



ASX Announcement Metals of Africa Ltd

23 September 2015

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MTA Capital Structure

Shares on Issue: 135,141,290

Listed Options: 57,854,396
(\$0.15, 07/01/2017)

Unlisted Options 12,171,833
(various price, expiry)

Market Cap. @ \$0.048; A\$6.49m

MTA Board

Gilbert George
Non Executive Chairman

Cherie Leeden
Managing Director

Brett Smith
Non Executive Director

Steven Wood
Company Secretary

ASX Code: MTA

www.metalsofafrica.com.au

OVERSUBSCRIBED PLACEMENT TO RAISE \$3M

Highlights

- Strong support from existing shareholders and Directors
- Introduction of two quality cornerstone investors
- Company fully funded to deliver major milestones including:
 - JORC Resource at Montepuez Central Graphite Project (Q4 2015)
 - PFS for Montepuez (commence Q4 2015)
 - Detailed metallurgical test work aimed at battery market (Q4 2015)
 - Drill program at Balama Central (Q4 2015)
 - VTEM at Kroussou Zinc Project to prioritise drill targets (Q4 2015/Q1 16)
- Montepuez Project is rapidly advancing from exploration to development

Metals of Africa Limited (ASX: MTA) (the Company) is pleased to announce a placement to raise \$3m via the issue of 66.8m shares at \$0.045 per share (being the Company's 15 day VWAP) ("Placement").

The Placement will be completed via two tranches. Tranche one will be placed shortly, utilising the Company's existing Listing Rule 7.1A 10% and Listing Rule 7.1 15% placement capacities, and tranche two will be subject to shareholder approval. The date of the shareholder meeting to approve the second tranche of the Placement will be advised shortly.

Morgans Corporate Limited was Lead Manager to the Placement.

The Company received overwhelming support from existing shareholders and welcomes two strategic cornerstone investors to its share registry, Mr Navin Sidhu and Farjoy Pty Ltd.

Subject to Shareholder approval, Directors intend to participate by way of investment in the second tranche, and/or by applying for shares in lieu of part of directors' fees during the period of the raising (from October to December).

The majority of the funds raised from the Placement will be used to progress detailed metallurgical test work and a prefeasibility study on its graphite asset located in Mozambique on the basis that the achievement of these milestones will assist in securing an off-take agreement.

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Metals of Africa's Managing Director Cherie Leeden said:

"We are extremely pleased with the support that we received for the Placement via our existing shareholders and are delighted to welcome two strategic cornerstone investors. We are particularly pleased that one of the new cornerstone investors, Mr Navin Sidhu is also the CEO of MMG, a major integrated, Malaysian-based galvanising business. Interest amongst zinc end-users such as MMG is expected to increase as our major zinc project in Gabon is progressed. MTA has previously noted that the expected near term reduction in supply from existing mines has generated significant interest in developing Zinc projects. The Company is also pleased to welcome as a cornerstone investor Farjoy Pty Ltd, a high-calibre sophisticated investor specialising in investments in food security, new materials, energy and technology in Australia, Asia and Africa.

We would like to thank our lead stock broker, Morgans Corporate Limited for their continued support.

To achieve an oversubscribed capital raising in this market is validation of both the quality of our assets and the exciting stage of their development. We have a lot of news expected for our graphite project over the coming months, including metallurgical results and a maiden JORC resource estimate at the Montepuez Project, and a maiden drill program at our Balama Central Project.'

This announcement effectively lifts the trading halt requested by MTA on Monday 21 September 2015. The Company is not aware of any reason why the ASX would not allow trading to commence immediately.

On behalf of Board of Directors Metals of Africa Ltd

For further information please contact

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About Metals of Africa Limited

Metals of Africa (ASX: MTA) is a diversified minerals exploration company dedicated to exploring for world class deposits in Africa. The Company's core commodity targets are: zinc and graphite. During 2015 the Company will maintain a dual focus: on its graphite assets (Montepuez and Balama) located in Mozambique and on its zinc asset (Kroussou) located in Gabon. The Company prides itself on environmental best practice and positive community relations.

Metals of Africa is conducting a series of research and development activities and trials in both Australia and Africa in establishing the best process methodology in mineral exploration, mining and processing. This activity is for the benefit of the company's holdings and in the licensing of intellectual property as a means of bringing these ideas to the market.

