METALSTECH
Resourcing a cleaner greener future

Annual Report
For the year ended 30 June 2019

CORPORATE INFORMATION

Directors & Officers	
Mr. Russell Moran	Non-Executive Chairman
Mr. Gino D'Anna	Non-Executive Director and Company Secretary
Mr Noel O'Brien	Non-Executive Director (Technical)
Dr Qingtao Zeng	Non-Executive Director (Technical)

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

Registered Office
Unit 1
44 Denis Street
Subiaco WA 6008

PO Box 510
Subiaco WA 6904

T: +61 (08) 9388 0468
F: +61 (08) 9486 4799

Bankers
Commonwealth Bank of Australia
150 St Georges Terrace
Perth WA 6000

Auditors
BDO Audit (WA) Pty Ltd
38 Station St,
Subiaco WA 6008

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

Share Registry
Securities Transfers Registrars
770 Canning Highway
Applecross WA 6153

T: +61 (08) 9315 2333
F: +61 (08) 9315 2233

Australian Company Number
ACN 612 100 464

Australian Business Number
ABN 86 612 100 464

Domicile and Country of Incorporation
Australia

Website
www.metalstech.net

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 (the "Company", "MTC", "parent entity" or "MetalsTech") and the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of MetalsTech and the entities it controlled at the end of, or during, the year ended 30 June 2019.

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
Mr. Noel O'Brien (appointed 17 June 2019)
Dr. Qingtao Zeng (appointed 17 June 2019)
Dr. Quinton Hills (appointed 13 September 2018, resigned 17 June 2019)
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 – CFO and Joint Company Secretary

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 2019 are:

	30-June-19	30-June-18
Cash and cash equivalents (AUD $)	74,418	1,526,761
Net assets (AUD $)	7,654,830	11,186,492
Total revenue (AUD $)	5,181	6,234
Net loss after tax (AUD $)	(4,115,832)	(4,333,460)

REVIEW OF OPERATIONS 2019

OVERVIEW

During the year ended 30 June 2019, MetalsTech completed exploration at its Cancet Lithium Project ("Cancet"), staking claims for an additional 7,600 Ha after discovering a well-mineralised spodumene-bearing boulder northeast of the main Cancet prospect area. Total strike considered prospective for pegmatite at Cancet has now been extended to in excess of 6 km, which has reasonable potential to be spodumene bearing.

MetalsTech also conducted a review of the geological, geotechnical, geophysical and geochemical data in relation to Cancet. The review focused on the evaluation of exploration targets that had been previously identified during field mapping.

A project-scale evaluation was completed to identify additional prospective spodumene pegmatite zones, which was expanded further to evaluate the potential for gold and copper mineralisation at Cancet, following recent discoveries by Midland Exploration Inc. (TSX.V: MD) at the Mythril project, which is located along strike (refer to Midland Exploration Inc.'s TSX announcement dated 16 May 2019).

Cancet is located within the Lac Guyer greenstone belt of northern-Quebec (Canada), an east-west trending greenstone belt which is host to numerous high-grade gold-copper and base metal discoveries.

Geologically, Cancet is located in the north-eastern sector of the Superior Province and straddles the boundary of the La Grande and Opinaca geological sub-provinces.

The greenstone sequence is variable containing basalt, ultramafic, felsic volcanics and sediments. This provides rheological contrasts that can cause strain portioning and focusing of gold bearing fluids. Cancet is also close to the margin of a granite which has controlled regional scale east-west shearing.

The greenstone belt contains multiple gold occurrences that indicate fertility for gold mineralisation. This is supported by the reported widespread distribution of low-grade sulphide mineralisation (possibly due to alteration). Gold occurrences are aligned in an east-west direction along the main regional shear zones to the north and south of the granite.

Operating along strike of Cancet and within the same greenstone belt sequence, several exploration companies are active in the area exploring for gold. In October 2018, Midland Exploration Inc. (TSX.V: MD) reported the discovery of high-grade Cu-Au-Mo-Ag over 700m at the Mythrill Project just to the north-east of Cancet.

In April 2019, Midland Exploration Inc. (TSX.V: MD) announced that it had closed a private placement with BHP Billiton Canada Inc. for aggregate consideration of CAD$5,854,800. This represents a significant investment in the area and supports the view that this greenstone belt is considered to be highly mineralised, but comparatively under-explored.

In May 2019, Midland Exploration Inc. (TSX.V: MD) reported additional areas of Cu-Au-Mo-Ag float to the north of the original discovery.

During the year ended 30 June 2019, the Company completed a detailed remote sensing spectral survey over Cancet, initially focused on the spodumene bearing pegmatite potential of the project, and later expanded to identify gold and copper targets.

It is the intention of the Company to follow up both the spodumene pegmatite targets that have been identified as well as the gold and copper targets that have been generated through the expansion of the remote sensing spectral survey.

The Company continues to evaluate a number of other acquisition opportunities outside of North America, including potential acquisition of gold projects, copper projects and other advanced exploration assets.

CANCET LITHIUM PROJECT EXPLORATION PROGRAM

During the period, the Company completed a field-based exploration program at Cancet, recognised as the most advanced lithium asset in the Company's lithium portfolio, with a total of 59 drill holes for 5,216 m of diamond core drilling completed to date.

Cancet contains a well-mineralized spodumene-bearing pegmatite that is not presently geologically constrained, hosting significant potential.

This is highlighted by drill holes MTC17-015 with 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 with 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).

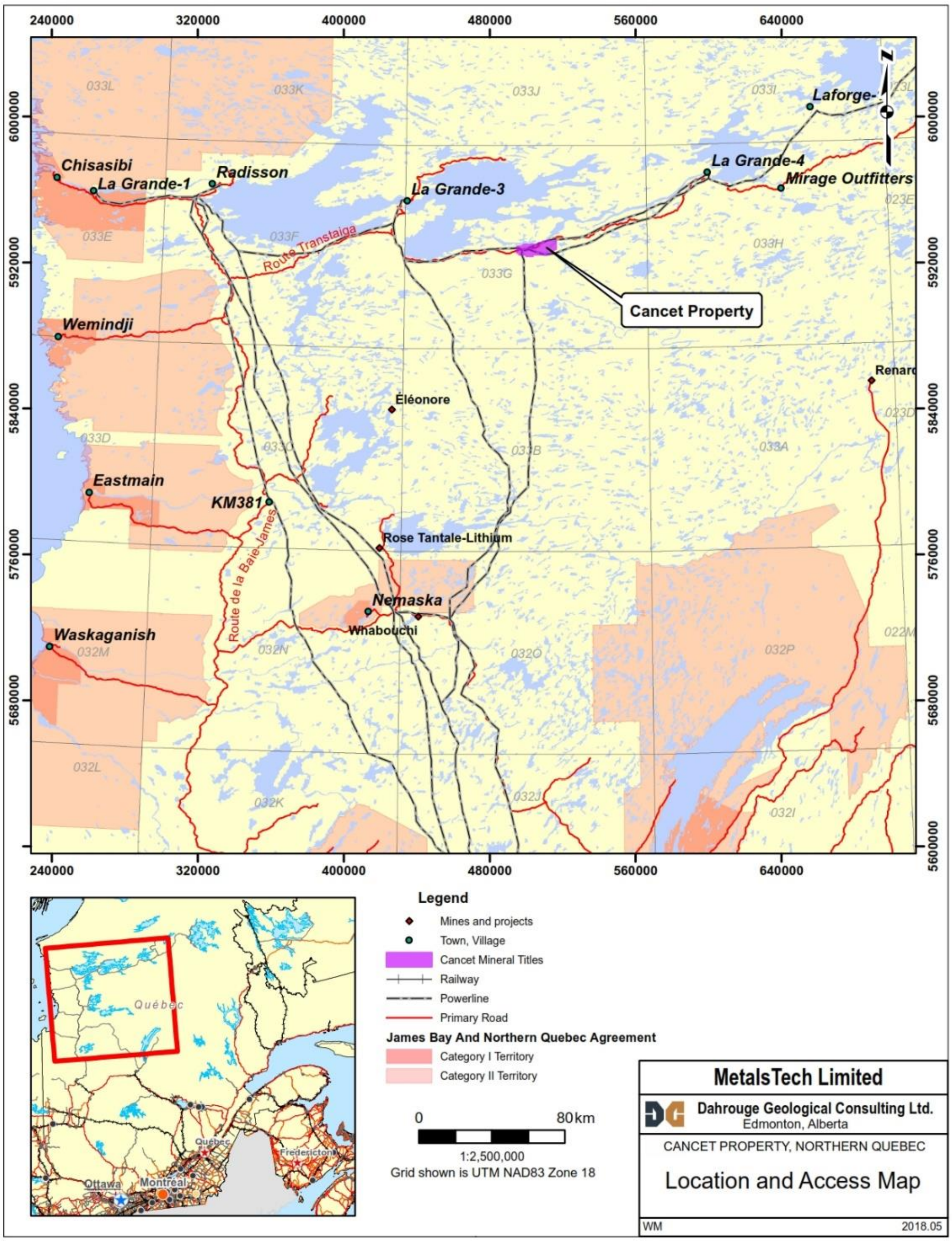

Figure 1: Cancet Lithium Project: Location and Access Map, Quebec (Canada)

New Spodumene Boulder Discovery

During the field program completed by the Group, a well-mineralised spodumene-bearing boulder was discovered to the northeast of Cancet. The boulder was visually estimated to have an average modal spodumene content of ~20%.

Analysis of the samples collected was completed by ALS Laboratories and returned results of 1.32% Li_2O for Sample 129644 and 1.33% Li_2O for Sample 129645. The field geologists have confirmed that these results are representative of the entire boulder and shares similarities with the mineralised ore body which has been identified through the previous drilling completed by the Company, including grain size, colour and mineral lithology and assemblages.

The images below illustrate the mineralised spodumene boulder that was recently identified at Cancet.

Spodumene-bearing Boulder

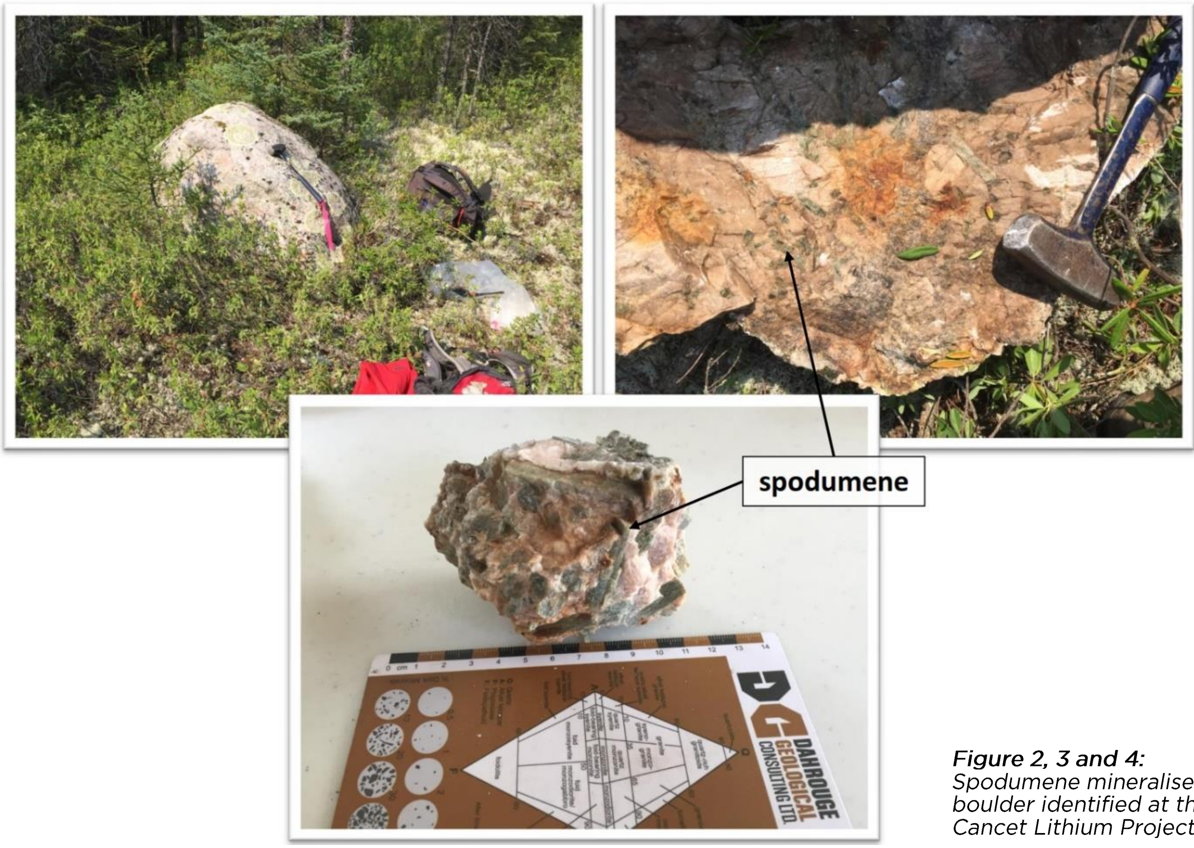

Figure 2, 3 and 4: Spodumene mineralised boulder identified at the Cancet Lithium Project

The mineralised boulder has been described as rounded from glacial transport with approximate dimensions of 1.5m x 1m x 1m and currently sits along strike to the northeast of the Cancet and eastern pegmatites.

It is situated within approximately 1.9km of the northern claim border and 4.9km of the eastern claim border, which infers the source of the boulder is potentially on the Cancet area, however ice-direction and travel distance is difficult to interpret.

Based on regional glacial directions, the field geologists have indicated that the source of the mineralised boulder is interpreted to be to the northeast, east, or southeast.

The Group has only completed limited follow-up and it is planned to commence a subsequent field exploration program to comprise of detailed prospecting to determine the source of the boulder. However, as a direct result of the discovery, the Company's land position at Cancet was significantly expanded with the acquisition, via staking, of an additional 146 claims for a total of approximately 7,600ha.

The aerial extent of the landholding at Cancet now totals in excess of 20,000ha prospective for spodumene mineralised pegmatites.

The newly staked ground comprises three claim blocks: Fin Block (18), North Block (24), and East Arm Block (104). The staking covers the ground which is considered most prospective to host the boulder's source, if not located on the original (i.e. main) Cancet Property block and represents an approximate 60% increase in land position for the Cancet Project.

The map below illustrates the location of the recently discovered mineralised spodumene boulder at Cancet and the relative proximity of the mineralised boulder to the existing drilled pegmatite at Cancet. Also illustrated on the map is the newly staked claim areas.

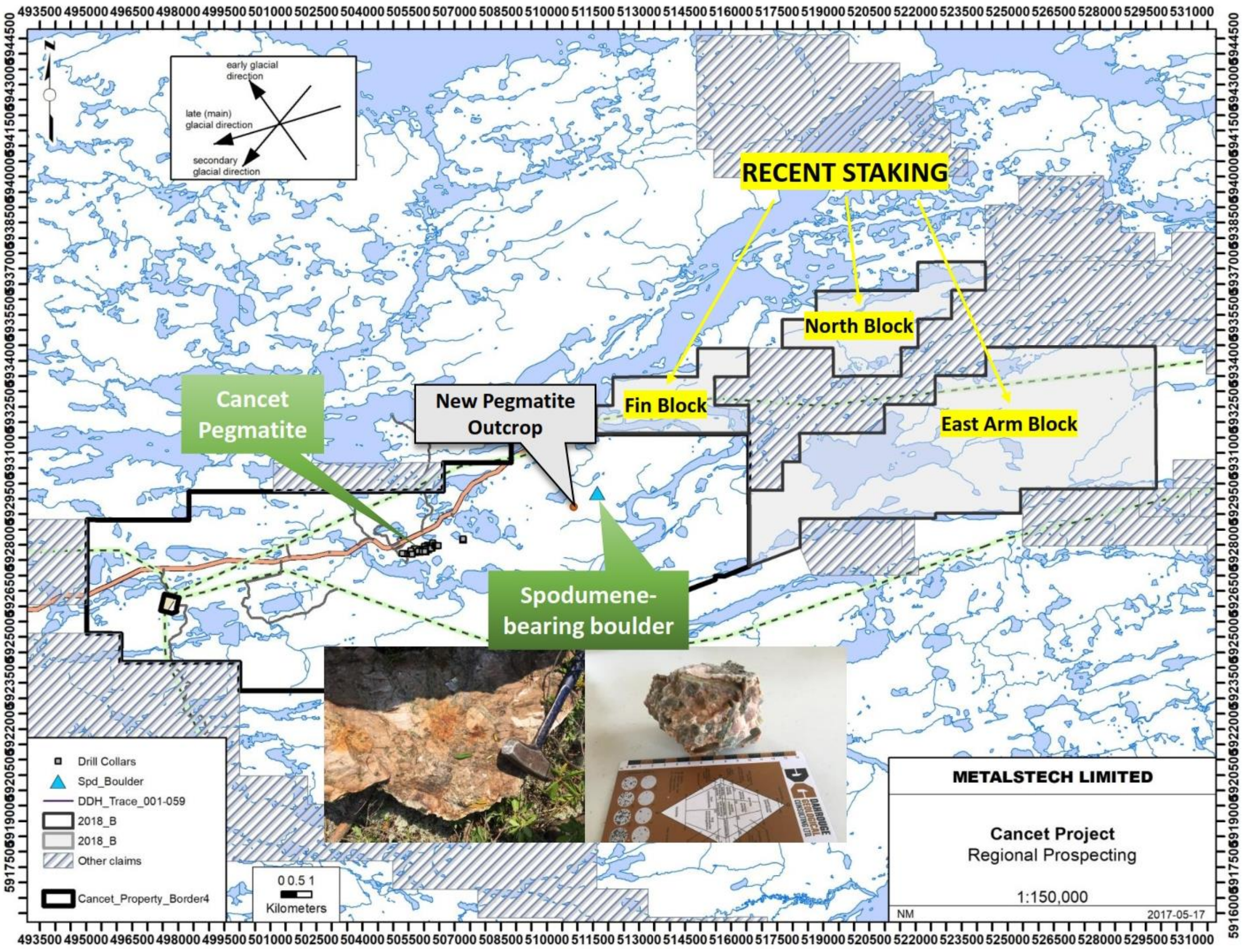

Figure 5: Location map of the recently discovered mineralised spodumene boulder at Cancet and the relative proximity of the mineralised boulder to the existing drilled pegmatite at Cancet. Also illustrated is the newly staked claim areas at Cancet

The new claim blocks host several targets of interest including historically mapped pegmatite occurrences, as well as potential pegmatite outcrop identified from satellite imagery. A detailed assessment of the claim blocks potential with target generation will be completed during the upcoming field exploration season.

A number of magnetic features have already been identified on the newly staked ground, as illustrated by Figure 6.

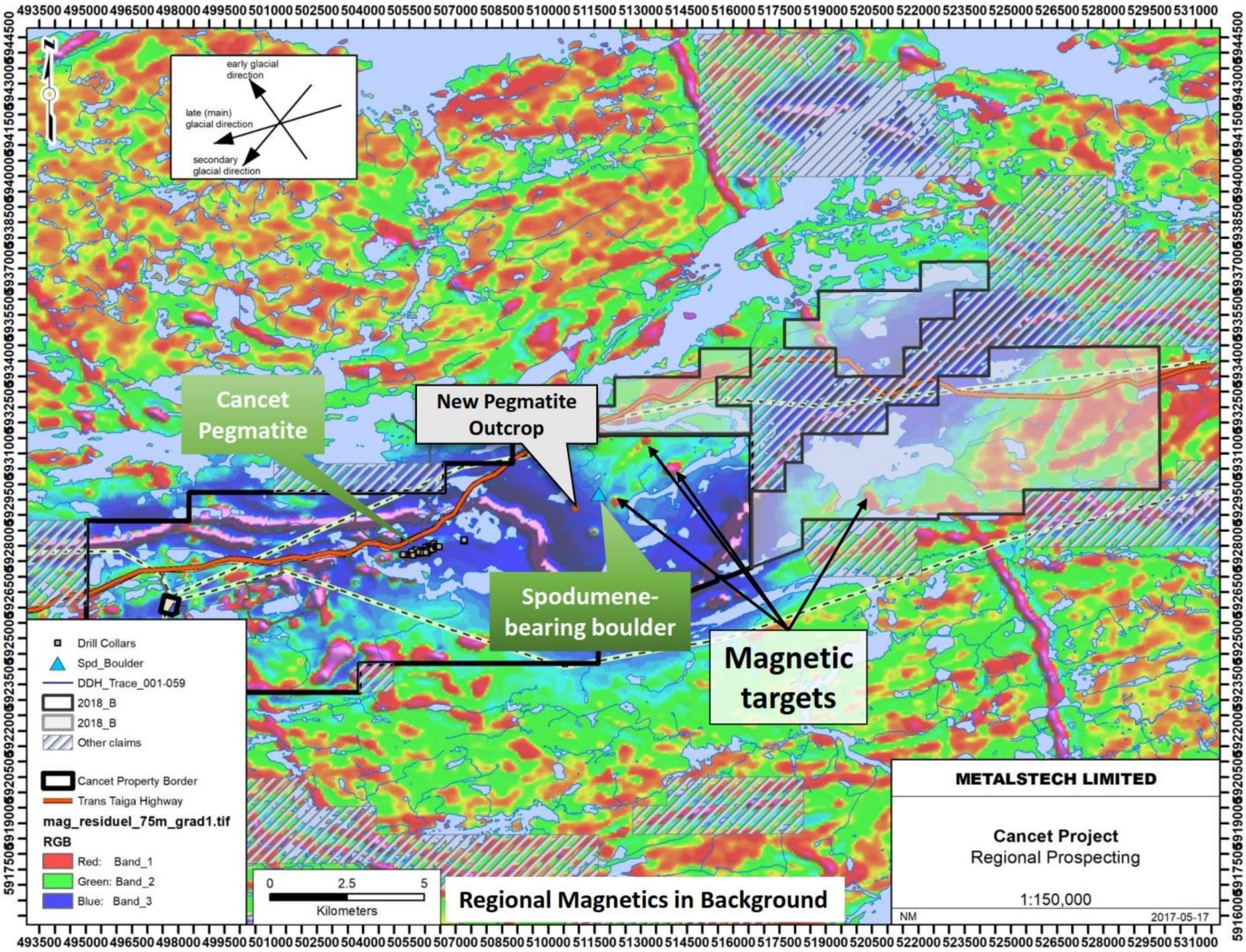

Figure 6: Location map illustrating the 2018 Discoveries and Additional Staking with a Magnetics Base Map

New Pegmatite Outcrop Discovery along strike of Cancet and Eastern pegmatites

During the 2018 field program, an additional pegmatite outcrop was discovered at Cancet situated along strike to the northeast of Cancet and the eastern pegmatites (discovered during the 2017 field program) at a distance of approximately 4.9 km and 3.9 km, respectively.

Refer to Figure 5 and 6.

The total strike considered prospective for pegmatite at Cancet has been progressively extended and is now greater than 6 km, which has reasonable potential to be spodumene bearing.

The newly discovered outcrop is hosted in gneiss with approximate dimensions of 1m wide x 3m exposed, however, is open to both sides.

The Company is currently planning its follow up exploration campaign on this recently discovered pegmatite outcrop. Various techniques will be considered for the next steps of exploration along trend, including trenching, soil surveys, ground mag surveys and till surveys.

Optical-Acoustic Televiewer Survey

In addition to this field program at Cancet, an Optical-Acoustic Televiewer (OTV-ATV) downhole survey was also completed. A total of eighteen (18) drill holes were surveyed by DGI Geoscience Inc in order to provide an enhanced understanding of the structural controls of the mineralised horizons.

The downhole survey focussed on collecting information on joints, fractures, faults, orientations, as well as a high-resolution 360˚ digital image of the drill hole to assist with interpretation of structural orientation of the local geology.

The outcomes of the survey data will be used to support an update of the geological model for the Cancet mineralised body and support a Phase III step-out and infill drilling program.

Discussion of Results

Collectively, the known spodumene occurrences at Cancet, as well as the two new discoveries from the recently completed program, highlight the potential of the Company's land position in the area.

A corridor of up to 6km in length is now considered prospective for pegmatites, which has reasonable potential to be spodumene bearing. Of this distance, starting near the southwestern end, approximately 500m of the Cancet Pegmatite is well-mineralized with the vast majority of the corridor along strike to the northeast not evaluated.

In addition, the discovery of the new spodumene-bearing boulder is significant and indicates a source could be present on the main Cancet block. The boulder is rounded due to glacial transport and distance of travel is difficult to ascertain; however, a review of glacial movement in the region indicates that the source is to the northeast, east, or southeast. Although the distance of travel is not well constrained, the hard nature of pegmatite and the boulders roundness indicate at least a few kilometres is likely, and therefore, the Company has also expanded its land position to cover additional prospective ground in the up-ice direction. These claim blocks are called Fin, North, and East Arm and extend the Cancet area by approximately 10km in the east-northeast direction, and therefore, holds a dominant land position in the up-ice direction of the mineralised boulder.

A more detailed review of the newly acquired claim blocks will be completed in the near-term including targeting for initial prospecting. Once assay data has been received a program can be further refined with the primary objective of tracing the mineralised boulder back to source. The LiDAR and Orthophoto coverage of the eastern end of the main Cancet property block, that was flown in 2017 will also be considered, as it will assist with interpretation of the boulder source.

Summary of Metallurgical Testing Completed Previously (Preliminary)

In 2017, a 5kg sample of mineralised pegmatite from Cancet was subjected to metallurgical analysis to generate an indicative profile. Testing was completed at NAGROM Laboratories in Perth.

The sample was sourced from a pegmatite outcrop exhibiting visual spodumene crystal formations within the drill target zone, which the Company channel sampled during a pre-drilling site visit in early March 2017. The sample was sent directly to NAGROM, where indicative mineralogy profiling and metallurgical testing was carried out:

- Crushing to 10mm for analysis and density profiling by Heavy Liquid Separation (HLS) after screening fines at 1mm
- The content of the 2.95 sinks fractions were examined by XRD mineralogy to determine the dominant lithium mineral

NAGROM reported the following results:

SG Fraction	Mass Yield %	Assay % Li_2O	Lithium Deportment	Mineralogy
3.0 sink	10.17%	6.48	62.4%	67% spodumene, 9% mica
3.0 float	2.91%	5.39	14.9%	44% spodumene, 6% mica
2.95 float	0.96%	4.48	4.1%	
2.9 float	3.17%	3.37	10.1%	
2.8 float	3.09%	1.73	5.1%	
2.7 float	60.45%	0.05	3.0%	
2.6 float	19.17%	0.03	0.5%	
2.5 float	0.08%	0.19	0.0%	

Table 1: HLS beneficiation on -10+1mm (1.20% Li_2O outcrop sample)

In summary, using a 2.95 sink, a mass yield of 13% was obtained at a concentrate grade of 6.24% Li_2O with an associated lithium deportment of 77%, which is well above the benchmark grade of 6% Li_2O required to meet the battery market. This result was achieved at a crush size of 10mm from a sample with a head grade of 1.20% Li_2O.

With such strong results from a relatively low head grade sample, there may be significant upside in both mass yields and concentrate grades. The opportunity to adopt a simple processing strategy is significant as it can ultimately lead to a considerably lower CAPEX and lower OPEX compared to peer operations, for a comparable output.

Also, of significance is the results of the 2.7 floats which indicate that as much as 80% of the mass fed to the DMS only contains 3.5% of the lithium and could be sent directly to residue. This would result in a significant CAPEX and OPEX saving in the processing plant compared to other operations.

Summary of Advanced HLS Metallurgical Test Work Completely Previously – Drill Core Samples

In 2018 following the completion of diamond drilling, to better define the metallurgical and mineralogical characteristics of the pegmatite at Cancet, and to further the knowledge of the potential processing routes of the spodumene bearing pegmatite, beyond the results of the outcrop metallurgical test work program, the Company undertook a subsequent study based on drill core from representative sites.

Highlights include:

- Heavy Liquid Separation (HLS) tests on composites crushed to 10mm and 5.6mm showed that Dense Media Separation (DMS) at SG 2.8 could recover 89% to 91% of the lithium at a grade of >6.4% Li_2O in 19% of the DMS mass or 16.6% of the overall feed mass.
  - These results show a very high recovery at a coarse crush size is achievable.
  - Simple processing could mean significantly lower CAPEX and OPEX against peers as well as shorter commissioning time
  - Coarse grain premium concentrate – preferred by offtake partners
- A High Grade Composite (**2.35% Li_2O**) produced a concentrate grade of **6.41% Li_2O from 10mm crush** indicating simple low cost DMS gravity separation at SG 2.8 will recover **97% of the lithium in 35% of the DMS mass**
- A Mid Grade Composite (**1.54% Li_2O**) produced a concentrate grade of **6.12% Li_2O from 10mm crush** indicating DMS gravity separation at SG 2.8 will recover **95% of the lithium in 24% of the DMS mass**

- A Low Grade Composite (**1.06% Li_2O**) produced a concentrate grade of **5.90% Li_2O from 10mm** crush indicating DMS gravity separation at SG 2.8 will recover **92% of the lithium in 16% of the DMS mass**
- Cancet hosts a clean pegmatite with low iron oxide in assayed drill samples (0.5% to 0.8% Fe_2O_3) – producing a high purity coarse grain premium spodumene concentrate:
  - Low to Moderate iron oxide content in concentrate < less than 1.5% Fe_2O_3, which will be lowered by magnetic separation.
- Initial results suggest product suite will meet and exceed grade requirements for battery market
- Cancet metallurgical test-work compares favourably against other advanced lithium projects
- Final representative metallurgical testing results for composite split drill core will be available within the next three weeks and will underpin offtake and strategic partner discussions

Samples were sourced from split drill core from the Phase I drilling campaign that was completed at Cancet. Hole selection was guided by the requirement to ensure that the metallurgical testing would provide a representative view of the deposit at Cancet.

The samples were sent directly to NAGROM, where metallurgical testing was carried out, which involved crushing to 10mm for analysis and density profiling by Heavy Liquid Separation (HLS) after screening fines at 1mm.

Using the batched samples, three different composites were created, being a High Grade (**HG**) feed, a Mid Grade (**MG**) feed and a Low Grade (**LG**) feed, to ensure that the metallurgical profiling presented a representative view of the deposit at Cancet.

NAGROM reported the following results:

HG Composite

SG Fraction	Mass Yield %	Assay % Li_2O	Lithium Deportment	Assay % Fe_2O_3
3.0 sink	29.89%	6.84%	86.68%	1.38%
3.0 float	2.73%	5.28%	6.10%	1.45%
2.95 float	0.92%	4.46%	1.75%	1.60%
2.9 float	2.18%	2.91%	2.69%	2.39%
2.8 float	3.89%	1.20%	2.00%	2.38%
2.7 float	45.00%	0.038%	0.73%	0.16%
2.6 float	15.32%	0.007%	0.05%	0.03%
2.5 float	0.07%	0.43%	0.01%	2.59%

Table 2: HLS beneficiation on -10+1mm (HG Composite), 2.35% Li_2O head grade

Commentary

Using a 2.8 SG sink, a **mass yield of 35.72%** was obtained at a **concentrate grade of 6.41% Li_2O** with an associated **lithium deportment of 97.22%**, which is well above the benchmark grade of 6% Li_2O required to meet the battery market. This result was achieved at a crush size of 10mm from a sample with a head grade of 2.35% Li_2O.

Also of significance is the results of the 2.8 SG floats which indicate that as much as 65% of the mass fed to the DMS only contains 2.8% of the lithium and could be sent directly to residue.

MG Composite

SG Fraction	Mass Yield %	Assay % Li_2O	Lithium Deportment	Assay % Fe_2O_3
3.0 sink	18.74%	6.76%	82.46%	1.43%
3.0 float	1.79%	5.15%	5.98%	1.50%
2.95 float	0.80%	3.90%	2.04%	2.07%
2.9 float	2.46%	2.72%	4.36%	2.17%
2.8 float	5.02%	1.13%	3.68%	4.41%
2.7 float	54.37%	0.04%	1.45%	0.20%
2.6 float	16.62%	0.002%	0.02%	0.06%
2.5 float	0.20%	0.06%	0.01%	0.70%

Table 3: HLS beneficiation on -10+1mm (MG Composite), 1.54% Li_2O head grade

Commentary

Using a 2.8 SG sink, a **mass yield of 23.79%** was obtained at a **concentrate grade of 6.12% Li_2O** with an associated **lithium deportment of 94.84%**, which is well above the benchmark grade of 6% Li_2O required to meet the battery market. This result was achieved at a crush size of 10mm from a sample with a head grade of 1.54% Li_2O.

Also of significance is the results of the 2.8 SG floats which indicate that as much as 76% of the mass fed to the DMS only contains 4.2% of the lithium and could be sent directly to residue.

LG Composite

SG Fraction	Mass Yield %	Assay % Li_2O	Lithium Deportment	Assay % Fe_2O_3
3.0 sink	11.55%	6.82%	74.41%	1.69%
3.0 float	1.91%	5.08%	9.19%	1.40%
2.95 float	0.84%	4.40%	3.50%	1.32%
2.9 float	2.22%	2.40%	5.02%	2.09%
2.8 float	5.37%	1.02%	5.17%	3.20%
2.7 float	63.11%	0.04%	2.50%	0.37%
2.6 float	14.83%	0.009%	0.13%	0.08%
2.5 float	0.16%	0.49%	0.07%	3.04%

Table 4: HLS beneficiation on -10+1mm (LG Composite), 1.06% Li_2O head grade

Commentary

Using a 2.8 SG sink, a **mass yield of 16.52%** was obtained at a **concentrate grade of 5.90% Li_2O** with an associated **lithium deportment of 92.121%**, which compares favourably with the benchmark grade of 6% Li_2O required to meet the battery market. This result was achieved at a crush size of 10mm from a sample with a head grade of 1.06% Li_2O.

This grade could readily be raised above 6.0% by operating at a slightly higher density of 2.9.

Also of significance is the results of the 2.8 SG floats which indicate that as much as 83% of the mass fed to the DMS only contains 7.9% of the lithium and could be sent directly to residue.

With such strong results achieved across each of the three composite samples, there is potential to adopt a simple processing strategy which could ultimately lead to a considerably lower CAPEX and lower OPEX compared to peer operations, for a comparable output.

REMOTE SENSING SPECTRAL SURVEY – CANCET LITHIUM PROJECT

Spodumene-bearing Pegmatite Potential

During the period ended 30 June 2019, the Company completed a detailed remote sensing study at Cancet. The results were encouraging with multiple spodumene (lithium bearing mineral) anomalous targets identified as shown in Figure 7.

The spodumene anomalism at Cancet observed in the spectral data can be directly correlated to the spodumene-bearing pegmatite that has been drilled by MTC and has been defined by a current Exploration Target of 15-25Mt @ 1-2% Li_2O + 100-250ppm Ta_2O_5 (refer to ASX Announcement dated 9 November 2017).

The likely correlation between the spodumene anomalism from the remote sensing data and the spodumene-bearing pegmatites at Cancet is interpreted to provide a reliable "signature" supporting the outcome of the Remote Spectral Analysis.

The objective of this remote sensing study was to delineate spodumene anomalies that may represent additional spodumene-bearing pegmatites, which host lithium mineralisation. The remote spectral imagery results provide for the delineated areas to be rapidly assessed in the field to determine if any spodumene-bearing pegmatites are present, and if so, to plan and implement exploration programs to define the extent and grade of the lithium mineralisation.

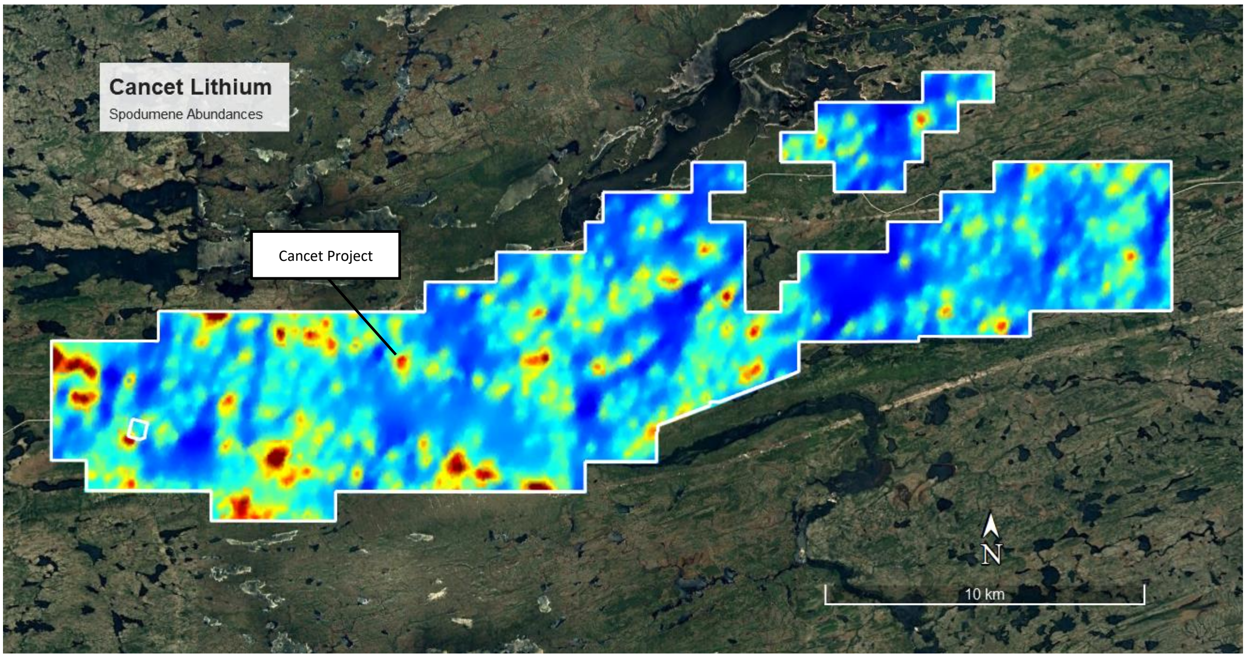

Figure 7: Cancet Project Area with Spodumene Abundances Shown using a Pseudo-colour Spectrum. High Spodumene abundances are displayed by Red – Yellow

Figure 7 (above) indicates that there are multiple spodumene anomalous targets within the project area – including many with a larger footprint than the core Cancet mineralisation.

Given the likely correlation between the spodumene anomalism from the remote sensing data and spodumene-bearing pegmatites at Cancet, the Company believes that significant potential exists to increase the mineral resources at Cancet through increased exploration and further resource definition drilling.

Gold and Copper Potential

On 16 May 2019, Midland Exploration Inc. announced the discovery of the Mythril project, a high-grade copper-gold-molybdenum-silver mineralised zone with over 2 km strike length on surface (E-W), open in both directions. The local geology of this area consists of a volcano-sedimentary belt striking ENE, present within a tonalite, quartz monzodiorite and granite intrusive domain. Quartz-feldspar porphyry dykes are also present within the tonalite and granodiorite intrusions.

The volcano-sedimentary belt consists of a horizon of amphibolitized basalt interlayered with ultramafic rocks, banded iron formations and wackes. Sulphides present include pyrite, pyrrhotite, arsenopyrite and chalcopyrite. These have distinct longwave infrared (LWIR) spectral signatures which are mappable by satellite.

A remote sensing spectral survey completed by the Company which was expanded to include gold and copper potential modelled the signature and response produced by the nearby Mythril project, with a view to evaluate whether the same spectral signature and response could be duplicated at the Cancet project.

At the Mythril project, a thermal response identified as chalcopyrite correlates with mineralised outcrops and boulders. This response is present at Cancet, which is located approximately 50km to the southwest in a similar geological setting.

This response suggests that Cancet has the potential to host copper mineralisation.

Electrical conductivity estimates made from satellite synthetic aperture radar (SAR) confirm the Mythril project outcrops and boulders as anomalously conductive. A similar response is also observed when this methodology is applied to the Cancet project.

Minerals associated with gold mineralisation typically have high dielectric constants. A conductivity survey completed at Cancet suggests that the conductivities associated with chalcopyrite and bornite (where the dielectric constant is greater than 81) provide a similar response and signature to those identified at the Mythril project, being a high-grade copper-gold-molybdenum-silver mineralised zone, thereby presenting attractive targets for follow up.

The outcome of the SAR has confirmed that Cancet has the potential to host gold mineralisation.

As part of the ongoing exploration work to be undertaken at Cancet, the Company will now expand its focus to include gold and copper potential, similar to that which has been identified at the Mythril project, owned by Midland Exploration Inc.

LITHIUM PROJECT PORTFOLIO SELL DOWN

During the period ended 30 June 2019, the Group continued its discussions with prospective investors and potential development partners in respect of its hard rock lithium assets in Quebec.

The Company’s various lithium projects cover large areas and are proximal to some globally significant lithium projects, which leads the Company to believe they have the potential to deliver one or more scaleable projects in time. Notwithstanding this, the cost/risk/return profile is such that the Company believes development through partnership is the prudent strategy going forward at this time.

Discussions regarding the sell-down are ongoing with a number of interested parties currently in the data room. There has been a recent collapse in the price of spodumene concentrate and lithium–related chemicals which has affected the sell-down process, however we are confident that the long-term fundamentals are present for the lithium sector and that the Company can achieve a sell-down which will be value accretive for shareholders.

Caution Regarding Forward-Looking Information

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

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

Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Dr. Qingtao Zeng Ph.D (Geology). Dr Zeng is the technical director of MetalsTech Limited and is a member of the Australasian Institute of Mining and Metallurgy. Dr. Zeng 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. Zeng consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

CORPORATE

UPDATE ON CANADIAN TAX REFUNDS AND TIMING

In addition to the exploration undertaken during the period, the Group lodged applications for refunds pursuant to the Quebec Government Mineral Exploration Rebate Initiative and Provincial and Federal input tax refunds. The refunds amount to approximately AUD$1.9m and are anticipated to be received in October 2019.

Legal Proceedings

The Company has received writs for claims made by former executives of the Company in relation to purported termination benefits. The company is defending the writs. In the event that the claims are successful the company will have to pay amounts of approximately $131,872. No amount has been recorded in the accounts for this amount.

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.

Cobalt Projects, Ontario – Update

Given the prolonged softening in the cobalt market and the difficult geological environment in the cobalt region of Ontario, Canada, the Company has decided to no longer invest funds in exploration at the Bay Lake Cobalt Project and the Rusty Lake Cobalt Project.

In addition, the Company is no longer pursuing the Bay Lake North Cobalt Project.

Changes in Board of Directors

Dr Quinton Hills was appointed a Non-Executive Director on 13 September 2018 and resigned on 17 June 2019. Mr Noel O'Brien and Dr Qingtao Zeng were appointed directors on 17 June 2019. 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.

Events occurring after the reporting period

Other than the redeemable notes disclosed below, there have been no matters or circumstances which have arisen since 30 June 2019 that have significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 30 June 2019, of the company, or
(b) the results of those operations, or
(c) the state of affairs, in financial years subsequent to 30 June 2019, of the company.

Redeemable Notes

In August 2019, the Company issued short-term redeemable notes to unrelated investors to raise a total of AUD$400,000. The key terms of the redeemable notes are stated below:

Term	The earlier of 3 months or upon MTC receiving at least $500,000 of the outstanding $2m Quebec Government Exploration Tax Refund. For the avoidance of doubt, early repayment will not reduce the coupon payable.
Use of Funds	(a) Fund MTC's assessment of new business opportunities including legal, accounting and technical due diligence; (b) Fund MTC's advice with respect to ASX discussions from time to time, including in respect of future new business opportunities; and (c) General working capital
Coupon	12.5% of the Face Value of the Notes
Redemption	The Notes and the Coupon must be redeemed by the Issuer in cash at the end of the Term
Transferability	The Notes are not transferrable without the written consent of the MTC
Change of Control Protection	Any outstanding Notes must be redeemed in full immediately in the event of a change of control in MTC (except a Listing event) for the Face Value plus Coupon
Escrow	N/A
Free attaching options	(a) 2,000,000 unlisted Options exercisable at $0.06 for each Note with an expiry of 31 December 2023 (b) MTC may seek quotation of the Options subject to spread and ASX approval
Security	Unsecured

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 Elan Hard Coking Coal Project, located in Alberta, 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	Nil
Security Holdings	13,726,940 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	**Noel O'Brien (appointed 17 June 2019)**
Title	Non-Executive Director
Qualifications	B.E.(Met),MBA ,FAusIMM
Experience	Mr O'Brien is a metallurgist and lithium processing expert, who has advised Alita Resources (Bald Hill Mine, WA) (ASX: A40), Kidman Resources (Mt Holland Mine) (ASX: KDR), Galaxy Resources (Mt Cattlin Mine) (ASX: GXY) and Zinciferous Limited on its technical due diligence of the Tianyuan lithium carbonate facility in China. He has a deep understanding of the lithium market, processing expertise in smelting, gravity separation, flotation, leaching and solvent extraction.
Special Responsibilities	Nil
Security Holdings	Nil
Name	**Qingtao Zeng (appointed 17 June 2019)**
Title	Non-Executive Director
Qualifications	PhD (Geology)
Experience	Dr Zeng is an experienced geologist with a PhD (Geology) from the University of Western Australia. He has linked several Australian companies with Chinese counterparties and has negotiated offtake agreements on behalf of some Western Australian spodumene concentrate producers and Chinese lithium carbonate and lithium hydroxide chemical manufacturers. He is a Director of Zinciferous Limited, which has interests in the Tianyuan lithium carbonate facility in China.
Special Responsibilities	Nil
Security Holdings	1,000,000 Unlisted Options
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	**Quinton Hills (appointed 13 September 2018, resigned 17 June 2019)**
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

Likely developments and expected results of operation

The Company expects to continue with exploration on its lithium assets whilst looking for joint venture and farm-in opportunities on these assets The Company is also actively looking for new exploration projects outside of the battery metals sector.

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:

2019	Directors' meetings eligible to attend	Directors' meetings attended
Directors		
Gino D'Anna	2	2
Russell Moran	2	2
David Riekie (i)	-	-
Quinton Hills (ii)	-	-
Noel O'Brien (iii)	-	-
Qingtao Zeng (iii)	-	-

(i) appointed 6 April 2018 and resigned 10 September 2018
(ii) appointed 13 September 2018 and resigned 17 June 2019
(iii) appointed 17 June 2019

The Company conducted the majority of its business via circular resolutions.

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	-	(1,000,000)	100,000
		19,200,000		(1,000,000)	18,200,000

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

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)
Mr Quinton Hills – Non-Executive Director (appointed 13 September 2018 and resigned 17 June 2019)
Mr Noel O'Brien - Non-Executive Director (appointed 17 June 2019)
Dr Qingtao Zeng - Non-Executive Director (appointed 17 June 2019)

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 2018 Annual General Meeting
The Annual General Meeting was held on 29 November 2018. 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 upon the appointment of a new executive team and subsequent to the change Mr D'Anna was entitled to remuneration as a non-executive director at $3,000 per month. Mr D'Anna 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. Following the resignation of the Managing Director the additional consulting services increased and during 2019 Mr D'Anna was paid at the day rate for services provided.

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 upon the appointment of a new executive team and subsequent to the change Mr Moran was entitled to remuneration as a non-executive director at $3,000 per month. Mr Moran 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. Following the resignation of the Managing Director the additional consulting services increased and during 2019 Mr Moran was paid at the day rate for services provided.

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:

30/06/2019	**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 Riekie (ii)	44,000	-	-	-	(6,393)	-	-	37,607	-
Non-executive directors									
Mr D'Anna (i)	153,600	-	-	-	16,042	-	-	169,642	9.46%
Mr Moran (i)	155,600	-	-	-	16,042	-	-	171,642	9.35%
Dr Hills (iii)	36,000	-	-	-	-	-	-	36,000	-
Mr O'Brien	1,400	-	-	-	-	-	-	1,400	-
Dr Zeng	1,400	-	-	-	-	-	-	1,400	-
Total	**392,000**	-	-	-	**25,691**	**-**	**-**	**417,691**	

(i) Mr Moran and Mr D'Anna stepped down as Executive Directors on 6 April 2018 and continued on as Non-Executive Directors. The fees include director and consulting fees for the year.
(ii) Mr Riekie was appointed Managing Director on 6 April 2018 and resigned on 10 September 2018
(iii) Dr Hills was appointed on 13 September 2018 and resigned on 17 June 2019
(iv) Mr O'Brien and Dr Zeng were appointed as directors on 17 June 2019

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**	

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

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

	Fixed Remuneration		At risk – STI		At risk – LTI *	
	2019	2018	2019	2018	2019	2018
Director						
Mr D'Anna	82%	99%	-	-	18%	1%
Mr Moran	82%	99%	-	-	18%	1%
Mr Velletta	100%	100%	-	-	-	-
Mr Uren	100%	100%	-	-	-	-
Mr Riekie	100%	96%	-	-	-	4%
Mr Hills	100%	-	-	-	-	-
Mr O'Brien	100%	-	-	-	-	-
Dr Zeng	100%	-	-	-	-	-

*Long term incentives are provided by way of the performance rights issued with long term performance milestones. 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

D Share-based Compensation

Short term and long term incentives

On 29th June 2018, MetalsTech Limited issued 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 class 1 as being probable of being achieved and class 2 and 3 are market based and therefore recognised an expense over the vesting period for these three classes. The performance rights are held equally between G D'Anna and R Moran. The details of each class held by directors during and at the end of the year are tabled below:

Class	Number	Grant Date	Underlying Share Price	Fair value of right	Total Fair Value 2018	Expense 2018	Expense 2019	Probability of achieving milestone
1	550,000	22/06/2018	$0.12	$0.12	$66,000	$6,795	$22,000	more likely
2	550,000	22/06/2018	$0.12	$0.037	$20,350	$2,264	$6,783	n/a
3	550,000	22/06/2018	$0.12	$0.018	$9,900	$1,101	$3,300	n/a
4	550,000	22/06/2018	$0.12	$0.12	$66,000	-	-	less likely
5	550,000	22/06/2018	$0.12	$0.12	$66,000	-	-	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 $32,083 based on the "more likely than not" assessment (2018: $10,160).

Mr Riekie resigned and hence 5,000,000 Performance Rights lapsed leading to an expense reversal of $6,393.

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. (2018: Nil).

F Value of options to Directors

No options were issued to Directors during the year ended 30 June 2019.

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.

2019	Opening Balance	Received as Remuneration	Received During Year on Exercise of Options	Net Change Other	Closing Balance at 30 June
Directors					
Mr D'Anna[1]	12,593,785	-	-	360,000	12,953,785
Mr Moran	18,364,182	-	-	-	18,364,182
Mr Riekie[2]	215,000	-	-	(215,000)	-
Mr Hills[3]	-	-	-	-	-
Mr N O'Brien[4]	-	-	-	-	-
Mr Q Zeng[4]	-	-	-	-	-
	31,172,967	-	-	145,000	31,317,967

[1] Includes Shares held by Spouse Mrs. R D'Anna

[2] Appointed 6 April 2018, resigned 10 September 2018 – shareholding as disclosed at time of resignation is 215,000

[3] Appointed 13 September 2018 and resigned 17 June 2019

[4] Appointed 17 June 2019

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.

2019	Opening Balance	Received as Remuneration	Received During Year on Exercise of Options	Net Change Other	Closing Balance
Directors					
Mr D'Anna	1,375,000	-	-	-	**1,375,000**
Mr Moran	1,375,000	-	-	-	**1,375,000**
Mr Riekie[1]	5,000,000	-	-	(5,000,000)	**-**
Mr Hills[2]	-	-	-	-	**-**
Mr N O'Brien[3]	-	-	-	-	**-**
Mr Q Zeng[3]	-	-	-	-	**-**
	7,750,000	-	-	(5,000,000)	**2,750,000**

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

[2] Appointed 13 September 2018 and resigned 17 June 2019

[3] Both appointed 17 June 2019

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.

2019	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**	**3,000,000**
Mr Moran	6,600,000	-	-	-	**6,600,000**	**6,600,000**
Mr Riekie[1]	500,000	-	-	(500,000)	**-**	**-**
Mr Hills[2]	-	-	-	-	**-**	**-**
Mr O'Brien[3]	-	-	-	-	**-**	**-**
Mr Zeng[4]	1,000,000	-	-	-	**1,000,000**	**1,000,000**
	11,100,000	-	-	(500,000)	**10,600,000**	**10,600,000**

[1] Appointed 6 April 2018 and resigned 10 September 2018

[2] Appointed 13 September 2018 and resigned 17 June 2019

[3] Appointed 17 June 2019

[4] Appointed 17 June 2019. Mr Zeng held 1m options at the time of his appointment.

H Other transactions with key management personnel

David Riekie is a director of DNR Consulting Pty Ltd who resigned on 10 September 2018. The balance owing at year end is $Nil (2018: 24,200) however Mr Riekie is claiming via legal action a further amount of $69,300 plus GST. The legal action is being defended.

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:

	2019	2018	2017	2016
Loss for the year	$4,115,832	$4,333,460	$1,691,564	$680,344
Closing Share Price	1.5 cents	9.6 cents	20.0 cents	n/a[1]
KMP Incentives	$417,691	$747,533	$777,083	Nil
Total KMP Remuneration	$417,691	$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 $26,620 (2018: $25,080) 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 30.

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 2019 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

	2019	2018
	$	$
(ii) Taxation Services	6,840	14,000
	6,840	**14,000**

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

Gino D'Anna
Director
27 September 2019

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF METALSTECH LIMITED

As lead auditor of MetalsTech Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of MetalsTech Limited and the entities it controlled during the period.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 27 September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	30-June-19 AUD $	30-June-18 AUD $
Revenue			
Other revenue		5,181	6,234
		5,181	6,234
Expenses			
Administration Expenses		268,537	197,375
Advertising and Marketing		13,272	65,729
Audit Fees		37,211	52,699
Consulting Fees		80,275	193,565
Corporate Compliance		40,549	69,967
Depreciation		8,139	6,365
Directors and Consulting Fees		386,600	699,027
Employment benefits		174,207	104,862
Impairment – exploration and evaluation expenditure		2,885,301	2,535,526
Legal Fees		94,980	92,588
Occupancy Costs		42,464	43,928
Share Based Payments	20	42,173	52,068
Travelling Expenses		47,305	225,995
Loss from continuing operations before income tax		**(4,115,832)**	(4,333,460)
Income tax expense	7	-	-
Loss from continuing operations after income tax		**(4,115,832)**	(4,333,460)
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		431,756	
Total other comprehensive loss for the period		**(3,684,076)**	(4,333,460)
		Cents	Cents
Loss per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic and diluted loss per share	19	(3.5)	(4.6)

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

	Notes	30-June-19	30-June-18
		AUD $	AUD $
ASSETS			
Current Assets			
Cash and cash equivalents	9	74,418	1,526,761
Trade and other receivables	10	1,952,031	283,092
Total Current Assets		**2,026,449**	**1,809,853**
Non-Current Assets			
Property, plant and equipment	11	18,625	26,764
Exploration and evaluation expenditure	12	6,500,164	9,644,796
Total Non-Current Assets		**6,518,789**	**9,671,560**
TOTAL ASSETS		**8,545,238**	**11,481,413**
LIABILITIES			
Current Liabilities			
Trade and other payables	13	880,021	288,281
Provisions	14	10,385	6,640
Total Current Liabilities		**890,406**	**294,921**
TOTAL LIABILITIES		**890,406**	**294,921**
NET ASSETS		**7,654,830**	**11,186,492**
EQUITY			
Share capital	15	14,115,782	14,010,415
Reserves	16	1,964,581	1,485,778
Accumulated losses	17	(8,425,533)	(4,309,701)
TOTAL EQUITY		**7,654,830**	**11,186,492**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Share Capital	Share Based Payments Reserve	Options Premium Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	AUD $	AUD $	AUD $	AUD $	AUD $	AUD $
Balance at 1 July 2018	**14,010,415**	**596,668**	**889,110**	**-**	**(4,309,701)**	**11,186,492**
Loss for year	-	-	-	-	(4,115,832)	(4,115,832)
Foreign currency translation				431,756	-	431,756
Total comprehensive loss for the year	-	-	-	431,756	(4,115,832)	(3,684,076)
Transactions with owners in their capacity as owners:						
Issue of share capital	105,367		-	-	-	105,367
Share based payment expense	-	47,047	-	-	-	47,047
At 30 June 2019	**14,115,782**	**643,715**	**889,110**	**431,756**	**(8,425,533)**	**7,654,830**

	Share Capital	Share Based Payments Reserve	Options Premium Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	AUD $	AUD $	AUD $	AUD $	AUD $	AUD $
Balance at 1 July 2017	**6,217,161**	**3,019,867**	**671,060**	**-**	**(2,371,908)**	**7,536,180**
Loss for year	-	-	-	-	(4,333,460)	(4,333,460)
Total comprehensive loss for the year	-	-	-	-	(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 advisor options	-	-	218,050	-	-	218,050
Share capital raising costs	(662,766)	-	-	-	-	(662,766)
At 30 June 2018	**14,010,415**	**596,668**	**889,110**	**-**	**(4,309,701)**	**11,186,492**

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

	Notes	30-June-19	30-June-18
		AUD $	AUD $
Cash flows from operating activities			
Interest received		5,181	6,234
Payment to suppliers and employees (include GST)		(691,945)	(2,100,857)
Net cash flows from operating activities	9(b)	**(686,764)**	**(2,094,623)**
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(778,530)	(3,565,004)
Payments for property, plant and equipment		-	(9,959)
Net cash flows from investing activities		**(778,530)**	**(3,574,963)**
Cash flows from financing activities			
Proceeds from issue of shares		-	6,782,996
Payment for capital raising costs		-	(366,316)
Net cash inflows from financing activities		**-**	**6,416,680**
Net increase in cash and cash equivalents		**(1,465,294)**	**747,094**
Cash and cash equivalents at beginning of period		1,526,761	779,667
Exchange rate adjustments		12,951	-
Cash and cash equivalents at the end of the period	9(a)	**74,418**	**1,526,761**

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 2019.

The financial statements were authorised for issue by the Board of Directors on 27 September 2019.

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 2019 and for the prior year ended 30 June 2018.

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 2019 the Group has incurred a net loss of AUD$4,115,832 (2018: AUD$4,333,460), experienced net cash outflows from operations of AUD$686,764 (2018: AUD$2,094,623) and net cash outflows from investing activities of AUD$778,530 (2018: AUD$3,574,963). As at 30 June 2019 the cash balance is $74,418 (2018: $1,526,761).

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:

- The Group has a history of successfully raising capital;
- In August 2019, the Company issued short-term redeemable notes to unrelated investors to raise a total of AUD$400,000;
- 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 has received assessment for resource credit refunds for eligible exploration expenditure in Quebec Canada totalling $1.9m. The refunds are expected by October.

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) Revenue recognition

Revenue is recognised when or as the Group transfers control of goods or services to a customer at the amount to which the Group expected to be entitled. If the consideration promised includes a variable amount, the Group estimates the amount of consideration to which it will be entitled.

Interest income is recognised on a time proportion basis using the effective interest method.

d) Financial Instruments

Trade and other 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.

Trade and other receivables are recognised at amortised cost using the effective interest rate method, less any allowance for expected credit losses.

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. For trade and other receivables, the Group applies the simplified approach permitted by AASB 9 to determine any allowances for expected credit losses, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience. The amounts held in trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these trade and other receivables, it is expected that the amounts will be received when due.

The Group's financial risk management objectives and policies are set out in Note 3.

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

Financial assets are recognised and derecognised on settlement date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time-frame established by the market concerned. They are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

The Group classifies its financial assets as either financial assets at fair value though profit or loss ("FVPL"), fair value though other comprehensive income ("FVOCI") or at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For investments in equity instruments, the classification depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVPL or FVOCI.

Financial assets at FVPL

For assets measured at FVPL, gains and losses will be recorded in profit or loss. The Group's derivative financial instruments are recognised at FVPL. Assets in this category are subsequently measured at fair value. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets at OCI

For assets measured at FVOCI, gains and losses will be recorded in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. The Group has elected to measure its listed equities at FVOCI.

Assets in this category are subsequently measured at fair value. The fair values of quoted investments are based on current bid prices in an active market. Refer to Note 3 for additional details.

e) 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.

f) 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.

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 or Loss and Other Comprehensive

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

g) 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 2019 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.

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.

h) 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.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) 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.

j) 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.

k) 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.

l) 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)

m) 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.

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.

n) 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

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

o) 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.

p) 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.

q) 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.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

r) 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.

s) Significant accounting judgements and estimates

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.

NOTE 3: NEW AND AMENDED STANDARDS ADOPTED AND NOT YET ADOPTED BY THE GROUP

New and amended standards adopted by the Company

i) AASB 9 Financial Instruments

Application date: 1 July 2018

Nature of change:

AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities. It also sets out new rules for hedge accounting.

The new hedging rules align hedge accounting more closely with the Company's risk management practices. As a general rule it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.

NOTE 3: NEW AND AMENDED STANDARDS ADOPTED AND NOT YET ADOPTED BY THE GROUP (continued)

Impact on initial application:
There was no impact to the Company on transition at 1 July 2018.

ii) AASB 15 (issued June 2014) – Revenue from contracts with customers
Application date: 1 July 2018

Nature of change:
An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue.

Impact on initial application:
There was no impact to the Company on transition at 1 July 2018.

Accounting Standards Issued Not Yet Effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out below.

i) AASB 16 (issued January 2016) – Leases
Application date:
Must be applied for annual reporting periods beginning on or after 1 January 2019.
Therefore, application date for the Company will be 30 June 2020.

Nature of change:
AASB 16 was issued in February 2016. The most significant impact will be all leases being recognised on the Statement of Financial Position by lessees, as the distinction between operating and finance leases has been removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

Impact on initial application:
As at the reporting date, the Company has rental agreements which are impacted by the application of AASB 16. Note 24 includes the commitment of rent for the next 12 months ending 30 June 2020. The Company expects to recognise right-of-use assets on 1 July 2019, lease liabilities and direct costs in the form of legal fees. Overall net assets is expected to be higher and net current assets is expected to be lower due to the presentation of the liability portion as a current liability. The impact on retained earnings upon initial recognition would be an adjustment as a result of previous depreciation and interest charges.

NOTE 3: NEW AND AMENDED STANDARDS ADOPTED AND NOT YET ADOPTED BY THE GROUP (continued)

For the upcoming financial period, the Company expects the loss after tax to increase due to the additional depreciation charges as a result of the new accounting standard. Operating cash flows are expected to increase and financing cash flows decrease as the repayment of the principal portion of the lease liability will be classified as cash flows from financing activities.

Date of adoption by Company:

The Company will apply the standard from its mandatory adoption date for financial periods subsequent to 1 January 2019, therefore it will be in effect as of 1 July 2019. The Company intends on applying the modified retrospective approach and will not restate the comparative amounts for the year prior to first adoption. Right-of-use assets for the properties will be measured on transition as if the new rules had always been applied. This will result in an adjustment to retained earnings on the initial recognition of the standard.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

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' for class 1 and 'less than likely' for class 4 and 5. 100% of the calculated fair value of the Performance Rights is expensed in the statement of profit or loss and other comprehensive income over the vesting period.

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 reporting 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(f) 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.

NOTE 4: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

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-19 $	30-June-18 $
Financial assets		
Cash and cash equivalents	74,418	1,526,761
Trade and other receivables	1,952,031	283,092
	2,026,449	1,809,853
Financial liabilities		
Trade and other payables	880,021	288,281
	880,021	288,281

(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$508,895 and expected tax refunds were CAD$1,779,502. 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-19		30-June-18	
	Weighted average interest rate	**$**	**Weighted average interest rate**	**$**
Financial assets				
Cash & cash equivalents	0.057%	74,418	0.476%	1,526,761

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-19**	**30-June-18**
	$	**$**
Commonwealth Bank -AA	74,418	1,526,761

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.

2019	**<6 months $**	**6-12 months $**	**>12 months $**	**Total Contractual Cash Flows $**	**Carrying Amount $**
Financial liabilities					
Trade and other payables	880,021	-	-	-	880,021
Financial liabilities	-	-	-	-	-

NOTE 5: FINANCIAL RISK MANAGEMENT (continued)

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 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 Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position and Consolidated 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-19	30-June-18
	$	$
(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	(4,115,832)	(4,333,460)
Prima facie income tax at 30% (2018: 27.5%)	(1,234,750)	(1,191,702)
Non-deductible expenditure	302,107	219,294
Effect of tax rates in foreign jurisdictions	89,869	25,844
Timing differences not recognized	842,774	946,564
Income tax expense/(benefit)	-	-
(c) Unrecognised deferred tax assets arising on timing differences and losses		
Carry forward revenue losses	479,561	575,046
Deductible temporary differences	829,187	708,960
Unrecognised deferred tax assets	1,308,748	1,284,006
(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: DIVIDENDS

There are no dividends declared or paid during the year (2018: Nil)

NOTE 9: CASH AND CASH EQUIVALENTS

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

	30-June-19	30-June-18
	$	$
Cash at bank and in hand	74,418	1,526,761
	74,418	**1,526,761**

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

	30-June-19	30-June-18
	$	$
Net loss after income tax	(4,115,832)	(4,333,460)
Adjustments for:		
Directors benefits expense (Share based payment)	45,278	28,668
Share based payments	6,169	23,400
Impairment expense	2,885,301	2,510,101
Depreciation expense	8,139	6,365
Costs transferred to exploration	32,708	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	268,038	6,968
Increase/(decrease) in trade and other payables	179,690	(343,305)
Increase in staff leave provisions	3,745	6,640
Net cash flows used in operating activities	**(686,764)**	(2,094,623)
Non-cash investing and financing activities		
Issue of ordinary shares as consideration for asset acquisition (Note 15)	72,750	1,544,024
Issue of unlisted options for capital raising services (note 20)	-	167,450
Issue of ordinary shares for capital raising services	-	129,000
Issue of shares for geological consulting fees	32,617	-
	105,367	1,840,474

NOTE 10: TRADE AND OTHER RECEIVABLES

	30-June-19 $	30-June-18 $
GST and Provincial Sales Tax receivable	9,037	269,059
Prepaid expenses	5,757	2,033
Sundry receivables	-	12,000
Canadian exploration rebates	1,937,237	-
	1,952,031	**283,092**

(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 11: PROPERTY, PLANT AND EQUIPMENT

	30-June-19 $	30-June-18 $
Plant and equipment	18,625	26,764
	18,625	**26,764**
Balance at the beginning of the year	26,764	23,170
Additions	-	9,959
Depreciation expense	(8,139)	(6,365)
Balance at the end of the year	**18,625**	**26,764**

NOTE 12: EXPLORATION AND EVALUATION EXPENDITURE

	30-June-19 $	30-June-18 $
Exploration and evaluation expenditure	6,500,164	9,644,796
	6,500,164	**9,644,796**
Reconciliation:		
Balance at the beginning of the year	9,644,796	7,523,663
Financial liability of deferred project costs recycled	-	(448,795)
Deposits for exploration costs now expensed	-	(29,000)
Impairment of exploration expenditure	(2,885,301)	(2,510,101)
Canadian tax rebates for remote exploration expenditure	(1,970,159)	-
Acquisition costs and exploration expenditure for exploration assets	1,333,282	5,109,029
Net exchange differences on translation	377,546	-
Balance at the end of the year	**6,500,164**	**9,644,796**

NOTE 12: EXPLORATION AND EVALUATION EXPENDITURE (continued)

The group has impaired all the Cobalt projects exploration and acquisition expenditure in the current year. The parent company has ceased funding those projects and considers it unlikely that the projects could be sold or farmed out and accordingly impaired all expenditure on the projects in full.

In the prior 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-19	30-June-18
	$	$
Trade and other payables	804,423	207,125
Accrued expenses	75,598	81,156
	880,021	**288,281**

NOTE 14: PROVISIONS

	30-June-18	30-June-17
	$	$
Staff leave provisions	10,385	6,640
	10,385	**6,640**

NOTE 15: ISSUED CAPITAL

	30-June-19		30-June-18	
	$	No.	$	No.
Issued Capital	15,707,332		15,601,965	
Cost of share issued	(1,591,550)		(1,591,550)	
Fully paid ordinary shares	14,115,782	116,953,887	14,010,415	115,503,887

(a) Movements in Ordinary Shares

Period ended 30 June 2019

Date	Details	$	Number of shares	Issue price per ordinary share
01/07/18	Opening balance	14,010,415	115,503,887	
24/08/18	Issue of shares – Project Acquisition (i)	72,750	750,000	$ 0.097
16/11/18	Issue of shares – Consulting fees (ii)	4,400	100,000	$ 0.044
16/11/18	Issue of shares – Consulting fees (iii)	28,217	600,000	$ 0.047
	Costs of shares issued	-		-
30/06/19	Balance at end of period	14,115,782	116,953,887	

(i) 750,000 shares issued to acquire Bay Lake North Cobalt tenements – see Note 20 (f).
(ii) 100,000 shares paid for introduction fees
(iii) 600,000 shares paid for geological services

Period ended 30 June 2018

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 15: 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

(b) 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 16: RESERVES

	30-June-19	30-June-18
	$	$
Reserves		
Share-based payments reserve	643,715	596,668
Options premium reserve	889,110	889,110
Foreign Currency Translation Reserve	431,756	-
	1,964,581	**1,485,778**
Share-based payments reserve (i)		
Balance at beginning of year	596,668	3,019,867
Share based payment	47,047	1,468
Value of Performance Rights transferred to retained earnings	-	(195,667)
Recycle of deferred project consideration	-	(2,229,000)
Balance at the end of the period	**643,715**	**596,668**

NOTE 16: RESERVES (continued)

Options reserve (ii)

Balance at beginning of year	**889,110**	**671,060**
Valuation of advisor, broker and executive options – see Note 20	-	218,050
Balance at the end of the year	**889,110**	**889,110**

(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.

Foreign Currency Translation reserve (iii)

Balance at beginning of year	**-**	**-**
Movement for year	431,756	-
Balance at the end of the year	**431,756**	**-**

The reserve represents the exchange movement on long term loans made to the wholly owned subsidiaries.

NOTE 17: ACCUMULATED LOSSES

	30-June-19	**30-June-18**
	$	**$**
Balance at beginning of the year	4,309,701	2,371,908
Loss after income tax expense for the period	4,115,832	4,333,460
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 year	**8,425,533**	**4,309,701**

NOTE 18: 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-19	**30-June-18**
	$	**$**
Audit services - BDO Audit (WA) Pty Ltd		
Audit of the financial statements	37,211	52,699
	37,211	**52,699**
Amounts received or due and receivable by BDO (WA) Pty Ltd for:		
i) Taxation services	6,840	14,000
	6,840	**14,000**

NOTE 19: EARNINGS PER SHARE

Basic loss per share

The calculation of basic loss per share at 30 June 2019 was based on the loss attributable to ordinary shareholders of $3,663,890 and a weighted average number of ordinary shares outstanding during the year ended 30 June 2019 was calculated as follows:

	30-June-19	30-June-18
Loss attributable to ordinary shareholders ($)	(4,115,832)	(4,333,460)
Weighted average number of ordinary shares (number)	116,574,298	94,400,835
Basic loss per share (cents per share)	(3.5)	(4.6)

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 20: SHARE-BASED PAYMENTS

(a) Performance rights on issue

All performance rights on issue relate to share based payments to directors or employees, brokers and consultants for services provided.

Class	Grant date	Balance at start of the year	Issued during the year	Exercised during the year	Cancelled or Expired during the year	Balance at end of the year
		Number	Number	Number	Number	Number
Class 1	29 June 2018	2,150,000	-	-	(1,450,000)	700,000
Class 2	29 June 2018	2,275,000	-	-	(1,450,000)	825,000
Class 3	29 June 2018	2,275,000	-	-	(1,450,000)	825,000
Class 4	29 June 2018	2,150,000	-	-	(1,450,000)	700,000
Class 5	29 June 2018	2,150,000	-	-	(1,450,000)	700,000
Total		11,000,000	-	-	(7,250,000)	3,750,000

NOTE 20: SHARE-BASED PAYMENTS (continued)

Class	Grant date	2019 Expense	2018 Expense
Class 1	29 June 2018	28,000	9,426
Class 2	29 June 2018	10,175	3,075
Class 3	29 June 2018	4,950	1,496
Class 4	29 June 2018	-	-
Class 5	29 June 2018	-	-
Total		43,125	13,997

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,

None of the above performance rights have vested to date.

(b) Valuation of Performance Rights Issued

In the prior year 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. The company has assessed Class 1 as being probable of being achieved and class 1 and 3 are market based and have therefore recognised an expense over the vesting period for these three classes.

On 10 September 2018 the Managing Director and a Senior Executive ceased employment with the company and as a consequence the 7,250,000 Performance Rights that were previously granted were cancelled (5,000,000 issued to the Managing Director and 2,250,000 to the senior executive). According the company has recorded a reversal of the expense previously booked upon the issue of these Performance Rights.

The total expense arising from share-based payment transactions recognised during the period in relation to the performance rights issued was $43,125 (2018: $13,997).

NOTE 20: SHARE-BASED PAYMENTS (continued)

(c) 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 2019:

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
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	-	-	(1,000,000)[1]	100,000
			19,200,000	-	-	(1,000,000)	18,200,000
Vested			19,200,000	-	-	(1,000,000)	18,200,000
Exercisable			3,800,000	-	-	(1,000,000)	18,200,000[2]

Weighted average remaining contracted life of options (Years)	1.48 Years
Weighted average exercise price	$0.25

[1] Cancelled when employees resigned

[2] 15,400,000 options were released from escrow on 24 February 2019

(d) Valuations of unlisted options issued during the prior year

There were no options issued during the current year ended 30 June 2019.

In the prior year fair values at grant date were 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 prior year were based on the following:

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

NOTE 20: SHARE-BASED PAYMENTS (continued)

(e) Deferred consideration – share based payment

In the 2017 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.

(f) Shares

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

(i) 750,000 shares issued as part of the consideration to acquire Bay Lake North Cobalt Project.
(ii) 100,000 shares issued for introductory fees.
(iii) 600,000 shares issued for geological consulting services.

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

Refer to Note 15 for the values of shares issued for the above project.

(g) Summary of share-based payment transactions

Total share-based payment transactions granted during the year:

Shared based payments	**2019 $**	**2018 $**
Performance Rights (included in Profit or Loss)	-	1,468
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
Issue of shares for capital raising services (included in equity)	-	129,000
Shares issued for exploration expenses / acquisitions (capitalised E&E)	105,367	1,544,024
	105,367	1,892,542

NOTE 21: 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 2019	Ownership interest 2018
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%	100%
MetalsTech Adina Lithium Inc	Canada	17/11/2017	Ordinary	100%	100%
MetalsTech Cancet Lithium Inc	Canada	17/11/2017	Ordinary	100%	100%
MetalsTech Sirmac Lithium Inc	Canada	17/11/2017	Ordinary	100%	100%
MetalsTech Kapiwak Lithium Inc	Canada	17/11/2017	Ordinary	100%	100%
MetalsTech Wells-Lacourciere Lithium Inc	Canada	17/11/2017	Ordinary	100%	100%
MetalsTech Project Generation Lithium Inc	Canada	17/11/2017	Ordinary	100%	100%
MetalsTech Terres des Montagnes Lithium Inc	Canada	17/11/2017	Ordinary	100%	100%
iCobalt Rusty Lake Cobalt Inc	Canada	05/02/2018	Ordinary	100%	100%
MetalsTech Bay Lake Cobalt Inc	Canada	21/11/2017	Ordinary	100%	100%
iLithium Pty Ltd	Australia	28/03/2018	Ordinary	100%	100%

NOTE 21: RELATED PARTY TRANSACTIONS (continued)

(b) Key management personnel compensation

The key management personnel compensation is as follows:

	30-June-19	30-June-18
	$	$
Short-term benefits	392,000	709,773
Share-based payments	25,691	37,760
	417,691	**747,533**

(c) Other transactions with key management personnel

During the year, the Group was charged $153,600 (2018: $252,400) 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 $46,200 (2018: $23,100).

During the year, the Group was charged $155,600 (2018: $250,200) by MinCo Holding Pty Ltd and Natres Services Pty Ltd. These entities provided consultancy and management services to the Group on normal commercial terms. Russell Moran is a director of both these entities. The balance owing at year end is $48,600 (2018: $46,200).

During the year, the Group was charged $44,000 (2018: 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 $Nil (2018: 24,200) however Mr Riekie is claiming via legal action a further amount of $69,300 plus GST. The legal action is being defended.

NOTE 22: PARENT ENTITY FINANCIAL INFORMATION

	30-June-19	30-June-18
	$	$
Current Assets	1,262,210	1,567,025
Non-Current Assets	-	9,407,563
Total Assets	1,262,210	**10,974,588**
Current Liabilities	326,093	211,726
Non-Current Liabilities	10,385	-
Total liabilities	**336,478**	**211,726**
Contributed equity	14,115,781	14,010,415
Reserves	1,984,767	1,485,778
Accumulated losses	(15,174,816)	(4,733,153)
Total equity	**925,732**	**10,763,040**
Loss for the year	11,205,429	2,546,927
Other comprehensive loss for the year	-	-
Total comprehensive loss for the year	**11,205,429**	2,546,927

a. Guarantees and Contingent Liabilities

Refer to note 23 for details of guarantees and contingent liabilities.

b. Contractual Commitments

Refer to note 24 for details of contractual commitments.

NOTE 23: 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 $400,000 to CAD920,000 per project for four projects and are contingent upon discovering JORC reserves of the relevant areas of interest. Similar terms apply for a firth project, however the deferred consideration will be paid in up to 4m shares and 3m options.

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.

Mr Riekie is claiming via legal action a further amount of $69,300 plus GST. The legal action is being defended.

NOTE 24: COMMITMENTS

Exploration expenditure commitments

As part of the acquisition of licences over the last 3 years, MetalsTech has committed to use all reasonable endeavours to spend minimum expenditure requirements over periods of 3 to 5 years. The expenditure is required to be met unless contracts can be renegotiated, otherwise the company risks losing tenure over those projects. The contracts over projects currently in place with committed expenditure include;

- Terre des Montagnes Lithium Project
- Kapiwak Lithium Project
- Sirmac-Clapier Lithium Project
- Adina Lithium Project
- Cancet Lithium Project
- Wells-Lacourciere Lithium Project
- Terre des Montagnes Southwest and Southeast Lithium Project
- Terre des Montagnes Southeast Extension Lithium Project

Rental lease commitments

	30-June-19	**30-June-18**
	$	$
Within one year	24,761	32,054
After one year but not more than five years	-	24,040
More than five years	-	-
Total	24,761	56,094

NOTE 25: EVENTS SUBSEQUENT TO REPORTING DATE

Other than the redeemable notes disclosed below, there have been no matters or circumstances which have arisen since 30 June 2019 that have significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 30 June 2019, of the company, or
(b) the results of those operations, or
(c) the state of affairs, in financial years subsequent to 30 June 2019, of the company.

Redeemable Notes

In August 2019, the Company issued short-term redeemable notes to unrelated investors to raise a total of AUD$400,000. The key terms of the redeemable notes are stated below:

Term	The earlier of 3 months or upon MTC receiving at least $500,000 of the outstanding $2m Quebec Government Exploration Tax Refund. For the avoidance of doubt, early repayment will not reduce the coupon payable.
Use of Funds	(d) Fund MTC's assessment of new business opportunities including legal, accounting and technical due diligence; (e) Fund MTC's advice with respect to ASX discussions from time to time, including in respect of future new business opportunities; and (f) General working capital
Coupon	12.5% of the Face Value of the Notes
Redemption	The Notes and the Coupon must be redeemed by the Issuer in cash at the end of the Term
Transferability	The Notes are not transferrable without the written consent of the MTC
Change of Control Protection	Any outstanding Notes must be redeemed in full immediately in the event of a change of control in MTC (except a Listing event) for the Face Value plus Coupon
Escrow	N/A
Free attaching options	(c) 2,000,000 unlisted Options exercisable at $0.06 for each Note with an expiry of 31 December 2023 (d) MTC may seek quotation of the Options subject to spread and ASX approval
Security	Unsecured

NOTE 26: COMPANY DETAILS

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

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 2019 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 2019.

Gino D'Anna
Director
27 September 2019

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

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 2019, 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 2019 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.

BDO

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
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; 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; • reviewing the basis of impairment recorded by management and the methodology used to determine the fair value for compliance with the relevant accounting standards; • considering whether any facts or circumstances existed to suggest impairment testing was required; and • assessing the adequacy of the related disclosures in Note 2(f), Note 4 and Note 12 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 2019, 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 22 to 28 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of MetalsTech Limited, for the year ended 30 June 2019, 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, 27 September 2019

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

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
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

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

STATEMENT OF QUOTED SECURITIES AS AT 22 SEPTEMBER 2019

a) Distribution of Shareholders

Size of Holding		Number of Shareholders
1 – 1,000		34
1,001 – 5,000		219
5,001 – 10,000		160
10,001 – 100,000		378
100,001 and over		130
	Total	**921**

b) Number of holders of less than marketable parcels: 596

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

Talos Mining Pty Ltd – 18,364,182 fully paid ordinary shares (15.70%)

Rachel D'Anna – 11,991,000 fully paid ordinary shares (10.25%)

d) Twenty largest shareholders:

RANK	HOLDER NAME	DESIGNATION	SECURITIES	%
1	*TALOS MINING PL	TALOS MINING A/C	18,364,182	15.70%
2	D'ANNA RACHEL		11,991,000	10.25%
3	BCC HK INTNL TRADE CO. LT		10,000,000	8.55%
4	CELTIC CAP PL	CELTIC CAP A/C	5,374,000	4.59%
5	NEW FOUND GOLD CORP		3,000,000	2.57%
6	CITICORP NOM PL		2,778,782	2.38%
7	*CAMERON SARAH		2,601,440	2.22%
8	*GRIESBACH GLENN		2,276,467	1.95%
9	NEWFOUND INV PL	NEWFOUND S/F A/C	1,850,000	1.58%
10	D'ANNA GINO	INTERNATZIONALE A/	1,735,940	1.48%
11	MORRISON DION		1,400,000	1.20%
12	GURON PL	MORAN S/F A/C	1,333,333	1.14%
13	*ARDROY SEC PL	CAMERON INV UNIT A	1,250,000	1.07%
14	ENGEL JAY MICHAEL		1,144,980	0.98%
15	BREAMLINE PL	BREAMLINE MINISTRI	1,062,500	0.91%
16	GUSTAFSON ROSS EDWARD	VESTY S/F A/C	1,000,000	0.86%
17	COREKS SUPER PL	COREKS S/F A/C	1,000,000	0.86%
18	LITHIUM AUST NL		1,000,000	0.86%
19	BULL EQUITIES PL		978,870	0.84%
20	HUXTABLE KEITH R + P E	HUXTABLE S/F A/C	900,000	0.77%
	Top 20 Total		71,041,494	60.76%
	* - Denotes Merged Holders			
	Total Shares on issue		116,953,888	

e) Voting Rights
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.

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 5 November 2019: 1,175,000 fully paid ordinary shares

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	825,000	825,000	700,000	700,000	3,750,000

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,