

## ASX ANNOUNCEMENT

By Electronic Lodgement

### MRV METALS PTY LTD SILVER PRODUCTION UPDATE

- Irrigation system for Heaps 1 and 3 fully operational since 10 March 2018
- Ponds progressed significantly with Intermediate currently being used in operational circuit as pH correction, Pregnant pond clean out 80% complete and Barron being prepped for clean out.
- Expected commencement of Cyanide on Heap Leach 1 and 3, within 10 days.
- Silver room fully operational and ready for silver concentrate production which is expected within next 20 days.

The board of Moreton Resources Limited would like to update the market upon the progress of its Granite Belt Project, through its fully owned subsidiary MRV Metals Pty Ltd, which has progressed significantly in its commissioning phase of the operational planning.

The site has move to now be fully operating the irrigation systems on Heap Leach 1 and 3 for approx. a week and pH is rising as expected. Whilst we continue to add more water into the circuit, the increase in pH level should accelerate, bringing us to a position whereby Cyanide can be added to the process. Currently Barron pond is providing water also to supplement the water draw from Intermediate to the Heaps, which already contains minor silver in solution, which will assist in the cycle of greater silver build up in the coming two to three weeks.

Whilst the site has had its challenges in volume of sludge and other operational commissioning issues, the Company is confident we are progressively moving toward meeting our operational objectives for the quarter of April to June 2018, whilst having the potential to exceed those targets based upon additional Silver in the ponds, that was greater than expected.



MRV Metals production crews working pregnant pond which is 80% complete, whilst our Intermediate Pond sits in circuit providing pH correction for HL 1 and 3 in preparation for the addition of Cyanide



Through pH correction and Evaporation, major water storages upon site are being depleted whilst providing production water, also are being evaporated to reduce the large acidic water catchments on site and ensure environmental compliance.

The Company expects to update the market upon attaining the fully operational site with first full production concentrate shipment, followed by normal quarterly reporting thereafter.

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