

27 June 2019

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

AGREEMENT FOR THE PURCHASE OF MT CARBINE QUARRIES PTY LTD UNCONDITIONAL & COMMENCEMENT OF JOINT VENTURE WITH CRONIMET ASIA PTE LTD

Speciality Metals International Limited (ASX:SEI) (**Speciality Metals** or **Company**) is pleased to announce the following:

- (**Tranche 2 Placement**) Following the approval from its shareholders on 17 June 2019, Speciality Metals completed the Tranche 2 Placement on 26 June 2019 as detailed in the ASX Announcement dated 14 May 2019 and issued 160,000,000 Shares to sophisticated and professional investors (**Tranche 2 Placement Shares**).
- (**MCQ acquisition unconditional**) Following the issue of the Tranche 2 Placement Shares, the acquisition of 100% of Mt Carbine Quarries Pty Ltd (**Mt Carbine Quarries**), an entity that owns and operates the Mt Carbine quarry and mining leases ML4867 and ML4919 (**Mining Leases**) (**MCQ Acquisition**) is now unconditional. Settlement is scheduled for Friday, 28 June 2019.
- (**Commencement of Joint Venture**) Given the MCQ Acquisition is now unconditional, the unincorporated Joint Venture between Speciality Metals and Cronimet Asia Pte Ltd (**Cronimet**) for the development of the Mt Carbine Tungsten Tailings Retreatment and Stockpile Projects has commenced.

Speciality Metals Executive Chairman, Russell Krause, commented:

"This transaction has been many months in the making and upon completion will enable our Company to properly unlock the long-recognised value of the Mt Carbine Tungsten Project. The Joint Venture with Cronimet and the technical expertise which comes with it, will completely reposition Speciality Metals and project it to the forefront of tungsten miners globally."

"Over the past few months our team has worked closely and co-operatively with the Cronimet team and believe we are now in a position to shortly commence tungsten concentrate production at Mt Carbine at the lower-end of the production cost curve."

"I am very excited about the opportunity this arrangement brings and I am looking forward to a long and profitable relationship with Cronimet," Mr Krause concluded.

About Speciality Metals International Limited

Speciality Metals plans to be a pre-eminent Australian tungsten producer from the historic Mt Carbine tungsten mine in Far North Queensland.

The Company's exploration portfolio includes the following diversified projects:

- Lithium and other valuable mineral resources such as potassium, iodine and boron contained in subsurface brines within its Chilean exploration concessions; and
- Gold Exploration Licences (Panama Hat and Crow Mt) in New South Wales, Australia,

Concurrently, the Company maintains, with the intention of redeveloping, its world-class tungsten assets at Mt Carbine

in Far North Queensland, Australia which consist of the Mt Carbine Tungsten Mine and the Iron Duke and Petersens Lode Exploration Permits.

The Company aims to create shareholder value through the exploration and development of its current portfolio, whilst continuing to evaluate corporate and exploration opportunities within the speciality metals sector.



RH Krause
Executive Chairman
Speciality Metals International Limited