



June 2018 Quarterly Activities Report

MetalsTech Limited (ASX: MTC, "MetalsTech") is pleased to report its activities for the quarter ended 30 June 2018.

1. OVERVIEW

Lithium

During the June Quarter, MetalsTech focused on the exploration of its Adina Lithium Project located in Quebec, Canada where it completed a 10-hole reconnaissance diamond drilling program.

The Company finalised and filed, the required assessment reports for the claim renewal process, ensuring the lithium projects remain in good standing, for a further two-year period.

MTC has satisfied its expenditure obligations under its various acquisition agreements and as a result owns 100% of the lithium project portfolio, free of any encumbrances.

The Company progressed discussions regarding project level funding to continue with the exploration on the lithium projects by way of a non-dilutive funding structure. In line with this, the Company has been further developing its data room and is currently defining its next phase of exploration for its lithium projects.

Cobalt

MTC completed the acquisition of the Rusty Lake Co-Ni-Ag Mine and immediately commenced exploration of its Bay Lake and Rusty Lake cobalt projects in Ontario, Canada.

Preliminary geophysics and ground surveys were undertaken at the Company's Bay Lake and Rusty Lake Cobalt Projects, after confirmatory and continuing positive surface sampling and assay results. Refer to the ASX announcements released to shareholders on 30 May 2018.

The Company has finalised and lodged the necessary permitting submissions, a precursor to cobalt field work and drilling, under the new online system in Ontario, Canada. All required permits are expected to be received during August 2018.

The Company has identified its preferred contractors for the upcoming drill campaigns and is prepared for drill pad preparation and mobilisation to site, directly after the permits have been awarded.

Corporate

In conjunction with its Canadian tax advisors, MTC has been preparing lodgements to claim exploration cost rebates available under the Quebec provisional tax legislation. The Company is entitled to recover up to 38.75% of qualifying exploration expenditure, given the location of the Company's Lithium portfolio in Quebec. The Company estimates approximately CAD\$4.0 million of previous exploration expenditure on its Lithium portfolio may qualify for the cash rebate, over the last two financial years. Funds received from the cash rebate will add to existing cash reserves and support future exploration.



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Board of Directors
Non-Executive Chairman - Russell Moran
Non Executive Director - Gino D'Anna
Managing Director - David Riekie
Company Secretary - Paul Fromson

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 Company also convened a general meeting of shareholders, ratifying the performance-based incentives for executives, directors and prior corporate activities, including the ratification for the prior issue of shares.

2. JUNE 2018 QUARTER RESULT HIGHLIGHTS:

- Results from 10-hole drilling program at Adina included:
 - 3.2m @ 1.45% Li₂O from 95.89m to 99.09m including:
 - 1.49m @ 2.08% Li₂O from 95.89m to 97.38m; and
 - 0.90m @ 1.58% Li₂O from 98.19m to 99.09m
 - 3.89m @ 1.40% Li₂O from 8.78m to 12.67m, including:
 - 0.86m @ 3.06% Li₂O from 8.78m to 9.64m; and
 - 1.86m @ 1.93% Li₂O from 8.78m to 10.64m
 - 4.42m @ 1.42% Li₂O from 92.80m to 97.22m, including:
 - 2.93m @ 1.83% Li₂O from 92.80m to 95.73m;
 - 0.98m @ 2.39% Li₂O from 93.76m to 94.74m; and
 - 0.99m @ 2.13% Li₂O from 94.74m to 95.73m
 - 3.37m @ 1.32% Li₂O from 40.63m to 44.00m, including:
 - 2.37m @ 1.86% Li₂O from 40.63m to 43.00m; and
 - 1.20m @ 2.86% Li₂O from 41.80m to 43.00m
 - 8.02m @ 1.27% Li₂O from 52.34m to 60.36m, including:
 - 1.01m @ 3.94% Li₂O from 55.35m to 56.36m
 - 1.00m @ 2.02% Li₂O from 54.35m to 55.35m
 - 3.00m @ 2.46% Li₂O from 53.36m to 56.36m; and
 - 4.02m @ 2.09% Li₂O from 52.34m to 56.36m.

Refer to the ASX announcements released to shareholders on 14 May 2018

- Rock-chip samples received from Rusty Lake cobalt project included:
 - **7.19% cobalt, 3.92% copper and 0.58% nickel**

Refer to the ASX announcements released to shareholders on 30 May 2018

3. COBALT PROJECTS - ONTARIO

MTC completed the acquisition of the Rusty Lake Co-Ni-Ag Mine and commenced exploration at its Bay Lake and Rusty Lake cobalt projects in Ontario, Canada, where it expects to commence a diamond drilling during late-August 2018.

The Company finalised the permitting submissions, a precursor to field work and drilling, under the new online system in Ontario, Canada. All required permits are expected to be received during August 2018. The Company has identified its preferred contractors for the upcoming drill campaigns, and mobilisation will take place shortly after the permits have been awarded.

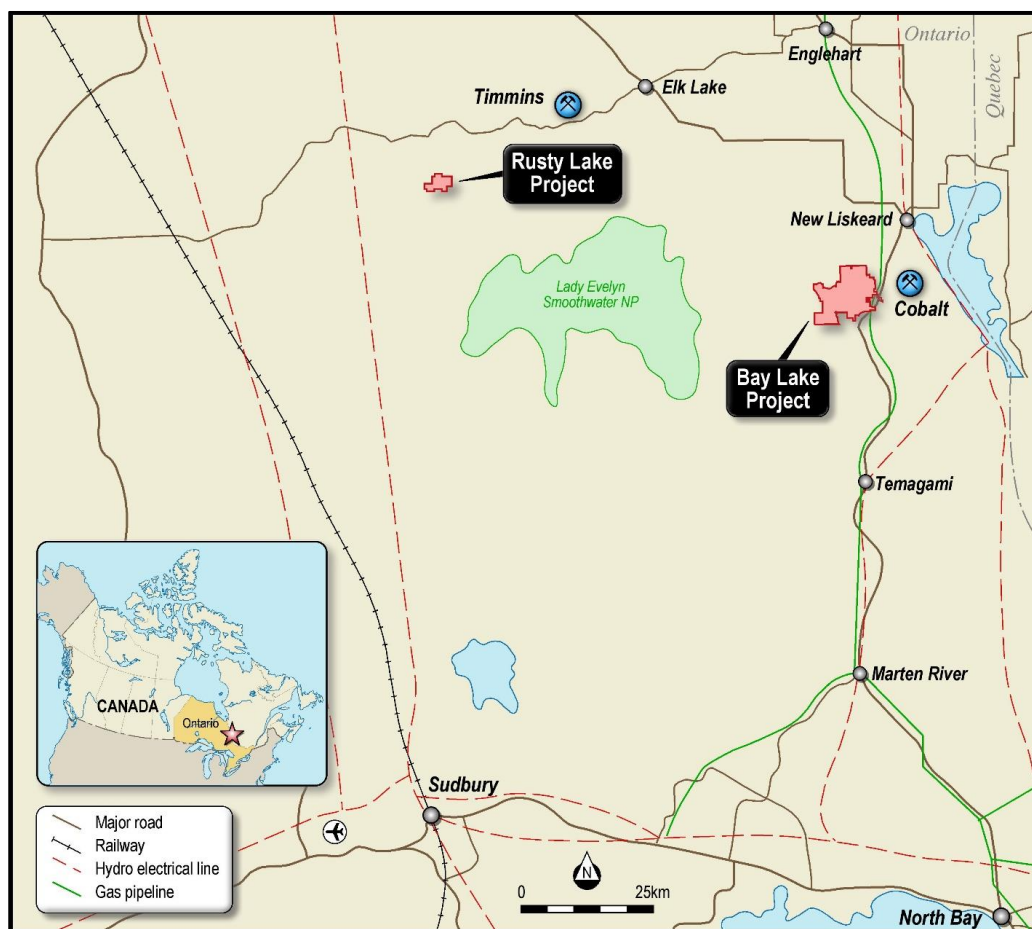
Preliminary geophysics and ground surveys were undertaken at the Company's Bay Lake and Rusty Lake Cobalt Projects after confirmatory and continuing positive surface sampling and assay results. Refer to the ASX announcements released to shareholders on 30 May 2018.

Management held local engagement, contractor and stakeholder meetings throughout this quarter in preparation of the upcoming exploration programs. Planning is well advanced and when finalised will be released to the market by way of a separate and detailed Exploration Update.

Rusty Lake and Bay Lake exploration

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 rich Nipissing Diabase rocks.

Rusty Lake is located approximately 70km from Bay Lake, but 10km south of the historic mining town of Gowganda, and proximal to the regional township of Timmins.

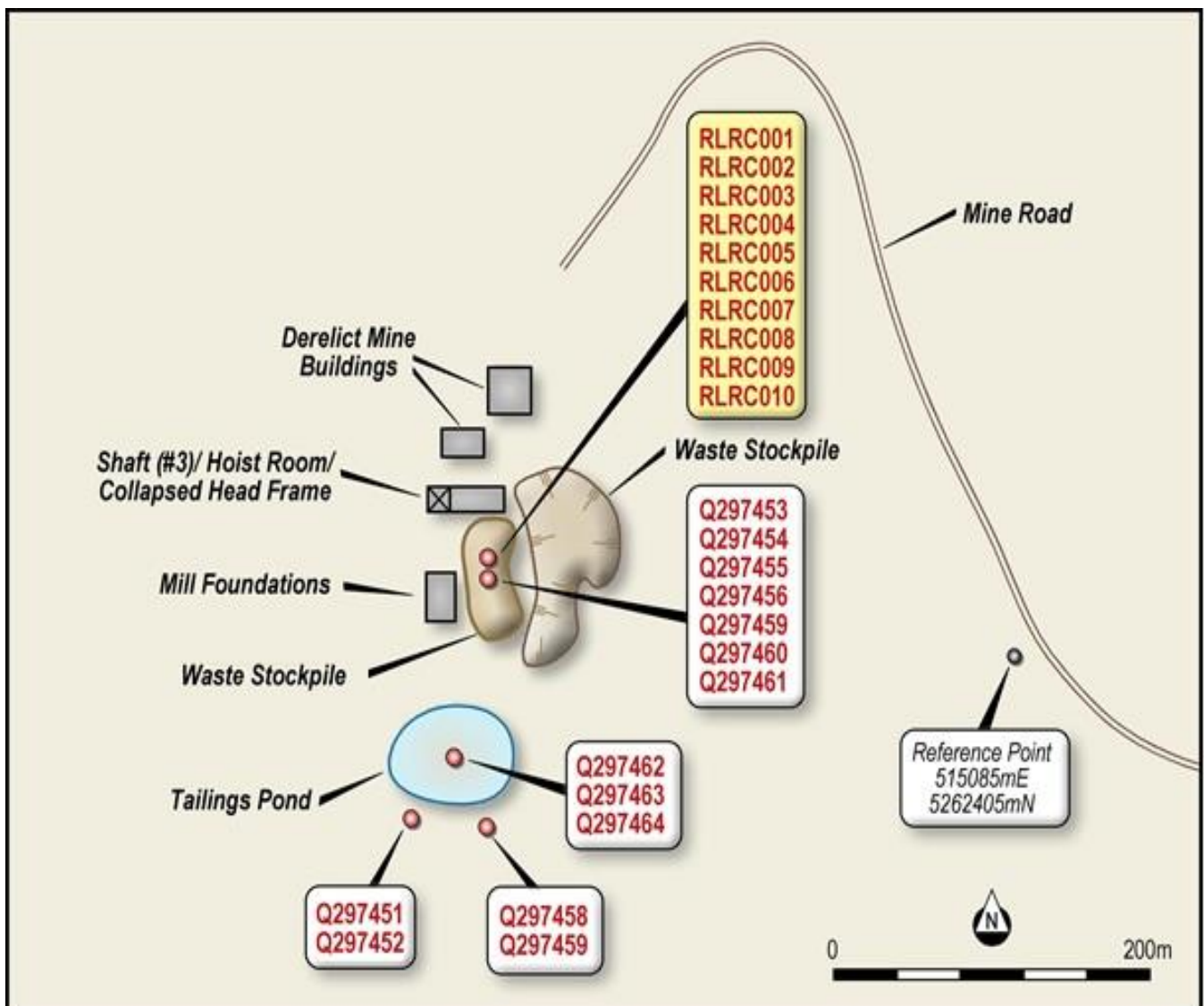


Cobalt project location map

MTC commenced exploration at Rusty Lake and Bay Lake in late-May 2018, conducting non-ground disturbing activities in the lead up to systematic surface exploration involving detailed geochemical and geophysical analysis. These exploration programs aimed to reconfirm drill hole locations for the maiden drill program, which is anticipated to commence in late-August 2018.

Results from 10 rock-chip samples collected at Rusty Lake were announced to shareholders on 30 May 2018. The assays included up to **7.19% cobalt**, **3.92% copper** and **0.58% nickel**. These results supported previous sampling, which returned results of up to 11.85% cobalt, 8.64% nickel and >10,000g/t silver. Refer to the ASX announcements released to shareholders on 30 May 2018 and Table of results in annexure A.

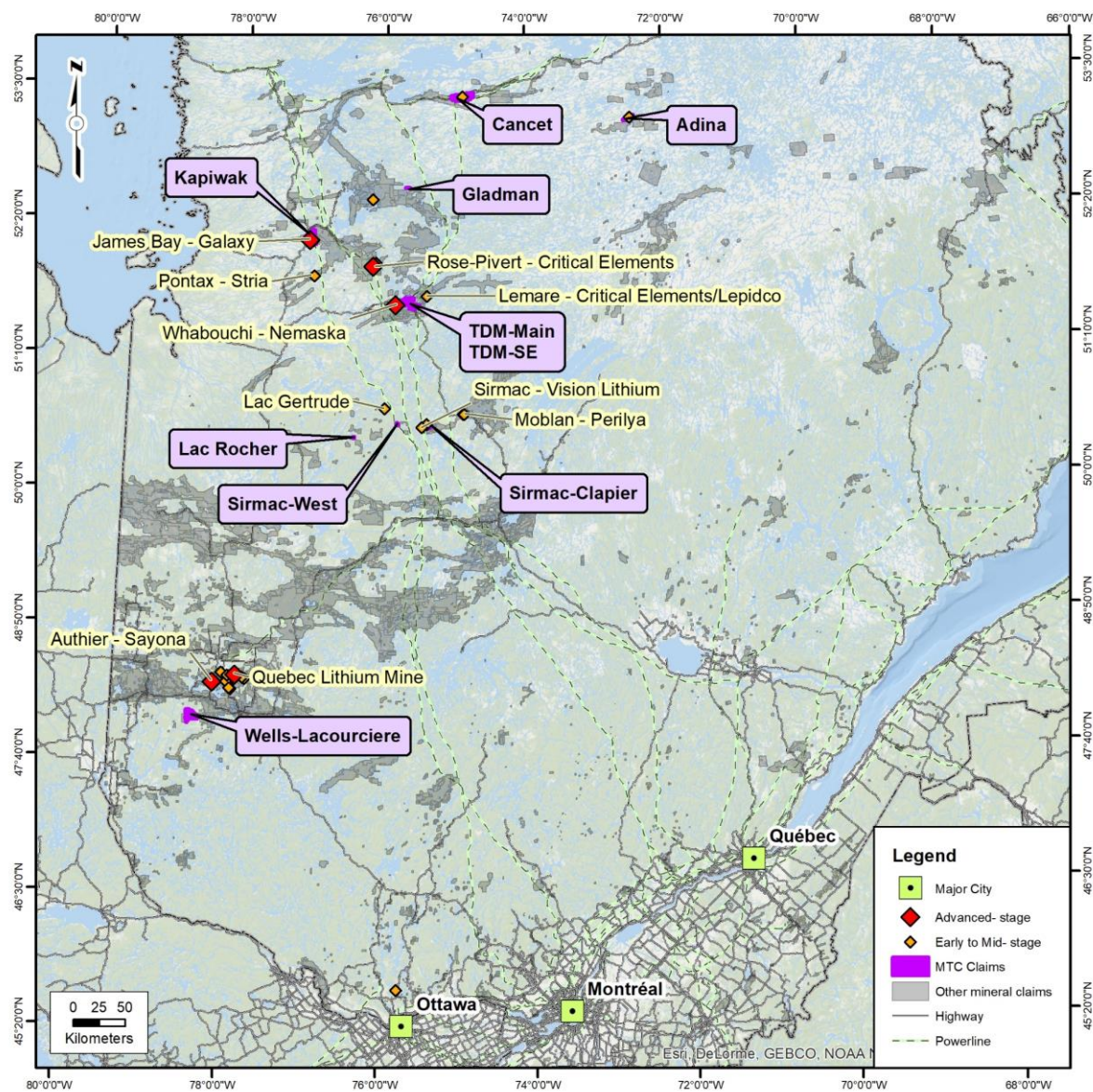
Preparations were finalised for a ground geophysical survey program to help identify potential cobalt mineralisation undercover. This commenced in June 2018 as a precursor to diamond drilling to test the Rusty Lake cobalt mineralisation at depth and along strike of the former mine, which was abandoned in 1966.



May 2018 and May 2017 historical mine site sampling – Rusty Lake project

4. LITHIUM PROJECTS - QUEBEC

MTC owns through its wholly-owned, project-specific subsidiaries, approximately 52,000 hectares prospective for lithium in the province of Quebec, Ontario. These mining claims cover a mixture of contiguous and close proximity strategic ground holdings relative to a number of lithium mining and processing operations in Quebec.



Project location map - Lithium Projects, Quebec

Adina Lithium Project

The Adina Lithium Project is located ~60 km south of the Mirage Lodge, in the James Bay Region of Quebec. The project is considered prospective for lithium with spodumene bearing pegmatite confirmed over a significant portion of an outcropping pegmatite zone.

MTC completed its maiden 10-hole reconnaissance diamond drilling campaign for 1,726m, which intersected multiple, well-mineralised pegmatite zones. MTC reported first assay results from the program in May 2018, which included:

- **AD18-001:** 3.2m @ 1.45% Li₂O from 95.89m to 99.09m including:
 - o 1.49m @ 2.08% Li₂O from 95.89m to 97.38m; and
 - o 0.90m @ 1.58% Li₂O from 98.19m to 99.09m
- **AD18-002:** 3.89m @ 1.40% Li₂O from 8.78m to 12.67m, including:
 - o 0.86m @ 3.06% Li₂O from 8.78m to 9.64m; and
 - o 1.86m @ 1.93% Li₂O from 8.78m to 10.64m
- **AD18-003:** 0.92m @ 1.85% Li₂O from 87.06m to 87.98m
- **AD18-003:** 4.42m @ 1.42% Li₂O from 92.80m to 97.22m, including:
 - o 2.93m @ 1.83% Li₂O from 92.80m to 95.73m;
 - o 0.98m @ 2.39% Li₂O from 93.76m to 94.74m; and
 - o 0.99m @ 2.13% Li₂O from 94.74m to 95.73m
- **AD18-004:** 3.37m @ 1.32% Li₂O from 40.63m to 44.00m, including:
 - o 2.37m @ 1.86% Li₂O from 40.63m to 43.00m; and
 - o 1.20m @ 2.86% Li₂O from 41.80m to 43.00m
- **AD18-005:** 8.02m @ 1.27% Li₂O from 52.34m to 60.36m, including:
 - o 1.01m @ 3.94% Li₂O from 55.35m to 56.36m
 - o 1.00m @ 2.02% Li₂O from 54.35m to 55.35m
 - o 3.00m @ 2.46% Li₂O from 53.36m to 56.36m; and
 - o 4.02m @ 2.09% Li₂O from 52.34m to 56.36m
- **AD18-006:** 2.11m @ 1.24% from 38.00m to 40.11m, including:
 - o 1.00m @ 2.14% Li₂O from 38.00m to 39.00m
- **AD18-006:** 1.54m @ 1.50% Li₂O from 43.86m to 45.40m.

Refer to the ASX announcements released to shareholders on 14 May 2018

Drilling intersected the pegmatite over a strike length of about 800 metres and it remains open in all directions. The drill program successfully demonstrated the perspectivity of the pegmatite structures at Adina, intersecting several high-grade zones of mineralisation, as well as demonstrating potential at depth.

Further results from holes AD18-007 to AD18-010 are summarised below:

Hole ID	From (m)	To (m)	Interval (m)	Li ₂ O (%)	Ta ₂ O ₅ (ppm)
AD18-007	44.65	45.65	1.00	1.67	50
AD18-008	13.02	16.02	3.00	0.61	237
AD18-009	74.00	77.00	3.00	0.29	297
AD18-010	21.17	23.00	1.83	0.56	208

MTC will focus on defining the larger concentrations of mineralised pegmatite, which have similar high-grade characteristics identified in the recent drilling.

MTC is focusing on advancing field programs and reconnaissance programs for the Company's lithium portfolio including Sirmac-West, La Rocher, Gladman and Cancet during the next Quarter.

These programs will provide the scope of the priority locations for future drilling programs.

The Company has also now finalised and filed all required assessment reports and completed the claim renewal process, ensuring that the lithium projects remain in good standing for a further two-year period.

MTC has through the recent period of activities, satisfied its expenditure obligations under its various acquisition agreements and as a result owns 100% of the lithium project portfolio.

During the Quarter, the Company held several discussions regarding project level funding on the lithium projects that will allow the Company to progress a non-dilutive funding structure. This will also continue with the funding for ongoing exploration of these projects. In line with this strategy, the Company has been preparing project specific summaries in conjunction with its technical and geological team, and is currently defining its next phase of exploration at the lithium projects.

5. CORPORATE

The Company has been working with its Canadian tax advisors who have been assisting with the preparation of the lodgement for exploration cost rebates. Under the Quebec provincial tax legislation, the Company (and its subsidiaries) are entitled to recover up to 38.75% of qualifying exploration expenditure; this relates specifically to MTC's Lithium portfolio in Quebec. The Company has spent approximately CAD\$4.0 million in qualifying exploration expenditure over the last two financial years.

Results of Meeting

The Company held a General Meeting of shareholders on 22 June 2018 during which all resolutions were passed on a show of hands.

Other

Subsequent to the end of the Quarter, the Company received notification of a civil action regarding 3 claims out of a total of 249 claims at Cancet ("Claim"). The Claim is considered meritless, verily denied and will be defended by the Company.

Other specific corporate actions were previously reported as "after Quarter end" in the Corporate actions of the Company's March 2018 Quarterly.

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Appendix A: Rusty Lake Waste Dump Sampling Results (May 2018).

Refer to the ASX announcements released to shareholders on 30 May 2018

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

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

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

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.