
METALS OF AFRICA LIMITED

ACN 152 071 095

NOTICE OF GENERAL MEETING

A General Meeting of the Company will be held at 945 Wellington Street, West Perth, Western Australia on Friday 13 November 2015 at 3.00PM (WST).

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9322 7600.

METALS OF AFRICA LIMITED

ACN 152 071 095

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Metals of Africa Limited (**Company**) will be held at 945 Wellington Street, West Perth, Western Australia on Friday 13 November 2015 at 3.00PM (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday 11 November 2015 at 4.00 pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 4.2(a).

AGENDA

1. Resolution 1 – Ratification of Tranche 1 Placement

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 32,780,395 Shares (**Tranche 1 Placement Shares**) each at an issue price of \$0.045 (**Tranche 1 Placement**) on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Tranche 1 Placement Participant and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 - Authority to issue Tranche 2 Placement Shares

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Directors to issue up to 34,055,154 Shares (**Tranche 2 Placement Shares**) each at*

an issue price of \$0.045 (Tranche 2 Placement) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the Tranche 2 Placement and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. Resolution 3 – Authority to issue Shares to Mr Gilbert George

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, subject to Resolution 2 being passed, for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise Mr Gilbert George (and/or his nominees) to participate in the Tranche 2 Placement by subscribing for up to 1,000,000 Shares each at an issue price of \$0.045 on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Gilbert George and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 – Approval of issue of Shares to Ms Cherie Leeden in lieu of Managing Director’s salary

To consider, and if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Directors to issue ,1,111,111 Shares to Ms Cherie Leeden (and/or her nominees) in lieu of the Managing Director’s salary payable to Ms Leeden on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Ms Leeden and her nominees and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 5 - Approval of issue of Shares to Mr Brett Smith in lieu of Directors' fees

To consider, and if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Directors to issue 166,666 Shares to Mr Brett Smith (and/or his nominees) in lieu of directors' fees payable to Mr Smith on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Smith and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Resolution 6 – Ratification of issue of Shares to StocksDigital

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 285,715 Shares (**StocksDigital Shares**) to StocksDigital on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by StocksDigital and any of its associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides

7. Resolution 7 – Approval of the issue of the Dombeya Consideration Shares pursuant to the Dombeya Acquisition Agreement

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue the Shares under the terms of the Dombeya Acquisition Agreement on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the issue of the Shares under the terms of the Dombeya Acquisition Agreement and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated 13 October 2015

BY ORDER OF THE BOARD



Steven Wood

Company Secretary

METALS OF AFRICA LIMITED

ACN 152 071 095

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 945 Wellington Street, West Perth, Western Australia on Friday 13 November 2015 at 3.00PM (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the General meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 4 and 5 if:

- (a) the person is either:

- (i) a member of the Key Management Personnel of the Company; or
 - (ii) a Closely Related Party of such a member, and
- (b) the appointment does not specify the way the proxy is to vote on Resolutions 4 and 5.

However, the prohibition does not apply if:

- (c) the proxy is the Chairman; and
- (d) the appointment expressly authorises the Chairman to exercise the proxy even if Resolutions 4 and 5 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

3. Resolution 1 – Ratification of Tranche 1 Placement

3.1 General

On 30 September 2015, the Company issued 32,780,395 Shares at an issue price of \$0.045 each to sophisticated and professional investors to raise \$1,475,117.78 (before costs) under the Tranche 1 Placement.

The funds raised from the issue of the Tranche 1 Placement Shares have been, or will be, used to fund resource definition drilling at the Montepuez Central graphite project, a maiden drill program at the Balama South graphite project, detailed metallurgical test work, an initial JORC Resource Estimate and commencement of a prefeasibility study at the Montepuez Central graphite project located in the Cabo Delgado region in Mozambique and to provide on-going working capital for the Company.

The Tranche 1 Placement Shares were issued within the Company's 15% annual limit permitted under Listing Rule 7.1 and the additional 10% annual limit approved by Shareholders under Listing Rule 7.1A at the Company's 2015 Annual General Meeting, without the need for Shareholder approval.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.4 provides that where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 (including the additional 10% capacity under Listing Rule 7.1A), providing that the previous issue did not breach Listing Rule 7.1, the issue of those securities will be deemed to have been with shareholder approval for the purpose of Listing Rule 7.1.

Resolution 1 seeks Shareholder approval for the ratification of the issue of the Tranche 1 Placement Shares pursuant to Listing Rule 7.4. Of these Tranche 1 Placement Shares, 13,485,558 Shares were issued pursuant to the additional 10% capacity under Listing Rule 7.1A

and 19,294,837 Shares were issued pursuant to the 15% capacity under Listing Rule 7.1. The effect of Shareholders passing Resolution 1 will be to restore the Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months and within the additional 10% placement capacity under Listing Rule 7.1A during the balance of the 12 months from the date of the Company's 2015 Annual General Meeting, without the requirement to obtain prior Shareholder approval.

Resolution 1 is an ordinary resolution.

3.2 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5 information regarding the issue of the Tranche 1 Placement Shares is provided as follows:

- (a) 32,780,395 Shares were issued pursuant to the Tranche 1 Placement.
- (b) The Tranche 1 Placement Shares were issued at \$0.045 each.
- (c) The Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued to sophisticated and professional investors, none of whom are related parties of the Company.
- (e) The funds raised from the issue of the Tranche 1 Placement Shares have been, or will be, used to fund resource definition drilling at the Montepuez Central graphite project, a maiden drill program at the Balama South graphite project, detailed metallurgical test work, an initial JORC Resource Estimate and commencement of a prefeasibility study at the Montepuez Central graphite project located in the Cabo Delgado region in Mozambique and to provide on-going working capital for the Company.
- (f) A voting exclusion statement is included in the Notice.

4. Resolution 2 - Authority to issue Tranche 2 Placement Shares

4.1 General

As announced to the ASX on 23 September 2015, the Company intends to undertake a placement of up to a further 34,055,154 Shares each at an issue price of \$0.045, to raise \$1,532,481.93 (before costs) under the Tranche 2 Placement.

The funds raised from the issue of the Tranche 2 Placement Shares will together with the funds raised from the issue of the Tranche 1 Placement Shares be used to fund resource definition drilling at the Montepuez Central graphite project, a maiden drill program at the Balama South graphite project, detailed metallurgical test work, an initial JORC Resource Estimate and commencement of a prefeasibility study at the Montepuez Central graphite project located in the Cabo Delgado region in Mozambique and to provide on-going working capital for the Company.

Given the Tranche 2 Placement Shares to be issued under Resolution 2 will exceed the 15% threshold set out in Listing Rule 7.1 and none of the exceptions contained in Listing Rule 7.2 apply, Shareholder approval is required under Listing Rule 7.1. A summary of Listing Rule 7.1 is provided in Section 3.1.

Resolution 2 is an ordinary resolution.

4.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3 information regarding the issue of the Tranche 2 Placement Shares is provided as follows:

- (a) The maximum number of Shares that the Company may issue under the Tranche 2 Placement is 34,055,154.
- (b) The Tranche 2 Placement Shares may be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) The Tranche 2 Placement Shares will be issued at an issue price of \$0.045 per Share.
- (d) The Tranche 2 Placement Shares will be issued to sophisticated and professional investor, none of whom will be related parties of the Company.
- (e) The Tranche 2 Placement Shares will be fully paid ordinary shares of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (f) The funds raised from the issue of the Tranche 2 Placement Shares be used to fund resource definition drilling at the Montepuez Central graphite project, a maiden drill program at the Balama South graphite project, detailed metallurgical test work, an initial JORC Resource Estimate and commencement of a prefeasibility study at the Montepuez Central graphite project located in the Cabo Delgado region in Mozambique and to provide on-going working capital for the Company.
- (g) Subject to paragraph (b), the issue of the Tranche 2 Placement Shares may occur progressively.
- (h) A voting exclusion statement is included in the Notice.

5. Resolution 3 – Authority to issue Shares to Mr Gilbert George

5.1 General

It is proposed that Director, Mr Gilbert George and/or his nominees, participate in the Tranche 2 Placement by subscribing for up to 1,000,000 Shares at an issue price of \$0.045 each, the same terms as the Tranche 2 Placement. Further details of the Tranche 2 Placement are set out in Section 4.1.

Listing Rule 10.11 provides that a company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without the approval of shareholders. Mr Gilbert George is a related party of the Company by virtue of being a Director and therefore approval is required under Listing Rule 10.11 for the issue of Shares to him.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of Shares to Mr Gilbert George. If approval is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

Resolution 3 is an ordinary resolution.

5.2 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13 information regarding the issue of Shares to Mr Gilbert George (and/or his nominees) is provided as follows:

- (a) The maximum number of Shares to be issued to the Mr Gilbert George and/or his nominees is 1,000,000 Shares.
- (b) The Shares may be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) The Shares will be issued at an issue price of \$0.045 per Share.
- (d) The Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (e) The funds raised from the issue of Shares to Mr Gilbert George will be aggregated with and used for the same purpose as the funds raised by the Tranche 2 Placement.
- (a) As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.
- (f) A voting exclusion statement is included in the Notice.

6. Resolutions 4 and 5 - Approval of issue of Shares to Directors in lieu of Director's fees and Managing Director's salary

6.1 Background

The Company proposes to grant a total of 1,277,777 Shares (**Director Shares**) to Directors Mr Brett Smith and Ms Cherie Leeden (and/or their nominees) (**Participating Directors**), for nil cash consideration in lieu of \$57,500 of Director's fees and Managing Director's salary for the period of four months commencing on 1 October 2015 as follows:

Name	Directors Fees (\$)	Managing Director's Salary (\$)	Number of Shares ¹
Cherie Leeden	-	50,000	1,111,111
Brett Smith	7,500	-	166,666

1 The Company has determined the number of Share to be issued to the Participating Directors based on the terms of the Tranche 1 Placement and Tranche 2 Placement (being an issue price of \$0.045 per Share).

The Director Shares are being issued in lieu of fees and salary on the condition that if the Participating Director resigns from their position on or before 1 February 2016, they will be liable to pay for the Director Shares issued to them in lieu of fees and salary that have not become payable.

Shareholder approval is required under Listing Rule 10.11 to issue the Director Shares to the Participating Directors because the Participating Directors are related parties of the Company.

If approval for the issue of the Director Shares is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1. Shareholder approval of the issue of the Director Shares to the Participating Directors pursuant to Listing Rule 10.11 means that these issues will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

Resolutions 4 and 5 are ordinary resolutions.

6.2 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the issue of the Director Shares is provided as follows:

- (a) The Director Shares will be issued to the Participating Directors, Ms Cherie Leeden and Mr Brett Smith, and/or their nominees.
- (b) The maximum number of Shares the Company can issue to each of the Participating Directors and/or their nominees under Resolutions 4 and 5 is as follows:
 - (i) Ms Cherie Leeden – 1,111,111 Shares; and
 - (ii) Mr Brett Smith – 166,666 Shares.
- (c) The Company will issue the Director Shares to the Participating Directors and/or their nominees no later than one month after the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (d) The Director Shares will be issued for nil consideration in lieu of \$57,500 of Directors' fees and Managing Director's salary that will be payable from 1 October 2015 as set out in the table in Section 6.1 and accordingly no funds will be raised from the issue of the Director Shares, unless the Participating Director resigns from their position on or before 1 February 2016, in which case they will be liable to pay for the Director Shares issued to them in lieu of fees and salary that have not become payable.
- (e) The Director Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (f) As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.
- (g) A voting exclusion statement is included in the Notice.

7. Resolution 6 – Ratification of issue of Shares to StocksDigital

On 23 June 2015, the Company issued 285,715 Shares to StocksDigital as part of the fee for StocksDigital providing investor relations and digital marketing services to the Company.

The Shares were issued within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval. Listing Rule 7.4 provides an exception to Listing Rule 7.1 that where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) the issue of those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The effect of Shareholders passing Resolution 6 ratifying the issue of the StocksDigital Shares will be to restore the Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months.

Resolution 6 seeks Shareholder approval for the ratification of the issue of the StocksDigital Shares pursuant to Listing Rule 7.4.

Resolution 6 is an ordinary resolution.

7.1 Specific Information Required by Listing Rule 7.5

For the purposes of Listing Rule 7.5 information regarding the issue of the StocksDigital Shares is provided as follows:

- (a) 285,715 Shares were issued by the Company.
- (b) The StocksDigital Shares were issued as part of the fee payable to StocksDigital for investor relations and digital marketing services provided to the Company. Accordingly no funds were raised from the issue of the StocksDigital Shares.
- (c) The StocksDigital Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The StocksDigital Shares were issued to StocksDigital who is not a related party of the Company.
- (e) A voting exclusion statement is included in the Notice.

8. Resolution 7 – Approval of the issue of the Dombeya Consideration Shares pursuant to the Dombeya Acquisition Agreement

8.1 General

The Company, through a subsidiary, has entered into a binding Licence Sale Agreement with Mozambican registered company, Dombeya, to acquire 100% of Mozambique Exploration Licence 4118, termed the Balama Central Project (**Dombeya Acquisition Agreement**).

Under the terms of the Dombeya Acquisition Agreement, the Company has agreed to pay cash and issue Shares as consideration to Dombeya.

At a general meeting of the Company held on 16 January 2015 (**January General Meeting**), Shareholders approved the issue of the Dombeya Consideration Shares. However, due to conditions precedent relating to regulatory approval of the acquisition in Mozambique not being met, the Company was unable to complete the acquisition of the Balama Central Project and issue Dombeya Consideration Shares within three months of the date of the January General Meeting. The Company sought re-approval of the issue of the Dombeya Consideration Shares at the annual general meeting of the Company held on 27 May 2015 (**May Annual General Meeting**). However the condition precedent relating to regulatory approval of the acquisition in Mozambique was unable to be met within three months of the date of the May Annual General Meeting. Accordingly the Company is seeking re-approval of the issue of the Dombeya Consideration Shares at this Meeting.

8.2 Overview of the Balama Central Project

The Balama Central Project has not been subject to any previous systematic or on the ground exploration. The granted license comprises a surface area of 9600 hectares. The project area has been subject to country wide regional geological mapping plus government airborne geophysics surveys flown over the region, which produced magnetics and radiometric data.

Desktop appraisals of the results of this broad scale regional exploration conducted to date has concluded that the project area is prospective for graphite on the basis of the prospective geology mapped and airborne magnetic signature. Approximately 70% of the exploration license is mapped to contain the regions prospective geological unit called: X3Pqm – Graphite bearing quartz mica gneiss and schist.

On successful completion of due diligence, Metals of Africa intends to conduct an airborne electro-magnetic (EM) survey over the license, as an initial phase of exploration, in order to rapidly delineate any potential conductors and target areas for more rigorous on-ground exploration.

The project boasts excellent logistics, with a main road passing through the middle of the license.

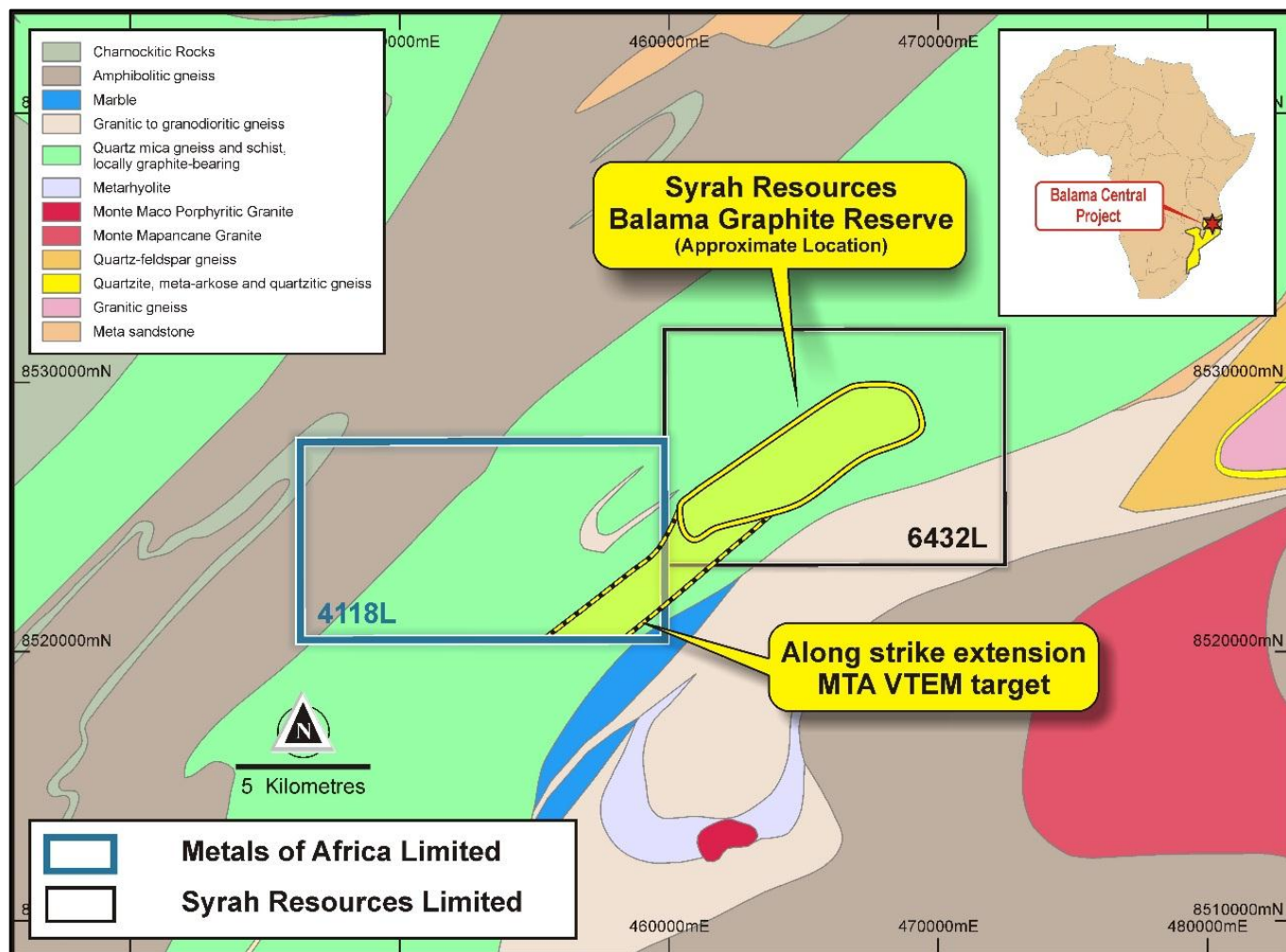


Figure 1. Mozambique Country Location Map and general location of Metals of Africa graphite project area.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Ms. Cherie Leeden, who is Managing Director of the Company. Ms Leeden is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Leeden consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

8.3 Commercial Terms

The total consideration payable to Dombeya under the Dombeya Acquisition Agreement is as follows:

- (a) a cash payment of US\$50,000, paid on 21 August 2014;
- (b) a cash payment of US\$200,000, paid in April 2015; and
- (c) the issue of US\$200,000 worth of Shares, with a deemed issue price per Share being the lower of:
 - (i) the closing volume-weighted average mid-market Share price for the period of 10 trading days prior to 31 January 2015 (using the US\$/AUD\$ exchange rate on 31 January 2015) (being \$0.058 per Share); and
 - (ii) the closing volume-weighted average mid-market Share price for the period of 10 trading days prior to the completion date of the acquisition (using the US\$/AUD\$ exchange rate on the completion date),

(Dombeya Consideration Shares).

There are certain legal restrictions regarding the issue of shares to parties in Mozambique. Depending on the extent of these restrictions, the Company may be unable to issue the Dombeya Consideration Shares directly to Dombeya, and it may be necessary for the Company to first issue the Dombeya Consideration Shares to a Mozambican subsidiary of the Company, and for that subsidiary to then immediately transfer the Dombeya Consideration Shares to Dombeya. The Company will be required to obtain an ASIC exemption in respect of section 259C of the Corporations Act, which prohibits a Company issuing shares to any entity it controls.

8.4 Listing Rule 7.1

The Company seeks prior Shareholder approval under Listing Rule 7.1 for the issue of the Dombeya Consideration Shares. A summary of Listing Rule 7.1 is provided in Section 3.1.

If Shareholders approve Resolution 7, issue of the Dombeya Consideration Shares will not count towards the Company's 15% capacity.

Resolution 7 is an ordinary Resolution.

8.5 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3 information regarding the issue of the Dombeya Consideration Shares is provided as follows:

- (a) The maximum number of Shares to be issued will be that number of Shares with a total value of US\$200,000, using a deemed issue price per Share in AUD\$ of the lower of:
- (i) the closing volume-weighted average mid-market Share price for the period of 10 trading days prior to 31 January 2015 (using the US\$/AUD\$ exchange rate on 31 January 2015) (being \$0.058 per Share, or US\$0.045 per Share based on the A\$/US\$ exchange rate of 0.777 on that date); and
 - (ii) the closing volume-weighted average mid-market Share price for the period of 10 trading days prior to the completion date of the acquisition (using the US\$/AUD\$ exchange rate on the completion date).

For illustrative purposes, the following table sets out the potential number of Shares that may be issued at different issue prices and the percentage dilution to existing Shareholders that would occur:

	Number of Shares	Dilution
Current Issued Shares	167,921,685	-
Issue price of A\$0.058 (US\$0.045) ¹	4,440,065	2.64%
Issue price of A\$0.041 (US\$0.0286) ^{2, 3}	6,993,007	4.16%

1. Based on the A\$/US\$ exchange rate of 0.777 on 31 January 2015.
2. Based on the A\$/US\$ exchange rate of 0.698 on 30 September 2015.
3. The prevailing Share price on ASX on 30 September 2015.

- (b) Subject to completion of the conditions precedent of the acquisition, relating to receipt of appropriate regulatory approval of the acquisition in Mozambique, the Company will issue the Dombeya Consideration Shares no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- (c) The Dombeya Consideration Shares will be issued as consideration for the Dombeya Acquisition and accordingly no funds will be raised from the issue of the Dombeya Consideration Shares.
- (d) The Dombeya Consideration Shares will be issued to Dombeya. As foreshadowed in Section 8.3, in the event that Mozambican law restricts the issue of the Dombeya Consideration Shares direct to Dombeya, then subject to receipt of the appropriate ASIC exemption in respect to section 259C of the Corporations Act, the Dombeya Consideration Shares will be first transferred to a Mozambican subsidiary of the Company and then immediately transferred by that subsidiary to Dombeya.
- (e) The Shares to be issued are fully paid ordinary shares and will rank equally in all respects with the Company's existing Shares on issue.
- (f) The Dombeya Consideration Shares will be issued on one date.
- (g) A voting exclusion statement is included in the Notice.

9. Definitions

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting.

Closely Related Party means has the meaning in section 9 of the Corporations Act.

Company or **Metals of Africa** means Metals of Africa Limited ACN 152 071 095.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Director Shares has the meaning in Section 6.1.

Dombeya means Dombeya Mineração Lda, a company incorporated in the Republic of Mozambique with registration number 100167646.

Dombeya Acquisition Agreement has the meaning in Section 8.1.

Dombeya Consideration Shares has the meaning in Section 8.3.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Participating Directors has the meaning in Section 6.1.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

StocksDigital means S3 Consortium Pty Ltd ACN 135 239 968 (trading as StocksDigital).

StocksDigital Shares has the meaning in Resolution 6.

Tranche 1 Placement has the meaning in Resolution 1.

Tranche 1 Placement Shares has the meaning in Resolution 1.

Tranche 2 Placement has the meaning in Resolution 2.

Tranche 2 Placement Shares has the meaning in Resolution 2.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and vice versa.

METALS OF AFRICA LIMITED

ACN 152 071 095

PROXY FORM

The Company Secretary
Metals of Africa Limited

By delivery:

c/- Grange Consulting
945 Wellington Street
WEST PERTH WA 6005

By post:

PO Box 1263
WEST PERTH WA 6872

By facsimile:

+61 8 9322 7602

By email:

admin@metalsof africa.com.au

Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to _____

votes in the Company, hereby appoint:

The Chairman of the Meeting (mark box)

☐

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and address of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally on my/our behalf at the Meeting to be held at 945 Wellington Street, West Perth, Western Australia on Friday 13 November 2015 at 3.00PM (WST) and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit, except for as set out below).

Important – If the Chairman of the Meeting is your proxy or is appointed your proxy by default

The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 4 and 5. If the Chairman of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 4 and 5, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolutions 4 and 5, even if Resolutions 4 and 5 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Step 2 – Instructions as to Voting on Resolutions

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Ratification of Tranche 1 Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Authority to issue Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Authority to issue Shares to Mr Gilbert George	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of issue of Shares to Ms Cherie Leeden in lieu of Managing Director's salary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of issue of Shares to Mr Brett Smith in lieu of Directors' fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of issue of Shares to StocksDigital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of the issue of the Dombeya Consideration Shares pursuant to the Dombeya Acquisition Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

Individual or Shareholder 1	Shareholder 2	Shareholder 3
<div></div>	<div></div>	<div></div>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary
_____	_____	_____
Contact Name	Contact Daytime Telephone	Date

¹Insert name and address of Shareholder

Proxy Notes:

A Shareholder entitled to attend and vote at the General Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting. If the Shareholder is entitled to cast 2 or more votes at the General Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting, the representative of the body corporate to attend the General Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders should sign.
Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the General Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the address below no later than 48 hours prior to the time of commencement of the General Meeting (WST).

Hand deliveries: Grange Consulting
945 Wellington Street
WEST PERTH WA 6005

Postal address: PO Box 1263
WEST PERTH WA 6872

Facsimile: (08) 9322 7602 if faxed from within Australia or + 61 8 9322 7602 if faxed from outside Australia.

Email: admin@metalsof africa.com.au