

ASX Announcement

15 December 2016

**Metals Australia Completes Tranche 2 Placement
Exploration to Commence at Manindi Zinc and Quebec Lithium and Graphite
Projects**

Diversified metals exploration company, Metals Australia Ltd (ASX: **MLS**) is pleased to announce that the Company has completed Tranche 2 of the Share Placement as approved by Shareholders at the Company's AGM on 30 November 2016.

The Company has raised a further \$475,000 under Tranche 2 at an issue price of \$0.003 per share via the issue of 158,333,334 fully paid ordinary shares (**Placement**). Subscribers under the Placement were also granted a free attaching option on a 1 for 4 basis with an exercise price of \$0.003 per share and expiring on 1 December 2019.

This brings the total funds raised to \$950,000.

Sanlam Private Wealth Pty Ltd (**Sanlam**) acted as Lead Manager to the Placement. Following completion of the Tranche 1 and Tranche 2 Placement, Sanlam has been issued 9,000,000 options each with an exercise price of \$0.003 per share expiring 1 December 2019. Sanlam will also receive brokerage fees of 6.0% (plus GST) of the funds raised under the Placement.

The Placement was subscribed by sophisticated and professional investors, none of which are related parties of the Company.

The Company will commence exploration activities at the existing high grade Manindi zinc deposit as well as advancing exploration at the Lac La Motte Lithium Project and the Lac Rainy Nord Graphite Project.

MLS is continuing to evaluate further exploration project opportunities in the complementary zinc, lithium and graphite sector.

For more information, please contact:

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