



30 August 2017

ASX ANNOUNCEMENT

By Electronic Lodgement

INVESTOR UPDATE

Please see attached the presentation by Executive Chairman, Jason Elks that is being presented today at the Mining 2017 Resources Convention at the Hilton Hotel, Queensland.

End

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Jason Elks
Executive Chairman
Moreton Resources Limited



Moreton Resources Limited Advancing in a Sustainable and Responsible Way



Important Information

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COMPETENT PERSON STATEMENT: The information in this report that relates to MDL 385, MDL 503 & MDL 420 is extracted from ASX announcements titled: *MRV announces South Burnett Coal Resources of 912m tonnes* issued on 10 December 2015, ASX announcement titled *Mackenzie Campaign Identifies Coking Coal* issued on 2 September 2015 and *Wandoan Coal JORC Resource Exceeds Expectations* issued on 18 August 2009 respectively. In addition to these, the announcement also refers to information that relates to the following ASX announcements containing competent person statements in MRV Metals Pty Ltd Confirms JORC Resource MT Gunyan 05.10.2016, MRV Metals confirms significant resources in Twin Hills Mine 19.09.2016, MRV Metals confirms Harrier Prospect Potential 18.07.2016, MRV Metals confirms Significant Target at Hornet 19.07.2016 and Hawker Prospect 18.07.2011. These announcements contain a separate Competent Person Statement and are available to view on the Company’s website: www.moretonresources.com.au and the ASX website.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Overview of Moreton Resources Limited



Queensland based Coal and Metals company



Strong Shareholder backing



Highly experience Board and Management team with proven track record in delivery



Awaiting final ML approval for the Granite Belt Project



Advancing 3 significant projects: South Burnett Coal Project, Granite Belt Project and Granite Belt Exploration Project.

ASX Code
MRV

Share Price
A\$0.011

Shares
2,542,255,901

Market Cap
\$30m



Alexander Jason Elks – Executive Chairman – Moreton Resources Limited

Mr Elks' has been the CEO of Moreton Resources since November 2013, and has seen the transformation of the Company from a former UCG focused junior, to the emergence of a potential mining operator, with a strong pipeline of growth opportunities.

Prior to Moreton Resources Limited his most recent role was as Vice President with Rio Tinto, based in Montreal, managing the People and Organisation support areas throughout North and South America, Australia and New Zealand. He has also held senior roles with LGL, Zinifex, OneSteel and Kodak Australasia. His commodity experience includes coal, iron ore, zinc, lead and gold, along with a history in oil and gas exploration and heavy industry manufacturing.



Valeri Melik – Executive Director




Mr Melik prior to August 2016, held a position of General Manager Technical Services and has significant history with the Company, joining the Company in 2008, and an intricate knowledge of the Assets currently managed by the Company. Mr Melik holds a Bachelor of Engineering (Honours) in Electrical Power Systems and Networks from the State Oil Academy in Azerbaijan (former AZINEFTECHIM USSR) which was recognised and endorsed by the Institution of Engineers Australia. In addition to this, Mr Melik holds a Master of Engineering (Electrical) from RMIT University and other qualifications pertaining to Analogue and Microprocessor Based Digital Computer and Communication Equipment, and electro-mechanics.








Phillip Anthony Feitelson - Executive Director.

Mr Feitelson has had an association with Moreton Resources Ltd since 2013, being a significant shareholder of the Company. Mr Feitelson holds a degree in Architecture and retired as a practicing Architect several years ago. Mr Feitelson is a director of a number of private companies owning retail, commercial and industrial property interests.

A Commitment to our Communities

-  We are committed to early engagement and support of the communities in which we seek to operate
-  We have proven and are committed to the Environmental and Safety aspects of our business, and truly believe that without consideration to our Social license to operate, we will never have a sustainable business model
-  We fundamentally believe in seeking to be a part of community, and in turn making them our communities in which we operate

Our Commitments In the Past, we

-  Committed to close out the below ground infrastructure at the former UCG site in the South Burnett
-  Committed to close out the above ground infrastructure at the former UCG site in the South Burnett
-  Undertook significant site decommissioning and rehabilitation with nil injuries or incidents over the 40 months
-  Successfully remediated the former UCG site and effectively returned it to its former land formation
-  The only UCG project in Australia to have successfully claimed back majority of our financial assurances due to our remediation and rehabilitation success.

We delivered in full, on time and proved to be a credible operator

A proven record of remediation and Rehabilitation



Our Current Focus



Rapidly building a pipeline of production Assets

The Granite Belt Project



A Commitment to our Communities



We are committed to early engagement and support of the communities in which we seek to operate



We are and have proven our commitment to Environmental and Safety aspects of our business and truly believe that without consideration to our Social license to operate, we will never have a sustainable business model



We fundamentally believe in seeking to be a part of community, making them our communities in which we operate



We are committed to promote local employment, utilize local business and services and support the regional in which we operate

We Have



Employed greater than 50% of our workforce locally which is now over 20 strong



Established our MRV Metals Pty Ltd Corporate Office in Texas, Queensland



Achieved our goal of Zero Environmental or Safety Incidents



Awarded major local contracts to provide goods and services to our operations, in the order of Millions of dollars in value



Been welcomed and made major contributions to the Southern Downs, in particular to the Township of Texas.

KEY MILESTONES

Legislative Processes	Status
Mining Lease Application	Waiting Minister approval
Environmental Authority	Approved
Native Title Determination process	Closed Out
Financial Assurance	Agreed

Community and Landholders	Status
Restricted Land Consents	Obtained
Landholder Compensation Agreements	Obtained
Reserve Land Consents	Obtained
Community Support	High
Regional Gov Support	High
DNRM (Abandoned Mines)	Conduct & Compensation Agreement in place

Environmental Factors	Status
Site Water Balance	Full site audit/ Mgt. plan
Zero site discharge	Maintained
Storm water run-off	Rectified & improved
Existing Dams	Improved & increased
Rectification Plans	Currently being agreed

Equipment and Infrastructure	Status
Mine Pit	Exposed ready for Operation
Crushing and Screening	Existing Equipment refurbishment tendered and awaiting award
Processing and Treatment	Existing Equipment requiring recommissioning tendered and awarded
Local Workforce	Employed
Contractor and equipment Supply	Mobilising now

WE BELIEVE, DAYS AWAY FROM RESTART

Start Up

0-3 Months

Commission Silver Room and Pour First Silver 45 Days

Liberate Silver Resource in Ponds and Process 60 Days

Commission Heap Leach 4, and Process Silver 90 days

Ramp Up

3-15 Months

Commission Heap Leach 2 and extract silver 120 days

Commission Crushing Circuit 180 days

Crush Rock Stock Piles 300 Days – 450 Days

Mining and Production 12 – 54 Months

Mobilise Contract Fleet

Blast Pre-Drilled Benches implement mining schedule

Extract 2.3Mt at 83g/t production (Stockpile 0.5Mt)

3.5 Years of mining

5 years of crushing and 8 years of leaching in total








“Targeting 90,000 Oz per month average, for 8 years from month 5”





**WE EXPECT PRODUCTION
WITHIN WEEKS**



Our Start Up Will Mean

-  A total workforce within three months of approx. 36 in the Texas Region
-  Within 6 months we will have directly or indirectly employed approx. 50 employees
-  We will have brought to our community of Texas, over 15 new families and given approx. 35 local families a start with us
-  More demand upon the services and supplies in the region, from our workforce and their families.
-  Greater numbers in a beautiful region whom use parks, schools, hospitals and essential services in a growing and thriving region

We Have

-  Committed to long term agreements with suppliers for over 10 Million dollars already, with majority being local.
-  Contributed to the local fabric through our people and donations, and we are welcomed within the Community
-  Achieved this with nil objections through the Mining or Environmental processes, to build our business
-  Had significant support and guidance from the relevant Government Departments, our Local State Member and Regional Council

We do thank The Department of Natural Resources and Mines, The Department of Environment and Heritage protection and the relevant Ministers, whom have helped us to grow our business

THE SOUTH BURNETT COAL PROJECT



A Commitment to our Communities



We are committed to early engagement and support of the communities in which we seek to operate



We are and have proven our commitment to Environmental and Safety aspects of our business, and truly believe that without consideration to our Social license to operate, we will never have a sustainable business model



We do believe in sourcing labor and technical skills from the local community, which we know the South Burnett can supply



We believe in fostering indigenous employment, community capacity and business opportunities



We do believe in developing frameworks and relationships, whereby local vendors and contract service can be used having ensured the correct frameworks and expectations are in place



We do believe in relying upon the Community Infrastructure where available and not duplicating services and resources



We fundamentally believe in seeking to be a part of community, making them our communities in which we operate

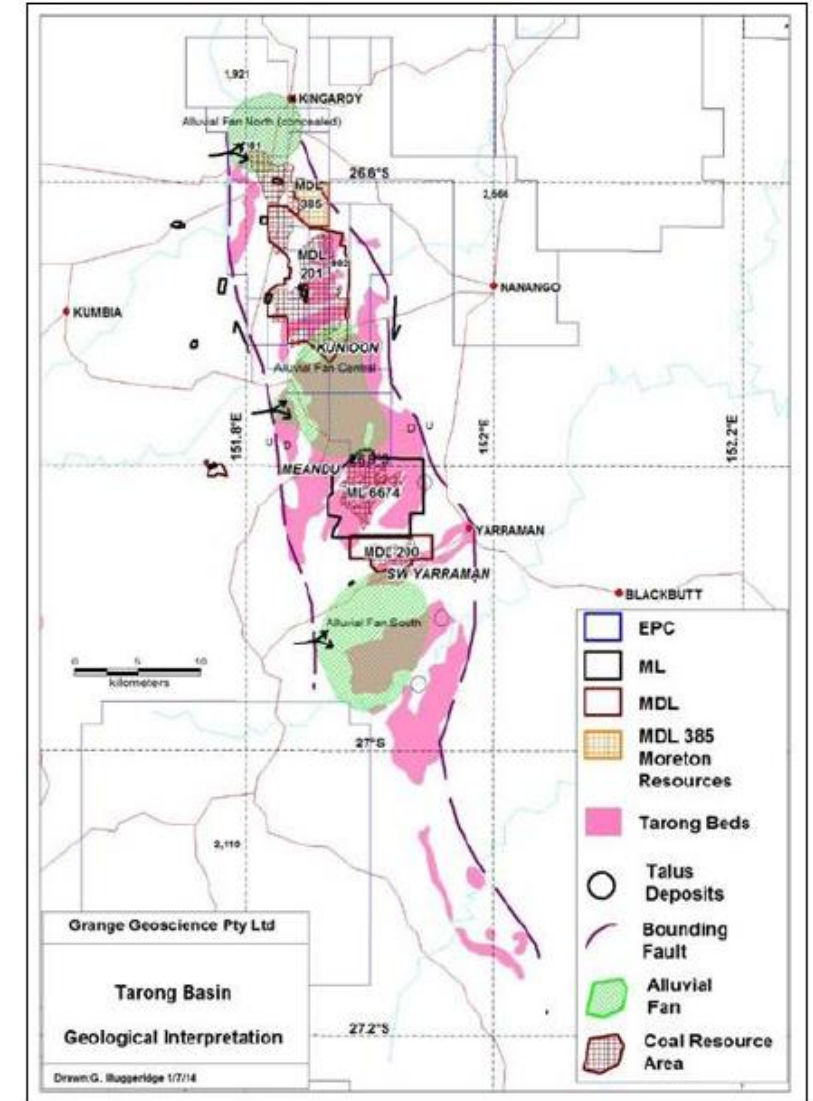
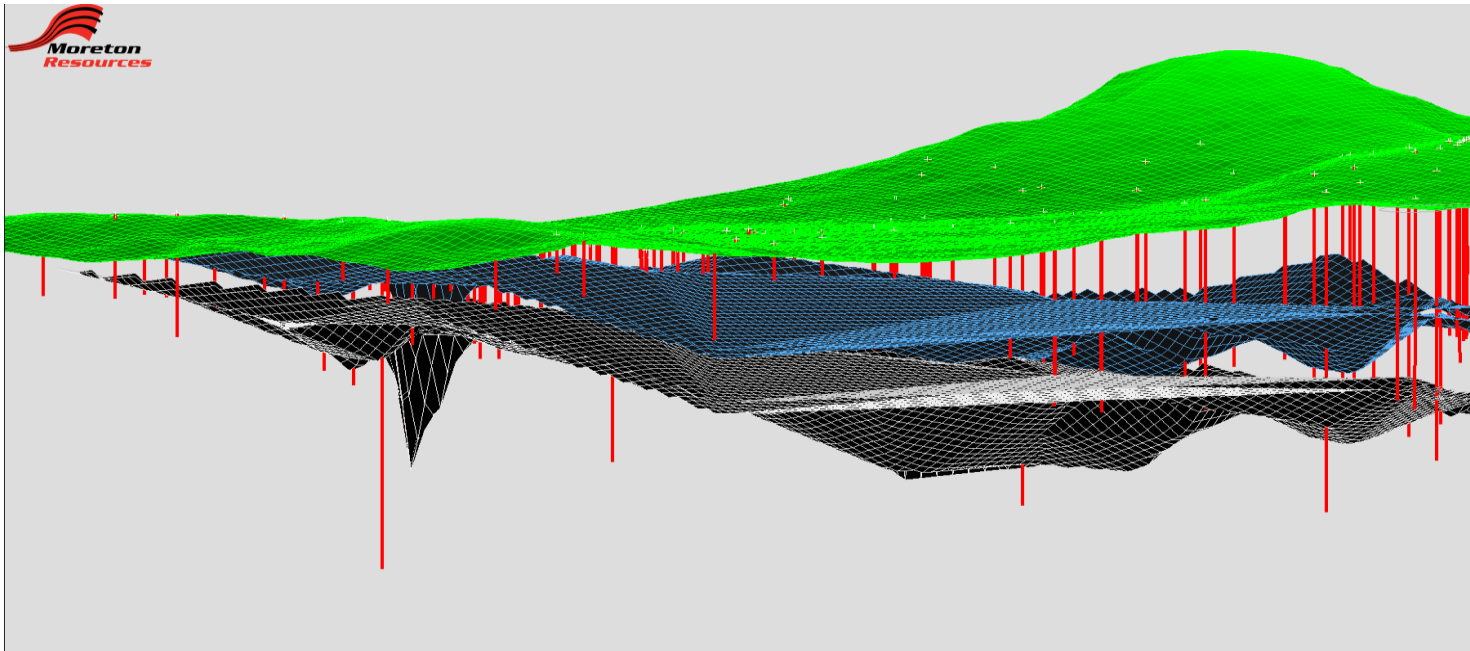


We do not believe in being Corporate Office centric, our business will be on the ground, at our sites and within our communities

***We believe with our operating ethos and open nature, the South Burnett has a lot to gain,
and together we will achieve remarkable things***

A Major Project based upon a Strong Asset

- Tarong Basin located only 3 hours from Brisbane
- 10Mt of Export Coal for the next 25 years
- Significant infrastructure throughout the Wide Bay
- Workforce in the 400 – 600 range, in a skilled catchment



PFS results released to ASX December 2015 - based on 5.5 Mtpa - and exceeded expectations at that time.

Since then, the opportunity is becoming more compelling by the day ...

Parameter Change	Result
Dec 2015 – July 2017	68% increase in Australian thermal coal price ¹
AUD Term from PFS	2015 PFS released upon AUD\$50, however export Aust Thermal currently AUD \$103
PFS on 5.5Mtpa	Current MLA before Department of Natural Resources and Mines is for 10Mtpa
Local domestic Market	We are now well advanced upon Export Spec Product and path to Market (There will be an increased component for Export in our cost base.

The math proposition speaks for itself, 100% uplift in price + 80% increase in tones – cost of solution to port

...NPV to be updated early in 2018 and expected to be of significantly different in value.

¹ https://ycharts.com/indicators/australia_coal_price² RBA – exchange rates – monthly – January 2010 to latest complete month of current year

Infrastructure is Coming Together

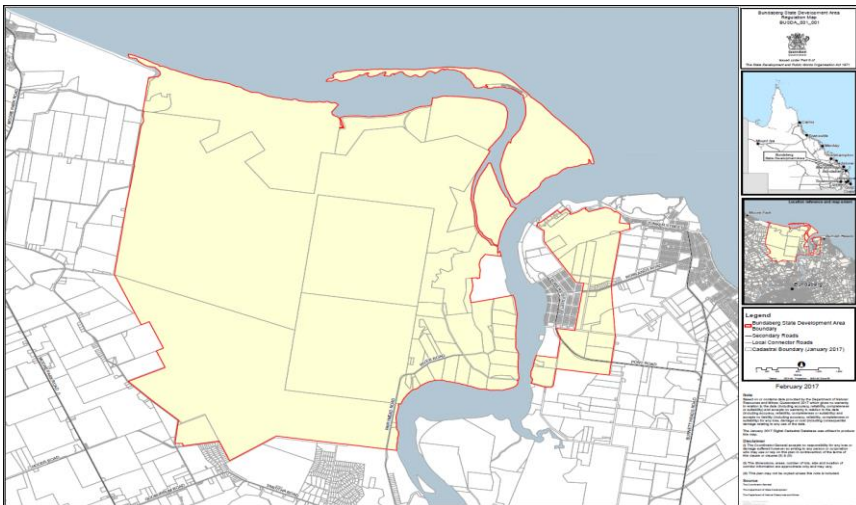
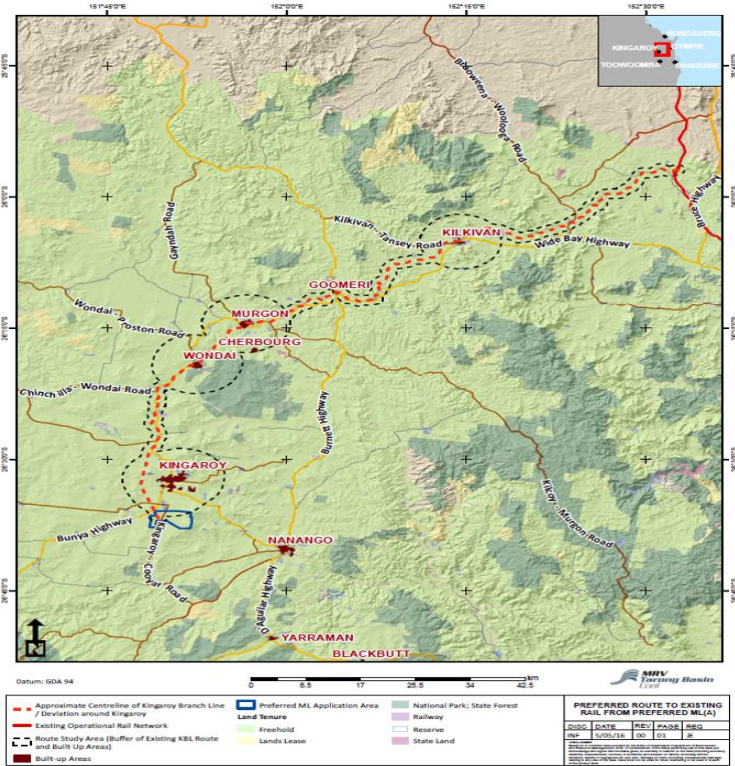
- **Transport Corridor**

- Rail and Port PFS for completed 2015
- Preferred route 131 km to the North Coast Line near Theebine
- Southern routes now disregarded
- Potential rail to operate as multi-user corridor and seek to improve transport across the region

- **Port, several options however**

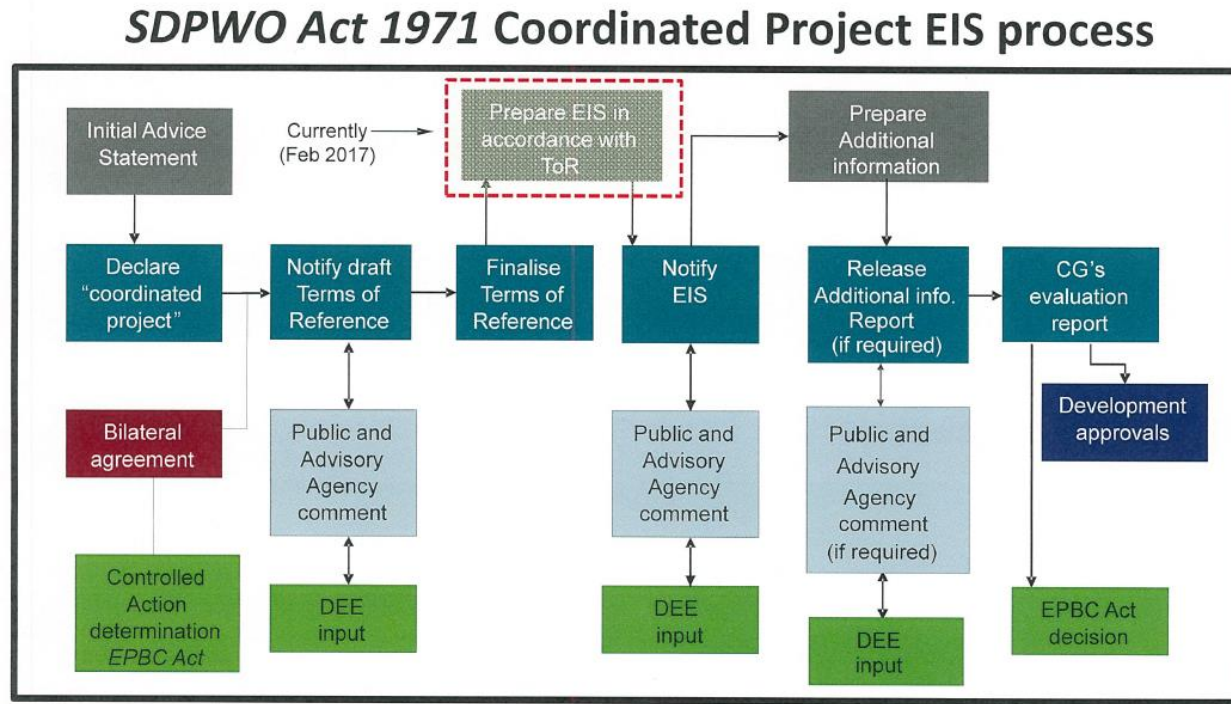
- Port of Bundaberg State Development Area announced Feb 2017 by Office Coordinator General
- Declaration of large land area to west of Burnett River
- Development scheme consultation and preparation next step

- **Existing power and water supplies nearby**



Environmental Permitting

- IAS Lodged with Office of Coordinator General in July 2016
- EPBC Controlled Action / Bi-lateral assessment decision Aug 2016
- Coordinated Project Declaration Aug 2016
- Draft TOR advertised Oct-Nov 2016.
 - 39 Submissions received – 21 supportive or neutral/ 18 showed concerns.
- Final TOR issued December 16



Progress with Studies and Documentation

- EIS is **50% complete** as at August 2017. Certain sections already 80% complete.
- Largest-ever greenfield mine groundwater baseline that we are aware of, with data collection since 2008
- Standard suite of other environmental baseline studies to be completed in 2017
- Lodgment of draft EIS to Queensland Government targeted for Q4 2017 calendar year
- Regional Planning Interests (SCL) permits to be obtained separate to EIS process as legislation allows

'Social Licensing'

- Comprehensive consultation on-going since 2014
- Galaxy poll 2016
 - 61% of region supports economic growth through new mine
 - 79% keen for mine employment
 - 24% concerned – noise, dust, water contamination.
- Prepared EIS Stakeholder and Community Engagement Plan
- Clear definition of MRV Vision, scope of influence and expectations
- Assistance from Coordinator General Office to consult with State and Local Government Stakeholders
- MRV Managing Community Engagement and Landholder Negotiations

Considerable Scope for Influence

Examples:

- Opportunities for community and legacy benefits
- Measures to improve jobs and skills development, supply chain development and procurement services
- Improved infrastructure
- Strategic options for offsetting impacts
- Landscape strategy for visual screening site

Limited Scope for Influence

Examples:

- Strategic approaches to mitigation of mine impacts
- Strategic approaches to managing transport impacts

Scope of Influence



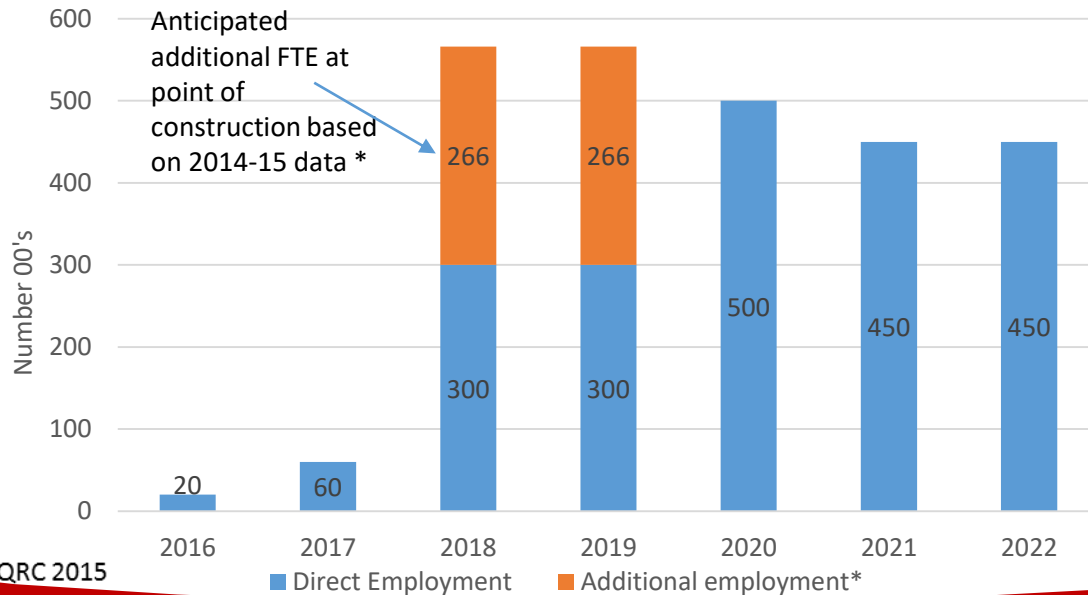
■ Considerable scope for influence ■ Limited scope for influence ■ No scope for influence

No Scope for Influence

Examples:

- Location of the mine
- The need for a transport corridor
- Adherence to regulations and standards

Direct & Ancillary Job Creation



Resources Worth to the South Burnett (2015-2016 financial year)*

• Direct

\$100 Million Wages
\$121 Million Local goods, services, community contributions
629 Local Businesses benefited / 29 community organisations

• Flow-on

2,182 additional FTE
288 Million additional value add
- Local business sources
- Employee's local spending

• Local Prosperity

Total contribution – 2,861 FTE
\$449 million gross regional product

*QRC 2015

Transport Corridor PFS 2017

Comparative PFS Study Underway

- Additional Advanced PFS studies underway for 3 transport options:
 - rail
 - slurry pipeline
 - Overland conveyor
- Results will identify Capex and Opex of each option to +/-20%
- Results to be announced to market Q4 2017 calendar year
- Two options to be taken through the EIS process to compare environmental and social costs / benefits

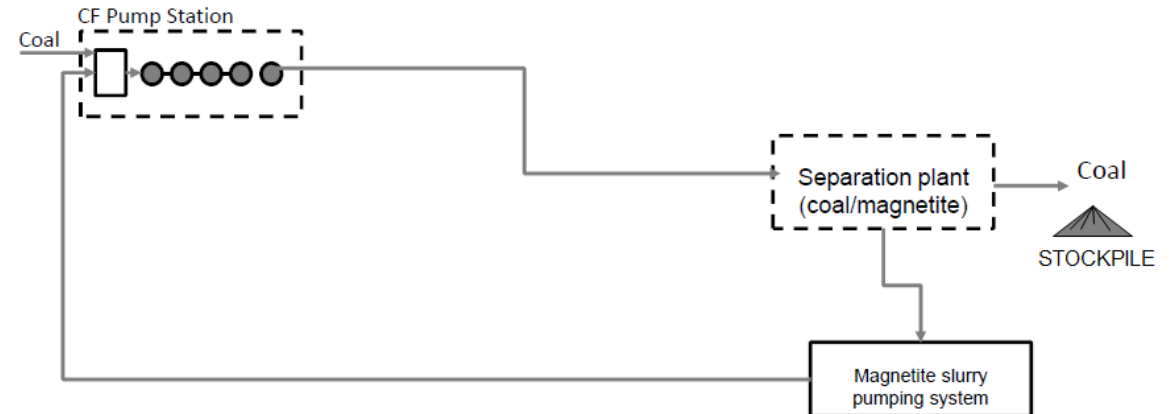
Estimated Order of Magnitude costs over LOM (Au\$M)

	Rail	Conveyor	Slurry
CAPEX	\$1,100	\$700	\$370
OPEX NPC 8%	\$900	\$1,000	\$550
Total NPC	\$2,000	\$1,700	\$910
\$/tonne @280mt	\$10	\$7	\$3.80

Note: Order of Mag costs are for Kingaroy to Theebine

Slurry Pipeline

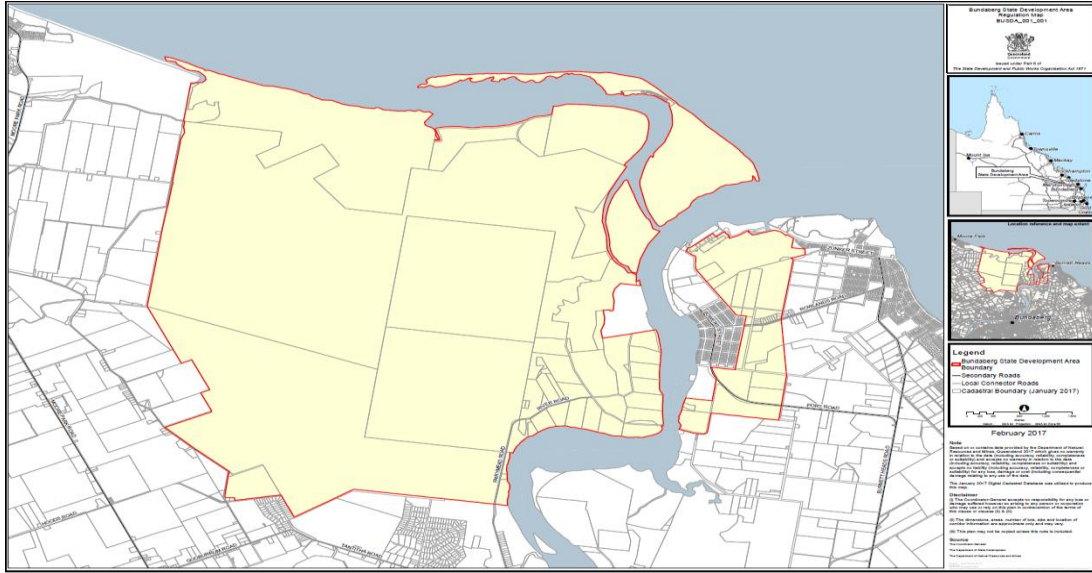
- Combine coal particles with a Dense Carrier Medium (DCM), in this case fine magnetite slurry. Allows operation at low velocities and low wear rates. Magnetite pumped back to mine site.
- Batch delivery during ramp up stages
- Pipeline to be buried providing low impact and simpler rehabilitation



Rail and Conveyor

- Common infrastructure provision for product reclaim and load out methods.
- Preliminary design includes 9 conveyors varying from 4km to 20 km.
- Preliminary rail design is 3 DEL + 100x80 tonne wagon train, with a length of 1,370m and payload of around 6,000 tonnes. Requires 5 loaded trains/day to deliver 10 Mtpa

Ports



- Port of Bundaberg:

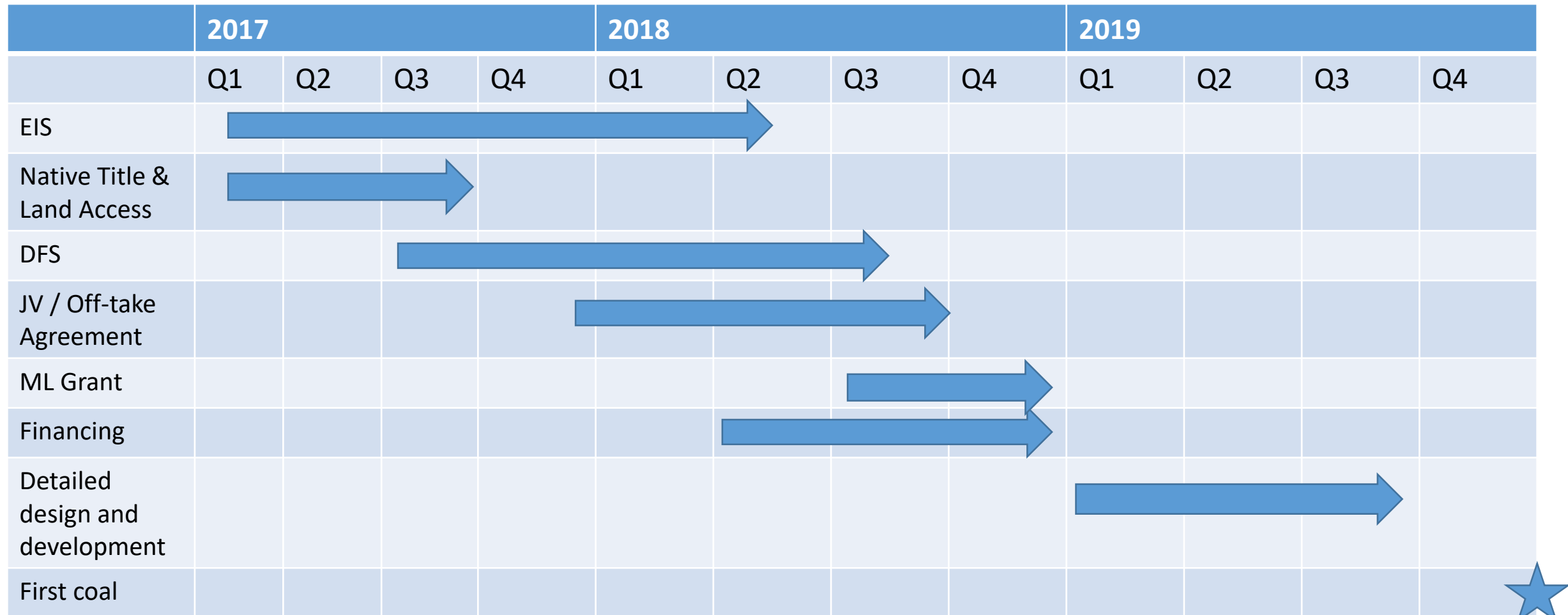
- State Development Area announced Feb 2017 by Office Coordinator General
- Declaration of large land area to west of Burnett River
- Development scheme consultation and preparation next step

- Port of Gladstone:

- Project able to apply for capacity as a 'Gladstone Coal Producer' based on mining tenure held and rail connection to the Port
- RG Tanna and WICET have existing unallocated capacity for full 10 Mtpa onto cape class vessels (220,000 DWT)
- Established process for capacity expansion at both terminals, if required



Potential Path to Approvals / Production



The Granite Belt Exploration Project



Potential Development

Mt Gunyan	JORC Ag/ Au/ Zn Resources
Harrier	Advanced Cu/Ag/ Zn Exploration
Hornet	Advanced Cu Exploration
Hawker	Initial Cu/Ag Exploration

Exploration Upside

Several high grade copper prospects identified
 All have multiple Metals potential
 Historical shallow underground Mining of high grade base metal (Cu, Zn) and Ag.

Future Potential

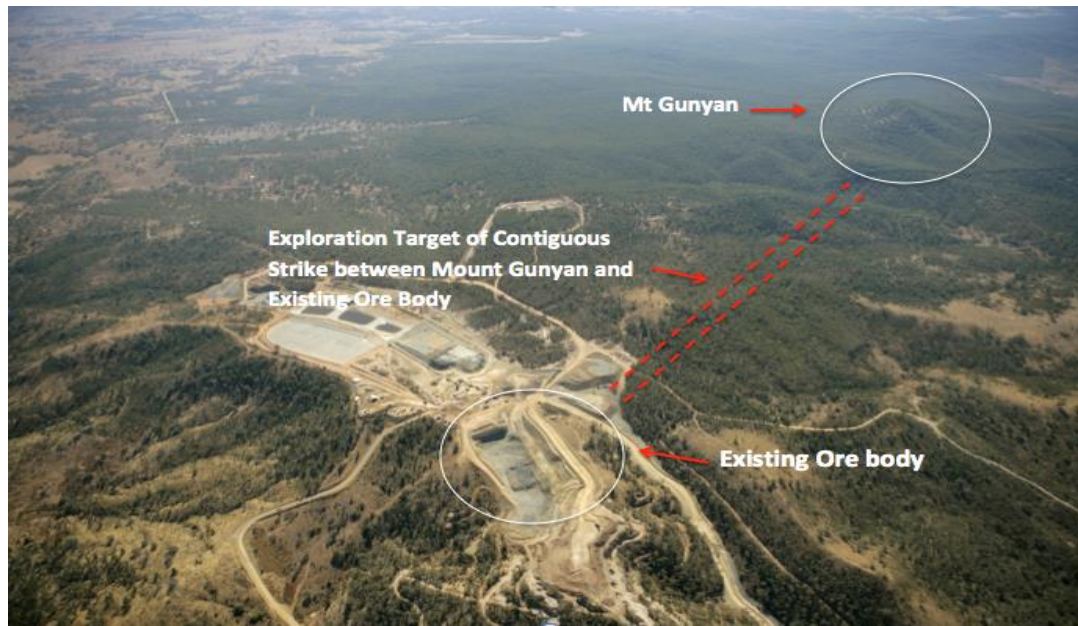
Multiple targets ranging from JORC Resources at Mt Gunyan through to Advanced Exploration Targets which display Copper, Gold, Silver, Zinc and Lead prospects.
 Significant advancement potential which may lead to a poly metallic operation, moving away from direct heap leaching, which in turn would allow for increased recoveries and retreatment of existing ore stock piles, post heap leaching.

Focus of Years 1-5

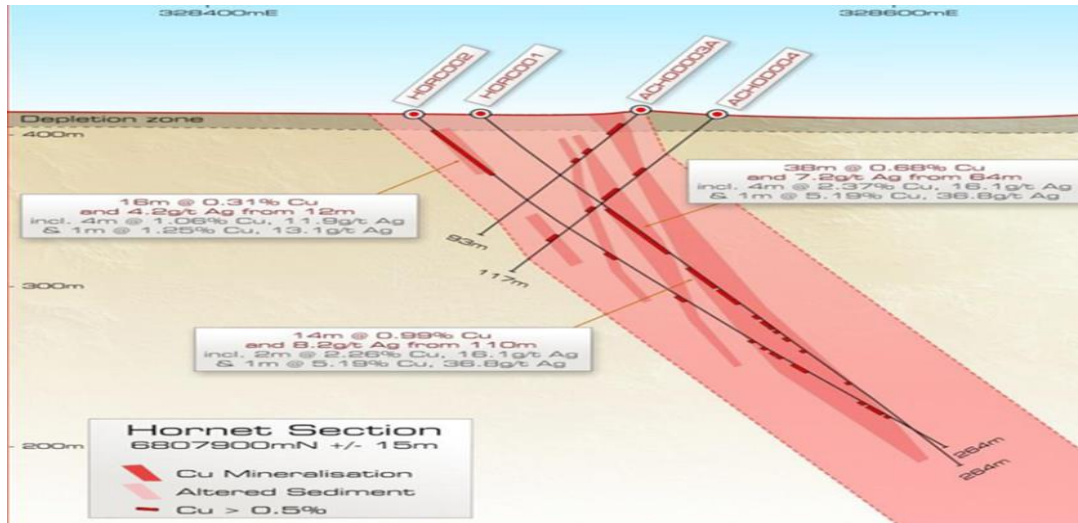
Copper focus with silver/ gold credits
 Consolidate existing exploration data
 Target or improve JORC Resources at all near Mine targets
 Potential to establish the next two satellite pits to follow Twin Hills

Targeting Copper, Silver, Gold, Zinc and Lead

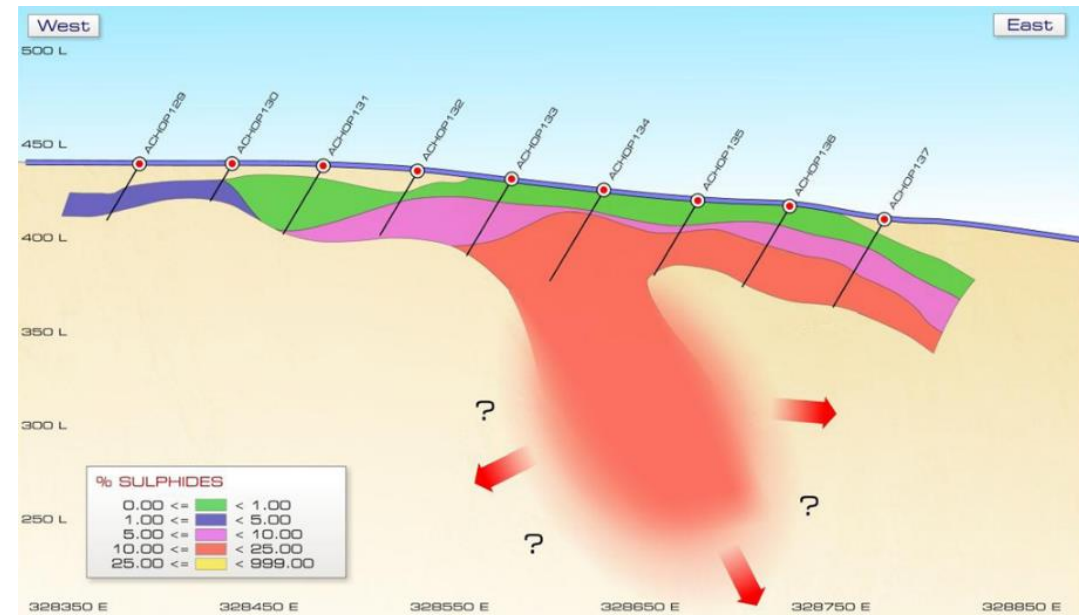
UPSIDE POTENTIAL



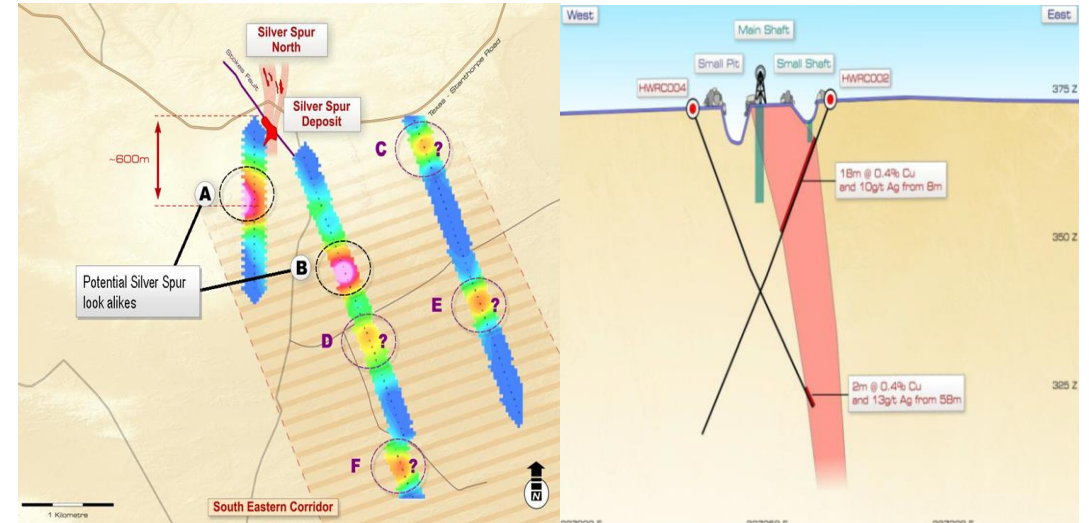
Mt Gunyan on existing MLA awaiting approval



Hornet Advanced Target on existing MLA awaiting approval

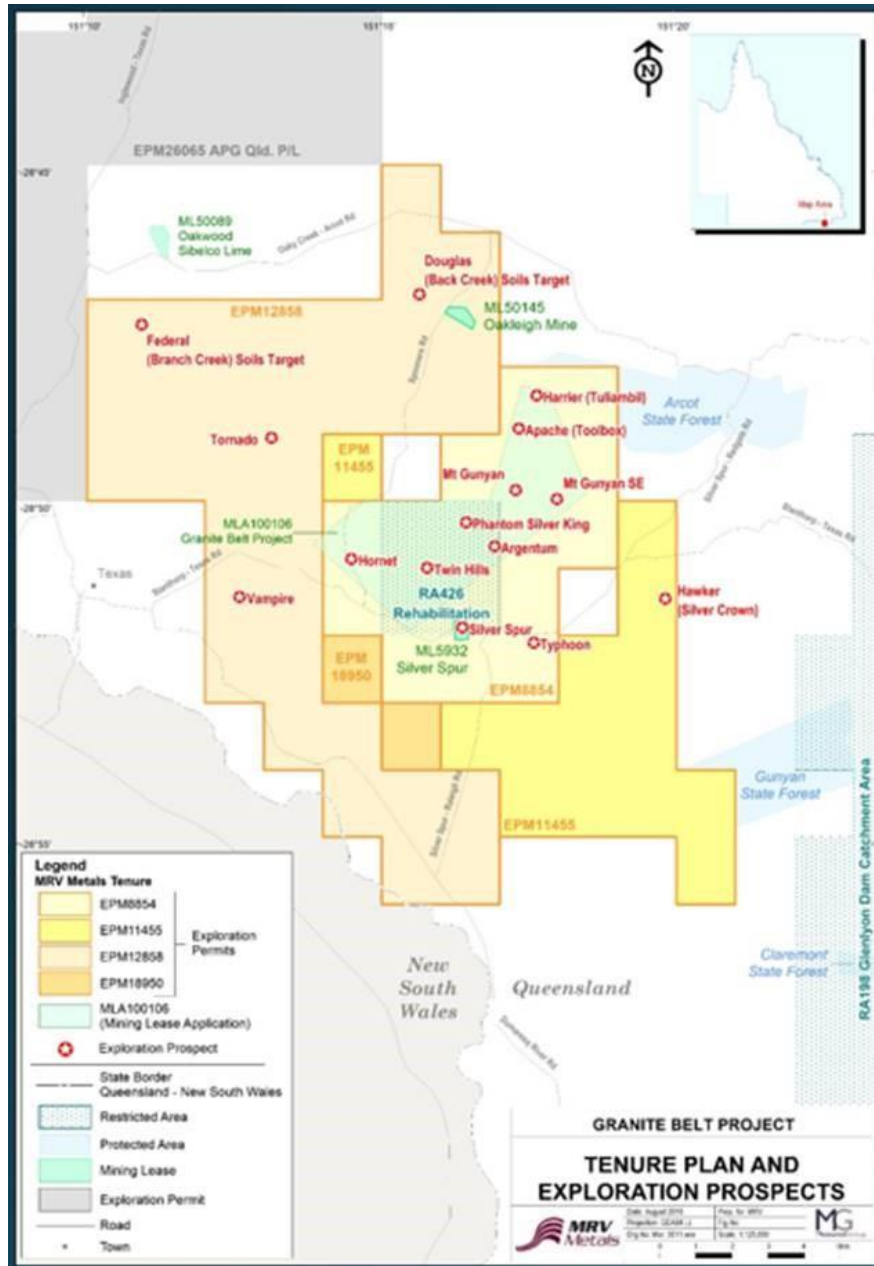


Hornet North Exploration Target on existing MLA awaiting approval



Hawker and Silver Spur potential repeats sit just off MLA to the South

Targeting Copper, Silver, Gold, Zinc and Lead



Granite Belt Exploration Tenements

- 180km² of highly prospective tenements
- Twin Hills mine in the center and suits “Hub & Spoke” mining method
- 50+ years of exploration data currently available and being analysed to define the next steps to unlock upside potential



WORK SAFE, HOME SAFE, MRV **SAFE**