ASX/Media Release

(ASX: MZN)

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Issued Capital:

1,780,460,084 fully paid ordinary shares (including shares to be issued under the Entitlement Offer,

64m unlisted options Ex. 2.5c Expiring 31 December 2019

Husky South Update

- Two diamond drill holes completed at Husky South sulphide lead-zinc-silver (LZS) discovery
- LZS mineralisation intersected 100m below high grade discovery intersection
- High grade LZS mineralisation interpreted to continue over 150m down dip
- Down-hole EM surveying to commence shortly to help target depth extension drilling

Marindi Metals Limited (ASX: MZN) "Marindi", is pleased to provide an update on exploration at the Newman Base Metal Project in Western Australia, where two diamond holes were recently completed at the Husky South LZS prospect.

Husky South is a new base metal occurrence located on the Prairie Downs Fault Zone (PDFZ), approximately 8km north west of the Prairie lead-zinc deposit, which contains an existing Indicated and Inferred Mineral Resource of 3 million tonnes grading 5% Zn, 2% Pb and 15/g/t Ag, (see plan attached and ASX release dated 29 September 2017). As previously reported, drilling during the December quarter intersected a high-grade lead silver zone of 14m @ 7.6% Pb and 51g/t Ag, including 3m @ 25% Pb and 165g/t Ag and widespread low grade lead-zinc-silver and gold mineralisation over a strike length of 1.6km including 42m @ 0.3% Pb. (Refer ASX releases dated 14 and 16 November 2017)

Two diamond holes were recently drilled at Husky South which were cased with PVC to allow downhole EM surveying. The mineralisation at Husky South is dominated by lead sulphide (galena), which normally responds well to downhole EM.

Hole PDD504 was drilled close to the high-grade lead intersection and will be surveyed to look for off-hole anomalies that may represent extensions to the massive sulphide mineralisation intersected in discovery hole PDP456.

Hole PDD506 was drilled approximately 100m vertically below hole PDP456 and intersected a 35m downhole shear zone of epithermal quartz with lead

sulphides. Received assays for PDD506 are **29m @ 1.2% Pb and 9g/t Ag, including 0.5m @ 37% Pb and 150g/t Ag**.

Based on results to date, continuous high-grade mineralisation is interpreted to extend approximately 150 vertical metres down dip on the northern side of the mineralised structure (refer section in Figure 1). Lead mineralisation presents in the form of galena, however the mineralised zone has been preferentially weathered and it is likely some of the base metal sulphides have been leached. An increase in sericite alteration was also noted in the basaltic wall rocks up to 50m away from the shear zone. This alteration increased in intensity as the shear zone was approached and was accompanied by highly anomalous (0.1% Pb) lead mineralisation.

Marindi considers these encouraging drilling results confirm the strength and persistence of the mineralised system at depth. The Company now plans to test for extensions to the massive sulphide mineralisation using downhole EM surveying to help target follow-up drilling. This drilling will need to be focused below the base of preferential weathering in order to effectively test the system at depth. The Company has also collected samples for multi-element analysis to determine any potential vectors toward mineralisation. Downhole EM surveying is planned to commence this month, and the Company will provide further updates as appropriates.

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Competent Persons Statement

Information in this release that relates to Exploration Results is based on information prepared by Mr Joseph Treacy a Member of the Australasian Institution of Mining and Metallurgy and the Australian Institute of Geoscientists Mt Treacy is the Managing Director of Marindi Metals Ltd, a full-time employee and shareholder. Mr Treacy has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being 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 Treacy consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Figure 1 – Husky South Cross Section 13,540E

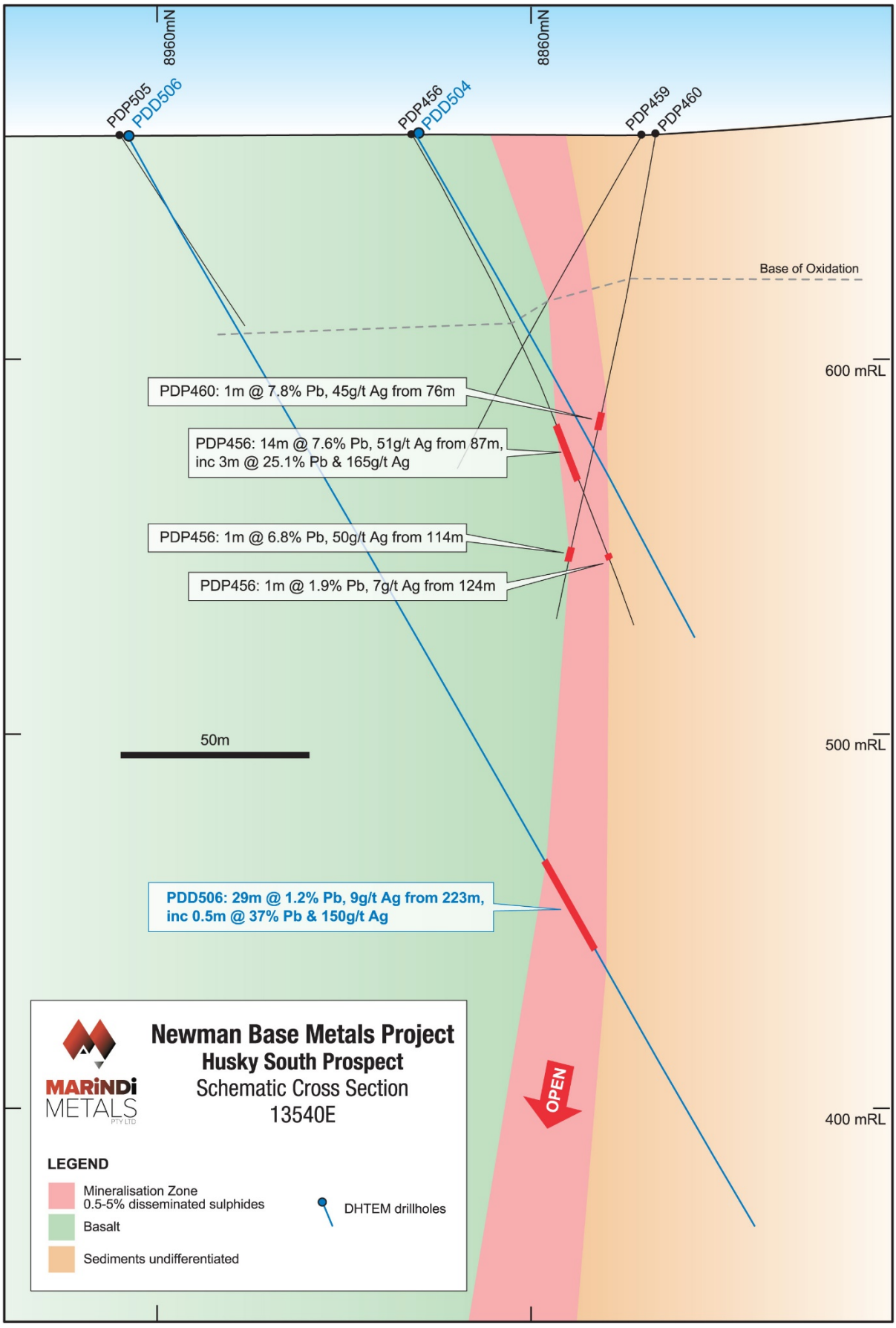

Figure 2 – Husky South Drill Location Plan

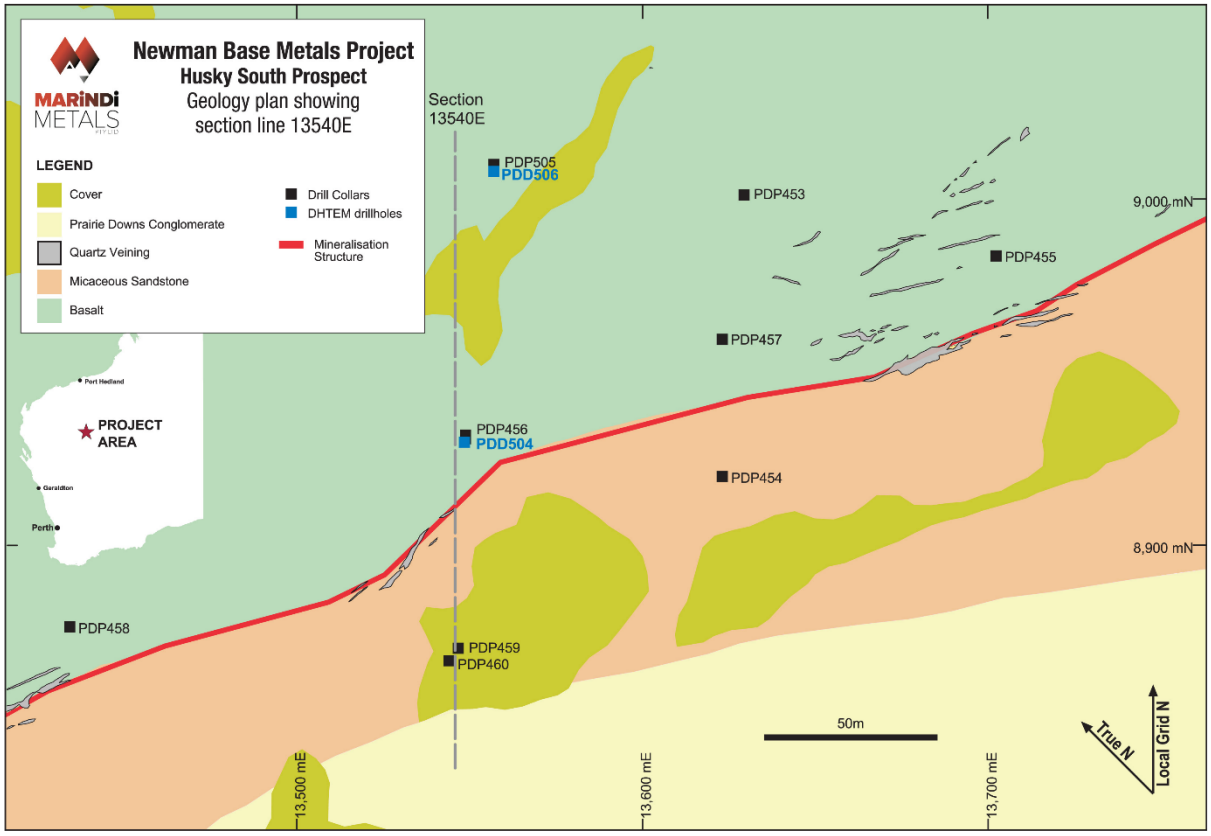

Figure 3 – Newman Base Metal Project Plan

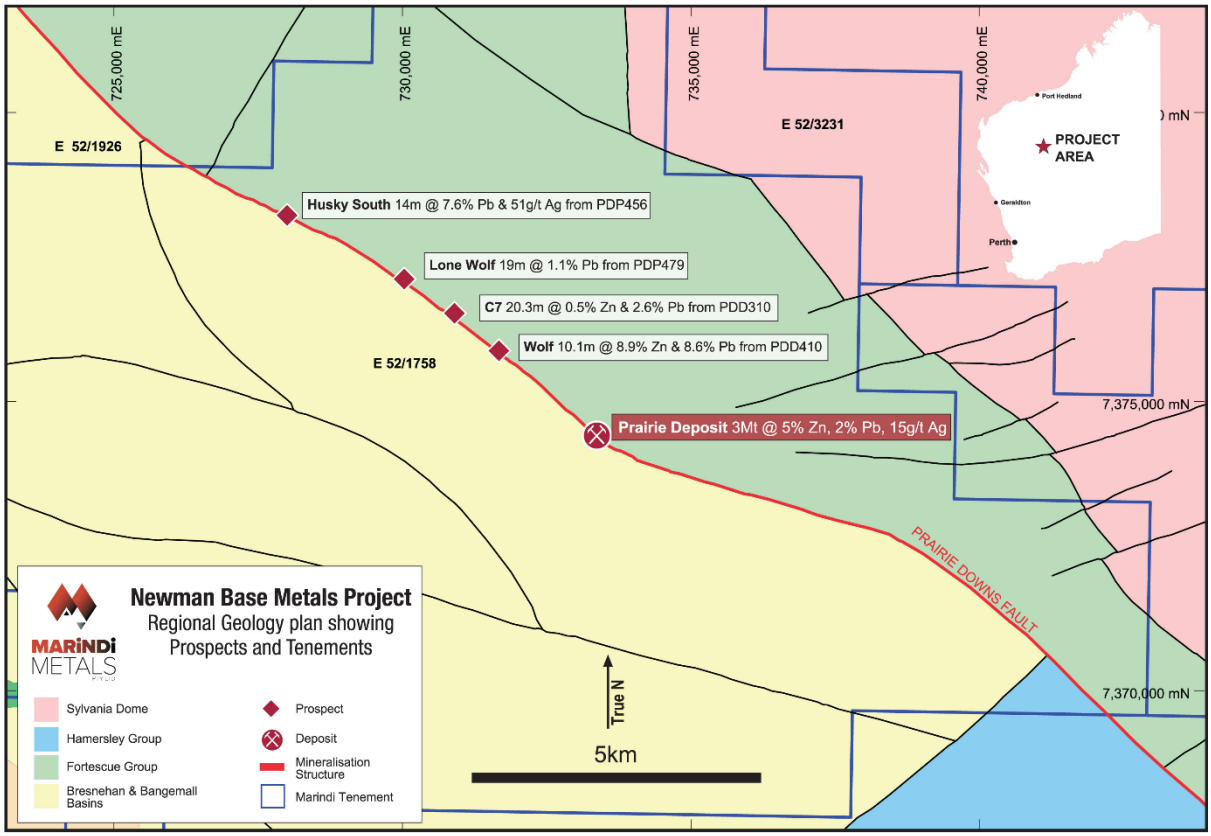

Table 1. Significant Intercept Table.

Hole	From	To	Interval	Pb %	Ag ppm	Zn %	Cu %	Au ppm
PDD504	Not Assayed							
PDP505	Not Assayed							
PDD506	223	252	29	1.2	9	0.1	0	0.01
Incl.	224.3	224.8	0.5	37	150	0	0	0.01

Table 2. Collar Table

Prospect	Hole	Local E	Local N	Az Mag	Dip	End of Hole (m)
Husky South	PDD504	13549	8931	225	-60	153.6
Husky South	PDP505	13557	9010	225	-57	61
Husky South	PDD506	13557	9008	225	-61	336.5

Table 3. Assay Results

Hole	From	To	Interval	Type	Pb %	Ag ppm	Zn %	Cu %	Au ppm
PDD506	222	223	1	1/2 HQ3	0.1	1	0	0	0.01
PDD506	223	224.3	1.3	1/2 HQ3	0.5	6	0.1	0	0.01
PDD506	224.3	224.8	0.5	1/2 HQ3	37	150	0	0	0.01
PDD506	224.8	226	1.2	1/2 HQ3	0.5	7	0.1	0	0.01
PDD506	226	227	1	1/2 HQ3	0.6	11	0.1	0	0.01
PDD506	227	228	1	1/2 HQ3	0.5	9	0	0	0
PDD506	228	229	1	1/2 HQ3	0.3	11	0	0	0
PDD506	229	230	1	1/2 HQ3	1	14	0.1	0	0
PDD506	230	231	1	1/2 HQ3	0.6	3	0.1	0	0
PDD506	231	232	1	1/2 HQ3	0.2	3	0.1	0	0.01
PDD506	232	233	1	1/2 HQ3	0.3	4	0.1	0.1	0.02
PDD506	233	233.8	0.8	1/2 HQ3	0.3	3	0.1	0	0.01
PDD506	233.8	235	1.2	1/2 HQ3	1.3	11	0	0	0
PDD506	235	236	1	1/2 HQ3	0.5	2	0	0	0
PDD506	236	237	1	1/2 HQ3	0.7	3	0.1	0	0.01
PDD506	237	238	1	1/2 HQ3	0.1	1	0	0	0.01
PDD506	238	239	1	1/2 HQ3	0.4	6	0	0	0.02
PDD506	239	240	1	1/2 HQ3	0.7	4	0	0	0.01
PDD506	240	241	1	1/2 HQ3	0.5	4	0	0	0
PDD506	241	242	1	1/2 HQ3	0.4	6	0.1	0	0
PDD506	242	243	1	1/2 HQ3	0.4	3	0	0	0.01
PDD506	243	244	1	1/2 HQ3	0.1	2	0.1	0	0
PDD506	244	245	1	1/2 HQ3	0.1	3	0	0	0.01
PDD506	245	246	1	1/2 HQ3	1.3	10	0	0	0.01
PDD506	246	247	1	1/2 HQ3	0.3	5	0	0.1	0.01
PDD506	247	247.6	0.6	1/2 HQ3	0.1	2	0.1	0.1	0
PDD506	247.6	249	1.4	1/2 HQ3	1.5	9	0	0.1	0
PDD506	249	250	1	1/2 HQ3	1.7	11	0.3	0.1	0.01
PDD506	250	251	1	1/2 HQ3	0.7	11	0	0.2	0.01
PDD506	251	252	1	1/2 HQ3	0.7	7	0	0.1	0.01
PDD506	252	253.3	1.3	1/2 HQ3	0.3	2	0	0	0

Hole	From	To	Interval	Type	Pb %	Ag ppm	Zn %	Cu %	Au ppm
PDD506	253.3	254	0.7	1/2 HQ3	0.1	3	0.1	0.1	0
PDD506	254	255.2	1.2	1/2 HQ3	0.1	3	0	0	0
PDD506	255.2	257	1.8	1/2 HQ3	0.2	3	0	0	0
PDD506	257	258	1	1/2 HQ3	0.3	3	0.3	0.2	0
PDD506	258	259	1	1/2 HQ3	0.2	45	0.2	0.1	0
PDD506	259	260	1	1/2 HQ3	0.2	1	0.1	0.1	0
PDD506	260	261	1	1/2 HQ3	0.1	1	0	0	0
PDD506	261	261.7	0.7	1/2 HQ3	0.1	1	0	0	0
PDD506	261.7	263	1.3	1/2 HQ3	0.1	1	0	0.1	0
PDD506	263	264	1	1/2 HQ3	0	1	0	0	0
PDD506	264	265	1	1/2 HQ3	0.1	0	0	0	0
PDD506	265	266	1	1/2 HQ3	0	0	0	0	0
PDD506	266	267	1	1/2 HQ3	0	0	0	0	0
PDD506	267	268	1	1/2 HQ3	0	0	0	0	0
PDD506	268	269	1	1/2 HQ3	0	0	0	0	0
PDD506	269	270	1	1/2 HQ3	0	0	0	0	0
PDD506	270	271	1	1/2 HQ3	0	0	0	0	0
PDD506	271	272	1	1/2 HQ3	0	0	0	0	0
PDD506	272	273	1	1/2 HQ3	0	0	0	0	0
PDD506	273	274	1	1/2 HQ3	0	0	0	0	0
PDD506	274	275	1	1/2 HQ3	0	0	0	0	0
PDD506	275	276	1	1/2 HQ3	0	0	0	0	0
PDD506	276	277	1	1/2 HQ3	0	0	0	0.1	0.1

Appendix 1 – JORC 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 (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Two samples are taken for each metre drilled using Reverse Circulation method. A bulk sample is collected in a 600x900mm plastic bag and a 4% split using a cone splitter is also taken in a calico bag. Sample intervals are then determined by geology and geochemistry (portable XRF). If a single 1m sample is required then a single 4% split is assayed, or if composite samples are required then 1m splits are combined and assayed. If a composite sample is greater 3kg, then a 25% riffle split is taken to composite. If further sampling is required spear samples can be taken from the bulk samples
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	• Drilling method used is Reverse Circulation. The drill rig is a RCD250 rig with 2400CFM and 800 PSI. A 146mm hammer was used.

Criteria	JORC Code Explanation	Commentary
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.*	• An experienced RC driller from a high standard drilling contractor are being used for this drill program. The Drilling contractor and Marindi Metals are using industry standard techniques to maximise sample recoveries and produce representative sample intervals during RC drilling. The cyclone and splitter are levelled and cleaned after every 6m run, or if there is significant movement noticed, then it is levelled after every 1m to provide a representative split. Sample recovery is recorded for every 1m by Marindi geologists and geotechnicians. Where sample recovery is less than 100% and the sample is assayed, recovery is noted in the assay ledger
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.*	• Every metre drilled has geology and XRF analysis. Geology logs record geological units, alteration, veining and percentage of relevant minerals. All RC samples are analysed once using a Thermo Scientific Niton Portable XRF. All data is validated before entering Marindi's database
Subsampling 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.*	• Sample intervals are determined by a Marindi geologist. All intervals are documented digitally and on ticket books. Sample intervals are determined by geological intervals. • Two samples are taken for each metre drilled using Reverse Circulation method. A bulk sample is collected in a • 600x900mm plastic bag and a 4% split using a cone splitter is also taken in a calico bag. Sample intervals are then determined by geology and geochemistry (portable XRF). If a single 1m sample is required then a single 4% split is assayed, or if composite samples are required then 1m splits are combined and assayed. If a composite sample is greater 3kg, then a 25% riffle split is taken to composite. If further sampling is required spear samples can be taken from the bulk samples .

Criteria	JORC Code Explanation	Commentary
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.*	
Quality of assay data and laboratory tests (Cont'd)	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• No assay data is reported • Niton XRF quality control is monitored by the assessment of 4 standards with varying base metal quantities including a blank. The standards are assayed at the beginning and end of each batch to ensure accuracy of the Niton. Duplicates are also assayed every 20th sample.
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.*	• Intersections have been verified by Marindi personal and contract professionals. • None of the drill holes in this report are twinned. • All data is recorded on paper and then entered into a database. Data is then checked before being moved into a primary database. Data is backed up on a remote server in two
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.*	• All collar co-ordinates of drill holes in this release have been located via a Garmin hand held GPS. Locations are averaged for a minimum of 15 GPS readings. Accuracy is assumed to be within +- 4m. Drill holes will be routinely surveyed by a surveyor as the drilling program progresses. Drill hole locations are measured in GDA94, MGA Zone 50. Topographic control is considered adequate.

Criteria	JORC Code Explanation	Commentary
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.*	• Available data suggests the intersection may be vertical. Further drilling will be required to confirm this. exploration results are not sufficient to support Mineral Resources or Ore Reserves. • No analytical data reported. Spacing is hown by the accompanying figure.
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.*	• No significant orientation based sampling bias is known at this time. • The drill holes may not necessarily be perpendicular to the orientation of the intersected mineralisation. All reported intervals are downhole intervals, not true widths. True widths and orientation of mineralised bodies will be established with additional drilling.
Sample security	• *The measures taken to ensure sample security.*	• Appropriate security measures are taken to dispatch samples to the laboratory. Chain of custody of samples are managed by Marinid Metals. Samples are stored onsite and transported to the laboratory by a licence transport company. The laboratory issues a receipt and a reconciliation of delivered samples against the laboratory analysis submission form from Marindi Metals.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Marindi Metals have not completed any external audits or reviews of the sampling techniques and data.

Section 2 Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections)

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 Prairie Downs Project comprises two current Exploration Licences located on vacant crown land. The tenements are E52/1926, registered under Marindi Operations PTY LTD and E52/1758 registered under the name of Marindi Operations PTY LTD. A 2.5% net royalty to Prairie Downs Metals exits over both tenements. • The tenement does not host any historic sites, wilderness or national parks. The tenement is located in the Ngarlawagga peoples land. All land clearing completed to perform exploration drilling was approved via a heritage survey. • The tenement is in good standing and there are no impediments to obtaining a licence to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Numerous exploration companies have conducted exploration at Wolf and surrounding areas over a number of years. Significant exploration results have been summarised in a release on 25 May 2015 which includes a JORC Table 1. • A large amount of historic data is available to Marindi Metals and appraisal of data is continuing.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Husky South prospect is located on the Prairie Downs Fault. The fault loosely marks the contact between the Fortescue group and the Bresnahan group and host high grade zinc and lead mineralisation.

Criteria	JORC Code Explanation	Commentary
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole o down hole length and interception depth* o *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.*	• Refer to Drill Hole Collar Table attached to this document
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.*	• N/A to this release
Relationship between mineralisation widths and intercept lengths	• *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. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• See document for details