



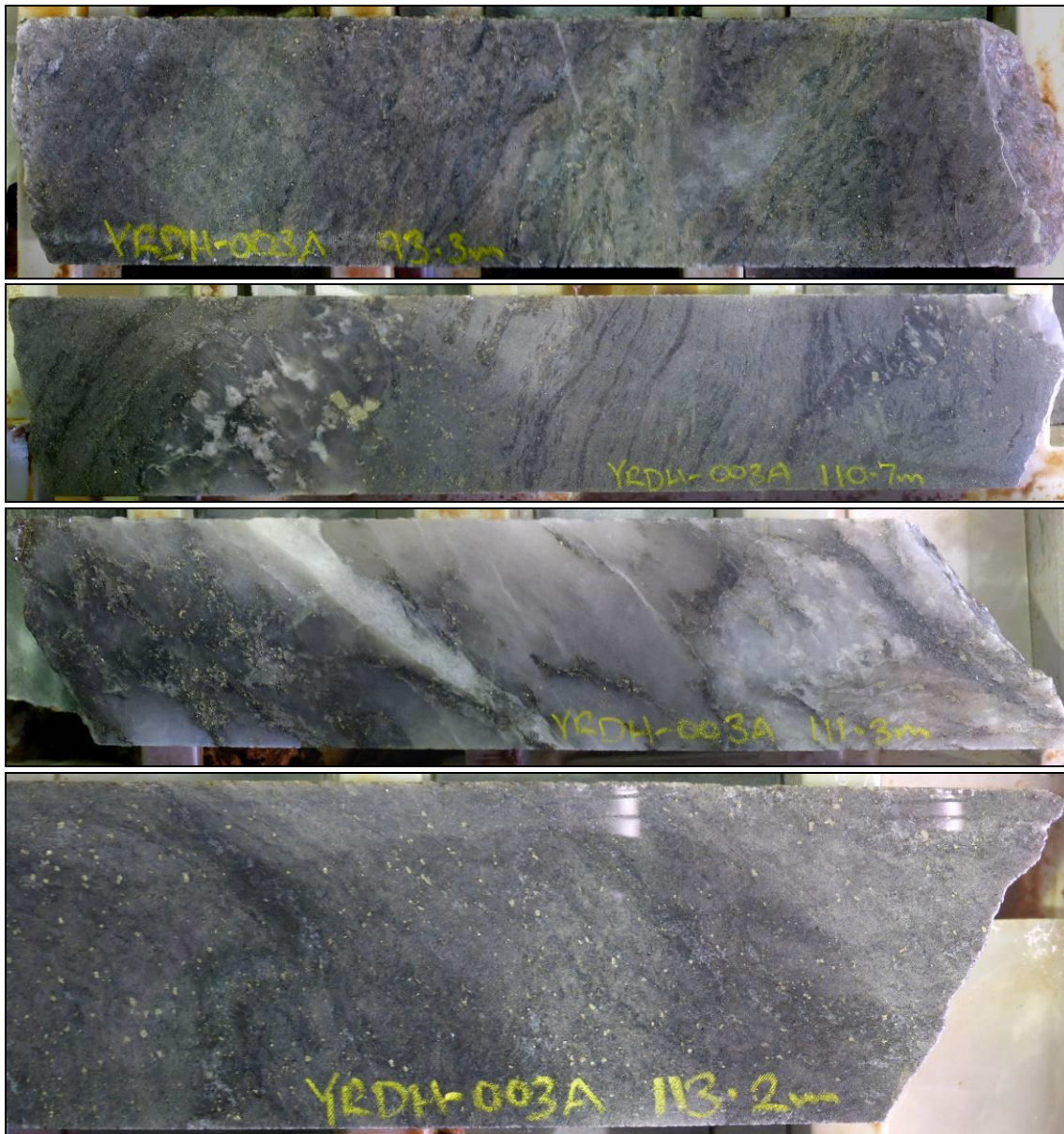
TECHNICAL UPDATE: YARDILLA PROJECT

- Detailed analysis confirms the significance of alteration in core from recent drilling at Ommaney
- **Alteration:** Zoned alteration system intersected in YRHD-003A, comprising:
 - Distal alteration zone (chlorite-sericite) at least 200m wide and open at depth - sign of a large-scale alteration system with potential for major discovery.
 - Central alteration zone (sericite-biotite-albite with disseminated pyrite) has key similarities to alteration in the >5M oz Tropicana deposit.
- **Host rock:** Quartz-poor feldspathic gneiss – also geologically comparable with the Tropicana deposit.
- Planning is underway for follow-up drilling, a program that will be shaped but not conditional upon currently awaited assay results.
- Assay results for YRDH-003A expected next week.

This press release informs the market on significant and ongoing technical progress with MRG's exploration at the Ommaney prospect at the Yardilla gold project in WA. Detailed logging and analysis of the drill core from the December 2016 drilling program has been undertaken during cutting and sampling of the core and has further focussed MRG's interest in the strong hydrothermally-altered rocks intersected in YRDH-003A.

The 30m interval of strong to intensely sericite-biotite-albite (+ pyrite) altered rock is at the core of a larger, distal chlorite-sericite alteration zone that is continuous to the end of hole at 240.1m. Collectively, this represents a zoned alteration system with a "footprint" that is at least 200m wide and likely to be much larger. The scale and intensity of this alteration indicates that an enormous amount of hydrothermal fluid was focussed into the Ommaney prospect and this is a primary indicator of the potential for large mineral deposits to have formed there.

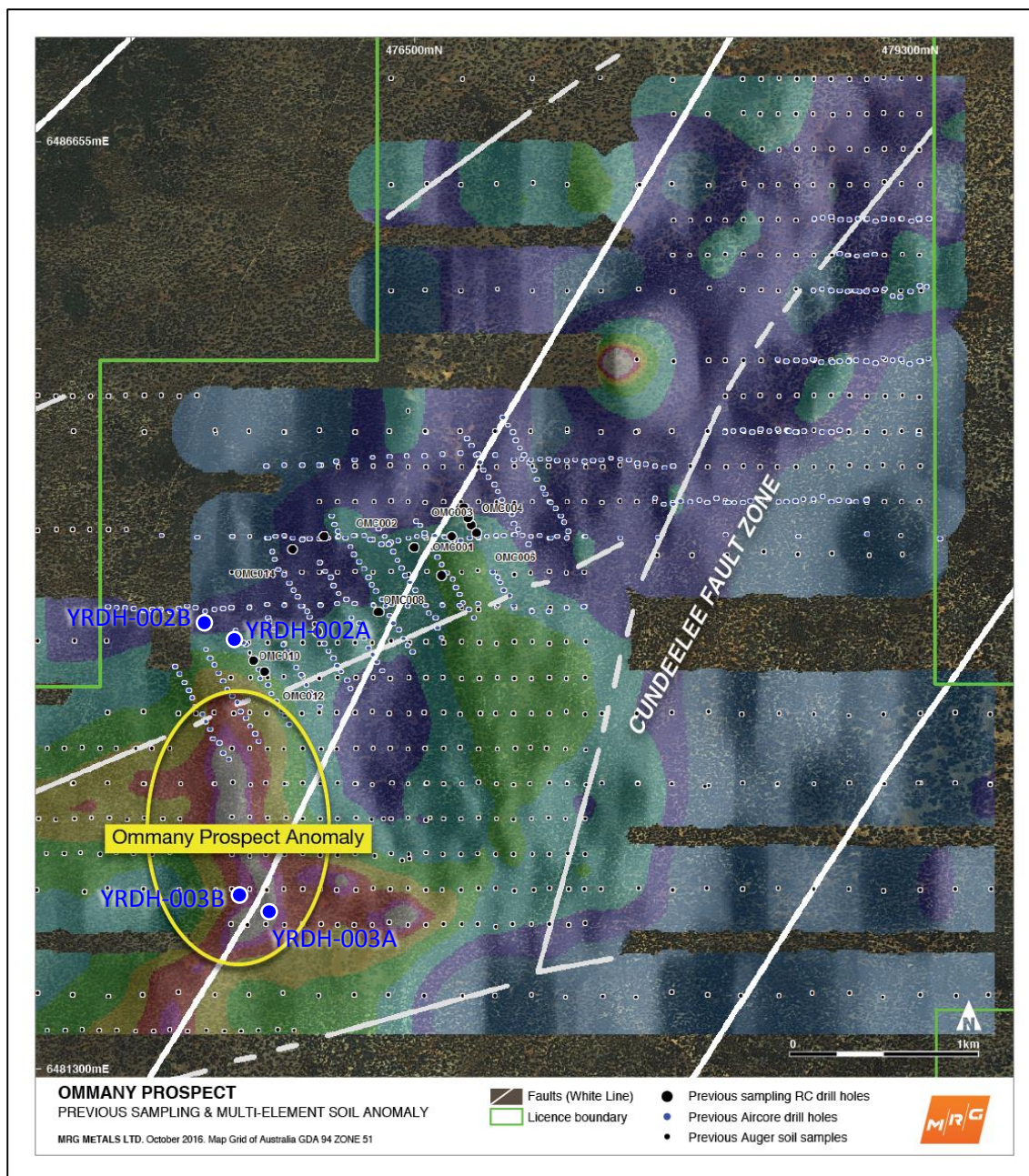
Assay results for this core are expected back from the laboratory next week.



Examples from YRDH-003A of strong to intense sericite-biotite-albite alteration of quartz-poor feldspathic gneiss with up to 5% disseminated pyrite.

Alteration overprints the early gneissic fabric indicating favourable timing of the hydrothermal fluid event, significantly later than peak metamorphism of the rock. Pending assay results will determine if this rock itself is mineralised or if it represents an alteration system that may be proximal to a nearby orebody, and multi-element analysis of the core will help to vector planned exploration towards this target.

Ommaney Prospect: Previous Sampling & Multi-Element Soil Anomaly

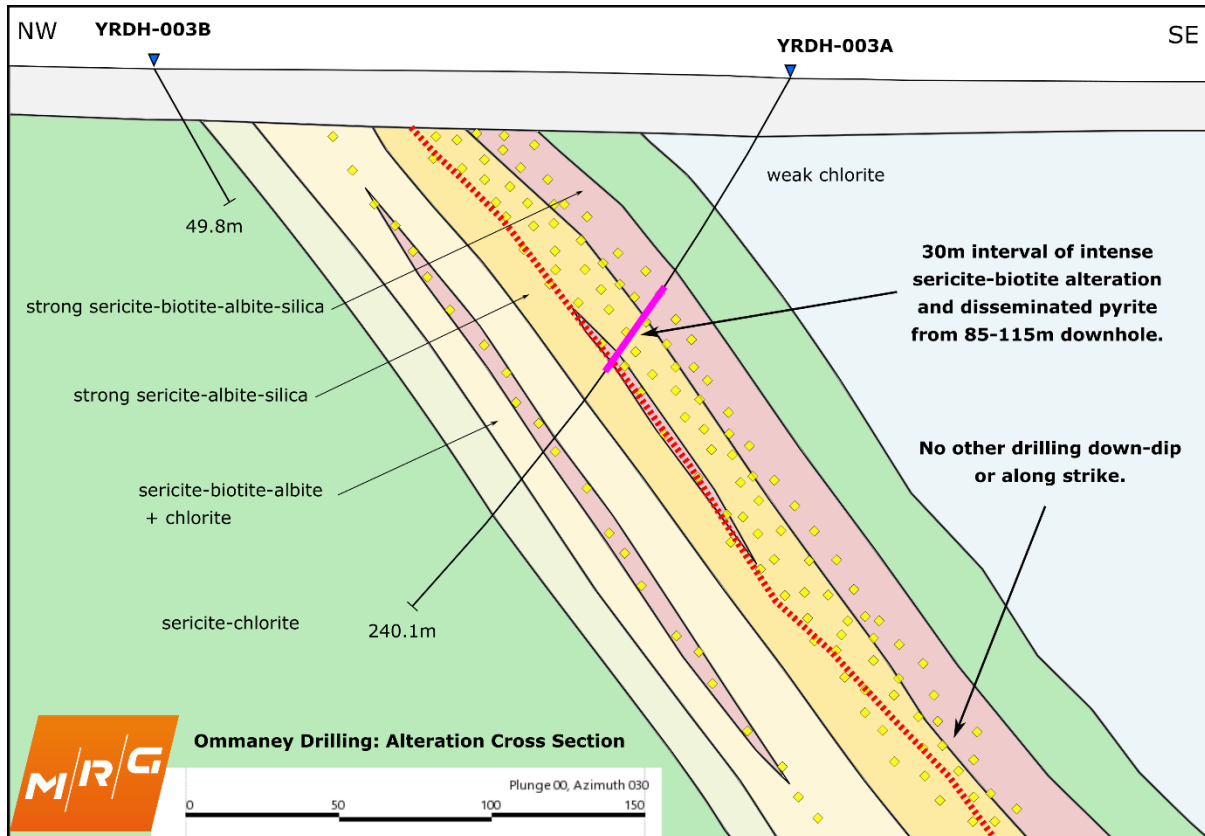


Rocks intersected in YRDH-003A comprise a sequence quartz-poor feldspathic gneisses with narrow interbeds of more finely banded meta-sedimentary rocks throughout the zone of strongest alteration. The main zone of interest corresponds to quartz-poor feldspar-dominated (feldspathic) gneiss while the footwall and hanging wall rocks are mostly amphibole-feldspar gneiss.

The 30m interval of strong to intense sericite-biotite-albite (+ pyrite) alteration is at the core of a much wider zoned alteration system that extends more than 200m downhole to the limit of current drilling. Below the core alteration zone, sericite-biotite-albite alteration gradually becomes less intense and chlorite appears in minor amounts. Below 190m chlorite and sericite become the dominant alteration minerals and disseminated pyrite is no longer present.

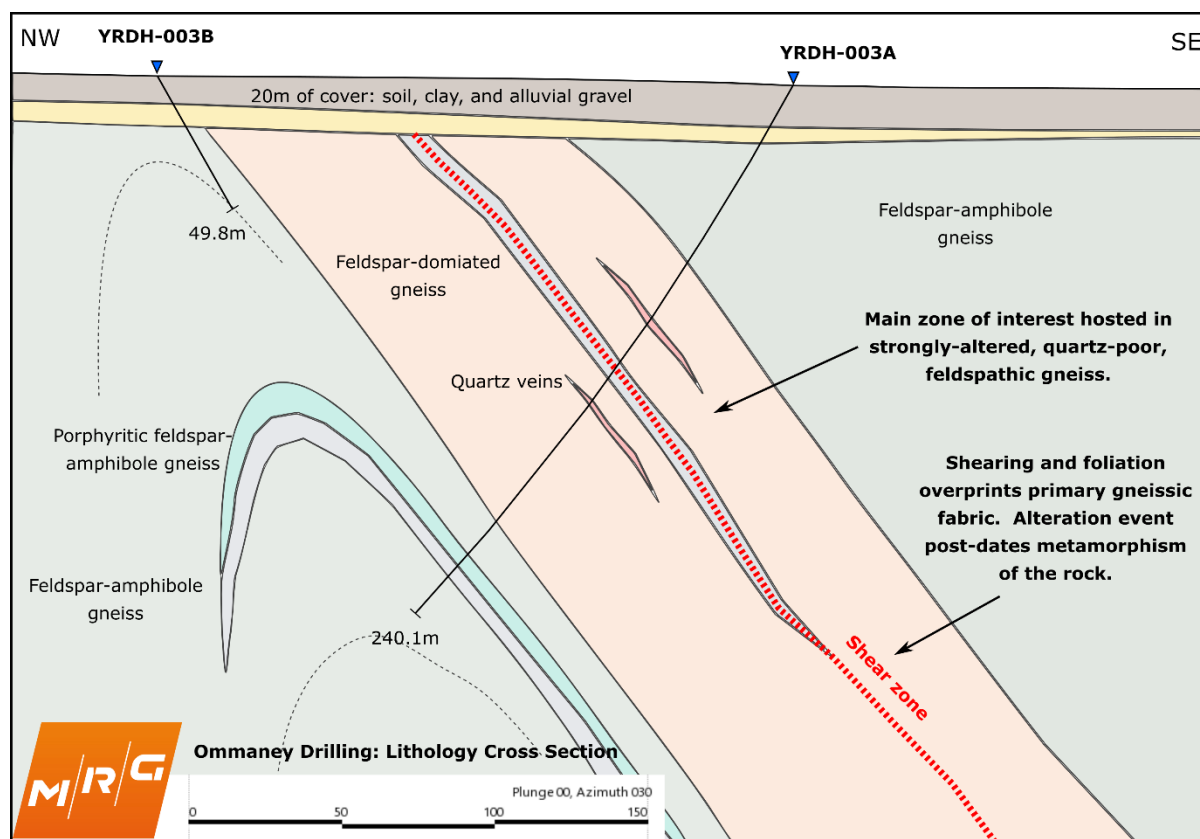
The following two cross sections are schematic and theoretical – they are based on currently limited progress data. Interpretations may change as the data upon which they are based increases.

Ommaney Drilling: Alteration Cross Section



Comparison of the host rocks and alteration at Ommaney with known deposits in the Albany-Fraser Belt reveals key similarities between the core in YRDH-003A and the geology of the >5M oz Tropicana Gold Deposit (AngloGold Ashanti-IGO) located 350km to the northeast. The ore-zone of this world-class gold deposit is comprised of biotite-sericite altered, quartz-poor feldspathic gneiss with 5-10% disseminated pyrite and gold is disseminated throughout the rock rather than being hosted in quartz veins.

Ommaney Drilling: Lithology Cross Section

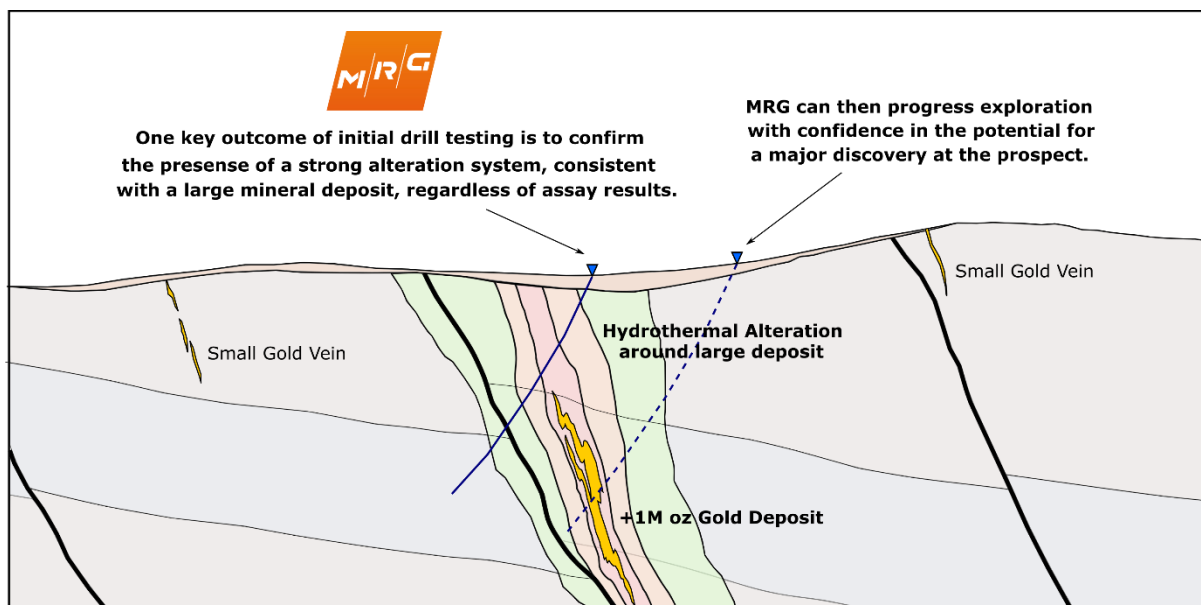
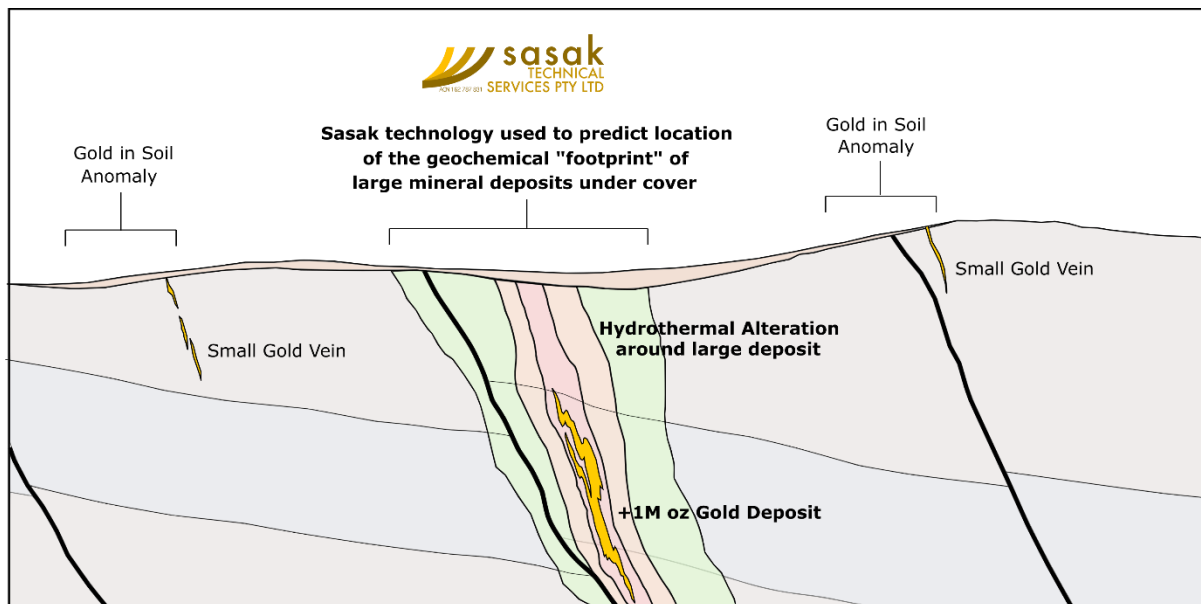


MRG's Technical Focus:

MRG is pursuing a strategy that is focussed on finding large, world-class mineral deposits by leveraging its access to Sasak's revolutionary analysis and targeting technology by planning and conducting smart, technically-driven exploration and drilling campaigns. World-class minerals deposits are typically surrounded by large zones of hydrothermally-altered rock. Larger and stronger alteration systems are typically associated with larger deposits, so identifying the signs and evidence of these features allows exploration to be prioritised towards the largest potential discoveries. Trace metals (such as Arsenic, Antimony, Molybdenum, Tellurium, and Tungsten) present in zones within the alteration system form a geochemical "footprint" much larger than the deposit itself, which can be detected by careful multi-element analysis and through understanding the geological and geophysical properties of mineralisation. This "footprint" is often large enough to be detected in places where gold or other precious metals are hidden deeper underground (or under cover).

MRG uses Sasak's proprietary technology to identify and predict the location of potential world-class mineral deposits by analysing the multi-element geochemistry and geophysics associated with these alteration footprints. This doesn't necessarily correspond to places where gold is found at the surface, but MRG can confidently target exploration in new Greenfield terrains as well as re-target areas which have been the focus of historical exploration and can prioritise the discovery of large world-class deposits over expending money and metres on smaller uneconomic prospects, via use of the technology.

Hypothetical illustration of how Sasak's technology is used to Predict "Footprint" of Potential Large Mineral Deposits under cover



MRG's confidence in its technical strategy means that a key outcome of initial drilling campaigns is to confirm the presence of a strong alteration system by intersecting it with diamond drill holes. Success in this at Yardilla in December 2016 is what has driven the expansion of tenements and the planning for follow-up exploration, even before the core has been sampled and assays returned.

The amount of crucial geological and strategic information that can be gathered from oriented diamond drill core extends far beyond the results of assays and more than justifies the relative expense of this approach in the early stages of exploration. It allows MRG to confidently plan the next stages of exploration at a prospect and to recognise a near-miss and react in a pro-active way.

From a next-step exploration perspective, MRG will now plan follow-up drilling within this large, high potential alteration system in search of a multi-million ounce deposit. If currently awaited assay results are gold-rich this process will already be confirmation drilling of a significant discovery.

Andrew Van der Zwan
Chairman

The information in this report, as it relates to Exploration Results is based on information compiled and/or reviewed by Mr. Benjamin McCormack, who is a member of the Australian Institute of Geoscientists (AIG).

Mr. McCormack is a consultant to the Company and has the relevant experience with the mineralisation reported on to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. McCormack consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.