



TECHNOLOGY METALS AUSTRALIA LIMITED

ASX Announcement

8 February 2017

ACN: 612 531 389

T: 08 6489 1600

F: 08 6489 1601

E: investors@tmtlimited.com.au

Suite 9, 330 Churchill Avenue,
Subiaco WA 6008

www.tmtlimited.com.au

Directors

Michael Fry:
Chairman

Ian Prentice:
Executive Director

Sonu Cheema:
Director and Company Secretary

Issued Capital

21,300,001 ("TMT") Fully Paid
Ordinary Shares

3,800,000 Fully Paid Ordinary Shares
classified as restricted securities

15,000,000 Unquoted Options
exercisable at \$0.25 on or before 31
December 2019 classified as
restricted securities

10,000,000 Class A Performance
Shares classified as restricted
securities

ASX Code: TMT

MAGNETICS SURVEY DEFINES TARGET ZONE – RC DRILLING TO COMMENCE MID FEBRUARY

HIGHLIGHTS

- **Highly detailed airborne magnetic survey completed in early January 2017.**
- **Magnetic data has enabled the detailed mapping of the strike extent of the magnetic vanadium mineralised gabbro.**
- **Modelling of the data has provided a 3D depiction of the massive magnetite zone (host of the higher-grade vanadium mineralisation) at the base of the gabbro.**
- **The 3D model has enabled the Company to efficiently target the zone that hosts the higher grade vanadium mineralisation.**
- **Massive magnetite zone shown to dip at ~60° to the west at widths ranging from 20 to 50m and to a depth of in excess of 200m.**
- **Reverse circulation drilling program of up to 3,000m to commence on or about 15 February 2017.**

BACKGROUND

Technology Metals Australia Limited (ASX: **TMT**) ("**Technology Metals**" or the "**Company**") is pleased to announce that it has received Terra Resources Pty Ltd's ("**Terra Resources**") interpretation of the data from the highly detailed low level airborne geophysical survey ("**Survey**") over the Gabanintha Vanadium Project ("**Project**"). The Survey has been extremely successful in mapping the strike extent of the mineralised gabbro and defining the orientation of the massive magnetite zone towards the base of the gabbro unit which typically hosts the higher grade vanadium mineralisation. The Survey, flown in early January 2017, was conducted on 25m line spacing and 25m flight height, with magnetics data acquired along line at a sample spacing of 3.5m (see Figure 1 for outlines of the survey areas).

The Project is located 40km south east of Meekatharra in Western Australia and consists of five granted tenements. The Project is on strike from, and covers the same geological sequence as, Australian Vanadium Limited's (ASX: AVL) Gabanintha Vanadium project. Vanadium mineralisation is hosted by a north west – south east trending layered gabbro intrusive with a distinct magnetic signature. Historical drilling completed on Technology Metals' tenements, consisting of eight RC holes drilled by Intermin Resources in 1998 (as per TMT ASX announcement 21 December 2016), intersected broad zones of high grade (+1.0% V₂O₅) mineralised gabbro.

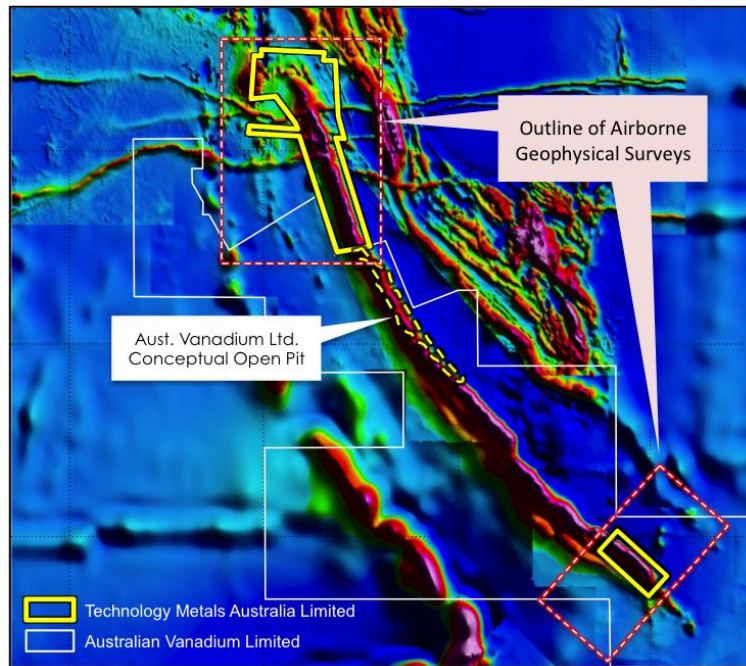


Figure 1: Gabanintha Vanadium Project Location

The ultra-high resolution of the magnetics data from the Survey has enabled the detailed mapping of the strike extent of the magnetic vanadium mineralised gabbro sequence and to identify cross cutting dolerite dykes and potential offsetting structures. See Figure 2A, an image of the magnetic data of the northern block of Technology Metals' tenements.

Modelling of the magnetic susceptibility data (a proxy for magnetite content within the mineralised gabbro) has provided a three dimensional (3D) depiction of the massive magnetite zone towards the base of the gabbro unit. The massive magnetite zone occurs as the lowermost mineralised horizon and typically hosts the higher grade vanadium mineralisation within the gabbro. Figure 2B shows the surface expression of the massive magnetite zone (pink contours) overlying the reduced to the pole magnetics image. This data indicates a +3.5km semi-continuous strike of the massive magnetite zone within Technology Metals' northern tenements.

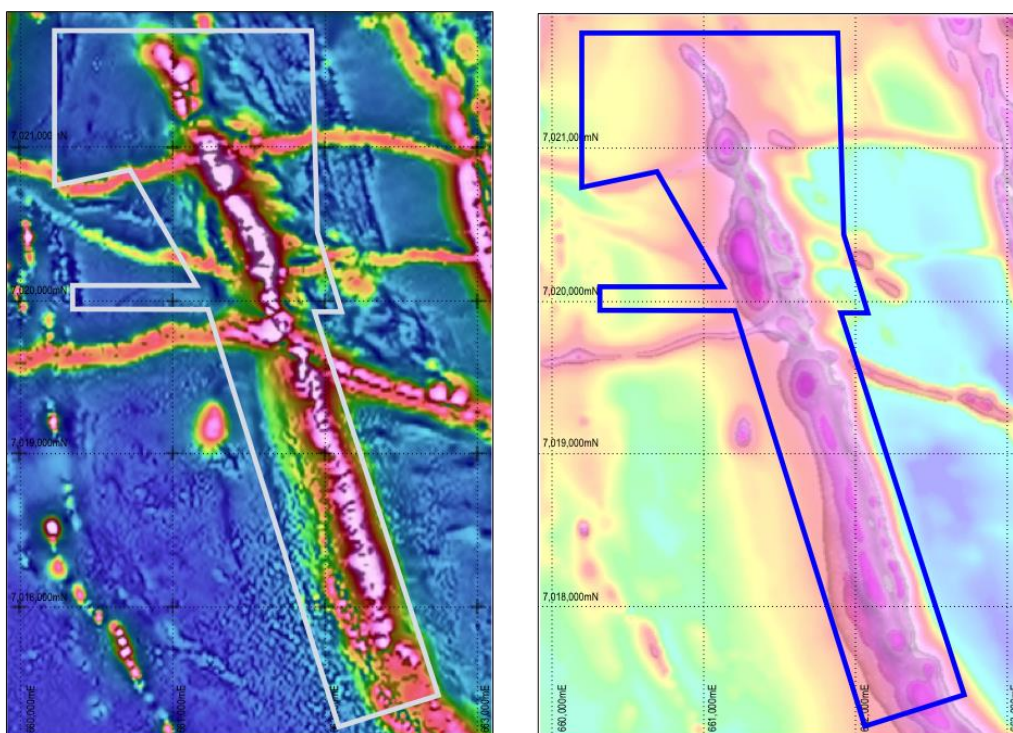


Figure 2: Gabanintha Vanadium Project Northern Tenements; 2A (left) analytic signal image, 2B (right) magnetic susceptibility (pink contours) over reduced to the pole magnetics

The three dimensional (3D) modelling of the massive magnetite zone has enabled the Company to optimise the design of its maiden reverse circulation (RC) drilling program to efficiently target the zone that typically hosts the higher grade vanadium mineralisation within the gabbro. As shown in Figure 3, a schematic cross section across the mineralised gabbro, the massive magnetite zone towards the base of the gabbro unit (pink highlight) has been modelled to dip at about 60° to the west at widths ranging from 20 to 50m and to a depth of in excess of 200m.

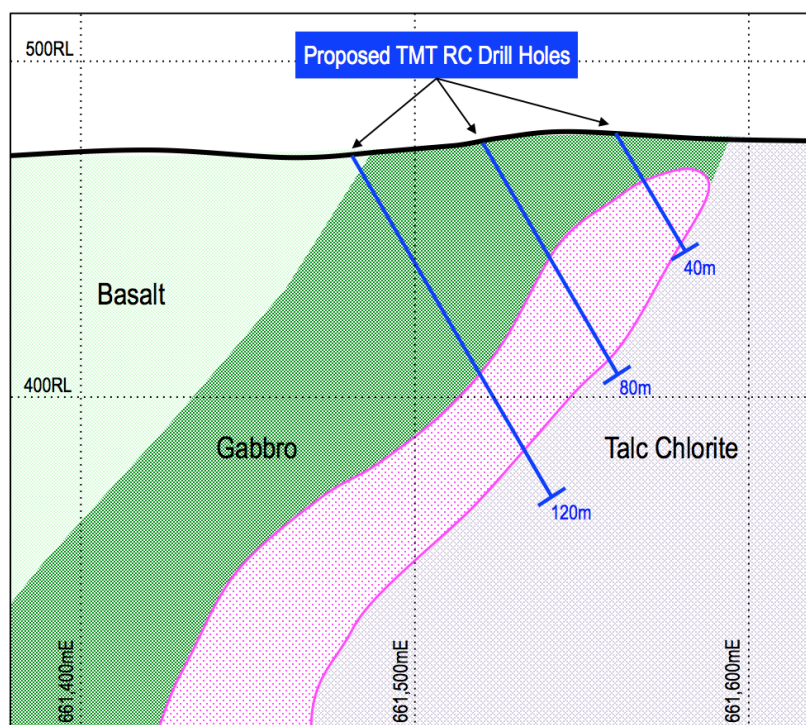


Figure 3: Gabanintha Vanadium Project Northern Tenements; Schematic Cross Section

The proposed drilling will focus on the northern block of tenements, with east-west drill traverses every 400m along the strike of the target zone and a minimum of three holes per traverse (see Figure 3). The program will consist of up to 3,000m of RC drilling and is expected to commence on or about 15 February 2017.

For, and on behalf of, the Board of the Company,

Ian Prentice

Executive Director

Technology Metals Australia Limited

- ENDS -

Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Technology Metals Australia Limited's planned exploration programs, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Technology Metals Australia Limited believes that its forward-looking statements are reasonable; however, forward-looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss

Competent Persons Statement

The information in this report that relates to Mineral Resources and Exploration Results are based on information compiled by Mr Ian Prentice. Mr Prentice is a Director of the Company and a member of the Australian Institute of Mining and Metallurgy. Mr Prentice has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this presentation and to the activity which they are undertaking 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' ("JORC Code"). Mr Prentice consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.