ASX ANNOUNCEMENT

16 July 2021

AIRCORE ASSAYS CONFIRM VERY HIGH GRADE ZONES AT NHACUTSE

Key Highlights

- **Assay results from 17 hole Aircore Infill and extension drilling program at Nhacutse confirmed a 3.5 sq km mineralised footprint of very high grade Heavy Mineral Sands (HMS), open at depth.**

- **Assay results also confirm recently announced Leapfrog modelling of assay and visually estimated (VIS EST) aircore data, which established potential at Nhacutse for approximately 140 million cubic metres (Mm^3) at >5% Total Heavy Mineral (THM) (refer ASX Announcement 30 June 2021), with higher internal grade potential.**

- **3 Additional twin aircore holes were drilled for Quality Assurance and Quality Control (QA/QC) purposes, with good correlation reported in the analytical data.**

- **Significant Assay THM aircore highlights from the current program include:**

  - **21CSAC662 0 – 34.5m 34.5m @ 5.29% THM**
    Including 0 – 27.0m 27.0m @ 5.78% THM;
  - **21CSAC669 0 – 28.5m 28.5m @ 5.67% THM;**
  - **21CSAC670 0 – 42.0m 42.0m @ 6.35% THM**
    including 27.0 – 42.0m 15.0m @ 9.06% THM; and
  - **21CSHA673 0 – 48.0m 48.0m @ 6.12% THM**
    including 27.0 – 45.0m 18.0m @ 8.69% THM.

- **A new, very high grade target with surface footprint of approximately 0.3 sq km, lies north of the main very high grade Nhacutse mineralization and remains open to the west, east and north (refer ASX Announcement 29 June 2021).**

- **Mineralogical study of composites from 4 representative Aircore holes across Nhacutse will be reported shortly.**

- **Planning is underway for upcoming Mineral Resource Estimates to be commissioned, including for Nhacutse (refer ASX Announcement 06 April 2021)**

MRG Metals Limited ("**MRG**" or "**the Company**") (**ASX Code: MRQ**) is pleased to announce the Assay results of a recently completed Infill Aircore drilling program (refer ASX Announcement 06 April 2021)

at the Company's Nhacutse High to Very High Grade mineralised areas within its Corridor South (6621L) exploration license (Figure 1).

The 17 hole aircore program (with 3 additional twin holes) took place on and between 2 high to very high grade zones (Figures 2 and Figure 3), where very high THM assay grades were returned from previous hand auger (refer ASX Announcement 3 July 2020) and Aircore drilling programs (refer ASX Announcements 3 July 2020 on Hand Auger drilling, 24 November 2020, 7 January 2021 and 27 January 2021).

Aircore holes 21CSAC670 and '673 (Figure 5), drilled in the area between the 2 interpreted mineralised zones, returned excellent results of 42.0m at 6.35% THM and 48.0m at 6.12% THM, both from surface, respectively (Figure 3 and Table 1). These 2 holes, combined with the very encouraging VIS EST results in this drilled area from the follow-up drilling program (refer ASX Announcement 29 June 2021) and 3D Leapfrog modelling of the Nhacutse deposit (refer ASX Announcement 30 June 2021), demonstrate the continuation of the mineralisation from west to east between the previously interpreted separate mineralised zones (refer ASX Announcement 06 April 2021). The area of this new combined mineralised zone is now approximately 3.5 sq km. The separate, new northern target, is highlighted by VIS EST results from the follow-up drilling program (Figure 3).

Very high THM grades are seen in individual 1.5m intervals, with 13 individual intersections >10%THM over 1.5m, as high as 14.50% THM over 1.5m in 21CSAC672 from 39.0 to 40.5m and 13.74% THM over 1.5m in 21CSAC676 from 37.5 to 39.0m. All holes are mineralised from surface and all holes were dry with no water table intersected downhole. High grade mineralisation in some holes remains open at bottom of hole, particularly to the east as shown on the section (Figure 5). Very high grade broader intersections are seen in some of the holes, for instance 11.38% THM over 6.0m in 21CSAC677 from 28.5 to 34.5m and 9.06% THM over 15.0m in 21CSAC670 from 27.0 to 42.0m (Table 1).

A new, very high grade target of ~0.3 sq km north of the main very high grade Nhacutse mineralisation was identified during a follow-up aircore drilling program and is presented by VIS EST THM results (refer ASX Announcement 29 June 2021), this zone represented by aircore holes 21CSAC721 and '723 remains open to the west, east and north (Figure 3).

The assay results from this drilling program, combined with the VIS EST THM findings from a follow-up aircore drilling program (refer ASX Announcement 29 June 2021) and initial results from 3D Leapfrog modelling (refer ASX Announcement 30 June 2021) have highlighted a mineralised area that represents an excellent opportunity to return approximately 140 Mm^3 of >5% Total Heavy Mineral (THM) assay and visually estimated (VIS EST) mineralised sand. This therefore represents an excellent opportunity for MRG to supply a +100 Mt of very high grade resource to the Corridor inventory at THM grades higher than its existing JORC compliant Koko Massava Resource, thus with higher grade than from the Koko Massava MRE of 1.423 Mt @ 5.2% THM (refer ASX Announcement 22 April 2020).

MRG Metals Chairman, Mr Andrew Van Der Zwan said: *"Recent Aircore drilling programs and preliminary 3D Leapfrog modelling have highlighted the large, high grade tonnage potential at the Nhacutse deposit. These assays have confirmed the previous visual estimates, in particular those for the higher grades.*

With the modeling indicating approximately 140 M m³ of >5% THM sand, MRG is confident that Nhacutse could deliver a significantly larger very high grade resource that we were originally targeting. Given the depth of the resource that the drilling is detailing, we could be looking at a 200Mt high grade resource at Nhacutse.

With the Nhacutse mineralisation commencing at surface and given the higher grade average being reported, it could easily be possible with mine optimisation, to achieve significant tonnage at greater than 6% very early in the process. We strongly believe that Nhacutse could deliver an MRE as good, if not better than our maiden MRE at Koko Massava.

We will now commence the tendering process to complete MRE's across the Corridor Projects which we look forward to keeping the market informed of as we progress."

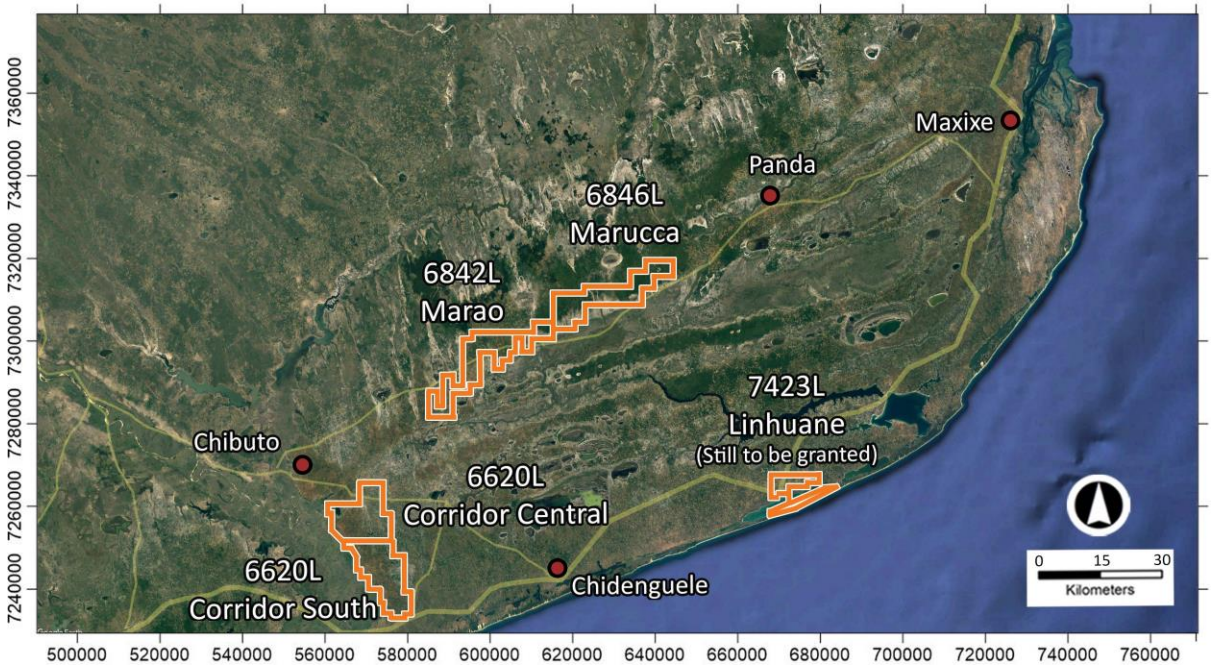


Figure 1: *Map of the location of the MRG projects, work took place in Corridor South (6621L).*

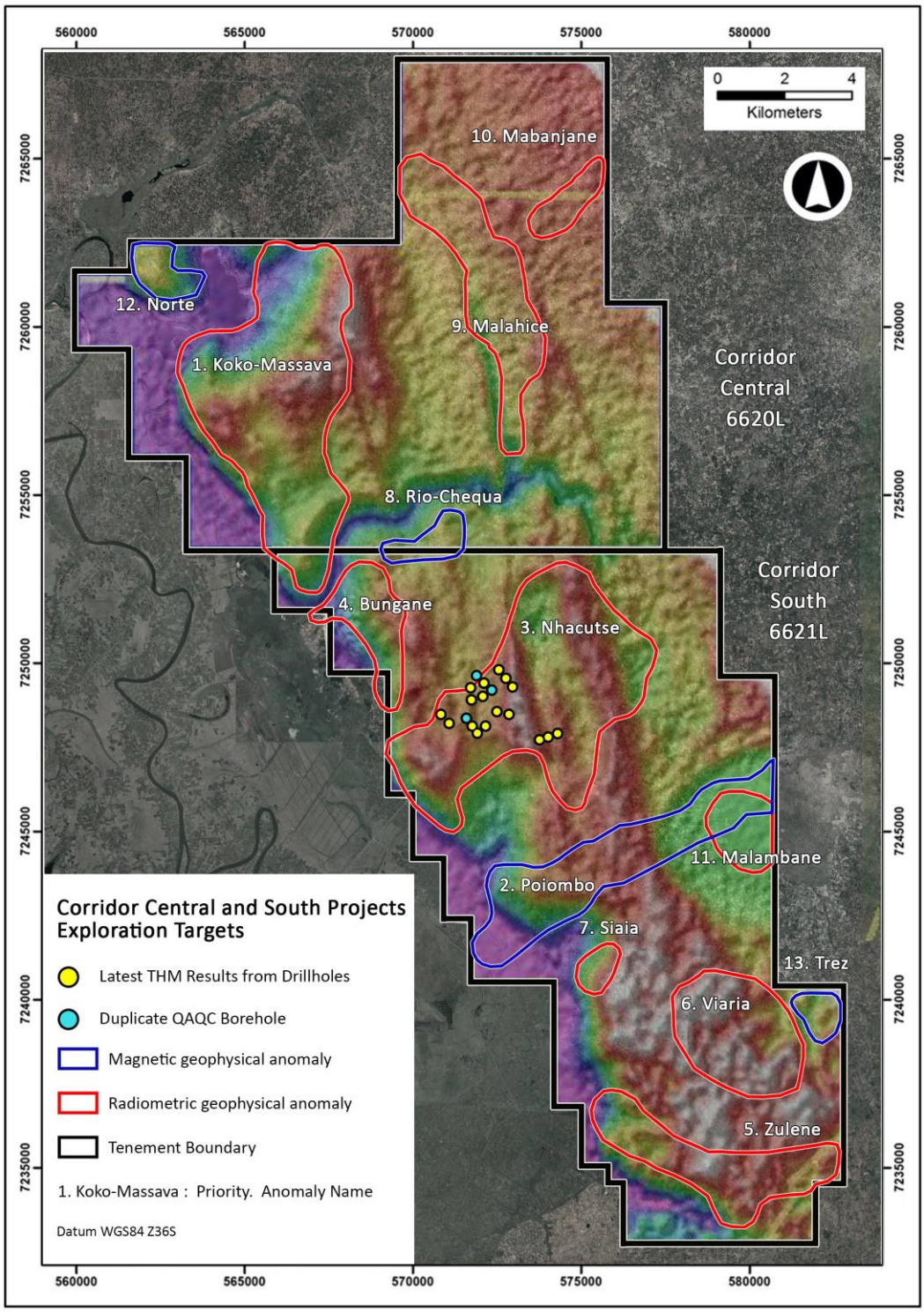


Figure 2: *Map of the Corridor Central (6620L) and Corridor South (6621L) Projects showing the locations of the various Prospects and the drilled aircore holes.*

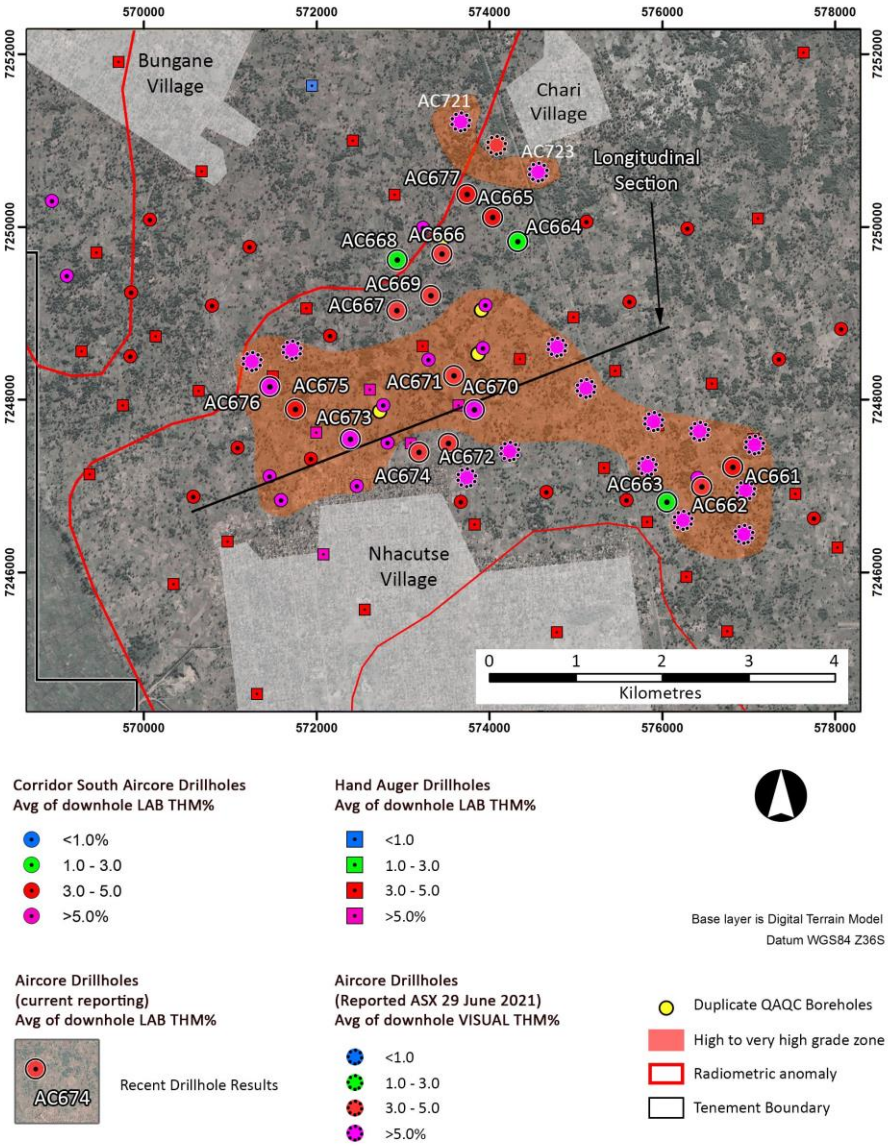


Figure 3: *Map of the Nhacutse Project within Corridor South (6621L) showing the Assay THM results of the drilled aircore holes within the very high grade target areas, the position of the 3 twin QAQC drillholes, the expected / targeted outline of the very high grade mineralisation at Nhacutse north and the historic results from all previous auger and aircore drilling in the area.*

Assay vs VIS EST THM results

A slight overestimation in VIS EST results (refer ASX Announcement 06 April 2021 for VIS EST results update) vs assay results of 0.40% THM was found with the 17 holes. The overestimation was seen in the lower grades, with all the very high >10% THM grades underestimated by the VIS EST (Figure 4). The VIS EST vs assay overestimation therefore affects lower grade holes to a higher degree than the high and very high grade holes (Table 1).

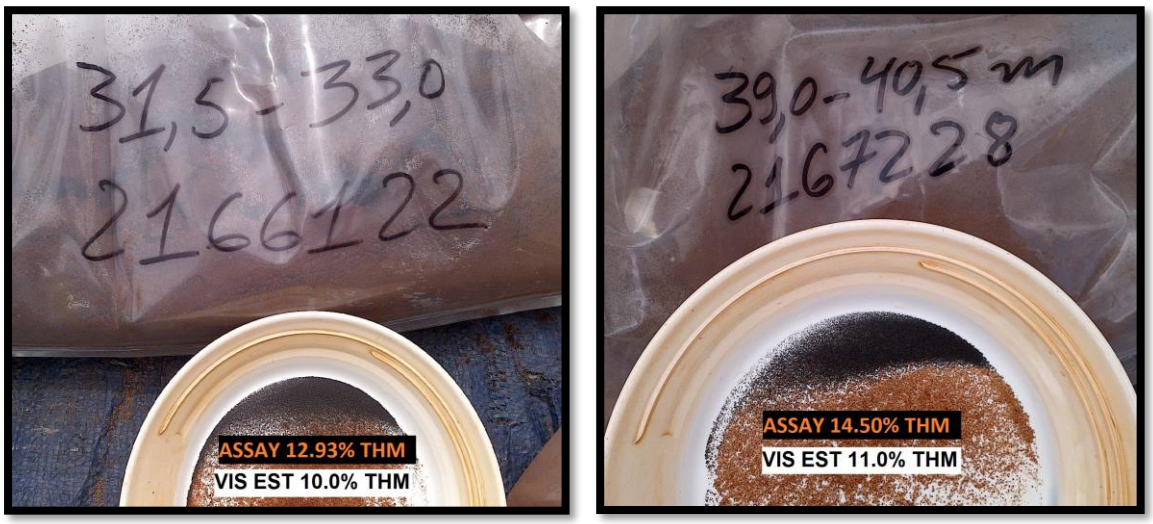


Figure 4: *Images from VIS EST market update (refer ASX Announcement 06 April 2021), showing initial VIS EST and assay grades. Reference sample bags with the drill intersection, as well as the BH and sample ID (2166122 shows the 21 as drill year, 661 as the BH ID and 22 as the sample number).*

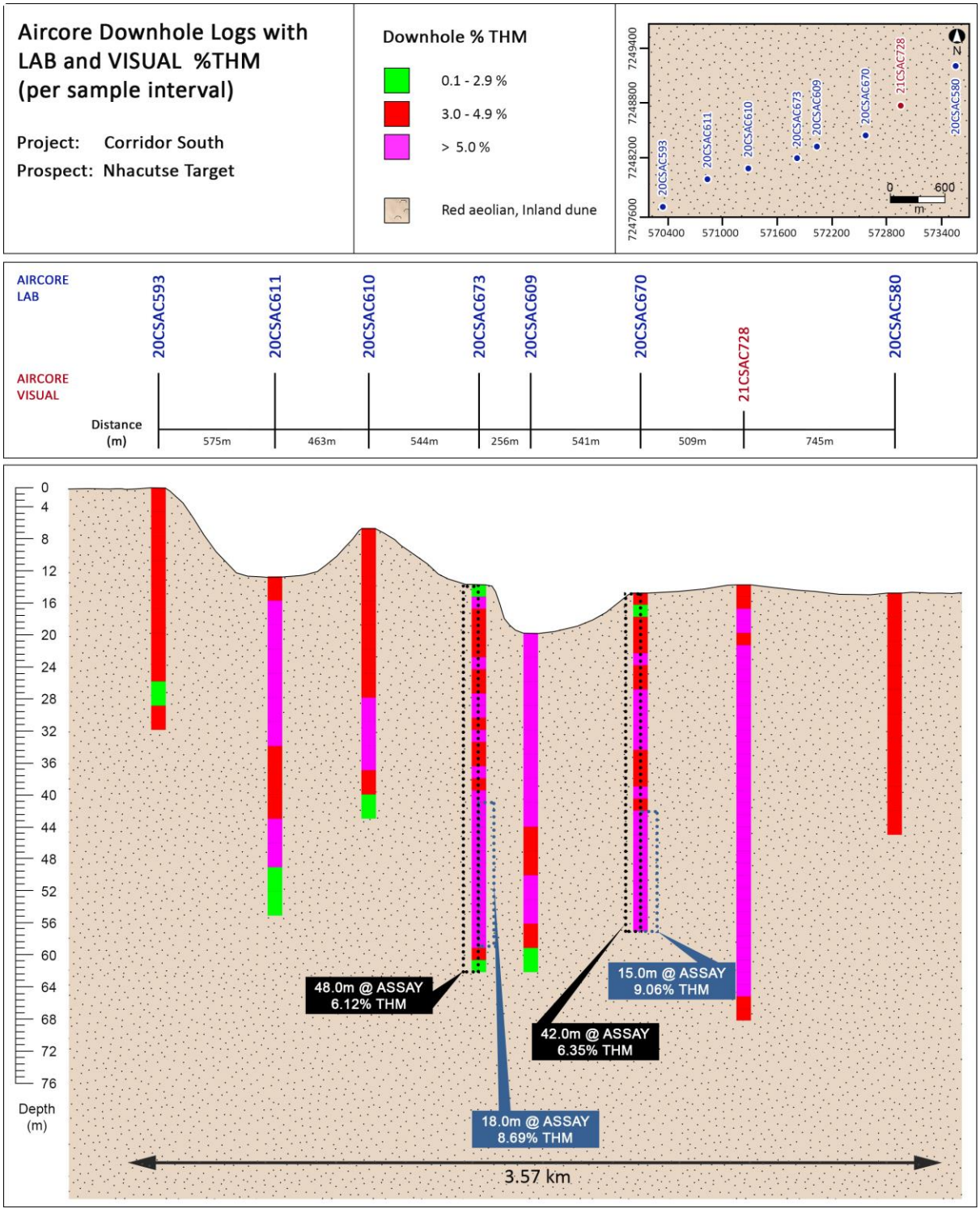
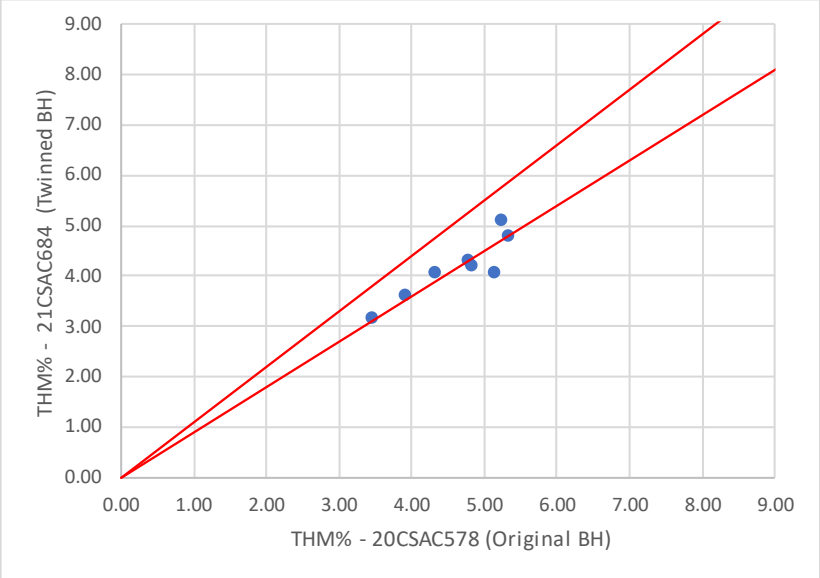


Figure 5: *Longitudinal through the very high grade zone north of Nhacutse, showing historic and current program aircore holes with assay data (blue label, 21CSAC670 and '673) and the follow-up drilling program aircore holes VIS EST THM data (red label, 21CSAC729).*

Quality Assurance and Quality Control (QAQC)

Three twin holes, totaling 87m of drilling and 58 X 1.5m interval samples, were drilled during this aircore drilling program. Hole 21CSAC683 twinned aircore hole 20CSAC545; 21CSAC684 twinned aircore hole 20CSAC578 and 21CSAC685 twinned aircore hole 20CSAC544. Excellent statistical correlation results for the internal laboratory repeat samples, the inserted standards and the site duplicate samples were found. On the twin drilling, the original holes were samples and analysed at 3m intervals, with the twin holes analysed at 1.5m intervals. Notwithstanding this, a good correlation was seen for THM, silt and oversize between the twin holes when the 1.5m interval results were averaged to 3m (THM correlation shown in Figure 6).



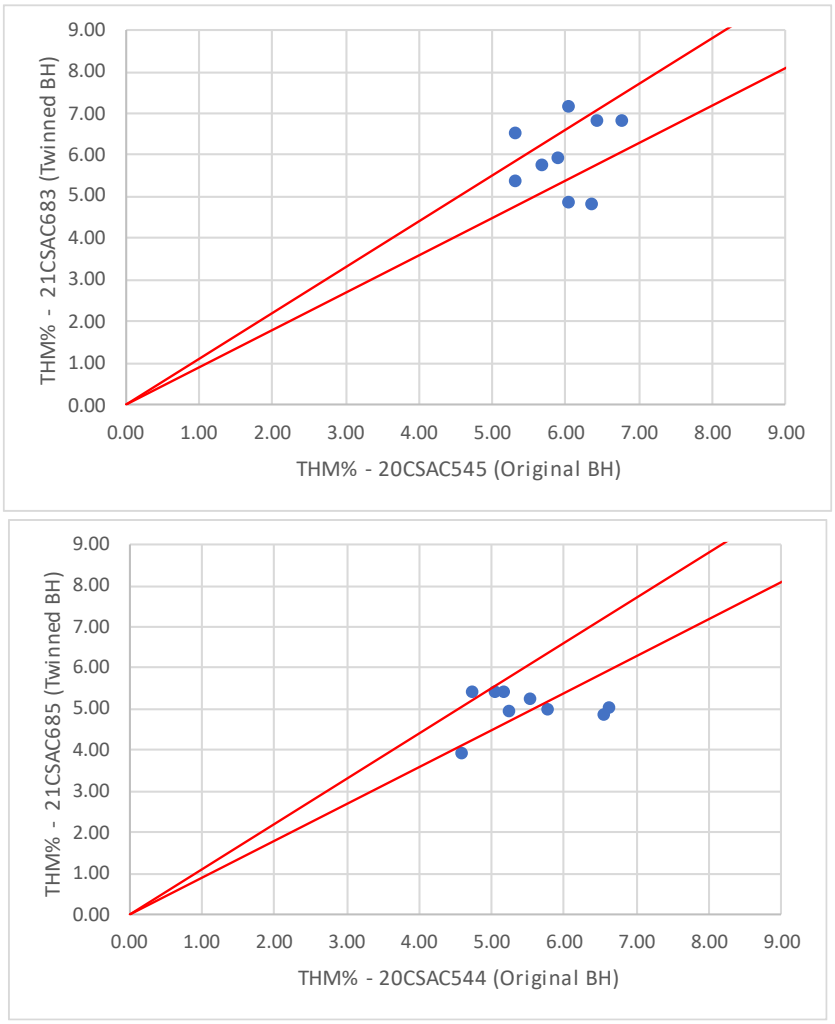


Figure 6: *THM correlation between original and twinned Aircore holes.*

Mineralogical Studies

The results from heavy Mineral Concentrate (**HMC**) samples from 4 Aircore holes spread throughout the Nhacutse VHG zones has recently been completed. The aim of the study was to determine the percentage Valuable Heavy Mineral (**VHM**) (refer previous ASX Announcements 26 August and 31 August 2020) over the area, specifically if areas with higher VHM content is present. Very encouraging results were found and will be reported shortly. Additional mineralogical studies are under way.

***Table 1**: Summary collar and visual estimated THM% results for aircore drill data for Nhacutse drilling completed during March 2021.*

HOLE ID	UTM NORTH WGS84	UTM EAST WGS84	EOH (M)	ELEV'N (M)	DRILL TYPE	DOWNHOLE AVG % VIS EST THM FOR ENTIRE HOLE	DOWNHOLE AVG % ASSAY THM FOR ENTIRE HOLE	*HIGH GRADED AVG % ASSAY THM*	INTERSECTION (M)
21CSAC661	7247839	574264	42	83	Aircore	4.7	4.32		0-42.0
								4.77	*0-36.0*
21CSAC662	7247721	574044	39	82	Aircore	4.7	4.88		0-39.0
								5.29	*0-34.5*
								5.78	*0-27.0*
21CSAC663	7247608	573812	39	84	Aircore	4.1	2.97		0-39.0
								3.08	*0-30.0*
21CSAC664	7249497	572707	39	85	Aircore	3.4	2.95		0-39.0
								3.22	*0-30.0*
								3.54	*0-18.0*
21CSAC665	7249665	572524	39	72	Aircore	5.1	3.56		0-39.0
								4.09	*0-27.0*
								4.22	*0-24.0*
21CSAC666	7249405	572174	42	69	Aircore	3.6	3.88		0-42.0
								4.30	*0-24.0*
21CSAC667	7248953	571844	42	73	Aircore	4.6	3.57		0-42.0
								3.65	*0-40.5*
								3.84	*0-28.5*
21CSAC668	7249351	571828	39	118	Aircore	4.0	2.90		0-39.0
								3.41	*0-25.5*
21CSAC669	7249081	572088	39	70	Aircore	4.1	4.66		0-39.0
								5.67	*0-28.5*
21CSAC670	7248439	572565	42	79	Aircore	5.0	6.35		0-42.0
								9.06	*27.0-42.0*
21CSAC671	7248521	572237	42	76	Aircore	4.7	4.04		0-42.0
								4.41	*0-34.5*
								4.93	*0-21.0*
21CSAC672	7248107	572177	45	71	Aircore	4.5	4.25		0-45.0
21CSAC673	7248192	571814	48	80	Aircore	5.9	6.12		0-48.0
								6.24	*0-46.5*
								8.69	*27.0-45.0*
21CSAC674	7247979	571964	39	72	Aircore	3.8	3.70		0-39.0
								4.52	*0-30.0*
								4.80	*0-19.5*

21CSAC675	7248284	571079	39	76	Aircore	5.7	4.69		0-39.0
								4.96	***0-30.0***
21CSAC676	7248471	570908	45	76	Aircore	6.5	5.05		0-45.0
21CSAC677	7249832	572335	39	73	Aircore	5.0	4.43		0-39.0
								4.69	***0-34.5***
								11.34	***28.5-34.5***

Competent Persons' Statement

The information in this report, as it relates to Mozambique Exploration Results is based on information compiled and/or reviewed by Mr JN Badenhorst, who is a member of the South African Council for Natural Scientific Professions (SACNASP) and the Geological Society of South Africa (GSSA). Mr Badenhorst is a contracted consultant 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". Mr Badenhorst consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

This release is authorized by the Board of MRG Metals Ltd.

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Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Aircore drilling was used to obtain samples at 1.5m intervals. • The larger 1.5m interval aircore drill samples were homogenized by rotating the sample bag prior to being grab sampled for panning. • A sample of sand, approximately 20g, was scooped from the sample bag of each sample interval for wet panning and visual estimation. • The same sample mass is used for every pan sample visual estimation. • The consistent sized pan sample is to ensure visual calibration is maintained for consistency in percentage visual estimation of total heavy mineral (THM). • Images of pan concentrate samples with associated laboratory THM results are used in the field as comparisons to further refine visual estimation of THM. • Geologists enter the laboratory THM results for each sample on field log sheets against the visual estimation of THM to refine and further calibrate field visual estimation of THM. • Geotagged photographs are taken of each panned sample with the corresponding sample bag to enable easy reference at a later date. • A sample ledger is kept at the drill rig for recording sample intervals and sample mass, and photographs are taken of samples for each hole to cross-reference with logging. • The large 1.5m drill samples have an average of about 7kg, range 1-21kg, and are being split down in Mozambique to approximately 300-600g using a three tier riffle splitter for export to the Primary processing laboratory.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse Circulation 'Aircore' drilling with inner tubes for sample return was used. • Aircore drilling is considered a standard industry technique for heavy mineral sand (HMS) mineralization. Aircore drilling is a form of reverse circulation drilling where the sample is collected at the face

Criteria	JORC Code explanation	Commentary
		and returned inside the inner tube. • Aircore drill rods used were 3m long. • Drill rods used were 76mm in diameter and NQ diameter (80mm) Harlsan aircore drill bits were used. • All drill holes were drilled vertical. • The drilling onsite is governed by an Aircore Drilling Guideline to ensure consistency in application of the method between geologists.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drill sample recovery is monitored by measuring and recording the total mass of each 1.5m sample at the drill rig with a standard spring balance. • While initially collaring the hole, limited sample recovery can occur in the initial 0.0m to 3.0m sample intervals owing to sample and air loss into the surrounding loose soil. • The initial 0.0m to 3.0m sample intervals are drilled very slowly in order to achieve optimum sample recovery. • The entire 1.5m sample is collected at the drill rig in large numbered plastic bags for dispatch to the onsite initial split preparation facility. • At the end of each drill rod, the drill string is cleaned by blowing down with air to remove any clay and silt potentially built up in the sample pipes and cyclone. • The twin-tube aircore drilling technique is known to provide high quality samples from the face of the drill hole. • Wet and moist samples are placed into large plastic basins to dry prior to splitting.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The 1.5m aircore drill intervals are logged onto paper field log sheets at the drill site prior to transcribing into a Microsoft Excel spreadsheet at the field office. Field paper logs are scanned and archived digitally on a cloud storage site with the broader geological database. • The aircore samples were logged for lithology, colour, grainsize, rounding, sorting, estimated %THM, estimated %slimes and any relevant comments, such as slope and vegetation. • A representative portion of every sample interval is collected in a chip-tray and archived at the field base for any additional logging. A photograph is collected of the chip tray related to each hole and is digitally archived on a cloud storage site. • Geological logging is governed by an Aircore Drilling Guideline document with predefined log codes and guidance of what to include in data fields to ensure consistency between individuals logging data.

Criteria	JORC Code explanation	Commentary
		• Data is backed-up each day at the field office to a cloud storage site. • Data from the Microsoft Excel spreadsheets is imported into a Microsoft Access database and the data is subjected to numerous validation queries to ensure data quality.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The entire 1.5m aircore drill sample collected at the rig was dispatched to a sample preparation facility to split with a three tier riffle splitter to reduce sample mass. • The water table depth was noted in all geological logs if intersected. • Employees undertaking the primary sampling and splitting are closely monitored by a geologist to ensure sampling quality is maintained. • Almost all of the samples are sand, silty sand, sandy silt, clayey sand or sandy clay and this sample preparation method is considered appropriate. • The sample sizes were deemed suitable to reliably capture THM, slime, and oversize characteristics, based on industry experience of the geologists involved and consultation with laboratory staff. • Field duplicates of the samples are completed at a frequency of 1 per 25 primary samples. • Standard Reference Material (SRM) samples are inserted into the sample stream at a frequency of 1 per 50 samples.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The wet panning of samples provides an estimate of the %THM content within the sample which is sufficient for the purpose of determining approximate concentrations of %THM. • The field derived visual panned THM estimates are compared to a range of laboratory derived THM images of pan concentrates. This allows the field geologists to calibrate the field panned visual estimated THM with known laboratory measured THM grades. • The laboratory analyses and procedures are consistent with and applicable to the heavy sand analysis.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Selected visual estimated THM field data are checked by the Chief Geologist. • Significant visual estimated THM >5% are verified by the Chief Geologist. This is done either in the field or via field photographs of the pan sample. • The Chief Geologist has made numerous visits to the field drill sites to train and embed process and procedure with field staff. • Twin aircore drilling of three (3) holes were drilled and used to compare results from the analytical laboratory between different

Criteria	JORC Code explanation	Commentary
		drilling programs. The comparison is good. • The geologic field data is manually transcribed into a master Microsoft Excel spreadsheet which is appropriate for this stage in the exploration program. • The raw field data is checked in the Microsoft Excel format first to identify any obvious errors or outlier data. The data is then imported into a Microsoft Access database where it is subjected to various validation queries.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Downhole surveys for these aircore holes are not required due to the relatively shallow nature. • A handheld 16 channel Garmin GPS is used to record the positions of the aircore holes in the field. • The handheld Garmin GPS has an accuracy of +/- 5m in the horizontal. • The datum used for coordinates is WGS84 zone 36S. • The accuracy of the drillhole locations is sufficient for this early stage exploration.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Hole spacing on completion of this drill program will bring the spacing in the main target areas to 250m - 400m. • The spacing between aircore holes and between lines combined with that of the previously drilled auger holes is sufficient to provide a good degree of confidence in geological models and grade continuity between holes for aeolian style HMS deposits. • Each aircore drill sample is a single 1.5m sample of sand intersected down the hole. • No compositing has been applied to values of THM, slime and oversize.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The aircore drilling was located at selected sites along the interpreted strike of mineralization defined by reconnaissance auger drill data and geophysical data interpretation. • Drill holes were vertical and the nature of the mineralisation is relatively horizontal. • The orientation of the drilling is considered appropriate for testing the lateral and vertical extent of mineralization without any bias.
Sample security	• *The measures taken to ensure sample security.*	• Field photographs are taken of each sample bag with corresponding sample number and panned sample in order to track numbers of samples per hole and per batch.

Criteria	JORC Code explanation	Commentary
		• Aircore samples remained in the custody of Company representatives while they were transported from the field drill site to Chibuto field camp for splitting and other processing. • Aircore samples remain in the custody of Company representatives until they are transported to Maputo for final packaging and securing. • The Company uses a commercial shipping company, Deugro or DHL, to ship samples from Mozambique to Perth.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Internal data and procedure reviews are undertaken. • No external audits or reviews have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The exploration work was completed on the Corridor South tenement (6621L) which is 100% owned by the Company through its 100% ownership of its subsidiary, Sofala Mining & Exploration Limitada, in Mozambique. • All granted tenements have initial 5 year terms, renewable for 3 years. An application for renewal of tenement 6621L was submitted in 23 September 2019 and is under review. • Traditional landowners and village Chiefs within the areas of influence were consulted prior to the aircore drilling programme and were supportive of the programme. • Representatives from the Provincial Directorate of Mineral Resources and Directorate of Lands, Environment and Rural Development, and District Planning and Infrastructure Departments are also part of the consent and consultation process. • An Environment Management Plan was prepared by an independent consultant and submitted to the Gaza Provincial Directorate of Lands, Environment and Rural Development in accordance with Mining Law and Regulations. An Environmental License has been obtained by the Company.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historic exploration work was completed by Corridor Sands Limitada, a subsidiary of Southern Mining Corporation and subsequently Western Mining Corporation, in 1999. BHP-Billiton acquired Western Mining Corporation and undertook a Bankable Feasibility Study of the Corridor Deposit 1 about 15km north of the Company's tenements. • The Company has obtained digital data in relation to this historic information. • The historic data comprises limited Aircore/Reverse Circulation drilling. • The historic results are not reportable under JORC 2012.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Two types of heavy mineral sand mineralisation styles are possible along coastal Mozambique: 1. Thin but high grade strandlines which may be related to marine or fluvial influences, and 2. Large but lower grade deposits related to windblown sands.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>• The coastline of Mozambique is well known for massive dunal systems such as those developed near Inhambane (Rio Tinto's Mutamba deposit), near Xai Xai (Rio Tinto's Chilubane deposit) and in Nampula Province (Kenmare's Moma deposit). Buried strandlines are likely in areas where palaeoshorelines can be defined along coastal zones.</td></tr>
<tr><td>Drill hole Information</td><td>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole length and interception depth
○ hole length.
• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td><td>• Summary drill hole information is presented within Table 1 of the main body of text of this announcement.</td></tr>
<tr><td>Data aggregation methods</td><td>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.
• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.
• The assumptions used for any reporting of metal equivalent values should be clearly stated.</td><td>• No cut-offs were used in the downhole averaging of results.
• The visual estimated THM% averaging is grade-weighted.
• An example of data averaging is shown below.
<table>
<tr><th>HOLE_ID</th><th>FROM</th><th>TO</th><th>PCT VIS THM</th><th>Average visTHM</th><th>Average visTHM</th></tr>
<tr><td>19CCAC104</td><td>0.0</td><td>3.0</td><td>6.0</td><td rowspan="14">37.5m @ 4.9%</td><td rowspan="14">27m @ 6.3%</td></tr>
<tr><td>19CCAC104</td><td>3.0</td><td>6.0</td><td>6.0</td></tr>
<tr><td>19CCAC104</td><td>6.0</td><td>9.0</td><td>6.0</td></tr>
<tr><td>19CCAC104</td><td>9.0</td><td>12.0</td><td>8.0</td></tr>
<tr><td>19CCAC104</td><td>12.0</td><td>15.0</td><td>6.2</td></tr>
<tr><td>19CCAC104</td><td>15.0</td><td>18.0</td><td>6.6</td></tr>
<tr><td>19CCAC104</td><td>18.0</td><td>21.0</td><td>5.5</td></tr>
<tr><td>19CCAC104</td><td>21.0</td><td>24.0</td><td>8.0</td></tr>
<tr><td>19CCAC104</td><td>24.0</td><td>27.0</td><td>4.0</td></tr>
<tr><td>19CCAC104</td><td>27.0</td><td>30.0</td><td>2.5</td></tr>
<tr><td>19CCAC104</td><td>30.0</td><td>33.0</td><td>2.0</td></tr>
<tr><td>19CCAC104</td><td>33.0</td><td>36.0</td><td>1.7</td></tr>
<tr><td>19CCAC104</td><td>36.0</td><td>37.5</td><td>1.5</td></tr>
</table></td></tr>
<tr><td>Relationship between mineralisation widths and</td><td>• These relationships are particularly important in the reporting of Exploration Results.
• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</td><td>• The nature of the mineralisation is broadly horizontal, thus vertical aircore holes are thought to represent close to true thicknesses of the mineralisation.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
intercept lengths	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Downhole widths are reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Figures are displayed in the main text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• A summary of the visual estimated THM% data is presented in Table 1 of the main part of the announcement, comprising downhole averages, together with maximum and minimum estimated THM values in each hole.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other material exploration information has been gathered by the Company.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work will include heavy liquid separation analysis for quantitative THM% data. • Additional mineral assemblage and ilmenite mineral chemistry analyses will also be undertaken on suitable composite HM samples to determine valuable heavy mineral components. • As the project advances, TiO2 and contaminant test work analyses will also be undertaken.