



Neometals

Investor Presentation

ASX Code: NMT

June 2016

Disclaimer

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Financial data: All figures in this document are in Australian dollars (AUD) unless stated otherwise.

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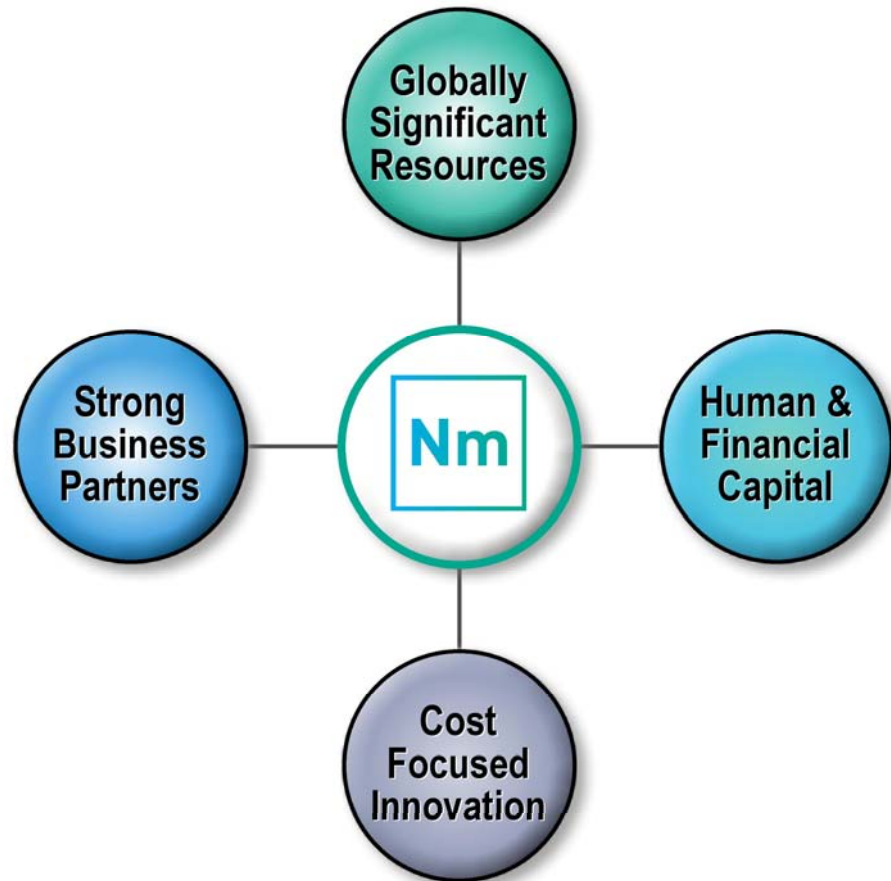
Competent Persons Statement:

The information in this document that relates to “Barrambie Scoping Study Results”, “Mt Marion test work results”, “Barrambie Mineral Resource Estimates”, “Mt Marion Mineral Resource Estimates” and “Barrambie Pre Feasibility Study Results” is extracted from ASX Releases set out below. The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX Releases set out below, and in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in those ASX Releases continue to apply and have not materially changed.

13/11/2013	Barrambie - Scoping Study Results
6/12/2013	Barrambie - Amended JORC 2012 Mineral Resource Estimate
25/08/2015	Barrambie Pre Feasibility Study Results
21/09/2015	Mt Marion Lithium Project - New Mineral Resource Estimate

The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production targets in the Barrambie Pre-feasibility Study and Mt Marion Pre-feasibility Study continue to apply and have not materially changed.

Our Strategy



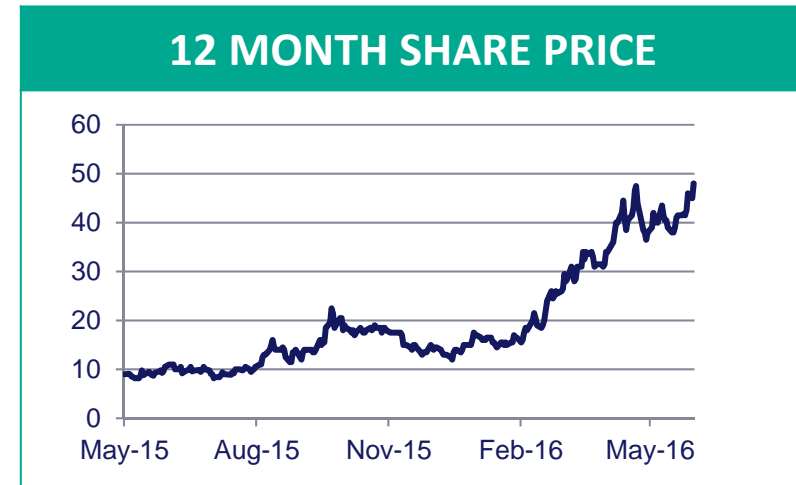
To generate multiple, long term cashflow streams that we can share with our shareholders

2 cent unfranked div – April '16
A\$5M/5% on market buyback

Corporate Details

ASX CODE: NMT	OTC:RDRUY	
Last close (31-May-2016)	A\$	0.48
Shares on issue	m	559
Market capitalisation	A\$m	268
Net Cash* (Debt)	A\$m	53 (0)
Enterprise value	A\$m	215

DIRECTORS/MANAGEMENT	
Steven Cole	Non-Executive Chairman
Chris Reed	Managing Director & CEO
David Reed	Non-Executive Director
Natalia Streltsova	Non-Executive Director
Doug Ritchie	Non-Executive Director
Michael Tamlin	COO
Jason Carone	CFO & Company Sec.



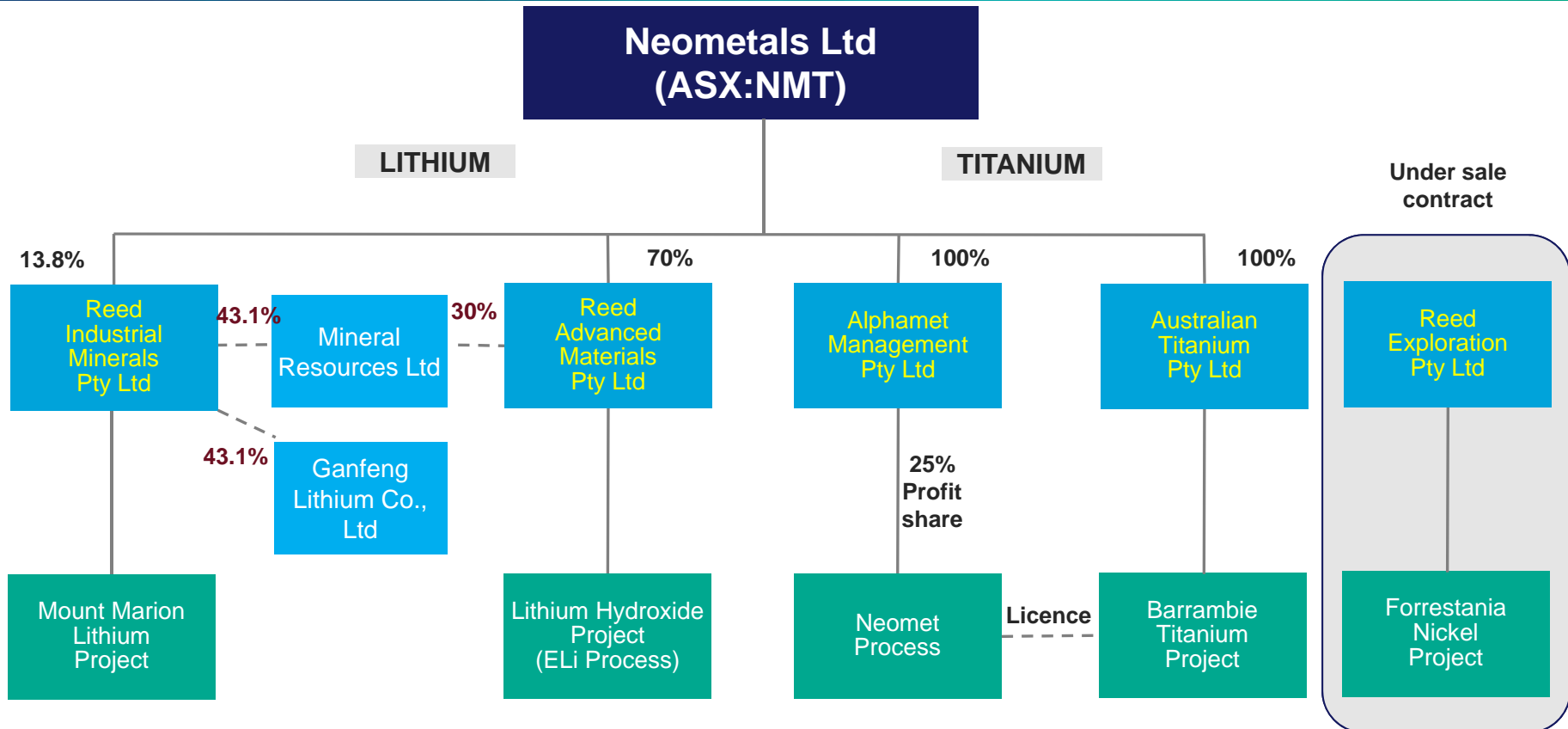
MAJOR SHAREHOLDERS	
David Reed	11.7%
Melaid Holding Inc	6.8%
Top 20 (31-May-2016)	39%

* Estimate – not including additional US\$19.65M (~A\$27M) due 13 June from option exercise

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Operating structure



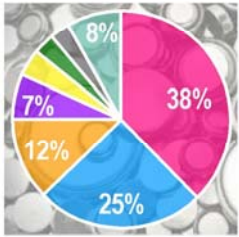
All the right elements



Demand Fundamentals

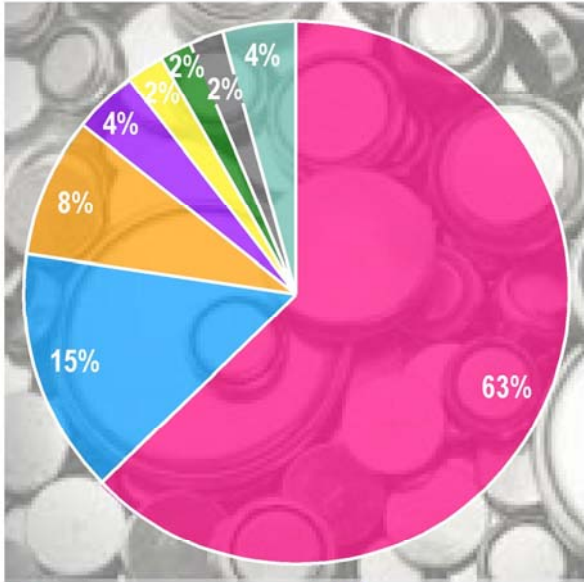


Lithium Demand by Application - 2014
(200,000t of LCE)



- Batteries
- Air conditioning
- Ceramics and glass
- Polymers
- Lubricating greases
- Medicene
- Metallurgy
- Others

Lithium Demand by Application - 2025
(500,000t of LCE - forecast)



- Batteries
- Air conditioning
- Ceramics and glass
- Polymers
- Lubricating greases
- Medicene
- Metallurgy
- Others

Source: signumBox estimates

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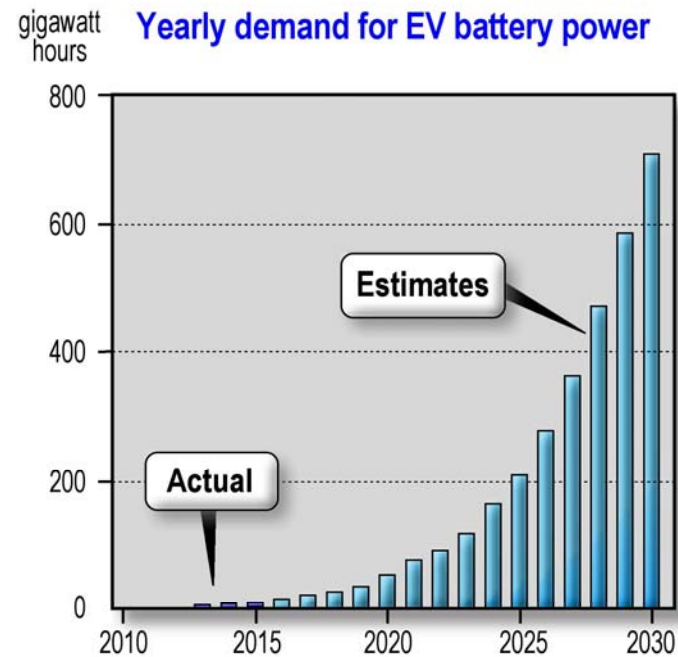
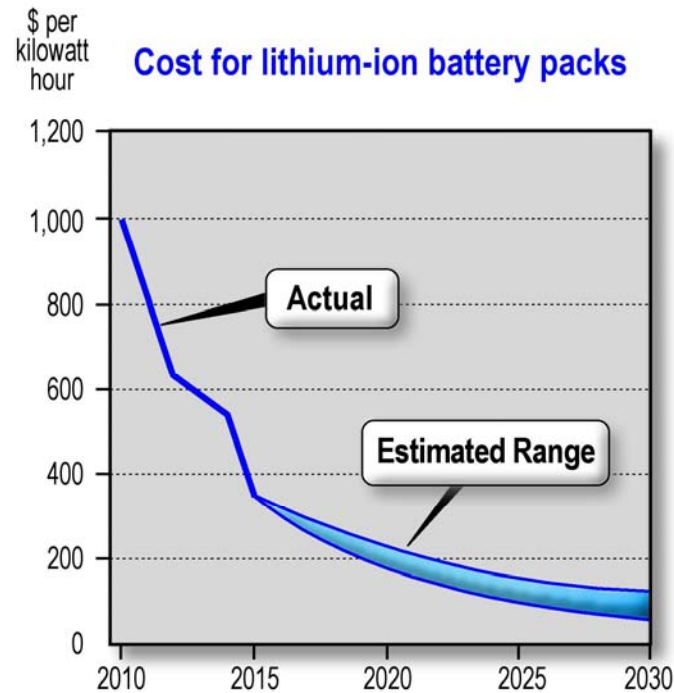


Demand Fundamentals Electric Vehicles



Its All About The Batteries

Batteries make up a third of the cost of an electric vehicle.
As battery costs continue to fall, demanded for EVs will rise.



Source: Data compiled by Bloomberg New Energy Finance

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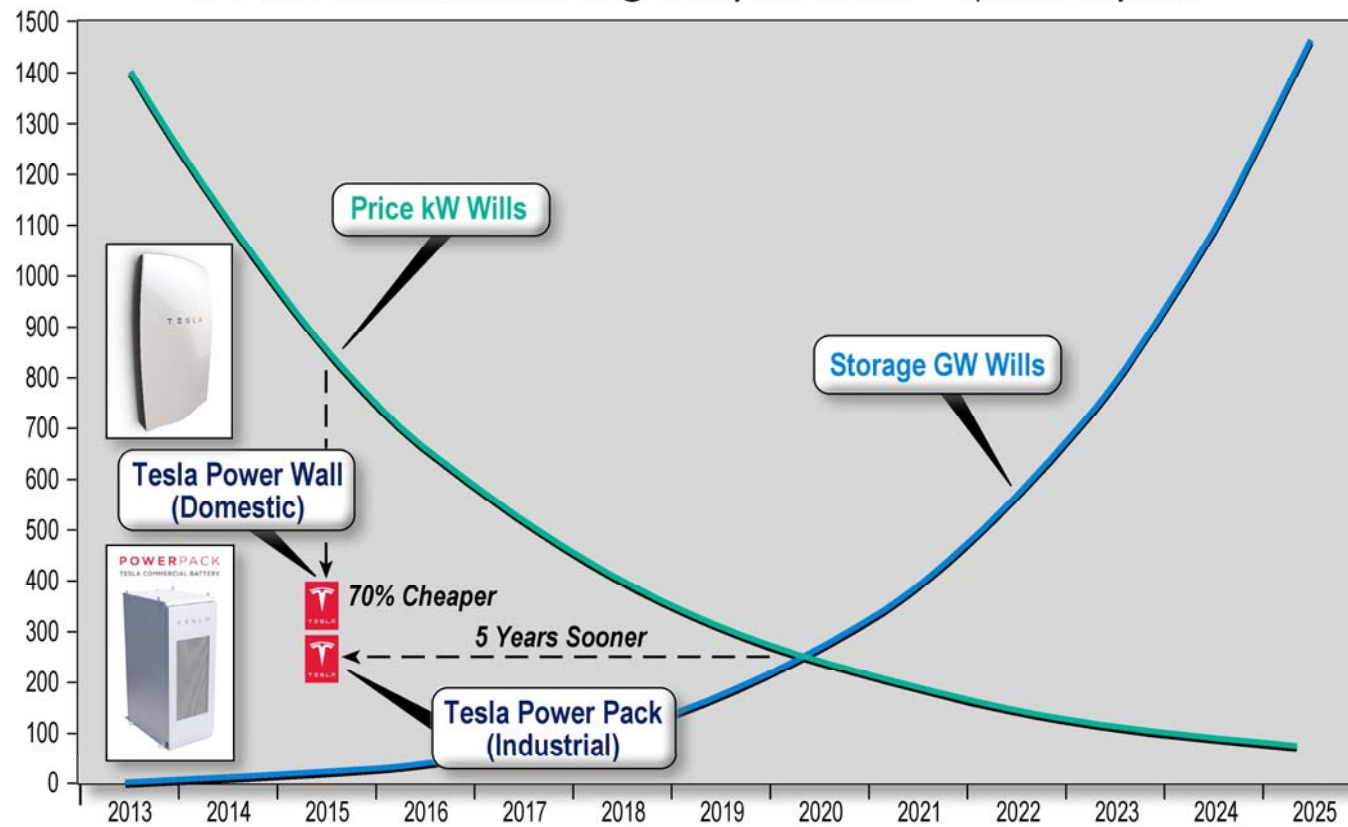


Demand Fundamentals



Global Battery Storage (GW) and Price (\$/kW)

2013 / 2014 market data 2015 on @ProfRayWills forecast Update 7 May 2015



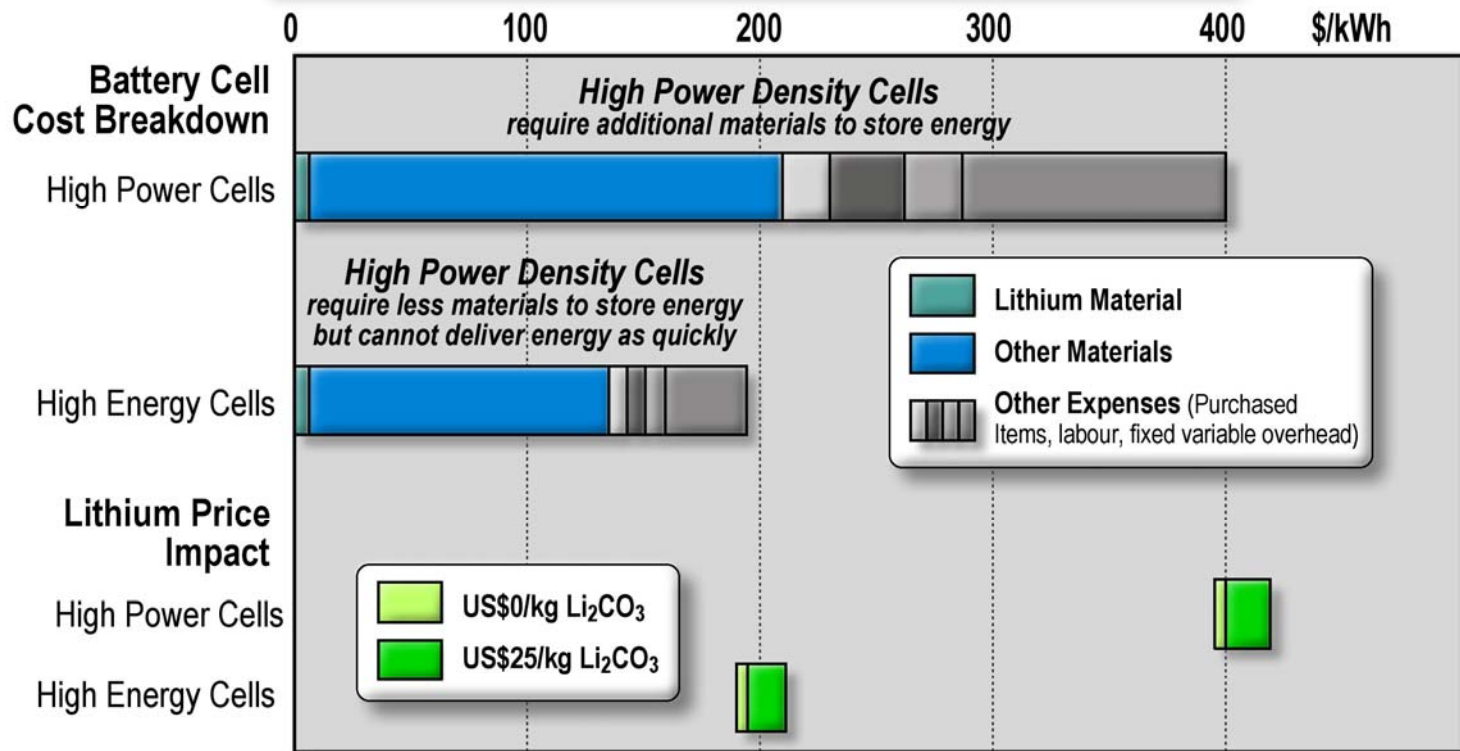
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Demand Fundamentals – Price Inelasticity



Lithium Price Impacts on EV Batteries

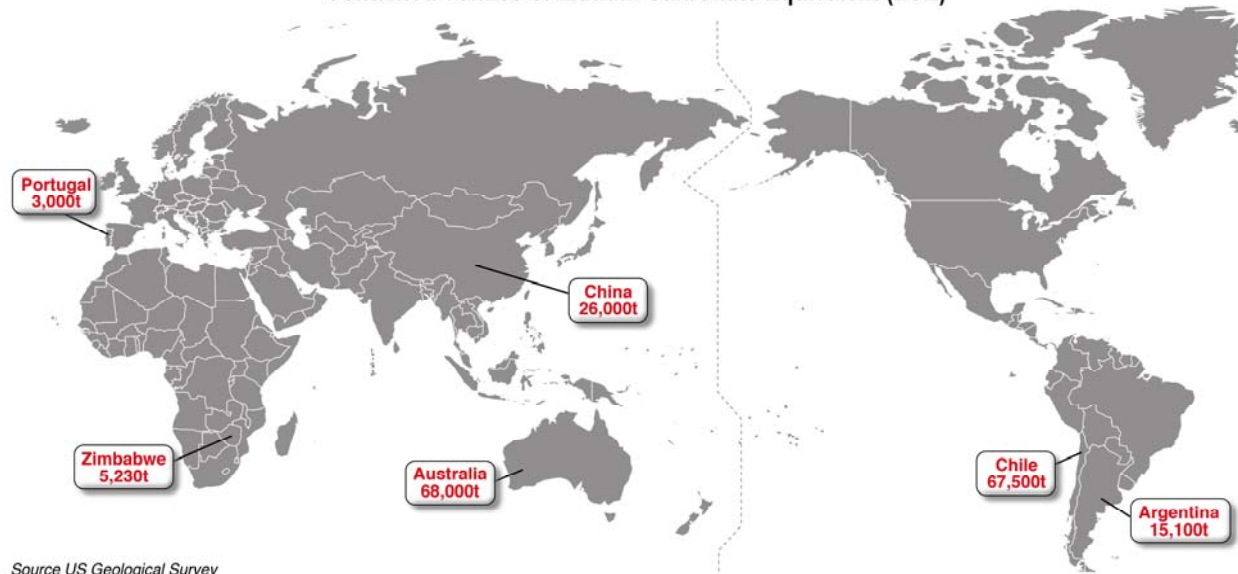


Source: Journal of Power Sources, Vol 320, 15 July 2016, Pages 310-313

Supply Fundamentals

Li

Mine Production in 2014 of
Contained Tonnes of Lithium Carbonate Equivalent (LCE)



- ✓ Brines have larger Capex/lead times of +5 years
- ✓ Chinese converters have lead times of 1 year

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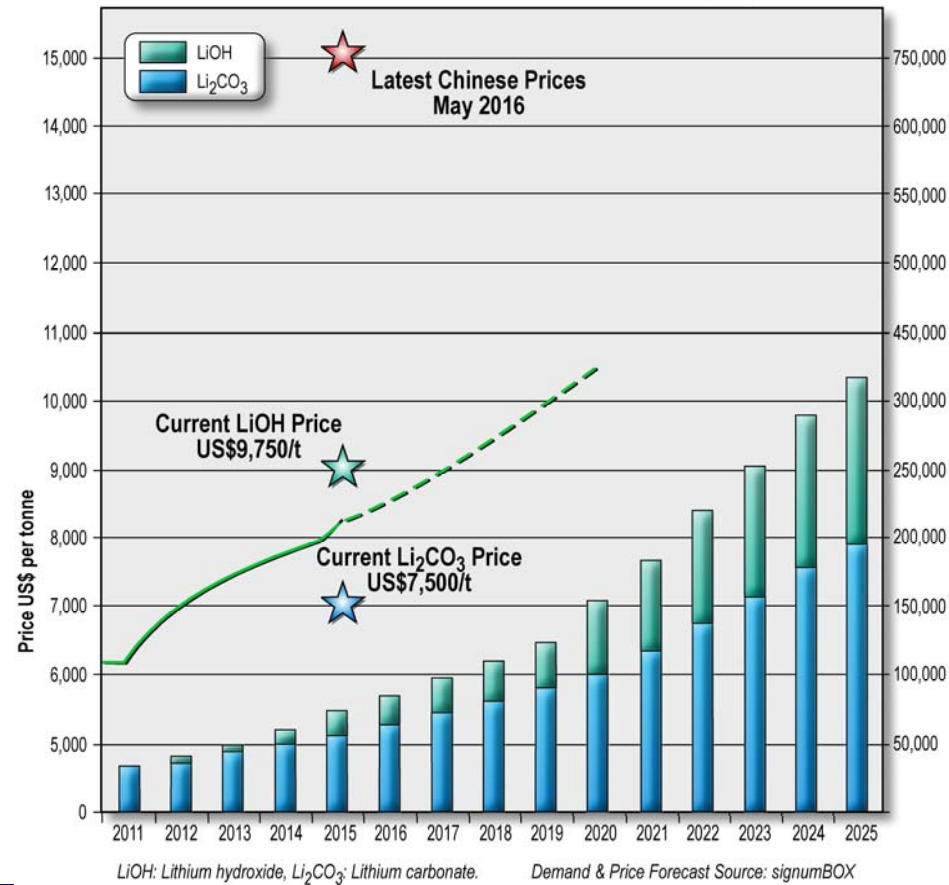


Strong demand – constrained supply



Lithium Chemicals in Cathode Materials for Rechargeable Batteries

Demand in metric tonnes of lithium carbonate equivalent (LCE)



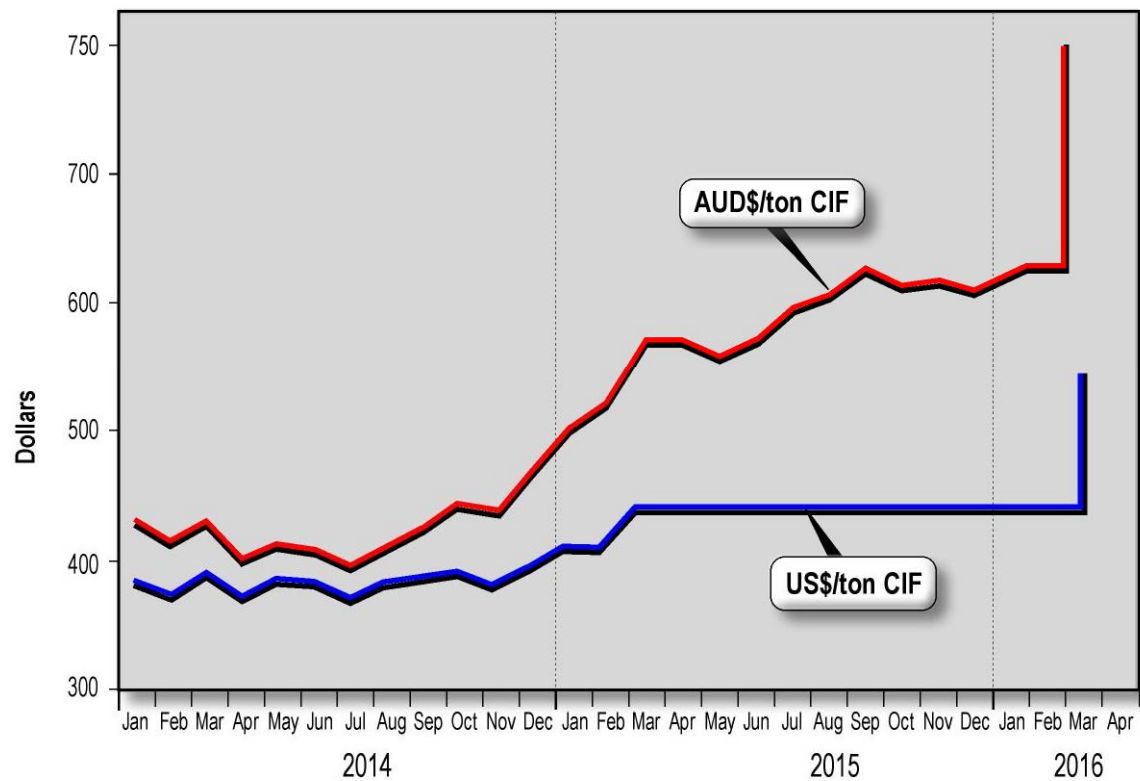
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Lithium Concentrate Prices



Chinese Spodumene Imports 2014 - 2016: From Australia
(6% Li₂O)

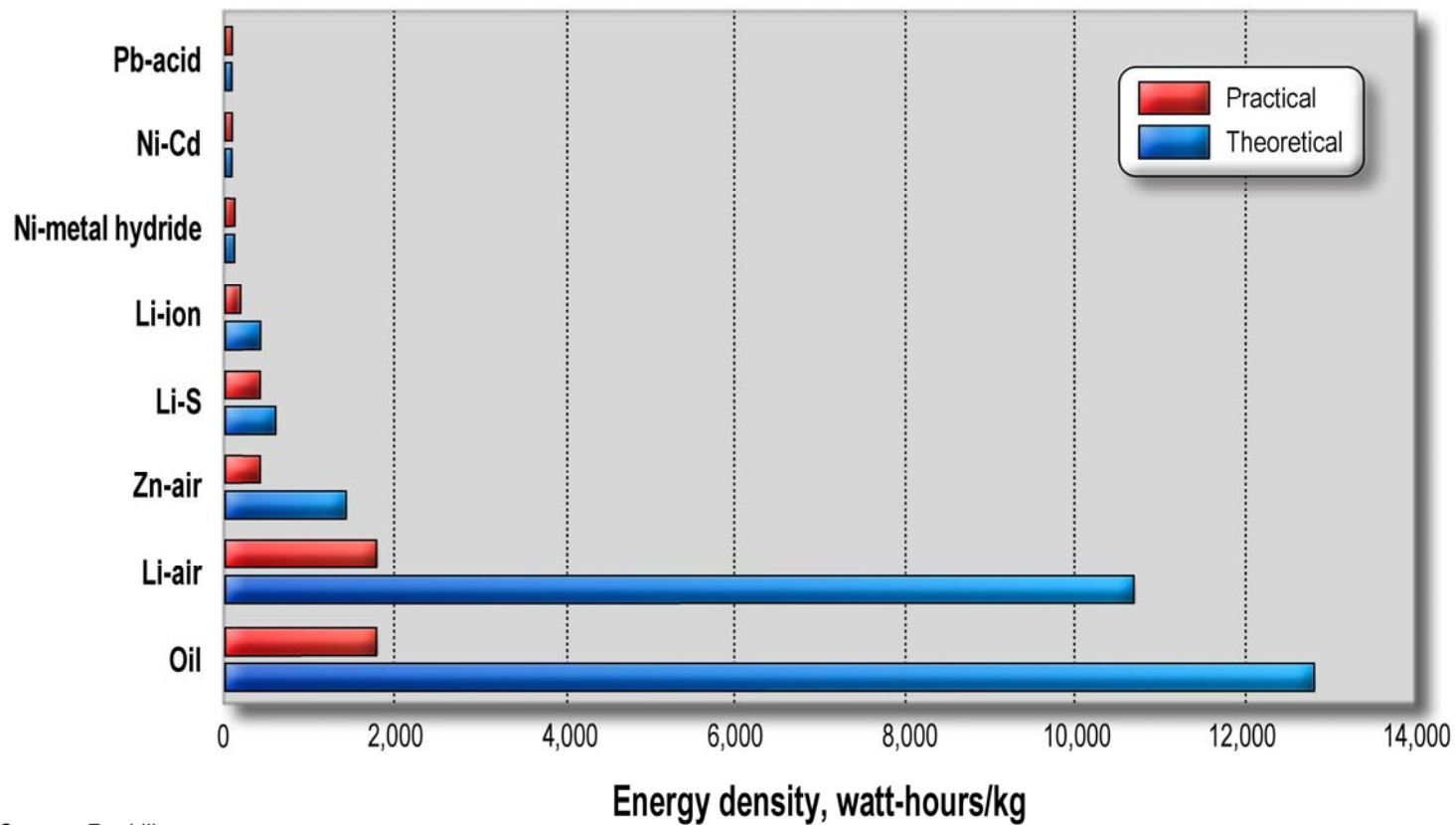


Source: SignumBOX, Global Trade Information Services and Neometals Management

LT Demand Fundamentals



Lithium is the only real alternative to oil



Source: Roskill

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Li

Mt Marion Lithium Project

13.8% Neometals Ltd
43.1% Ganfeng Lithium
43.1% and Operator
Mineral Resources Ltd
(ASX:MIN)



Neometals



Strong Operating Partner

Li



- ✓ Australia's largest contract minerals processor
- ✓ Operate mine-to-port on BOO basis
- ✓ No upfront capital cost to NMT
- ✓ Certainty of construction and production timing
- ✓ Minimum production levels
- ✓ Fixed rate mining and processing costs

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Li + Ti = Nm

Strong Offtake Partner



- ✓ China's leading, most profitable lithium producer
- ✓ Life-of-Mine, Take-or-pay Offtake Agreement
- ✓ At Market Price with floor price protection
- ✓ US\$20M Letter of Credit (100% payment on shipping)
- ✓ Ability for MIN/Neometals to take equity share of production after 3 years.

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First Blast – Deposit 1

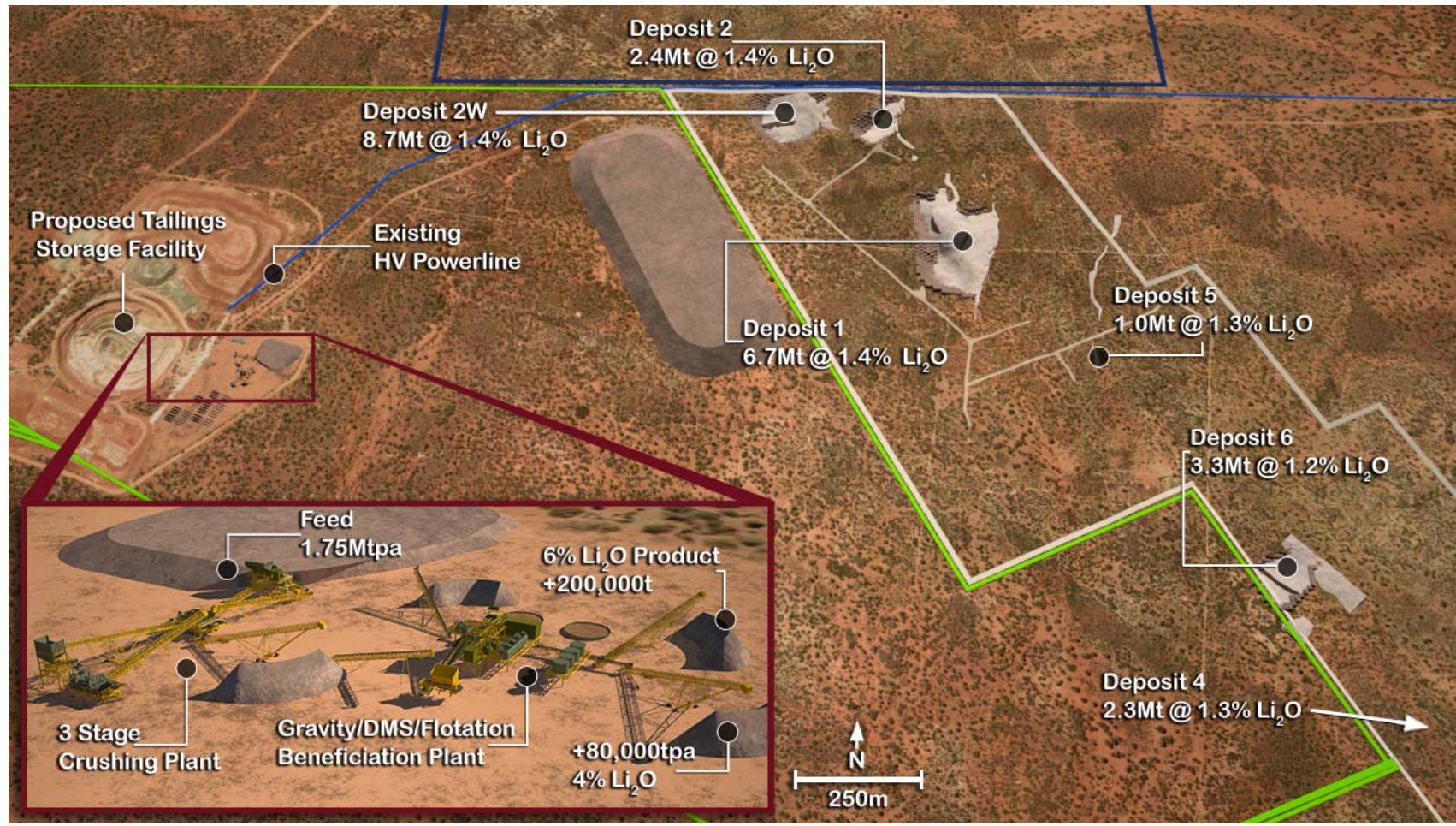
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Site layout



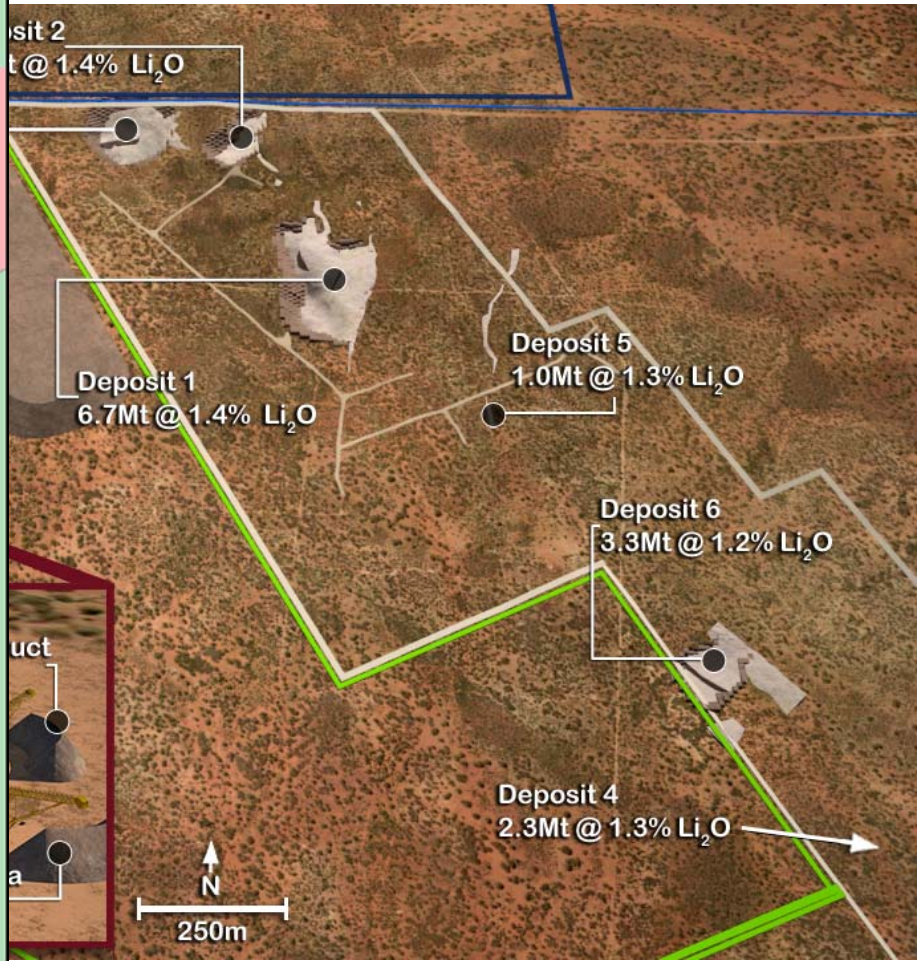
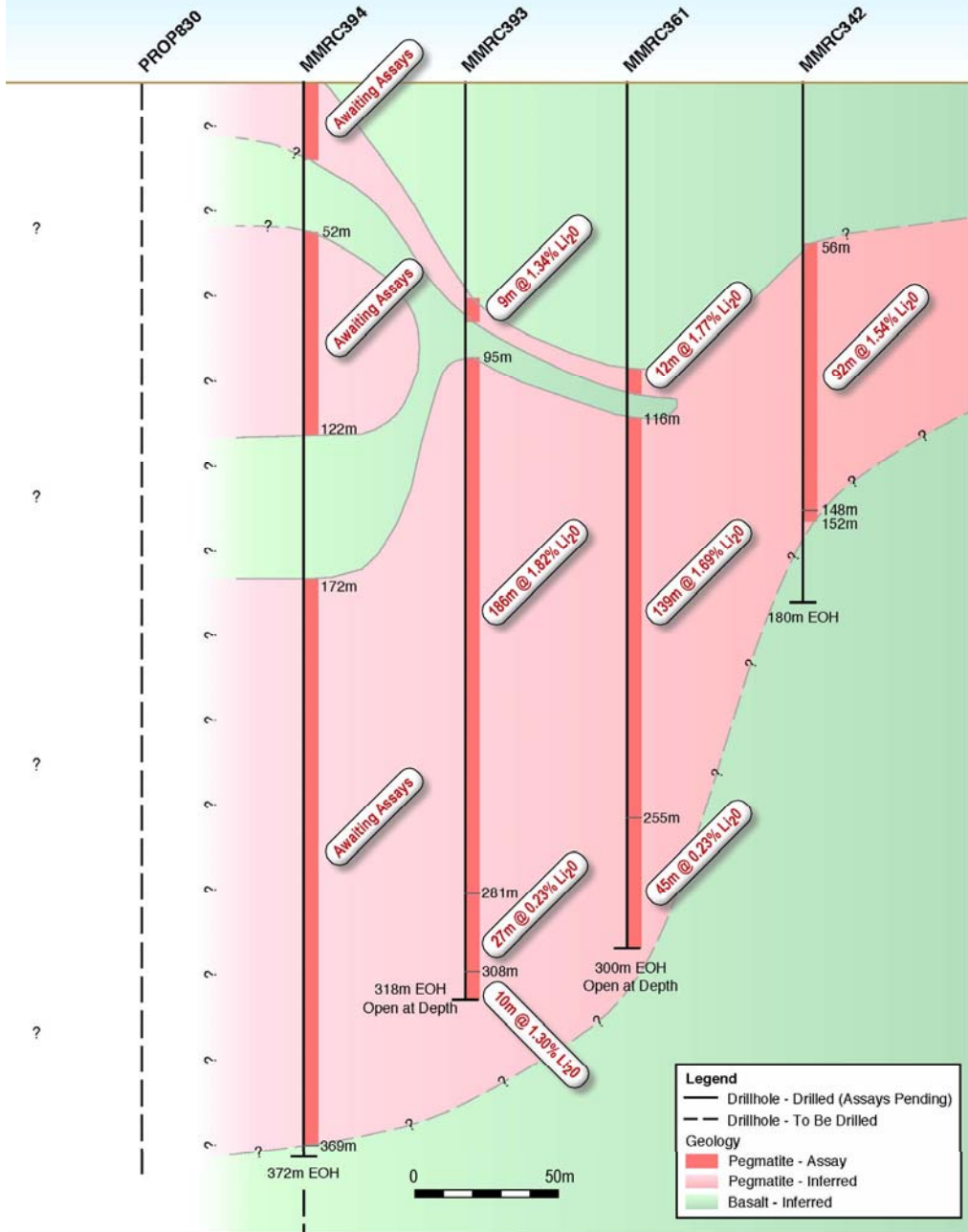
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Mount Marion Lithium Project
 Exploration Drilling 2016 - Area 2W
 Oblique Section Looking NW
 6561195N - 6561345N



Cross Section 2W



Li + Ti = Nm

Flythrough

Li

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Site photos - Crushing & Screening



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Beneficiation Plant

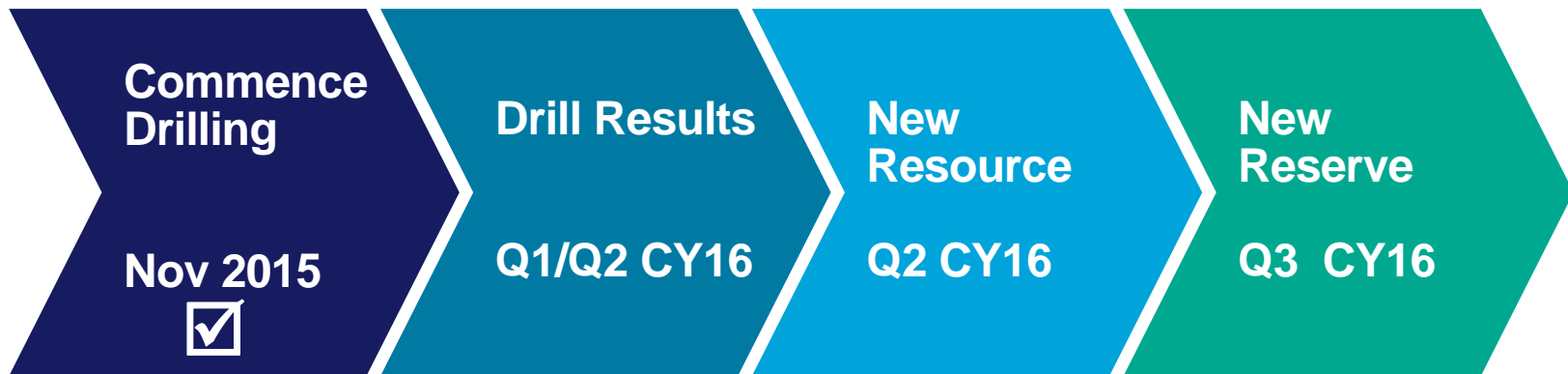
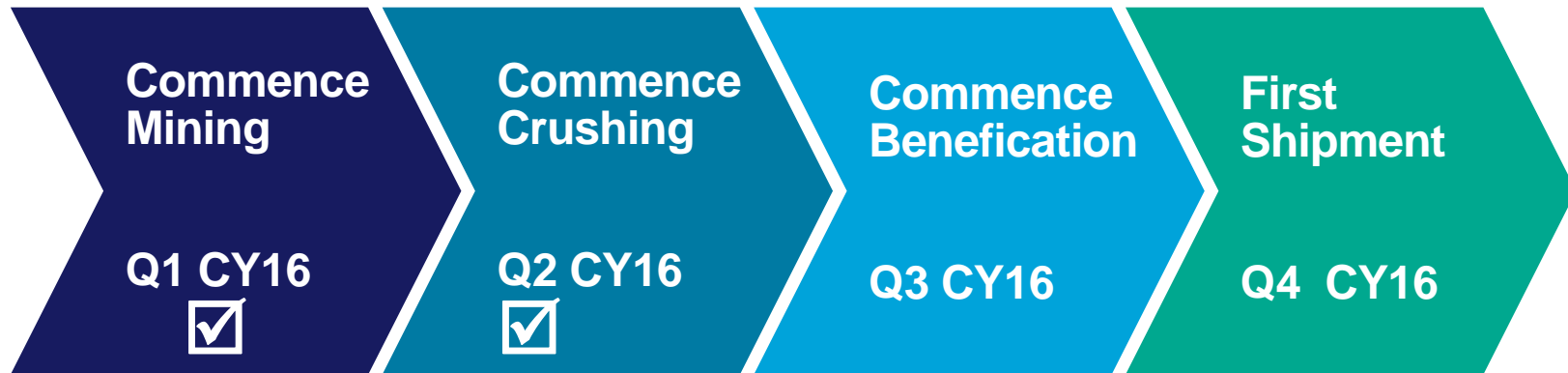
Li



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Near-term milestones



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Downstream processing

Lithium Hydroxide (LiOH)

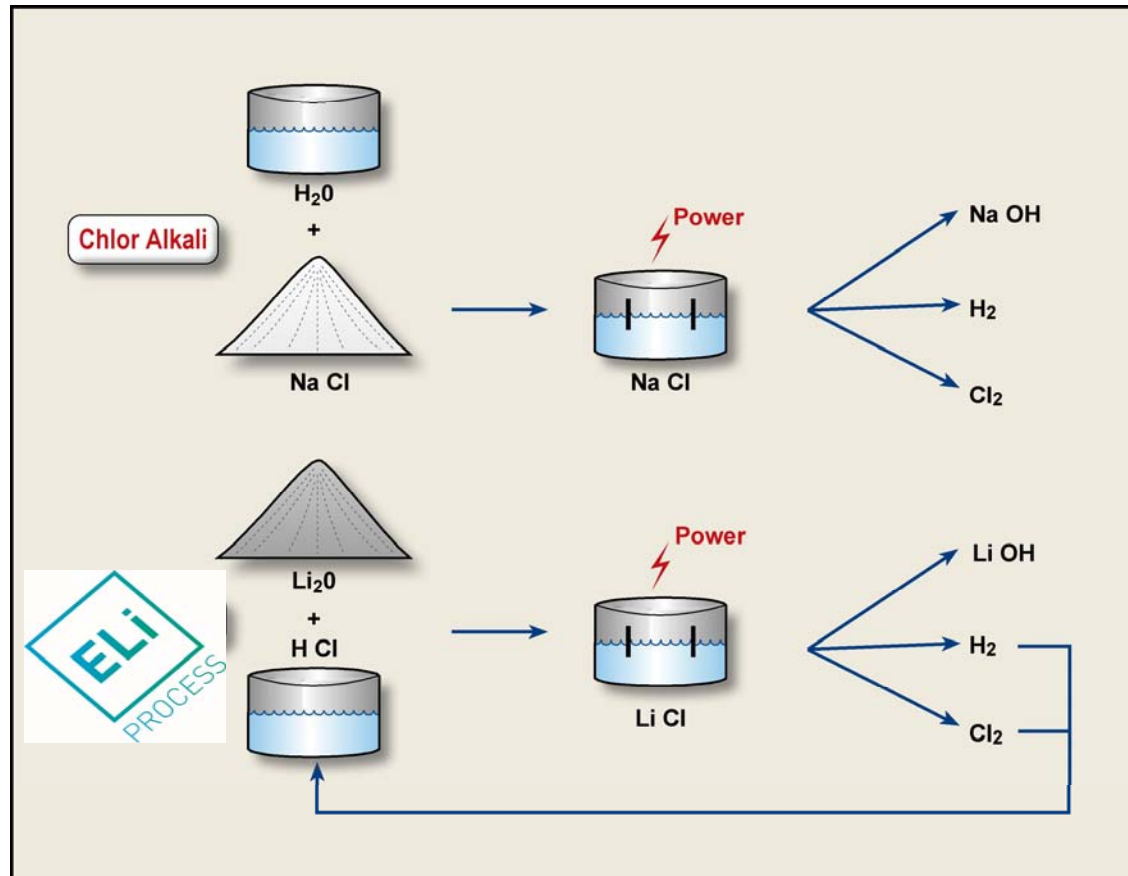
70% Neometals Ltd

30% Mineral Resources Ltd

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Own low-cost Patented Technology



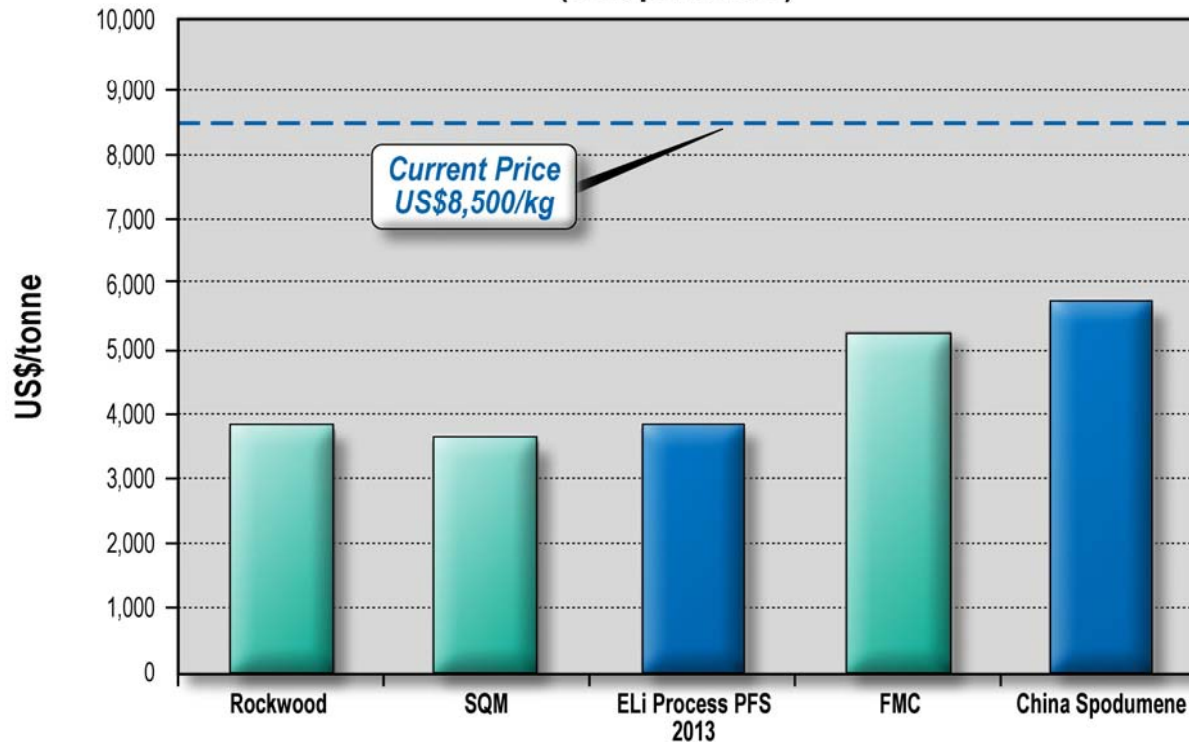
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Own low-cost Patented Technology



Lithium Industry Competitive Cost Position
2015 Cash Costs for Lithium Hydroxide
(US\$ per tonne)



Source: Global Lithium LLC (costs), Industrial Minerals (price), Neometals Management (ELi cost)

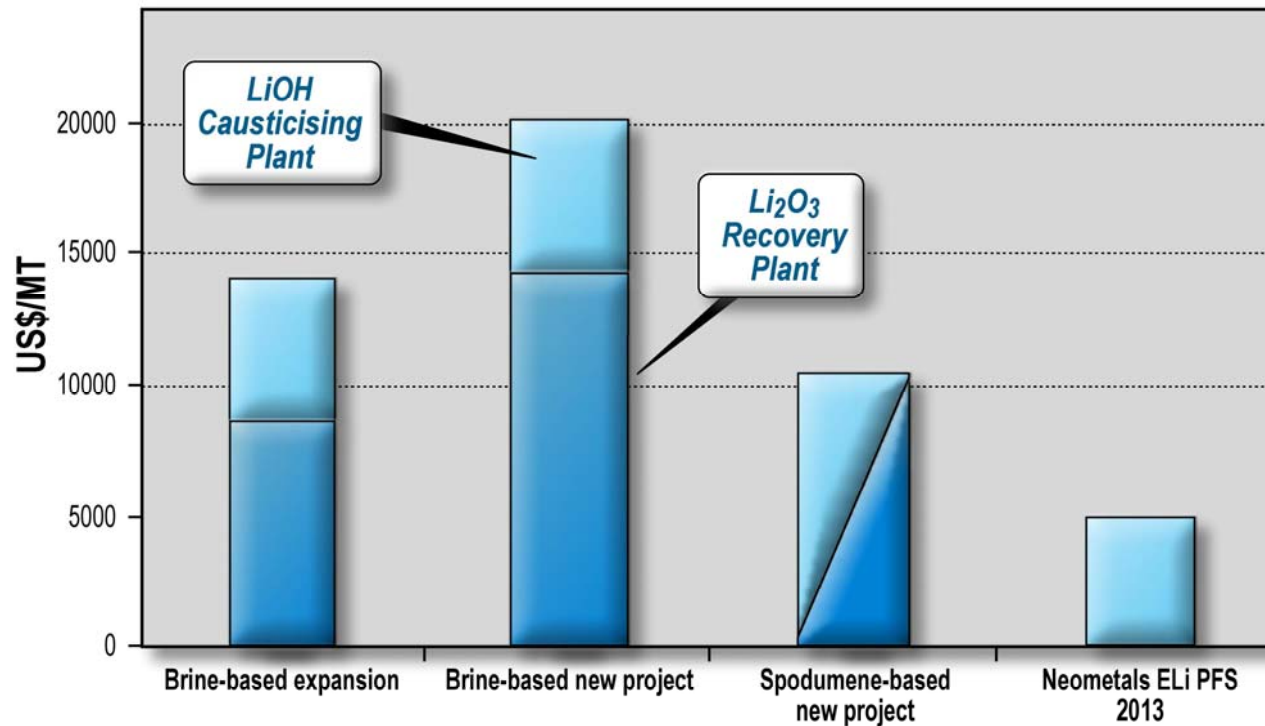
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Own low-cost Patented Technology



Capital Efficiency (US\$/production tonne LCE per annum)



Sources: FMC Corporate Presentation 2011, Neometals Management Analysis

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Pre-feasibility Study - Financial Metrics (*)

Life of Plant (LOP)	20 years
Pre-production Capital cost *	US\$ 83 million
Average Annual Pre-tax Net Cashflow	US\$ 63 million
Pre-tax Internal Rate of Return	94%
Pre-tax NPV (12% real discount rate)	US\$ 321 million
Payback of capital costs	2 years
Average Annual Production	10,000t LiOH 8,810t Li ₂ CO ₃
Average Cost per tonne of LiOH	US\$ 3,878/t
Average Cost per tonne of Li ₂ CO ₃	US\$ 4,538/t

(*) Capital costs valid at September 2012. Estimated to accuracy of $\pm 35\%$

Assumptions: Spodumene feedstock US\$350/t CIF (6% Li₂O); LiOH/Li₂CO₃ selling price US\$6,900/t CIF, MYR = US\$0.32

Commercialisation Plan



(*) Subject to RAM Board Approval

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Ti

Barrambie Titanium Project

100% Neometals



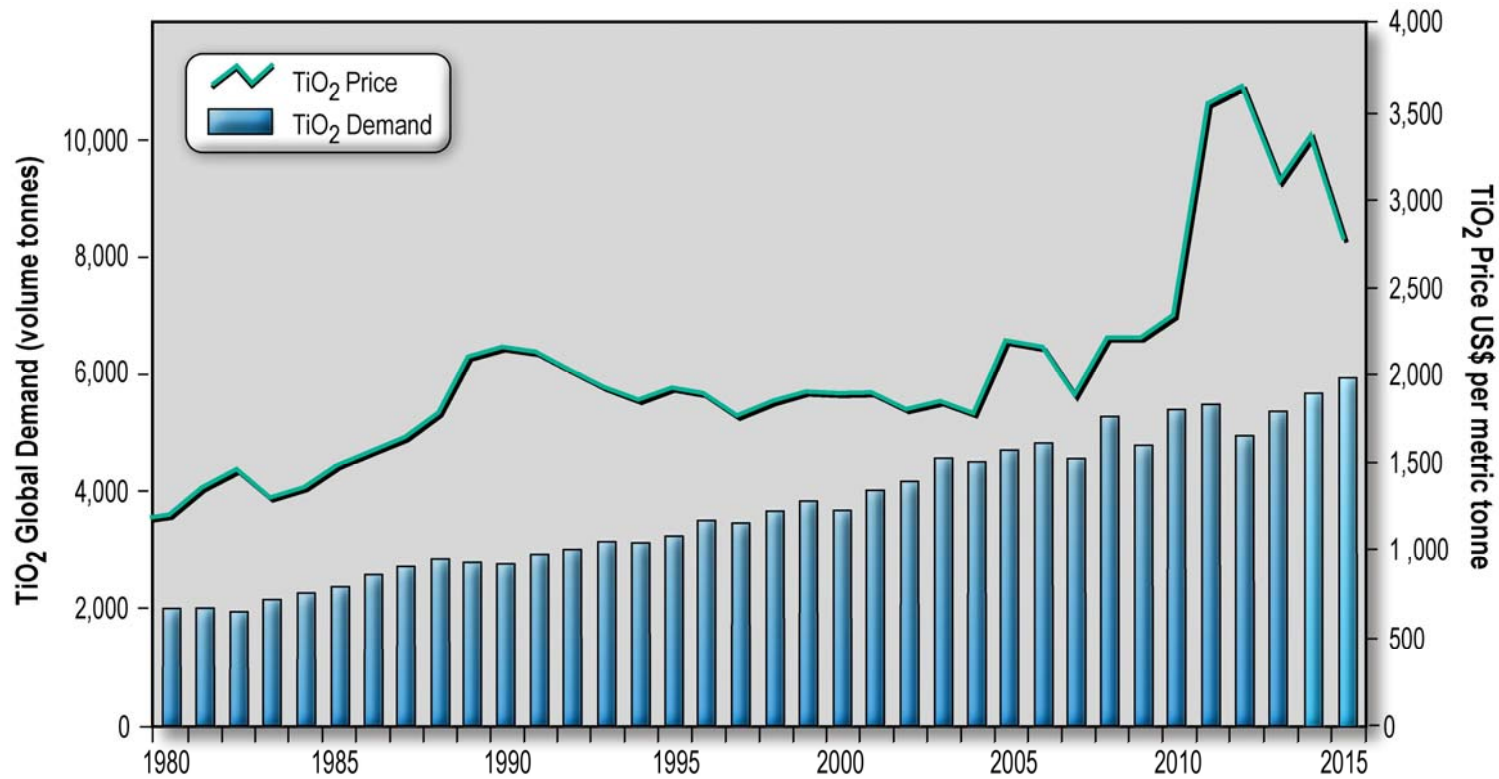
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Titanium Fundamentals



TiO₂ Demand vs Price



Source: US Geological Survey, Industrial Minerals and Huntsman

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High Quality Resource



1

+150Mt
@34% TiO₂
Lac Tio
RioTinto

2

47Mt @
22% TiO₂
Barrambie*

Neometals

3

18%
Tellnes
KRONOS®

* Mineral Resource Estimate
(JORC2012) on page 29

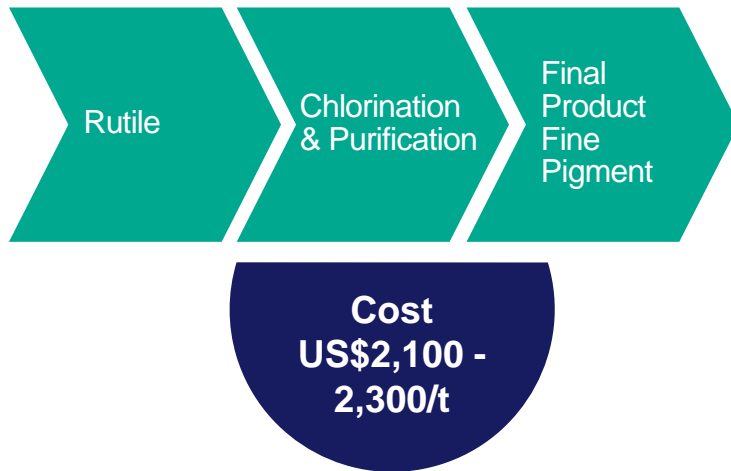
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Licensed low-cost Technology



Competitors



Nm Neometals



- ✓ Mini-pilot scale testing in Canada – 2014/15
- ✓ High purity +99% TiO₂
- ✓ PFS Completed by Sedgman – August 2015

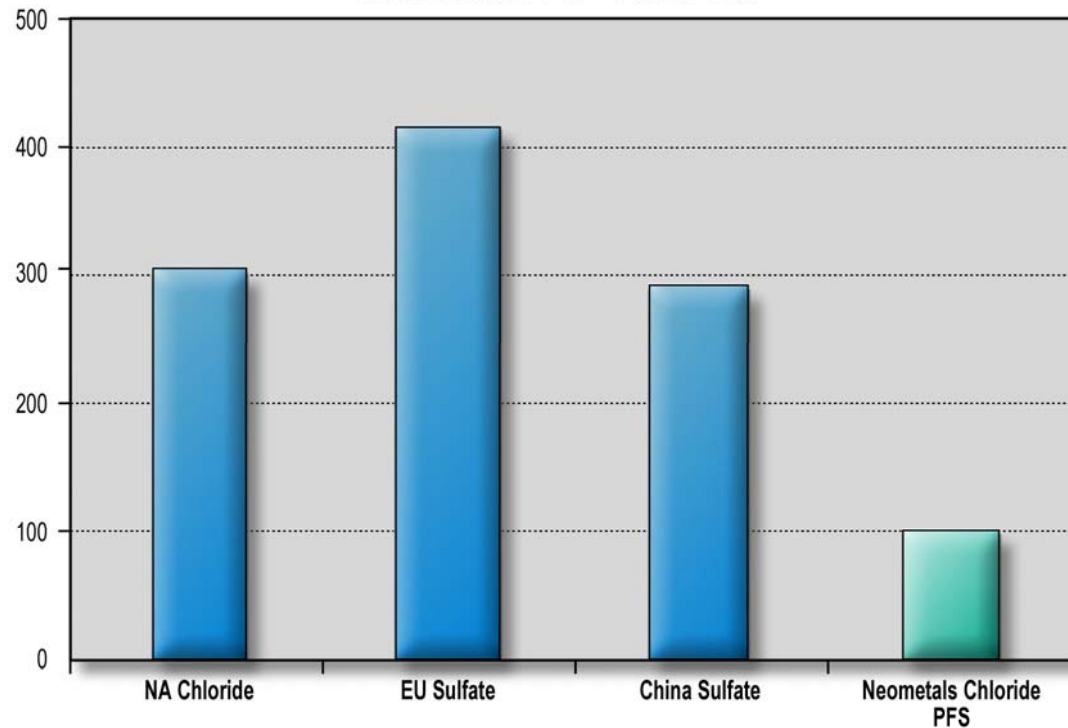
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Licensed low-cost Technology



Relative Standard-Plant Cash Operating Costs
(US\$ per tonne TiO₂ delivered basis)
Neometals PFS = Base 100



*Disclaimer: The TZMI costs (NA, EU, China) are for standard plant models in each location. They are not specific costs, neither are they averages of the costs for a location. Q4 2014
TZMI information and Neometals scoping and pre-feasibility studies performed separately and may not be like-for-like analysis*

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Pre-feasibility Study - Financial Metrics (*)

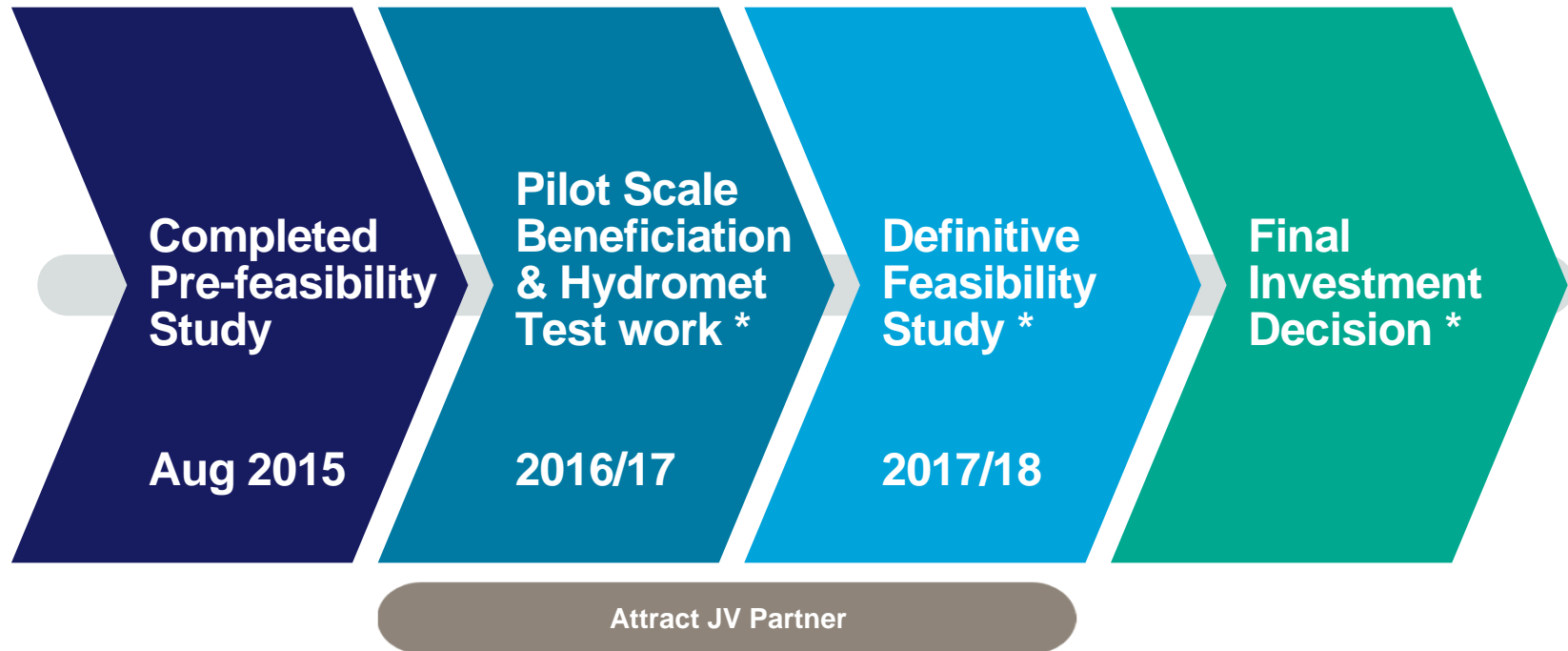
Life of Mine (LOM)	19.6 years
Pre-production Capital cost (excluding EPCM and Contingency)	A\$ 549 million
Average Annual Pre-tax Net Cashflow	A\$ 123 million
Pre-tax Internal Rate of Return	21%
Pre-tax NPV (12% real discount rate)	A\$ 355 million
Payback of capital costs	3.9 years
Average Annual Production	98,000t TiO ₂ 2,000t V ₂ O ₅ 234,000t Fe ₂ O ₃
Cash Operating Cost per tonne of paid TiO₂ net of co-product credit	US\$ 572/t

(*) Estimated to accuracy of $\pm 25\%$

Assumptions: US\$1,838/t TiO₂; US\$14,873/t V₂O₅, US\$520/t Fe₂O₃ Pigment, A\$/US\$0.75, Royalties (State/Technology) 10% Gross

Commercialisation Plan

Ti



(*) Subject to Board Approval

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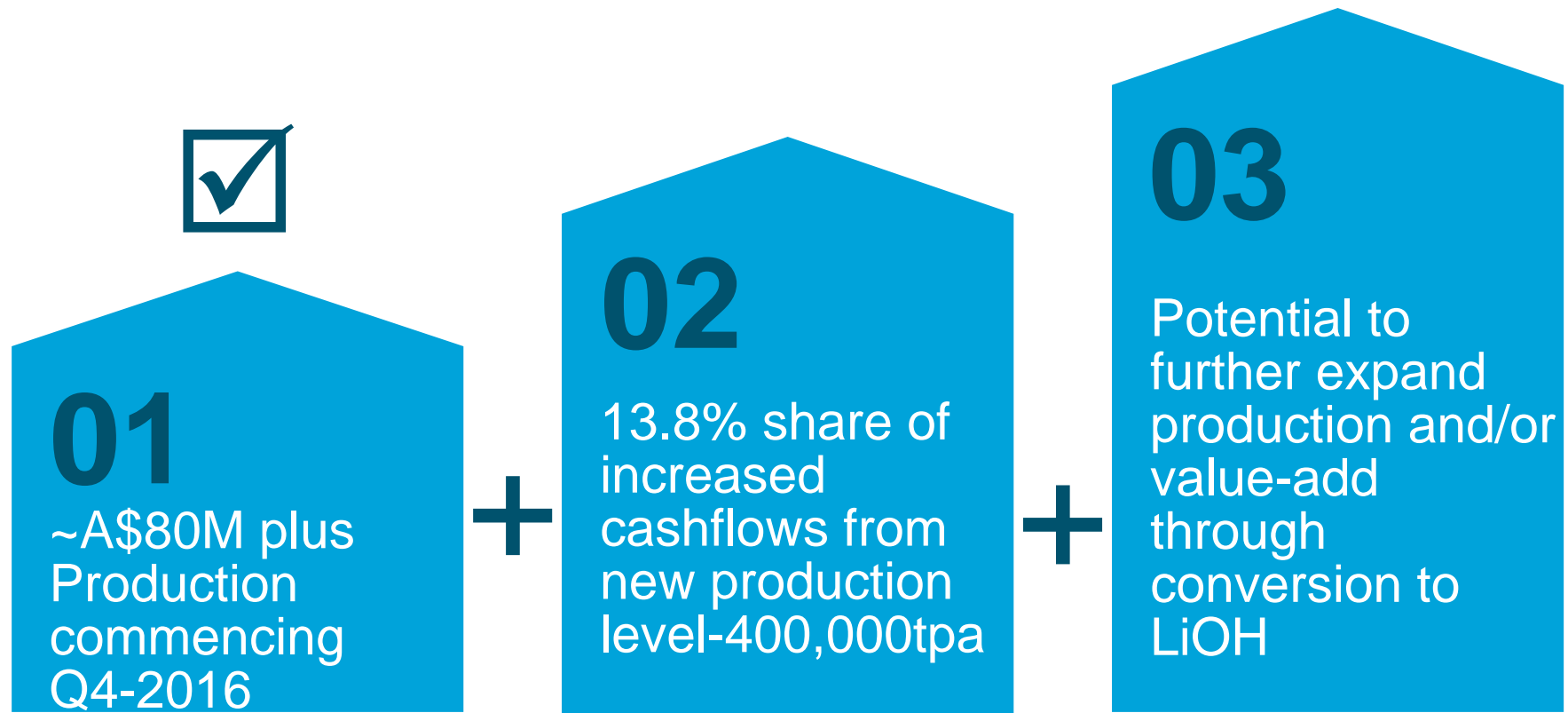


Investment Proposition

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Lithium : Cash and cashflow



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Titanium : A growth story for 2017



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Thank you

www.neometals.com.au

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Mineral Resource Estimate

for the Mt Marion Lithium deposit, as at September 2015, for a block cut-off grade of 0% Li₂O

Classification	Deposit	Tonnes (Mt)	Li ₂ O %	Fe ₂ O ₃ %
Indicated	Area 1	4.43	1.46	1.32
	Area 2	1.30	1.47	1.60
	Area 2W	3.39	1.48	1.24
	Area 4	0.94	1.25	1.36
	Indicated Total		10.05	1.45
Inferred	Area 1	2.16	1.34	1.59
	Area 2	1.01	1.44	1.72
	Area 2W	4.52	1.40	1.13
	Area 4	1.33	1.34	1.33
	Area 5	0.96	1.33	2.44
	Area 6	3.21	1.24	1.69
	Inferred Total		13.19	1.34
	Grand Total	23.24	1.39	1.43

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Mineral Resource Estimate

for the Barrambie Ti-V deposit, as at September 2015, for a block cut-off grade of 15% TiO₂

Classification	Zone	Oxidation	MTonnes	Density (t/m ³)	TiO ₂ (%)	V ₂ O ₅ (%)	Fe ₂ O ₃ (%)	Al ₂ O ₃ (%)	SiO ₂ (%)
Indicated	Eastern	Oxide	18.7	2.82	23.29	0.59	42.93	10.70	16.36
		Transition	8.7	3.52	23.11	0.61	50.80	7.34	12.99
		Fresh	2.4	3.85	21.77	0.56	52.90	5.99	12.84
		Sub-total	29.8	3.10	23.11	0.60	46.02	9.35	15.10
	Central	Oxide	3.5	2.95	16.84	0.92	49.82	11.06	14.91
		Transition	1.3	3.50	17.39	0.89	54.76	8.49	12.15
		Fresh	0.1	4.04	15.59	0.88	59.93	7.22	10.96
		Sub-total	4.9	3.12	16.95	0.91	51.40	10.28	14.08
		Total	34.7	3.11	22.25	0.64	46.77	9.48	14.95
Inferred	Eastern	Oxide	2.6	2.71	20.88	0.48	40.00	12.20	19.42
		Transition	3.3	3.29	23.04	0.59	47.51	8.62	14.45
		Fresh	5.5	3.71	22.82	0.57	47.50	8.39	14.57
		Sub-total	11.4	3.36	22.44	0.55	45.78	9.33	15.65
	Central	Oxide	0.1	3.07	16.64	0.98	53.63	9.96	13.33
		Transition	0.4	3.47	18.36	0.86	54.15	8.79	12.43
		Fresh	0.7	3.86	17.30	0.91	53.48	9.44	13.17
		Sub-total	1.2	3.64	17.55	0.90	53.71	9.30	12.96
		Total	12.5	3.38	21.99	0.58	46.51	9.32	15.40
Grand Total			47.2	3.18	22.18	0.63	46.70	9.44	15.07

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