



## December 2018 Quarterly Activities Report

MetalsTech Limited (ASX: MTC) is pleased to report its activities for the quarter ended 31 December 2018.

### OVERVIEW

During the December quarter, MetalsTech received assay results from the maiden diamond drilling program at the Bay Lake North Cobalt Project, located in Ontario, Canada. The drilling program comprised of eight (8) diamond drill holes for approximately 1,100m and commenced in August 2018. Drilling intersected the targeted fault / vein structures, however the results indicate that the system may lack the geological scale and metal grades to host economic polymetallic mineralisation.

Four (4) drill holes intersected narrow mineralised zones and were assayed for a multi-element suite. The remaining four (4) holes were also assayed for a multi-element suite however did not return any significant mineralised intersections.

During the December quarter, MetalsTech also received its exploration results following its field program at the flagship Cancet Lithium Project. The Company expanded its landholding at Cancet through staking claims for an additional 7,600 Ha after discovering a well-mineralised spodumene-bearing boulder northeast of the main Cancet drilled 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.

A limited maiden drilling program was also completed at the Rusty Lake Cobalt-Silver-Nickel Mine during the December quarter. The Company has participated in discussions with certain geological contractors in relation to the release of the full assay results from the drilling program following an earlier dispute regarding the effectiveness, execution and cost of the program. Notwithstanding these discussions, MetalsTech has the necessary information to form the view that the risk-return profile for further development at Rusty Lake does not meet the Board's requirements.

### LITHIUM PROJECT PORTFOLIO SELL DOWN

During the December quarter, the Company 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.

The discussions regarding the sell-down are ongoing with a number of interested parties currently in the data room. There has been a recent cooling 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 the Company can achieve a sell-down will ultimately be successful and value accretive for shareholders.

### COBALT PROJECTS ONGOING DEVELOPMENT

The Company has engaged with active exploration and development companies in the Gowganda and Cobalt regions of Ontario (Canada) with a view to farming out the Company's Bay Lake and Rusty Lake Cobalt Projects. Given the size of the Bay Lake Project and the various targets that exist, the project will benefit from the technical experience of the other explorers in the region.

In addition, given the previous mining history at Rusty Lake, the Company is confident that other explorers in the area, with similar projects will be in a strong position to execute exploration strategies applying the knowledge already ascertained on neighbouring projects.

The Company will continue with these discussions in relation to securing suitable joint venture partner/s for the cobalt projects.



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Board of Directors  
Non-Executive Chairman - Russell Moran  
Non-Executive Director - Gino D'Anna  
Technical Director - Quinton Hills  
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
Bay Lake North (Co)	100% owned
Rusty Lake (Co)	100% owned



## UPDATE ON CANADIAN TAX REFUNDS AND TIMING

In addition to the exploration undertaken during the Quarter, the Company lodged applications for refunds pursuant to the Quebec Government Mineral Exploration Rebate Initiative and Provincial and Federal input tax refunds:

- CAD\$1,076,596 (A\$1,164,391) refund application lodged pursuant to the Quebec Government Mineral Exploration Rebate Initiative
- CAD\$202,067 (A\$218,545) refund application lodged pursuant to the Federal GST Scheme and Quebec Provincial Sales Tax
- Further CAD\$688,027 (A\$744,134) in lodged refund applications expected in respect of the Company's subsidiary entities

To date, the Company has received approximately CAD\$260,000 in refund monies and expects to receive the balance of the refund monies during this current quarter. In addition to cash reserves, the refunds will ensure the Company is well funded for current and future exploration plans while we continue our sell-down process in respect of our lithium assets and the farm-out of our cobalt assets.

The Board is currently assessing and evaluating new project acquisition opportunities in the exploration and development sector, both within North America and globally, as well as across the commodity spectrum. We look forward to updating shareholders on the progress in due course.

It is important to acknowledge that the Company has a very tight share holder register with no debt and we are advantaged by a significant sum of pending Government cash refunds. Present poor market conditions are expected to provide opportunities for low-cost high-quality opportunities and this is a core focus for the Board.

## 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 Results is based on information compiled by Dr. Quinton Hills Ph.D, M.Sc., B.Sc. Dr Hills is the technical director of MetalsTech Limited and is a member of the Australasian Institute of Mining and Metallurgy. Dr. Hills 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. Hills 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.

