

VANCOUVER, BC--(Marketwired - June 29, 2016) - East Africa Metals Inc. (TSX VENTURE: EAM) ("East Africa" or the "Company") is pleased to announce the Company has initiated the mine permitting process for the Terakimti Oxide Gold Project at the Company's 70% owned Harvest Project located in the Tigray region of Ethiopia.

The recent metallurgical test work results combined with previously disclosed technical information (see News Releases dated June 22, 2016 and October 27, 2015) and an internal Company engineering study in support of the development of a mineral resource estimate, the Company has now completed the technical, environmental and socio-economic documentation to qualify the Terakimti Oxide Gold Project for submission of a mine permit application to the Ethiopian Ministry of Mines, Petroleum, and Natural Gas.

Terakimti Oxide Gold Project Profile:

- Mineral Resource : 1,125,000 tonnes grading 3.2 grams and 24.0 grams silver per tonne containing 107,000 ounces of gold and 812,000 ounces of silver;
- Simulated Heap Leach Recoveries: 75.3% gold and 39.7% silver
- Mining Method: Conventional open pit;
- Processing: Heap leaching to produce gold-silver dore;

Proposed Mining Operation:

The Terakimti oxide deposit is proposed as an open pit mining operation followed by heap leaching and on site processing to produce gold-silver dore. The combination of near surface oxide gold and silver mineralization, hosted in soft rock when compared to other deposits, high and rapid extraction of gold at coarse crush sizes in metallurgical testwork along with satisfactory percolation rates all support this strategy for the development of the Terakimti project.

Project Infrastructure:

The Terakimti project is located in the Tigray Region of Northern Ethiopia, approximately 600 kilometres north of the Addis Ababa, the capital of Ethiopia. The region has regular air service and very good, modern transportation and power infrastructure. The existing power and infrastructure located close to the project site enhances the development potential of the proposed operation. The proposed mining operation would utilize grid power for the project, for which the nearest high tension power line is approximately 7 kilometres away. Primary road access to the site is by paved highway from the town of Shire, 40 kilometres south of the project. Shire has a population of approximately 60,000 people and sufficient services to serve as a base for off-site project activities. Local surface and groundwater are expected to be sufficient for a heap leaching operation, and the project would maximize recycling of process water.

Environmental Impact and Socio-Economic Assessment:

An independent Environmental Impact and Socio-Economic Assessment ("EISA") study has been completed by Beles Engineering Pvt. Ltd. Co. of Ethiopia, and forms an integral part of the mine permit application. This study examined the beneficial and adverse aspects of the proposed mining operation and concluded that the local population is in favor of the project, and the anticipated benefits would be positive and very important to the local community and to the local and regional governments.

The study identified a small number of local farmers within the 2.8 square kilometre project concession that would require relocation so as not to be directly impacted by the mining activities. The Company will liaise with the affected families and the community to develop a satisfactory resettlement plan.

Based on the findings of the study, the Company believes it is possible to successfully manage the environmental and social impacts that would occur upon implementation of mining activities at Terakimti.

The Mine Permitting Process:

The first step in the permitting process, submission of the final draft documents to the Harvest Joint Venture Committee (the "Committee") for the consideration of the minority partners, has been completed. Once approval of the Committee has been received, the mine permit application will be formally submitted to the Ministry of Mines, Petroleum, and Natural Gas for review. The Company anticipates the Ministry of Mines' review will result in a recommendation to the Licensing Commission for final approval of the license.

Andrew Lee Smith, President and CEO, stated, "Advancing the Terakimti Gold Oxide Project to the permitting stage will mark a significant milestone for Company and highlights the excellent performance the Company has achieved with its Ethiopian assets. The resource at Terakimti shares a similarity with other copper-gold projects in the region, such as the Bisha and

Debwara deposits, in that the initial mining opportunity was defined by the surface gold-oxide resource followed by mining of copper-gold-zinc sulphide resources. Management believes that over time, the potential exists for mining at Terakimti to begin with the gold silver oxide and then transition to high-grade supergene copper oxide and eventually the copper-gold sulphide resource. The Terakimti Oxide Gold Project will provide East Africa the opportunity to benefit from establishing the first heap leach operation in the country, and generate cash flow to re-invest in exploration and development to grow the Company's resources in Ethiopia, which currently stand at 926,000 gold equivalent ounces in the indicated category plus 860,000 gold equivalent ounces in the inferred category."

East Africa's Mineral Resources at Harvest and Adyabo.

Project	Ownership	Resource Summary
Adyabo ³ (Indicated)	100%	446K Ounces AuEquiv
Adyabo ³ (Inferred)	100%	434K Ounces AuEquiv
Terakimti Oxide Update ¹ (Indicated)	70% (Permit Pending)	132K Ounces AuEquiv
Terakimti Sulphide ² (Indicated)	70%	348K Ounces AuEquiv 139M lbs CuEquiv
Terakimti Sulphide ² (Inferred)	70%	426K Ounces AuEquiv 170M lbs CuEquiv

The resources stated above have been previously disclosed in News Releases -- see resource tables below.

Terakimti Updated Oxide Mineral Resources¹

Mineralization Class	Mineralization Type	NSR Cut-Off (\$/t)	Tonnes ('000s)	Grade			Contained Metals		
				Au g/t	Ag g/t	Cu %	Au ('000 oz)	Ag ('000 oz)	Cu ('000 lb)
Indicated	Oxide	15.74	1,110	3.20	23.6	0.08	114	841	-
Inferred	Oxide	15.74	15	1.94	13.5	0.04	1	7	-

¹Terakimti Oxide Resource update disclosed October 27, 2015; effective date October 18, 2015. Full mineral resource estimate disclosure can be found in the company's press release dated October 27, 2015, available at www.eastafricametals.com or at www.sedar.com. Subsequent to the release of the Oxide Resource update, a review by the resource QP identified an error in the tabulation of mineral resources. The corrected resource information was disclosed via press release on January 11, 2016. Metal prices for gold and silver are \$1,300/oz and \$17.50/oz, respectively.

Terakimti Initial Mineral Resources²

Mineralization Class	Mineralization Type	NSR Cut-Off (\$/t)	Tonnes ('000s)	Grade					Contained Metals		
				Au g/t	Ag g/t	Cu %	Zn %	CuEq %	Au ('000 oz)	Ag ('000 oz)	Cu ('000 lb)
Indicated	Sulphide	23.9	1,841	1.1	17.5	2.20	1.65	3.98	63	1,033	89,
Inferred	Sulphide	23.9	2,583	1.0	20.6	1.09	1.42	2.60	80	1,712	62,
	Primary	63.9	939	0.8	15.2	0.69	2.92	2.66	25	459	14,
	Sub-Total Inferred		3,522	0.9	19.2	0.98	1.82	2.61	105	2,171	76,

²Terakimti Initial Resource Estimate as disclosed in the 43-101 Technical Report dated February 14, 2014; effective date January 17, 2014. Full mineral resource estimate disclosure can be found on the company's website or at www.sedar.com. Metal prices for gold, silver, copper, and zinc are \$1,400/oz, \$25.00/oz, \$3.50/lb, and \$0.90/lb, respectively.

Adyabo Mineral Resources³

Category	Tonnes ('000s)	Grade				Contained Metals			
		Au g/t	Cu %	Ag g/t	Au Equiv. g/t	Au ('000 oz)	Cu (M lb)	Ag ('000 oz)	Au Equiv.Metal ('000 oz)
Indicated	3,215	3.92	0.24	1.4	4.29	408	16.8	132	446
Inferred	5,930	1.43	0.50	2.9	2.27	273	65.7	559	434

³Adyabo project updated mineral resource estimate disclosed via press release dated June 14, 2016; effective date May 31, 2016. Metal prices for gold, silver, and copper are \$1,400/oz, \$20.00/oz, and \$3.20/lb, respectively. Metallurgical recoveries of 97% for gold, 72% for copper, and 50% for silver were applied at Da Tambuk.

More information on the Company can be viewed at the Company's website: www.eastafricametals.com.

About East Africa

The Company's principal assets and interests include both the 70%-owned Harvest polymetallic VMS exploration Project, which hosts the Terakimti Deposit and which covers approximately 86 square kilometres in the Tigray region of Ethiopia, 600

kilometres north and northwest of the capital city of Addis Ababa, and the Adyabo Project, hosting the Mato Bula trend Adyabo Resource, covering 225 square kilometres immediately west of the Harvest Project. The Company owns 80% of the Adyabo Project, and upon execution of a net smelter return agreement the Company will own 100% of the Adyabo Project, subject to a 2% NSR. East Africa now has mineral resources defined at both projects in Ethiopia and plans to continue to test priority targets. Additionally, the Company owns the 93 square kilometre Handeni Property located in north-eastern Tanzania. Handeni includes the Magambazi Project, a gold deposit discovered in 2009. East Africa has entered into a definitive agreement with an arm's length private exploration and development company to advance the project.

On behalf of the Board of Directors:

Andrew Lee Smith, P.Geo., CEO

Cautionary Statement Regarding Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "anticipate", "believe", "plan", "expect", "intend", "estimate", "forecast", "project", "budget", "schedule", "may", "will", "could", "might", "should", "indicate" or variations of such words or similar words or expressions. Forward-looking information is based on reasonable assumptions that have been made by East Africa as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of East Africa to be materially different from those expressed or implied by such forward-looking information, including but not limited to: timing of receipt of mining permit; timing of mining development; projected heap leach recoveries; early exploration; the closing of the agreement with the exploration and development company to advance the Magambazi Project or identify any other corporate opportunities for the Company; mineral exploration and development; metal and mineral prices; availability of capital; accuracy of East Africa's projections and estimates, including the initial mineral resource for the Adyabo, Harvest and Magambazi Projects; interest and exchange rates; competition; stock price fluctuations; availability of drilling equipment and access; actual results of current exploration activities; government regulation; political or economic developments; foreign taxation risks; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with development activities; personnel relations; the speculative nature of strategic metal exploration and development including the risks of diminishing quantities of grades of reserves; contests over title to properties; and changes in project parameters as plans continue to be refined, as well as those risk factors set out in East Africa's management's discussion and analysis for the three months ended March 31, 2016, East Africa's listing application dated July 8, 2013 and [Tigray Resources Inc.](#) Management Information Circular dated March 28, 2014. Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to the successful integration of [Tigray Resources Inc.](#)'s business with the Company; the price of gold, silver, copper and zinc; the demand for gold, silver, copper and zinc; the ability to carry on exploration and development activities; the timely receipt of any required approvals; the ability to obtain qualified personnel, equipment and services in a timely and cost-efficient manner; the ability to operate in a safe, efficient and effective manner; and the regulatory framework regarding environmental matters, and such other assumptions and factors as set out herein. Although East Africa has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The Company does not update or revise forward looking information even if new information becomes available unless legislation requires the Company do so. Accordingly, readers should not place undue reliance on forward-looking information contained herein, except in accordance with applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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