

East Africa Metals Provides Update on Magambazi Mine Plan Development

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VANCOUVER, Dec. 17, 2021 - [East Africa Metals Inc.](#) (TSXV: EAM) ("East Africa" or the "Company") is pleased to provide an update on the progress of the engineering and mine development work at the Magambazi mine in the Handeni region of the Federal Republic of Tanzania.

With the successful completion of the tailings processing in the third quarter of 2021, the technical team for PMM Mining Limited ("PMM") are focused on the development of hard-rock mining operations.

Phase I of the mining operations will be initiated on surface from two open pit resources, the "North" and "South" pits. The pits will be established on areas of the deposit representing approximately 15 percent of the recently upgraded one-million ounce Measured and Indicated resource (see October 19, 2021, press release).

Phase II of the mining operations will be conducted from underground where the resource within the Magambazi ridge will be accessed from the valley floor, 200m below the surface operations, to take full advantage of gravity in the mining process.

Engineering work is progressing and detailed plans for mining operations and surface equipment installations are expected to be complete early January 2022.

Infrastructure required to initiate and support surface mining operations continues to be upgraded and expanded to increase capacity sufficient for surface open-pit operations. Development of the access road to the South Pit site is underway.

The processing flow-sheet continues to be refined and expanded to support the hard-rock mining operations. The plans for the expansion of the crushing and grinding circuit continue to be developed. Staged upgrades to the flow-sheet and processing plant will initially expand the capacity of the existing circuit to 1,000 tonnes per day and ultimately to a capacity capable of supporting a 40,000 ounce production rate per year within forty-eight months of commissioning of the hard-rock mining operations.

East Africa Metals has completed the formation of its Tanzanian gold trading company, "EMG Royalty Plc.", in order to facilitate the acquisition of the Company's share of gold production from the Magambazi mine. Under the terms of the sale purchase agreement with PMM, EAM holds the rights to acquire 30% of the gold produced from the mining operations for a payment equal to the net ounce cash costs of mining and processing plus 15%.

According to Q2 2021 processing reconciliations provided to EAM by PMM the tailings operations produced a total of 619 ounces of gold. EAM's share of the Q2 2021 production is 169 ounces with a current value of US\$275,000. The final transfer of the Magambazi mining licenses to PMM and reconciliation of Q3 2021 processing are expected to be completed in early January 2022.

Andrew Lee Smith, P.Geol., C.E.O., a Qualified Person under the definitions of National Instrument 43-101, has reviewed and approved the technical contents of this news release.

About East Africa Metals

The Company's principal assets include a 30% Net Profits Interest in the Mato Bula and Da Tambuk mines (collectively "Mato Bula Property") and a 70% project interest in the Harvest polymetallic VMS Exploration Project in the Tigray Region of Ethiopia. In addition, the Company has a 30% Net Streaming Interest in the Magambazi Mine in the Tanga Region of Tanzania.

The Mato Bula and Da Tambuk mines are four kilometres apart and will be developed simultaneously. The development of the mining operations is scheduled to begin during the second half of 2021.

East Africa retains exploration rights on areas of the properties outside the Mato Bula, Da Tambuk and Terakimti mining licenses in all Ethiopian projects and anticipates the commencement of exploration drilling to test priority targets during the second half of 2021.

EAM has invested US\$66.8M in African exploration since 2005 and identified a total of 2.8 million ounces of gold and gold-equivalent resources representing an average discovery cost per ounce of US\$24.

The current Global Project Resources discovered by EAM include:

Project Resources (Au + Au^{eqv} Metal ounces)

Country

445,000
Project,
Ethiopia
(EAM
30%
30%
Project,
Ethiopia
Interest)

445,000
Project,
Ethiopia
Interest)
(EAM
=
30%
Streaming
Royalty
Interest)

* Resource calculated based on 0.40 gAu/t cut-off - see October 19, 2021 press release for details)

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", "indicate", "confident" 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: statements regarding present and future plans and objectives of the Company, the ability of PMM to meet minimum annual production, the ability of PMM to make the payment if the minimum annual production is not met, the ability of PMM to carry out hard rock mining operations, the Company's expected cash flows from royalties, the negotiation of a definitive agreement with Zijin reflecting the anticipated structure and timing outlined herein; the negotiation of a definitive agreement reflecting the anticipated structure and timing outlined herein; delays with respect to

required payments and regulatory approvals; results of the due diligence review; the ability of Tibet Huayu to develop and operate the Ethiopia Adyabo Project within the required laws and agreements; the ability of PMM to develop and operate the Tanzanian Magambazi Project within the required laws and agreements; recoverability of the Ethiopian and Tanzanian VAT receivable; early exploration; the ability of East Africa to identify any other corporate opportunities for the Company; the possibility that the Company may not be able to generate sufficient cash to service its planned operations and may be forced to take other options; the risk the Company may not be able to continue as a going concern; the possibility the Company will require additional financing to develop the Ethiopian Projects into a mining operation; the risks associated with obtaining necessary licenses or permits including and not limited to Ethiopian Government approval of EAM Mineral Resources extensions for the Company's Ethiopian Properties and Projects; risks associated with mineral exploration and development; metal and mineral prices; the demand for precious and base metals; availability of capital; accuracy of the Company's Projections and estimates, including the initial and any updates to the mineral resource for the Adyabo, Harvest and Handeni Projects; realization of mineral resource estimates; interest and exchange rates; competition; stock price fluctuations; the ability to carry on exploration and development activities; actual results of exploration activities; availability of drilling equipment and access; the ability to obtain qualified personnel, equipment and services in a timely and cost-efficient manner; the regulatory framework including and not limited to license approvals, social and environmental matters; the ability to operate in a safe, efficient and effective manner 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 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 the Company's filings with securities regulators. Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported inferred mineral resources as the estimation is uncertain in nature and there has been insufficient exploration to define any inferred mineral resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading inferred mineral resources to an indicated or measured mineral resource category. The contained gold, copper and silver figures shown are in situ. No assurance can be given that the estimated quantities will be produced.

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 to 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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