transactions with key management personnel
I Additional statutory information

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001. The remuneration arrangements detailed in this report are for the key management personnel of the Group as follows:

Mr Gino D'Anna – Non-Executive Director and Company Secretary
Mr Russell Moran – Non-Executive Chairman
Mr Michael Velletta – Non-Executive Director (resigned 6 April 2018)
Mr Shane Uren – Non-Executive Director (resigned 6 April 2018)
Mr David Riekie – Managing Director (appointed 6 April 2018 and resigned 10 September 2018)

Use of remuneration consultants
The Company did not employ services of consultants to review its existing remuneration policies.

Voting and comments made at the Company's 2017 Annual General Meeting
The first Annual General Meeting was held on 24 November 2017. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

A Remuneration Governance
Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel comprise the Directors of the Group and Executives of the Group. The performance of the Group depends upon the quality of its key management personnel. To prosper the Group must attract, motivate and retain appropriately skilled directors and executives.

The Group's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Group does not engage the services of any remuneration consultants.

B Remuneration Structure

Executive remuneration arrangement
Mr Gino D'Anna was an executive director during the year up until 6 April 2018. At that time Mr D'Anna reverted to a non-executive role. Up until the time that Mr D'Anna changed his position he received an annual remuneration package of $216,000 through a consulting letter agreement, and annual director fees of $36,000. The consulting agreement was terminated and subsequent to the change Mr D'Anna is entitled to remuneration as a non-executive director at $3,000 per month. Mr D'Anna has also provided some additional consulting services to assist with the handover to the new executive team and was paid at a rate of $1,200 per day.

Mr Russell Moran was an executive director during the year up until 6 April 2018. At that time Mr Moran reverted to a non-executive role. Up until the time that Mr Moran changed his position he received an annual remuneration package of $216,000 through a consulting letter agreement, and annual director fees of $36,000. The consulting agreement was terminated and subsequent to the change Mr Moran is entitled to remuneration as a non-executive director at $3,000 per month. Mr Moran has also provided some additional consulting services to assist with the handover to the new executive team and was paid at a rate of $1,200 per day.

Mr David Riekie was appointed Managing Director on 6 April 2018 under a consulting agreement for a 24 month term. His annual remuneration is $264,000. The terms of the agreement provide for a review after 12 months. The consulting agreement may be terminated by the Company by giving three months written notice. Mr Riekie was also entitled to be issued 500,000 unlisted options and 5,000,000 performance rights pursuant to the contract. These options and performance rights have been issued and the value disclosed in Details of Remuneration in Section C below. Mr Riekie resigned as Managing Director on 10 September 2018.

Non-Executive remuneration arrangements

The remuneration of Non-Executive Directors (**NED**) consists of Directors' fees, payable in arrears. They serve on a month to month basis and there are no termination benefits payable. They do not receive retirement benefits but are able to participate in share option based incentive programmes in accordance with Group policy. Non-executive directors fees are currently set at $3,000 per month.

Directors are paid consulting fees on time spent on Group business, including reasonable expenses incurred by them on business of the Group, details of which are contained in the Remuneration Table disclosed in Section C of this Report. Remuneration of Non-Executive Directors are based on fees approved by the Board of Directors and is set at levels to reflect market conditions and encourage the continued services of the Directors.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which will be periodically recommended for approval by shareholders. The maximum currently stands at $500,000 per annum as per the Group's constitution and may be varied by ordinary resolution of the shareholders in general meeting.

C Details of Remuneration

The key management personnel ("KMP") of the Group are the Directors of MetalsTech Limited detailed in the table below. Details of the remuneration of the Directors of the Group are set out below:

30/06/2018	Short-term benefits			Post-employment benefits	Share- based payment			Total $	Percentage of performance related remuneration
	Salary & fees $	Cash bonus $	Annual and Long Service Leave $	Super-annuation $	Performance rights $	Options $	Equity $		
Directors									
Executive Directors									
Mr D'Anna (v)	252,400	-	-	-	1,758	-	-	254,158	0.07%
Mr Moran (v)	250,200	-	-	-	1,758	-	-	251,958	0.07%
Mr Riekie (iii)	150,400	-	-	-	6,393	23,000	-	179,793	3.56%
Non-executive directors									
Mr Velletta (i)	8,288	-	-	-	-	-	-	8,288	0%
Mr Uren (ii)	48,485	-	-	-	251	4,600	-	53,336	0.47%
Dr Hills (iv)	-	-	-	-	-	-	-	-	-
Total	**709,773**	-	-	-	**10,160**	**27,600**	**-**	**747,533**	

(i) Mr Velletta resigned on 6 April 2018
(ii) Mr Uren resigned on 6 April 2018
(iii) Mr Riekie was appointed Managing Director on 6 April 2018 and resigned on 10 September 2018
(iv) Dr Hills was appointed after year end on 13 September 2018
(v) Mr Moran and Mr D'Anna stepped down as Executive Directors on 6 April 2018 and continued on as Non-Executive Directors.

30/06/2017	Short-term benefits			Post-employment benefits	Share- based payment			Total $	Percentage of performance related remuneration
	Salary & fees $	Cash bonus $	Annual and Long Service Leave $	Super-annuation $	Performance Rights $	Options $	Equity $		
Executive Directors									
Mr D'Anna (i)	252,000	10,000	-	-	62,500	-	-	324,500	0%
Mr Moran (ii)	252,000	-	-	-	62,500	-	-	314,500	0%
Non-executive directors									
Mr Velletta (iii)	36,000	-	-	-	-	-	-	36,000	0%
Mr Uren (iv)	43,638	-	-	-	46,875	11,570	-	102,083	0%
Mrs D'Anna (v)	-	-	-	-	-	-	-	-	0%
Total	**583,638**	**10,000**	**-**	-	**171,875**	**11,570**	**-**	**777,083**	

(i) Mr D'Anna (Executive Director and Company Secretary) (appointed on 25 May 2016)
(ii) Mr Moran (Executive Director) (appointed on 25 May 2016)
(iii) Mr Velletta (Non-Executive Director) (appointed on 25 May 2016)
(iv) Mr Uren (Non-Executive Director) (appointed on 1 November 2016)
(v) Mrs D'Anna (Non-Executive Director) (appointed on 25 May 2016 and resigned 5 November 2016)

The relative proportions of remuneration that are linked and/or to performance are as follows:

	Fixed Remuneration		At risk – STI		At risk – LTI *	
	2018	2017	2018	2017	2018	2017
Director						
Mr D'Anna	99%	97%	-	3%	1%	-
Mr Moran	99%	100%	-	-	1%	-
Mr Velletta	100%	100%	-	-	-	-
Mr Uren	100%	100%	-	-	-	-
Mr Riekie	96%	-	-	-	4%	-

*Long term incentives are provided by way of the performance rights issued with long term performance milestones (Class B, C and D). The percentages disclosed reflect the fair value of remuneration consisting of the performance rights, based on the value of the performance rights expensed during the year.

Remuneration Policy

Non-Executive Directors

Total remuneration for all Non-Executive Directors, is not to exceed $500,000 per annum as per the original constitution of the company lodged with ASIC when the company was incorporated on 25 May 2016. This does not include Consulting Fees.

Non-executive directors, received a fixed fee for their services of $36,000 per annum (excl. GST) for services performed.

The Group has provided variable remuneration incentive schemes to the two Non-Executive Directors who were previously Executive Directors. There are no termination or retirement benefits for non-executive directors.

D Share-based Compensation

Short term and long term incentives

Year ended 30 June 2018
On 29th June 2018, MetalsTech Limited issued 8,000,000 performance rights to directors following shareholder approval granted on 22nd June 2018. These performance rights were issued in five classes, each with different performance milestones. Each performance right will convert into 1 ordinary share of MetalsTech Limited upon achievement of the performance milestone.

The company has assessed three of the classes as being probable of being achieved and have therefore recognised an expense over the vesting period for these three classes. The details of each class are tabled below:

Class	Number	Grant Date	Underlying Share Price	Fair value of right	Total Fair Value 2018	Expense 2018	Probability of achieving milestone
1	1,550,000	22/06/2018	$0.12	$0.12	$186,000	$6,795	more likely
2	1,675,000	22/06/2018	$0.12	$0.037	$61,975	$2,264	more likely
3	1,675,000	22/06/2018	$0.12	$0.018	$30,150	$1,101	more likely
4	1,550,000	22/06/2018	$0.12	$0.12	$186,000	-	less likely
5	1,550,000	22/06/2018	$0.12	$0.12	$186,000	-	less likely

Class 1, 4 and 5 were valued using the share price at grant date.
Class 2 and 3 were valued using the up-and-in model as they have market-based conditions attached. A risk free rate of 2.11% was applied in the valuation (3-year Australian bond rate) and a VWAP volatility of 50%.

The expected vesting date for classes 1, 2 and 3 is estimated at the reporting date to be 3 years from the grant date. None of the above performance rights have vested to date.

Performance Milestones:

- **Class 1 Performance Rights**: the Performance Rights convert to Shares upon the Company achieving a JORC Compliant Inferred Resource at any of its current or future projects within the next 3 years;

- **Class 2 Performance Rights**: the Performance Rights convert to Shares upon the achievement of a 20-day VWAP share price >AUD$0.40 within the next 3 years;

- **Class 3 Performance Rights**: the Performance Rights convert to Shares upon the achievement of a 20-day VWAP share price >AUD$0.60 within the next 3 years;

- **Class 4 Performance Rights**: the Performance Rights convert to Shares upon the Company achieving delivery of a commercial Pre-Feasibility Study on any of its current or future projects within the next 5 years;

- **Class 5 Performance Rights**: the Performance Rights convert to Shares upon completion of first material binding offtake agreement, major project financing (>A$20 million) or major farm-out for any of the Company's current or future projects within the next 5 years,

The total expense arising from share based payment transactions recognised during the period in relation to the performance rights issued to directors was $10,160 based on the "more likely than not" assessment (2017: $171,875).

E Equity Instruments Issued on Exercise of Remuneration Options

No equity instruments were issued during the year to Directors or key management as a result of exercising remuneration options or rights. (2017: Nil).

F Value of options to Directors

During the year ended 30 June 2018 600,000 unlisted Options were issued to Directors as part of their remuneration. All Options vested upon grant as there are there are no performance conditions attached. The total expense arising from share based payment transactions recognised during the year in relation to the Options issued was $27,600 (2017: $11,570).

The fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The fair value of the unlisted options issued during the period were based on the following:

	Directors Options
Number of options issued	600,000
Exercise price $	0.25
Share price at date granted	0.12
Risk free rate	2.65%
Volatility factor	80%
Number of years to expiry	3.36
Fair value per option	$0.046
Valuation	$27,600

G Equity instruments disclosures relating to key management personnel

Share holdings

The numbers of shares in the Company held during the financial year by each Director and other key management personnel of the Group are set out below.

2018	Opening Balance	Received as Remuneration	Received During Year on Exercise of Options	Net Change Other	Closing Balance
Directors					
Mr D'Anna[1]	11,716,000	-	-	877,785	12,593,785
Mr Moran	17,914,000	-	-	450,182	18,364,182
Mr Velletta[2]	-	-	-	-	-
Mr Uren[3]	-	-	-	-	-
Mr Riekie[4]	-	-	-	215,000	215,000
	29,630,000	-	-	1,542,967	31,172,967

[1] Includes Shares held by Spouse Mrs. R D'Anna
[2] Resigned 6 April 2018
[3] Resigned 6 April 2018
[4] Appointed 6 April 2018, resigned 13 September 2018

2017	Opening Balance	Received as Remuneration	Received During Year on Exercise of Options	Net Change Other	Closing Balance
Directors					
Mr D'Anna	-	-	-	11,716,000	**11,716,000**
Mr Moran	17,914,000	-	-	-	**17,914,000**
Mr Velletta	-	-	-	-	**-**
Mr Uren	-	-	-	-	**-**
Mrs D'Anna[1]	11,716,000	-	-	(11,716,000)	**-**
	29,630,000	-	-	-	**29,630,000**

[1] Resigned 5 November 2016

Performance Rights holdings

The numbers of performance rights in the Company held during the financial year by each Director and other key management personnel of the Group are set out below.

2018	Opening Balance	Received as Remuneration	Received During Year on Exercise of Options	Net Change Other	Closing Balance
Directors					
Mr D'Anna	1,000,000	1,375,000	-	(1,000,000)	**1,375,000**
Mr Moran	1,000,000	1,375,000	-	(1,000,000)	**1,375,000**
Mr Velletta[1]	-	-	-	-	**-**
Mr Uren[2]	750,000	250,000	-	(1,000,000)	**-**
Mr Riekie[3]	-	5,000,000	-	-	**5,000,000**
	2,750,000	8,000,000	-	(2,750,000)	**8,000,000**

[1] Resigned 6 April 2018

[2] Resigned 6 April 2018. Mr Uren held 250,000 performance rights at the date of resignation.

[3] Appointed 6 April 2018, resigned 10 September 2018

2017	Opening Balance	Received as Remuneration	Received During Year on Exercise of Options	Net Change Other	Closing Balance
Directors					
Mr D'Anna	1,000,000	-	-	-	**1,000,000**
Mr Moran	1,000,000	-	-	-	**1,000,000**
Mr Velletta	-	-	-	-	**-**
Mr Uren	-	-	-	750,000	**750,000**
Mrs D'Anna	-	-	-	-	**-**
	2,000,000	-	-	750,000	**2,750,000**

Option holdings

The numbers of options in the Company held during the financial year by each Director and other key management personnel of the Group are set out below. All options vested on issue.

2018	Opening Balance	Received as Remuneration	Received During Year	Net Change Other	Closing Balance	Vested and Exercisable
Directors						
Mr D'Anna *	3,000,000	-	-	-	**3,000,000**	**-**
Mr Moran *	6,600,000	-	-	-	**6,600,000**	**-**
Mr Velletta[1]	-	-	-	-	**-**	**-**
Mr Uren[2]	100,000	100,000	-	(200,000)	**-**	**-**
Mr Riekie[3]	-	500,000	-	-	**500,000**	**500,000**
	9,700,000	600,000	-	(100,000)	**10,200,000**	**10,200,000**

[1] Resigned 6 April 2018

[2] Resigned 6 April 2018. Mr Uren held 100,000 options at the date of resignation.

[3] Appointed 6 April 2018,
resigned 10 September 2018

* These options are subject to escrow conditions until 24 February 2019

2017	Opening Balance	Received as Remuneration	Received During Year	Net Change Other	Closing Balance	Vested and Exercisable
Directors						
Mr D'Anna *	3,000,000	-	-	-	**3,000,000**	**-**
Mr Moran *	6,600,000	-	-	-	**6,600,000**	**-**
Mr Velletta	-	-	-	-	**-**	**-**
Mr Uren	-	-	100,000	-	**100,000**	**100,000**
	9,600,000	-	100,000	-	**9,700,000**	**9,700,000**

* These options are subject to escrow conditions until 24 February 2019

H Other transactions with key management personnel

During the year, the Group was charged $252,400 (2017: $262,000) by Internatzionale Consulting Pty Ltd. Internatzionale Consulting Pty Ltd provided consultancy and management services to the Group on normal commercial terms. Gino D'Anna is a director of Internatzionale Consulting Pty Ltd. The balance owing at year end is $23,100 (2017: $23,100).

During the year, the Group was charged $250,200 (2017: $252,000) by MinCo Holding Pty Ltd. MinCo Holding Pty Ltd provided consultancy and management services to the Group on normal commercial terms. Russell Moran is a director of MinCo Holding Pty Ltd. The balance owing at year end is $46,200 (2017: $23,100).

During the year, the Group was charged $48,485 (2017: $43,637) by Greenwood Environmental Inc. Greenwood Environmental Inc provided consultancy and management services to the Group on normal commercial terms. Shane Uren is a director of Greenwood Environmental Inc. The balance owing at year end is $Nil (2017: $12,028).

During the year, the Group was charged $150,400 (2017: Nil) by DNR Consulting Pty Ltd. DNR Consulting Pty Ltd provided consultancy and management services to the Group on normal commercial terms. David Riekie is a director of DNR Consulting Pty Ltd. The balance owing at year end is $24,200 (2017: Nil).

I Additional statutory information

Relationship between remuneration and the Group's performance

Company remuneration is not linked to Company performance. The following table shows key performance indicators for the Group since it was incorporated:

	2018	2017	2016
Loss for the year	$4,333,460	$1,691,564	$680,344
Closing Share Price	9.6 cents	20.0 cents	n/a[1]
KMP Incentives	$747,533	$777,083	Nil
Total KMP Remuneration	$747,533	$777,083	$42,000

[1] No share price disclosed as the company had not commenced trading on ASX

End of Audited Remuneration Report

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purposes of taking responsibility on behalf of the Group for all or part of those proceedings.

Indemnification of officers
During the financial year the Group paid a premium of $25,080 (2017: $22,371) to insure the directors and officers of the company and its Australian based controlled entities against a liability incurred as such a director or officer to the extent permitted by the Corporations Act 2001.

The Group has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Group against a liability incurred as such as an officer or auditor.

Indemnification of auditors
No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been an auditor of the company.

Auditor's independence declaration
The auditor's independence declaration as required under section 307C of the Corporations Act 2001 can be found on page 39.

Non-Audit Services
Details of the non-audit services provided to the Group from entities related to the Company's external auditor BDO Audit (WA) Pty Ltd during the year ended 30 June 2018 are outlined in the following table. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and the scope of each type of non-audit service provided means that auditor independence was not compromised.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

Amounts received or due and receivable by BDO (WA) Pty Ltd for Other services in relation to the entity and any other entity in the consolidated group

	2018	2017
	$	$
(i) Investigating Accountants Report	-	20,400
(ii) Taxation and Accounting Services	14,000	-
	14,000	**20,400**

This report is made in accordance with a resolution of the Directors.

Gino D'Anna
Director
28 September 2018

METALSTECH LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	30-June-18 AUD $	30-June-17 AUD $
Revenue			
Other revenue		6,234	10,810
		6,234	**10,810**
Expenses			
Administration Expenses		203,740	248,100
Advertising and Marketing		65,729	70,556
Audit Fees		52,699	43,145
Consulting Fees		193,565	186,400
Corporate Compliance		69,967	12,939
Directors Benefits Expense	21	28,668	171,875
Directors and Consulting Fees		699,027	593,638
Employment benefits		104,862	-
Impairment – exploration and evaluation expenditure		2,510,101	-
Legal Fees		92,588	44,297
Occupancy Costs		43,928	18,083
Project Due Diligence Expenses		-	18,355
Share Based Payments	21	23,400	200,000
Travelling Expenses		225,995	94,987
Exploration written off		25,425	-
		(4,333,460)	**(1,691,564)**
Loss from continuing operations before income tax			
Income tax expense	7	-	-
Loss from continuing operations after income tax		**(4,333,460)**	**(1,691,564)**
Other comprehensive income, net of tax		-	-
Total other comprehensive loss for the period		**(4,333,460)**	**(1,691,564)**
		Cents	**Cents**
Loss per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic and diluted loss per share	20	(4.6)	(3.1)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

	Notes	30-June-18	30-June-17
		AUD $	AUD $
ASSETS			
Current Assets			
Cash and cash equivalents	8	1,526,761	779,667
Trade and other receivables	9	283,092	265,291
Total Current Assets		**1,809,853**	**1,044,958**
Non-Current Assets			
Prepayments	10	-	24,769
Property, plant and equipment	11	26,764	23,170
Exploration and evaluation expenditure	12	9,644,796	7,523,663
Total Non-Current Assets		**9,671,560**	**7,571,602**
TOTAL ASSETS		**11,481,413**	**8,616,560**
LIABILITIES			
Current Liabilities			
Trade and other payables	13	288,281	631,585
Provisions	14	6,640	-
Financial liabilities	15	-	280,561
Total Current Liabilities		**294,921**	**912,146**
Non-Current Liabilities			
Financial liabilities	15	-	168,234
Total Non-Current Liabilities		**-**	**168,234**
TOTAL LIABILITIES		**294,921**	**1,080,380**
NET ASSETS		**11,186,492**	**7,536,180**
EQUITY			
Share capital	16	14,010,415	6,217,161
Reserves	17	1,485,778	3,690,927
Accumulated losses	18	(4,309,701)	(2,371,908)
TOTAL EQUITY		**11,186,492**	**7,536,180**

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

METALSTECH LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Issued Capital AUD $	Share Based Payments Reserve AUD $	Options Premium Reserve AUD $	Accumulated Losses AUD $	Total Equity AUD $
Balance at 1 July 2017	**6,217,161**	**3,019,867**	**671,060**	**(2,371,908)**	**7,536,180**
Comprehensive income:					
Loss after income tax expense for the period	-	-	-	(4,333,460)	(4,333,460)
Total comprehensive loss for the period	**-**	**-**	**-**	**(4,333,460)**	**(4,333,460)**
Transactions with owners in their capacity as owners:					
Issue of share capital	8,456,020	-	-	-	8,456,020
Recycle of share based payment reserve	-	(2,200,000)	-	2,200,000	-
Share-based payment-performance rights	-	(223,199)	-	195,667	(27,532)
Share-based payment – broker and adviser options	-	-	218,050	-	218,050
Capital raising costs	(662,766)	-	-	-	(662,766)
At 30 June 2018	**14,010,415**	**596,668**	**889,110**	**(4,309,701)**	**11,186,492**

	Issued Capital AUD $	Share Based Payments Reserve AUD $	Options Premium Reserve AUD $	Accumulated Losses AUD $	Total Equity AUD $
Balance at 1 July 2016	**490,345**	**618,992**	**-**	**(680,344)**	**428,993**
Comprehensive income:					
Loss after income tax expense for the period	-	-	-	(1,691,564)	(1,691,564)
Total comprehensive loss for the period	**-**	**-**	**-**	**(1,691,564)**	**(1,691,564)**
Transactions with owners in their capacity as owners:					
Issue of share capital	6,655,600	-	-	-	6,655,600
Share-based payment-performance rights	-	171,875	-	-	171,875
Share-based payment-deferred consideration	-	2,229,000	-	-	2,229,000
Share-based payment – broker and adviser options	-	-	671,060	-	671,060
Capital raising costs	(928,784)	-	-	-	(928,784)
At 30 June 2017	**6,217,161**	**3,019,867**	**671,060**	**(2,371,908)**	**7,536,180**

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

	Notes	30-June-18	30-June-17
		AUD $	AUD $
Cash flows from operating activities			
Interest received		6,234	5,068
Payment to suppliers and employees (include GST)		(2,100,857)	(1,114,355)
Net cash flows from operating activities	8(b)	**(2,094,623)**	**(1,109,287)**
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(3,565,004)	(2,623,867)
Payments for property, plant and equipment		(9,959)	(16,074)
Other – cash acquired		-	9,167
Net cash flows from investing activities		**(3,574,963)**	**(2,630,774)**
Cash flows from financing activities			
Proceeds from issue of shares		6,782,996	4,623,600
Proceeds of loan from related parties		-	30,000
Repayment of loan from related parties		-	(30,000)
Payment for capital raising costs		(366,316)	(385,905)
Net cash inflows from financing activities		**6,416,680**	**4,237,695**
Net increase in cash and cash equivalents		**747,094**	**497,634**
Cash and cash equivalents at beginning of period		779,667	293,416
Exchange rate adjustments		-	(11,383)
Cash and cash equivalents at the end of the period	8(a)	**1,526,761**	**779,667**

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTE 1: REPORTING ENTITY

MetalsTech Limited (the "Company" or "MetalsTech") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange Limited ("ASX"). The addresses of its registered office and principal place of business are disclosed in the Corporate Directory at the beginning of the Annual Report.

The consolidated financial statements of the Company and its subsidiaries are for the year ended 30 June 2018.

The financial statements were authorised for issue by the Board of Directors on 28 September 2018.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation of the financial report

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board.

The consolidated financial statements were approved by the Board of Directors on the date the directors' report and declaration was signed. MetalsTech Limited is a for-profit entity for the purpose of preparing the financial statements.

Historical Cost Convention
The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Comparative information
This report presents the financial information for the year ended 30 June 2018 and for the prior year ended 30 June 2017.

Functional and presentation currency
The functional currency of the company is measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Australian dollars, which is the entity's functional currency.

b) Going concern
For the year ended 30 June 2018 the Group has incurred a net loss of AUD$4,333,460 (2017: AUD$1,691,564), experienced net cash outflows from operations of AUD$2,094,623 (2017: AUD$1,109,287) and net cash outflows from investing activities of AUD$3,574,963 (2017: AUD$2,630,774). As at 30 June 2018 the cash balance is $1,526,761 (2017: $779,667).

The Directors have reviewed the cash flow requirements in the next 12 months and recognise that the ability of the Group to continue as a going concern is dependent on securing additional funding through equity to continue to fund its exploration activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe there are sufficient funds to meet the Group's working capital requirements as at the date of this report.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- During the year ended 30 June 2018 the Company raised a total of $6,782,996 before costs;
- The Group has a history of successfully raising capital;
- The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities;
- The fact that future exploration and evaluation expenditures are generally discretionary in nature and may be slowed or suspended as part of the management of the Group's working capital and other forecast commitments.
- The Group is in the process of submitting substantial claims for resource credit refunds for eligible exploration expenditure in Quebec Canada.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the company not continue as a going concern.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

d) Income tax

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the statement of financial position date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary difference can be utilised. The amount of benefits brought to account or which may be released in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

e) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest.

These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Costs incurred on identifiable areas of interest where the Company has not been granted rights to tenure as at reporting date are capitalised when the Company are confident that it is probable the Company will be granted rights in the near future. If the Company is subsequently not granted rights to tenure, costs capitalised to affected areas of interest are written off in the Statement of Profit and Loss and Other Comprehensive Income in the year in which this decision is known.

Exploration and evaluation expenditure is assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation expenditure is tested for impairment when any of the following facts and circumstances exist:

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;

- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are not budgeted nor planned;

- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or

- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

f) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of MetalsTech Limited (the "Company" or "Parent Entity") as at 30 June 2018 and the results of its subsidiaries for the year. MetalsTech Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

(i) Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

i) Trade and other payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

j) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

k) Share-based payments

The company provides benefits to employees (including directors) of the company in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (‘equity-settled transactions’). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted.

The fair value is determined using an appropriate option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of shares of MetalsTech Limited (‘market conditions’). (Refer Note 21 for further details)

l) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

m) Foreign currency translation

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Profit or Loss and Other Comprehensive Income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Australian dollars at foreign exchange rates ruling at the dates the fair value was determined.

n) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not shown in the accounts at a value in excess of the recoverable amount of the asset.

Depreciation on assets is calculated using the diminishing value method to allocate their cost, net of their residual values, as follows:

Office equipment	10-40%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Gains and losses on disposals are determined by comparing the proceeds from disposal with the net carrying amount. These gains and losses are included in the Statement of Profit or Loss and Other Comprehensive Income.

o) Trade and other receivables

Trade and other receivables are recorded at amounts due less any allowance for doubtful debts. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

p) Other financial assets

The Group classifies its investments in the following categories: loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.
Investments in subsidiaries are carried at cost, net of any impairment losses.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by weighted average number of ordinary shares outstanding during the financial year, adjusted for the bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

r) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

s) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost. Financial liabilities in the former category include contingent consideration payable on business combinations, financial liabilities in the latter category include trade payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Fair value is determined based on the value of the entity’s equity instruments when the related business combination takes place.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are subsequently measured, at each reporting date, at the fair value of the amount estimated to settle the liability. The increase or decrease in the value of the liability, other than movements in the value of the liability which arise through part settlement of the liability is recognised in the profit or loss.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities at amortised cost
Trade and other payables are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the entity. Trade accounts payable are normally settled within 60 days.

t) Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTE 3: ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT OPERATIVE AT 30 JUNE 2018

The following applicable accounting standards and interpretations have been issued or amended but are not yet effective. These standards have not been adopted by the Group for the year ended 30 June 2018, and no change to the Group's accounting policy is required:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2017 and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early.

AASB 9 Financial Instruments (Effective 1 January 2018)

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement

Except for certain trade receivables, an entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt instruments are subsequently measured at fair value through profit or loss (FVTPL), amortised cost, or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held.

There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch.

Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) without subsequent reclassification to profit or loss.

NOTE 3: ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT OPERATIVE AT 30 JUNE 2018 (continued)

For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation in OCI of the fair value change in respect of the liability's credit risk would create or enlarge an accounting mismatch in profit or loss.

All other AASB 139 classification and measurement requirements for financial liabilities have been carried forward into AASB 9, including the embedded derivative separation rules and the criteria for using the FVO.

The incurred credit loss model in AASB 139 has been replaced with an expected credit loss model in AASB 9.

The requirements for hedge accounting have been amended to more closely align hedge accounting with risk management, establish a more principle-based approach to hedge accounting and address inconsistencies in the hedge accounting model in AASB 139.

Available for sale financial assets will either be designated as fair value through other comprehensive income (when held for strategic investment reasons) or accounted for as financial assets through profit or loss.

The new standard is not expected to significantly impact the recognition and measurement of financial instrument as the Company does not have significant financial instruments.

AASB 15 Revenue from Contracts with Customers (Effective 1 January 2018)

AASB 15 replaces all existing revenue requirements in Australian Accounting Standards (AASB 111 Construction Contracts, AASB 118 Revenue, AASB Interpretation 13 Customer Loyalty Programmes, AASB Interpretation 15 Agreements for the Construction of Real Estate, AASB Interpretation 18 Transfers of Assets from Customers and AASB Interpretation 131 Revenue - Barter Transactions Involving Advertising Services) and applies to all revenue arising from contracts with customers, unless the contracts are in the scope of other standards, such as AASB 117 (or AASB 16 Leases, once applied).

The new standard is not expected to significantly impact the recognition and measurement of revenue from contracts as the Company does not have significant revenue from contracts at this time.

The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

AASB 2016-5 Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions (Effective 1 January 2018)

NOTE 3: ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT OPERATIVE AT 30 JUNE 2018 (continued)

This Standard amends AASB 2 Share-based Payment, clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for:

- The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments

- Share-based payment transactions with a net settlement feature for withholding tax obligations

- A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

AASB 2017-1 Amendments to Australian Accounting Standards - Transfers of Investments Property, Annual Improvements 2014-2016 Cycle and Other Amendments (Effective 1 January 2018).

The amendments clarify certain requirements in:

- AASB 1 First-time Adoption of Australian Accounting Standards - deletion of exemptions for first-time adopters and addition of an exemption arising from AASB Interpretation 22 Foreign Currency Transactions and Advance Consideration
- AASB 12 Disclosure of Interests in Other Entities - clarification of scope
- AASB 128 Investments in Associates and Joint Ventures - measuring an associate or joint venture at fair value
- AASB 140 Investment Property - change in use.

AASB Interpretation 22 Foreign Currency Transactions and Advance Consideration (Effective 1 January 2018)

The Interpretation clarifies that in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration.

AASB 16 Leases (Effective 1 January 2019)

AASB 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under AASB 117 Leases. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

NOTE 3: ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT OPERATIVE AT 30 JUNE 2018 (continued)

Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

The Company has decided not to early adopt any of the new and amended pronouncements. The Company is in the process of evaluating the impact of the above standards.

AASB Interpretation 23 and relevant amending standards, Uncertainty over Income Tax Treatments (Effective 1 January 2019)

The Interpretation clarifies the application of the recognition and measurement criteria in IAS 12 Income Taxes when there is uncertainty over income tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances.

The Company has decided not to early adopt any of the new and amended pronouncements. The Company is in the process of evaluating the impact of the above standards.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial period are discussed below.

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the aging of receivables historical collection rates and specific knowledge of the individual debtors financial position.

NOTE 4: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Share-based payments
The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using valuation methods including the Black Scholes valuation model and the Binomial – barrier up and in model taking into account the terms and conditions upon which the instruments were granted.

The Group measures the cost of equity settled transactions with directors by reference to the fair value of equity instruments at the date at which they are granted. Management have assessed that the achievement of the non-market performance conditions attached to the Performance Rights are 'more likely than not'. 100% of the calculated fair value of the Performance Rights is expensed in the statement of profit or loss and other comprehensive income.

Recoverability of deferred exploration and evaluation expenditure
Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The Board and Management have assessed the carrying value of the Exploration and Evaluation Expenditure to be impaired. Refer to the accounting policy stated in note 2(e) and to note 12 for movements in the exploration and evaluation expenditure balance.

Asset acquisition not constituting a business
When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

In determining when an acquisition is determined to be an asset acquisition and not a business, significant judgement is required to assess whether the assets acquired constitute a business in accordance with AASB 3. Under AASB 3 a business is an integrated set of activities and assets that is capable of being conducted or managed for the purpose of providing a return, and consists of inputs and processes, which when applied to those inputs has the ability to create outputs.

Fair value measurement hierarchy
The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

NOTE 5: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. The Board of Directors co-ordinate domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group holds the following financial instruments:

	30-June-18	30-June-17
	$	$
Financial assets		
Cash and cash equivalents	1,526,761	779,667
Trade and other receivables	283,092	265,291
	1,809,853	1,044,958
Financial liabilities		
Trade and other payables	288,281	631,585
Financial liabilities	-	448,795
	288,281	1,080,380

(a) Market risk

(i) Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. The Group manages foreign exchange risk by monitoring forecast cash flows in currencies other than the Australian dollar.

The Group operates in Canada and pays Canadian dollars for virtually all its exploration expenditure on an ongoing basis. At the end of the year exploration foreign currency trade creditors were CAD$83,372 and expected GST refunds included CAD$213,088. Apart from this the Group has minimal exposure to foreign currency risk at the end of the year.

(ii) Price risk

The Group does not hold investments and therefore is not exposed to equity securities price risk.

(iii) Interest rate risk

The Group's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities is set out below:

NOTE 5: FINANCIAL RISK MANAGEMENT (continued)

	30-June-18		30-June-17	
	Weighted average interest rate	$	Weighted average interest rate	$
Financial assets				
Cash & cash equivalents	0.476%	1,526,761	0.985%	779,667

The Group does not have significant interest-bearing assets and percentage changes in interest rates would not have a material impact on the results. Group sensitivity to movement is not material.

(b) Credit risk

The Group has no significant concentration of credit risk. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings. The Group does not hold any collateral. The Group does not hold any collateral.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet commitments as and when they fall due. The Group has no long term or short term debt and its risk with regard to liquidity relates to its ability to maintain its current operations.

Cash at bank	30-June-18 $	30-June-17 $
Commonwealth Bank -AA	1,526,761	779,667

The Group's ability to raise equity funding in the market is paramount in this regard. The Group manages liquidity by monitoring forecast and actual cash flows.

The table below analyses the Group's financial liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

2018	<6 months $	6-12 months $	>12 months $	Total Contractual Cash Flows $	Carrying Amount $
Financial liabilities					
Trade and other payables	288,281	-	-	288,281	288,281
Financial liabilities	-	-	-	-	-

NOTE 5: FINANCIAL RISK MANAGEMENT (continued)

2017	**<6 months $**	**6-12 months $**	**>12 months $**	**Total Contractual Cash Flows $**	**Carrying Amount $**
Financial liabilities					
Trade and other payables	631,585	-	-	631,585	631,585
Financial liabilities	-	280,561	260,521	541,082	448,795

NOTE 6: SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and Statement of Cash Flows. As a result no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

Revenue by geographical region
The Company has not generated revenue from operations, other than interest income derived from deposits held at call with banks in Australia.

Assets by geographical region
The Company owns tenements in the geographical location of Canada.

NOTE 7: INCOME TAX EXPENSES

	30-June-18	30-June-17
	$	$
(a) Income tax expense:		
Current income tax	-	-
Deferred income tax	-	-
Current income tax benefit	-	-
	-	-
(b) Reconciliation of Income tax expense to prima facie tax payable:		
Loss before income tax	(4,333,460)	(1,691,564)
Prima facie income tax at 27.5% (2017: 27.5%)	(1,191,702)	(465,180)
Non-deductible expenditure	219,294	189,640
Effect of tax rates in foreign jurisdictions	25,844	9,120
Timing differences not recognized	946,564	266,420
Income tax benefit not recognized	-	-
Income tax expense/(benefit)	-	-
(c) Unrecognised deferred tax assets arising on timing differences and losses		
Carry forward revenue losses-Australia	220,885	56,387
Carry forward revenue losses-Foreign	354,161	164,363
Deductible temporary differences	708,960	62,070
Unrecognised deferred tax assets	1,284,006	282,820
(d) Deferred tax liabilities		
Business combination – intangible	-	-
Property, plant and equipment	-	-
	-	-

The tax benefits of the above deferred tax assets will only be obtained if:

a. The consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
b. The consolidated entity continues to comply with the conditions for deductibility imposed by law; and
c. No changes in income tax legislation adversely affect the consolidated entity from utilising the benefits.

NOTE 8: CASH AND CASH EQUIVALENTS

(a) Reconciliation to cash at the end of the period

	30-June-18	30-June-17
	$	$
Cash at bank and in hand	1,526,761	779,667
	1,526,761	**779,667**

(b) Reconciliation of net loss after income tax to net cash flows used in operating activities

	30-June-18	30-June-17
	$	$
Net loss after income tax	(4,333,460)	(1,691,564)
Adjustments for:		
Directors benefits expense	28,668	171,875
Share based payments	23,400	200,000
Impairment expense	2,510,101	-
Depreciation expense	6,365	617
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	6,968	(260,648)
Increase/(decrease) in trade and other payables	(343,305)	470,433
Increase in staff leave provisions	6,640	-
Net cash flows used in operating activities	**(2,094,623)**	**(1,109,287)**
Non-cash investing and financing activities		
Issue of ordinary shares as consideration for asset acquisition (Note 21)	1,544,024	360,000
Issue of unlisted options for capital raising services (note 21)	167,450	671,060
Issue of ordinary shares for capital raising services	129,000	-
Deferred consideration (Note 12)	-	2,677,795
	1,840,474	**3,708,855**

NOTE 9: TRADE AND OTHER RECEIVABLES

	30-June-18	30-June-17
	$	$
GST and Provincial Sales Tax receivable	269,059	35,218
Prepaid expenses	2,033	223,622
Sundry receivables	12,000	6,451
	283,092	**265,291**

(a) Trade receivables past due but not impaired

There were no trade receivables past due but not impaired.

(b) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 5 for more information on the risk management policy of the group and the credit quality of the Group's trade receivables.

NOTE 10: PREPAYMENTS

	30-June-18	30-June-17
	$	$
Prepayments	-	24,769
	-	**24,769**
Reconciliation:		
Balance at the beginning of the year	24,769	184,131
Deposits and acquisition costs for exploration assets	-	24,769
Deposits now expended on exploration	(24,769)	(184,131)
Balance at the end of the year	**-**	**24,769**

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

	30-June-18	30-June-17
	$	$
Plant and equipment	26,764	23,170
	26,764	**23,170**
Balance at the beginning of the year	23,170	-
Additions	9,959	23,787
Depreciation expense	(6,365)	(617)
Balance at the end of the year	**26,764**	**23,170**

NOTE 12: EXPLORATION AND EVALUATION EXPENDITURE

	30-June-18	30-June-17
	$	$
Exploration and evaluation expenditure	9,644,796	7,523,663
	9,644,796	**7,523,663**
Reconciliation:		
Balance at the beginning of the year	7,523,663	-
Re-classification of prepaid deposits and acquisition costs	-	184,131
Deferred project consideration	-	2,677,795
Financial liability of deferred project costs recycled	(448,795)	-
Deposits for exploration costs now expensed	(29,000)	-
Impairment of exploration expenditure[1]	(2,510,101)	-
Acquisition costs and exploration expenditure for exploration assets	5,109,029	4,661,737
Balance at the end of the year	**9,644,796**	**7,523,663**

[1] During the year the Group renegotiated the acquisition of the Terre des Montagnes project. This renegotiation resulted in 11 million vendor milestone shares fair valued at $2,200,000 and deferred cash consideration of $188,234 being waived in return for the immediate issue of 1.35 million escrowed shares fair valued at $324,000. As the total value of the consideration paid for the acquisition of the project had now changed, the Group has reflected this by impairing the capitalised exploration and evaluation expenditure by the value of the previous vendor milestone shares that had been capitalised of $2.2m. A further $310,101 impairment was made in association with tenements disposed the directors chose not to pursue further.

Exploration costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

NOTE 13: TRADE AND OTHER PAYABLES

	30-June-18	30-June-17
	$	$
Trade and other payables	207,125	575,585
Accrued expenses	81,156	56,000
	288,281	**631,585**

NOTE 14: PROVISIONS

	30-June-18	30-June-17
	$	$
Staff leave provisions	6,640	-
	6,640	**-**

NOTE 15: OTHER FINANCIAL LIABILITIES

	30-June-18	30-June-17
	$	$
Deferred consideration		
Principal repayment	-	280,561
Fair value increase/(decrease)	-	-
Total current liability	-	280,561
Non-current liability		
Principal repayment (24 months)	-	260,521
Fair value increase/(decrease)	-	(92,287)
Total non-current liability	-	168,234
Total Liability	-	448,795

In the prior year MetalsTech recorded the contractual deferred consideration payable for acquisition of the Terre des Montagnes Lithium Project. On 16 October 2017 MetalsTech varied the contract for the acquisition and the variation removed the requirement to pay deferred consideration and was satisfied by a one off payment of 1,350,000 MetalsTech shares.

NOTE 16: ISSUED CAPITAL

	30-June-18		30-June-17	
	$	No.	$	No.
Issued Capital	15,601,965		7,145,945	
Cost of share issued	(1,591,550)		(928,784)	
Fully paid ordinary shares	14,010,415	115,503,887	6,217,161	76,248,000

(a) Movements in Ordinary Shares

		30-June-18	
Issue of ordinary shares during the Year	**$**	**No.**	**Issue price per ordinary share**
Opening balance	**6,217,161**	**76,248,000**	-
19/07/2017 Issue of shares – Placement	1,056,875	5,712,840	0.185
29/09/2017 Issue of shares – Project acquisition (i)	80,000	800,000	0.10
27/10/2017 Issue of shares – Project acquisition (ii)	595,200	2,480,000	0.24
03/11/2017 Issue of shares – Placement	756,000	4,200,000	0.18
15/12/2017 Issue of shares – Placement	1,750,000	5,833,334	0.30
19/12/2017 Issue of shares – Project acquisition (iii)	41,250	165,000	0.25
19/12/2017 Issue of shares as payment for services	18,530	60,503	0.31

NOTE 16: ISSUED CAPITAL (continued)

19/12/2017 Issue of shares as payment for services	17,720	70,727	0.25
04/04/2018 Issue of shares – Placement	1,485,000	8,250,000	0.18
06/04/2018 Issue of shares – Placement	315,000	1,750,000	0.18
06/04/2018 Issue of shares as payment for services	68,750	275,000	0.25
06/04/2018 Issue of shares – Project acquisition (iv)	25,000	100,000	0.25
06/04/2018 Issue of shares as payment for services	7,574	41,312	0.18
12/04/2018 Issue of shares – Project acquisition (v)	690,000	3,000,000	0.23
19/04/2018 Issue of shares – Placement	1,420,121	5,917,171	0.24
19/04/2018 Issue of shares – payment of Broker fees	129,000	600,000	0.215
Costs of shares issued	(662,766)		
Balance at 30 June 2018	**14,010,415**	**115,503,887**	

(i) 300,000 shares issued as part of the consideration to acquire West Cobalt Project and 500,000 shares issued as part of the consideration to acquire Van Chester Project

(ii) 1,350,000 shares issued as part of the renegotiation of the terms of the Terres des Montagnes Project, 1,000,000 shares issued to acquire Cancet East Project and 130,000 shares issued as part of the consideration to acquire Bay Lake Extension Project

(iii) 165,000 shares issued as part of the consideration to acquire Wells Lacourciere Project

(iv) 100,000 shares issued as part of the consideration to acquire Bay Lake Extension Project

(v) 3,000,000 shares issued as part of the consideration to acquire Rusty Lake Cobalt Project

		30-June-17	
Issue of ordinary shares during the Year	**$**	**No.**	**Issue price per ordinary share**
Opening balance	490,345	39,380,000	-
Issue of shares – Placement	365,000	3,650,000	$0.100
Issue of shares – LiGeneration Acquisition	360,000	3,600,000	$0.100
Issue of shares – IPO	5,888,600	29,443,000	$0.200
Issue of shares – Project Acquisition	32,500	125,000	$0.260
Issue of shares – Project Acquisition	9,500	50,000	$0.190
Costs of shares issued	(928,784)	-	-
Balance at 30 June 2017	**6,217,161**	**76,248,000**	

Capital management

When managing capital, management's objective is to ensure the company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. This is achieved through the monitoring of historical and forecast performance and cash flows.

NOTE 17: RESERVES

	30-June-18	30-June-17
	$	$
Reserves		
Share-based payments reserve	596,668	3,019,867
Options premium reserve	889,110	671,060
	1,485,778	**3,690,927**
Share-based payments reserve (i)		
Balance at beginning of period/ incorporation	3,019,867	618,992
Valuation of Performance Rights	1,468	171,875
Value of Performance Rights transferred to retained earnings	(195,667)	-
Deferred project consideration	-	2,229,000
Recycle of deferred project consideration	(2,229,000)	-
Balance at the end of the period	**596,668**	**3,019,867**
Options reserve (ii)		
Balance at beginning of period	**671,060**	**-**
Valuation of advisor, broker and executive options – see Note 21 (e)	218,050	671,060
Balance at the end of the period	**889,110**	**671,060**

(i) The share-based payments reserve arises on the grant of performance rights and share options to directors. Amounts are transferred out of the reserve and into issued capital when rights and options are exercised.
(ii) The options premium reserve arises on the grant of share options to consultants. Amounts are transferred out of the reserve and into issued capital when options are exercised.

NOTE 18: ACCUMULATED LOSSES

	30-June-18	30-June-17
	$	$
Balance at start of the year	2,371,908	680,344
Loss after income tax expense for the period	4,333,460	1,691,564
Transfer from share based payment reserve – deferred project costs	(2,200,000)	-
Transfer from share based payment reserve – Performance Rights	(195,667)	-
Balance at the end of the period	**4,309,701**	**2,371,908**

NOTE 19: REMUNERATION OF AUDITORS

During the financial period the following fees were paid or payable for services provided by BDO Audit (WA) Pty Ltd, the auditor of the company:

	30-June-18	30-June-17
	$	$
Audit services - BDO Audit (WA) Pty Ltd		
Audit of the financial statements	52,699	43,145
	52,699	**43,145**
Amounts received or due and receivable by BDO (WA) Pty Ltd for:		
(i) Other services in relation to the entity and any other entity in the consolidated group – Investigating Accountant's Report	-	20,400
ii) Accounting and taxation services	14,000	-
	14,000	**20,400**

NOTE 20: EARNINGS PER SHARE

Basic loss per share

The calculation of basic loss per share at 30 June 2018 was based on the loss attributable to ordinary shareholders of $4,333,460 and a weighted average number of ordinary shares outstanding during the year ended 30 June 2018 was calculated as follows:

	30-June-18	30-June-17
	$	$
Loss attributable to ordinary shareholders	(4,333,460)	(1,691,564)
Weighted average number of ordinary shares	94,400,835	55,194,836
Basic loss per share (cents per share)	(4.6)	(3.1)

Diluted loss per share

Potential ordinary shares are not considered dilutive, thus diluted loss per share is the same as basic loss per share.

NOTE 21: SHARE-BASED PAYMENTS

(a) Performance rights

On 29th June 2018, MetalsTech Limited issued 11,000,000 performance rights to directors (8,000,000) and executives (3,000,000) following shareholder approval granted on 22 June 2018. These performance rights were issued in five classes, each with different performance milestones. Each performance rights will convert into 1 ordinary share of MetalsTech Limited upon achievement of the performance milestone.

The company has assessed three of the classes as being probable of being achieved and have therefore recognised an expense over the vesting period for these three classes. The details of each class are tabled below:

Class	Number	Grant Date	Underlying Share Price	Fair value of right	Total Fair Value 2018	2018 Expense	Probability of achieving milestone
1	2,150,000	22/06/2018	$0.12	$0.12	$258,000	$9,426	More likely
2	2,275,000	22/06/2018	$0.12	$0.037	$84,175	$3,075	More likely
3	2,275,000	22/06/2018	$0.12	$0.018	$40,950	$1,496	More likely
4	2,150,000	22/06/2018	$0.12	$0.12	$258,000	-	Less likely
5	2,150,000	22/06/2018	$0.12	$0.12	$258,000	-	Less likely

Class 1, 4 and 5 were valued using the share price at grant date.
Class 2 and 3 were valued using the up-and-in model as they have market-based conditions attached. A risk free rate of 2.11% was applied in the valuation (3-year Australian bond rate) and a VWAP volatility of 50%.

None of the above performance rights have vested to date.

Performance Milestones:

- **Class 1 Performance Rights**: the Performance Rights convert to Shares upon the Company achieving a JORC Compliant Inferred Resource at any of its current or future projects within the next 3 years;

- **Class 2 Performance Rights**: the Performance Rights convert to Shares upon the achievement of a 20-day VWAP share price >AUD$0.40 within the next 3 years;

- **Class 3 Performance Rights**: the Performance Rights convert to Shares upon the achievement of a 20-day VWAP share price >AUD$0.60 within the next 3 years;

- **Class 4 Performance Rights**: the Performance Rights convert to Shares upon the Company achieving delivery of a commercial Pre-Feasibility Study on any of its current or future projects within the next 5 years;

- **Class 5 Performance Rights**: the Performance Rights convert to Shares upon completion of first material binding offtake agreement, major project financing (>A$20 million) or major farm-out for any of the Company's current or future projects within the next 5 years,

The total expense arising from share based payment transactions recognised during the period in relation to the performance rights issued was $13,997 (2017: $171,875). The total number of Performance Rights issued included 8,000,000 to directors and accordingly $10,160 was included in Directors benefits expense.

NOTE 21: SHARE-BASED PAYMENTS (continued)

(b) Options on issue

All options on issue relate to share based payments to directors or employees, brokers and consultants for services provided. All options have fully vested.

The following options are on issue at 30 June 2018:

Grant Date	Expiry Date	Exercise Price	Balance at start of the year Number	Issued during the year Number	Exercised during the year Number	Cancelled or Expired during the year Number	Balance at end of the year Number
2018							
21 Feb 2017	24 Feb 2020 *	$0.25	5,800,000	-	-	-	5,800,000
7 July 2017	8 July 2021 *	$0.25	9,600,000	-	-	-	9,600,000
24 July 2017	1 Aug 2020	$0.25	-	500,000	-	-	500,000
10 Aug 2017	10 Aug 2020	$0.25	-	500,000	-	-	500,000
19 April 2018	1 Nov 2020	$0.30	-	100,000	-	-	100,000
29 June 2018	1 Nov 2020	$0.25	-	1,600,000	-	-	1,600,000
29 June 2018	1 Nov 2021	$0.25	-	1,100,000			1,100,000
			15,400,000	3,800,000	-	-	19,200,000
Vested and Exercisable			-	3,800,000	-	-	3,800,000

Weighted average remaining contracted life of options (Years)	2.52 Years
Weighted average exercise price	$0.25

* The first two classes of options listed above are subject to escrow conditions until 24 February 2019.

(c) Valuations of unlisted options issued during the year

Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The fair value of the unlisted options issued during the period were based on the following:

	2018					2017
Type of Options:	**Broker Options**	**Consultant Options**	**Broker Options**	**Broker and Consultant Options**	**Executives and Directors Options**	**Broker Options**
Number of options issued	500,000	500,000	100,000	1,600,000	1,100,000	5,900,000
Exercise price $	0.25	0.25	0.30	0.25	0.25	0.25
Share price at date granted	0.23	0.16	0.22	0.12	0.12	0.20
Risk free rate	1.95%	2.61%	2.66%	2.65%	2.65%	1.86%
Volatility factor	100%	80%	80%	80%	80%	100%
Number of years to expiry	3.07	3.00	2.54	2.36	3.36	3.01
Fair value per option	0.14	0.07	0.09	0.05	0.05	0.12
Valuation	$70,650	$33,700	$8,700	$54,400	$50,600	$671,060

NOTE 21: SHARE-BASED PAYMENTS (continued)

(d) Deferred consideration – share based payment

In the prior year MetalsTech recorded deferred consideration for share based payments pursuant to a Licence Acquisition Agreement in place between MetalsTech and Glenn Griesbach and Junita Tedy-Asihto in relation the acquisition of the Terre des Montagnes Lithium Project.
On 16th October 2017 MetalsTech varied the above agreement and the obligation to issue deferred consideration (both cash and shares) was removed entirely and replaced by a one-off payment of 1,350,000 shares in MetalsTech. These shares were issued on 12 January 2018.

(e) Shares

The Group issued shares as payment for capital raising services and also for a number of projects during the year as follows:

(i) 300,000 shares issued as part of the consideration to acquire West Cobalt Project and 500,000 shares issued as part of the consideration to acquire Van Chester Project
(ii) 1,350,000 shares issued as part of the renegotiation of the terms of the Terres des Montagnes Project, 1,000,000 shares issued to acquire Cancet East Project and 130,000 shares issued as part of the consideration to acquire Bay Lake Extension Project
(iii) 165,000 shares issued as part of the consideration to acquire Wells Lacourciere Project
(iv) 100,000 shares issued as part of the consideration to acquire Bay Lake Extension Project
(v) 3,000,000 shares issued as part of the consideration to acquire Rusty Lake Cobalt Project
(vi) 600,000 shares issued for capital raising services.
(vii) 172,542 shares issued for geological consulting services.
(viii) 275,000 shares issued as consideration of an introduction fee

The fair value of the above shares were determined based on the share price at the date of issue.

Refer to Note 16 for the values of shares issued for the above projects.

(f) Summary of share-based payment transactions

Total share-based payment transactions recognised during the year:

Shared based payments	2018 $	2017 $
Performance Rights (included in Profit or Loss)	1,468	171,875
Options issued to Directors (included in Profit or Loss)	27,600	-
Options issued to Executives (included in Profit or Loss)	23,000	-
Options issued for capital raising services (included in equity)	167,450	671,060
Issue of shares for capital raising services (included in equity)	129,000	-
Shares issued for exploration expenses / acquisitions (capitalised E&E)	1,544,024	360,000
Shares issued to Lithium Australia (capitalised E&E)	-	200,000
Shares to be issued as deferred consideration (capitalised E&E)	-	2,200,000
	1,892,542	**3,602,935**

NOTE 22: RELATED PARTY TRANSACTIONS

(a) Parent entities

The parent entity within the Group is MetalsTech Limited.

(b) Subsidiaries

Group structure

	Country of incorporation	Date of Incorporation	Class of shares	Ownership interest 2018	Ownership interest 2017
Parent Entity					
MetalsTech Limited	Australia	25/05/2016	Ordinary		
Subsidiaries					
LiGeneration Limited	Australia	02/06/2016	Ordinary	100%	100%
iCobalt Limited	Australia	12/09/2017	Ordinary	100%	-
MetalsTech Adina Lithium Inc	Canada	17/11/2017	Ordinary	100%	-
MetalsTech Cancet Lithium Inc	Canada	17/11/2017	Ordinary	100%	-
MetalsTech Sirmac Lithium Inc	Canada	17/11/2017	Ordinary	100%	-
MetalsTech Kapiwak Lithium Inc	Canada	17/11/2017	Ordinary	100%	-
MetalsTech Wells-Lacourciere Lithium Inc	Canada	17/11/2017	Ordinary	100%	-
MetalsTech Project Generation Lithium Inc	Canada	17/11/2017	Ordinary	100%	-
MetalsTech Terres des Montagnes Lithium Inc	Canada	17/11/2017	Ordinary	100%	-
iCobalt Rusty Lake Cobalt Inc	Canada	05/02/2018	Ordinary	100%	-
MetalsTech Bay Lake Cobalt Inc	Canada	21/11/2017	Ordinary	100%	-
iLithium Pty Ltd	Australia	28/03/2018	Ordinary	100%	-

NOTE 22: RELATED PARTY TRANSACTIONS (continued)

(b) Key management personnel compensation

The key management personnel compensation is as follows:

	30-June-18 $	30-June-17 $
Short-term benefits	709,773	593,638
Post-employment benefits	-	-
Share-based payments	37,760	183,445
	747,533	**777,083**

(c) Other transactions with key management personnel

During the year, the Group was charged $252,400 (2017: $262,000) by Internatzionale Consulting Pty Ltd. Internatzionale Consulting Pty Ltd provided consultancy and management services to the Group on normal commercial terms. Gino D'Anna is a director of Internatzionale Consulting Pty Ltd. The balance owing at year end is $23,100 (2017:$23,100).

During the year, the Group was charged $250,200 (2017: $252,000) by MinCo Holding Pty Ltd. MinCo Holding Pty Ltd provided consultancy and management services to the Group on normal commercial terms. Russell Moran is a director of MinCo Holding Pty Ltd. The balance owing at year end is $46,200 (2017:$23,100).

During the year, the Group was charged $48,485 (2017: $43,637) by Greenwood Environmental Inc. Greenwood Environmental Inc provided consultancy and management services to the Group on normal commercial terms. Shane Uren is a director of Greenwood Environmental Inc. The balance owing at year end is $Nil (2017: $12,028).

During the year, the Group was charged $150,400 (2017: Nil) by DNR Consulting Pty Ltd. DNR Consulting Pty Ltd provided consultancy and management services to the Group on normal commercial terms. David Riekie is a director of DNR Consulting Pty Ltd. The balance owing at year end is $24,200 (2017: Nil).

In the prior year, Talos Mining Pty Ltd loaned $30,000 to the Group. Russell Moran is a director of Talos Mining Pty Ltd. This loan was repaid in full during the prior year. No funds have been loaned to the Group in 2018.

NOTE 23: PARENT ENTITY FINANCIAL INFORMATION

	30-June-18	30-June-17
	$	$
Current Assets	1,567,025	874,956
Non-Current Assets	9,407,563	7,597,401
Total Assets	**10,974,766**	**8,472,357**
Current Liabilities	211,726	521,740
Non-Current Liabilities	-	428,755
Total liabilities	**211,726**	**950,495**
Contributed equity	14,010,415	6,017,161
Reserves	1,485,778	3,690,927
Accumulated losses	(4,733,153)	(2,186,226)
Total equity	**10,763,040**	**7,521,862**
Loss for the year	2,546,927	1,691,564
Other comprehensive loss for the year	-	-
Total comprehensive loss for the year	2,546,927	1,691,564

a. Guarantees and Contingent Liabilities

Refer to note 24 for details of guarantees and contingent liabilities.

b. Contractual Commitments

Refer to note 25 for details of contractual commitments.

NOTE 24: Contingent Liabilities

Contingent Cash Consideration

Pursuant to the various licence acquisition agreements, MetalsTech is required to undertake deferred cash consideration payments which, at the discretion of MetalsTech, may be paid in Shares at the 10-day VWAP, with such Shares then subject to 12 months' escrow. These payments range in value from $75,000 to $325,000 and are contingent upon discovering JORC reserves of the relevant areas of interest.

Other contingencies

Pursuant to licence acquisition agreements, the company has agreed to net smelter royalties ('NSR') to the vendors which will only be payable from future production. Given the early stage of exploration regarding these relevant areas of interest, the Directors consider these contingent payments to be remote and accordingly have not disclosed further details.

NOTE 25: COMMITMENTS

As part of the acquisition of licences in the year mentioned in the contingencies note, MetalsTech has committed to minimum expenditure of $8.75m over the next 4 years. A summary of this expenditure is noted below.

(a) Terre des Montagnes Lithium Project

In the prior year MetalsTech recorded a commitment to use all reasonable endeavours to spend a minimum of CAD$5,000,000 in exploration over a five (5) year period on the Project. On 16 October 2017 the contract was varied and this requirement was removed. In its place is a requirement to spend sufficient exploration funds to maintain the active nature of the claims, unless it is reasonable for MetalsTech to abandon some of the claims for low prospectivity reasons. The commitment minimum expenditures each year is therefore now only that required to at least satisfy Quebec Ministry of Mines minimum work program requirements and fees to keep all claims in good standing.

(b) Kapiwak Lithium Project

Kapiwak South Lithium Project

Subject to MetalsTech securing the necessary regulatory approvals and funding, MetalsTech will use all reasonable endeavours to spend a minimum of CAD$2,000,000 in exploration over a 4 year period on the Project, with minimum expenditures each year to at least satisfy Quebec Ministry of Mines minimum work program requirements and fees to keep all claims in good standing.

Kapiwak North Lithium Project

Subject to MetalsTech securing the necessary regulatory approvals and funding, MetalsTech will use all reasonable endeavours to spend a minimum of CAD$500,000 in exploration over a 4 year period on the Project, with minimum expenditures each year to at least satisfy Quebec Ministry of Mines minimum work program requirements and fees to keep all claims in good standing.

NOTE 25: COMMITMENTS (continued)

(c) Sirmac-Clapier Lithium Project

Subject to MetalsTech securing the necessary regulatory approvals and funding**,** MetalsTech will use all reasonable endeavours to spend a minimum of CAD$1,000,000 in exploration over a 3 year period on the Project, with minimum expenditures each year to at least satisfy Quebec Ministry of Mines minimum work program requirements and fees to keep all claims in good standing.

(d) Adina Lithium Project

MetalsTech has now satisfied the contractual commitment to spend a minimum of CAD$500,000 in exploration on the Project over a four (4) year period. The Company will continue to satisfy the minimum expenditures of the Quebec Ministry of Mines minimum work program requirements and fees so as to keep all claims comprising the Project in good standing.

(e) Cancet Lithium Project

MetalsTech has now satisfied the contractual commitment to spend a minimum of CAD$500,000 in exploration on the Project over a four (4) year period. The Company will continue to satisfy the minimum expenditures of the Quebec Ministry of Mines minimum work program requirements and fees so as to keep all claims comprising the Project in good standing.

(f) Wells-Lacourciere Lithium Project

Subject to MetalsTech securing the necessary regulatory approvals and funding MetalsTech will use all reasonable endeavours to spend a minimum of CAD$1,500,000 in exploration over a four (4) year period on the Project, with minimum expenditures each year to at least satisfy Quebec Ministry of Mines minimum work program requirements and fees to keep all claims in good standing.

(g) Terre des Montagnes Southwest and Southeast Lithium Project

Subject to MetalsTech securing the necessary regulatory approvals and funding, MetalsTech will use all reasonable endeavours to spend a minimum of CAD$3,000,000 in exploration over a 4 year period on the Projects, with minimum expenditures each year to at least satisfy Quebec Ministry of Mines minimum work program requirements and fees to keep all claims in good standing.

(h) Terre des Montagnes Southeast Extension Lithium Project

Subject to MetalsTech securing the necessary regulatory approvals and funding, MetalsTech will use all reasonable endeavours to spend a minimum of CAD$750,000 in exploration over a 4 year period on the Projects, with minimum expenditures each year to at least satisfy Quebec Ministry of Mines minimum work program requirements and fees to keep all claims in good standing.

NOTE 26: ASSET ACQUISITION

In the prior year MetalsTech acquired the assets of LiGeneration Limited ("LiGeneration") by way of a Scrip for Scrip offer. Equity consideration of 3,600,000 shares was issued on 18 November 2016 at fair value based on the most recent capital-raising share price of $0.10 per share, the value of the LiGeneration was unable to be measured reliably and therefore the value of the projects were measured by reference to the fair value of the shares issued.

The transaction is not a business combination as the assets acquired did not meet the definition of a business as defined in the Australian Accounting Standards as at the date of acquisition, no economic resource could be established. The acquisition of the net assets meets the definition of, and has been accounted for, as an asset acquisition.

	2017
Assets	
Cash and cash equivalents	9,167
Trade and other receivables	9,251
Exploration and evaluation assets	356,229
Liabilities	
Trade and other payables	14,647
Value of net assets acquired	**360,000**
Consideration	
Equity consideration	360,000
Transaction costs	-
Total consideration	**360,000**

NOTE 27: EVENTS SUBSEQUENT TO REPORTING DATE

Acquisition of Project

Subsequent to the reporting date the Company entered into a binding agreement with gold focussed Canadian listed explorer Tri-Origin Exploration Limited (TSXV: TOE) (Tri- Origin or TOE), to acquire a portfolio of prospective cobalt exploration licenses. A summary of the transaction terms is as follows:

100% acquisition of exploration licenses subject to satisfaction of the conditions precedent listed below:

- Completion of due diligence on the exploration licenses within 30 days of execution of the agreement; and
- Parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 (Cth) or any other law and all third party approvals, consents and necessary documentation required to lawfully complete the acquisition of the exploration licenses and related matters set out in the agreement.

NOTE 27: EVENTS SUBSEQUENT TO REPORTING DATE (continued)

Initial consideration of:

- CAD$10,000 deposit; CAD$90,000 initial payment; and
- the issue of 750,000 fully paid ordinary shares (Shares) on settlement.
- These Shares will be subject to a six-month voluntary escrow period from issue.

MetalsTech to complete CAD$300,000 minimum in-ground expenditure year one; CAD$500,000 in-ground minimum spend year two.

Deferred consideration consisting of:

- CAD$100,000 and the issue of 750,000 Shares on that date which is 12 months from the settlement date.
- These Shares will be subject to a six-month voluntary escrow period from issue.

Performance bonuses consisting of the issue of:

- 500,000 Shares on achievement by MetalsTech of 20day VWAP greater than 35 cents; during the first year following settlement.
- 500,000 Shares on achievement by MetalsTech of 20day VWAP greater than 50 cents; during the second year following settlement.
- 750,000 Shares if MetalsTech delineates a 1MT JORC or NI 43-101 Indicated Resource greater than 0.5% Co equivalent within four years from execution of the agreement.
- 1,500,000 Shares if MetalsTech delineates a 2MT JORC or NI 43-101Indicated Resource greater than 0.5% Co equivalent within four years from execution of the agreement.
- All of these Shares (if issued) will be subject to a six-month voluntary escrow period from issue.

Following completion of MetalsTech’s first and second year obligations, the Company will grant Tri-Origin Exploration Limited a net smelter royalty of 1.75% in respect of all metals and minerals produced from the exploration licenses (NSR). The Company will be granted the right to buy-back part of the NSR and a first and last right of refusal to acquire the remainder of the NSR in certain circumstances.

In the event that the Company does not meet its minimum expenditure requirements or does not issue the consideration Shares (for the avoidance of doubt, this does not apply to the performance bonuses) MetalsTech’s interests in the exploration licenses will revert to Tri-Origin Exploration Limited.

In August 2018 the Company completed the acquisition by making the initial payment of CAD$90,000 and issued the 750,000 shares.

Board Changes

On 10 September 2018 Mr David Riekie the Managing Director resigned. On 13 September 2018 Dr Quinton Hills was appointed to the Board as a non-executive director.

Cancellation of Performance Rights and Options

As a result of the resignation of the Managing Director and another executive, a total of 7,250,000 Performance Rights and 1,000,000 unlisted options were cancelled.

NOTE 27: EVENTS SUBSEQUENT TO REPORTING DATE (continued)

Other than the above, there have been no other matters or circumstances which have arisen since 30 June 2018 that have significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 30 June 2018, of the company, or
(b) the results of those operations, or
(c) the state of affairs, in financial years subsequent to 30 June 2018, of the company.

NOTE 28: COMPANY DETAILS

The registered office and principal place of business of the company is:
Unit 1, 44 Dennis Street
Subiaco WA 6008

ASX ADDITIONAL INFORMATION

In the opinion of the Directors of MetalsTech Limited (the "Company"):

1. The attached consolidated financial statements, notes thereto and the additional disclosures included in the Directors' Report designated as audited are in accordance with the Corporations Act 2001, including:

   (a) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

   (b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and

   (c) the financial statements also comply with International Financial Reporting Standards as disclosed in note 2(a) to the financial statements.

2. There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with sections 295A of the Corporations Act 2001 for the financial year ended 30 June 2018.

Gino D'Anna
Director
28 September 2018

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INDEPENDENT AUDITOR'S REPORT

To the members of MetalsTech Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of MetalsTech Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2(b) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for Exploration and Evaluation Assets

Key audit matter	*How the matter was addressed in our audit*
At 30 June 2018 the Group held a significant carrying value of Exploration and Expenditure Assets as disclosed in Note 12. As the carrying value of the Exploration and Evaluation Asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; • Recognition and valuation of purchase consideration for tenement acquisitions; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • verifying, on a sample basis, evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • considering whether any facts or circumstances existed to suggest impairment testing was required; and • assessing the adequacy of the related disclosures in Note 2(e), Note 4 and Note 12 of the financial report.

Accounting for Share-based Payments

Key audit matter	*How the matter was addressed in our audit*
As per Note 21, during the year ended 30 June 2018, the Company issued shares, options and performance rights to directors, employees, advisors and for project acquisitions which have been accounted for as share-based payments. Refer to Note 2(k) and Note 4 of the financial report for a description of the accounting policy and significant estimates and judgements applied to these transactions. Due to the complex and judgmental estimates used in determining the valuation of the share based payments, we consider the accounting for the share-based payment expense to be a key audit matter.	Our audit procedures in respect of this area included, but were not limited to the following: • reviewing the relevant agreements to obtain an understanding of the contractual nature of the share-based payment arrangements; • reviewing management's determination of the fair value of the shares, options and performance rights issued; • considering the appropriateness of the valuation model used and assessing the valuation inputs; • involving our valuation specialists to assess the assumptions and inputs used in the valuation; • evaluating management's assessment of the probability of achieving performance conditions relating to performance rights issued during the year; • assessing the allocation of the share-based payment expense over the relevant vesting period; and • assessing the adequacy of the related disclosure in Note 2(k), Note 4 and Note 21 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 28 to 37 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of MetalsTech Limited, for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 28 September 2018

ASX ADDITIONAL INFORMATION

DESCRIPTION OF THE MINING RIGHTS

Terre des Montagnes Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2433707 to 2433712	Active	2015/10/02	2019/10/01	320.22
2436464 to 243465	Active	2016/01/28	2020/01/27	106.80
2445330 to 244344	Active	2016/05/24	2020/05/23	800.70
2445353 to 244365	Active	2016/05/24	2020/05/23	693.81
2445378 to 244404	Active	2016/05/24	2020/05/23	1440.72
2446336 to 2446368	Active	2016/06/01	2020/05/31	1761.21
2446747 to 246793	Active	2016/06/02	2020/06/01	2506..98

Sirmac-Clapier Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2438938	Active	2016/04/01	2020/03/31	54,61
2438939	Active	2016/04/01	2020/03/31	54,61
2438940	Active	2016/04/01	2020/03/31	10,67
2438992	Active	2016/04/01	2020/03/31	54,62
2445273	Active	2016/05/24	2020/05/23	54,64
2445274	Active	2016/05/24	2020/05/23	54,63
2445275	Active	2016/05/24	2020/05/23	54,63
2445345	Active	2016/05/24	2020/05/23	54,63
2445346	Active	2016/05/24	2020/05/23	54,62
2448807 to 2448813	Active	2016/06/15	2020/06/14	289.37
2449174	Active	2016/06/16	2020/06/15	20,22
2449175	Active	2016/06/16	2020/06/15	35,18
2449176	Active	2016/06/16	2020/06/15	48,15
2449450 to 2449467	Active	2016/06/17	2020/06/16	983.34
2450532	Active	2016/06/21	2020/06/20	54,65

ASX ADDITIONAL INFORMATION

Kapiwak South Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2441779	Active	2016/04/18	2020/04/17	52,8
2441780	Active	2016/04/18	2020/04/17	52,8
2441781	Active	2016/04/18	2020/04/17	52,8
2449608	Active	2016/06/17	2020/06/16	52,8
2449609	Active	2016/06/17	2020/06/16	52,8
2449610	Active	2016/06/17	2020/06/16	52,8
2449611	Active	2016/06/17	2020/06/16	52,8
2449612	Active	2016/06/17	2020/06/16	52,8
2450058	Active	2016/06/20	2020/06/19	52,8
2450059	Active	2016/06/20	2020/06/19	52,79
2450060	Active	2016/06/20	2020/06/19	52,79
2450063	Active	2016/06/20	2020/06/19	52,8
2450064	Active	2016/06/20	2020/06/19	52,8
2450065	Active	2016/06/20	2020/06/19	52,79
2451106	Active	2016/07/11	2020/07/10	52,79
2451107	Active	2016/07/11	2020/07/10	52,79
2451108	Active	2016/07/11	2020/07/10	52,78
2451109	Active	2016/07/11	2020/07/10	52,78
2451110	Active	2016/07/11	2020/07/10	52,77
2451111	Active	2016/07/11	2020/07/10	52,77
2451113 to 2451132	Active	2016/07/11	2020/07/10	1056.0

Kapiwak North Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2455536 to 245580	Active	2016/07/28	2020/07/27	2371.50
2455583 to 245616	Active	2016/07/28	2020/07/27	1739.1
2455581	Active	2016/07/28	2020/07/27	52.67
2455582	Active	2016/07/28	2020/07/27	52.67

ASX ADDITIONAL INFORMATION

Adina Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2458191 to 2458210	Active	2016/08/17	2020/08/16	1081.71
2446329	Active	2016/06/01	2020/05/31	51.53
2446330	Active	2016/06/01	2020/05/31	51.53
2446331	Active	2016/06/01	2020/05/31	51.53
2461127 to 2461140	Active	2016/09/06	2020/09/05	721.14
2465572 to 2465591	Active	2016/10/11	2020/10/10	1031.0

Terre des Montagnes Southeast Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2446794 to 244825	Active	2016/06/02	2020/06/01	1708.8
2446833	Active	2016/06/02	2020/06/01	53.44
2446956 to 2446965	Active	2016/06/06	2020/06/05	534.3
2447726	Active	2016/06/13	2020/06/012	53.43
2447727	Active	2016/06/13	2020/06/012	53.42

Terre des Montagnes Southwest Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2454590 to 2453629	Active	2016/07/25	2020/07/24	2136.0

Terre des Montagnes Southeast Extension Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2456106	Active	2016/07/29	2020/07/28	53.51
2456107	Active	2016/07/29	2020/07/28	53.51
2456111	Active	2016/07/29	2020/07/28	53.50
2456112	Active	2016/07/29	2020/07/28	53.50
2456113	Active	2016/07/29	2020/07/28	53.50
2456124 to 245133	Active	2016/07/29	2020/07/28	534.8
2456147 to 245166	Active	2016/07/29	2020/07/28	1070.0
2456235 to 2461527	Active	2016/07/29	2020/07/28	1101.72

Wells-Lacourciere Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2438512	Active	2016/03/22	2020/03/21	57.52
2438588	Active	2016/03/23	2020/03/22	57.52
2438589	Active	2016/03/23	2020/03/22	57.53
2454733	Active	2016/07/25	2020/07/24	57.53

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2454734	Active	2016/07/25	2020/07/24	57.52
2454735	Active	2016/07/25	2020/07/24	57.53
2454736	Active	2016/07/25	2020/07/24	57.52
2454742 to 245749	Active	2016/07/25	2020/07/24	460.4
2454979	Active	2016/07/27	2020/07/26	57.59
2454980 to 2454989	Active	2016/07/27	2020/07/26	575.9
2455113	Active	2016/07/27	2020/07/26	57.58
2455114	Active	2016/07/27	2020/07/26	57.58
2455115	Active	2016/07/27	2020/07/26	57.58
2455124	Active	2016/07/27	2020/07/26	57.57
2455125	Active	2016/07/27	2020/07/26	57.57
2455126	Active	2016/07/27	2020/07/26	57.57
2455135 to 2455152	Active	2016/07/27	2020/07/26	1035.0
2455154 to 2455197	Active	2016/07/27	2020/07/26	2531.9
2457586	Active	2016/08/15	2020/08/14	57.62
2465987	Active	17/10/2016	16/10/2020	55.5
2465988	Active	17/10/2016	16/10/2020	24.45
2465989	Active	17/10/2016	16/10/2020	16.02
2466113	Active	18/10/2016	17/10/2020	43.03
2469618	Active	17/11/2016	16/11/2020	15.66
2505075	Active	20/11/2017	19/11/2019	57.55
2505076	Active	20/11/2017	19/11/2019	57.54
2505099 to 2505113	Active	20/11/2017	19/11/2019	863.09
2505119 to 2505127	Active	20/11/2017	19/11/2019	514.84
2505132 to 2505138	Active	20/11/2017	19/11/2019	403.02
2505144	Active	20/11/2017	19/11/2019	57.59
2505149 to 2505159	Active	20/11/2017	19/11/2019	632.14

Wells-Lacourciere Extension I Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2465257 to 2465266	Active	2016/10/05	2020/10/04	575.4

Wells-Lacourciere Northwest Extension Lithium Project Claims

ASX ADDITIONAL INFORMATION

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2455177 to 245190	Active	2016/07/27	2020/07/26	805.0

Cancet Lithium Project Claims

CDC N°	Status	Registration Date	Expiry Date	Area (ha)
2446315 to 244327	Active	2016/06/01	2020/05/31	717.5
2446328	Active	2016/06/01	2020/05/31	51.24
2461250 to 246418	Active	2016/09/07	2020/09/06	8666.32

ASX ADDITIONAL INFORMATION

Bay Lake Cobalt Project

Claim I.D.	Township / Area	Anniversary Date	Tenure Status
4272809	COLEMAN	2019-06-05	Active
4275881	COLEMAN	2019-05-16	Active
4275882	COLEMAN	2019-05-24	Active
4275887	COLEMAN	2019-05-24	Active
4276742	COLEMAN	2019-04-20	Active
4281601	COLEMAN	2019-05-03	Active
4281602	COLEMAN	2019-05-11	Active
4281620	COLEMAN	2019-06-08	Active
4281621	COLEMAN	2019-04-03	Active
4281622	COLEMAN	2019-04-03	Active
4281623	COLEMAN	2019-03-10	Active
4281624	COLEMAN	2019-03-10	Active
4281625	COLEMAN	2019-06-05	Active
4281626	COLEMAN	2019-03-10	Active
4281627	COLEMAN	2019-04-03	Active
4281628	COLEMAN	2019-03-10	Active
4281667	COLEMAN	2019-06-05	Active
4281670	COLEMAN	2019-06-08	Active
4284351	COLEMAN	2019-05-17	Active
4284353	COLEMAN	2019-05-23	Active
4284362	COLEMAN	2019-05-05	Active
4284388	COLEMAN	2019-04-20	Active
4284389	COLEMAN	2019-04-20	Active
4284401	COLEMAN	2019-05-11	Active
4284403	COLEMAN	2019-04-03	Active
4284404	COLEMAN	2019-04-26	Active
4284431	COLEMAN	2019-05-11	Active
4284432	COLEMAN	2019-05-11	Active
4284433	COLEMAN	2019-05-11	Active
4284434	COLEMAN	2019-05-11	Active
4285533	COLEMAN	2019-05-05	Active
4285547	COLEMAN	2019-04-20	Active
4286001	COLEMAN	2019-04-03	Active
4286002	COLEMAN	2019-03-10	Active
4286003	COLEMAN	2019-03-10	Active
4286004	COLEMAN	2019-03-10	Active
4286005	COLEMAN	2019-06-05	Active
4286006	COLEMAN	2019-06-05	Active
4286007	COLEMAN	2019-05-11	Active
4286008	COLEMAN	2019-05-11	Active
4286009	COLEMAN	2019-05-11	Active

ASX ADDITIONAL INFORMATION

Bay Lake Cobalt Project (continued)

Claim I.D.	Township / Area	Anniversary Date	Tenure Status
4286018	COLEMAN	2019-06-08	Active
4286019	COLEMAN	2019-04-03	Active
4286020	COLEMAN	2019-06-08	Active
4286021	COLEMAN	2019-04-03	Active
4286022	COLEMAN	2019-04-03	Active
4286023	COLEMAN	2019-06-05	Active
4286024	COLEMAN	2019-04-03	Active
4286025	COLEMAN	2019-06-05	Active
4286026	COLEMAN	2019-06-05	Active
4286026	COLEMAN	2019-04-03	Active
4286026	COLEMAN	2019-06-05	Active
4286026	COLEMAN	2019-04-03	Active
4286028	COLEMAN	2019-04-13	Active
4286045	COLEMAN	2019-05-03	Active
4286046	COLEMAN	2019-05-03	Active
4286047	COLEMAN	2019-05-11	Active
4286048	COLEMAN	2019-05-11	Active

Rusty Lake Cobalt Project

Claim I.D.	Township / Area	Anniversary Date	Tenure Status
4270518	LEITH	2019-08-10	Active
4271080	LEITH	2019-08-10	Active
4281051	LEITH	2018-11-16	Active
4281052	LEITH	2018-11-16	Active
4281053	LEITH	2019-08-10	Active
4281055	LEITH	2018-11-16	Active
4281056	LEITH	2019-08-10	Active
4281057	CHARTERS	2018-11-16	Active
4281058	CHARTERS	2018-11-16	Active
4283356	LEITH	2019-08-10	Active
4283357	LEITH	2019-08-10	Active

ASX ADDITIONAL INFORMATION

STATEMENT OF QUOTED SECURITIES AS AT 26 SEPTEMBER 2018

a) Distribution of Shareholders

Size of Holding		Number of Shareholders
1 – 1,000		32
1,001 – 5,000		254
5,001 – 10,000		220
10,001 – 100,000		494
100,001 and over		138
	Total	**1,138**

b) Number of holders of less than marketable parcels: 323

c) There are two substantial shareholders listed in the Company's register being:

Talos Mining Pty Ltd – 18,364,182 fully paid ordinary shares (15.80%)

Rachel D'Anna – 11,991,000 fully paid ordinary shares (10.31%)

d) Twenty largest shareholders:

	Rank	Holder Name	Designation	Securities	%
*	1	TALOS MINING PL	TALOS MINING A/C	18,364,182	15.80%
*	2	D'ANNA RACHEL		11,991,000	10.31%
	3	BCC HK INTNL TRADE CO. LT		10,000,000	8.60%
*	4	GRIESBACH GLENN		5,375,000	4.62%
*	5	TEDY-ASIHTO JUNITA		3,275,000	2.82%
	6	SUNSET CAP MGNT PL	SUNSET S/F A/C	3,100,000	2.67%
	7	NEW FOUND GOLD CORP		3,000,000	2.58%
*	8	CAMERON SARAH		2,480,000	2.13%
	9	CITICORP NOM PL		1,736,006	1.49%
*	10	GURON PL	MORAN S/F	1,200,000	1.03%
	11	ENGEL JAY MICHAEL		1,144,980	0.98%
	12	MORRISON DION		1,050,000	0.90%
	13	GUSTAFSON ROSS EDWARD	VESTY S/F A/C	1,000,000	0.86%
*	14	LITHIUM AUST NL		1,000,000	0.86%
	15	HUXTABLE KEITH R + P E	HUXTABLE S/F A/C	900,000	0.77%
*	16	ASPEN GOLD INV PL	CHALLENGER A/C	816,667	0.70%
*	17	ARDROY SEC PL	CAMERON INV UNIT A	800,000	0.69%
	18	PUMPKIN POINT PL	P J NIXON S/F A/C	783,334	0.67%
	19	TDJ PL	MITCHELL S/F A/C	754,000	0.65%
	20	TRI ORIGIN EXPL LTD		750,000	0.65%
			TOP 20 TOTAL	69,520,169	59.78%
		* Denotes merged holders.			
		TOTAL SHARES ON ISSUE		116,253,888	

e) <u>Voting Rights</u>
Registered holders of ordinary shares in the capital of the Company may attend and vote at general meetings of the Company in person or by proxy and may exercise one vote for each share held. Every person present at a general meeting as an ordinary shareholder shall have one vote on a show of hands.

ASX ADDITIONAL INFORMATION

f) The name of the Company Secretary is Gino D'Anna and the Joint Company Secretary and CFO is Paul Fromson.

g) The address of the registered office is: Unit 1, Ground Floor, 44 Denis Street Subiaco WA 6008.

h) Registers of securities are held at Security Transfer Registrars Pty Ltd, 770 Canning Highway, Applecross WA 6153.

i) Quotation has been granted for all the ordinary shares of the Company on the Australian Securities Exchange Ltd.

j) The following securities are subject to escrow:

Shares
Escrowed until 24 February 2019: 39,335,000 fully paid ordinary shares
Escrowed until 5 November 2018: 1,055,000 fully paid ordinary shares
Escrowed until 5 November 2019: 1,175,000 fully paid ordinary shares
Escrowed until 7 April 2019: 10,000,000 fully paid ordinary shares
Escrowed until 18 October 2018: 100,000 fully paid ordinary shares
Escrowed until 11 April 2019: 3,000,000 fully paid ordinary shares
Escrowed until 1 March 2019: 750,000 fully paid ordinary shares

Options
Escrowed until 24 February 2019: 9,600,000 unlisted $0.25 options expiring 8 July 2021
Escrowed until 24 February 2019: 5,800,000 unlisted $0.25 options expiring 21 Feb 2020

k) **Unquoted Options over Unissued Shares**

Expiry Date	Exercise Price	Number
24 Feb 2020	$0.25	5,800,000
8 July 2021	$0.25	9,600,000
1 Aug 2020	$0.25	500,000
10 Aug 2020	$0.25	500,000
1 Nov 2020	$0.30	100,000
1 Nov 2020	$0.25	1,600,000
1 Nov 2021 *	$0.25	100,000
		18,200,000

l) Unquoted Performance Rights

Class 1	Class 2	Class 3	Class 4	Class 5	Total
700,000	800,000	800,000	700,000	700,000	3,700,000

ASX ADDITIONAL INFORMATION

The Performance Rights were issued on 29 June 2018 and have the following milestones attached to them:

(i) **Class 1 Performance Rights**: the Performance Rights convert to Shares upon the Company achieving a JORC Compliant Inferred Resource at any of its current or future projects within the next 3 years;

(ii) **Class 2 Performance Rights**: the Performance Rights convert to Shares upon the achievement of a 20-day VWAP share price >AUD$0.40 within the next 3 years;

(iii) **Class 3 Performance Rights**: the Performance Rights convert to Shares upon the achievement of a 20-day VWAP share price >AUD$0.60 within the next 3 years;

(iv) **Class 4 Performance Rights**: the Performance Rights convert to Shares upon the Company achieving delivery of a commercial Pre-Feasibility Study on any of its current or future projects within the next 5 years;

(v) **Class 5 Performance Rights**: the Performance Rights convert to Shares upon completion of first material binding offtake agreement, major project financing (>A$20 million) or major farm-out for any of the Company's current or future projects within the next 5 years,