



# Neometals

ASX RELEASE

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## NEOMETALS CONTINUES NON-CORE ASSET DIVESTMENT PROGRAM

### SALE AND FARMOUT AGREEMENT OF GOLD RIGHTS AT FORRESTANIA AND BARRAMBIE PROJECTS

Neometals Ltd (ASX:NMT) (“Neometals” or the “Company”) is pleased to announce that it has signed a binding Memorandum of Understanding (“MOU” or the “Agreement”) with a private mining group (“the Group”) regarding the acquisition and farm-in of the gold rights over the Company’s Forrestania Nickel and part of the Barrambie Titanium projects.

#### **Forrestania Project: Sale of gold rights**

Under the agreement, the Group will acquire Neometals’ gold rights over the Forrestania Project (see Figure 1) which are held by Neometals’ subsidiary, Reed Exploration Pty Ltd for \$200,000, which has been received.

#### **Barrambie Project: Earn-in agreement for gold rights**

The Group will earn a 75% interest in the gold rights of two exploration licences within the Barrambie Project (see Figure 2), which is 100% owned by Neometals’ subsidiary, Australian Vanadium Corporation (Holdings) Pty Ltd (“AVC”). The 75% interest will be earned via spending \$500,000 on exploration on the Barrambie Project over 2 years, with a minimum spend of \$150,000 in the first year. AVC can elect to participate or revert to a 2% net smelter royalty, AVC will retain the rights to all other minerals over the tenement areas which adjoin the main granted mining lease which is the subject of the current Pre-feasibility Study.

With Neometals’ strategy being primarily focussed on the advanced minerals market through the development of the Mt Marion Lithium Project and the Barrambie Titanium Project, the Company has been investigating opportunities to divest and monetise non-core assets. This Agreement represents strong further progress of this strategy, and allows the Company to extract value from assets it no longer considers a priority while retaining exposure to the assets should the Group make a commercial discovery.

**ENDS**

For further information, please contact:

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All the right elements

Figure 1: Forrestania Project Tenements

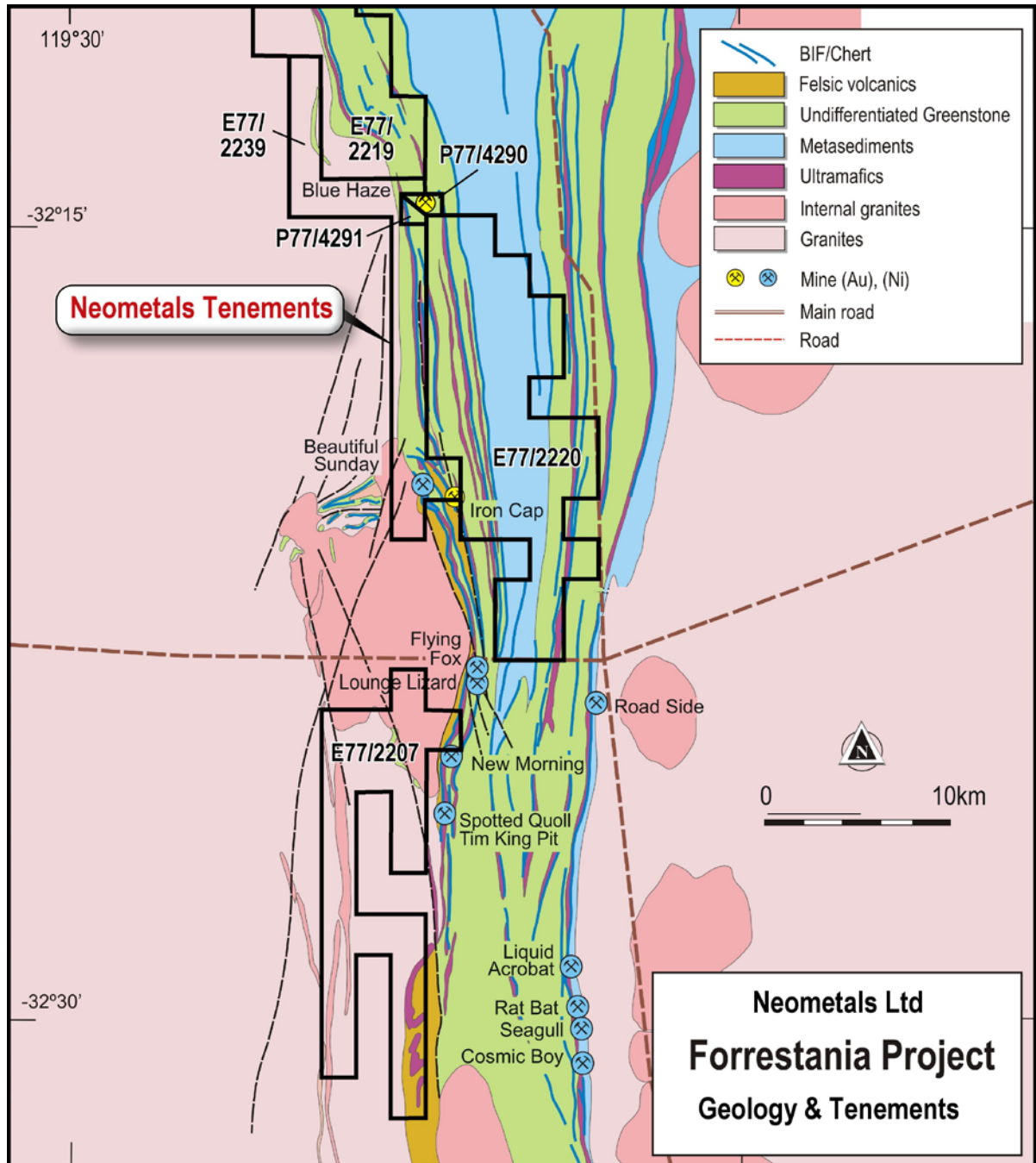


Figure 2: Barrambie Project Tenements



**COMPETENT PERSONS STATEMENT**

The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX Release “Barrambie - Amended JORC 2012 Mineral Resource Estimate” dated 6 December 2013.