

7<sup>th</sup> November 2016

## **\$9M Placement completed to rapidly progress Battery Graphite Projects**

Metals of Africa Limited (ASX: MTA) ("the Company") is pleased to announce it has received commitments from institutional and sophisticated investors for an oversubscribed Placement to raise A\$9 million (before costs) to advance its world class graphite projects in the Cabo Delgado Province of Mozambique.

The Placement will be completed via the issue of 100 million fully paid ordinary Shares in the Company at a price of A\$0.09 per share, in two tranches as follows;

- Tranche 1: 78,512,778 Shares to raise \$7.05 million (before costs) will be completed shortly utilising the company's existing placement capacity under Listing Rules 7.1 and 7.1A.
- Tranche 2: 21,688,889 Shares to raise \$1.95 million (before costs), will be subject to shareholder approval at a shareholder meeting to be convened in the near future (a notice of meeting will be dispatched to shareholders shortly).

The issue price for the Placement represented an 8.2% discount to the last closing MTA share price and a 1.8% discount to the 15 day volume weighted average share price.

### **Metals of Africa Managing Director Cherie Leeden commented:**

**"This was a very heavily oversubscribed raising, which was strongly supported by existing shareholders. The high level of demand for the Placement is a big tick for the work we've done to date at our graphite assets in Mozambique. The potential of the battery minerals industry is enormous and graphite is a key ingredient in all Lithium ion Batteries, arguably the most important battery of our time.**

**We are advancing high quality projects in the best graphite province in the world. The Definitive Feasibility Study at the Montepuez Project will be completed in December and the funds raised will allow us to rapidly commence building a project team to develop the project and deliver value for shareholders.**

**The Company thanks existing shareholders for their continued support and welcomes new investors to the register. We have come a long way in two years on the ground at our Mozambique projects and we aren't slowing down."**

### **Use of Funds**

The funds raised allow MTA to continue rapid advancement of the Company's Montepuez and Balama Central Graphite Projects. Specifically the funds will be used for:

- Spherical Graphite Feasibility Study, anticipated to be completed by Q2 2017;
- Early mining earthworks, and mining camp construction;
- Approvals work and associated mining permits;
- Optimisation; infill and incremental strike extension drilling;
- On-going pilot plant test work as a critical due diligence requirement to secure binding off-take agreements with LiB manufacturers, anticipated in 2017;
- Additional Board and management appointments; and
- General working capital.

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Morgans Corporate Limited acted as Lead Manager to the Placement.

**Indicative Placement Timetable:**

Company shares resume trading	Monday 7 November 2016
Tranche 1 Settlement	Thursday 10 November 2016
Tranche 1 Allotment	Friday 11 November 2016
General Meeting of Shareholders	Early-mid December 2016
Tranche 2 Placement funds due	Immediately upon receipt of shareholder approval
Allotment of Tranche 2 Placement Shares	Upon shareholder approval and receipt of funds

**Corporate re-brand**

Metals of Africa also advises that the Company will seek shareholder approval to change its name from Metals of Africa Limited to Battery Minerals Limited. The proposed name of Battery Minerals Limited will more closely align the Company's corporate image and brand with the focus of its operations and strategy to become a key supplier of high grade natural flake and spherical graphite to meet the forecast demand for these products from the emerging energy storage and electric vehicle markets.

As previously reported the company is advancing two graphite projects in Mozambique with the intention, subject to ongoing approvals, commercial studies, financing and sales agreements to produce 100,000ktpa of combined flake and spherical graphite exports into the global battery market. The company will provide more detailed guidance on the release of its Definitive Feasibility Study later this year.

-Ends-

**On behalf of Board of Directors Metals of Africa Ltd**

For further information, please contact

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