



METALS *of* AFRICA
LIMITED

Positioned for Development and Transition

ASX: MTA



Roadshow October 2016

Disclaimer & Competent Person Statement

Statements and material contained in this Presentation, particularly those regarding possible or assumed future performance, resources or potential growth of Metals of Africa Limited, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Such forecasts and information are not a guarantee of future performance and involve unknown risk and uncertainties, as well as other factors, many of which are beyond the control of Metals of Africa Limited. Information in this presentation has already been reported to the ASX.

Cautionary Statement

The Company advises that a proportion of the production target referred to in this announcement is based on an inferred mineral resource. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. Further detail around Concept Study included in ASX announcement dated 10 February 2016. The Company confirms that the material assumptions underpinning the production target in the Concept Study have not materially changed since first reported, pursuant to ASX listing rule 5.19.

Competent Persons Statement

The information in this report that relates to a Concept Study 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 the relevant experience in the Technical Assessment and Valuation of Mineral Assets of this level of Pre Development study referred Concept Study. Ms. Cherie Leeden also has sufficient relevant experience in the style 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.

The Maiden JORC Graphite Resource at Montepuez Central Project was announced by the Company 16 November 2015 and 8 December 2015 and should be referred with this report. The Maiden JORC Graphite Resource at Balama Central Project was announced by the Company on 21 March 2016 and should be referred with this report. The information pertaining to the Montepuez Central and Balama Mineral Resource is based on information compiled by Mr Robert Dennis who is a Member of Australian Institute of Geoscientists and a full time employee of RungePincockMinarco Limited. Mr Dennis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Dennis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

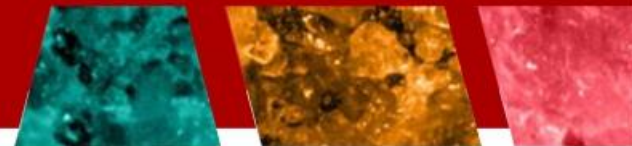
The Montepuez Central Concept Study is based on a preliminary technical and economic assessment to test the economic viability of the Montepuez Central Mineral Resource with $\pm 40\%$ accuracy. It includes appropriate assessment of realistically assumed mine development, processing and transport operational factors estimated with presently defined graphite product pricing which supports realistically justified progress to a Pre-Feasibility Study. The Concept Study is not a Pre-Feasibility or Feasibility Study as further comprehensive studies are required to achieve this level of economic confidence including Resource to Ore Reserve conversion and further product testwork.

Mineral Resources

The basis of the Study was the Mineral Resource estimate for the Montepuez Project (Buffalo, Lion and Elephant prospects), which contains 61.6Mt at 10.2% TGC for 6.3Mt of contained graphite at a cut-off of 6% TGC. RungePincockMinarco Limited ("RPM") was engaged to prepare the Mineral Resource estimate in 2015. The Mineral Resource underpinning the production target, classified as Indicated and Inferred, was prepared under the supervision of a Competent Person and reported in November and December 2015 in accordance with the requirements in Appendix 5A (the JORC Code 2012 edition). Classification of the Mineral Resource was carried out taking into account the geological understanding of the deposit, quality of the sampling and density data, and drill hole spacing. Metallurgical considerations of flake size distribution, purity of product and petrographic analyses were also given due consideration.

Vast portions of the VTEM anomalism at the Project remain undrilled. There are opportunities to delineate further Mineral Resources parallel to existing trends at Elephant and Buffalo. All prospects are open along strike and down-dip. Extensional drilling is likely to add tonnes to the Mineral Resource, specifically to the south of known mineralisation at Elephant and Buffalo.

On the pathway to development...



- ✓ **Resource** *60yr mine life, +10% TGC Resource*
- ✓ **Flake distribution** *Diverse range of flake size for various applications*
- ✓ **Metallurgy** *99.2% TGC purity without use of chemicals*
- ✓ **Low cost** *Concept Study confirm lowest quartile Opex*
- ✓ **Competitive advantage** *US Spherical mill to provide anode material for end-user testing*
- ✓ **Management** *Appointment of David Flanagan strengthens the Board for funding and development*
- ? **Binding Off-take** *Anticipated December 2016 quarter*
- ? **DFS completion** *Target December 2016*
- ? **Key appointments** *Ongoing*

Corporate Snapshot

David Flanagan – Non Executive Chairman

CitWA, BSc WASM, FAICD, AusIMM

*25 years resources industry experience in Australia, Africa and Asia
Experienced ASX Director, Chairman and MD of ASX 200 company
Proven capability to transition from explorer to major producer*

Cherie Leeden - Managing Director - BSc Hons

*Geologist, successful explorer and developer of mineral resources
Extensive experience working for majors/juniors
Predominantly African based and focussed for past 5 years*

Gilbert George - Non Executive Director – MEng

*Experienced public company director
>30 years international business experience, particularly Japan
Involved in +\$1bn worth of transactions funding resources projects*

Brett Smith - Non Executive Director – BSc Hons

*Geologist
25 years experience in exploration and resource definition
Experienced public company director*

Corporate Presence

Head Office West Perth, Western Australia
Country Office Maputo, Mozambique

ASX: MTA

Shares on Issue: 316M

Market Cap: ~\$16M

Cash in bank: \$4.2M ⁽¹⁾

Share Price: \$0.058⁽²⁾

Trading Range (12 weeks): A\$0.041- \$0.065

Options on issue

58M listed (15 cents, Jan 2017)

11M unlisted (various)

(1) 30 June 2016

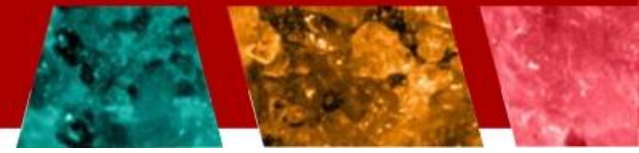
(2) 11 October 2016

Graphite Project locations

Cabo Delgado Province, Mozambique

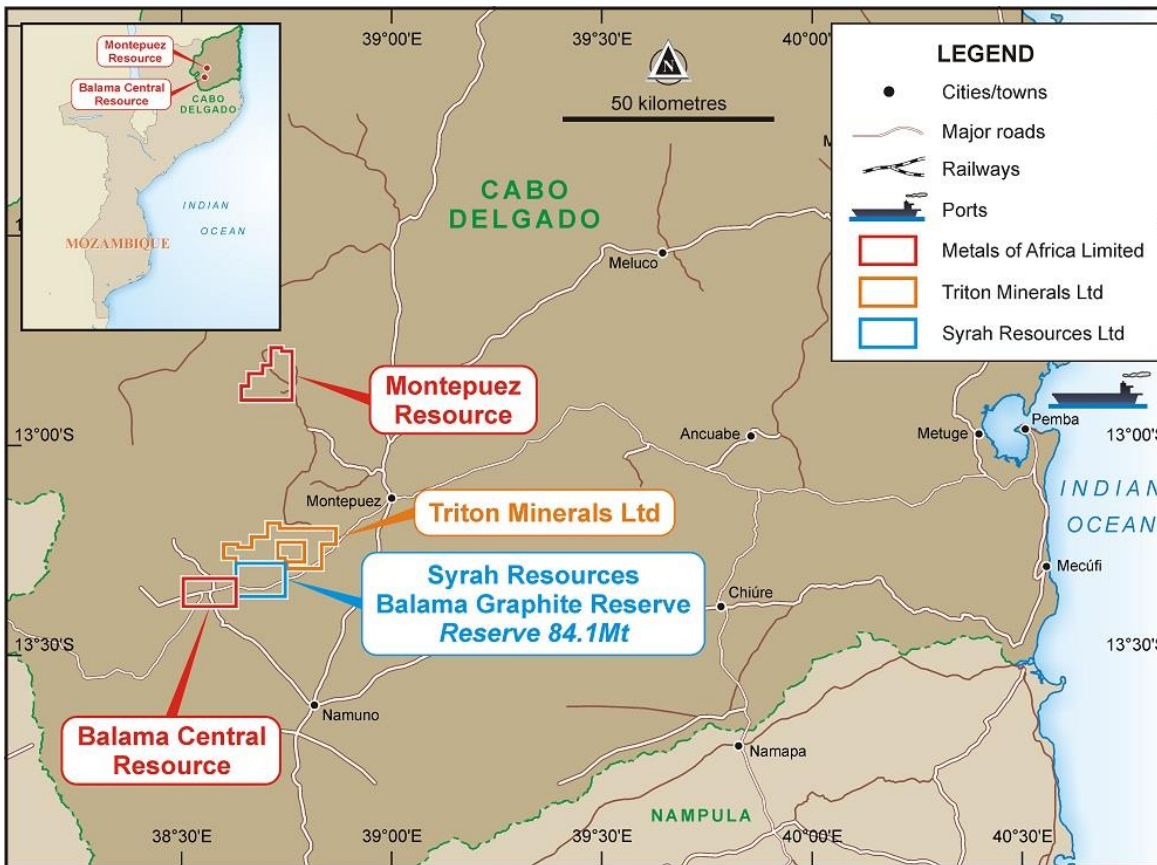
(Montepuez Project and Balama Central Project)

Location and Country Benefits

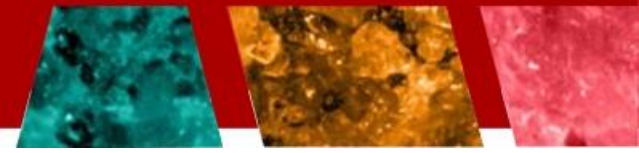


- Situated within the premier Mozambique graphite mobile belt which hosts more graphite than the rest of the world combined
- Province of Cabo Delgado, Mozambique
- Premium graphite attributes confirmed
- Company owns 2 world class Graphite projects, aiding future growth and flexibility
- Logistically favoured road, port, communities, resulting in development and logistics benefits
- Modern Mining Act. Mozambique's mining law revised in 2014 guaranteeing security of tenure and allowing companies to repatriate profits
- Tax incentives available, including exemption from payment of customs duties and VAT and tax credit for 5 fiscal years
- Stable multi-party democracy since 1994

Project Locations and Recognised Neighbours



- Graphite Projects are 260km from port of Pemba, via well maintained highway for >210km
- New, expanded multi-user port facility currently under construction, located a few kilometres from existing port
- Mozambique boasts the deepest ports in East Africa



- Premium natural flake graphite product concentrate and recoveries demonstrated
 - ✓ Compelling eChem/Met properties for LiB (lithium-ion battery) applications
 - ✓ Potential end products offer vertical integration upside (Spherical/Coated/Expandable)
- DFS now “coat tails” from confidence built from positive Concept Study
 - ✓ Anticipating lowest quartile OPEX and CAPEX
 - ✓ Simple production flowsheet (coarse crushing, grinding and flotation)
 - ✓ First rate consults actively engaged on DFS: Minnovo, Snowden, CES, ALS Labs and Mitchell Group
- Strategic benefits anticipated from participation in Spherical Graphite Mill in USA
 - ✓ Building IP and downstream capability
 - ✓ Production of anode material for testing by potential off-take partners
 - ✓ MTA to be one of the few graphite companies with an operating pilot plant
- Results achieved using environmentally sound, best practices
 - ✓ Modern operations predicted as a precondition for future sales certainty
 - ✓ Legislation and media driven concerns creating basis for certified natural flake graphite

Projects Offer Largest Flake Graphite In Mozambique

Montepuez and Balama project – classification and flake distribution

Classification	Sieve Size (µm)	Balama Central (%)	Montepuez Project (%)	Sieve size (~US Mesh)
Jumbo	>300	21.8	8.0	-50
Large	180-300	29.1	20.2	80- 50
Medium	150-180	10.5	10.9	80-100
Fine	75-150	25.1	33.8	100-200
Very Fine/Amorphous	<75	13.5	27.1	200+

- Two world class projects provide optionality of product and development options
- Flake size, creates opportunity for price premium Natural Flake products
- Chemical structure and easy liberation attributes (low impurities) offers unique opportunities:
 - ✓ *Capacity to use concentrates for Lithium ion battery uses*
 - ✓ *Favourable characteristics exist “across the classification” or all size grades (flexibility)*
 - ✓ *Emerging expandable graphite applications*

Metallurgical Results-Exceptional and No Chemicals

- Flotation testwork achieved 99.2% TGC purity without the use of any chemicals
- High graphite recovery achieved with coarse primary grind size
- Beneficial flotation parameters create scope to reduce plant capital and operating cost



Image: GS03 Weathered Composite Rougher Flotation without Collector; Chemical free production from MTA's graphite

LiB Testing Results – Montepuez Graphite

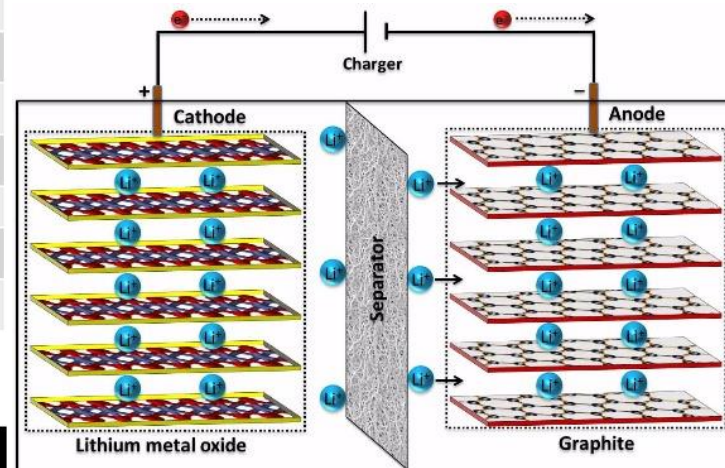
Table 1: Tap and ash analysis based on 96% concentrate sample

ID#	Flake Size (mesh)	Tap Density (g/cc)	LOI – Ash Content (% carbon)		
			Sample 1	Sample 2	Sample 3
G16-0049	As Received	0.74	98.63	98.86	98.78
	+50	0.71	98.90	99.00	98.97
	50x100	0.68	98.95	98.97	98.96
	100x200	0.60	98.90	98.38	98.90
	200x400	0.48	98.63	98.70	98.66
	400x635	0.30	98.10	98.05	-
	-635	0.28	Not enough -635 material from this sample.		

Table 2: Electrochemical data based on 96% concentrate sample*

ID#	Flake Size Ground to -635 mesh	eChem Results		
		Rev. Capacity (mAh/g)	Irrev. Capacity (mAh/g)	First Cycle Efficiency (%)
G16-0047	As Received	366	34.1	91.3
	+50	363	29.6	92.3
	50x100	361	30.5	91.9
	100x200	367	35.2	91.1
	200x400	374	37.6	90.8
	400x635	361	50.2	87.6
	-635	Not enough material available after sieving		

Reversible Capacity is a key criteria to LiB performance, anticipated to increase when 99.99% production grade concentrate is used – current dilution factor of about 4%. As a guide, Reversible Capacity over 350mAh/g is generally considered excellent



- The Li-ion battery positive terminal (cathode) is composed of Lithium plus other metals. The Li-ion battery negative terminal (anode) is composed of **graphite**, which is a form of carbon
- MTA is focussed on developing flake graphite to anode ready material (spherical graphite)
- Green technologies are driving graphite demand

Montepuez Resource for Definitive Feasibility Study

Montepuez Central Project 61.6 Mt @ 10.3% TGC and 0.26% V2O5
6.3 Mt of contained graphite at a 6% TGC cut-off (see note below)

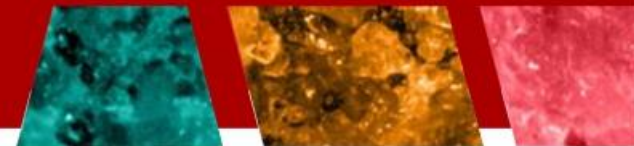
- ✓ *The Company has developed its strategy around quality as opposed to scale, that also offers scope for future expansion but driven by offtake*
- ✓ *Current Resource has been delineated over 5 % of known mineralisation occurrence*

Montepuez Graphite Project					
Maiden Mineral Resource Estimate (6% TGC Cut-off)					
Class	Tonnes	TGC	V ₂ O ₅	Cont. Graphite	Cont. V ₂ O ₅
	Mt	%	%	Mt	Kt
Indicated	27.6	10.4	0.23	2.9	62
Inferred	34.1	10.2	0.30	3.5	101
Total	61.6	10.3	0.26	6.3	163

Note:

1. Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.
2. Flake sizes for the Mineral Resource are tabulated in the Appendix to the presentation
3. The Statement of Estimates of Mineral Resources has been compiled under the supervision of Mr. Robert Dennis who is a full-time employee of RPM and a Member of the AusIMM and AIG. Mr. Dennis has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).
4. All Mineral Resources figures reported in the table above represent estimates at 21 March 2016. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.
5. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).
6. TGC = total graphitic carbon.

Montepuez Concept Study Highlights

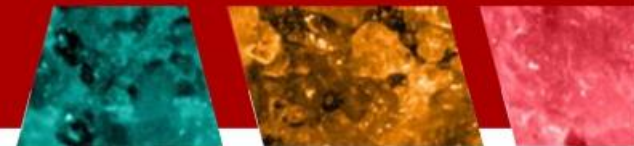


Synopsis

- Completed by RungePincockMinarco +/- 40% ; DFS expected in Dec 2016 to +/-15%
- Richest large & jumbo flake graphite deposit in Mozambique
- Low 2.2:1 strip ratio (optimisation in DFS). Simple, open pit mining methods planned
- Production feed rate of 1.2 Mtpa at average grade of 10% Total Graphitic Carbon (“TGC”) for first 30 years¹ (60yr mine life)
- Proposed production rate of 100,000¹ tonnes per annum of product:
 - ✓ 50,000tpa¹ for natural flake graphite market at circa US\$300/t Opex:
 - 20,000 tpa Jumbo-Super Jumbo flake
 - 30,000 tpa Large flake
 - ✓ 50,000tpa¹ for downstream processing producing:
 - 25,000 tpa Coated Spheroidal graphite
 - 25,000 tpa Carburiser product
- Confirms potential as one of the lowest cost operations globally

Note 1 Cautionary Statement: The Company advises that a proportion of the production target referred to in this announcement is based on an inferred mineral resource. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. Further detail around Concept Study included in ASX announcement dated 10 February 2016. The Company confirms that the material assumptions underpinning the production target in the concept study have not materially changed since first reported, pursuant to ASX listing rule 5.19.

Montepuez Concept Study – Upside

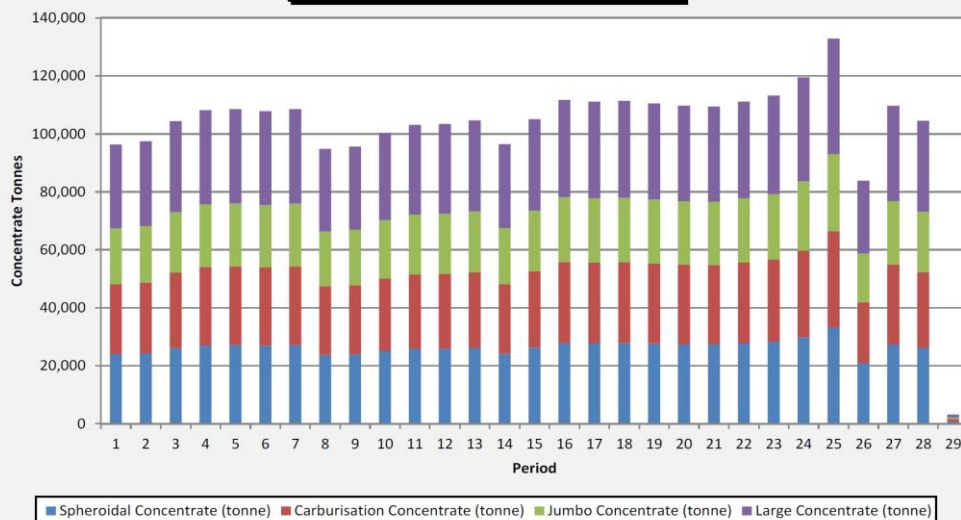


- Significant additional upside potential will be evaluated as part of the Feasibility Study and includes:
 - ✓ Utilisation of 100% of mined flake graphite into spherical graphite market
 - ✓ Upgrading of mineral resource via selective mining of very high grade zones
 - ✓ Mining and development synergies taking into consideration MTA's Balama Central graphite project

Proposed 100,000 tpa product proportion (note cautionary statement on page 2) is based on the proportion of flake size distribution in the Resource. The proportion of flake sizes have some basis (from flake size analyses conducted for the resource estimation) however need to be confirmed with test work. Annual production based on the results of the Concept Study may result in the following output:

25,000 tpa Spherical Graphite, 25,000 tpa Recarburiser, 20,000 tpa Jumbo-Super Jumbo flake, 30,000 tpa Large flake

Concentrate Output by Product



Concentrate Grades

Spheroidal Concentrate Grade	%	99.95%
Carburisation product	%	90.00%
Jumbo Concentrate Grade	%	96.00%
Large Concentrate Grade	%	96.00%

Net Recovery to Product Assumptions

Spheroidal	%	21%
Carburiser	%	21%
Jumbo	%	17%
Large	%	26%

The above concentrate Grades and Net Recovery to Product Assumptions were used in the Concept model. These assumptions made by the Company are based on its understanding of the processes involved and the quality of the Project's graphite. The Company's current test work is underway and the Net Recovery to Product Assumptions in particular have used very conservative recovery percentages, due to the limited amount of test-work results currently available. Refer cautionary statement on page 2.

Concept Study confirms attractive economics

Capital expenditure (US\$M)

Processing plant	35
Site infrastructure ⁽¹⁾	25.7
Owner's costs	15.5
Power facility	10
Spherical Graphite Plant (USA)	80
CAPEX Subtotal	166.2
Contingency – 20%	33.2
Total	199.4

Coated spherical operating costs (US\$/t)

Flake concentrate FOB (MOZ)	300
Spheroidization & coating (USA)	3,200
TOTAL: Coated Spherical Graphite OPEX	3,500

Operational metrics ⁽³⁾

Operational period	Years	60
Plant feed rate	tpa	1.2 M
Average strip ratio (LOM)	Ratio	2.2:1
Average head grade (LOM)	%	8.5%TGC
Average recovery (LOM) (target)	%	95%
Average production (LOM) ⁽³⁾	tpa	100,000

Flake concentrate operating costs (US\$/t)

Mining	59
Processing	90
Transport ⁽²⁾	105
Administration and Sustaining Capital	46
TOTAL: Flake Graphite OPEX	300

(1) Inclusive of haul roads, ROM pad, camp and tailings storage facility

(2) Inclusive of trucking costs to the Port of Pemba

(3) The Concept study includes Inferred Resources (55%) and Indicated Resources (45%.) Please refer Cautionary Statements on page 2.

(4) The Company has provided key inputs to CAPEX

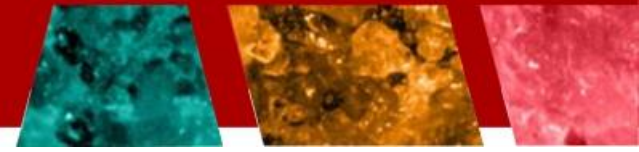
(5) Concept Study to +/- 40%

Recent Market Intelligence and Product Considerations

- Asian and USA based offtake meetings confirms:
 - ✓ *Markets seeking, “best products at best/most competitive price point”*
 - ✓ *Product profile needs to match market needs (which remains dynamic)*
 - ✓ *Operations/methods must align with “green” graphite product uses*
- Pressure on aspiring Graphite producers to perform:
 - ✓ *Lowest Capex/Opex can assist within this cost competitive landscape*
 - ✓ *Flexible processing capabilities to respond to changing market needs*
 - ✓ *Vertically integrated processes for “optionality” and higher value products*
 - ✓ *Environmental traceability from mine site to battery*
- MTA off-take status:
 - ✓ *Bulk material received in Perth; concentrates samples prepared and despatched October 2016 for offtake parties product assessment and testing*
 - ✓ *Focus remains on Binding Off-take, not MOUs*

MTA positioning itself as one of the lowest cost sources of high quality graphite, supplying a diverse range of customers

Spherical Graphite Mill - USA



- Spherical graphite is critical for production of anode-ready material for LiB's
- MTA participates in the development of a next generation spherical graphite facility
 - ✓ *MTA acquired a micronizing and spheronizing mill with a consortium*
 - ✓ *Strategically located in the USA (refer to announcement 30 March 2016 for project partner details)*
- Pilot mill will be tasked to produce high yield battery grade spherical graphite
 - ✓ *Offers significant cost savings and reduce environmental impact; best practise processes*
 - ✓ *Designed to produce and test Coated Spherical Purified Graphite ("C-SPG")*
- The specific processes being advanced in conjunction with Coulometrics LLC
 - ✓ *Coulometrics process/IP developed over 3 years, under stewardship of Dr. Edward Buie*
 - ✓ *Involves no chemicals/acids as per traditional spherical graphite production*
- Processes designed to supply of LiB manufacturers as a fully qualified product
 - ✓ *That can be traced 100% back to its source*
 - ✓ *Providing vital technical verification on the material*
 - ✓ *Environmentally friendly*
- "Best-practice processes" are currently being legislated in the US and Europe

Bulk Sampling - Spherical graphite pilot plant/DFS

High grade graphite mineralisation is at or near the surface



MTA team extracting samples to be sent for testing at the Company's USA spherical graphite pilot plant



Sample of raw material extracted and to be sent for testing at the Company's USA-based spherical graphite pilot plant

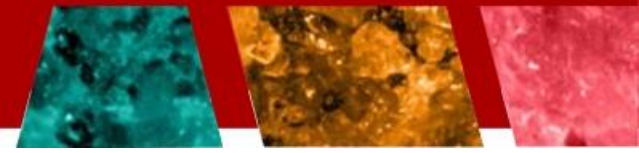
Graphite – The Clean Energy Revolution Platform

- Reliable, cheap sources of high quality graphite concentrate is key
 - ✓ *Rapid growth of the market for electric vehicles (EV's) using LiB's*
 - ✓ *Rapidly growing Energy Storage System (ESS) market*
 - ✓ *Portable electronic appliances, phones and laptops*
- Synthetic graphite dominated LiB anode market, NFG is becoming a disruptor
 - ✓ *Cost differential, supply and purity*
- Mega factories transitioning from Synthetic Graphite to NFG as a cost saving push
 - ✓ *Tesla, LG, Samsung, Panasonic, Google, BMW at the forefront of this paradigm shift*
 - ✓ *Global ESS market will be worth about US\$34bn by 2023*
- Graphite demand for batteries is predicted to increase by about 40% pa¹
- Average LiB prices falling
 - ✓ *53% between 2012 and 2015, and*
 - ✓ *Forecasts by 2019 indicate cost of batteries will decline by half again*
 - ✓ *largely driven by natural/cheaper input material*
- Country specific policy change will significantly increase battery demand
 - ✓ *Globally significant enterprises and governments (China/USA) are publically promoting battery storage/green energy initiatives and EV use*

Low cost production will be a critical factor

1. Source: Benchmark Minerals Intelligence, 2015

Goals for Code of Conduct and Product



- MTA is focussed on developing transparent, verifiable, certifiable operations
 - ✓ *“100% traceable graphite”*
 - ✓ *ethical, sustainable operational practices*
 - ✓ *socially responsible with local engagement*
- Near term goal to produce high quality Natural Flake Graphite
 - ✓ *Natural flake (jumbo/large) market*
 - ✓ *Carburiser product*
 - ✓ *Spherical Graphite options being explored*
- Participations to produce Coated Spherical Purified Graphite (‘C-SPG’ SPG) for LiB
 - ✓ *High yield (>50%)*
 - ✓ *High tap density (>1.0g/cc)*
 - ✓ *Low surface area(6m²/g), for anode graphite*
 - ✓ *Heat vs chemical purification to 99.95% concentrate*

Committed and making a continuing positive difference

■ Local initiatives

- ✓ Opening and repair of water bores/wells
- ✓ Local school and education programs
- ✓ Repair of roads and schools
- ✓ Commitment to ongoing training of local labour and staff
- ✓ Government geologists training program
- ✓ Proud sponsor of a local soccer team
- ✓ Hygiene education program



Defining Attributes of MTA



- **Strong Board and Management team**
 - ✓ *Board and management skillset team transitioning from exploration to mining/production focus*
 - ✓ *All staff and management will be strongly incentivised to control costs and generate sustaining cash flows*
- **Resource of Demonstrated Quality and Flexibility**
 - ✓ *Definition of Resources; Large/Jumbo flake, high TGC confirmed – Reserve estimation underway*
 - ✓ *Spherical graphite, ideally suited for “green energy” EV battery applications*
- **Positive Concept Study Metrics allowing progress to DFS (Lowest quartile cost profile)**
 - ✓ *Compelling concept study outcomes achieved for both projects*
 - ✓ *Optionality, scalability and scope for capital expenditure refinements during DFS*
- **Robust Operating Landscape and Logistics**
 - ✓ *Logistics, power, water, mining code, corporate taxes and regulations, investment*
- **Clear Development Pathway**
 - ✓ *Resources defined, Definitive Feasibility Study underway (PFS bypassed, saving time and funds)*
 - ✓ *Graphite Offtake discussions and end-user test work underway*
- **The Spherical Graphite Vertical Integration Opportunity**
 - ✓ *Natural flake graphite to disrupt synthetically derived spherical graphite (presently dominant supply in LiB's)*

Low strip ratio combined with ideal logistics equate to the lowest quartile for costs



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