ASX Release
4 May 2017

METALSTECH
Resourcing a cleaner greener future

Spodumene Rich Pegmatite Intersections Confirmed From Surface at MetalsTech's Cancet Lithium Project

Cobalt and lithium developer MetalsTech Limited (ASX:MTC) is pleased to announce exceptional results from its first phase diamond drilling exploration program at the Company's 100%-owned Cancet Lithium Project in Quebec, Canada.

Highlights:

- Heavily spodumene mineralised pegmatite confirmed in multiple drill holes at Cancet starting at surface suggesting the presence of a high-grade lithium mineralised pegmatite structure with low operating-cost open cut mining potential
- 25 diamond drill holes reported with 220 diamond drill core samples sent to Activation Laboratories in Ontario for multi-element analysis including lithium and tantalum – results expected in the coming weeks
- Exceptional near surface drilling results have been encountered, including:
    - 57.0m (from 15.0m to 72.0m) mineralised pegmatite intersection within hole MTC17-010 with a spodumene mineralisation estimate of 20%
    - 27.5m (from 0.0m to 27.5m) mineralised pegmatite intersection within hole MTC17-015 with a spodumene mineralisation estimate of 45%
    - 26.4m (from 0.0m to 26.4m) mineralised pegmatite intersection within hole MTC17-021 with a spodumene mineralisation estimate of 20%
    - 25.3m (from 28.5m to 53.8m) mineralised pegmatite intersection within hole MTC17-025 with a spodumene mineralisation estimate of 25%
    - 24.0m (from 18.0m to 42.0m) mineralised pegmatite intersection within hole MTC17-013 with a spodumene mineralisation estimate of 25%
    - 20.0m (from 0.0m to 20.0m) mineralised pegmatite intersection within hole MTC17-022 with a spodumene mineralisation estimate of 15%
    - 17.4m (from 0.0m to 17.4m) mineralised pegmatite intersection within hole MTC17-011 with a spodumene mineralisation estimate of 15%
- All lithium mineralisation contained in spodumene and main pegmatite zone remains open along strike in both directions
- Additional spodumene-bearing pegmatite outcrops have been uncovered during trail and drill site preparation, suggesting significant exploration upside
- Ore profiling and initial metallurgical test work underway with NAGROM and Primero – results expected in the coming weeks

LISTED ASX

Registered Office
Unit 1, 44 Denis Street
Subiaco WA 6008
T +61 408 408 878 T +61 415 493 993
E info@metalstech.net

Projects

Cancet	100% owned
Adina	100% owned
Terre Des Montagnes	100% owned
Wells-Lacourciere	100% owned
Kapiwak	100% owned
Sirmac-Clapier	100% owned
Bay Lake	100% owned

Commenting on recent results, Executive Chairman Mr Russell Moran stated:

"Cancet is shaping up to deliver a high-grade lithium deposit starting at surface. We have started metallurgical testing early in order to understand potential product specification. We believe this will enable us to generate early customer and strategic investor interest in parallel with delivery of a maiden resource and scoping study. Cancet is blessed with excellent infrastructure, located only a few kilometres from low cost hydro-power and an existing provincial highway. If we can demonstrate a high-grade deposit suited to open cut mining, we believe it has the potential to deliver significant shareholder value."

Diamond Drilling Exploration Program

The Company received drilling permits and other approvals necessary to undertake drilling at Cancet in early March, which allowed mobilisation of geological and drilling crews. Dahrouge Geological Consultants were engaged to oversee the geological aspect of the planned drilling program with Cabo Drilling Inc engaged to complete the drilling.

In late March, the Company commenced Phase I drilling to orientate potential pegmatite ore bodies and support ultimate delivery of a maiden resource. Drilling was designed to test the strike, dip and plunge continuity of several pegmatite outcrops, believed to be part of a large contiguous high grade lithium ore body which is accessible from surface.

In conjunction with Dahrouge Geological Consultants, the Company selected fifty (50) individual drill sites from which a proposed two-phase drilling campaign was to be completed. Phase I included twenty-six (26) diamond core holes for approximately 4,000m.

Figure 1: Diamond drill rigs at Cancet during Phase I drilling

As part of Phase I, 25 diamond drill holes have been completed with initial results demonstrating wide mineralised intersections which start at surface that include high concentrations of spodumene on visual inspection. The mineralisation continues over a significant strike length and remains open in all directions.

The figure below illustrates the location of the completed drill holes as well as the location of the significant spodumene mineralised outcrops discovered previously by the Company. Additional planned drill holes are also plotted on the map.

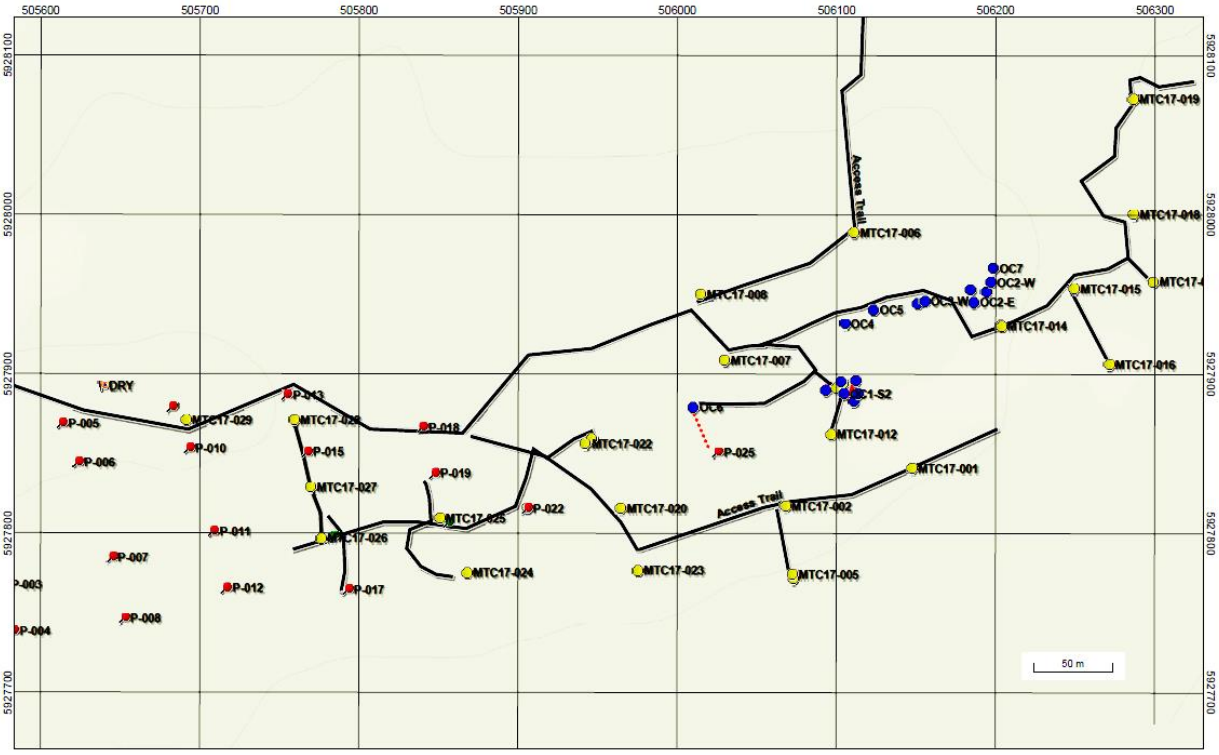

Figure 2: Diamond drill hole location map and significant spodumene mineralised outcrops identified at the Cancet Lithium Project; Blue Dots (Mineralised Spodumene Outcrop); Yellow Dots (2017 Drill hole); and Red Dots (2017 Target drill hole sites)

The current phase of drilling encountered exceptional near surface heavily mineralised spodumene pegmatite. An estimate of the spodumene mineralisation over the drilled interval has also been included and is based on a visual estimate from the accredited technical geologists in the field at Cancet. Generally speaking, pure spodumene will assay at approximately 8% Li_2O and the spodumene mineralisation estimate is a reliable and accurate leading indicator of the lithium grade across the drilled interval.

The drilling at Cancet has identified that all lithium mineralisation is contained within spodumene. The main pegmatite structure has been drill mapped over a significant strike length and remains open along strike in both directions.

The pegmatite intersections have been demonstrated to extend to the west along the new drill targets. The current plan is to complete the first phase of the drilling program by continuing to extend in 100m intervals along the planned drill lines. This will further extend the strike length of the mineralised pegmatite at Cancet and test for additional feeder mineralised zones.

The table below details a summary of Phase I drilling results (full details and results of the drilling are presented Appendix A and B):

Drill hole	From (m)	To (m)	Length (m)	Visual Spodumene (%)
MTC17-002	0.00	17.85	**17.85**	**25%**
MTC17-007	12.00	18.00	**6.00**	**20%**
MTC17-009	0.00	8.25	**8.25**	**20%**
MTC17-010	0.00	10.70	**10.70**	**20%**
MTC17-010	15.00	72.00	**57.00**	**20%**
MTC17-011	0.00	17.35	**17.35**	**15%**
MTC17-013	18.00	42.00	**24.00**	**25%**
MTC17-014	19.80	35.50	**15.70**	**25%**
MTC17-015	0.00	27.50	**27.50**	**45%**
MTC17-020	18.00	36.50	**18.50**	**20%**
MTC17-021	0.00	26.40	**26.40**	**20%**
MTC17-022	0.00	20.00	**20.00**	**15%**
MTC17-023	20.00	27.80	**7.80**	**20%**
MTC17-025	28.50	53.75	**25.25**	**20%**

Figure 3: Summary of 25 drill holes from Phase I drilling

The balance of Phase I drilling is expected to be completed within the next week and the Company is awaiting its first batch of assay results from the drill core.

Additional mechanised trenching and detailed surface mapping is planned in June 2017 to support the design of an efficient step-out drilling program to support Phase II drilling in the lead up to resource definition. The Company is planning on completing this current phase of drilling at Cancet prior to undertaking this regional mapping program.

A follow up drilling campaign has been planned at Cancet to commence in July 2017.

The pegmatite at Cancet has consistently exhibited exceptionally high concentrations of spodumene in the drill core averaging 23% spodumene mineralisation estimate across the 25 diamond drill holes that have been completed to date which suggests a very high grade deposit is present.

Hole MTC17-015 intersected 27.5m of spodumene mineralised pegmatite with an estimated spodumene mineralisation of 45% starting at surface. This confirms the continuity of the high-grade lithium mineralisation at Cancet. Importantly, the high-grade mineralisation is starting at surface and supports the understanding that Cancet is potentially suited to a low-operating cost open cut mining operation.

Figure 4 below illustrates the concentration of the spodumene mineralisation in hole MTC17-015 which is depicted by green crystal formations in the drill core.

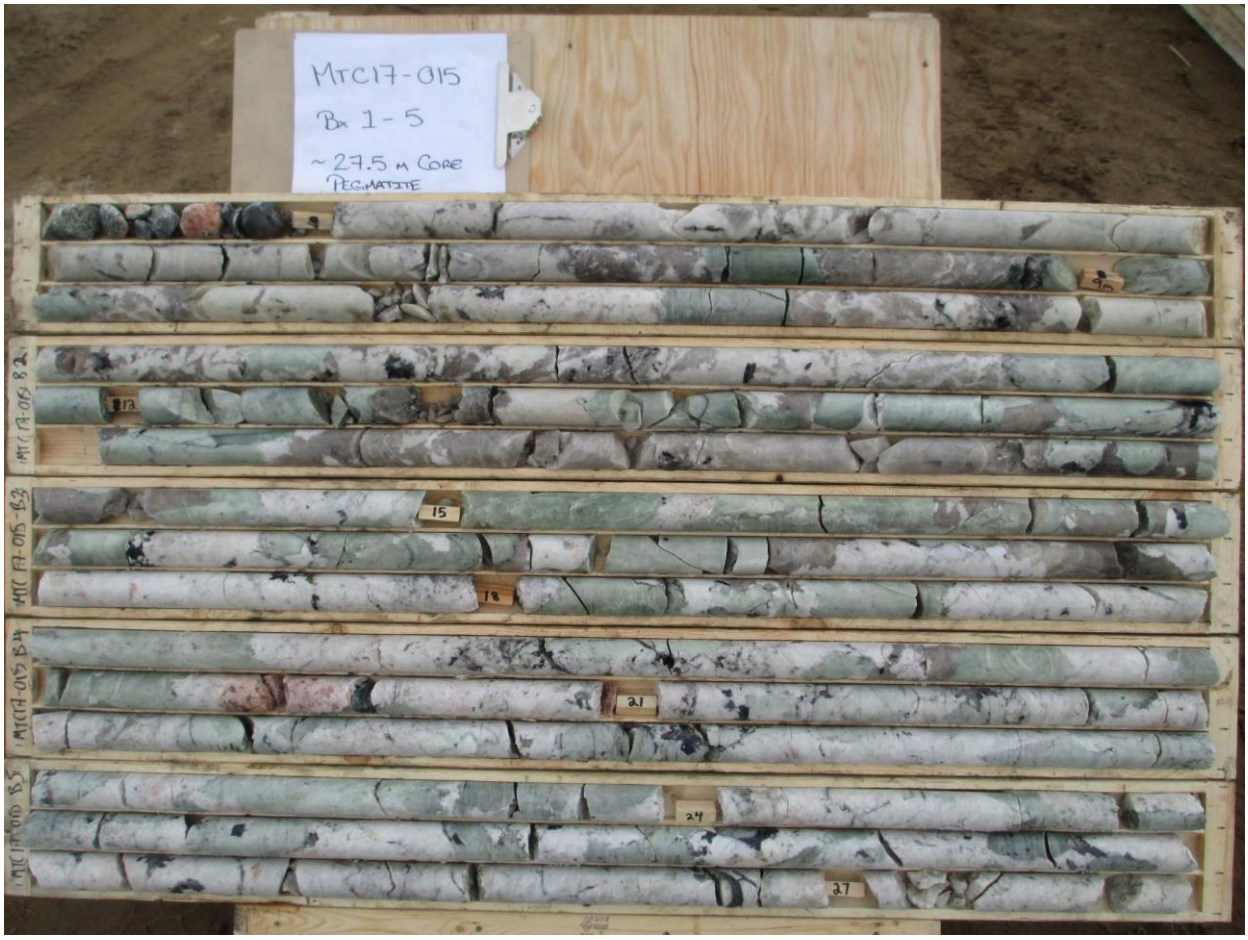

Figure 4: Pegmatite drill core intersection in hole MTC17-015

The Company has sent 220 drill core samples for analysis to Activation Laboratories in Ontario, with the results expected in the coming weeks.

Additional Spodumene Mineralised Outcrops Identified

The current drilling campaign and the construction of the drill pads and access roads has uncovered a number of additional spodumene rich pegmatite outcrops which could result in expanding potential resources. These will be followed up as part of the upcoming mechanised trenching, mapping and sampling campaign to take place following the completion of Phase I drilling.

These additional outcrops have the potential to further extend the mineralised strike zone, which with additional drilling will yield additional potential resource tonnage at Cancet.

This demonstrates the significant upside that remains at Cancet to further increase both the size and scale of the spodumene-bearing pegmatite outcrops at surface.

Metallurgical Testing

MetalsTech has delivered spodumene samples to the NAGROM laboratory in Australia. Testing will focus on profiling the lithium ore at Cancet to support further metallurgical testing and product specification studies with both MetalsTech's independent metallurgy and engineering consultants Primero and Lithium Australia (ASX:LIT). The Company has an exclusive licence to use and apply the Sileach™ lithium extraction and processing technology within Quebec, offering MTC a significant strategic advantage.

The Company will be testing the suitability of the LIT-owned Sileach™ lithium extraction and processing technology as well as conventional ore processing technologies to treat and extract lithium from spodumene concentrate derived from the Cancet pegmatite.

Primero is a world-class metallurgical, engineering and ore processing consulting group with extensive lithium and tantalum experience. Primero has worked exclusively on the Galaxy Resources Mt Caitlin Lithium Project, the Greenbushes Lithium and Tantalum Project and the Pilbara Minerals Pilgangoora Lithium Project. Primero is also currently working on the Kidman Resources El Grey Lithium Project as well as the Tawana Resources Bald Hill Project.

The Company is expecting to receive the initial results from the metallurgical testing in the coming week which will act as an early catalyst for the Company to commence early dialogue with key end user groups across North America and Asia.

ENDS

For further information, contact:

Russell Moran
Executive Chairman
M +61 415 493 993
russell@metalstech.net

Gino D'Anna
Executive Director
M +61 400 408 878
gino@metalstech.net

Rachel Hammett
Investor Relations
M +61 466 281 369
rachel@nwrcommunications.com.au

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.

MetalsTech Limited – Competent Person Statement

Cancet Lithium Project

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.

Appendix A – Drill Hole Coordinates for Cancet Drilling Program

Hole ID	Type	Easting	Northing	Elevation	Azimuth	Dip	Depth
MTC17-001	Diamond	506147.365	5927840.789	271.863	345	-45	220
MTC17-002	Diamond	506067.664	5927816.986	274.039	345	-45	104
MTC17-003	Diamond	506072.707	5927771.567	271.071	345	-45	26
MTC17-004	Diamond	506072.735	5927771.365	270.857	345	-60	188
MTC17-005	Diamond	506072.372	5927774.168	271.255	345	-45	150
MTC17-006	Diamond	506110.62	5927988.863	276.484	165	-45	149
MTC17-007	Diamond	506029.518	5927908.514	284.152	165	-45	119
MTC17-008	Diamond	506014.422	5927949.9	281.134	165	-45	119
MTC17-009	Diamond	506102.854	5927893.155	280.661	0	-90	74
MTC17-010	Diamond	506103.47	5927893.484	280.521	75	-45	110
MTC17-011	Diamond	506099.389	5927891.341	280.624	250	-45	74
MTC17-012	Diamond	506096.21	5927862.24	277.67	345	-45	62
MTC17-013	Diamond	506202.947	5927930.713	274.92	340	-45	86
MTC17-014	Diamond	506203.136	5927930.314	274.557	340	-70	107
MTC17-015	Diamond	506249	5927953	265	345	-45	87
MTC17-016	Diamond	506271	5927906	260	345	-45	101
MTC17-017	Diamond	506299	5927958	270	340	-45	99
MTC17-018	Diamond	506286	5928000	270	340	-45	45.5
MTC17-019	Diamond	506285	5928072	260	340	-45	53
MTC17-020	Diamond	505965	5927810	269	340	-45	55
MTC17-021	Diamond	505946	5927859	274	0	-90	45
MTC17-022	Diamond	505946	5927859	274	340	-45	121
MTC17-023	Diamond	505975	5927776	260	340	-45	80
MTC17-024	Diamond	505857	5927765	265	340	-45	143
MTC17-025	Diamond	505855	5927806	278	340	-45	82

Appendix B – Pegmatite Intersections for Cancet Drilling Program

Drillhole	From (m)	To (m)	Length (m)	Rock Type	Mineralisation	Spodumene Modal Estimate
MTC17-001	50.3	54.18	3.88	Pegmatite	No visible spodumene	Trace
MTC17-002	0	17.85	17.85	Pegmatite	Spodumene-Bearing	25%
MTC17-005	22	22.35	0.35	Pegmatite	No visible spodumene	Trace
MTC17-007	12	18	6	Pegmatite	Spodumene-Bearing	20%
MTC17-008	24	25.5	1.5	Pegmatite	No visible spodumene	Trace
MTC17-009	0	5.25	5.25	Pegmatite	Spodumene-Bearing	10%
	7	8.1	1.1	Pegmatite	Spodumene-Bearing	Trace
	18.5	20.75	2.25	Pegmatite	Spodumene-Bearing	15%
MTC17-010	0	10.7	10.7	Pegmatite	Spodumene-Bearing	20%
	11.2	12	0.8	Pegmatite	Spodumene-Bearing	5%
	15	72	57	Pegmatite	Spodumene-Bearing	20%
MTC17-011	0	17.35	17.35	Pegmatite	Spodumene-Bearing	15%
	22.24	23	0.76	Pegmatite	Spodumene-Bearing	10%
	23.53	24.46	0.93	Pegmatite	Spodumene-Bearing	15%
MTC17-012	18	22.7	4.7	Pegmatite	Spodumene-Bearing	20%
MTC17-013	18	42	24	Pegmatite	Spodumene-Bearing	25%
MTC17-014	19.8	35.5	15.7	Pegmatite	Spodumene-Bearing	25%
MTC17-015	0	27.5	27.5	Pegmatite	Spodumene-Bearing	45%
MTC17-016	27.8	29.2	1.4	Pegmatite	No visible spodumene	Trace
MTC17-020	18	36.5	18.5	Pegmatite	Spodumene-Bearing	20%
MTC17-021	0	26.45	26.45	Pegmatite	Spodumene-Bearing	30%
MTC17-022	3.82	24.05	20.23	Pegmatite	Spodumene-Bearing	15%
MTC17-023	19.86	27.83	7.97	Pegmatite	Spodumene-Bearing	20%
	39.74	40.55	0.81	Pegmatite	No visible spodumene	Trace
	50.76	52.44	1.68	Pegmatite	No visible spodumene	Trace
MTC17-024	42.5	44	1.5	Pegmatite	No visible spodumene	Trace
MTC17-025	28.85	53.58	24.73	Pegmatite	Spodumene-Bearing	20%

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.*	Diamond drilling completed to date. Core samples comprise multiple zones considered to be representative of the horizon or outcrop being sampled. Samples submitted for assay typically weigh 2-3 kg. Continuous sampling of drill core ensures the samples are representative. Entire 2-3 kg sample is submitted for sample preparation. To ensure sample representivity, drilling was conducted as perpendicular as possible to the strike of the main mineralised pegmatite bodies as mapped on the surface. Samples were split and weights were ensured to be of sufficient size (1-3kgs) to be adequately representative of the pegmatite body, which was verified with the use of field and lab duplicates. All diamond holes were PQ and/or HQ. Holes were geologically logged, measured and marked up and cut on site. Quarter-core samples for PQ and half core samples for HQ were submitted to Activation Laboratories in Ontario and analysed using ICP techniques for a suite of thirteen elements including Li_2O.
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).*	MTC is conducting PQ and HQ diamond drilling as part of Phase I drilling. Core is orientated and orientations largely good. Downhole surveying was conducted using a Reflex Gyro system and supporting Reflex Multishot.
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.*	Sample recovery in percent, sample quality and moisture content was recorded by the geologist for all 1m intervals in RC holes. Sample recoveries were measured for diamond drill holes. Generally, drill core samples were dry (only three wet samples within mineralised intercepts), sample quality is good and recoveries excellent, generally above 90%. Sample recovery was nearly 100% for mineralised intercepts in all PQ and HQ holes. No material bias has been identified.
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.*	One metre samples were laid out in lines of 20 and geologically logged for each metre interval on a plastic logging sheet, then stored in trays marked with hole IDs and depth intervals. Geological logging information (including but not limited to main rock types, mineralogy in percent abundance, degree of weathering, degree of schistosity, colour and vein percent) was recorded directly onto hard-copy sheets, and later transferred to an Excel spread sheet. PQ/HQ core was logged and cut according to geological boundaries, but generally at 1m intervals. Geological logging information was recorded directly onto hard-copy sheets, and later transferred to an Excel spread sheet. The core will be stored in a secured warehouse for future reference.

Criteria	JORC Code explanation	Commentary
		Logging has been primarily quantitative. All core has been photographed. The logging database contains lithological data for all intervals in all holes in the database.
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.*	PQ core was sawn and a sample equivalent to a core size was taken for grade analysis. Half core was retained for metallurgical testwork purposes. For HQ core, half-core was sent for grade analysis, and core retained for metallurgical testwork. In both cases, core is retained for future reference. Quality Assurance and Quality Control utilised standard industry practice, using prepared standards, field blanks (approximately 1kg), replicates sampled in the field and pulp replicates at the lab. Field and lab duplicate results demonstrated good precision. Results were within two standard deviations. Pulp duplicates from diamond core, and coarse crushed diamond core duplicates. Results from these samples correlated well and showed good precision. Drilling sample sizes (generally 1 to 5kg) are appropriate and industry standard size, to correctly represent the relatively homogenous, medium-grained, lithium-bearing pegmatite-style mineralisation at Cancet. As noted above duplicates samples correlated well, therefore sample sizes are considered to be acceptable to accurately represent lithium mineralisation.
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 Activation 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. Three different grades of certified reference material (CRM) for lithium mineralisation was inserted, as well as laboratory duplicates and blanks. The CRM's submitted represented a weakly mineralised pegmatite (AMS0338), a moderate to high grade lithium mineralised pegmatite (AMS0340), and a high-grade lithium mineralised pegmatite (AMS0339). Quality Assurance and Quality Control utilised standard industry practice, using prepared standards, field blanks (approximately 1kg), replicates sampled in the field and pulp replicates at the lab. 220 samples from phase one were sent to Activation Laboratories in total to date. Pulp duplicates and coarse

Criteria	JORC Code explanation	Commentary
		diamond field duplicates generally indicate good repeatability of samples. Assay results of CRMs have been satisfactory, demonstrating acceptable levels of accuracy and precision.
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.*	Independent verification was carried out by a consultant to the Company, Dahrouge Geological Consultants. Hard copy field logs are entered into and validated on an electronic Excel database, both of which are stored at the MTC Perth office. Data verification is carried out by the Senior Geologist on site. Diamond core drilled was photographed on site and then sent to the Activation Laboratories, Ontario. Geological logging and sampling took place on-site.
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 drill-hole locations were located using a Leica Viva GNSS CS15, which has an accuracy of +/- 5mm vertical and +/-10mm horizontal. Down hole surveying of drill holes was conducted using a Reflex Gyroscope. The grid system used is WGS84 Zone 29N. RL data to date has been collected using a Leica Viva GNSS CS15, which has an accuracy of +/- 5mm vertical and +/-10mm horizontal. Topographic control is also assured using data provided by a topographic survey conducted in 2012, with an accuracy of 0.5m.
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.*	Drill spacing between holes is generally between 40 and 60m on section, and generally 40 to 80m between sections, depending on site accessibility. The continuity of the pegmatite can confidently be interpreted from the geology of the pegmatite dykes, which have also been mapped on surface as extending over several hundred metres length. The continuity of the mineralised portions of the pegmatite is variable, and the poor grade continuity between sections reflects the classification applied. Increased confidence is provided by Phase I drilling which has illustrated grade continuity in the down plunge direction. Diamond drill samples from phase one averaged 0.95m in length and ranged from 0.45m to 1.13m in length and were composited to 1m as part of the maiden resource estimation process.
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 orientation of drilling was designed to intersect pegmatites perpendicular to the dominant geometry. The pegmatite varies between 60 to 90-degree dip. Most of the drilling was conducted with -90 to -45-degree dip, meaning samples collected were generally almost perpendicular to mineralisation, which is deemed appropriate as per industry standard. No orientation-based sampling bias has been identified.
Sample security	• *The measures taken to ensure sample security.*	MTC contract geologists and field assistant conducted all sampling and subsequent storage in field. Samples were then delivered via road freight to Activation Laboratories in Ontario.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	The collar and assay data were reviewed by compiling the database on Excel, and importing into various three-dimensional modelling packages. Some minor numbering discrepancies were thus identified and amended. No audits or reviews of sampling techniques have been carried out, due to the early stage nature of the project.

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 Cancet lithium project pursuant to a binding acquisition agreement. 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 outside of the drilling being done by MTC. 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.*	**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.

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*	Length weighted averages used for exploration results are reported in Appendix A of this announcement. Maximum 2m internal dilution, and an appropriate cut-off was used for reporting, which is deemed to be appropriate for this style of mineralisation. Cutting of high grades was not

Criteria	JORC Code explanation	Commentary
	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.*	applied in the reporting of intercepts. Aggregation issues are not material in this type of deposit. No metal equivalent values were used.
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').*	Appendix A reports downhole lengths of pegmatite width, which is clearly stated. True widths are not known. However, due to the estimated dip of the pegmatites, and the -90 to -45-degree dip of the drill holes, the thicknesses shown are generally close to true widths, in the range 70 to 100% of true width.
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.*	See diagrams attached to this 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.*	Results for all drilling completed are listed in Appendix A and B 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.*	Metallurgical testwork is ongoing at NAGROM Laboratories in Perth; an update will be provided shortly. Hydro-metallurgical testwork to produce lithium carbonate and lithium hydroxide is still ongoing. Surface mapping of the main pegmatite exposures has been carried out, with further surface mapping to continue in the coming months. All meaningful and material exploration data has been reported.
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.*	Further drilling (Phase II) is being conducted to test extensions to the currently known mineralised pegmatites, and to infill some areas of the known ore body to convert Mineral Resources to high confidence classification (Inferred to Indicated and Indicated to Measured). Detailed geochemistry and geology to determine trends of known mineralised zones and to delineate other Li and Ta anomalies. Further trenching to determine structural orientation of pegmatites.