

**ASX Announcement**

14 February 2018

**Metals Completes \$3.14M Placement to Accelerate Drilling and Exploration at Lac Rainy Graphite Project, Quebec**

Diversified metals exploration company, Metals Australia Ltd (ASX: **MLS**) is pleased to announce that the Company has completed a Private Placement of \$3,138,660 at an issue price of \$0.005 per share via the issue of 627,732,000 fully paid ordinary shares (**Placement**).

Subscribers under the Placement will also be granted a free attaching option on a 1 for 1 basis with an exercise price of \$0.01 per option expiring on 31 May 2020. This will result in the issue of 627,732,000 listed options, under the ASX code MLSOA.

The Placement was completed using the Company's Shareholder Approved placement capacity which was approved by shareholders on 16 November 2017 together with its existing capacity pursuant to ASX Listing Rules 7.1 and 7.1A, (refer Appendix 1).

The Placement was subscribed for by sophisticated and professional investors, none of which are related parties of the Company.

Commenting on the completion of the Placement, Director of MLS, Mr Gino D'Anna stated:

*"The Placement received overwhelming support from both new and existing sophisticated and professional investors. Metals is focused on advancing the exploration at the high grade and near surface Lac Rainy Graphite Project where we will commence drilling within the next three weeks. Our maiden diamond drilling program at Lac Rainy is targeted at delivering a JORC resource and importantly will provide further information on the metallurgical and mineralogical characteristics of the deposit.*

*Based on the high grades obtained to date and the strike length in excess of 2 km, that remains open to the north-west, there is a strong potential for a high grade graphite deposit of high-tonnage to be present at Lac Rainy. We remain excited by what has been identified, and Lac Rainy continues to deliver in both grade and potential strike extensions. Our corporate objective for the Project is to define a deposit of sufficient tonnage in the 15-20% Cg range similar to the nearby Lac Knife Deposit."*

The funds raised under the Placement will be utilised to accelerate the diamond drilling program at the Lac Rainy Graphite Project as well as continue the exploration and development of the Manindi Zinc Project, including the exploration and evaluation of the lithium pegmatite potential at the project.

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

**For more information, please contact:**

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ASX CODE **MLS**

## Appendix 1

Details of issue:	No of Shares issued	No of Options issued
Placement authority given by given by the shareholders at the Annual General Meeting held on the 16 November 2017.	500,000,000	500,000,000
Placement pursuant to ASX Listing Rules 7.1 A	127,732,000	
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Total	627,732,000	627,732,000