ASX Release
23 May 2018

Exploration Commences at High Grade Cobalt Projects

MetalsTech Limited (**MTC** or the **Company**) is pleased to announce it has commenced exploration at its 100% owned Rusty Lake Cobalt Project and Bay Lake Cobalt Project, located in Ontario, Canada (see Figure 1).

Highlights

- Laboratory assays pending for ten rock chip samples taken at the Rusty Lake Cobalt Project
- The past-producing Rusty Lake Cobalt Project in Ontario boasts stockpile grades of up to **11.85% Co, 8.64% Ni and >10,000 g/t Ag**
- Bay Lake Project has historically assayed up to **15.36% Co in cobalt-rich veins**
- The Van Chester prospect (within Bay Lake Project) contains historic exploration shafts and pits, including the Price Prospect where historically reported sampling of surface "dump" material assayed up to **2.14% Co, 0.11% Cu, 0.48 g/t Au and 1,740 g/t Ag**
- Community engagement and consultation program with key stakeholders completed in preparation for the planned exploration activities, including surface sampling and geophysics which will be followed by drilling activities at both the Bay Lake and Rusty Lake Cobalt Projects
- MTC is evaluating several low-cost high value pipeline opportunities in the cobalt space

Field exploration has commenced at both the Bay Lake Cobalt Project and Rusty Lake Cobalt Project.

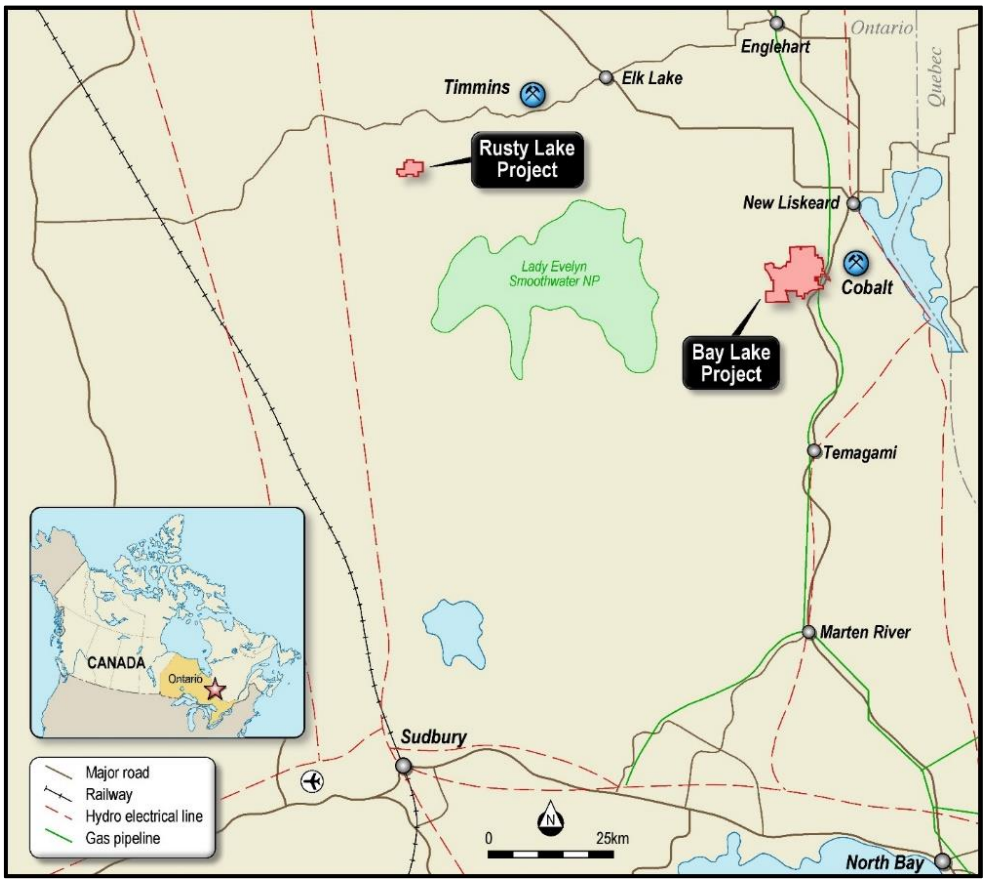

Figure 1: Geographical relationship of Rusty Lake Cobalt Project and Bay Lake Project

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Projects

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

The snow has completely melted at each of the Company's cobalt projects, allowing for an active field program to commence, initially comprising of geological mapping and sampling as a precursor to maiden drilling.

Over the coming weeks, the Company will conduct non-ground disturbing activities in the lead-up to a systematic surface exploration program involving detailed geochemical and geophysical analysis that will take place during June to July 2018. These exploration programs are aimed at defining drill hole locations for the maiden drill program, which is anticipated to commence circa late July-early August 2018.

Rusty Lake is located approximately 10km south of the Historic Mining town of Gowganda and approximately 70km from Bay Lake.

Bay Lake is located 10km SSW of the Historic Silver Mining Camp of Cobalt Township, covers 4,700 Ha and is host to the cobalt-silver bearing Nipissing Diabase rocks.

Commenting on the completion of the stakeholder engagement activities and commencement of exploration, Managing Director, Mr David Riekie stated:

"Our relationships with local community and First Nation stakeholders will be a key contributing factor to our successful exploration activities at both our Bay Lake and Rusty Lake cobalt projects. We have been overwhelmed with the high level of support and community enthusiasm demonstrated for our programs.

On-site activities including geological mapping and rock chip sampling have commenced. This will be followed up with a systematic exploration program that will also include geophysics and soil geochemistry to define additional drill hole locations as part of our maiden programs.

Our maiden drilling program will enable us to better understand this unique geology which appears to be rich in cobalt along with a suite of other attractive metals such as silver, copper and nickel. These metals are in high demand and we are well positioned to take advantage of the buoyant market conditions as we look to forge relationships with high-tech end-users in North America and elsewhere globally."

Photograph 1: Visible cobalt, copper, nickel sulphide mineralisation obtained from within the Rusty Lake Project. Ten rock chip samples were collected from the Rusty Lake Silver-Cobalt Mine on 17 May 2018 and have now been submitted for laboratory analysis

The map below outlines the location of the recent mine site sampling that was conducted by the Company (RLRC001 – RLRC010, inclusive) as well as the location of the mine site sampling which was completed in May 2017 by the previous project owner.

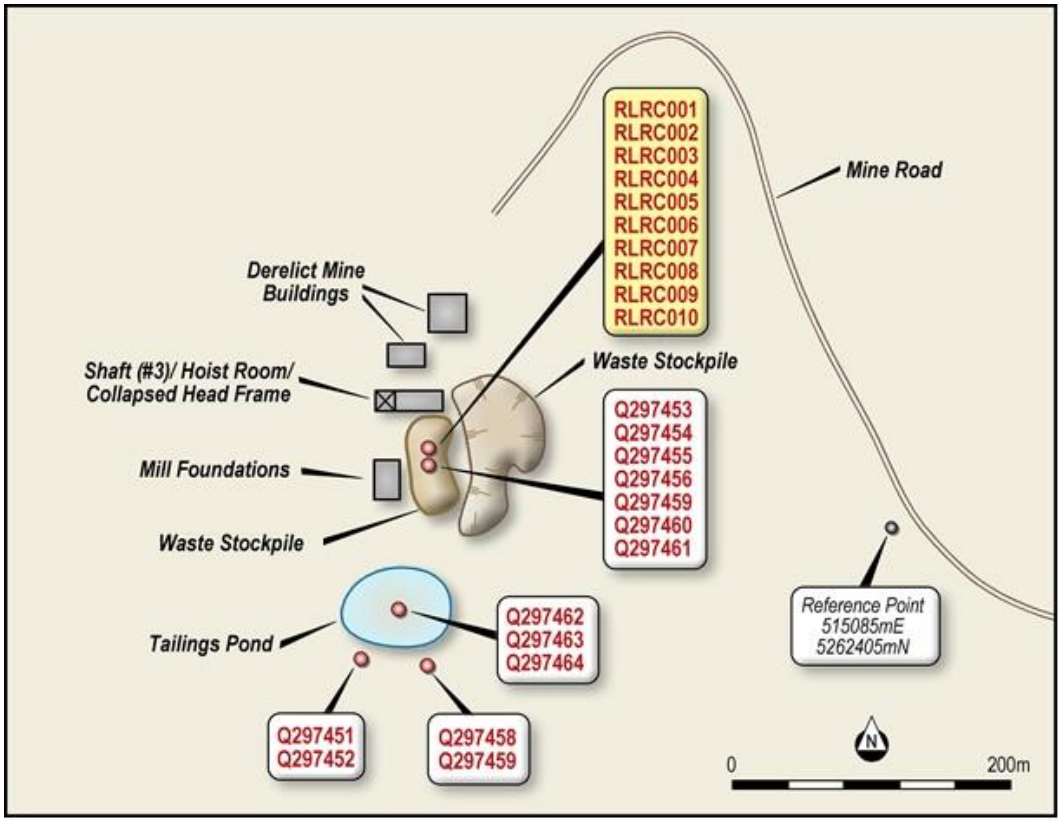

Figure 2: Location map illustrating the area of the mine site sampling program completed by the Company in May 2018 (RLRC001 – RLRC010, inclusive) as well as historical mine site sampling completed by the previous owners in May 2017

Photograph 2: Managing Director (David Riekie) and Technical Director (Cherie Leeden) in front of the historic Rusty Lake Mine stockpile and abandoned workings - 17 May 2018

The coordinates associated with the recent mine site sampling program is included in Appendix A, together with the coordinates and the results associated with the May 2017 mine site sampling campaign, included in Appendix B.

The Cobalt district of Ontario boasts more than a century of mining history and as such contains a wealth of relevant expertise. Field crew and local contractor engagement has commenced, and a variety of appointments and contracts of work are to be finalised in the coming weeks. Several drilling providers are locally available together with a range of ancillary mining services.

The Company looks forward to providing shareholders with regular updates as exploration continues.

ENDS

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Caution Regarding Forward-Looking Information

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

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

Competent Person Statement

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

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

ASX Listing Rules Compliance

Rusty Lake Cobalt Project

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

Bay Lake Cobalt Project

Pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement dated 17 August 2017.

Appendix A: Rusty Lake Waste Dump Sampling Locations – May 2018

Sample Number	Easting	Northing	Sample Type	Brief Description
RLRC001	514924	5262417	Rockchip	Quartz-Calcite Vein. Trace sulphides
RLRC002	514905	5262421	Rockchip	Diabase - Plagioclase feldspar and pyroxene
RLRC003	514924	5262425	Rockchip	Feldspathic Quartzite
RLRC004	514906	5262426	Rockchip	Diabase - Plagioclase feldspar and pyroxene
RLRC005	514906	5262426	Rockchip	Quartz-Calcite Vein. Trace copper sulphides
RLRC006	514897	5262423	Rockchip	Calcite-Diabase contact
RLRC007	514894	5262411	Rockchip	Quartz-Calcite Vein. Trace copper, nickel and cobalt sulphides
RLRC008	514878	5262406	Rockchip	Quartz-Calcite Vein. Trace copper, nickel and cobalt sulphides
RLRC009	514854	5262388	Rockchip	Diabase. Trace cobalt and nickel sulphides
RLRC010	514851	5262365	Rockchip	Diabase. Trace cobalt and nickel sulphides

UTM UPS, NAD83, GRS80. Date of sampling: 17th May 2018.

Note: All samples were collected from the former Rusty Lake mine waste dumps and stockpiles therefore no samples were insitu. The samples represent a mix of representative lithologies, containing a range of lithology types. The exact extraction location, nor width of mineral vein systems is known, because the samples were taken from already mined waste dumps (adjacent to the Rusty Lake mine shaft).

Appendix B: Mine Sampling and Results – May 2017

Sample #	UTM East	UTM West	Sample Type	Ag g/t	Co %	Ni %
Q297451	514879	5262356	Angular Boulder	19.4	5.08	0.44
Q297452	514879	5262356	Angular Boulder	44.4	5.65	0.48
Q297453	514896	5262428	Stockpile Grab (Main Shaft)	85.7	4.38	2.08
Q297454	514895	5262430	Stockpile Grab (Main Shaft)	3540	6.08	8.64
Q297455	514896	5262423	Stockpile Grab (Main Shaft)	478	3.26	1.31
Q297456	514889	5262425	Stockpile Grab (Main Shaft)	38.9	6.04	1.6
Q297457	514888	5262346	Angular Boulder	>10000	9.92	3.93
Q297458	514888	5262346	Angular Boulder	>10000	11.85	2.97
Q297459	514908	5262419	Stockpile Grab (Main Shaft) - coarse	69.1	6.33	4.79
Q297460	514906	5262425	Stockpile Grab (Main Shaft) - coarse	34.8	3.8	3.93
Q297461	514901	5262433	Stockpile (Main Shaft) - fines	402	0.84	0.4
Q297462	514884	5262390	Tailings (Main Shaft)	63	0.03	0.01
Q297463	514882	5262377	Tailings (Main Shaft)	48.5	0.03	0.01
Q297464	514881	5262364	Tailings (Main Shaft)	69.1	0.06	0.04

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	No drilling completed to date. Ten rock chip samples were taken from the former Rusty Lake Mine waste dump stockpile. The rock chip samples therefore were not taken from in-situ outcrop, therefore the width of mineralisation cannot be estimated from the available data. Ten rock chip grab samples were submitted to ALS for analysis. These samples weighed approximately 500 grams to 2 kg.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	No drilling completed.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Not applicable.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	Not Applicable. Random grab sampling of ore stockpile dumps.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Sample preparation follows industry best practice standards and is conducted by internationally recognised laboratories, at ALS Laboratories in North Vancouver, British Columbia. Oven drying, jaw crushing and pulverising so that 85% passes 75 microns. Blanks have been submitted every 50 samples to ensure there is

Criteria	JORC Code explanation	Commentary
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	no cross contamination from sample preparation. Measures taken include (a) systematic sampling across whole outcrop zone where present; (b) comparison of actual assays for blanks with theoretical values.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	No new laboratory assay data reported yet. Assay results are pending.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	None undertaken. Not applicable. All field data is manually collected, entered into excel spreadsheets, validated and loaded into an Access database. All electronic data is routinely backed up. No hard copy data is retained. None required.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	All rock chip sample location points are located using a hand held GPS. The grid system used is UTM. Nominal RL's based on topographic datasets are used initially, however, these will be updated if DGPS coordinates are collected.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Not applicable. None undertaken.
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Not Applicable. Adhoc grab sampling of waste dumps.

Criteria	JORC Code explanation	Commentary
geological structure	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	
Sample security	• *The measures taken to ensure sample security.*	Geological team supervises all sampling and subsequent storage in the field. The same geological team delivers the samples to ALS Laboratories and receives an official receipt of delivery.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	None completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	MetalsTech Limited owns 100% of the Bay Lake Cobalt Project and the Rusty Lake Mine Cobalt project pursuant to binding acquisition agreements. There are no other material issues affecting the tenements. Certain surface rights exist on parts of the Bay Lake project and the Rusty Lake project, but these do not compete with the subsurface or mineral rights over the project, which are owned by MetalsTech. All tenements have been legally validated by an independent lawyer to provide an opinion as to the good standing nature of the claims. The independent lawyer selected is a specialist in the field.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	No modern exploration has been conducted. Historical exploration and government mapping records multiple cobalt mineralised zones within the project areas but no other data is available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Rusty Lake Mine Cobalt Project and the Bay Lake Cobalt Project is composed of principal ore veins, cross-veins, masses of mineralised Keewatin interflow rocks, and disseminated minerals in the Gowganda Formation, Coleman Member. Only the principal ore veins contain silver ore and they occur primarily in the Coleman Member. The veins also contain cobalt indicator minerals such as arsenides and native silver (principal metal veins). The arsenides, including nickel, cobalt, and iron varieties, occur as massive lenses and disseminated grains in the carbonate veins. Some massive lenses extend across the entire widths of the veins, others present as irregular bodies in the centres of the veins, and still others occur at the edges of the veins. The distribution of cobalt indicator minerals from top to bottom of the veins are rich in the following elements (i) nickel, (ii) cobalt and (iii) iron. The veins can be classified as Ni-As, Ni-Co-As, Co-Fe-As and Fe-As. Silver grades exhibit a very different zonation implying that previous production has excluded multiple areas of cobalt mineralisation.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this*
		No modern drilling data exists. The Company is in the process of trying to obtain historical drill logs for the Rusty Lake project (circa 1960's).

Criteria	JORC Code explanation	Commentary
	exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	None reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Not Applicable. Random grab sampling of historical waste dumps (samples not in-situ therefore geometry of mineralisation is unknown).
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	None included.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Not Applicable
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All meaningful and material data is reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Detailed geochemistry and geology to determine trends of known mineralised zones and to delineate other Co-Ag anomalies. Further trenching to determine structural orientation of mineralised zones. Conducting a geophysical work program to be followed by maiden drill program.