

ASX Announcement

22 March 2019

Drilling Equipment and Technical Crews Mobilised to Site at Lac Rainy Graphite Project

Highlights:

- Drilling equipment, field crew and technical crews successfully mobilised to site at the Lac Rainy Graphite Project ahead of the maiden diamond drilling campaign – **pad clearing for initial drill holes and set up of the diamond drill rig underway with the first drill hole expected to commence in the next few days**
- Maiden diamond drill program of up to 2,800m (program will initially consist of 2,000m diamond drilling with scope to increase) will test the down dip / plunge extensions of the graphite mineralisation – **advanced metallurgical testwork to be undertaken on split drill-core samples**
- Continued engagement with North American end-user / development partners for the high-grade Lac Rainy graphite concentrate – **North American groups can offer a simpler logistics pathway for Lac Rainy graphite concentrate**

Graphite exploration and development company Metals Australia Ltd (ASX: **MLS**) is pleased to provide shareholders with an update on the maiden diamond drilling program at the Lac Rainy Graphite Project, located in Quebec, Canada.

The Company has recently been advised by Magnor that the drilling equipment, field crew and technical crews have been successfully mobilised to site at the Lac Rainy Graphite Project ahead of the maiden diamond drilling program. It is anticipated that the diamond drill rig will be set up over this coming weekend and the pads for the initial drill holes will be cleared at the same time. Drilling of the first hole is expected to commence in the next few days.



Figure 1:
 Snowplough being loaded for mobilisation to site at the Lac Rainy Graphite Project

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Geological teams have completed the assessment of the results from the channel sampling program and all drilling holes and targets have been finalised at Lac Rainy. The Company will advise shareholders as soon as drilling has commenced and provide regular updates as the program progresses.

Commenting on the recent activity ahead of the diamond drilling program at Lac Rainy, Director of Metals Australia Ltd, Mr Gino D'Anna, stated:

"Although our program was delayed by weather, we are now in full swing with all of the drill equipment, field crew and technical crews mobilised to site at Lac Rainy ahead of the diamond drilling campaign. We expect to be drilling our first hole in the next few days and are excited by what we will encounter. We believe that Lac Rainy is host to a potentially world-class high-grade natural flake graphite deposit and recent metallurgical testing has demonstrated its ability to produce a high purity, large flake and high carbon graphite concentrate ideal for high-end technical applications.

We look forward to providing shareholders with further updates in what will be a busy 2019 for our Company."

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