VANCOUVER, BC--(Marketwired - August 23, 2016) - East Africa Metals Inc. (TSX VENTURE: EAM) ("East Africa" or the "Company") is pleased to report that long time shareholder SinoTech (Hong Kong) Corporation Limited ("SinoTech") has elected to exercise 3,500,000 warrants at a price of $0.23 realizing $805,000 CDN for the Company. The exercise will bring SinoTech's total holdings to 37,788,062 or 32.1% of the Company. SinoTech is a private share company incorporated October 26, 2010, that has supported East Africa's advancement activities for a number of years.

The proceeds will be used for ongoing technical, permitting and exploration expenditures as the Company prepares to advance the Terakimti Oxide Gold Project to the development stage, and prepare the Mato Bula and Da Tambuk deposits for mine permitting.

East Africa's management anticipates an active Fall program on the development and exploration fronts as the Company looks to address corporate objectives including; completion of mine permitting, close project financing and on receipt of the mining permit initiate development for the Terakimti Oxide Gold project, the initiation of operations at Magambazi in Tanzania, and continuing to grow the Company's mineral resource base in Ethiopia through exploration and definition drilling.

The Company's current resource base in Ethiopia comprises 926,000 gold equivalent ounces in the indicated category plus 860,000 gold equivalent ounces in the inferred category (see table below and news release dated June 29, 2016) from Terakimti, Mato Bula and Da Tambuk. Exploration targets planned to be tested to continue the growth of the resource base include the VTEM09 and Mayshehagne prospects, and additional targets along the largely underexplored Mato Bula/Da Tambuk trend.

"The continued support of SinoTech as we develop our Ethiopian assets is greatly appreciated", stated Andrew Lee Smith, Company President and CEO. "East Africa Metals expects to continue to benefit from the contributions of our Beijing-based partner as we continue to advance the Harvest and Adyabo Projects".

East Africa's Mineral Resources at Harvest (Terakimti) and Adyabo Projects

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. (Terakimti Initial Resource Estimate disclosed via news release dated January 27, 2014; effective date January 17, 2014. Terakimti Gold Oxide disclosed via news release October 27, 2015; effective date October 18, 2015. Subsequent to the release of the Terakimti Gold 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 news release on January 11, 2016. Adyabo project updated mineral resource estimate disclosed via news release dated June 14, 2016; effective date May 31, 2016).

[1]Terakimti Gold Oxide Resource update disclosed October 27, 2015; effective date October 18, 2015. Full mineral resource estimate disclosure can be found in the company's news release dated October 27, 2015, available at www.eastafricametals.com or at www.sedar.com. Subsequent to the release of the Terakimti Gold 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 news release on January 11, 2016. Metal prices for gold and silver are $1,300/oz and $17.50/oz, respectively.

[2]Terakimti Initial Resource Estimate disclosed via new release dated January 27, , 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.

[3]Adyabo project updated mineral resource estimate disclosed via news 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 88.5% for gold, 87.5% for copper and 50% for silver were applied at Mato Bula and Mato Bula North. Metallurgical recoveries of 97% for gold, 72% for copper, and 50% for silver were applied at Da Tambuk.

Gold Equivalent grade calculator (Au, Ag, Cu):Au g/t + (Ag g/t*$Au/$Ag) + (Cu %*22.0462*$Cu)/($Au/31.1035)|||Gold Equivalent grade calculator (Au, Ag, Cu, Zn):Au g/t + (Ag g/t*$Au/$Ag) + (Cu %*22.0462*$Cu)/($Au/31.1035) + (Zn %*22.0462*$Zb)/($Au/31.1035)|||Copper Equivalent grade calculator (Cu, Au, Ag):Cu % + ((Au g/t*$Au)+(Ag g/t*$Ag)/(22.0462*$Cu*31.0135)|||Copper Equivalent grade calculator (Cu, Au, Ag, Zn):Cu % + ((Au g/t*$Au)+(Ag g/t*$Ag)/(22.0462*$Cu*31.0135) + Zn%*$Zn/$Cu|||31.1035 is a grams/ounce conversion factor. 22.0462 is a tonne/pound conversion factor.

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 â¬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 91 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.

More information on the Company can be viewed at the Company's website: www.eastafricametals.com. Jeff Heidema, P.Geo., a Qualified Person under the definitions of National Instrument 43-101, has reviewed and approved the contents of this news release.

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" 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: receipt of the Terakimti Gold Oxide Resource mining permit; closing of project finance; 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; estimated exploration licence extensions; 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 year end December 31, 2015; 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. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The contained gold, copper and silver figures shown are in situ. No assurance can be given that the estimated quantities will be produced. 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 including mining permits; 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, the renewal or extension of exploration licences, 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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