



COMPANY UPDATE

The next six months are set to be a very exciting period for MRG Metals Limited (ASX: MRQ). A new investor presentation is attached to this announcement which sets out a compelling investment case. A summary of our company highlights and 2015 exploration program is provided below.

MRG HIGHLIGHTS:

- Unique and valuable exposure to disruptive minerals exploration technology
- MRG's technology-driven exploration strategy is unique on the ASX
- MRG takes a calculated, quantitative approach to exploration, which maximises returns on shareholder funds
- MRG has strategically assembled a portfolio of Sasak-powered exploration targets
- An extensive drilling campaign in 2015 focusing on Sasak-generated targets will provide strong news flow and share price catalysts as drilling results are released
- MRG's Board has a proven track record of tier one discoveries and is invested in the company's success
- Sasak Technical Services and Project Generation Agreements extended to 30 September 2017
- The current share price does not reflect the value of MRG's existing portfolio and exposure to Sasak's game-changing predictive exploration technology

2015 EXPLORATION PROGRAM UNDERWAY:

- Two hole drill program at Loongana to assess high-impact PGM reef style targets
- Multi-hole Xanadu drill program at Pertinax and up to four holes at Cleopatra
- Queensland IOCG ground geophysics and geochemical surveys, ahead of Sasak-powered target optimisation and drilling in 2H15
- Soil auger sampling ahead of drilling for gold at Yardilla
- Follow-up drilling of a gold-arsenic anomaly at Kalgoorlie East

Managing Director Keith Weston said: *"The next six months will be very exciting for MRG shareholders as we progress our partnership with Sasak with a focused exploration program. Our priority is to invest exploration dollars into our Sasak-optimised drilling targets across our Loongana, Xanadu and Queensland IOCG prospects. The attached presentation outlines a compelling investment case for MRG and the potential of Sasak to revolutionise minerals exploration in Australia."*



COMPANY UPDATE

ASX: MRQ; MRQO

MAY 2015



Company overview

- **Data-driven** approach to minerals exploration via a strategic agreement with Sasak Minerals (“Sasak”)
- Breakthrough Sasak technology **predicts geochemistry and frontier discoveries** hidden under-cover
- MRG has strategically assembled a portfolio of **Sasak-powered gold, copper and base metals exploration targets**
- **Significant drilling program underway**
- Experienced team with a **track record of tier one discoveries**

**UNIQUE AND VALUABLE EXPOSURE TO
DISRUPTIVE MINERALS EXPLORATION TECHNOLOGY**

Corporate snapshot

Financial information

| | |
|------------------------|----------|
| Share price (7-May-15) | A\$0.120 |
|------------------------|----------|

| | |
|------------------|--------|
| Number of shares | 135.6M |
|------------------|--------|

| | |
|------------------------------|-----------------|
| Market capitalisation | A\$16.3M |
|------------------------------|-----------------|

| | |
|------------------|---------|
| Cash (31-Mar-15) | A\$0.7M |
|------------------|---------|

| | |
|------------------|---------|
| Debt (31-Mar-15) | No debt |
|------------------|---------|

| | |
|-------------------------|-----------------|
| Enterprise Value | A\$15.6M |
|-------------------------|-----------------|

44.0m listed options on issue (ASX: MRQO)
(exercise price A\$0.25; expiry date 21 September 2016)

Source: IRESS, company filings

**HIGHLY CREDENTIALLED
MANAGEMENT TEAM
INVESTED IN MRG'S SUCCESS**

Top shareholders

| | |
|------------------|-------|
| Ottawa Resources | 13.1% |
|------------------|-------|

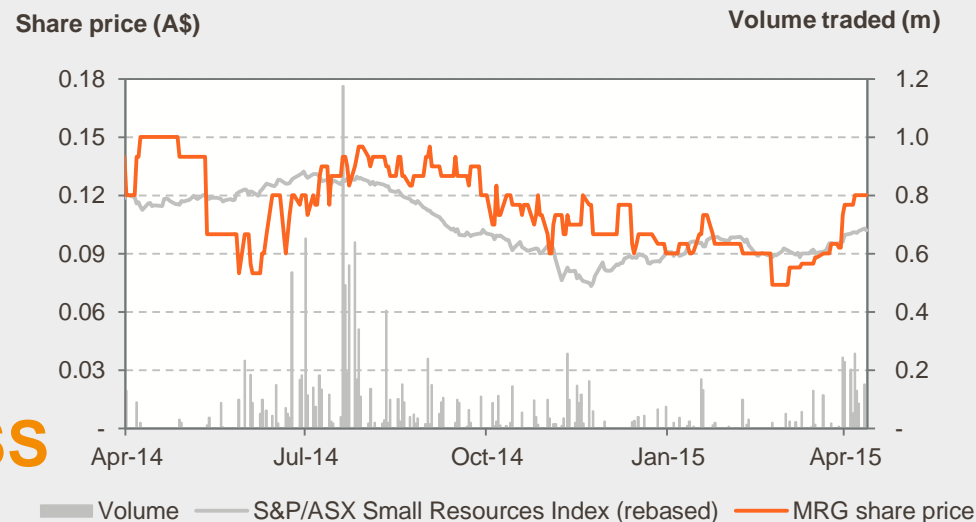
| | |
|--------------------------------|------|
| Christopher Gregory (Sasak MD) | 9.2% |
|--------------------------------|------|

| | |
|--------------------------|------|
| Adrian Manger (Sasak ED) | 9.1% |
|--------------------------|------|

| | |
|-------------------------|------|
| Alfred Eggo (Sasak CTO) | 9.0% |
|-------------------------|------|

| | |
|-------------------------------|------|
| Julian Bavin (Sasak Chairman) | 6.2% |
|-------------------------------|------|

| | |
|-------------------------|------|
| Other MRG Board members | 3.0% |
|-------------------------|------|



Proven track record

EXPERIENCED TEAM WITH A TRACK RECORD OF TIER ONE DISCOVERIES

Discoveries made by MRG's Board and management team

| | | | | |
|---|---|--|---|--|
| <p>Sepon (Cu / Au Laos)</p> <p>RioTinto → </p> | <p>Escondida Brownfields (Cu / Au Chile)</p> <p></p> | <p>Spence (Cu / Au Chile)</p> <p> bhpbilliton</p> | <p>Costerfield Brownfields (Au / Sb Victoria)</p> <p> MANDALAY RESOURCES</p> | <p>Mina Justa / Costancia (Cu Peru)</p> <p> MINSUR</p> |
|---|---|--|---|--|



Christopher Gregory
Non-Executive Director
Geologist



- 35 years of both technical and executive experience in the global minerals industry
- 22 years senior management experience with Rio Tinto
- Significant global exploration experience in gold and copper, including in the Pacific Rim, South East Asia, and shield settings (e.g. Yilgarn)
- Currently, Vice President – Operational Geology at Mandalay Resources (TSX-listed)

Andrew Van Der Zwan – *Non-Executive Chairman*

- 27 years of engineering and commercial experience, locally and internationally
- Director of Titan Energy and Argo Exploration

Keith Weston – *Managing Director*

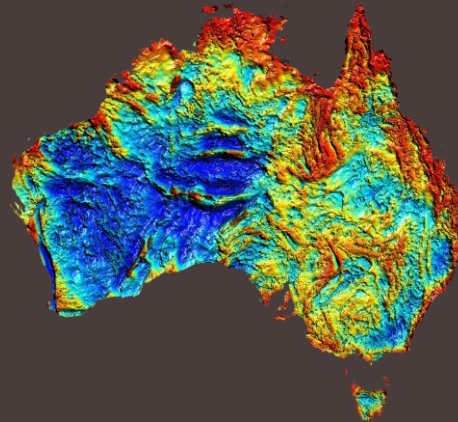
- Previous Managing Director of Metminco
- Chief Geologist responsible for Los Calatos

Shane Turner – *Non-Executive Director / Company Secretary*

- 26 years of accounting experience with KPMG, RSM Bird Cameron and his own practice
- Former Director and Company Secretary for Metminco

New region discovery potential

SASAK IS
TARGETING THE
70% OF
PROSPECTIVE
LITHOLOGIES
THAT HOST
**UNDER-COVER
PROSPECTS THAT
HAVE ELUDED
TRADITIONAL
EXPLORATION
TECHNIQUES**



Gravity coverage (Bouguer)



Masking sequences covering 70% of Australia

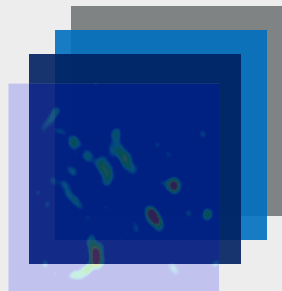
- **Understanding geochemistry is a critical** input when making exploration decisions
- There is **very limited geochemical data outside of outcropping** areas (limitations of traditional techniques)
- Approximately **70% of prospective host lithologies** in Australia are located outside of outcropping areas
- Sasak's geochemical predictive technology places it in **pole position to unlock these underexplored areas**

What is Sasak?

THE SASAK PROCESS IS A GAME-CHANGING METHOD FOR AREA AND TARGET GENERATION

Comprehensive GIS¹ databases

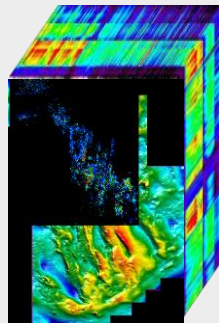
- 10TB+ of geochemical, geological, metallogenic and geophysical data
- Best assembled geochemical database in Australia
- Databases controlled in MySQL
- Contains data on up to 45 elements
- Data has been fully standardised (levelled) and prepared for machine learning packages



Hundreds of
geochemical and
geophysical data layers

Predictive modelling

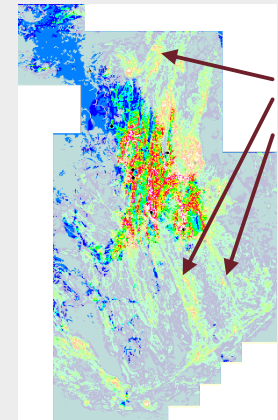
- Predictive analytics using IBM's SPSS™ modelling software and hundreds of layers of data
- Used to predict geochemistry
- Also can be used to construct geological models (e.g. lithology, structure, thickness)
- Statistical techniques based on 34+ years of exploration and GIS experience



Hyper-cube of data layers
(digital light-table)

Identify unexplored anomalies

- Using Sasak-generated geochemical maps to identify exploration targets under-cover
- Many orebodies produce geochemical "clues" as to their presence
- MRG has been successful in securing prime Sasak-generated targets on open ground

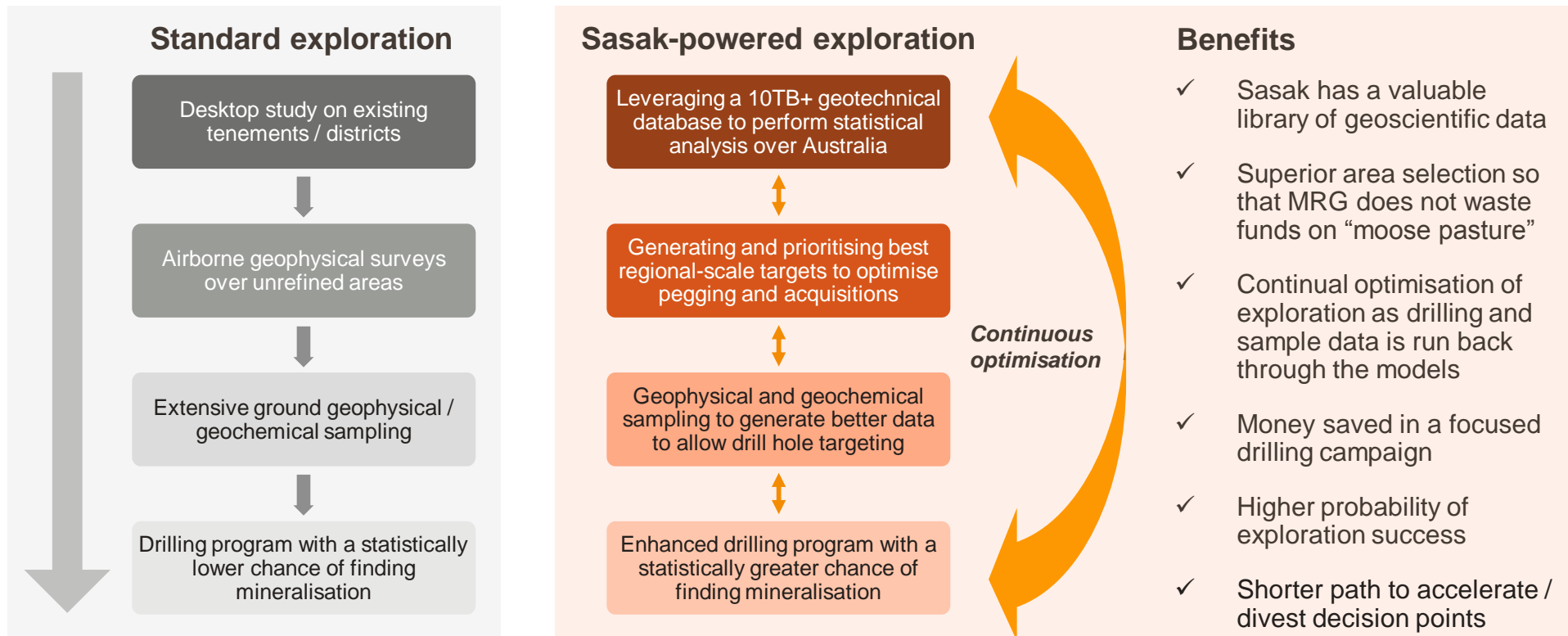


Predicts
and
prioritises
unexplored
anomalies
under-cover

Note:
1 GIS = Geographic Information System

How does Sasak revolutionise exploration?

SASAK'S DATA-DRIVEN APPROACH INCREASES EXPLORATION SUCCESS WHILE MINIMISING COSTS



Sasak in action – Queensland IOCG

TARGETS GENERATED THROUGH A POWERFUL QUANTITATIVE AREA SELECTION AND RANKING ANALYSIS

- Sasak’s area selection models **highlighted the Mt Isa block** for its significant IOCG prospectivity
- Sasak has been **constantly refining its predictive Fe-Cu-Au Mt Isa block models**
- Sasak has analysed **1.5 billion unique cubic data cells** across the Mt Isa block, then isolated and ranked the top 135 district targets

- **42 targets** have indistinguishable geoscientific characteristics from established Australian IOCG deposits

- 3 of the 42 Sasak-generated targets are known Mt Isa IOCG deposits
- The 39 other targets are held by other explorers

Indistinguishable IOCG prospect rankings (n=42)

- 3. Ernest Henry
- 29. Selwyn (Starra)
- 42. Osborne (Trough Tank)

- **93 additional targets** identified with high probabilities of matching established Australian IOCG deposits

- 2 of these targets are owned by MRG and will soon be drilled
- 4 more targets are under application

Highest probability IOCG prospect rankings (n=93)¹

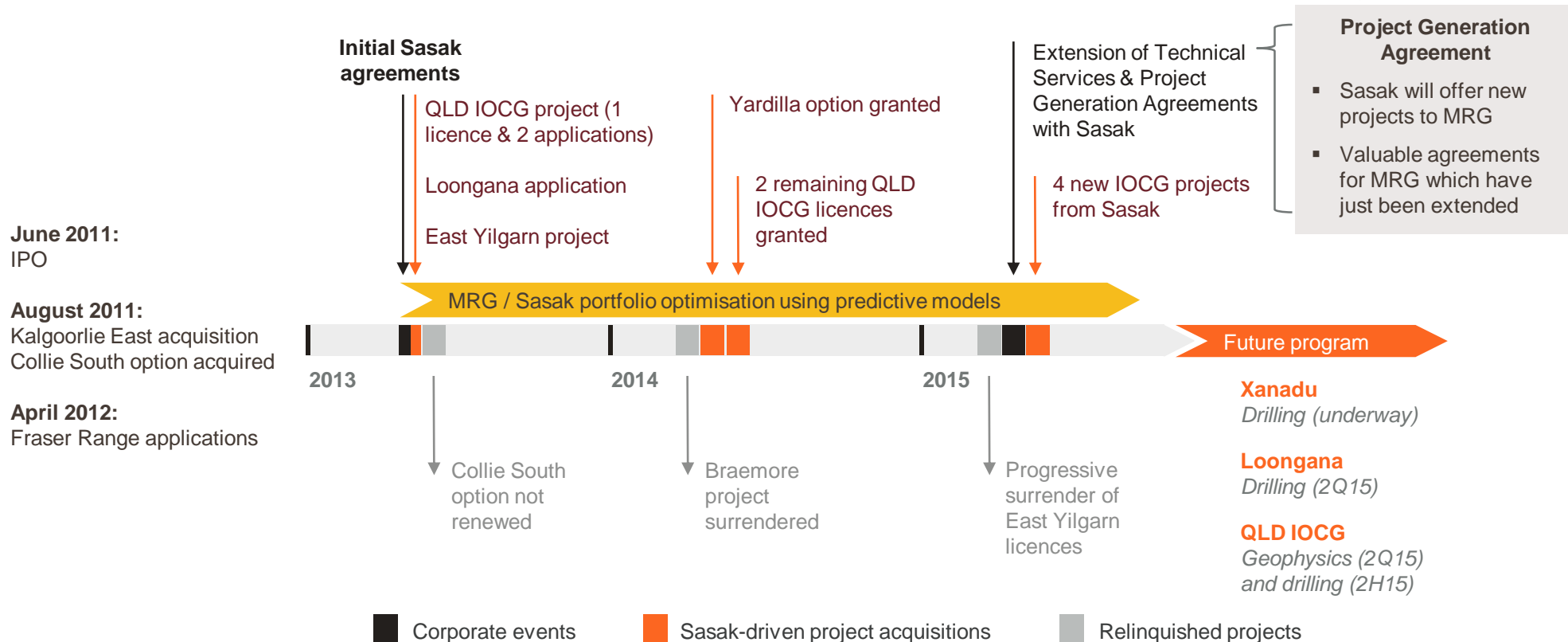
- 37. Davenport Downs (MRG)
- 42. Pulchera (MRG)
- 64. Selwyn (MRG application)
- 65. Artemis (Minotaur Exploration) – for context**
- 70. Kamileroi (MRG application)
- 71. Mt Angelay (MRG application)
- 84. Oban (MRG application)

Note:

¹ MRG’s Squirrel Hill target excluded given that it is a Cannington-style target

Optimisation of the MRG portfolio

MRG HAS STRATEGICALLY ASSEMBLED A PORTFOLIO OF SASAK-POWERED EXPLORATION TARGETS



Current MRG portfolio

East Yilgarn

- ❑ Analogous to **Gold Road Resources'** Yamarna

Kalgoorlie East

- ❑ Targeting gold and nickel mineralisation

Yardilla

- ❑ Area hosting gold and nickel sulphide deposits

Fraser Range

- ❑ Applications for gold prospective tenements

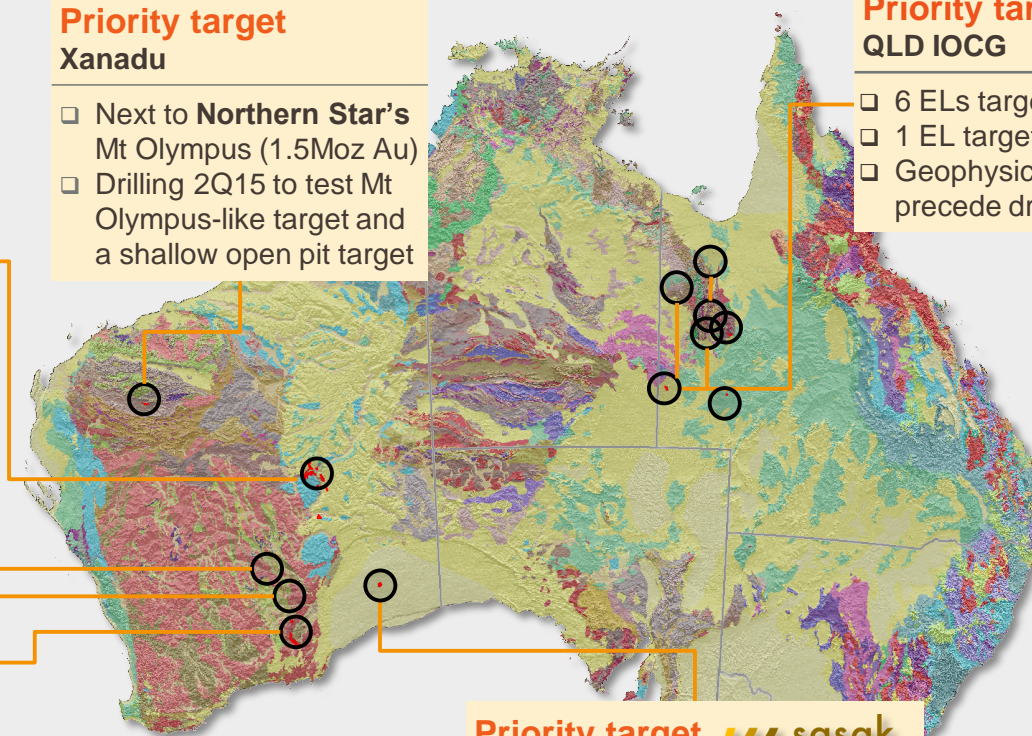
Priority target Xanadu

- ❑ Next to **Northern Star's** Mt Olympus (1.5Moz Au)
- ❑ Drilling 2Q15 to test Mt Olympus-like target and a shallow open pit target

Priority target QLD IOCG



- ❑ 6 ELs targeting for IOCG
- ❑ 1 EL targeting Cannington-type
- ❑ Geophysical surveys to precede drilling in 4Q15



Priority target Loongana



- ❑ PGE plus gold targets
- ❑ Potential 11.5km strike on a Pd-mineralised reef is the next drill target
- ❑ Drilling 2Q15
- ❑ Tenements subsequently encircled by **Fortescue**

**PRIORITY TARGETS ARE
LOONGANA, XANADU AND
QUEENSLAND IOCG**

2015 drilling program

MRG'S PRIORITY TARGETS ARE ALL UNDERGOING A SIGNIFICANT DRILL PROGRAM IN 2015

LOONGANA



generated tenement

Drilling (2Q15)

- Sasak-enhanced drilling program with greater chance of finding mineralisation
- Prospective for platinum / palladium, gold and nickel / copper
- Geological reinterpretation of previous palladium drill intersection to generate and drill a new target in 2Q15
- Drill co-funding from WA Government (A\$108k)

XANADU



optimised program

Drilling (2Q15)

- Sasak-enhanced drilling program with greater chance of discovery
- Optimised program based on 2014 drilling results and Sasak analysis
- Primary focus to drill new anomalies at base of Cheela Springs (+1Moz Au)
- Step out drilling at Cleopatra (targeting 1 of 4-5 small open pits with +100koz Au each)

QUEENSLAND IOCG



flagship prospects

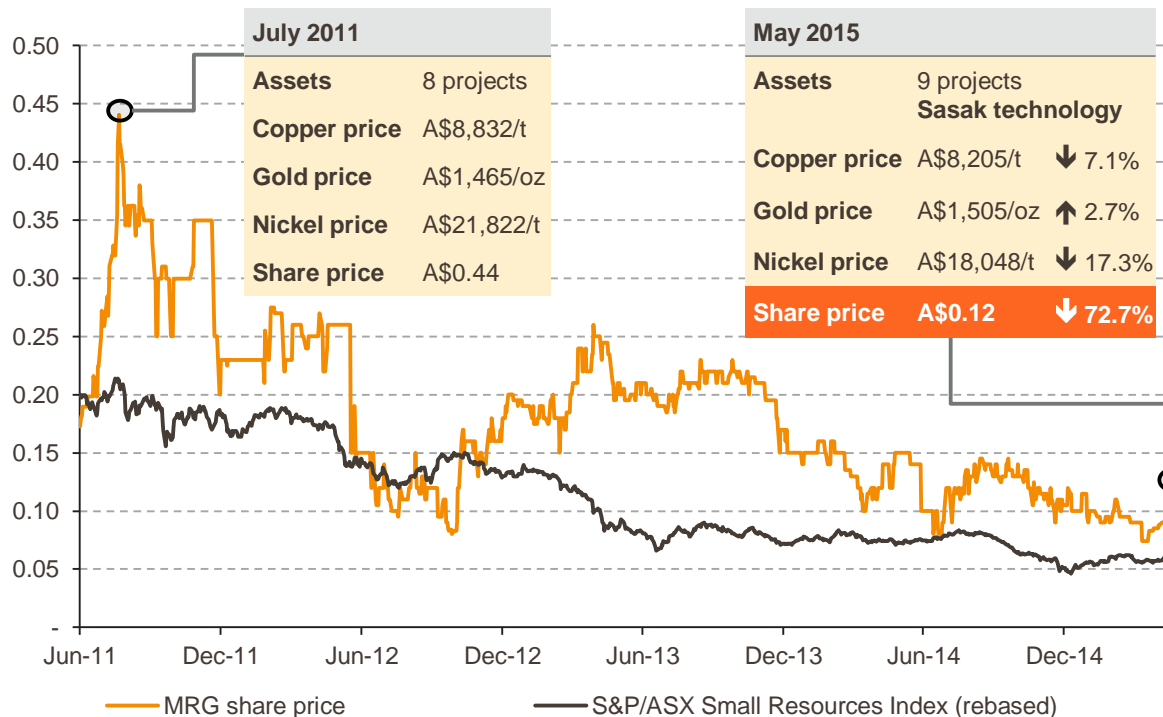
Geophysics and drilling (2H15)

- Geophysical and geochemical sampling to generate better data to allow drill hole targeting
- Drill targets to be identified and prioritised through analysis of data and drilled in 2H15
- New prospective ground to be pegged or acquired
- Davenport drill co-funding received from QLD Government (A\$75k)

MRG is better positioned now than ever before

MRG IS IN THE BEST POSITION IT HAS BEEN SINCE IPO YET IS TRADING NEAR ALL-TIME LOWS

Share price performance since listing (A\$)¹



Source: IRESS

Note:

1 Closing share prices adjusted for capital movements from June 2011

- ✓ MRG has **significantly expanded and optimised its portfolio** since IPO
- ✓ **Clear disconnect** between commodity price movements and share price performance
- ✓ Current **share price does not reflect the substantial achievements** over this time
- ✓ **Access to Sasak technology** a game-changer for MRG
- ✓ Strong focus on **minimising shareholder dilution** (no capital raisings since IPO)

Share price catalysts

SASAK-POWERED DRILL PROGRAMS WILL PROVIDE STRONG NEWS FLOW AND SHARE PRICE CATALYSTS

Loongana *2Q15 drilling*

- Two hole drill program at Loongana to assess high-impact PGM reef style targets

Xanadu *2Q15 drilling*

- Multi-hole drill program at Pertinax and up to four holes at Cleopatra

QLD IOCG *2H15 surveys and drilling*

- Ground geophysics and geochemical surveys, ahead of Sasak-powered target optimisation and drilling in 2H15

Other tenements

- Soil auger sampling ahead of drilling for gold at Yardilla
- Follow-up drilling of a gold-arsenic anomaly at Kalgoorlie East

Acquisition opportunities

- Sasak's ability to rank other explorer's prospects opens up numerous corporate and asset acquisition opportunities

A compelling investment case

- MRG's technology-driven exploration strategy is **unique on the ASX**
- MRG takes a **calculated, quantitative approach** to exploration, which **maximises returns on shareholder funds**
- MRG has strategically assembled a **portfolio of Sasak-powered exploration targets**
- An extensive drilling campaign in 2015 focusing on Sasak-generated targets will provide **strong news flow and share price catalysts** as drilling results are released
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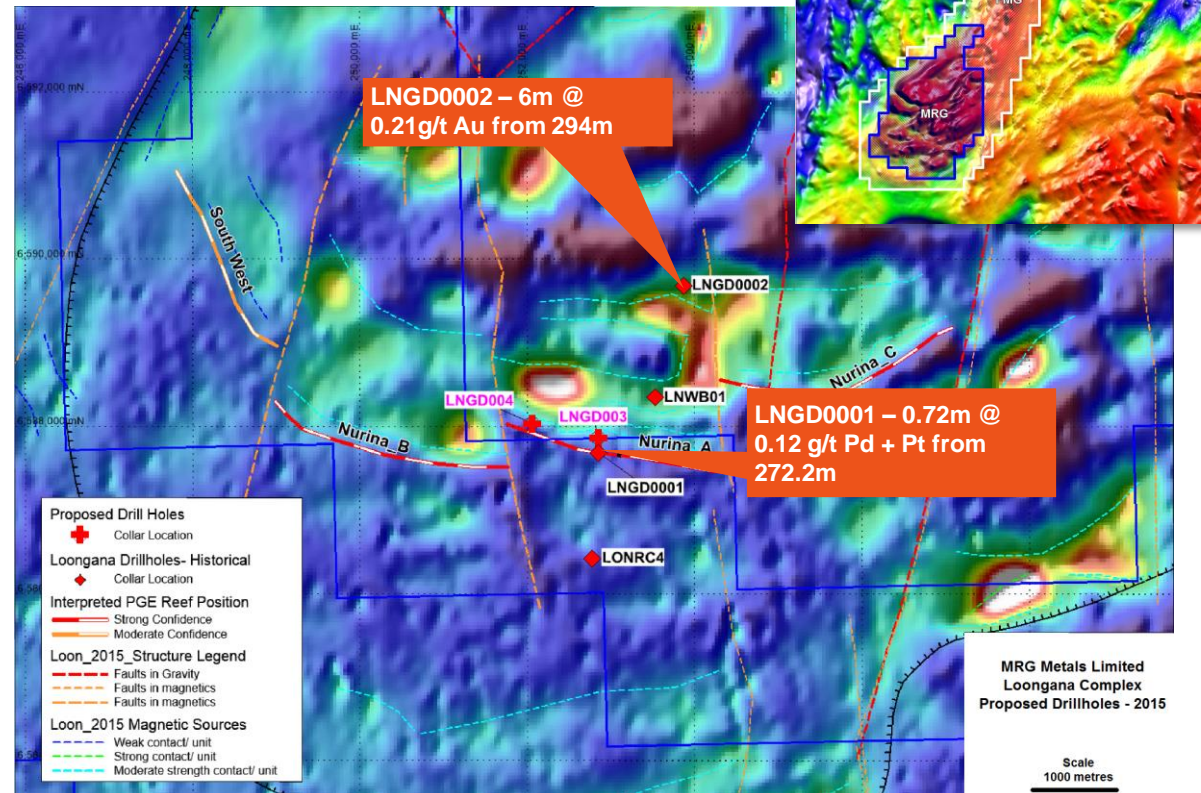
APPENDIX A

PRIORITY TARGET – PROFILES

Priority target – Loongana

- Prospective for Platinum Group Elements (“PGE”) plus gold in layered mafic igneous complex
- Strong geophysical targets under-cover
 - One of the strongest gravity residuals in Australia, with multifarious magnetic features
- MRG holds core of complex
 - New 3D inversion imaging has identified new target zones
- Located east of Kalgoorlie, surrounded by tenements owned by Fortescue Metals Group (ASX: FMG)
- Drilling in 2Q15
- Drill co-funding from WA Government of A\$108k
- Total interpreted 11.5km strike of the reef structure

GRAVITY AND MAGNETIC SURVEY OVER LOONGANA TENEMENTS



Priority target – Xanadu

AN EXCITING SASAK-POWERED GOLD TARGET WITH DRILLING UNDERWAY

- Located close to the northern margin of the Ashburton Basin, c.4km west southwest of Northern Star's Ashburton project
- 2014 drill program returned numerous shallow gold intercepts:
 - Claudius 21m @ 1.22g/t Au
 - Cleopatra 11m @ 1.29g/t Au and 5m @ 2.33g/t Au
 - Caesar 3m @ 1.88g/t Au

Target identification



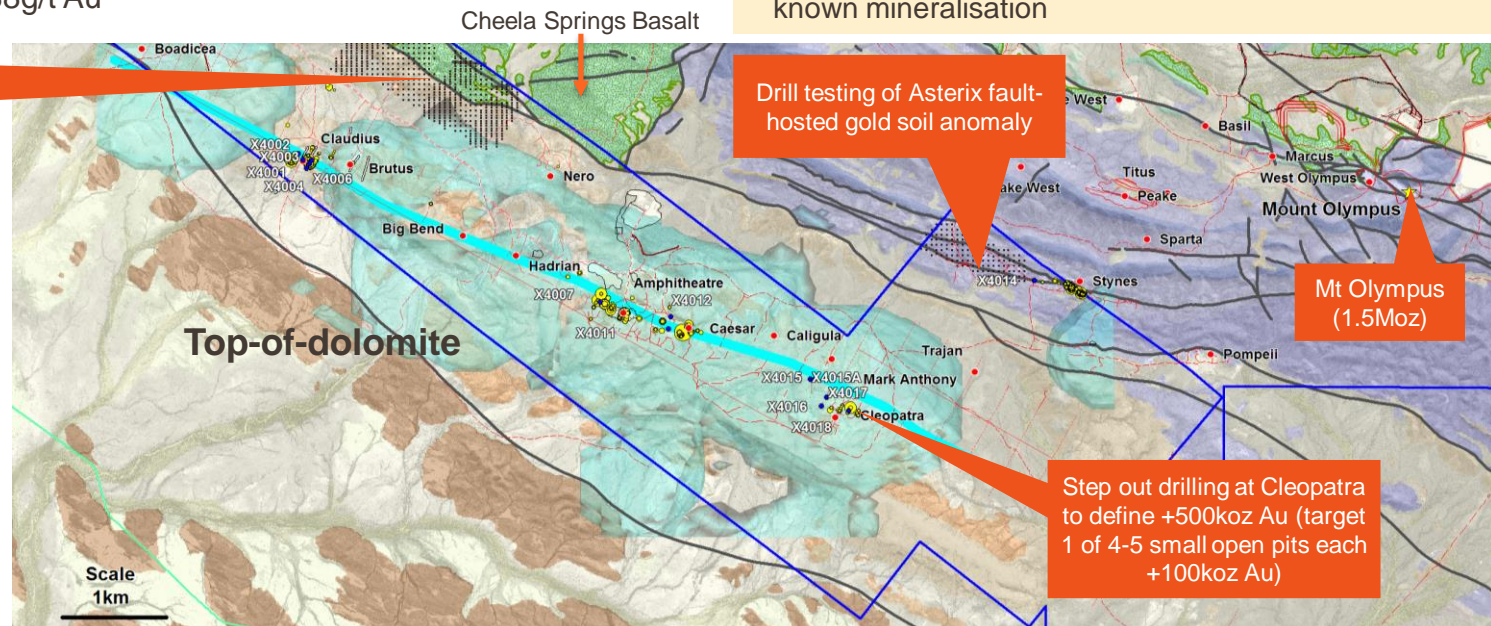
- Sasak has optimised the drilling priorities using data collected in the 2014 drilling program
- 2015 drilling targeting an expansion of the current known mineralisation

Drill testing of 2 Pertinax Au soil anomalies
Mt Olympus-like target
(+1Moz Au)
400m x 150m each

Drill testing of Asterix fault-hosted gold soil anomaly

Mt Olympus
(1.5Moz)

Step out drilling at Cleopatra to define +500koz Au (target 1 of 4-5 small open pits each +100koz Au)



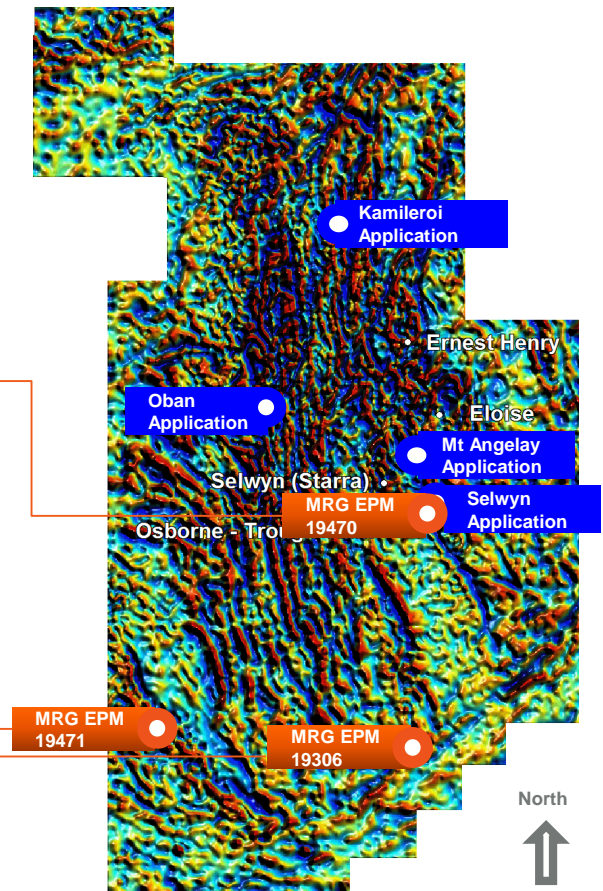
Legend

- Major faults
- Prospect names
- MRG RC drilling 2014
- Gold > 1g/t in drilling
- MRG tenement

Priority target – Queensland IOCG

THREE SASAK-POWERED DRILL TARGETS IN THE PROLIFIC IOCG BASIN IN QUEENSLAND

- Under-cover IOCG geophysical targets within the Mt Isa block
- 3 recently granted licences and 4 applications
- Image of gravity residuals (unexplained gravity signature once regional gradient is removed)
 - Note that all known IOCG mines and MRG targets sit on gravity residual highs
- This is one of the dozen or so components used in Sasak's predicative modelling
- Geophysical surveys are a precursor to drilling – aeromagnetics and EM the focus
- **Squirrel Hill (EPM19470)**
 - 12km west northwest of BHP's Cannington
- **Pulchera (EPM19471)**
 - Situated in the Simpson Desert near the Northern Territory border in western Queensland
 - Adjacent to Krucible Metals Toomba discovery of up to 27m @ 0.4% copper from 9m (including 3m @ 2.4% copper)
- **Davenport Downs (EPM19306)**
 - Southern extension of the Mt Isa Fold Belt just to the north of the Diamantina Hinge Zone
 - Received A\$75k in exploration co-funding from the Queensland Government



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Investors are cautioned that any forward looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in any forward looking statements made.

Exploration priorities change with increased data and knowledge, as such targets and concepts outlined in this presentation may or may not be tested or be tested by different means.

Exploration targets are conceptual in nature and drilling may not convert these targets to resources.



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