



Neometals

Annual General Meeting
Presentation

ASX Code: NMT

November 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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Investment risk: An investment in securities in Neometals is subject to investment and other known and unknown risks, some of which are beyond the control of Neometals. The Company does not guarantee any particular rate of return or the performance of Neometals. Investors should have regard to the risk factors outlined in this document.

Competent Persons Statement:

The information in this document that relates to, “Barrambie Mineral Resource Estimates”, “Barrambie Pre Feasibility Study Results”, “Mt Marion Mineral Resource Estimates” and “ELi Lithium Downstream Feasibility 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.

6/12/2013	Barrambie - Amended JORC 2012 Mineral Resource Estimate
25/08/2015	Barrambie Pre Feasibility Study Results
11/7/2016	Positive Lithium Downstream Processing Results
27/10/2016	Mt Marion Mineral Resource Upgrade

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 ELi Lithium Downstream Feasibility Study continue to apply and have not materially changed.

All the right elements



Current Strategy

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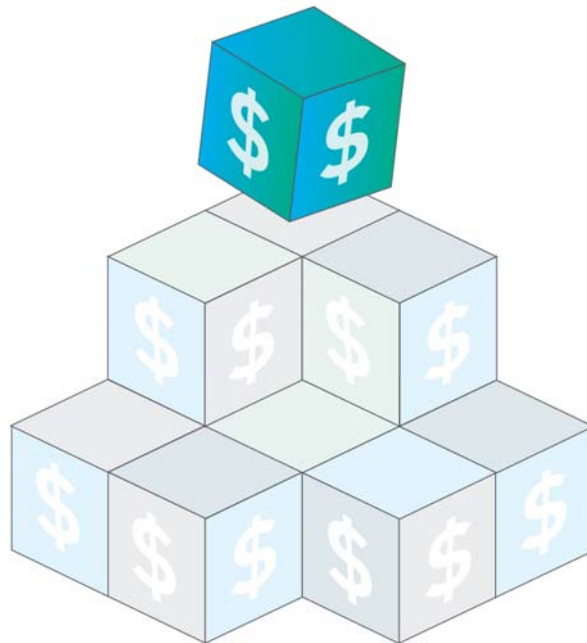
Grow market cap from maximising returns from existing operations, increasing margins via higher value (downstream) products and developing growth options.

Mine, process, sell globally relevant minerals with strong market fundamentals

Commercialise proprietary processing Technologies

Build strong Human and Financial Capability

Leverage Project Acquisition and Development Capacity



- Increased Mt Marion production plan 60% to 50kt LCE
- Advanced project to add value to offtake rights with LiOH MOU
- Secured rights to, and advanced the commercialisation of, Neomet Process with Sedgman
- Attracted senior mining executives Mike Tamlin to COO, Ms Streltsova and Mr Ritchie to board
- Cash and investments now ~ A\$78M, no debt

Long-term Strategy

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Combining innovative cost advantages and strong partners



to develop a portfolio of globally significant mineral resources



into lower-risk, long-life, high-margin operations to optimise stakeholder returns



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

Human & Financial Capital

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ASX CODE: NMT	OTC:RDRUY	
Last close (23-Nov-2016)	A\$	0.305
Shares on issue	m	563
Market capitalisation	A\$m	172
Net Cash (30-Sept-2016)	A\$m	65.7
Listed Investments	A\$m	13.6

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.

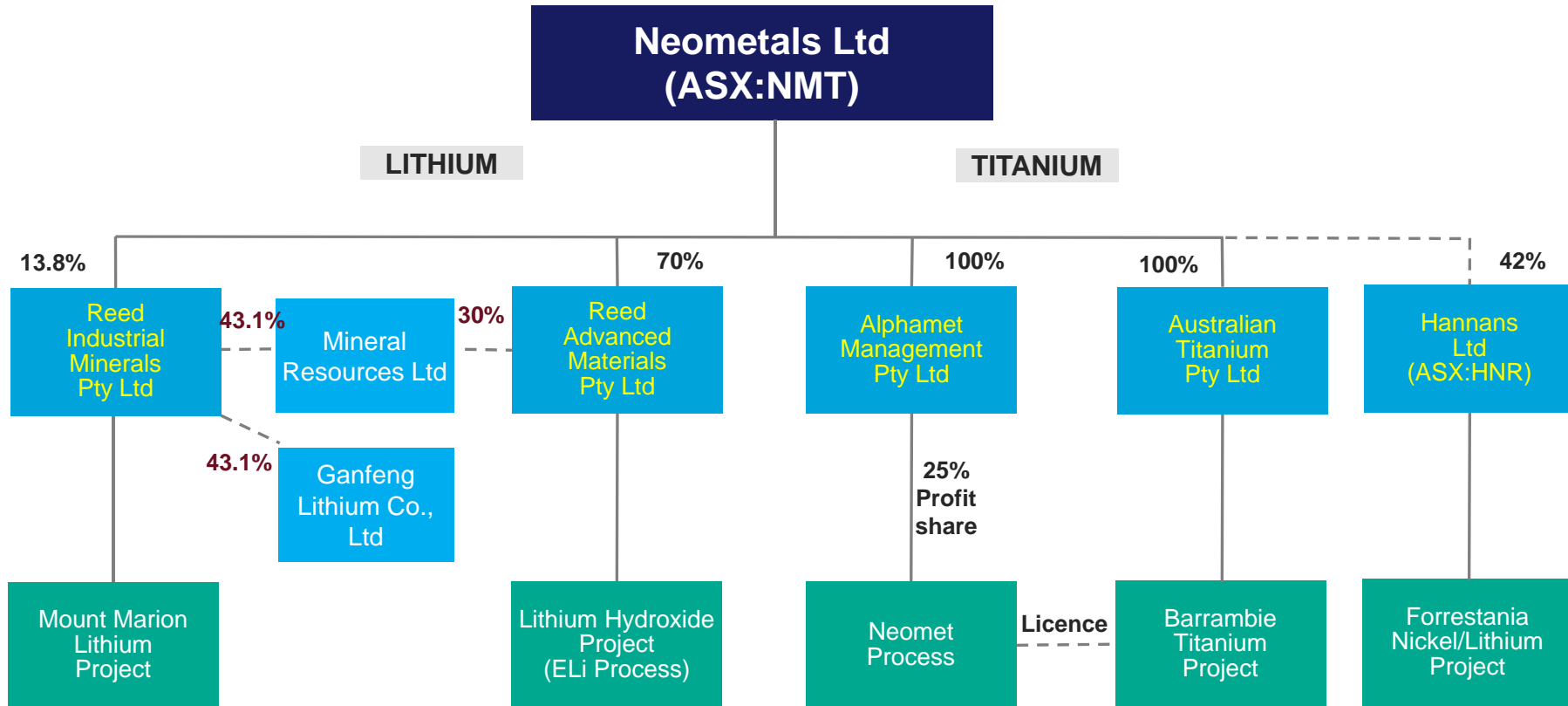
12 MONTH SHARE PRICE



MAJOR SHAREHOLDERS

David Reed	11.7%
Melaid Holding Inc	6.8%
Top 20 (25-Oct-2016)	38.9%

Operating structure



Li

Mt Marion Lithium Operation

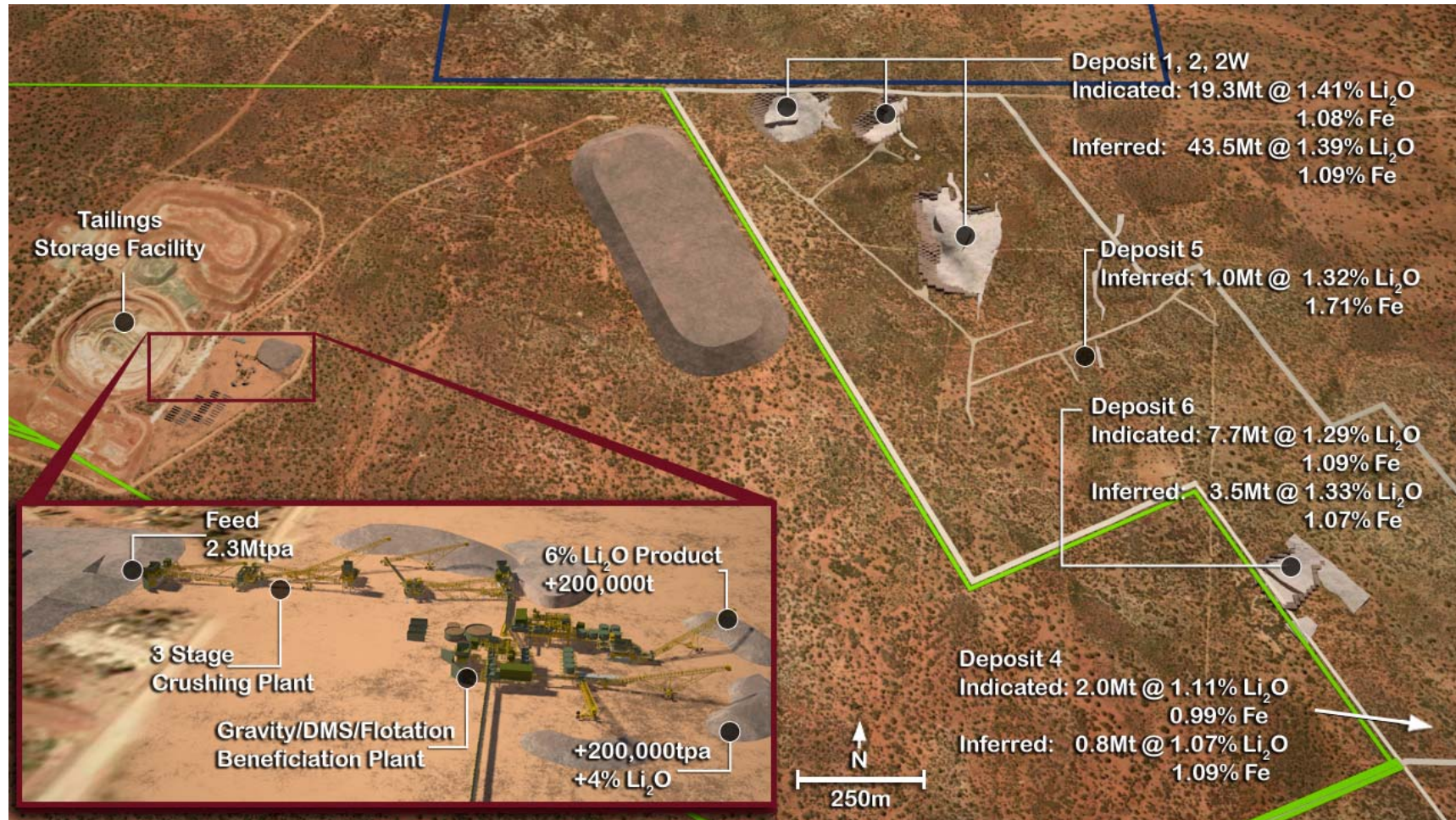
13.8% Neometals Ltd
43.1% Ganfeng Lithium
43.1% and Operator
Mineral Resources Ltd
(ASX:MIN)



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Globally Significant Resource & Production – 400,000t concentrates containing 50kt LCE



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$$\boxed{\text{Li}} + \boxed{\text{Ti}} = \boxed{\text{Nm}}$$

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 (~50ktpa LCE)
- ✓ Fixed rate mining and processing costs

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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.

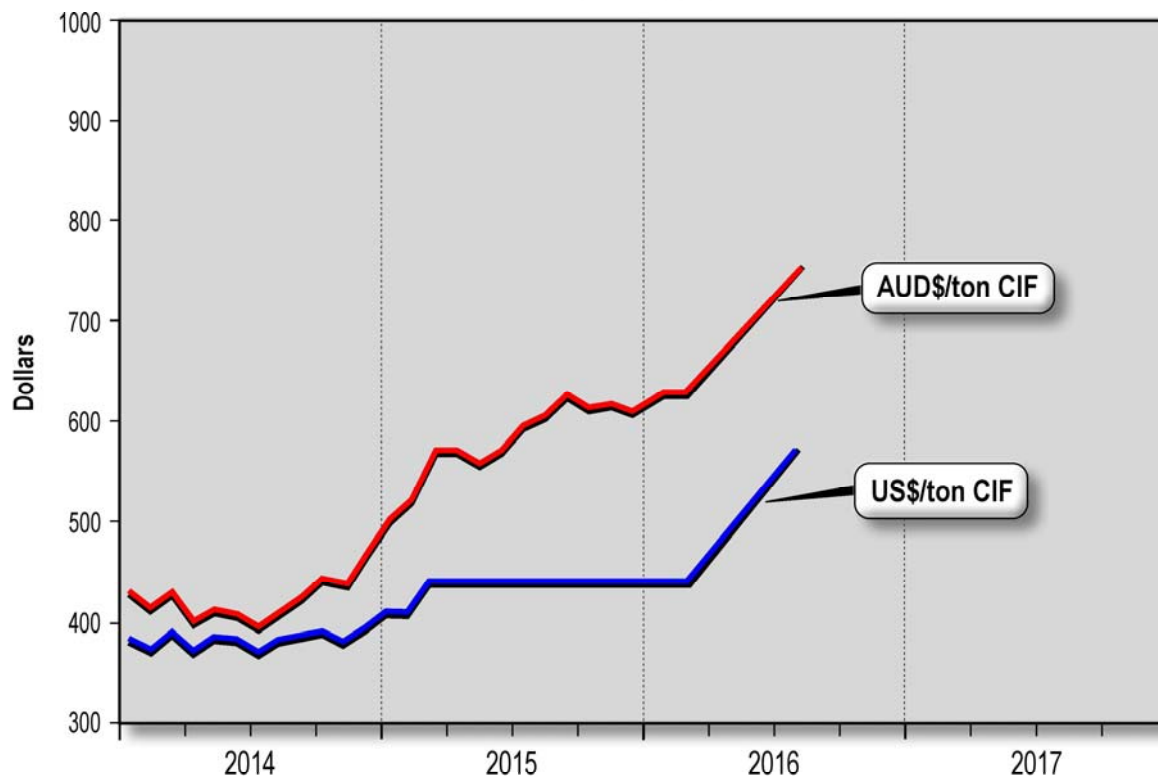
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Lithium Concentrate Prices



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



Source: SignumBOX, Global Trade Information Services and Neometals Management

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Flythrough

Li



Crushing - Fully Commissioned

Li



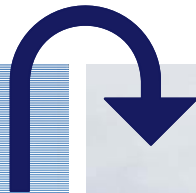
Beneficiation – Coarse Circuit complete

Li

- ✓ Site works commenced Nov'15
- ✓ World's largest hard rock concentrator built from scratch in <12 months despite +40 days lost to rain.



26 August



31 July

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Beneficiation – Commissioning in progress



Beneficiation – Commissioning in progress



Beneficiation – Stockpiling Finished Product



Project milestones



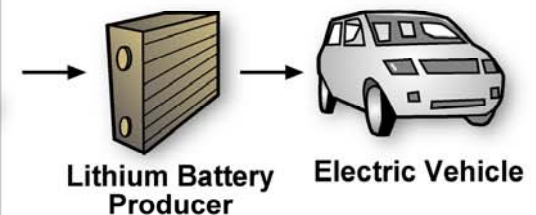
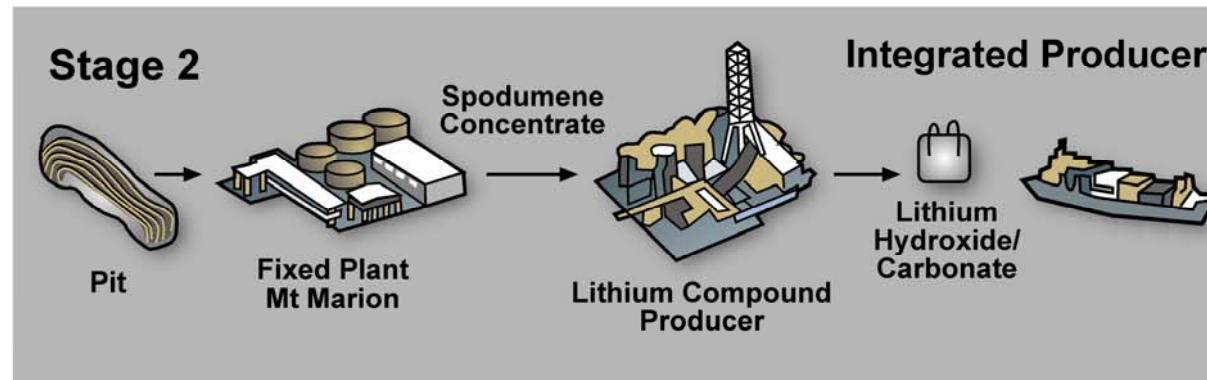
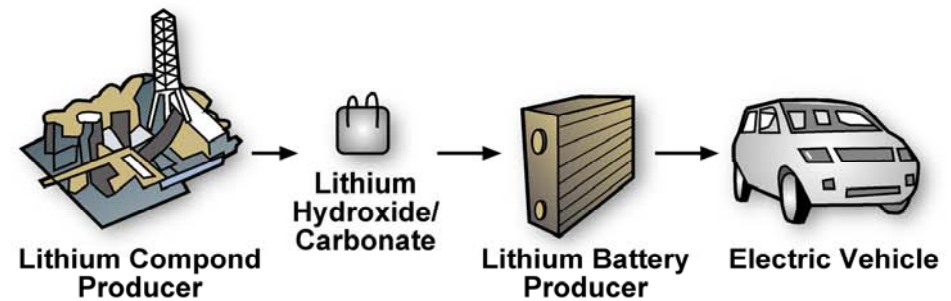
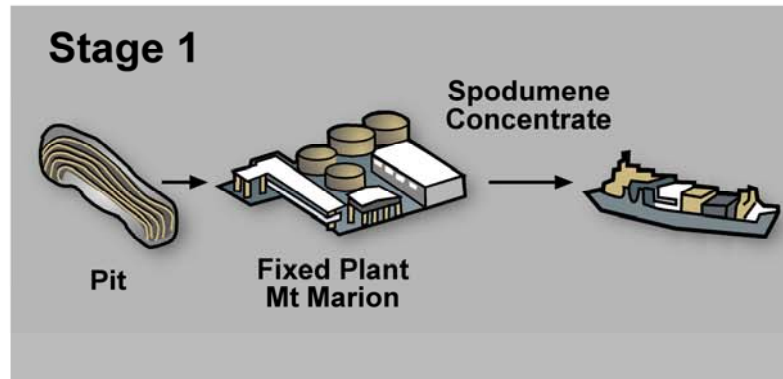
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$$\boxed{\text{Li}} + \boxed{\text{Ti}} = \boxed{\text{Nm}}$$

Downstream processing

Kalgoorlie Lithium Refinery Project

Strategy – increase margin through downstream processing



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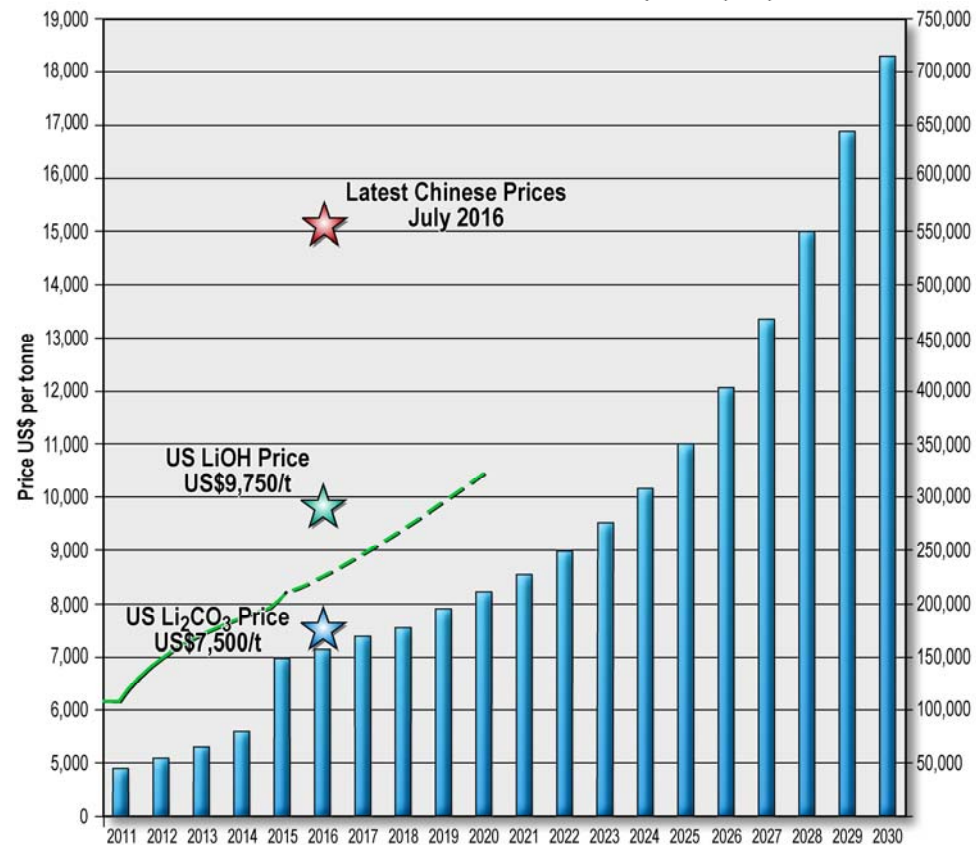


Strong demand – constrained supply



Lithium Chemicals in Cathode Materials for Rechargeable Batteries

Demand in metric tonnes of lithium carbonate equivalent (LCE)



LiOH: Lithium hydroxide, Li_2CO_3 : Lithium carbonate. Demand: Forecast Source: signumBOX Price: Industrial Minerals 21 July 2016

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New Commercialisation Plan



- Locate plant in Goldfields to minimise transport, 7t concentrates needed for 1t of Lithium Hydroxide
- Utilise local workforce, reagents and energy infrastructure
- Use Conventional Sulfate/Caustic Flowsheet used by leading Chinese Converters
- Remove technology risk – speed to market
- NMT/MIN to contribute offtake, nominally ~ 25:75 split





Downstream processing

ELi Process

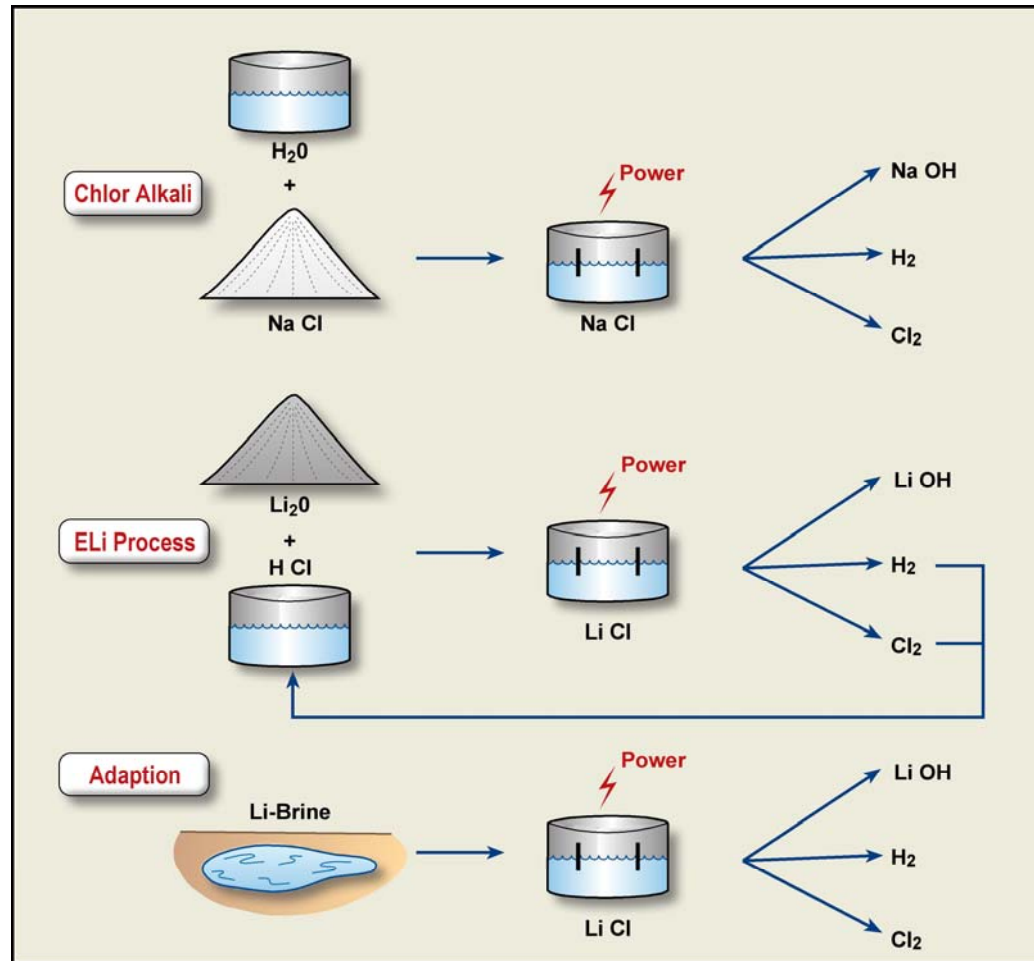
Neometals 70%

Mineral Resources 30%

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Adapted Patented Technology for production of LiOH from LiCl



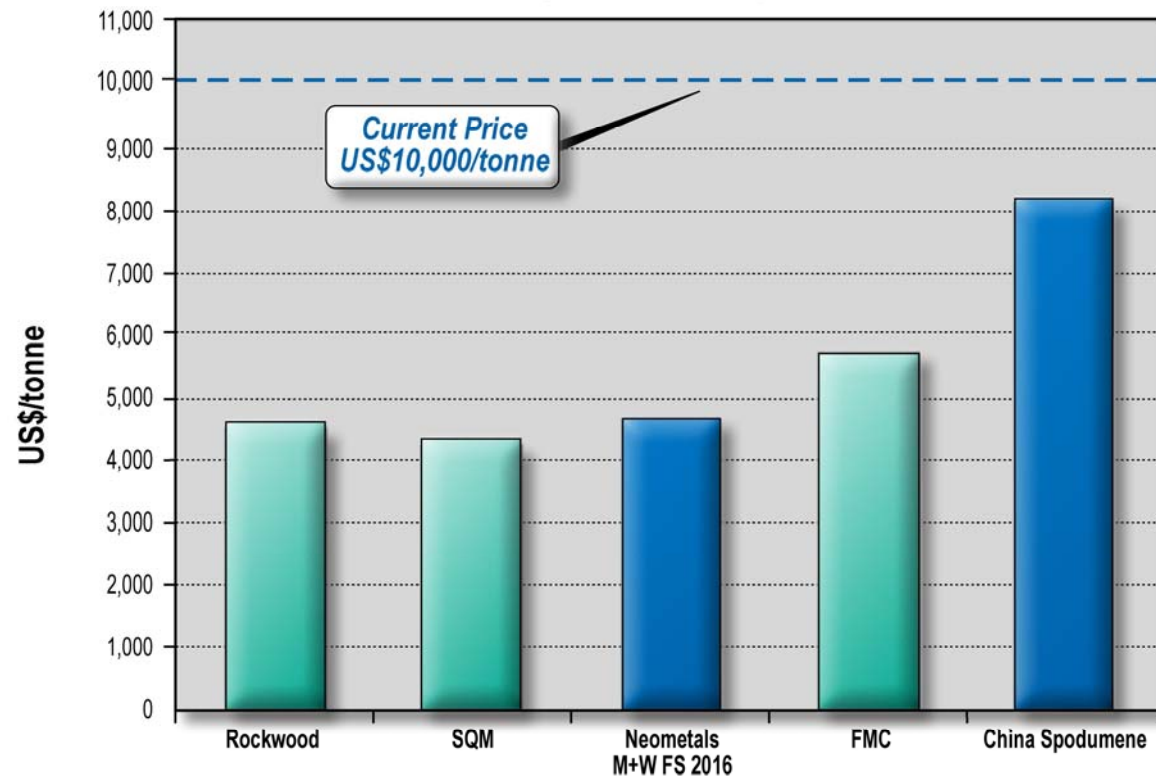
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ELi levels playing field for hard rock converters



Lithium Industry Competitive Cost Position
2016 Cash Costs for Lithium Hydroxide
(US\$ per tonne)



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

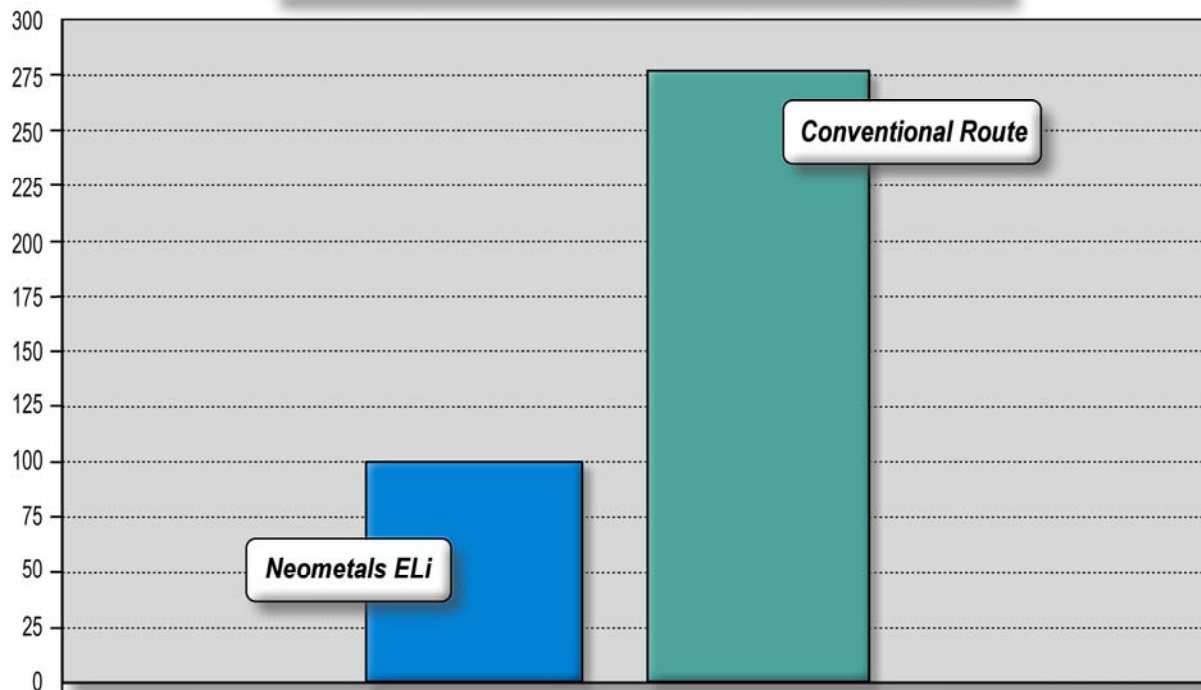
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ELi potentially slashes brine-based LiOH opex vs Li₂CO₃ causticising



Relative LiOH Conversion Costs from LiCl Brine
(US\$ per tonne LiOH.H₂O) - Argentina basis
ELi Process = Base 100



Business model is to licence to existing brine producers in return for royalty stream:

- De-risks ELi for own use later
- Quicker cashflow
- Higher P/E multiple

*Source: Global Engineering Group (2016) (Identity not for publication)

Ti

Barrambie Titanium Project

100% Neometals



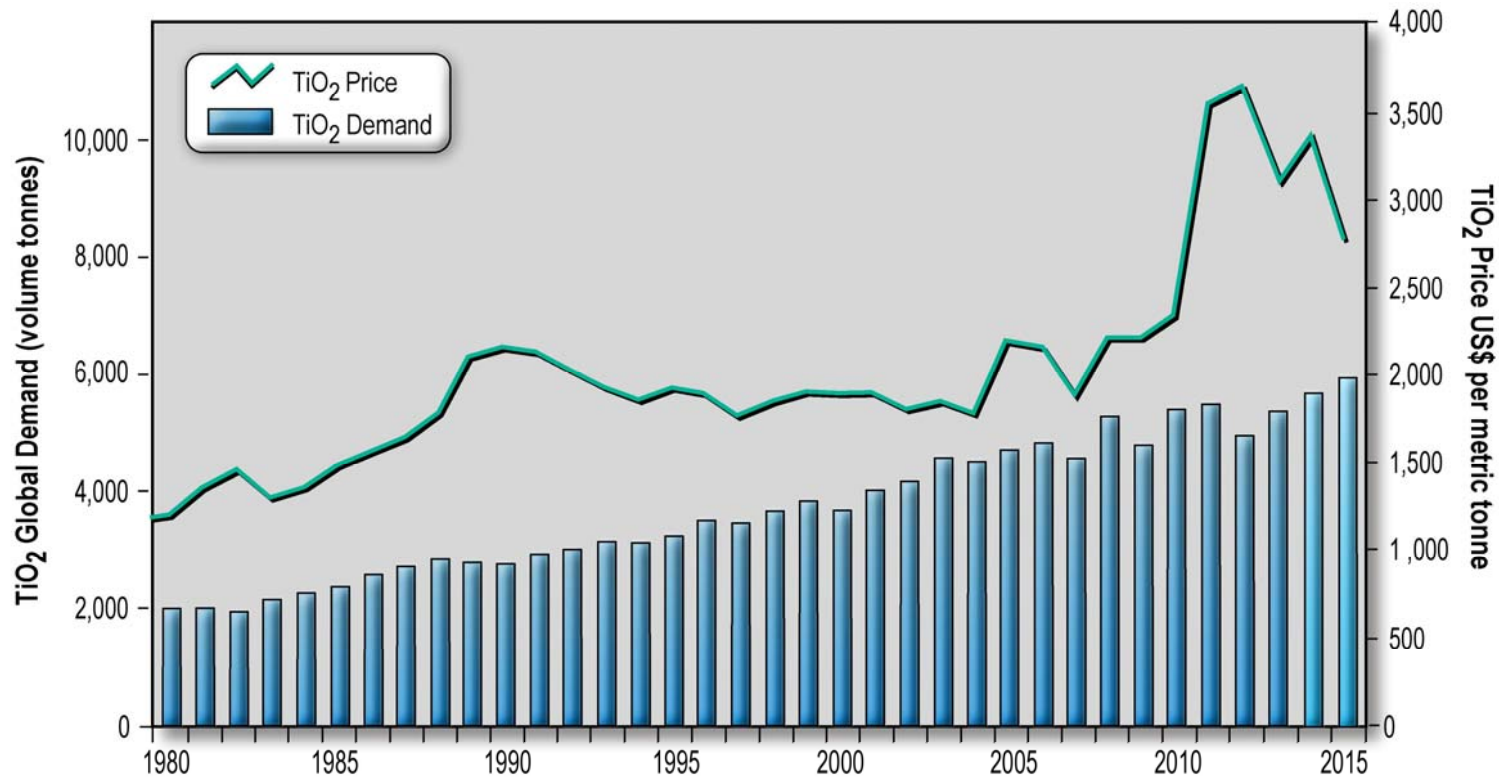
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Titanium Fundamentals



TiO₂ Demand vs Price



Source: US Geological Survey, Industrial Minerals and Huntsman

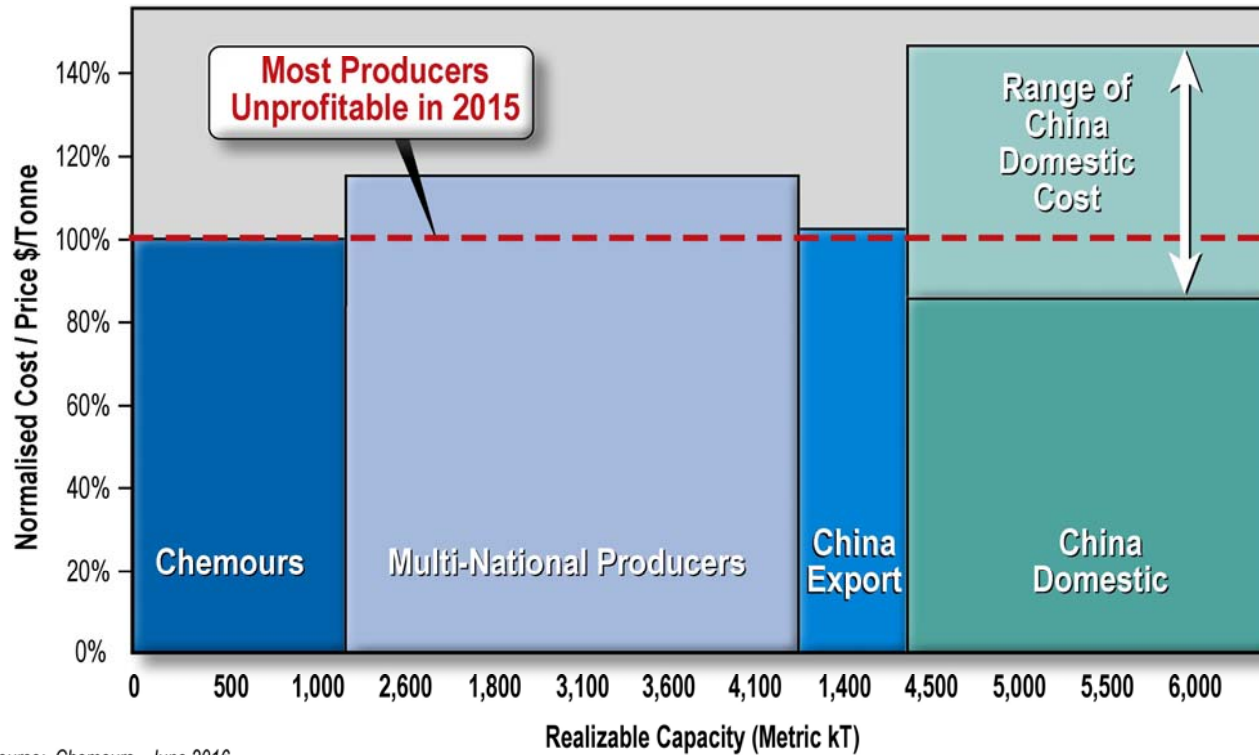
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Titanium Fundamentals



TiO₂ Producer Profitability (2015)



Source: Chemours - June 2016


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

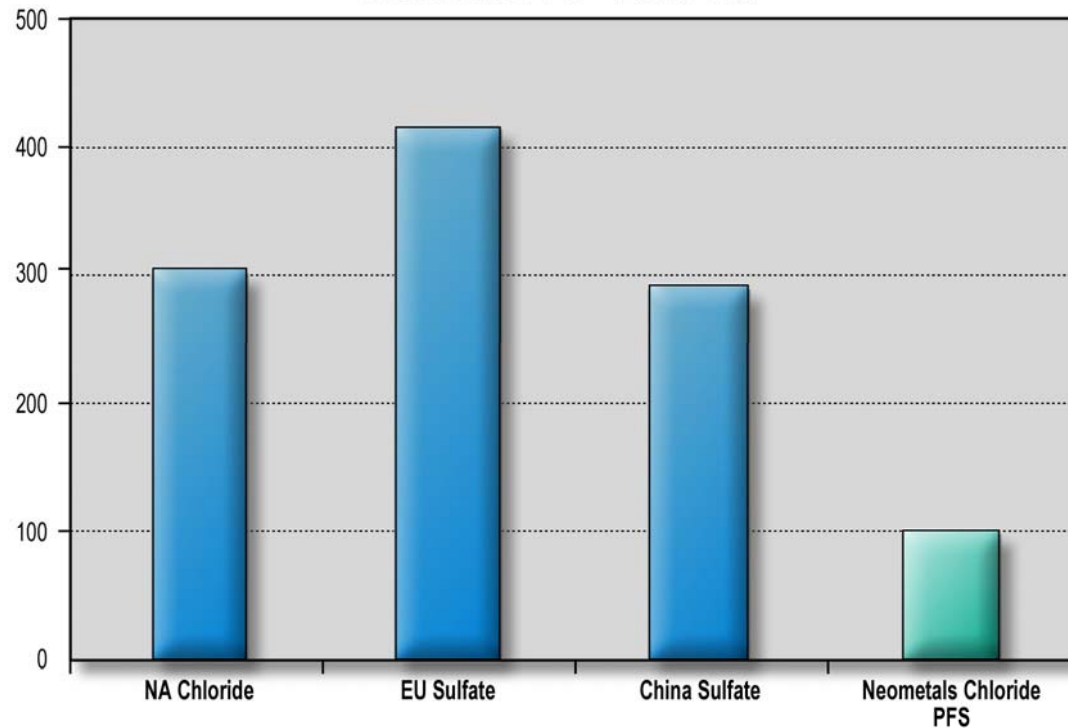
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Licensed low-cost Technology



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*

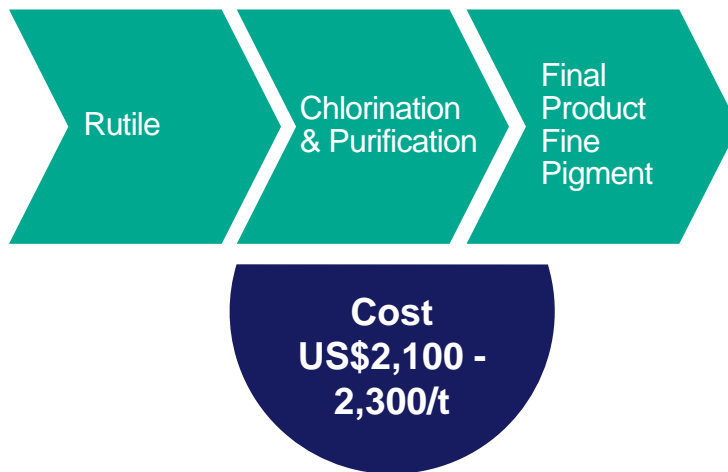
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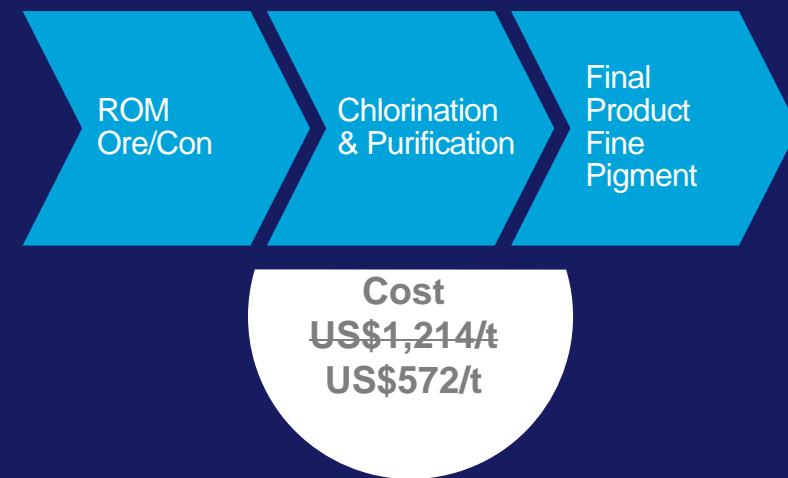
Utilising Neomet Process

Ti

Competitors



Neometals Nm



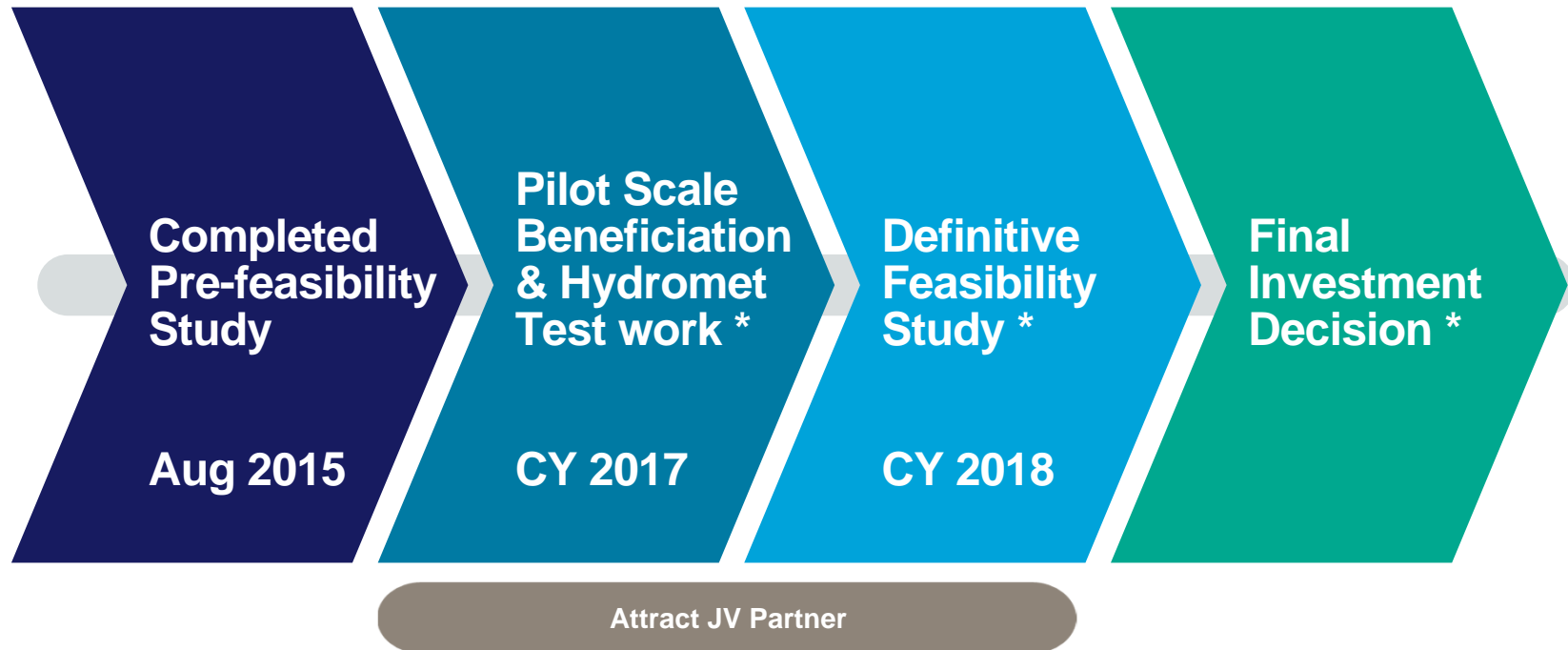
- ✓ Mini-pilot scale testing in Canada – 2014/15
- ✓ High purity +99% TiO₂
- ✓ PFS Completed by Sedgman – August 2015

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Commercialisation Plan

Ti



(*) Subject to Board Approval

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Technology Licensing

Neomet Process

Neometals - 25% of royalty revenues

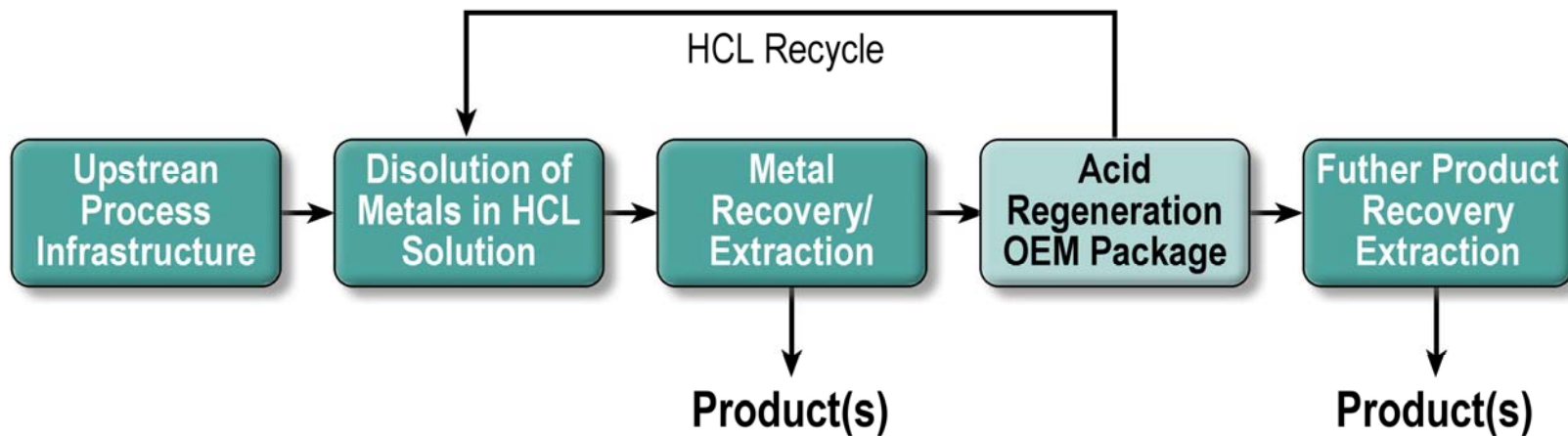
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Patented Neomet Process

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Commodity agnostic – developed in Canada for Ni-laterites, used commercially for treating refractory copper-gold concentrates, adapted for titanium concentrates.



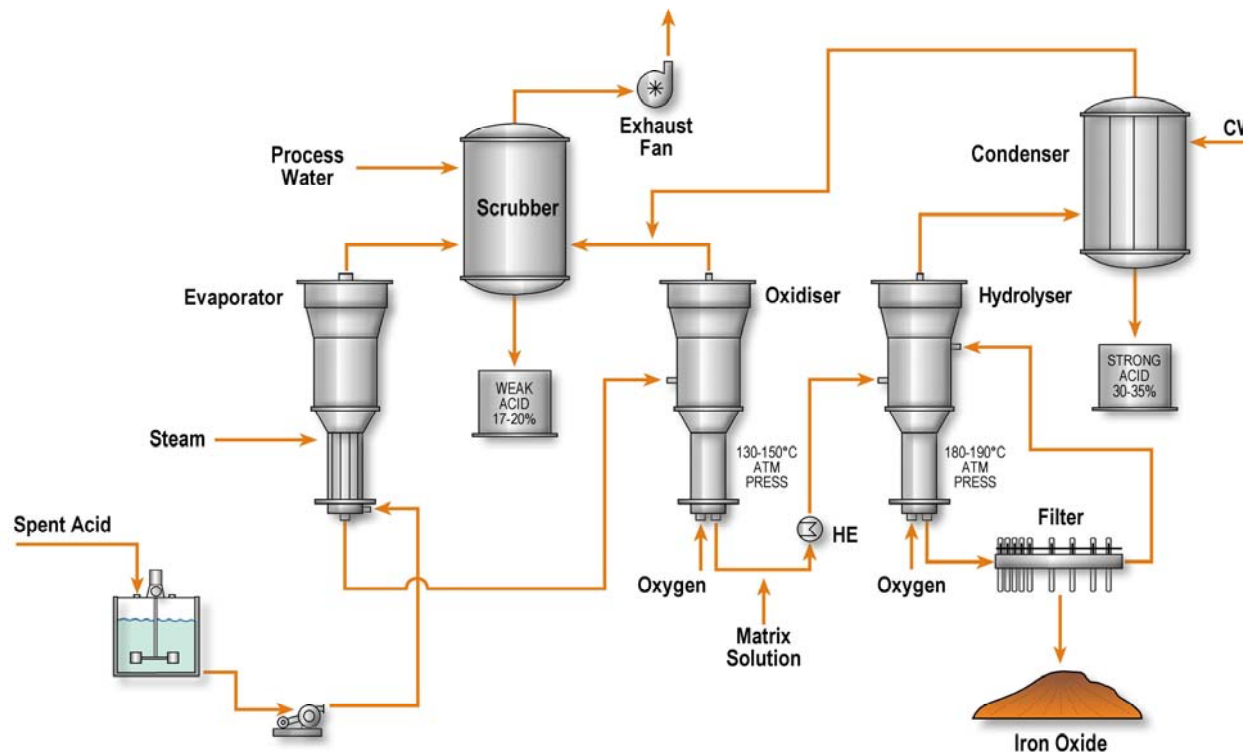
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Li + Ti = Nm

Low-cost acid regeneration

Nm

Acid Regeneration Plant - Process Flow Diagram



Business model is to licence to new/existing metal producers in return for royalty stream.

Advantages

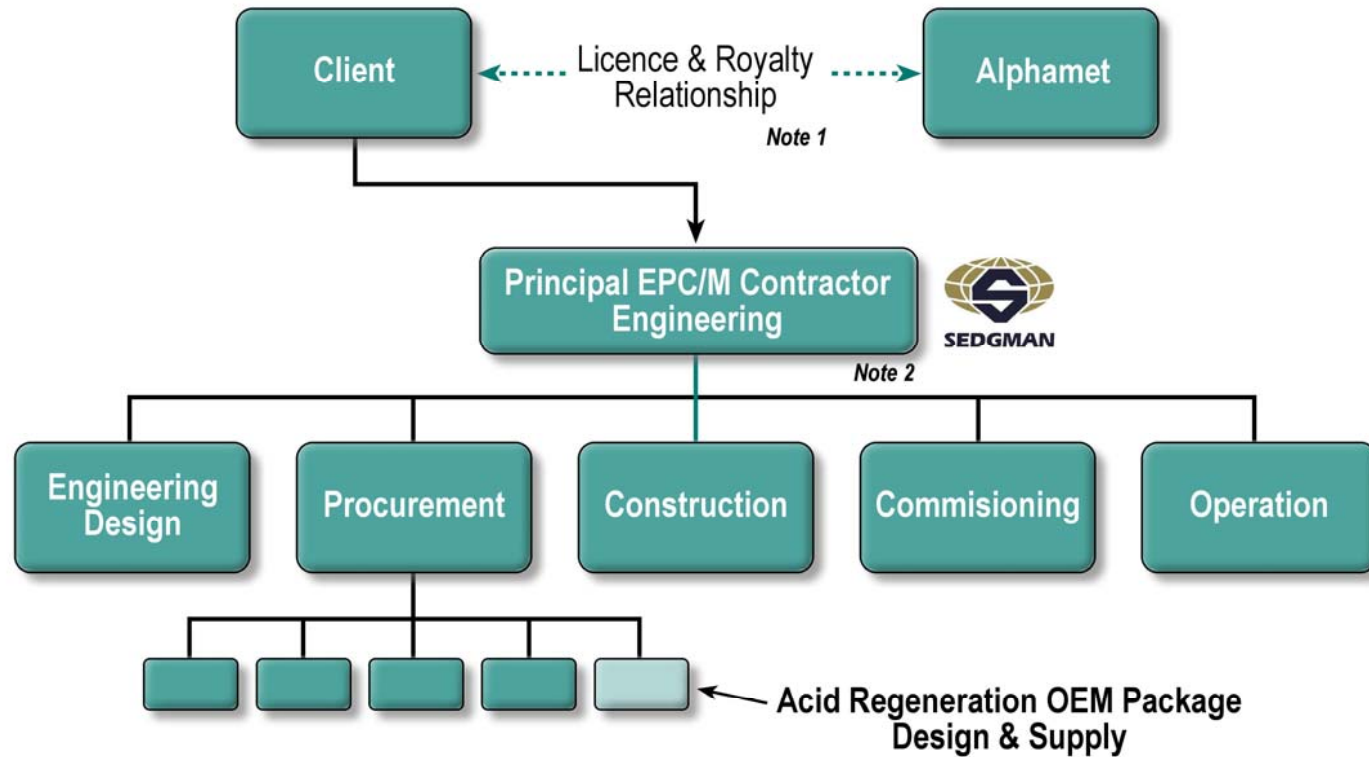
- Recovers full strength HCl +32% vs 18%
- Almost no HCl loss
- Benign tailings

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Sedgman Alliance

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Note 1: The licence and royalty relationship may be managed through the EPC Contractor pending project and Client requirements

Note 2: The Principal Contractor will interface with the client directly and manage all delivery functions relating to the project (eg engineering, procurement and construction)

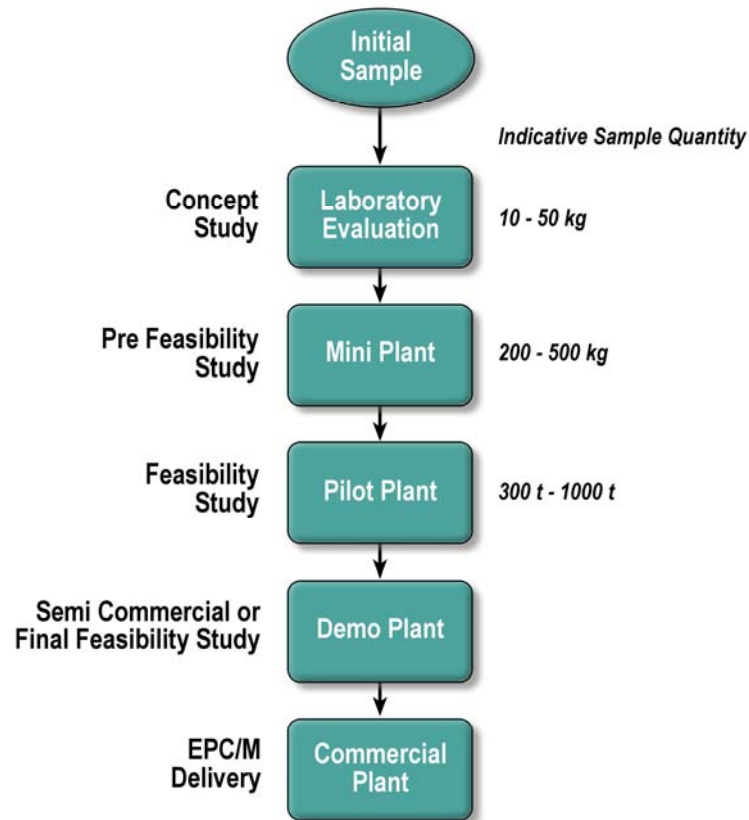
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Third-party ore test-work underway

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Project Development Phasing



Premises leased by Neometals



Laboratory scale set up (above) Pilot scale up (below)



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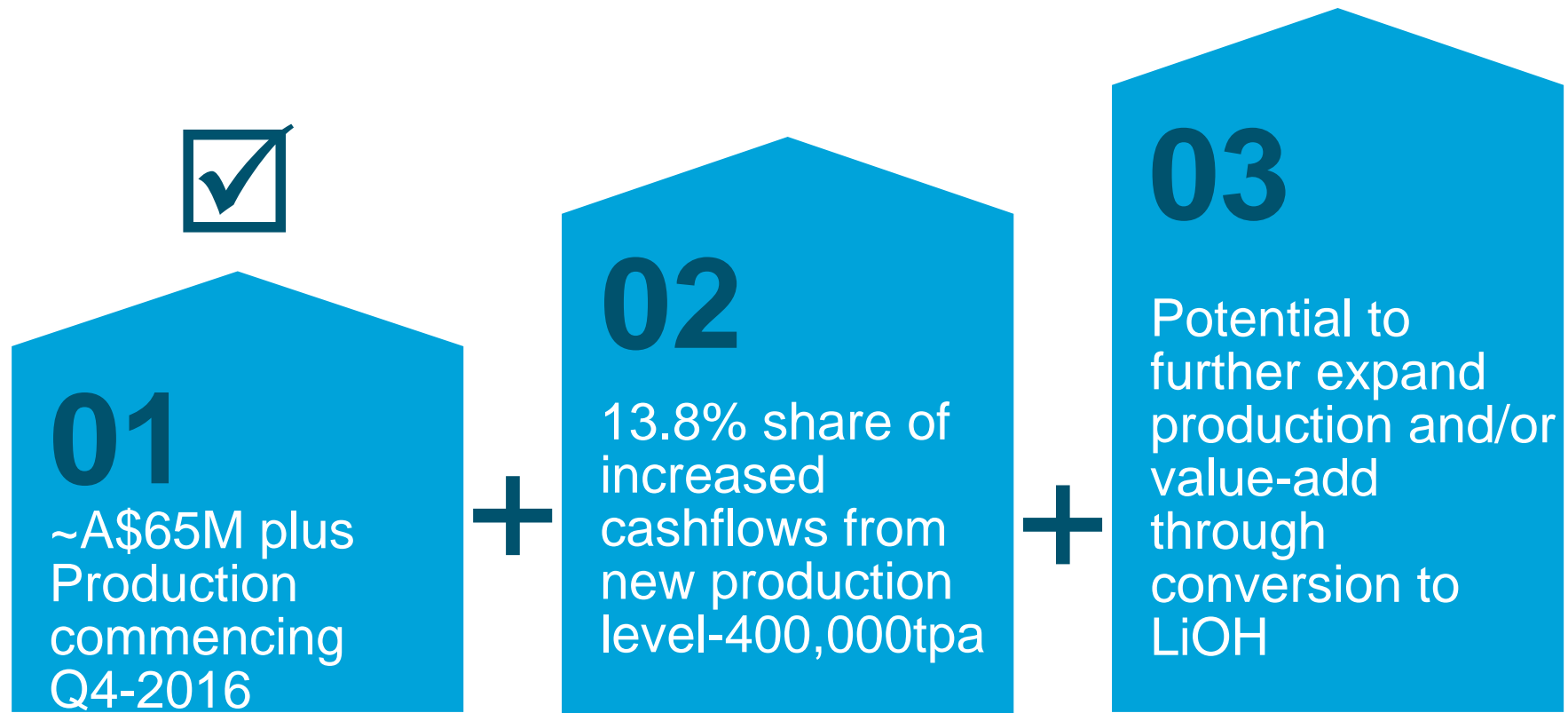
Li + Ti = Nm

Investment Proposition

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Lithium : Cash and cashflow



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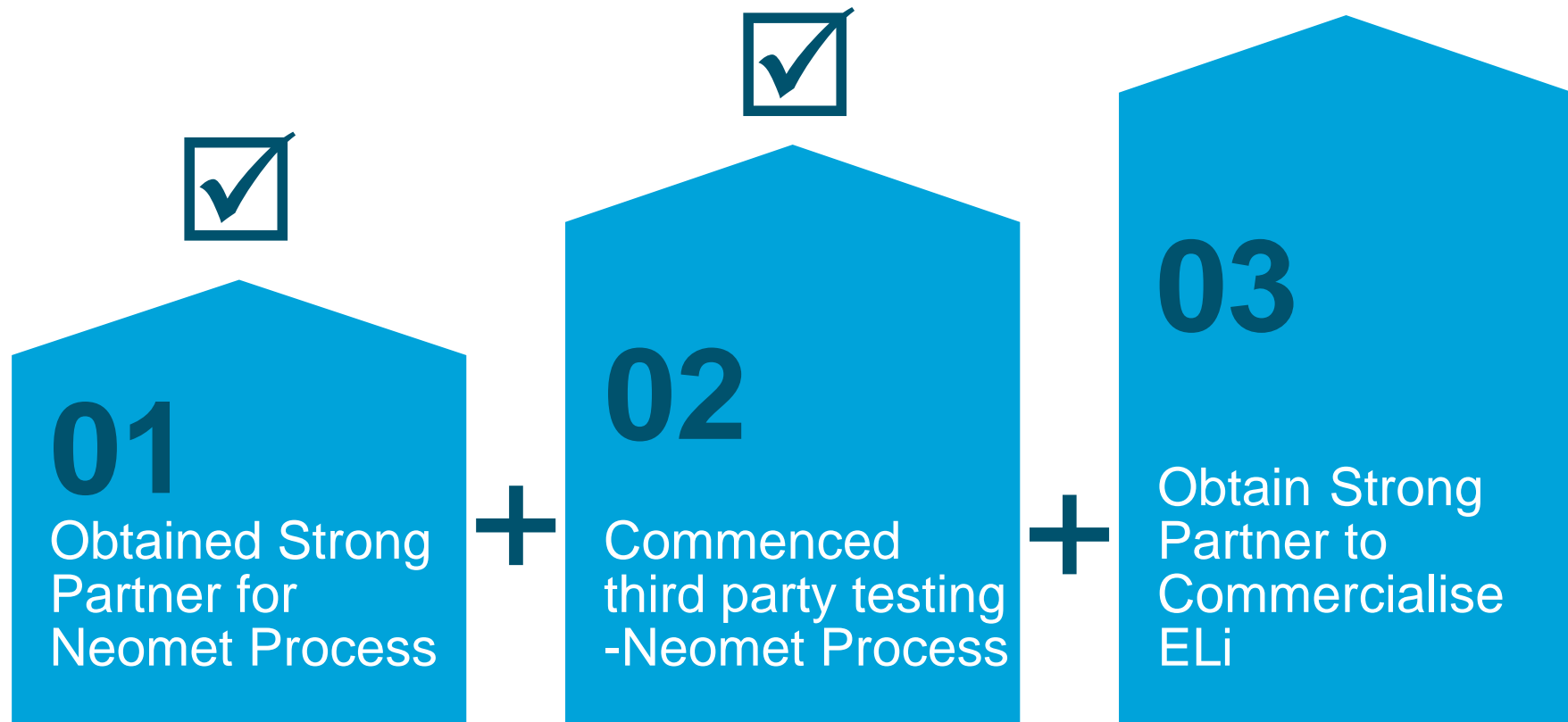
Titanium : A growth story for 2017



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Technology : developing a diversified portfolio



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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 October 2016, for a block cut-off grade of 0.5% Li₂O

Classification	Deposit	Tonnes (Mt)	Li ₂ O %	Fe %
Indicated	Area 1,2,2W	19.3	1.41	1.08
	Area 4	2.0	1.11	0.99
	Area 6	7.7	1.29	1.04
Indicated Total		28.9	1.35	1.06
Inferred	Area 1,2,2W	43.5	1.39	1.09
	Area 4	0.8	1.07	1.09
	Area 5	1.0	1.32	1.71
	Area 6	3.5	1.33	1.07
	Inferred Total		48.9	1.38
Grand Total		77.8	1.37	1.09

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Feasibility Study - Financial Metrics



FS

Life of Plant (LOP)	20 years
Pre-production Capital cost	US\$ 158 million**
Average Annual Pre-tax Net Cashflow	US\$ 82 million
Pre-tax Internal Rate of Return	51%
Pre-tax NPV (12% real discount rate)	US\$ 481 million
Payback of capital costs	2.6 years
Average Annual Production	14,000t LiOH 5,600t Li ₂ CO ₃
Average Cost per tonne of LiOH	US\$ 4,630/t
Average Cost per tonne of Li ₂ CO ₃	US\$ 5,345/t

** Capital costs valid at June 2016. Estimated to accuracy of $\pm 15\%$, **Including** EPCM and Contingency
Assumptions: 2016 Spodumene feedstock US\$440/t CIF (6% Li₂O); LiOH/Li₂CO₃ selling price US\$11k/10k/t CIF respectively

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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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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