



EXPERIENCED SINGAPORE BASED COMMODITIES & MINING GROUP TO PARTNER MRG IN PULCHERA PROJECT

MRG Metals Limited ('MRG') and Singapore based Magnaver Group (through its exploration & Mining related subsidiary "Apollo Exploration & Mining Ltd ('Apollo')") have entered into a Memorandum of Understanding for Apollo to farm-in to MRG's Pulchera project, EPM19471 in Queensland.

MRG and Apollo have agreed to the following terms:

- Apollo has 60 days Due Diligence to reach a Binding Heads of Agreement
- Apollo to pay MRG AUD\$100,000 upon signing for transfer of Intellectual Property
- Exploration will be sole-funded by Apollo to AUD\$4.0M to earn 80% in 2 stages
- Upon reaching the 80% milestone Apollo, the Companies will form a Joint Venture

Key Terms of the Binding Heads of Agreement:

- 1) On the signing of the *Binding Heads of Agreement* Apollo will make a payment to MRG Metals Ltd of AU\$ 100,000 for the transfer of Intellectual Property.
- 2) The Binding Heads of Agreement is for Apollo to earn up to 80 % of Pulchera over 2 stages for a total exploration investment of AUD \$4,000,000.
- 3) The term of both Stages is 18 months commencing from the date of signing, for a cumulative 36 months or earlier if investment is reached.
- 4) The goal of this investment is for Pulchera to be drill tested, an Inferred JORC Resource Report issued, with a resultant 80:20 Joint Venture in place to progress the project further.

Stage 1: Initial 18 Months to earn 50% Equity, sole funding exploration expenditure of \$1.5 million

- Apollo agrees to engage a qualified company with the purpose of addressing and signing off on all relevant native title issues, land access and environmental permitting agreements so that exploration can commence in accordance with the Qld Department of Natural Resources and Mines (Qld. DNRM);
- Apollo will undertake field work involving a biogeochemical survey and accompanying geophysical surveys to determine drill targets;
- Apollo plans to drill at least 3 diamond drill holes in stage 1, with full results made available to MRG; and
- Apollo will pay all administrative costs and meet all expenditure commitments to keep the tenements in good standing.

If no exploration expenditure has occurred within 6 months of commencement or if Apollo confirms an intention to cease expenditure under this agreement and does not reach the 50%

Equity milestone, then Apollo shall make the necessary restitution to the tenements and forfeit any ongoing rights of the agreement.

Stage 2: Further 18 Months to achieve 80% Equity, by additional sole funding exploration expenditure of \$2.5 million

- Apollo obligations as per Stage 1; and
- Targeted exploration program to be performed, to reach a JORC inferred resource.

If after achieving 50% Equity, Apollo confirms an intention to cease exploration expenditure under this agreement and not reach the 80% Equity milestone, then Apollo shall make the necessary restitution to the tenements and the tenement remains in joint 50:50 ownership until a mutually agreeable exit or development strategy is agreed.

Joint Venture Stage:

At the completion of the farm in stage and prior to the formation of an 80:20 Joint Venture (“Newco”), the parties will agree to one of the following potential pathways:

- 1) Newco moves to a standard Industry JV operation where each party contributes proportionally;
- 2) As above, but one party is sole funder, and \$/equity is agreed with dilution down to 10% minimum. If still sole funding, the 10% equity is converted to a 2% NSR;
- 3) Both parties agree that an asset sale is mutually agreeable and pursue trade sale of Newco;
- 4) One party only wishes to sell their equity, then the other party has right of first refusal;
- 5) One party wishes to buy the others equity and makes a buyout offer;
- 6) Parties agree to an ASX listing; or
- 7) Other mutually agreeable pathway.

Chairman of MRG Metals Limited, Andrew Van Der Zwan commented,

“We have been looking for the appropriate partner for the Pulchera project for some time and are pleased to be partnering with Apollo.”

Pulchera was identified as a potential Iron Oxide Copper Gold target by Sasak Resources in 2011. It was pegged by Sasak and acquired by MRG in 2013. Various desktop interpretations have been undertaken since that time and have indicated potential for several styles of intrusive-related mineralisation but no field work has been undertaken to date.

“Apollo became interested in Pulchera through a mutual relationship with geologist Emeritus Professor Ken Collerson, PhD FAusIMM, who, through his own technical discoveries using spinifex biogeochemistry in the region had identified Pulchera as a prime exploration target within the Diamantina Mineral Province. Ken will play a leading role in the project exploration. We look forward to working with Apollo and Ken.”

“Whilst we would have preferred to explore Pulchera on our own, the leverage of Apollo’s access to funding under the leadership of Ken, made the Farm-In arrangement too compelling for us to not proceed. It also reflects our recent focus on our own, more developed exploration activities, while keeping an eye to further JV opportunities as they arise.”

Andrew Van Der Zwan
Chairman



Figure 1 – Pulchera Project Location – 135 km NW of Bedourie

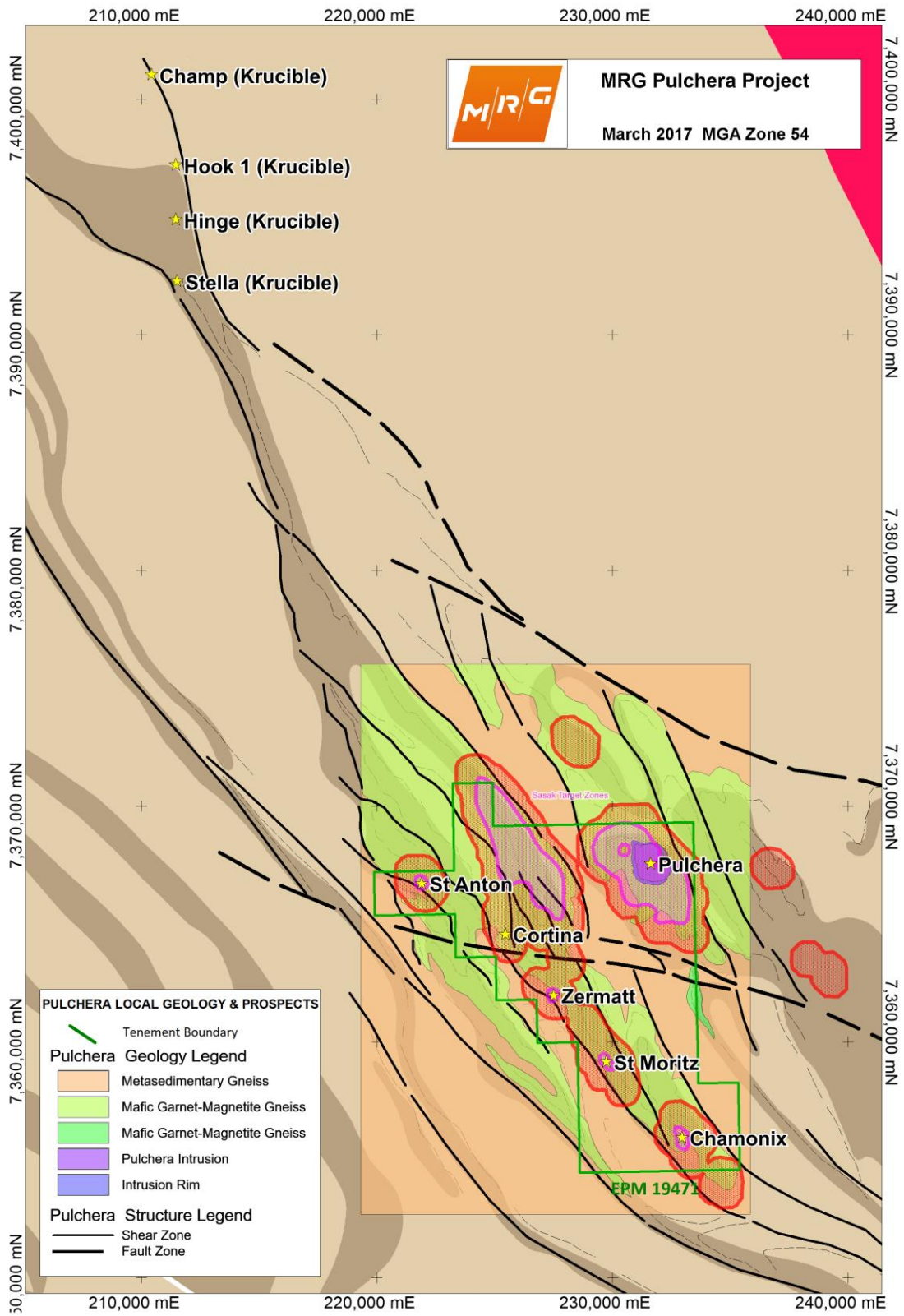


Figure 2 EPM 19471 – Prospect locations and Sasak identified Target Zones

Background Information: Apollo Exploration & Mining Ltd (Singapore)

Apollo Exploration & Mining Ltd is a part of “Magnaver Group”, which is a conglomerate structure active in the fields of global bulk commodities trading (both solid & liquid bulk), mining, renewable energy and construction & infrastructure sectors.

Magnaver Group formed “Apollo Exploration & Mining” specifically to take part in exploration and mining of battery & technology metals, gold, copper and manganese.

Apollo’s initial planned activities are mainly in the countries of Australia, Fiji, Vanuatu, Solomon Islands, Spain and Finland.

Credential Highlights:

- a) Apollo expects to start mining of Manganese in South Pacific in this year (2018) only. This is to generate “quick cash flow”. Further, Apollo is looking at other brownfield projects which could be brought to production stage comparatively quicker.
- b) Magnaver Group is working with the world’s biggest construction group, “China Construction Group” for taking part in major civil & construction projects in Qatar, in preparation of 2022 World Cup there.
- c) Magnaver Group’s global bulk commodities trading business gives Apollo unparalleled access to major buyers/end-users of mined commodities. This facilitates innovative pre-production financing schemes like off-take or bringing in strategic partners for bringing mines to production stage quickly.

Key Personal:

- a) Mr. Gautam Ray – Co-Founder & CEO.
- b) Prof. Kenneth David Collerson – Co-Founder & Chief Geologist.