

VANCOUVER, BC--(Marketwired - May 11, 2017) - [East Africa Metals Inc.](#) (TSX VENTURE: EAM) ("East Africa Metals" or the "Company") is pleased to announce it has been informed the Ministry of Mines, Petroleum and Natural Gas (the "Ministry") has completed its review of the Company's Mine Permit Application and has issued a draft Model Agreement for the Company's Terakimti Oxide Gold Project located in the Tigray National Regional State of the Federal Democratic Republic of Ethiopia.

The delivery of the draft Model Agreement indicates the Ministry has approved the permit application and advanced the permitting process to the next stage. The draft Model Agreement sets out the rights and obligations of both parties with respect to the development and operation of the Terakimti Oxide Gold Project and, once executed will result in the issuance of the Mining License.

"This is an important milestone for East Africa Metals and the Ethiopian resources sector," said Andrew Lee Smith, East Africa Metals CEO. "We anticipate the Terakimti Oxide Gold Project will be the first heap leach operation in the country and will be an important basis for the future development of the highly prospective copper-gold VMS systems in the Tigray region."

The Company is currently reviewing the Agreement and expects to respond to the Ministry in the coming days. In anticipation of the pending development program, the Company has engaged SENET of Johannesburg South Africa to initiate the detailed engineering for the project. East Africa Metals representatives will also be travelling to China in the coming weeks to finalize the terms for a US\$10M line of credit that will secure project financing with Shandong Tyan Home Co. Ltd.

Terakimti Oxide Gold Project Profile (See news release dated August 11, 2016):

- Mineral Resource: 1,125,000 tonnes grading 3.2 grams gold and 24.0 grams silver per tonne containing 107,000 ounces of gold and 812,000 ounces of silver;
- Column leach test recoveries: 73.5 % gold and 39% silver at a crush size of minus 16 mm;
- Mining Method: Conventional open pit;
- Processing: Heap leaching to produce gold-silver dore.

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

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 the Company 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 the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: 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 the Company's projections and estimates, including the initial mineral resource for the Adyabo, Harvest and Magambazi Projects; mining licence/permit applications, exploration licence extensions applications, 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/or projects; and changes in project parameters as plans continue to be refined, as well as those risk factors set out in the Company's management's discussion and analysis for the year end December 31, 2016 and the Company's listing application dated July 8, 2013. 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, the renewal or extension of exploration licences, and such other assumptions and factors as set out herein. Although the Company 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.

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