

ASX Announcement

15 November 2019

**Lac Rainy Graphite Project Update:
JORC (2012) Mineral Resource Estimate and Metallurgical Testwork**

Metals Australia Ltd (ASX: **MLS** and **Company**) is pleased to provide shareholders with an update in relation to the JORC (2012) Mineral Resource estimate and the metallurgical testwork that is currently underway at the Company's 100% owned Lac Rainy Graphite Project, located in Quebec, Canada.

Diamond drilling at Lac Rainy initially focused on the known high-grade Lac Carheil Prospect which is at the south-east end of the mineralised trend. The drilling program was expanded to include step out drilling along strike to the north-west. Seventeen (17) diamond drill holes were completed for a total of 2,318m with thirteen (13) holes finishing in mineralisation and remaining open at depth. Graphite flake mineralisation was intersected in all drill holes. DDH19-09 intersected the main Carheil Graphitic Zone over a width of 70 metres at a depth from 9.0 metres to 79.9 metres (*refer to ASX announcement dated 3 July 2019 and titled "Exceptionally Wide High-Grade Graphite Zones Intersected"*).

The assay results for the final hole were received by MLS on 1 October 2019. Following receipt of all assay results, MLS engaged GoldMinds Geoservices Inc. (**GoldMinds**) to undertake a JORC (2012) Mineral Resource Estimate.

GoldMinds is currently building the resource block model for Lac Rainy. In addition, GoldMinds will be undertaking a "flash test" to determine the baseline metallurgical and mineralogical characteristics of the deposit at Lac Rainy as required by the JORC (2012) guidelines.

MLS expects to receive the results of the JORC (2012) Mineral Resource estimate prior to the end of this year.

SGS Canada Inc. (**SGS**) has been engaged by MLS to complete full scale metallurgical and mineralogical testwork on the drill core for the Lac Rainy project. Once MLS has received these results, a further suite of product specification testwork may be conducted.

MLS expects to receive the results of the metallurgical and mineralogical testwork from SGS in early 2020 with the results of the product specification testwork to follow thereafter.

- ENDS -**For more information, please contact:**

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ASX Listing Rules Compliance

In preparing this announcement dated 15 November 2019, the Company has relied on the announcements previously made by the Company and disclosed below. The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement dated 15 November 2019.

Lac Rainy Graphite Project

Pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement dated 3 July 2019.

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.