

ASX Announcement

22 December 2016

**Metals Australia Completes Acquisition of Quebec Lithium Limited
Quebec Lithium and Graphite Projects**

Diversified metals exploration company, Metals Australia Ltd (ASX: **MLS**) is pleased to announce that the Company has completed the acquisition of Quebec Lithium Limited (**QLL**). As announced to the ASX on 20 October 2016, QLL is the 100% registered owner of the Lac La Motte, Lac La Corne and Lacourciere-Darveau Lithium Projects and Lac Rainy Nord Graphite Project, all located in Quebec, Canada.

The completion of this acquisition allows MLS to progress with its planned exploration activities, initially focused on the Lac La Motte Lithium Project and the Lac Rainy Nord Graphite Project. MLS has engaged experienced Canadian consulting geologists, Dahrouge Geological Consultants, to design phase A exploration programs at each of these high priority projects. Exploration at the Lac La Motte Lithium Project and the Lac Rainy Nord Graphite Project is scheduled to commence during early 2017.

As previously announced, MLS is also undertaking a diamond drilling program at the high-grade Manindi Zinc Project which is scheduled to commence in early January 2017.

Pursuant to the terms of the acquisition agreement, the Company will make a cash payment of A\$70,000 to the Shareholders of QLL and issue 150,000,000 fully paid ordinary shares and 150,000,000 options, each with an exercise price of \$0.003 per share and expiring on 1 December 2019, to the Shareholders of QLL.

Commenting on the Settlement of the acquisition of QLL, Chairman of MLS, Mr Sol Majteles stated:

"The Settlement of the acquisition of QLL allows the Company to firmly focus its attention on exploring these exciting projects, all located in the mining friendly jurisdiction of Quebec. QLL offers the Company the opportunity to be a part of the lithium and graphite revolution and repositions MLS strategically to take advantage of this dynamic sector. We are excited about our future and look forward to getting on ground and commencing our planned exploration."

MLS is continuing to evaluate further exploration project opportunities in the complementary zinc, lithium and graphite sector.

The Company would like to thank Shareholders for their continued support and look forward to providing updates in the future about the outcomes of our exploration.

For more information, please contact:

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