

**ASX Announcement**

12 June 2018

## Lithium Pegmatite Drilling Program Commences at Manindi Lithium Project

### Highlights:

- A reverse circulation (RC) percussion drilling program has commenced to test the grade and continuity of three lithium-bearing pegmatite dykes at the Manindi Lithium Project
- The planned drilling program comprises a total of 17 holes for a total of approximately 1,000 metres of drilling
- Assay results for drilling samples are expected to be received in approximately one month
- Sampling of historical diamond drill core has shown significant widths of high-grade lithium-bearing pegmatites up to 25 metres wide assaying up to 2.14% Li<sub>2</sub>O (refer to ASX announcement dated 21 March 2017)
- Geological mapping at the Mulgari and Warabi prospects has confirmed several lithium-bearing pegmatite dykes exposed at surface with strike lengths of over 300 metres and widths of up to 25-30 metres (refer to ASX announcement dated 21 March 2017)
- Previous rock chip sampling of exposed pegmatite dykes has returned high-grade lithium results of up to 2.84% Li<sub>2</sub>O (refer to ASX announcement dated 21 March 2017)

Diversified metals exploration company, Metals Australia Ltd (ASX: **MLS**) is pleased to announce that a campaign of reverse circulation (RC) percussion drilling has commenced at the Manindi Lithium Project (the “**Project**”), located in Western Australia.

The drilling program comprises three traverses of drilling to test three outcropping pegmatite dykes that all contain lepidolite mineralisation. A total of 17 RC holes have been planned, for a total of approximately 1,000 metres of drilling.

Commenting on the latest drilling program at Manindi, Mr Gino D’Anna, a Director of MLS stated:

*“This initial program of RC drilling to test the lithium-mineralised pegmatite dykes identified at Manindi will provide the Company with critical information regarding the extent, grade and continuity of the known lepidolite mineralisation.*

*We are excited to undertake this drilling, which will begin the process of quantifying the potential lithium resource at Manindi.*

*We remain committed to further exploring and developing this project, in line with our revised corporate strategy and alignment to the battery metals sector.”*

## Manindi Lithium Project

The Manindi Lithium Project is located in the Murchison District of Western Australia, approximately 20 km southwest of the Youanmi gold mine. The Project is situated in a fertile geological complex and is host to a significant undeveloped zinc deposit. The Manindi Project is comprised of three granted mining leases.

Lithium-bearing pegmatite dykes have previously been identified on the Manindi mining leases in the vicinity of the Mulgara-Warabi Prospect areas (*refer to Metals Australia ASX announcement dated 21 March 2017*). Surface mapping identified at least three lepidolite mineralised pegmatite dykes outcropping at surface with strike lengths of over 300 m and widths up to 25-30 m.

## Drilling Program

RC percussion drilling is planned to test the three outcropping pegmatite dykes. The pegmatite dykes trend east-northeast and are interpreted to be subvertical to steeply north-dipping in orientation. The drill holes will be oriented accordingly to obtain intersections as close as possible to true width.

A total of 17 RC percussion drill holes, each designed to a depth of approximately 60 m, are planned for a total of approximately 1,000 m of drilling.

Assay results are anticipated to be available for the drilling samples in approximately one month and will be reported by the Company when they are received.

## Further Work

After assay results are received and verified, the Company will consider if sufficient information is available to prepare a maiden resource estimate for the lithium mineralisation.

The Company has commenced engaging with lepidolite-hosted lithium concentrate end-users in China to further accelerate the exploration and development of the Manindi Lithium Project. The Company looks forward to providing shareholders with an update on these discussions in the near future.

## ENDS

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### Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr. Lachlan Reynolds. Mr Reynolds is a consultant to Metals Australia Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr. Reynolds has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Reynolds consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

**Caution Regarding Forward-Looking Information**

This document contains forward-looking statements concerning Metals Australia. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Metals Australia as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.