

East Africa Metals Engages with JinJiu For the Development of the Magambazi/Handeni Mining Project in Tanzania

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Vancouver, July 26, 2024 - East Africa Metals (TSXV: EAM) ("East Africa Metals" or the "Company") is pleased to announce the Company is currently working to develop a Memorandum of Understanding (MOU) with JinJiu Hong Kong International Investment Ltd. ("JinJiu") for the development of the Magambazi mining project in Tanzania.

In October 2020, the Company signed a Share Purchase Agreement and Gold Purchase Agreement with a Tanzanian private company, PMM Mining Company Limited ("PMM") to develop the Magambazi mining project. In December 2022 due to PMM's lack of performance, non-compliance with the terms and conditions of the Mining License Agreement and a litany of breaches to PMM's agreements with the Company, the Tanzanian Ministry of Mines suspended PMM's operations at the project site and the renewal of the mining licenses. Since that time EAM's management has been engaged with the Tanzanian government and PMM to resolve issues inhibiting the development of commercial mining operations at Magambazi.

In July 2024, the Minister of Mines announced formal action would be taken to intervene to resolve the issues, recognizing the government's obligations to participate based on the government mediation that resulted in EAM's partnership with PMM.

Following meetings with EAM management and the Minister of Mines on June 20, 2024, the Minister called for a meeting of all parties to discuss the non-compliance of mining operations at Magambazi and the significant breaches to PMM's agreements with the Company for the acquisition and development of the project.

At the conclusion of that meeting, the Minister announced the government would intervene to mediate a resolution of the issues to allow the development of the project to move forward. To that end, a Ministerial Hearing was held from July 10 - 13, 2024 to determine the best way forward. This Hearing included inspection of the site by government representatives of the Ministry of Mines.

The formal directives of the Ministry based on the results of the Hearings are pending but the Hearings concluded with the government foreshadowing a request for the parties to develop and present a "rescue plan" for the project.

EAM has engaged with JinJiu to develop an MOU in anticipation of meeting the Ministry's request to present a rescue plan for the project.

The terms of the proposed MOU are based on a previous MOU drafted in January 2023 after the suspension of PMM's mining operations. In this expired MOU, JinJiu agreed to acquire a 100% interest in the project through the purchase of shares of Canaco Tanzania Limited ("CTL") held by EAM for a total consideration of US \$2,000,000. EAM has invested approximately US \$60,000,000 in exploration, resource establishment and mine planning.

Additionally, JinJiu committed to producing a minimum of 10,000 ounces of gold in the first year increasing to at least 40,000 ounces annually from the fourth year onwards. EAM will receive 30% of the gold produced from the project at the production cost plus 15% pursuant to a Gold Purchase Agreement to be signed by the parties. JinJiu will be responsible for all investment funds required for mine development and production and CTLs operating costs until the project becomes self-sustaining.

The terms of any transaction between EAM and JinJiu will be subject to approval by the Tanzanian Mining Commission and other relevant government authorities.

Andrew Lee Smith, CEO of East Africa Metals, commented, "We are excited by the possibility to partner with JinJiu on the development of commercial mining operations at the Magambazi project. The proposed MOU represents a significant step forward in unlocking the value of our Tanzanian assets and establishing commercial production at Magambazi. JinJiu's commitment to invest and develop the project aligns with our strategic objectives, and we look forward to working together to realize the full potential of the Magambazi mining project for all stakeholders."

About East Africa Metals

The Company's principal assets include a 30% Net Profits Interest in the Mato Bula and Da Tambuk mines (collectively "Adyabo 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.

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

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

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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; the renewal or extension of exploration Licenses; 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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