

ASX Announcement

5 June 2019

Metals Australia Completes Placement to Continue Exploration at Lac Rainy Graphite Project, Quebec

Graphite exploration and development company, Metals Australia Ltd (ASX: **MLS**) is pleased to announce that the Company has completed a Private Placement of \$423,720 (before costs) at an issue price of \$0.0018 per share via the issue of 235,400,000 fully paid ordinary shares (**Placement**).

Subject to shareholder approval, subscribers under the Placement will also be granted two (2) free attaching options for each share subscribed for under the Placement. The options will have an exercise price of \$0.0035 per option and an expiry dated of 1 June 2022. This will result in the issue of 470,800,000 options, and subject to ASX approval, the Company will apply for quotation of the options.

The Placement was completed using the Company's existing share issue placement capacity pursuant to ASX Listing Rule 7.1 (*a total of 1,269,666 shares were issued under ASX Listing Rule 7.1*) and 7.1A (*a total of 234,130,334 shares were issued under ASX Listing Rule 7.1A*).

The Placement was subscribed for by international institutional investors that had approached the Company to make the investment. The international institutional investors are not related parties of the Company in any way.

The Company did not use a Lead Manager to complete the Placement.

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

"We are pleased to have completed this Placement with international institutional investors who approached the Company. Metals Australia is focused on advancing exploration at the high grade and near surface Lac Rainy Graphite Project where drilling has recently been completed. We are now aiming to deliver a maiden JORC resource and commence additional metallurgical and mineralogical studies of the drill core samples."

Based on the high grades obtained through the channel sampling, the extensive widths of mineralised drill intersections and the strike length in excess of 3.6 km, which remains open to the north-west, there is a strong potential for a high grade graphite deposit of high-tonnage to be present at Lac Rainy. Our 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."

The funds raised under the Placement will be utilised to continue exploration at the Lac Rainy Graphite Project as well as for general working capital purposes.

For more information, please contact:

Mr Gino D'Anna
Director
Metals Australia Ltd
M: +61 400 408 878

REGISTERED OFFICE

Level 1, 8 Parliament Place
West Perth, Western Australia 6005
PO Box 1618 West Perth WA 6872

T +61 8 9481 7833
F +61 8 9481 7835

mls@metalsaustralia.com.au
metalsaustralia.com.au

METALS AUSTRALIA LTD ABN 38 008 982 474

ASX CODE **MLS**

