



AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE

12 May 2020

MRG REVIEW CONFIRMS ENORMOUS EXPLORATION EXPANSION POTENTIAL AT CORRIDOR CENTRAL AND CORRIDOR SOUTH - A WORLD CLASS HEAVY MINERAL SANDS DISTRICT IN THE MAKING

Key Highlights

- **MRG PREVIOUSLY ANNOUNCED (*REFER ASX ANNOUNCEMENT 22 APRIL 2020*) A SIGNIFICANT FOUNDATION ASSET (JORC RESOURCE) AT KOKO MASSAVA:**
 - 1,423 MT @ 5.2 % THM (Indicated 289 MT @ 4.9%, Inferred 1,133MT @ 5.3% THM);
 - JORC Exploration Target of 234 – 967 MT @ 4.5 - 5.9% THM; and
 - Further upside drill targets for high grade THM discovery within and extensional to Koko Massava
- **A TECHNICAL REVIEW OF THE 2019 AIRBORNE MAGNETIC/RADIOMETRIC SURVEY WAS COMPLETED, UTILISING 12 MONTHS OF HIGHLY SUCCESSFUL MRG EXPLORATION DATA (MAPPING, AUGER AND AIRCORE DRILLING).**
- **13 HIGH PRIORITY EXPLORATION TARGETS BEING TESTED, INCLUDING HIGH GRADE TARGETS AT KOKO MASSAVA.**
- **AUGER AND AIRCORE DRILLING PROGRAMS ARE ONGOING.**

Details

Following the Company's (MRG) successful completion of the Koko Massava JORC compliant Mineral Resource estimate (*refer ASX Announcement 22 April 2020*), the Company outlines its plans for ongoing district scale exploration that is occurring in parallel with work designed to advance the Koko Massava deposit.

Table 1: Technical Review (April 2020) – Anomalies (area based on 2019 Airborne Magnetic and Radiometric Survey) and Targets (area based on Ground Exploration) on Corridor Central and Corridor South tenements.

ANOMALY or TARGET	MATURITY	ANOMALY SIZE (SQKM)	TARGET SURFACE FOOTPRINT (SQKM)	TONNAGE POTENTIAL (MT)	GRADE POTENTIAL (THM)	COMMENTS AND HIGHLIGHTS
KOKO MASSAVA	JORC RESOURCE	33	24	1,423	5.20%	Indicated + Inferred maiden Mineral Resource (MRE). Conceptual sub-set potential of 113-217MT @ 7.5-8.3% THM from the Grade Tonnage Curve
	JORC EXPLORATION TARGET		13	234-967	4.5-5.9%	Identified from MRE - from auger drilling only - located under villages; also at NW and SE margins of the MRE, outside of villages
POIOMBO	PRELIMINARY AIRCORE DRILLED	16	12		>6%	10 aircore holes drilled to date. (assays pending). Best hole 20CSAC356 contains 51m @ 6.1% vis est THM.
NHACUTSE	AIRCORE DRILL READY	31	17		>7%	Best auger hole 20CSHA363 contains 12 @ 6.8% est THM
BUNGANE	AIRCORE DRILL READY	6.9			>7%	Best auger hole 20CSHA312 contains 12m @ 7.2% est THM
ZULENE	FUTURE TARGET	11	TBD		TBD	



ANOMALY or TARGET	MATURITY	ANOMALY SIZE (SQKM)	TARGET SURFACE FOOTPRINT (SQKM)	TONNAGE POTENTIAL (MT)	GRADE POTENTIAL (THM)	COMMENTS AND HIGHLIGHTS
VIARA	FUTURE TARGET	11	TBD		TBD	
SIAIA	FUTURE TARGET	1.2	TBD		TBD	
RIO CHEGUA	FUTURE TARGET	1.8	TBD		TBD	
MALAHICE	FUTURE TARGET	14	TBD		TBD	
MABANJANE	FUTURE TARGET	2.7	TBD		TBD	
MALAMBANE	FUTURE TARGET	4	TBD		TBD	
NORTE	FUTURE TARGET	3.2	TBD		TBD	
TREZ	FUTURE TARGET	1.6	TBD		TBD	

Footnotes: “Anomaly”: identified from airborne geophysical interpretation; “Target”: generated from fieldwork; “TBD”: To Be Determined. Note: 1 square km of sand material extending down to 12 metres depth from surface represents approximately 20 million tons based on the formula $1,000m \times 1,000m \times 12m \text{ depth} \times \text{specific gravity } 1.7$ (from the Koko Massava MRE).

This exploration portfolio is augmented with three further projects under application, as outlined in Table 2.

Table 2: MRG Tenement Applications for HMS in Mozambique.

TENEMENT NAME	AREA SQKM	COMMENTS
LINHUANE	113	36 historic auger holes drilled by Rio Tinto to depths of 10.5m with avg downhole 5-25% THM, best holes include LP1255 with 10.5m @ 15.8% THM and LP1272 with 10.5m @ 17.9% THM (refer ASX announcement 14 May 2018)
MARRUCA	185	Untested
MARAO	197	Untested

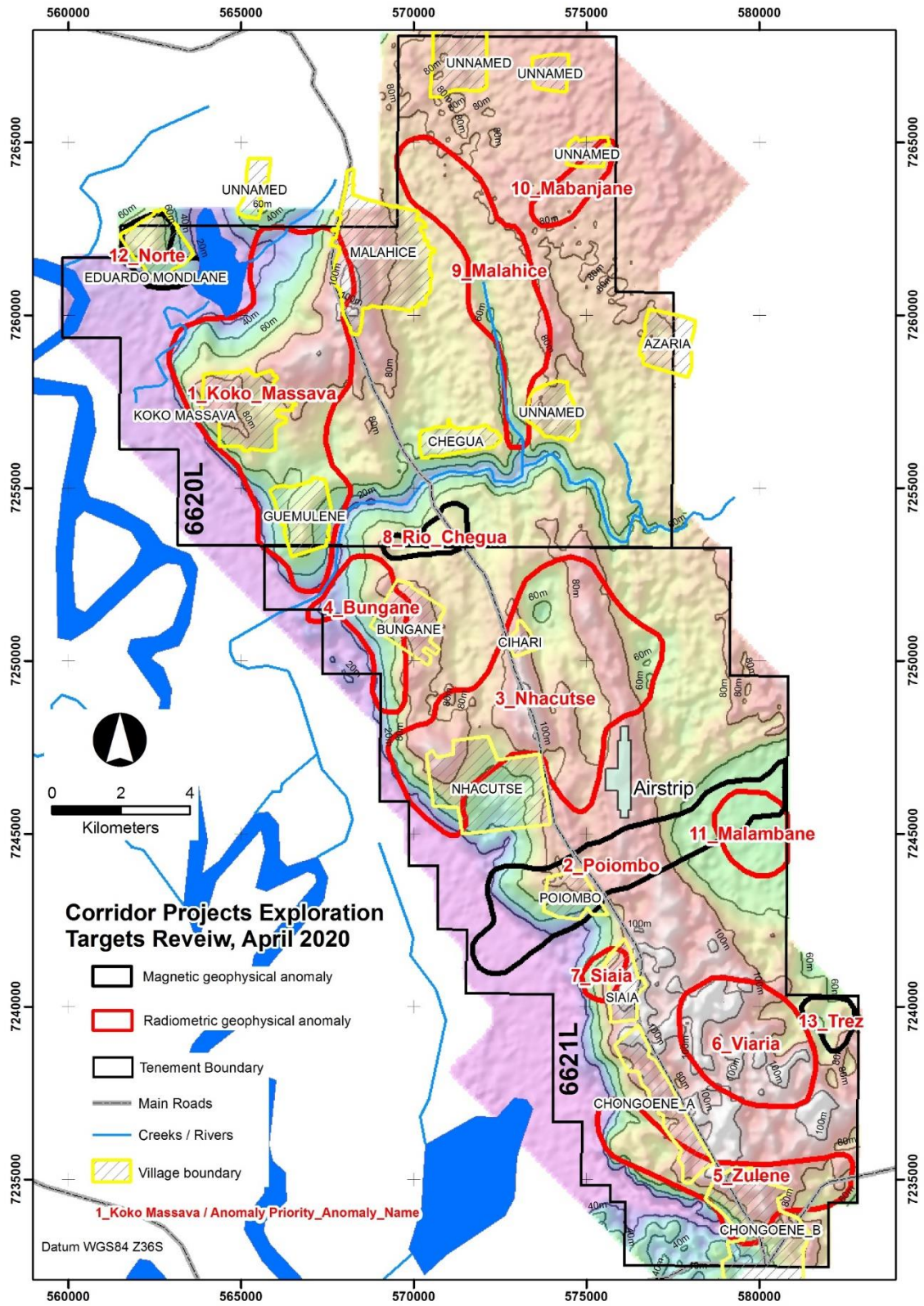
MRG is a cost effective, technically driven exploration company, implementing programs designed to maximise the probability of discovering globally significant mineral resources. The Company is open to potential interest from established Industry players with the financial capacity and experience to partner with and take our discoveries to production phase.

In February, MRG announced (*refer ASX Announcement 20 February 2020*) the key elements for success (i.e. mineralogy, grade and tonnage), the tactical actions required to achieve that success, as well the Company's current 'score-card'.

MRG announced on 22 April 2020, the discovery of the Koko Massava deposit in the Corridor Central project (6620L) with a JORC Mineral Resource of 1,423 Mt @ 5.2% THM at a 4% THM cut-off grade, of which 289 Mt @ 4.9% is in the Indicated category and 1,133 Mt @ 5.3% is in the Inferred category. In addition, an Exploration Target of 234-967MT @ 4.5-5.9% THM.

In parallel with the work that will continue to evaluate Koko Massava, MRG is continuing to explore the Corridor projects at a district scale. A Technical Review of the airborne geophysical survey data, the targets defined in the initial evaluation and interpretation (*refer ASX Announcements 4 and 13 June 2019*), was completed during April 2020. Determination of the resultant targets also incorporated the extensive field work (mapping, auger drilling and aircore drilling) undertaken during the first year of exploration to date. Thirteen priority targets are already being explored or are planned for follow up (*refer Figure 1, Table 1*).

Figure 1: *Technical Review (April 2020) – 13 Anomalies From Airborne Magnetism and Radiometrics Survey across Corridor Central and Corridor South tenements.*



Chairman’s comment “ We have achieved so much in just over 12 months of exploration. Not only have we been able to establish a Maiden JORC Resource at a discovery cost of less than \$.001 per ton of resource, we have also identified multiple exploration targets, with preliminary results on many supporting further high grade tonnage additions to our preliminary resource. We will be providing updates shortly on Aircore drilling assay results currently in transit to the lab in Perth, as well as visual results from the ongoing Auger program. Our preliminary Auger results at Bungane/Poiombo/Nhacutse point to a number of high grade zones within each and to the potential of these zones joining across the targets to create another massive footprint of high grade tonnage down to 12m, which is open at depth.”

Competent Persons’ Statement

The information in this report, as it relates to Mozambique Exploration Results is based on information compiled and/or reviewed by Dr Mark Alvin, who is a member of The Australasian Institute of Mining and Metallurgy. Dr Alvin is an employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken 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”. Dr Alvin consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

-ENDS-

Authorised by:
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