



24th July 2020

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Government Support (via Queensland METS Collaborative Projects Fund) for Mt Carbine Mine Waste Transformation Initiative

- **METS Ignited grant of \$220,000 endorsing the utilization and optimisation of advanced minerals processing technologies in mine waste transformation**
- **Project consortium is a collaboration amongst leading industry and research partners together with CRONIMET and the Company**
- **Technology developed under this initiative to benefit wider industry use, with the Company targeting a 1 million tonnes per year waste sorting operation**

Speciality Metals International Limited ("SEI" or "Company") is pleased to announce that METS Ignited Australia Limited ("METS Ignited") has awarded a grant of \$220,000 under the Queensland METS Collaborative Projects Fund, to our mine waste transformation project titled:

'Optimized X-ray Ore Sorting Technologies and Material Handling Concepts for Historic Tungsten Mine Waste Transformation'

The project consortium consists of the Company, CRONIMET Australia Pty Ltd ("CRONIMET"), The University of Queensland - WH Bryan Mining and Geology Research Centre, TOMRA Sorting Pty Ltd and DAS Mining Solutions Pty Ltd. CRONIMET will be the lead coordinator on this collaborative research project. The formal funding agreement between METS Ignited and CRONIMET (on behalf of the project consortium) is currently being finalised and expected to be signed within the coming days.

The key work packages, comprising a 9-month work program, will be documented under the formal METS Ignited reporting requirements. In addition, it will also form part of the Company's internal study being conducted to determine the viability of a large-scale sensor-based sorting operation.

A summary of this mine waste transformation initiative can be found in the below extract from the project proposal submission:

"The project will establish the physical controls on separation efficiency of low-grade stockpile materials at Mt Carbine to develop new mine planning and scheduling models and optimise scale-up application of ore sorting technologies. Understanding the physical controls on separation efficiency will allow predictive geometallurgical models to be developed with the aim to re-initiate tungsten production in Australia."

A geometallurgical characterisation program led by researchers from the Sustainable Minerals Institute at The University of Queensland will utilise a pilot-scale X-ray transmission ore sorter installed on site. Batch sorting and characterization campaigns will be conducted in parallel to evaluate the effects of variable feed material characteristics (particle size, grain-size, gangue mineralogy) on separation decision-making (e.g. ore or waste classification).

New analytical protocols will be developed to analyse multidimensional datasets. Predictive models of separation performance based on material feed characteristics will be integrated into a dynamic mining plan using COMET software. The project will improve sector confidence in adopting new ore sorting technologies for processing heterogeneous, low grade materials and drive economic growth and mine rehabilitation in Australia."

METS Ignited is a government funded Industry Growth Centre focused on developing Australian businesses within the Mining Equipment, Technology and Services (METS) sector to improve competitiveness, productivity and business growth.

METS Ignited functions as a facilitator and connector to identify challenges and unlock opportunities arising through the significant trends shaping the industry.

www.metsignited.org



SEI Chief Commercial Officer, Ms Kim Cavallaro stated, *"This endorsement by both the Commonwealth and Queensland Governments provides an opportunity for the Company to enhance our competitiveness through inter-disciplinary collaboration with industry leaders and world-class researchers. It is allowing us all to pool knowledge and obtain shared value, and at the same time address pressing societal needs around economic rehabilitation, sustainable mining, and efficient resource management."*

SEI Chief Executive Officer, Mr Kevin MacNeill added, *"We are pleased to be working with high quality partners in the execution of this research project which will take us closer to meeting a targeted 1Mtpa waste sorting operation in our goal of maximizing resource value at Mt Carbine."*

On Behalf of the Board

Kevin MacNeill

Interim CEO and Senior Technical Advisor

Speciality Metals International Limited

***Correction to Company's Announcement dated 20 July 2020 "Operational Update on Retreatment Plant and X-Ray Pilot Production Schedule":** references in that announcement to "tons" is to "tonnes", being 1000 kg.

****This news release may contain forward-looking statements. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Particular risks applicable to this press release include risks associated with planned production, including the ability of the company to achieve its targeted production outline due to regulatory, technical, or economic factors. In addition, there are risks associated with estimates of resources, and there is no guarantee that a resource will have demonstrated economic viability as necessary to be classified as a reserve. There is no guarantee that additional exploration work will result in significant increases to resource estimates. Neither the Australian Securities Exchange nor its Regulation Services Provider (as that term is defined in policies of the Australian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.**