

ASX Announcement

30 October 2019

Placement to Advance Lac Rainy Graphite and Commence Exploration at Eade-Pontois-Felicie Gold Projects

Diversified mineral exploration and development company Metals Australia Ltd (ASX: **MLS** and **Company**) is pleased to announce that it will undertake a Private Placement to raise \$400,000 (before costs) (**Placement**) via the issue of 250,000,000 fully paid ordinary shares at an issue price of \$0.0016 per share (**Placement Shares**).

Subscribers under the Placement will also be granted a free attaching option on a 1 for 1 basis with an exercise price of \$0.0035 per option expiring on 1 June 2022. This will result in the issue of 250,000,000 options (**Attaching Options**).

The issue of the Placement Shares and Attaching Options will be completed via the Company's ability to issue future shares and options, having received approval from Shareholders in Resolution 8 of the Company's General Meeting held on 5 August 2019.

In addition, subscribers under the Placement will also be granted an additional free attaching option on a 1 for 1 basis with an exercise price of \$0.0035 per option expiring on 1 June 2022. This will result in the issue of a further 250,000,000 options (**Additional Options**).

Subject to the Company meeting the conditions of the ASX, the Company will apply for quotation of the Attaching Options and the Additional Options.

The issue of the Additional Options will be completed under ASX Listing Rule 7.1.

An Appendix 3B will be lodged at completion of the Placement detailing the issue of the Placement Shares, the Attaching Options and the Additional Options.

The Placement will be made to sophisticated and professional investors, none of which are related parties of the Company and was well supported by a number of new brokers and high net-worth investors. Sanlam Private Wealth Pty Ltd acted as lead manager and sole bookrunner.

Commenting on the completion of the Placement, Director of MLS, Mr Gino D'Anna stated:

"The completion of this Placement will allow the Company to continue to advance the development of the high grade and near surface Lac Rainy Graphite Project, where recent drilling has demonstrated the size of this potentially world-class resource. Metallurgical and mineralogical test work is currently underway, as well as down-stream product specification test work, with the results of such study aiding the Company's continued discussions with potential end-user groups across North America, Europe and China.

We remain encouraged by what has been identified to date at Lac Rainy which continues to deliver in all areas of grade, thickness and potential strike and depth extensions. The Company's corporate objective for the Project is to define a deposit of sufficient tonnage in the 15-20% Cg range similar to the nearby Lac Knife Deposit.

In addition to advancing Lac Rainy, the Company will be mobilising its geological field crew to the recently acquired Eade-Pontois-Felicie gold projects where exploration will commence shortly. We look forward to commencing exploration on this underexplored greenstone belt, which is rich with high-grade gold and copper occurrences and is garnering the attention of major players.”

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For more information, please contact:

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