

## ASX Announcement Metals of Africa Ltd

**10 October 2014**

### Contact Details

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### MTA Capital Structure

Shares on Issue: 129,378,027

Shares Trading: 119,034,827

Listed Options: 57,854,396  
(\$0.15, 07/01/2017)

Unlisted Options  
5M (\$0.25; 30/6/15)  
5M (\$0.40; 30/6/15)  
4M (\$0.25; 31/12/15)  
2.49M (\$0.15; 3/12/16)  
600k (\$0.168; 3/12/16)  
2.5M (\$0.093; 31/3/17)

Market Cap. @ \$0.13; A\$16.82M

### MTA Board

**Gilbert George**  
Non Exec Chairman

**Cherie Leeden**  
Executive Director

**Brett Smith**  
Non Exec Director

**Steven Wood**  
Company Secretary

**ASX Code:** MTA

[www.metalsofaustralia.com.au](http://www.metalsofaustralia.com.au)

## Completion of Rights Issue and Shortfall Placement

Metals of Africa Limited (ASX: MTA) ("Metals" or "the Company") is pleased to advise that it has completed the non-renounceable, fully underwritten rights issue at an issue price of \$0.15 each, on the basis of one (1) Share for every five (5) Shares ("Entitlement Offer") and subsequent shortfall placement to raise over \$3.23m before costs, as follows:

Share Issue	Number of ORD Shares	Funds Raised
Rights Issue Take-Up	1,865,454	\$279,818.10
Shortfall Placement	19,689,156	\$2,953,373.40
	<b>21,554,610</b>	<b>\$3,233,191.50</b>

In addition to the recent placement made via the issue of approximately 12.2m fully paid ordinary shares ("Shares") at \$0.15 per share to professional and sophisticated investors ("Placement"), to raise \$1.83m, this Entitlement Offer completes the capital raising announced by the Company on 3 September 2014 to raise just over \$5m.

Funds raised from the Placement and the Entitlement Offer will be utilised toward ongoing exploration work at the Company's current projects, including continued geophysical programs and upcoming drilling programs at the Rio Mazoe base metal and Montepuez graphite projects, in addition to providing general working capital.

The Company wishes to thank Morgans Corporate Limited for underwriting the Entitlement Offer and for their professionalism in managing both the Placement and Entitlement Offer components.

### Rio Mazoe Base Metal Project Update - Mozambique

The Company is in the final stages of preparing for drilling to commence later this month. Soil geochemistry in combination with ground geophysics is producing robust drill targets. Ground magnetics and induced polarization (IP) surveys are now complete, leaving electro magnetics (EM) remaining. A field camp has been established at the Cassidy Shea prospect and major tracks to support drilling activities have been created. Three expatriate geologists are currently onsite conducting detailed geological mapping with the aim of defining high priority drill hole locations in the lead up to drilling.

Drilling is anticipated to commence in late October and will continue until mid-December, targeting Broken Hill type zinc, copper, lead and silver mineralisation. Cassidy Shea will be the first prospect to be drilled, a detailed update regarding the project will be announced upon completion of the ground geophysics program (circa 2 weeks' time). It is possible to continue drilling this prospect during the wet season (January – March) due to its convenient logistics and easily accessible access tracks.

There is an abundance of drill rigs available in the Tete province to facilitate a cost effective drill program. It is anticipated that the drilling contract will be awarded next week.

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### **Montepuez Graphite Project Update - Mozambique**

The Company has established an exploration field camp within its Montepuez Central project. MTA's staff Senior Geologist is currently conducting detailed geological mapping and trenching along the known 10km long VTEM anomaly in order to plan precise drill hole locations targeting the graphite bearing unit. The graphite bearing unit within the project is substantial in size (10km strike and averaging approximately 1km in width) therefore the Company is aiming to plan drill holes targeting the higher grade portions within the broadly graphitic unit.

The VTEM (helicopter EM) survey scheduled to fly over the Company's 3 Montepuez projects and also the proposed license acquisition, Balama Central project, is running behind schedule to circumstances beyond the Company's control (equipment malfunction followed by strong winds preventing Geotech from flying the VTEM). The Company is eager to commence this survey as soon as possible and will update the market once the survey has been flown. In the meantime, the Company has sourced available earth works machinery to create access tracks and has identified drill rigs in the area – both of which are available and ready to commence as soon as the VTEM data is received.

### **Project Pipeline Update**

The Company has engaged SRK Consulting (Perth) to geologically map and sample its Kroussou Mississippi Valley type base metal target located in Gabon. The Kroussou project was identified as a zinc, lead, silver and copper prospect in the 1960's by the French Geological Survey (BRGM) however does not appear to have received any modern exploration since then, despite encouraging historical results.

MTA also remains active in Tanzania, with a field team currently conducting soil sampling over multiple 100% owned licenses known to contain surface mineralisation (Cu, Au, REE's) in rock chip samples. The aim of the soil sampling is to determine whether the strike extent (dimensions) of the anomalies constitute drill targets for 2015 or not.

More information on the above projects will be announced as the geochemical laboratory data is received towards the end of this year.

### **Corporate**

The Company has also received an option exercise form and associated payment to exercise 49,999 MTAO listed options at \$0.15 per listed option, raising a further \$7,499.85. These shares have been allotted and an Appendix 3B will be lodged shortly in this regard.

### **Secondary Trading Exemption Notice**

The Corporations Act 2001 ("the Act") restricts the on-sale of securities without disclosure, unless the sale is exempt under Section 708 or 708A of the Act. By Metals giving this notice, on-sale of any new shares will fall within the exemption offered by Section 708A (5) of the Act.

The Company hereby notifies the ASX under Section 708A(5)(e) of the Act that:

- a) The Company issued the New Shares without disclosure to investors under Part 6D.2 of the Act;
- b) As at the date of this notice the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and with Section 674 of the Act; and
- c) As at the date of this notice there is no "excluded information" as defined in Section 708A(7) and (8) of the Act in relation to the Company.

**-ENDS-**