

# Neometals receives ASX enquiry

Neometals [ASX: NMT] confirmed it had received an Australian Stock Exchange inquiry into the recent price and volume of the company's stock.

Neometals was queried today by the ASX in relation to an increase in price and volume of the Company's securities.

The Company advised that as previously announced in its Investor Presentation dated 18 December 2014 and its Quarterly Report dated 16 January 2015, the Company has been working on a strategy to commercialise the Mt Marion Lithium Project.

The Company advises that its 70%-owned subsidiary, Reed Industrial Minerals Pty Ltd ("RIM"), is in discussions with potential counterparties regarding RIM's Mt Marion Lithium Project.

The discussions relate to a potential transaction for:

- the acquisition by the counterparty of a minority equity stake in RIM (RIM is currently owned 70:30 by the Company and Mineral Resources Limited ("MIN") (ASX: MIN)), diluting the existing shareholders' interests pro rata;
- an offtake agreement between the counterparty and RIM in respect of spodumene produced from the Mt Marion Lithium Project.

If a transaction is agreed, it would represent a significant milestone in Neometals' strategy to commence development of the Mt Marion Lithium Project and to transform RIM into a globally significant lithium concentrate producer and supplier to the lithium battery industry.

However, the discussions remain incomplete and non-binding and

there is no certainty that a binding transaction will result.

The Company will keep shareholders informed of all material developments as and when they arise.

The Company's full response can be viewed at this link:

<http://www.neometals.com.au/reports/586-Price-Query-and-Response-150402.pdf>