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METALSTECH LIMITED (ASX:MTC)

Investor Presentation

minesandmoney ASIA

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Competent Persons Statement

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Jody Dahrouge, PGeo, is a Competent Person who is a Professional Geologist registered with the Association of Professional Engineers and Geoscientists of Alberta, in Canada. Mr. Jody Dahrouge, PGeo, is the principal and founder of Dahrouge Geological Consulting Ltd. (Dahrouge). Dahrouge Geological Consulting Ltd. and all competent persons are independent from the issuer of this statement, MetalsTech Limited. Mr. Jody Dahrouge 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’. Mr. Jody Dahrouge consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

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METALSTECH

Executive Summary

- **Hard rock lithium and cobalt** exploration company with a portfolio of high grade assets in Quebec and Ontario, Canada
- **Resource definition drilling underway** at the 100% owned Cancet Lithium Project where up to 5.58% Li_2O has been assayed in drill target zone from surface[1]
- Pending acquisition of two high grade cobalt projects in Ontario where assays include **up to 15.36% Co**[2]
- **Excellent project infrastructure** and access to some of the lowest cost and cleanest hydro-power globally
- **Strategic technology licence agreement with Lithium Australia** for Sileach™ and LieNA™ that will allow MTC to target lithium chemical production at of the low end of the cost curve
- **Highly vested management team** with a track record in building world class projects

High grade lithium in spodumene drill core at Cancet

ASX Listing	February 2017
Public Raise	A$4.3m
Shares on Issue undiluted	76,073,000
Market Capitalisation @30c	$22.8m
Top Shareholders	
--- Board & Management	39%
--- Top 20 Shareholders	73%

1 Refer to ASX announcement dated 2 March 2017 and titled "Up to 5.58% Li2O in Drill Target Zone at MTC Cancet Project"

2 Refer to ASX announcement dated 16 March 2017 and titled "MetalsTech to Acquire Two High Grade Cobalt Projects"

METALSTECH

2017 Value Catalysts

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Geochemistry & Geophysics

Q2 2017

- Ground-based exploration at Terre Des Montagnes as a precursor to maiden drilling adjacent to Nemaska Lithium's Whabouchi Mine
- Ground-based exploration at Cancet between Phase I and Phase II drill program

Drilling Programs

Underway

- Phase I of 4,000m resource definition drilling underway at Cancet
- 2,000m maiden drill program at Adina to commence May 2017
- Phase II of Cancet drill program to commence Q2 2017

Maiden JORC Resource

Q3 2017

- Maiden JORC Resource at Cancet
- Maiden JORC Resource at Adina

Metallurgical Testing

Underway

- Drill core and/or bulk sample testing of spodumene from Cancet to achieve >90% Li extraction from bench scale tests using Sileach™
- Drill core and/or bulk sample testing of spodumene from Cancet to produce >95% Li_2CO_3 purity ppt from leach liquors using Sileach™
- Bulk sample testing through a continuous pilot plant operation to achieve >90% Li recovery and >85% from leach liquors using Sileach™

Feasibility

Q3 2017

- Completion of Scoping Study/Preliminary Economic Assessment at Cancet

Corporate

Underway

- Completion of acquisition of Bay Lake Cobalt Project
- Consolidation of complementary cobalt-rich ground in Ontario

Cobalt & Lithium Pricing

Ongoing

- Further news on supply constraints and expansions of lithium ion battery applications

Progress of Neighbours

Ongoing

- Further news relating to neighbouring Whabouchi Mine in respect of increased production and further offtake interest

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STRONG CANADIAN EXPERIENCE

Proven Team

Operations

Russell Moran

Chairman (Executive)

Proven resources investor and operator with a track record of development success in Canada.

Founder and former Executive Director of North American anthracite mine developer Atrum Coal (ASX:ATU).

Gino D'Anna

Director (Executive)

Extensive experience in resource exploration, public company operations, administration and financial management.

Particular experience in Canadian Government and First Nations relations in the mining sector.

Former Executive Director of Atrum Coal.

Legal

Michael Velletta

Director (Non Executive)

More than 20 years' experience in corporate law and corporate governance.

A member of the Association of International Petroleum Negotiators, the Law Society of British Columbia and past governor of the Trial Lawyers Association of British Columbia.

Permitting

Shane Uren

Director (Non Executive)

Environmental Assessment (EA) experience includes; BHPs Ekati Diamond Mine, Cambior's Rosebel Mine, Inco Ltd.'s Goro Project, Novagold's Galore Creek Project, Thompson Creek Metal's Davidson Project, Atrum Coal's Groundhog Project and Copper Fox Metal's Schaft Creek Mine.

Technical

Adrian Griffin

Technical Advisor Lithium Australia NL

Geologist with specific experience in developing and implementing lithium extraction technologies for hard rock spodumene projects.

Currently Managing Director of Lithium Australia (ASX:LIT).

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STRATEGY

BATTERY MINERALS

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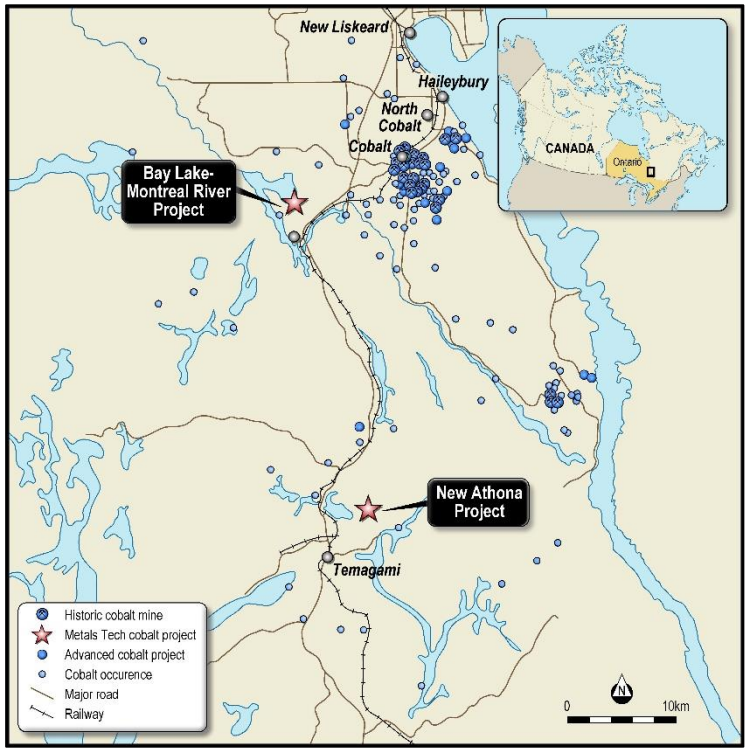
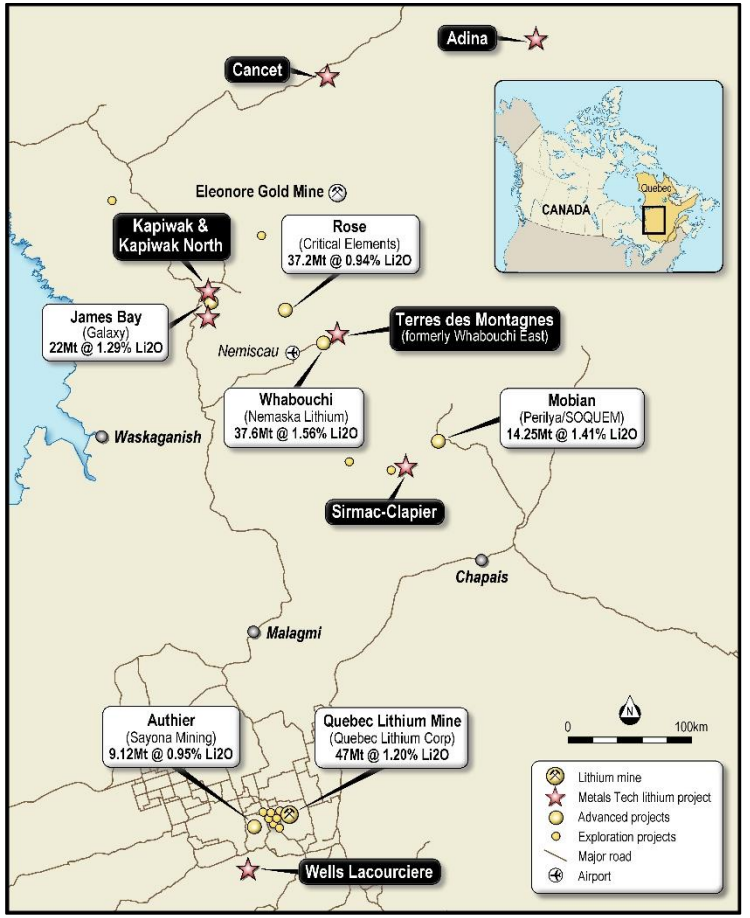
STRATEGY

Battery Minerals Focus

Lithium and cobalt play a key role in mass adoption of lithium ion batteries



COBALT (ONTARIO) **Acquisitions Pending**



LITHIUM (QUEBEC)

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STRATEGIC TECHNOLOGY

Partnership with Lithium Australia

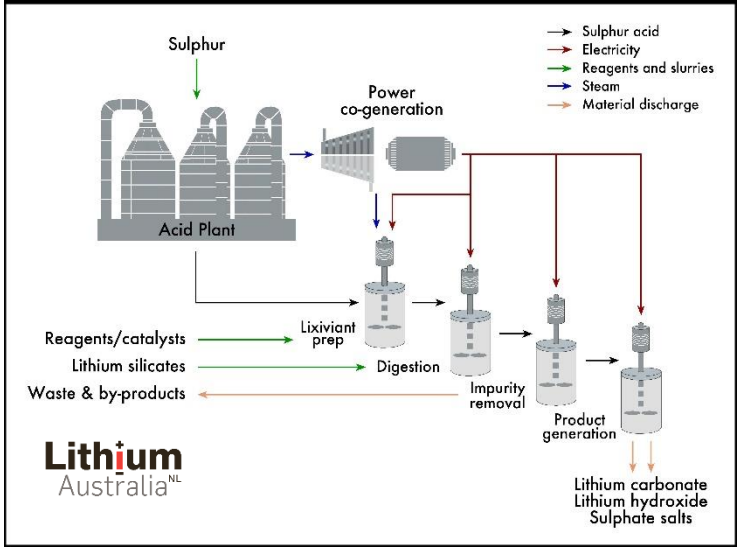
Highlights

- Right to use and apply LITs proprietary lithium extraction technologies including Sileach™ and LieNA™ for the processing of its spodumene concentrate
- Exclusivity over LITs lithium extraction technologies within Quebec, Canada
- Managing Director of LIT, Mr Adrian Griffin to provide technical support to MetalsTech

Sileach™ continuous pilot plant operation, ANSTO Minerals, Lucas Heights, NSW

The Strategic Technology Partnership with Lithium Australia (ASX:LIT) will allow MTC to:

- Produce lithium carbonate and hydroxide at the lowest end of the cost curve
- Strategically eliminate reliance on third party processing and optimise product quality



Sileach™ lithium extraction process illustration

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STRATEGY

Why Hard Rock?

AIMING TO BE COMPETITIVE WITH BRINE PRODUCTION WHEN COMBINED WITH NEW PROCESSING TECHNOLOGY

Becoming Competitive with Brine Production

- Hard rock projects in Quebec can compete with brine productions without the high CAPEX profile
- With the right technology hard rock mining can produce a higher grade lithium, with higher recovery rates
- The strategic partnership with LIT allows MTC to process lithium at the lowest end of the cost curve – which will directly compete with brine producers
- Case Example: Nemaska Lithium (TSX.NMX) has proven that hard rock mining can successfully compete against brine producers

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STRATEGY

Why Quebec?

Highlights

- Highly developed mining industry
- Supportive government – tax incentives and express permitting
- Host to large high-grade lithium deposits
- Easy access to Quebec-Hydropower – some of the cheapest and cleanest globally
- Fraser Institute – consistently top 10 mining jurisdiction in the world
- Major offtake opportunities within North America
- Clear path to indigenous consultation and collaboration

Low cost Quebe-Hydro Power

High Voltage Power Line Access

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CANCET

LITHIUM PROJECT

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FLAGSHIP PROJECT

Cancet

Location

- 185km east of La Grande, a full service, regional airport with daily 2hr flights to Montreal – pop 1,100

Access & Infrastructure

- Bisected by the all-seasons Trans Taiga Highway
- Multiple trails facilitate access for drilling
- Bisected by high voltage power lines

Previous Exploration[1]

- Extensive spodumene-hosted pegmatites mapped for 1km with an average width of 16m
- CH16-01 was 12.8m in length including intervals of 1.71%, 2.35%, 3.08% and 4.95% Li_2O
- CH16-02 was 10.6m in length including intervals of 1.19%, 2.11% and 2.50% Li_2O
- CH16-03 was 4.1m in length including intervals of 1.22%, 2.54%, 3.55% and 5.58% Li_2O

Mineralisation

- Average Li_2O across all channels at 1.47% Li_2O measured higher than the major lithium deposits in Quebec[1]
- Elevated Ta_2O_5 across the majority of the identified mineralisation[1]

Metallurgy

- Cancet spodumene samples have been sent to the ANSTO laboratory in Australia for testing under Technology Partnership Agreement with Lithium Australia NL
- Seeking confirmation that Sileach™ is able to extract lithium from the Cancet spodumene concentrate and achieve a representative >90% Li extraction from bench scale testing

RESOURCE DRILLING UNDERWAY

[1] Refer to ASX announcement dated 2 March 2017 and titled "Up to 5.58% Li2O in Drill Target Zone at MTC Cancet Project"

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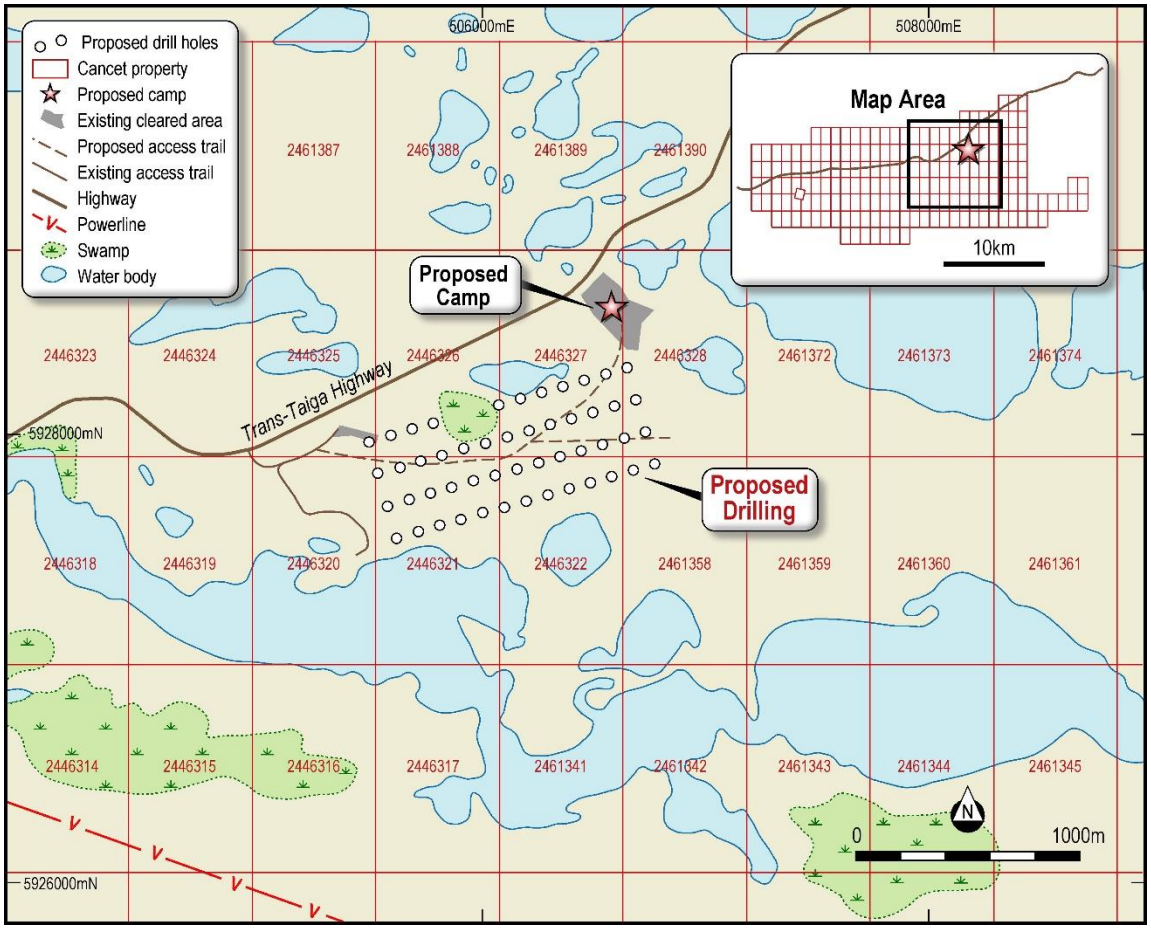
CANCET

Drilling Underway at Cancet



Drill plan at Cancet Lithium Project

Drilling

- Recent channel sampling in drill target zone yielded assays of up to 5.58% Li_2O as well as elevated Ta_2O_5[1]
- 4,000m diamond core drilling to test the strike, dip, and plunge continuity of several pegmatite outcrops
- Targets believed to be part of a large contiguous high grade lithium ore body
- Inferred & Indicated Resource modelling to follow

1 Refer to ASX announcement dated 2 March 2017 and titled "Up to 5.58% Li2O in Drill Target Zone at MTC Cancet Project"

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PORTFOLIO

Other Lithium Projects

Adina
(100%)

- 2016 exploration program hit Li_2O grades of 1.58%, 1.67%, 2.43%, 1.79%, 3.12% and 2.08% from surface[1]
- Drilling planned for May 2017 – complementary development with Cancet

Terre Des Montagnes
(100%)

- Contiguous with Nemaska Lithium (TSX.NMX) Whabouchi Mine which hosts a resource of 43.8Mt @ 1.46% Li_2O[1]
- Geochemistry, soil sampling, stripping, trenching for Q3 2017

Wells Lacourciere
(100%)

- 200m^2 bulk sample site containing assays of 2.87% to 4.0% Li_2O with individual samples up to 7% Li_2O[1]
- Geochemistry, soil sampling, stripping, trenching for Q3 2017

Kapiwak
(100%)

- Contiguous with the James Bay Lithium Deposit owned by Galaxy Resources which hosts 22.2Mt @ 1.28% Li_2O[1]

Sirmac-Clapier
(100%)

- Along strike of the NNE trend between the Sirmac deposit grading at 2.04% Li_2O and the Lac Clapier-Nord surface occurrence grading 1.38% Li_2O[1]

[1] Refer to the Independent Geologist Report at Section 8 of the Replacement Prospectus dated 7 December 2016

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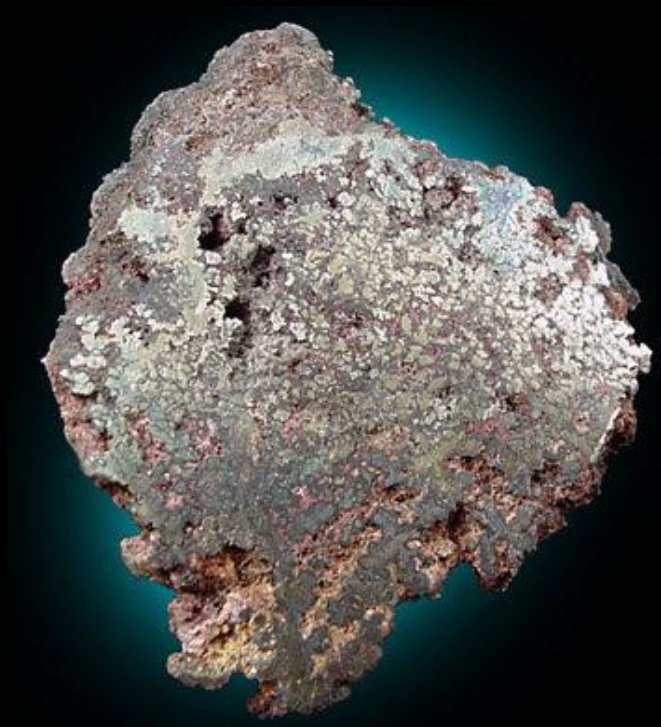
BAY LAKE

COBALT PROJECT



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NEW ACQUISITION

Bay Lake Acquisition Pending

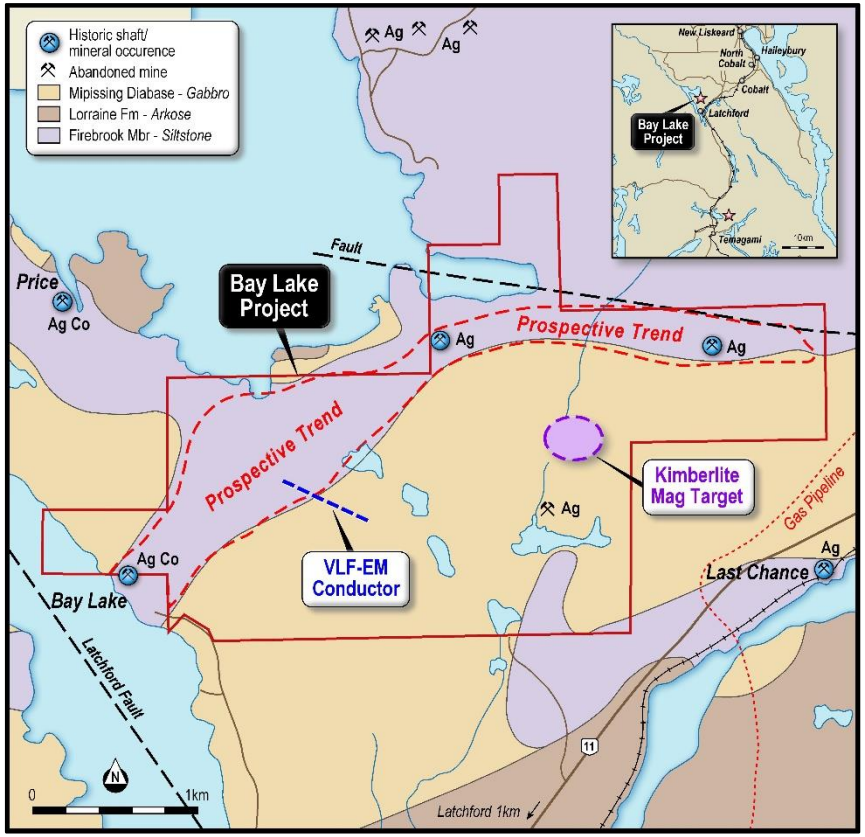
Location

- Located in the historic Cobalt Mining District
- 20 mineral claims approximately 668 hectares
- Access via network of forestry roads and ATV tracks which link to a major highway

Previous Exploration

- The Cobalt Mining District has production estimates of over 600 million troy ounces of silver since the first discovery in 1903
- Known for its economically important Ag-Co veins
- Multiple historic mine shafts
- 15.36% Co assayed in massive cobalt rich veins at 27m depth[1]

UP TO 15.36% COBALT IN HISTORIC MINE SHAFTS[1]



Prospective Trend at Bay Lake Cobalt Project

[1] Refer to ASX announcement dated 16 March 2017 and titled "MetalsTech to Acquire Two High Grade Cobalt Projects"

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MARKETS

LITHIUM & COBALT

Lithium

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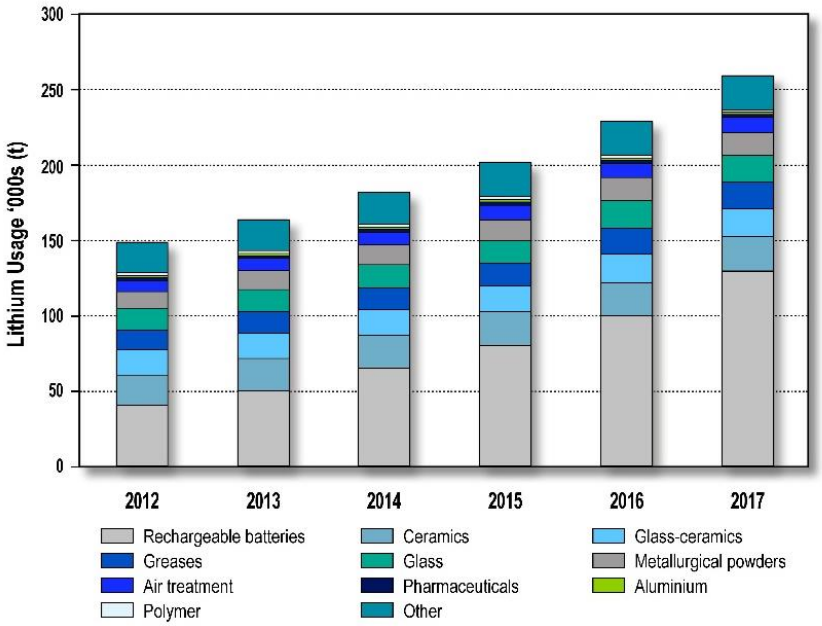
Lithium Uses

- Industrial grade >96% Li; glass, casting powders and greases
- Technical grade 99.5% Li; ceramics, greases and batteries
- Battery grade >99.5% Li; high end battery cathode materials

Demand

- Current demand is estimated at 160kt LCE with most market commentators expecting annual growth around 10%
- According to Goldman Sachs lithium demand for all EV applications could grow more than 11x by 2025, adding more than 310,000mt of LCE demand



Source: Roskill – Lithium Market Outlook to 2017

GOLDMAN SACHS PREDICTS **11 TIMES** GROWTH IN ELECTRIC VEHICLE DEMAND BY 2025

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MARKETS

Lithium

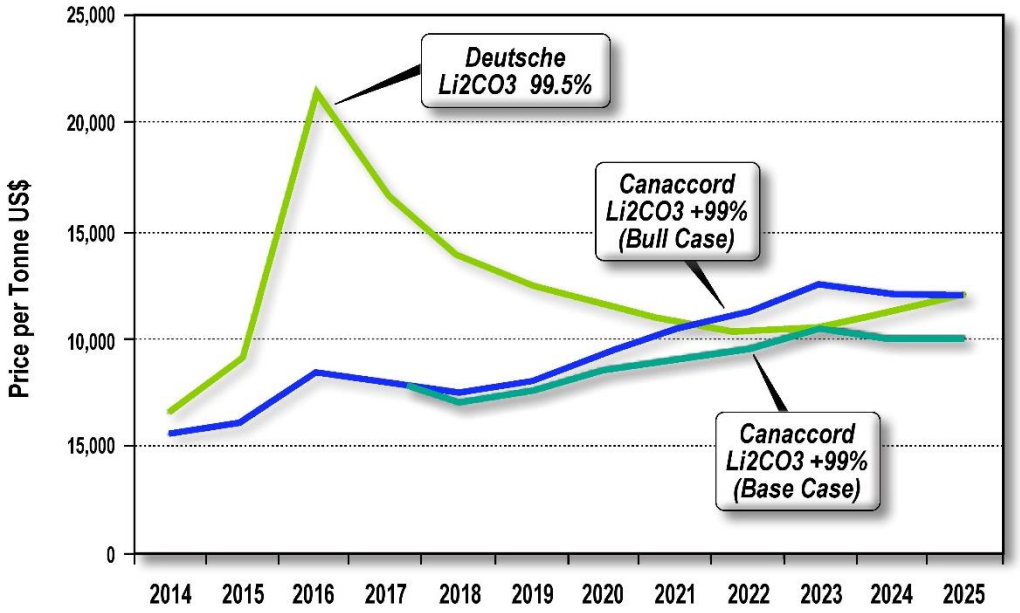
Supply

- 40% of global lithium supply comes from hard rock (as opposed to brine) sources
- Highly concentrated market with four major plays accounting for 85% of global supply; SQM, Albermarle, FMC Corp and Talison

Pricing

- Contract prices for battery grade material exceed USD$7,000/t
- CRU reports that battery grade material is trading at more than USD$20,000/t on the Chinese spot market

STRONG PRICING WITH CONSUMERS DESPERATE FOR SUPPLY DIVERSITY



Source: Orocobre, Deutsche Bank, Canaccord

Cobalt

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Cobalt Uses

- Lithium cobalt oxide ($LiCoO_2$) is widely used in lithium ion battery cathodes

Demand

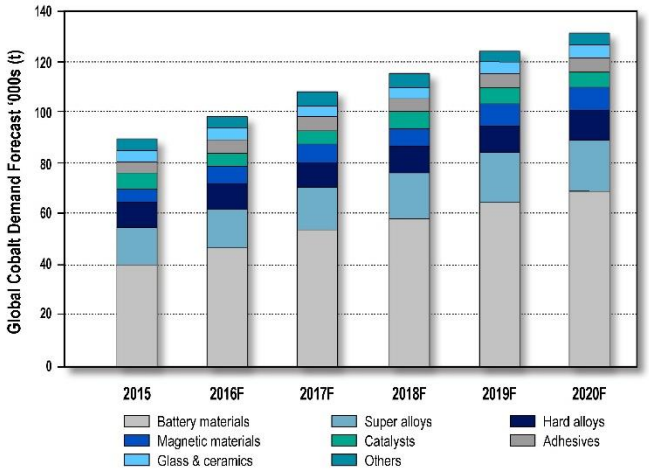
- Global cobalt demand has increased an average 17.9% year-on-year from 1999 to 2015

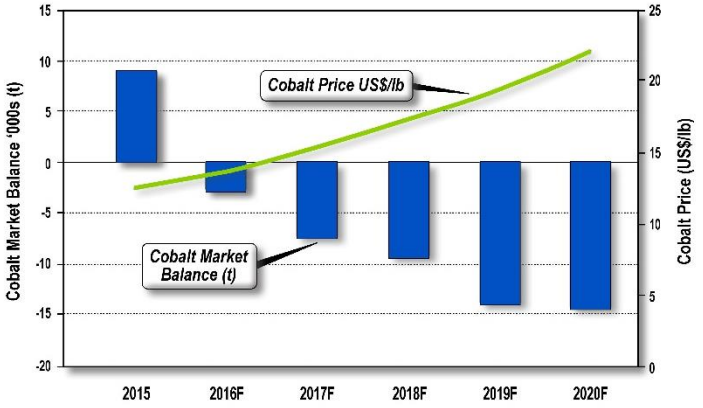
Supply

- Limited opportunities for new supply outside of the Democratic Republic of Congo which is 65% of global supply

Pricing

- Cobalt metal has historically traded between USD$15/lb and USD$30/lb
- Currently trading at highs due to explosive growth in the adoption of lithium ion batteries





Source: ResearchInChina

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METALSTECH

Resourcing a cleaner greener future

ASX:MTC

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Lithium Projects, Quebec

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. Rock samples comprise multiple chips considered to be representative of the horizon or outcrop being sampled. Samples submitted for assay typically weigh 2-3 kg. Continuous channel sampling of trenching ensures the samples are representative. Entire 2-3 kg sample is submitted for sample preparation.
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.*	All trenches sampled are logged continuously from start to finish with key geological observations recorded. Logging is quantitative, based on visual field estimates.
Sub-sampling techniques and	• *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.*	Sample preparation follows industry best practice standards and is conducted by internationally recognised laboratories, either SGS Laboratories in Lakefield, Ontario or Activation Laboratories Ltd in Val d'Or, Quebec.

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Criteria	JORC Code explanation	Commentary
sample preparation	• *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.*	Oven drying, jaw crushing and pulverising so that 85% passes 75 microns. Blanks have been submitted every 50 samples to ensure there is no cross contamination from sample preparation. Measures taken include (a) systematic sampling across whole pegmatite zone; (b) comparison of actual assays for blanks with theoretical values. Sample size (2-3 kg) accepted as general industry standard.
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.*	Assay and laboratory procedures have been selected following a review of techniques provided by internationally certified laboratories. In addition, the sample preparation laboratory in Quebec and Ontario is regularly visited to ensure high standards are being maintained. Samples are submitted for multi-element analysis by Activation Laboratories and SGS Laboratories. Where results exceeded upper detection limits for Li and/or Ta, samples are re-assayed. The final techniques used are total. None used. Barren granitic material is submitted every 50 samples as a control. Comparison of results indicates good levels of accuracy and precision. No external laboratory checks have been used.
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.

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Criteria	JORC Code explanation	Commentary
		Electronic data is stored in Quebec. Data is exported from Access for processing by a number of different software packages. 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 trench start points and geochemical samples are located using a hand held GPS. Trenches are surveyed using hand held compass and clinometer. The grid system used is UTM. However, for reporting purposes and to maintain confidentiality, local coordinates are used for reporting. 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.*	Only reconnaissance trenching and sampling completed – spacing variable and based on outcrop location and degree of exposure. Not applicable. None undertaken.
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.*	Sampling completed at right angles to interpreted trend of pegmatite units. None observed.
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 Activation Laboratories or SGS Laboratories and receives an official receipt of delivery.

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Criteria	JORC Code explanation	Commentary
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 has the right to acquire 100% of the Wells-Lacourciere, Cancet and Adina lithium projects pursuant to three separate binding acquisition agreements. There are no other material issues affecting the tenements. Upon the completion of the obligations pursuant to the legal agreements, MetalsTech will own 100% of the lithium projects and ownership of the individual CDC claims will be transferred to MetalsTech. All tenements are in good standing and have been legally validated by a Quebec lawyer specialising in the field.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	No modern exploration has been conducted. Government mapping records multiple lithium bearing pegmatites within the project areas but no other data is available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	**Wells-Lacourciere** The Property area is primarily underlain by rocks of the Late Archean Pontiac Subprovince. Underlying the majority of the Property is the Decelles Reservoir Batholith, which comprises granite, pegmatite, tonalite, and granodiorite. The northwestern edge region of the Property is underlain by monzodiorites of the Lac Fréchette pluton. Both of these units intrude into wacke, mudrock and schists of the Pontiac group, which strike approximately 255 and dip at 40 . The Pontiac group also locally exhibits basalts and ultramafic rocks, namely in the northeastern portion of the claim block. Amphibolite dikes and ultramafic intrusions have been identified throughout the Lac Fréchette pluton and the rocks of the Pontiac group. (GM 14918) The pegmatite dike at the Wells-Lacourciere occurrence outcrops in a large hill of

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Criteria	JORC Code explanation	Commentary
		granite on the west side of the road passing by the occurrence. It strikes 310 and dips steeply to the north. It is traceable along surface for a distance of about 600 metres, while its width varies from 8 to 15 metres. **Adina** Several spodumene-bearing pegmatite outcrops were located and chip sampled. Together, the outcrops sampled span a strike length of about 680 metres. The length of the pegmatite is likely longer, but available time limited the amount of prospecting along strike. The outcrops contained large green spodumene crystals averaging 5 to 15 cm in length, with some crystals up to 40 cm. Visual estimates of spodumene range between 5% and 20%, and locally up to 25%. There is some country rock (metavolcanics and metasediments) within the mapped outcrop area. The 2014 regional mapping that displays the pegmatite as a coherent block is somewhat misleading as although it is the dominant rock type, there are also inter-fingerings/rafts of the country rock present in the area. It should be noted that the ridge containing the spodumene-bearing outcrop continues for an additional three kilometres to the southwest within the active claims held by MetalsTech. **Cancet** The historically sampled outcrop, as well as three additional proximal outcrops of white pegmatite, was located and chip sampled. All four outcrops, spaced over 120 m, displayed large green spodumene crystals averaging 15-20 cm in size, with some crystals as large as 60 cm. These values are significantly higher than the historic results, likely due to inaccurate historic sampling techniques. As an example, when the exact location of the historic sample was identified, it initially appeared that the sampled outcrop lacked any obvious spodumene crystals. As the pegmatite was difficult to sample with a hammer and chisel, it is likely that the historic sampler just took one piece of outcrop that was easiest to break off, resulting in a negatively biased sample.

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Criteria	JORC Code explanation	Commentary

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 exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		See tables and / or appendices attached to this report.

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.*	Intercepts are calculated on a per sample basis according to the results from the laboratory with no bottom cut-off grade and no top cut-off grades. Short intervals of high grade that have a material impact on overall intersection are highlighted separately. 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').*	The relationship between true widths and the width of mineralised zones intersected in trenching has not yet been determined due to lack of structural data (i.e. dip).
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.*	Results for all sampling completed are listed in Appendix A attached to the body of this report.
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*	Detailed geochemistry and geology to determine trends of known mineralised zones

Criteria	JORC Code explanation	Commentary
	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.*	and to delineate other Li and Ta anomalies. Further trenching to determine structural orientation of pegmatites. Drilling.

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Cobalt Projects, Ontario

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. Rock samples comprise multiple chips considered to be representative of the horizon or outcrop being sampled. Samples submitted for assay typically weigh 2-3 kg. Continuous channel sampling of trenching ensures the samples are representative. Entire 2-3 kg sample is submitted for sample preparation.
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.*	All trenches sampled are logged continuously from start to finish with key geological observations recorded. Logging is quantitative, based on visual field estimates.
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.*	Sample preparation follows industry best practice standards and is conducted by internationally recognised laboratories, at SGS Laboratories in Lakefield, Ontario. Oven drying, jaw crushing and pulverising so that 85% passes 75 microns.

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Criteria	JORC Code explanation	Commentary
	• *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.*	Blanks have been submitted every 50 samples to ensure there is 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. Sample size (2-3 kg) accepted as general industry standard.
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.*	Assay and laboratory procedures have been selected following a review of techniques provided by internationally certified laboratories. In addition, the sample preparation laboratory in Ontario is regularly visited to ensure high standards are being maintained. Samples are submitted for multi-element analysis by SGS Laboratories. Where results exceeded upper detection limits for Co, samples are re-assayed. The final techniques used are total. None used. Barren granitic and calcite material is submitted every 50 samples as a control. Comparison of results indicates good levels of accuracy and precision. No external laboratory checks have been used.
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. Electronic data is stored in Ontario as well as at the site office of MetalsTech in Quebec. Data is exported from Access for processing by a number of different software packages. All electronic data is routinely backed up. No hard copy data is retained.

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Criteria	JORC Code explanation	Commentary
		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 trench start points and geochemical samples are located using a hand held GPS. Trenches are surveyed using hand held compass and clinometer. The grid system used is UTM. However, for reporting purposes and to maintain confidentiality, local coordinates are used for reporting. 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.*	Only reconnaissance trenching and sampling completed – spacing variable and based on outcrop location and degree of exposure. Not applicable. None undertaken.
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.*	Sampling completed at right angles to interpreted trend of outcrop mineralised units. None observed.
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 SGS Laboratories in Lakefield, Ontario and receives an official receipt of delivery.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	None completed.

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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 has the right to acquire 100% of the Bay Lake and New Athona Cobalt projects pursuant to the respective binding acquisition agreements. There are no other material issues affecting the tenements. Certain surface rights exist on parts of the Bay Lake project, but these do not compete with the subsurface or mineral rights over the project, which are being acquired by MetalsTech. Upon the completion of the obligations pursuant to the legal agreements, MetalsTech will own 100% of the cobalt projects and ownership of the individual claims will be transferred to MetalsTech. All tenements are in the process of being 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 Bay Lake and New Athona Cobalt projects are 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

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Criteria	JORC Code explanation	Commentary
		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:* 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.*	No drilling exists.
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.*	Intercepts are calculated on a per sample basis according to the results from the laboratory with no bottom cut-off grade and no top cut-off grades. Short intervals of high grade that have a material impact on overall intersection are highlighted separately. 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').*	The relationship between true widths and the width of mineralised zones intersected in trenching has not yet been determined due to lack of structural data (i.e. dip).
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.*	Results for all sampling completed are listed in the body of this report.
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.

Criteria	JORC Code explanation	Commentary
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 an Airborne EM survey over the two key project areas. Conduct an IP survey. Drilling.

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