

28 May 2020

ASX ANNOUNCEMENT

By Electronic Lodgement

COMPANY UPDATE - DES CASE UPDATE

Moreton Resources Ltd (**ASX:MRV**) ("the Company") advise that its subsidiary, MRV Metals Pty Ltd ("MRV") is continuing to pursue a resolution of the Financial Assistance ("FA") dispute with the Department of Environment and Science ("DES") with a further Case Management hearing scheduled to occur in June 2020.

This follows the previous Land Court decision confirming that MRV is not liable for previous pre-existing environmental harm at the Texas silver project site (refer to ASX Releases dated 8 March and 28 April 2020).

MRV's management and appointed experts have begun a review of the substantial amount of previous work undertaken by MRV, with a view to confirming MRV's previous calculation of the appropriate level (excluding 'prior harm' as per the previous Land Court decision) of FA. MRV is also in discussions with the DES with a view to narrowing issues in dispute and endeavouring to resolve the matter amicably.

If the FA cannot be otherwise agreed between MRV and DES, then a further hearing in the Queensland Land Court will occur later in 2020 and the Land Court will, if necessary, then determine the appropriate amount of FA.

DES currently holds approximately A\$3.9m in FA lodged by MRV.

The release of this Announcement has been authorised by the Board of Directors of MRV.

Brett Garland
Chairman

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