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ASX ANNOUNCEMENT

By Electronic Lodgement

MRV METALS PTY LTD PRODUCTION POND ASSAY RESULTS

The board of Moreton Resources Limited would like to update the market upon Assay results undertaken by ALS Global, from the former Twin Hills Mining Operation on the 23rd and 24th of March 2017.

As part of the ongoing refinement of a re-start strategy, the fully owned MRV Metals Pty Ltd business has been seeking independent verification and expertise regarding a number of operational issues, as to seeking confirmation of Assay grade in stock piles and processing ponds.

ALS Global therefore attended the site and undertook a water sampling program which entailed 18 main samples and a 90 sub-sample set from an approximate depth of 1 metre. Sludge / slime ("**sediment**") from the bottom of the ponds was sampled and delivered 22 samples. The sampling technique enabled material to be sampled along a 13 m reach from the water edge of sample position (see photo for sample positions). Prior testing by Moreton Resources Limited staff returned extremely high results. Therefore, the Company sort to verify these outcomes by utilising the appropriately accredited and competent persons, being ALS Global.

Testing was undertaken by attending the site, and undertaking a boundary approach of the processing ponds which in general are approximately 3m deep, and hold 7920 m³ (59.9 x 23.7 m), 5536 m³ (47.0 x 22.0 m) and 7668 m³ (54.5 x 23.1 m) for the Pregnant, Intermediate and Barren Ponds respectively. Samples were taken at the midpoint of the long sides and at the corners of each pond, which gave approximately 6 sediment samples and 6 main water samples (and 30 sub-samples) per pond. The sample sizes of the sediment were varied between 10 to 15 l, from which two homogenised and settled 500 ml samples were taken. It was expected that the upper body of water would be baron due to the flocculant agents utilised in separating the metals form the water, in an effort to pump clean water off site, whilst the operations were abandoned.

Furthermore, to support this study, a Bathymetric survey was undertaken to model the layers of metal enriched sediment in each pond for quantification purposes of a potential restart of the site (subject to Government approvals) which may lend to immediate processing or the sale of a once off bulk product of sludge and slime, to which the Company has been working with a Global third party upon the potential sales and marketing of, to a third-party buyer.

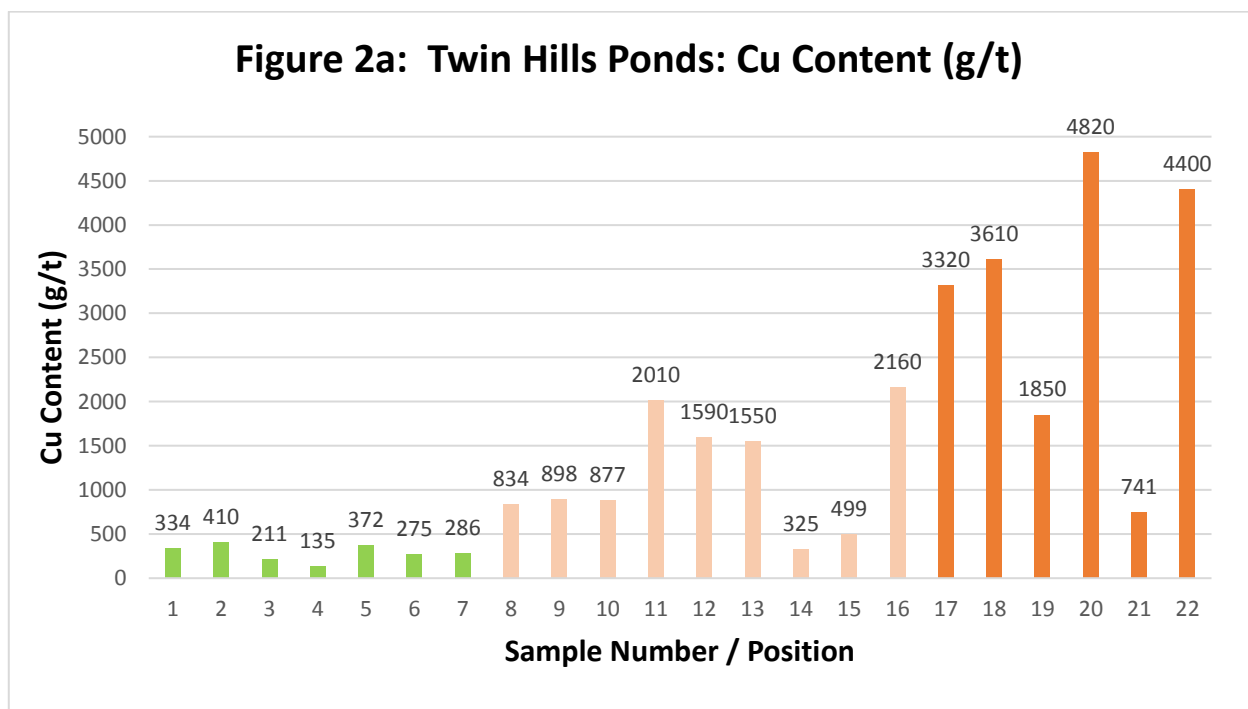
In support of the restart operations, Moreton Resources Limited in early 2015 also undertook approximately 130 auger samples of the in-situ heap leaches which allowed the Company to make an informed bid upon the former assets prior to liquidation, these results are also key to current considerations, and will be released soon. These results in early 2015, currently in 2017, and further results from late 2016 by the Company, are all key inputs, into the finalisation of the restart strategy due to be released by the Company in the coming weeks.

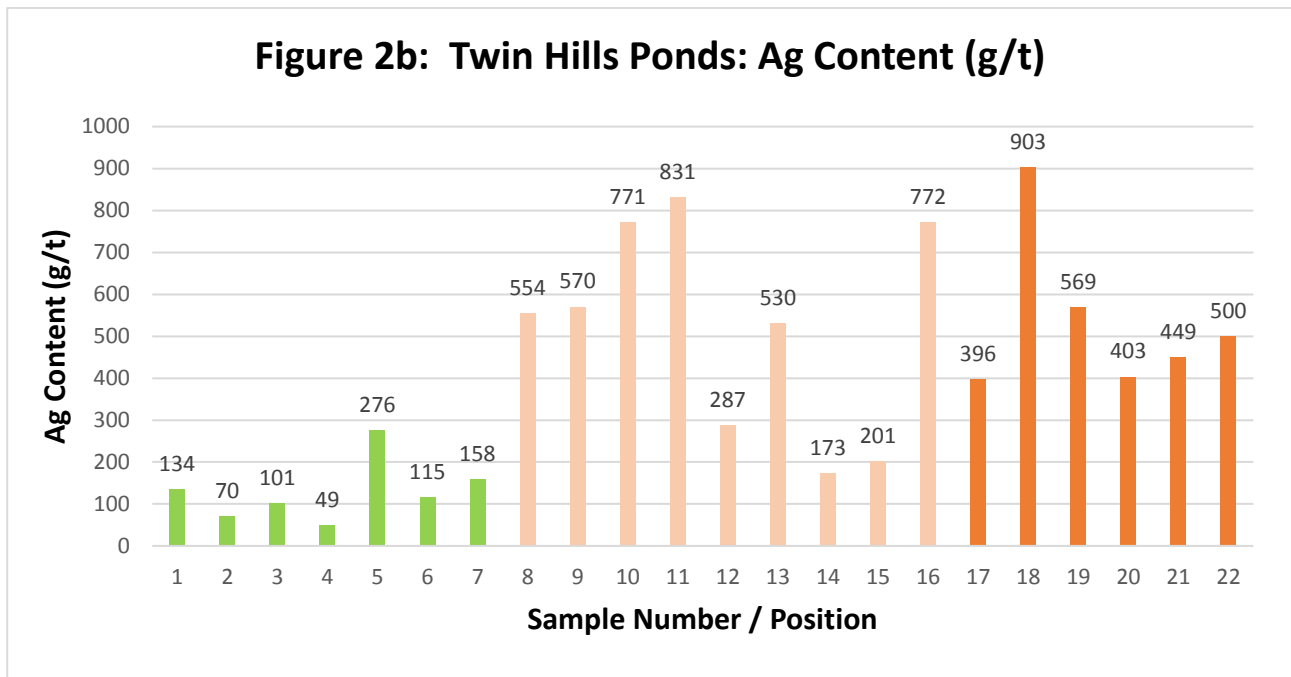
Please see the Processing Ponds Assay Results below as an indication of the potential mineralisation **that has already been extracted by the leaching process** and is awaiting some form of processing to extract a final product.



Figure 1: Photo-plan depicting the position of the Pregnant (far left), Intermediate (middle) and Barren (far right) Ponds respectively. Green broken lines depict the sampling traces (approximately 13 long, along the base of the ponds); the coloured spots indicate the sample reference. Scale: 1: 25.

Note: Numbers on Figure 1 serve as reference to assay information in Tables 1 to 3.





Figures 2a and 2b: *Graphic display of the Cu and Ag content in the Pregnant Pond (green: samples 1 to 7), Intermediate Pond (Light brown: samples 8 to 16) and Barren Pond (Dark orange: samples 17 to 22). Sample numbers correspond with Figure 1 and Tables 1 to 3.*

Based on the assays of the sediment sampling undertaken at the Twin Hills Mine, Figures 2a and 2b depict that the average resident sediment Ag grade in the Pregnant, Intermediate and Barren Ponds are 129 g/t, 521 g/t and 537 g/t respectively. Copper displays average values of 0.29 %, 0.12% and 0.31% in the Pregnant, Intermediate and Barren Ponds respectively.

Further results will be announced shortly on the grades of ore and operational status of the 2 Mt combined heap leach pads, that form a key component of the current base case restart strategy thinking, which will be a silver focus, with significant further work to be undertaken upon the potential extraction of Copper and ancillary mineral opportunities.

The Company will seek to update the market as soon as material events arise.

Regards

Jason Elks
Executive Chairman
Moreton Resources Limited

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Tables 1 to 3: A summary of analytical data of samples taken of the sediment from the Pregnant, Intermediate and Barren Ponds. The sediment samples were oven dried at 60 °C for 4 hours and homogenized. A subsample (0.2 to 1.0 g) was lixiviated in a microwave digestion system with HNO₃: HCl (3:9 v:v) following USEPA method 3051 (USEPA, 1997). The extracted solutions diluted to 50 ml with Milli-Q de-ionized water, and the contents of the flasks were transferred to 125 mL high-density polyethylene sample bottles for storage. Metal concentrations in uncontaminated seawater, field blanks, and laboratory blanks were always at or below the respective method detection limits (MDL), and the validity of the analytical procedure was assessed as described before. Trace metal analysis was carried out by ICP-AES following USEPA method 6010C (USEPA, 2007a). The sediment samples were processed in batches, each with a set of QC samples that included a procedural blank, laboratory control sample, matrix spike sample, and sample duplicate.

Table 1: Metal analysis of seven (7) sediment samples taken from the Pregnant Pond, Twin Hills Mine.

Element	Unit	1	2	3	4	5	6	7
		SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT
		PD-W-001/A	PD-SWW-001/A	PD-SE-001/A	PD-S-001/A	PD-E-001/A	PD-NE-001/A	PD-N-001/A
Aluminium	mg/kg	8730	11600	7970	7250	8220	9400	6310
Cobalt	mg/kg	31	21	21	8	23	22	15
Iron	mg/kg	122000	46100	83700	80600	73800	88000	123000
Manganese	mg/kg	260	176	185	134	157	342	190
Selenium	mg/kg	8	7	6	6	9	7	6
Silver	mg/kg	134	70	101	49	276	115	158
Arsenic	mg/kg	1530	909	1800	1130	1550	1610	3400
Cadmium	mg/kg	2	2	1	1	1	2	2
Chromium	mg/kg	58	27	34	32	35	41	41
Copper	mg/kg	334	410	211	135	372	275	286
Lead	mg/kg	399	213	404	333	389	382	307
Nickel	mg/kg	20	25	17	11	17	20	14
Zinc	mg/kg	541	812	396	325	342	947	492

Tables 2 and 3: Metal analysis of nine (9) sediment samples taken from the Intermediate Pond and six (6) from the Barren Pond, Twin Hills Mine.

Element	Unit	8	9	10	11	12	13	14	15	16
		SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT
		ID-N-001/A	ID-W-001/A	ID-S-001/A	ID-SSW-001/A	ID-SE-001/A	ID-E-001/A	ID-NEE-001/A	ID-NE-001/A	ID-SW-001/A
Aluminium	mg/kg	13400	16200	32200	41600	59800	32400	7770	12300	29900
Cobalt	mg/kg	50	40	60	72	112	74	26	39	76
Iron	mg/kg	172000	98700	73200	97700	99600	106000	76200	98600	63300
Manganese	mg/kg	462	322	612	812	858	633	226	304	529
Selenium	mg/kg	20	20	18	24	22	17	9	17	47
Silver	mg/kg	554	570	771	831	287	530	173	201	772
Arsenic	mg/kg	11900	4580	2190	2690	3630	4080	3170	3710	2210
Cadmium	mg/kg	3	2	2	3	3	3	1	2	2
Chromium	mg/kg	55	54	61	86	90	70	39	55	51
Copper	mg/kg	834	898	877	2010	1590	1550	325	499	2160
Lead	mg/kg	282	491	147	222	157	346	451	506	247
Nickel	mg/kg	43	30	65	106	88	72	21	28	56
Zinc	mg/kg	1940	1110	4880	7210	6610	4220	881	1010	2170

Element	Unit	17	18	19	20	21	22
		SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT	SEDIMENT
		BD-S-001/A	BD-E-001/A	BD-N-001/A	BD-W-001/A	BD-SW-001/A	BD-NE-001/A
Aluminium	mg/kg	13400	36400	15300	12900	6580	18200
Cobalt	mg/kg	22	29	39	25	26	28
Iron	mg/kg	199000	104000	156000	132000	189000	173000
Manganese	mg/kg	280	1280	1440	312	272	345
Selenium	mg/kg	33	27	37	31	24	25
Silver	mg/kg	396	903	569	403	449	500
Arsenic	mg/kg	6240	5540	6080	4970	8300	7100
Cadmium	mg/kg	3	5	4	2	3	3
Chromium	mg/kg	77	52	67	72	67	100
Copper	mg/kg	3320	3610	1850	4820	741	4400
Lead	mg/kg	164	82	130	128	174	152
Nickel	mg/kg	46	59	72	35	25	54
Zinc	mg/kg	1160	3540	6290	1060	655	1470