FURTHER NICKEL DRILL RESULTS AT MT EDWARDS

HIGHLIGHTS

- **High grade nickel sulphide assay results from drilling at the recently acquired Munda deposit in Western Australia**
- **Drill results include 8.3 metres @ 2.16% nickel including 2.3m @ 6.11% nickel**

Neometals Ltd (**ASX: NMT**) (**"Neometals"** or **"the Company"**) is pleased to announce assay results from diamond core drilling at the recently acquired Munda deposit ("**Munda**"), which now forms part of the Mt Edwards Project. Neometals, via its subsidiary Mt Edwards Lithium Pty Ltd, acquired nickel mineral rights for the Munda mining lease M15/87 (refer to Figure 4) from WA Nickel Pty Ltd, a wholly owned subsidiary of Estrella Resources Ltd ("**Estrella**") on 6 September 2019 for $250,000[1]. Neometals already holds the lithium mineral rights to M15/87 [2].

Following acquisition of the nickel mineral rights, Neometals arranged for previously unassayed diamond core from holes EMD001 and EMD002 (drilled in July 2019 by Estrella) to be cut, sampled and submitted for assay. The assay results confirm an 8.3 metre (down hole width) zone of nickel sulphide mineralisation from 93 metres down hole, with an enriched zone of 2.3m @ 6.11% nickel at the base of the ultramafic unit.

Table 1 - *Significant intercepts for drill holes from the Munda diamond core drill program in July 2019*

Prospect	Hole ID	Intercept Length (m)	Ni %	Cu ppm	As ppm	From metre	To metre	Tenement	Depth metre
Munda	EMD002	8.3	2.29	816	10	93	101.3	M15/87	171.2m
Munda	Including	2.3	6.11	1,708	9	99	101.3	M15/87	171.2m

Note: Significant intercepts are contiguous samples with assay results greater than 0.3% nickel, with an average grade greater than 1% nickel. Up to 1 metre internal dilution (less than 0.3% nickel) may be included in the intercept.

The nickel sulphide intersection in EMD002 comprised 6m of disseminated nickel sulphide (93.0m-99.0m), 1.6m of matrix sulphide (99.0m-100.6m), 0.4m of semi-massive sulphide (100.6m-101.0m) and 0.3m of stringer sulphide (101.0m-101.3m) on the basal contact with the underlying basalt (Figures 1- 3). EMD001 intersected 3m of disseminated and minor remobilised sulphides (between 124.0m-127.0m) above the basal contact.

Figure 1 - *Photo of diamond core from drill hole EMD002. Massive Nickel Sulphide (grading 6.11% Nickel) is clearly identifiable above a sharp contact with the underlying basalt.*

1 ASX Announcement, Estrella Resources ESR 6th September 2019 https://www.asx.com.au/asxpdf/20190906/pdf/4489xsjvbb35v9.pdf
2 ASX Announcement, Neometals NMT 15th March 2018 https://www.asx.com.au/asxpdf/20180315/pdf/43sghxwzhghn64.pdf

Drilling was designed by Estrella to target postulated high-grade gold shoots that have been 3D modelled using historical drilling completed by Western Mining Corporation, Titan Resources, Consolidated Minerals and Eureka Mining. Whilst gold was the target, the holes were projected to intersect the ultramafic basal contact and test for Nickel Sulphides.

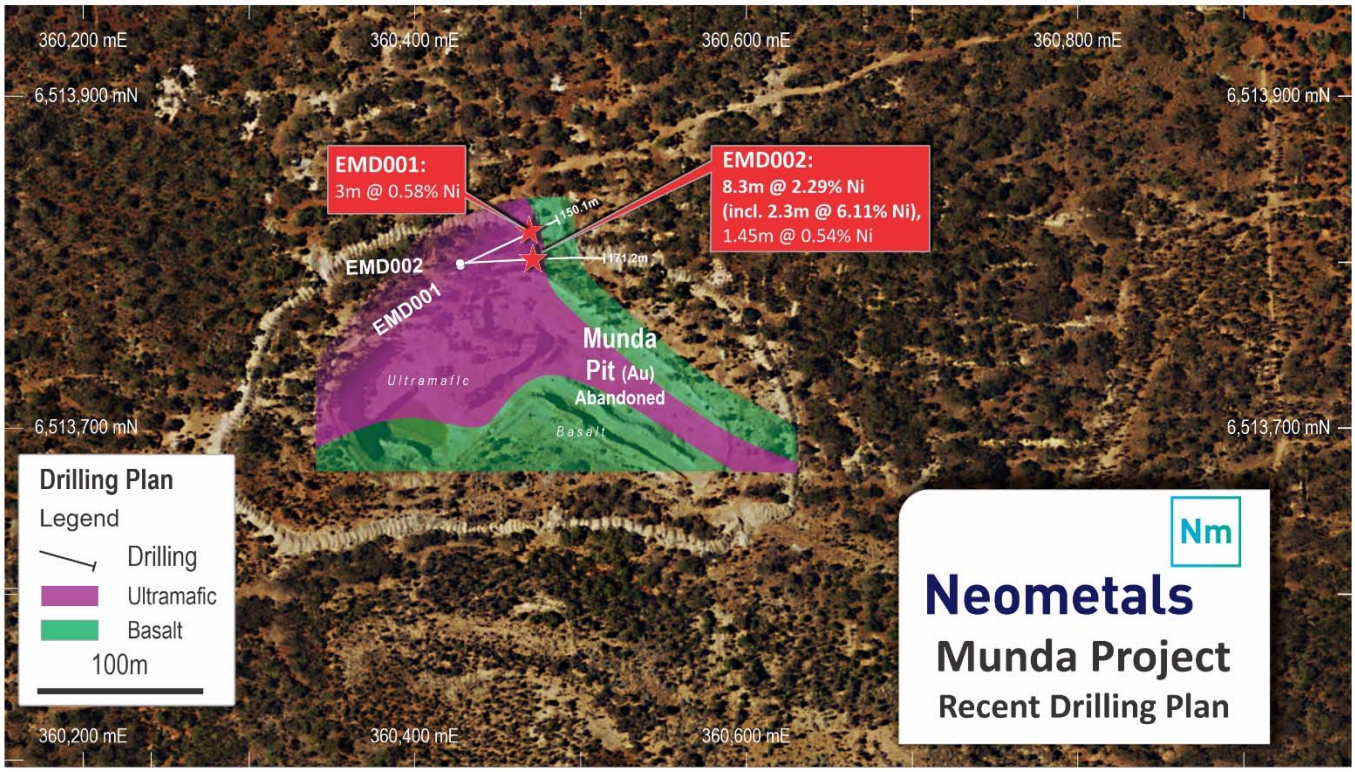

Figure 2 - *Drill hole locations and geological units at the Munda Project on Mining Lease M 15/87*

Munda is located within the nickel rich Widgiemooltha region, surrounded by Neometals' Mt Edwards Project (see Figure 4 below). The historical 26N Mt Edwards underground nickel mine, which produced 951,568 tonnes at 2.7% Nickel for 25,633 tonnes of nickel metal between the years 1980 to 1996, is located less than 2km north of the Munda deposit on the same geological contact.

Table 2 - *Location and Survey information for Diamond Core drill holes completed at Munda in July 2019*

Prospect	Hole ID	Drill Type	Easting MGA94z51 (m)	Northing MGA94z51 (m)	Elevation (m)	Depth (m)	Azimuth (°)	Dip (°)	Tenement
Munda	EMD001	Diamond Core	360,428	6,513,798	382.3	150.0	063	-65	M15/87
Munda	EMD002	Diamond Core	360,427	6,513,799	382.3	171.2	090	-60	M15/87

The nickel sulphides at Munda are hosted in ultramafic rocks and display classic "Kambalda-Style" komatiitic textures which are consistent with nearby nickel deposits and mines. The fact that the nickel sulphide intersections occurred at the basal contact with the underlying basalt is encouraging as the contact is the host to most of the nickel sulphide deposits in the Kambalda-Widgiemooltha district.

The Company will accelerate efforts to review the Munda nickel project with a view to estimating a Mineral Resource. Neometals remains highly encouraged by the results generated from the targeted 2019 nickel exploration program being run at Mt Edwards, and the Munda acquisition continues the theme.

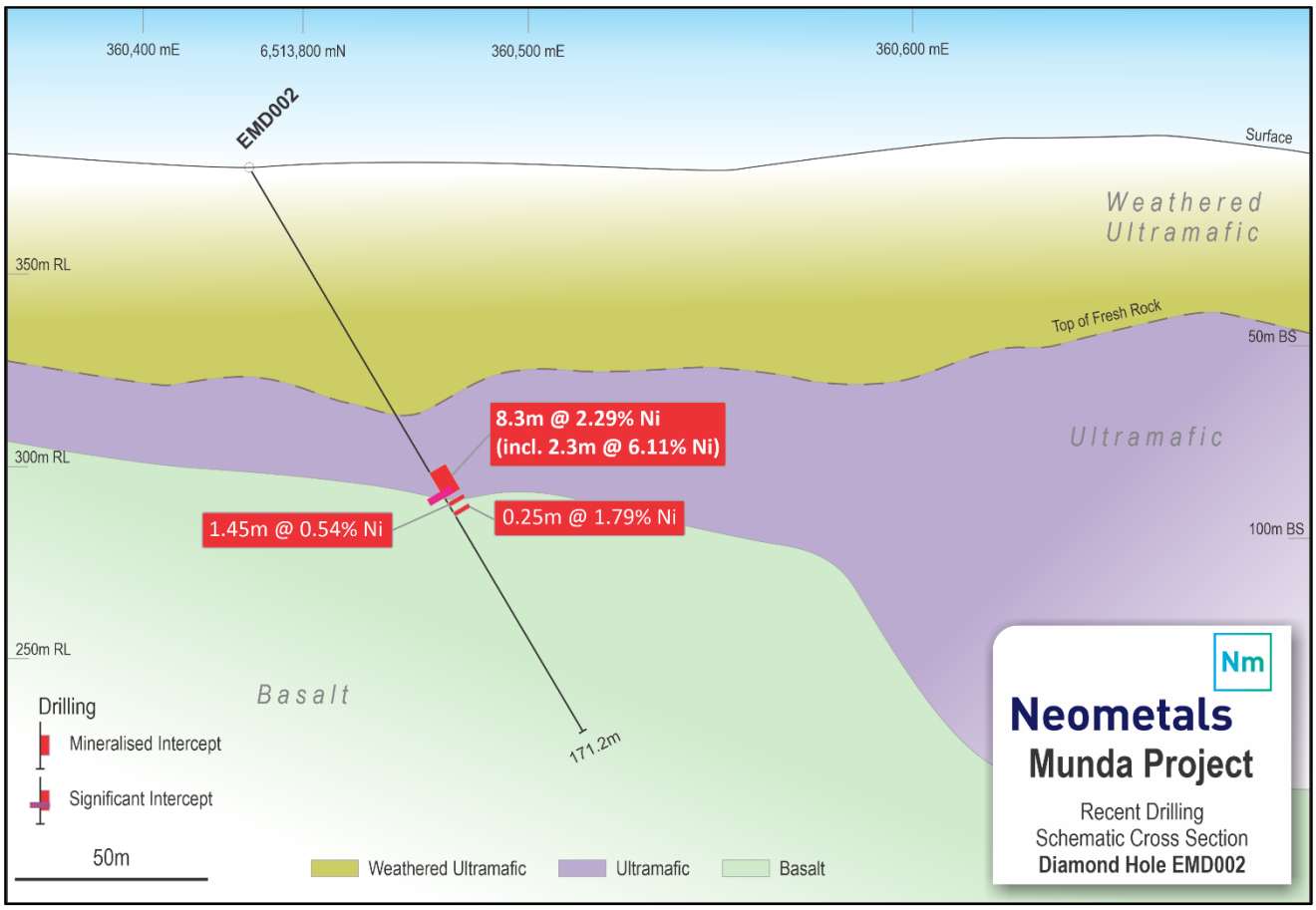

Figure 3 - *Schematic Cross section in line with the drill trace of EMD002 showing the mineralised and significant intercepts. Best intercept is 8.3 metres at 2.29% nickel (including 2.3 metres at 6.11% nickel) from 93 and 99 metres downhole respectively*

Table 3 - *Mineralised intercepts from the Munda July 2019 diamond core drilling program*

Hole_ID	From metre	To metre	Intercept Length metre	Ni %	Cu ppm	As ppm	Cr ppm	Fe2O3 %	MgO %	S %
EMD001	7	8	1	0.38	70	12	505	5.5	9.4	BDL
EMD001	119	120	1	0.33	98	66	1293	6.5	27.4	0.5
EMD001	124	127	3	0.58	395	6	1273	9.9	20.3	2.0
EMD002	13.7	14.2	0.5	0.33	61	12	2118	13.5	14.0	BDL
EMD002	32.9	34.8	1.9	0.45	71	79	1914	9.9	20.3	2.0
EMD002	71	72	1	0.36	30	77	1153	7.4	26.0	BDL
EMD002	76.5	80	3.5	0.41	19	37	1054	5.8	32.6	0.6
EMD002	93	101.3	8.3	2.29	816	10	1579	24.1	19.2	8.1
EMD002	103.55	105	1.45	0.54	706	2	244	12.1	7.8	1.5
EMD002	109.45	109.7	0.25	1.79	153	1583	353	14.3	6.5	4.6

Note: Mineralised intercepts are contiguous samples down hole with assays results greater than 0.3% nickel. Up to 1 metre internal dilution (less than 0.3% nickel) may be included in the intercept.

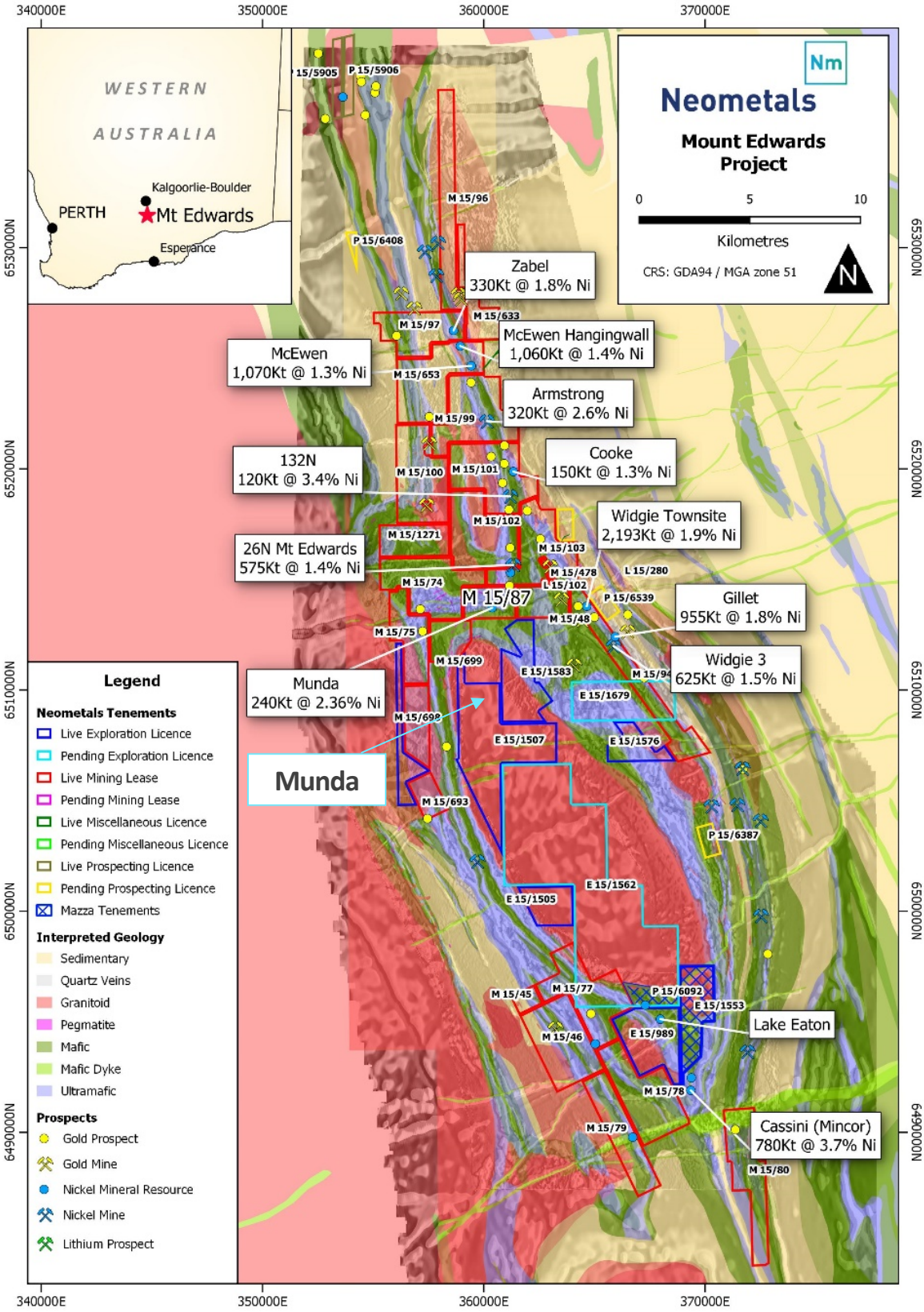

Figure 4 - *Mt Edwards Project tenure over geology, with the Munda Mining Lease M15/87 surrounded by the Mt Edwards Project. Neometals now hold 100% nickel rights for all live tenements shown above*

Other Nickel Exploration

Neometals recently completed a reverse circulation drill program at the Widgie 3 and Gillet prospects (see Figure 4) targeting further high-grade nickel adjacent to existing Mineral Resources.

Competent Person Attribution

The information in this report that relates to Exploration Results is based on information compiled by Gregory Hudson, who is a member of the Australian Institute of Geoscientists. Gregory Hudson is an employee of Neometals Ltd and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the December 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Gregory Hudson has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears.

ENDS

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About Neometals Ltd

Neometals innovatively develops opportunities in minerals and advanced materials essential for a sustainable future. The strategy focuses on de-risking and developing long life projects with strong partners and integrating down the value chain to increase margins and return value to shareholders.

Neometals has three core projects:

- Lithium-ion Battery Recycling – a proprietary process for recovering cobalt and other valuable materials from spent and scrap lithium batteries. Pilot plant testing currently underway with commercial development decision expected in the December Q 2020;
- Lithium Refinery Project – Progressing plans for a lithium refinery development to supply lithium hydroxide to the battery cathode industry, underpinned by a binding life-of-mine annual offtake option for 57,000 tonnes per annum of Mt Marion 6% spodumene concentrate; and
- Barrambie Titanium and Vanadium Project - one of the world's highest-grade hard-rock titanium-vanadium deposits, working towards a development decision by end 2020.

APPENDIX

Table 1 information in accordance with JORC Code 2012: Mount Edwards Nickel Exploration

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.	• Diamond HQ core was collected, meter marked and logged for lithology and mineralogy. Soft oxide/clay zone samples were manually split in the trays and half the core sampled for assaying. Competent core in the transitional and fresh zones was orientated and ¼ core cut using an Almonte Automatic core saw. The right hand upper ¼ core piece was constantly taken for assay analysis, enabling consistency of representative sample collection. The left-hand side of the ¼ core was retained in the core trays for future reference and the remaining ½ core also retained in the core trays for future resampling, relogging, analysis or testwork. • No other measurement tools have been used in the holes other than directional/orientation survey tools.
	• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	• Core was meter marked according to the drillers blocks and adjusted where core loss was recorded. Down hole orientation directions were recorded and marked along length of competent core.
	• Aspects of the determination of mineralisation that are material to the Public Report.	• Determination of mineralisation has been based on geological logging including mineral identification, with confirmation using a pXRF machine. Core samples were dispatched for laboratory analysis and reported to NATA & JORC code standards. • Determination of mineralisation via laboratory assay results is considered mineralised with samples returned above 5000ppm (0.5%) Ni and or 0.5ppm Au.
	• In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	• Diamond HQ3 triple tube drilling was used to obtain 1-3m long core samples from which intervals between 25cm to 1m were selected and cut for sampling. • Sample intervals are based on either geological boundaries or meter mark intervals. • Samples were dispatched to Intertek-Genalysis laboratory in Kalgoorlie and Perth for analysis. • Base metal, multi-element analysis was completed using a 4 acid digest with ICP-MS and ICP-OES finish for 48 elements.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Drilling was undertaken using a track mounted YDX-3L diamond drill rig using HQ triple tube coring methods to maintain maximum sample recovery. • Core was orientated where core strength/integrity allowed core to be orientated using Reflex Ori tool.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Core blocks were marked with recovered vs actual length drill and core loss marked on the blocks. The recovery percentage has been measured and digitally recorded based on the percentage of core loss within the upper weathered zone. • Core losses only occurred within the top 50m within the highly weathered clay zone. Recoveries in the slightly weathered (transitional) and fresh zones were 100% recovery. • Sampling and assaying was adjusted and noted were core loss occurred. This has been considered during the reporting process.
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.	• The core has been orientated where possible and meter marked along the entire length of the hole. • Logging and key observation are marked on the core with chinagraph pencils. Geological observations are digitally recorded and measured from the meter marks as per industry standard practices. • Each core tray has been photographed (wet and dry images) as a permanent record before cutting and sampling commenced. • The entire length of each hole has been logged and correlated back with anomalous reported intersections.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Soft oxide/clay zone samples were manually split in the trays and half the core sampled for assaying. Competent core in the transitional - fresh zone was orientated, and ¼ core cut using an Almonte Automatic core saw. The right hand upper ¼ core piece was constantly sampled for assay analysis. The left-hand side was retained in the core trays for future reference and the remaining ½ core available for resampling. • The sample preparation technique is considered industry best standard practice and was completed by the geologist. • Standard reference material and duplicate ¼ core samples were inserted into the sample stream at a nominal 25 metre intervals to determine laboratory cleanliness and repeatability. • Core samples intervals were selected between 25cm to 1m widths and cut for sampling. Samples in the unmineralised lower portion of EMD002 were sampled as 2m composite (1/4 core) intervals from 114m-170m. • Sample intervals were based on either geological boundaries or meter mark intervals. • Quarter HQ core provides sufficient sample volume to reduce variation as a result of the grain size of the mineralisation.
Quality of assay data and laboratory tests	• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• No results from geophysical tools are being reported. • No handheld XRF results are reported however the tool was used to verify the mineralisation with reporting >0.4% Ni in disseminated zones and >1% Ni in the matrix sulphide zones. • Assaying was completed by a commercial registered laboratory with internal blanks, standards and duplicates reported in the sample batches. In addition, gold and base metal Standard Reference samples where inserted into the batches by the geologist. Duplicate ¼ core sample were also inserted into the sample stream. • Industry standard levels of QAQC were adopted.
	• The verification of significant intersections by either independent or alternative company	• Assay intervals have been verified by geologists from Neometals. • Umpire checks will be completed on the higher-grade samples in due

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	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.	course. • No twin holes have been drilled. • The data was collected and logged using Excel spreadsheets and validated using Micromine Software. The data will be loaded into an externally hosted and managed database and loaded by an independent consultant, before being validated and checked, then exported and send back to Neometals for analysis. • Length-weighted adjustments have been made for samples less then 1m in length in order to accurately report the average grade of the intersections. • SG of the mineralised samples has not been considered in determining significant intercepts
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• The collar location of the holes were professionally surveyed by Cardno Surveyors using a DGPS unit. • MGA94_51 • The holes were professionally surveyed by Cardno Surveyors using a DGPS unit and RL was accurately recorded.
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	• Holes were drilled from the same collar position with different dip & azimuth alignments. • Not applicable, no Mineral Resource is being stated. • No post assaying compositing has been applied. Intercepts are quoted as length weighted intervals. Samples in the unmineralised lower portion of EMD002 were and sampled as 2m composite (1/4 core) intervals from 114m-170m.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The drill line and drill hole orientation were drilling at oblique angle to collect and determine optimal vein directions via oriented core and structural analysis. • Sampling bias is yet to be determined and will be considered further once the structural interpretations and geological analysis is complete.
Sample security	• The measures taken to ensure sample security.	• Samples were in the possession key Company representatives from Geolithic and Neometals from field collection to laboratory submission.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or reviews have been conducted for this release given the very small size of the dataset.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and 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.	• The Munda Project is located on M15/87 which is held by WA Nickel, a 100% owned subsidiary of Estrella Resources. • Neometals (NMT) hold nickel and lithium mineral rights on M15/87. Estrella Resources hold all other mineral rights. • There are no known impediments to operate in the area. • Refer to Table 2 of this announcement for the tenement schedule.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Exploration has been undertaken by previous holders, but predominantly Western Mining Corporation (WMC) during the 1980s, Resolute Gold in the 1990's and Titan Resources from 2001. Consolidated Minerals took ownership from Titan in 2006, and Salt Lake Mining in 2008
Geology	• Deposit type, geological setting and style of mineralisation.	• The geology at Munda consists of a mafic-ultramafic belt bound to the west by metasediments and to the east by granites • The mineralisation at Munda consists of structurally controlled quartz veins and pegmatite bodies located in a mafic-ultramafic package. • Depth of complete oxidation varies from 10 to 80 metres below the natural surface but is typically around 40-50m metres in depth.
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: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• All relevant drillhole information can be found in Tables 1, 2 & 3. • No information is excluded.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	• Intersections are reported on a nominal 0.3% Ni cut-off with length weighted intervals. • Length weighted aggregations have been reported using excel SumProduct averaging to correctly calculate the effects of short high-grade samples. • SG of the mineralised samples has not been considered in determining significant intercepts
	• The assumptions used for any reporting of	• No metal equivalents are used in this announcement.

Criteria	JORC Code explanation	Commentary
Data aggregation methods cont.	metal equivalent values should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• Drilling is orientated for the gold bearing vein sets and is at ~45 degree to the ultramafic contact and the nickel sulphide mineralisation • It is expected that true width of the nickel enriched zones will be approximately 60% of the reported significant intercepts. A more complete picture of the width of mineralisation and will be accurately calculated once structural interpretations and orientations are completed.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Appropriate maps and tables are included in the body of the report.
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.	• All new drillholes within this announcement are reported in Table 1. • All nickel results within the mineralised zones have been reported including internal dilution and samples either side of the zone. Multiple element data other than relevant to Nickel has not been reported as the data is extensive and is not important to the economic value.
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.	• Everything meaningful and material is disclosed in the body of the report. • Geological observations are included in the report. • No bulk samples, metallurgical, bulk density, groundwater, geotechnical and/or rock characteristics test were carried out. • There are no known potential deleterious or contaminating substances.
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Structural interpretation and modelling will be undertaken to determine the next steps in drilling and sampling. • High grade results will be further checked at alternate labs and /or by alternate assay methods • SG's will be taken of both mineralised and barren sections of the core. • The potential for extensions cannot be determined at this stage given the preliminary stage of the program. A review on the effect these drill results may have (if any) on the Nickel Mineral Resource at Munda is underway.