27th August 2018

Forrestania Lithium-Gold Project – Exploration Update

Marindi Metals Limited (ASX: MZN) advises that recent Reverse Circulation drilling at the Cosmic Boy East prospect, part of its 100%-owned Forrestania Lithium-Gold Project in WA, has intersected a large intrusive rock unit with anomalous lithium mineralisation within the greenstone/granite contact zone towards the southern end of the prospect area.

The intrusive unit extends over a strike length of least 500m, averages 25-30m in thickness and extends at least 150m down-dip to the west. The unit was identified to the south and along-strike from the as-yet untested Echo LCT-pegmatite outcrop, which was identified on the mapped granite/greenstone contact by Marindi earlier this year (see Figure 1).

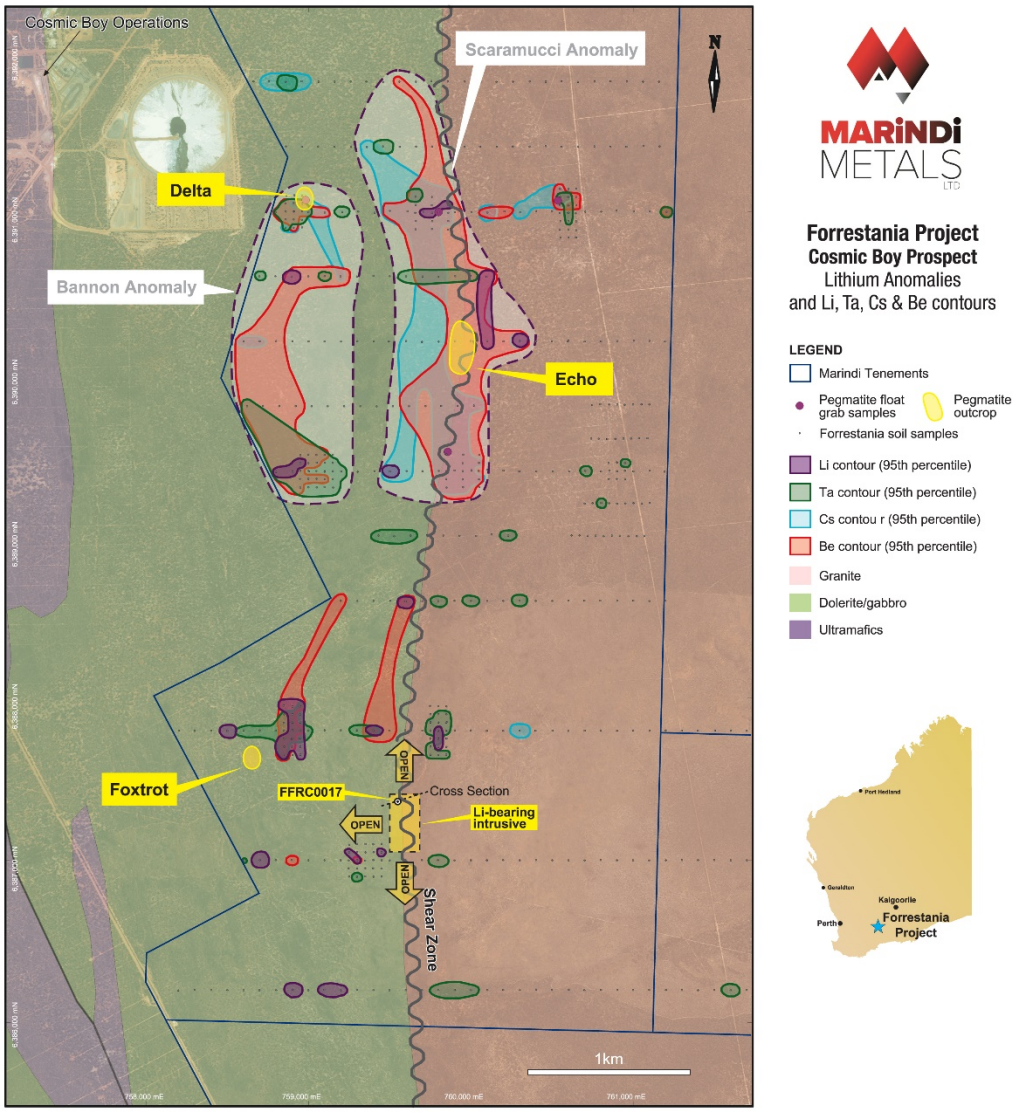

Figure 1. Cosmic Boy East prospect with LCT-pegmatite anomalism, pegmatite outcrop targets and location of new intrusive target.

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The intrusive unit was initially logged as a very coarse crystalline rock-type consisting of translucent to milky-white crystals with variable grey, to pinkish, to green hues. The chips fluoresce orange-red under longwave UV light and initial indications were that the unit could possibly contain spodumene, the primary source of lithium.

Following the discovery of the intrusive unit, significant widths of this rock unit were logged in RC drilling in several drill-holes on Sunday 19th August and Monday 20th August, including a continuous 64 metre down-hole zone in hole hole FFRC0017 and 61 metre down-hole zone logged in scissor hole FFRC0018, drilled to confirm the orientation and approximate true width of the zone (see Figure 2).

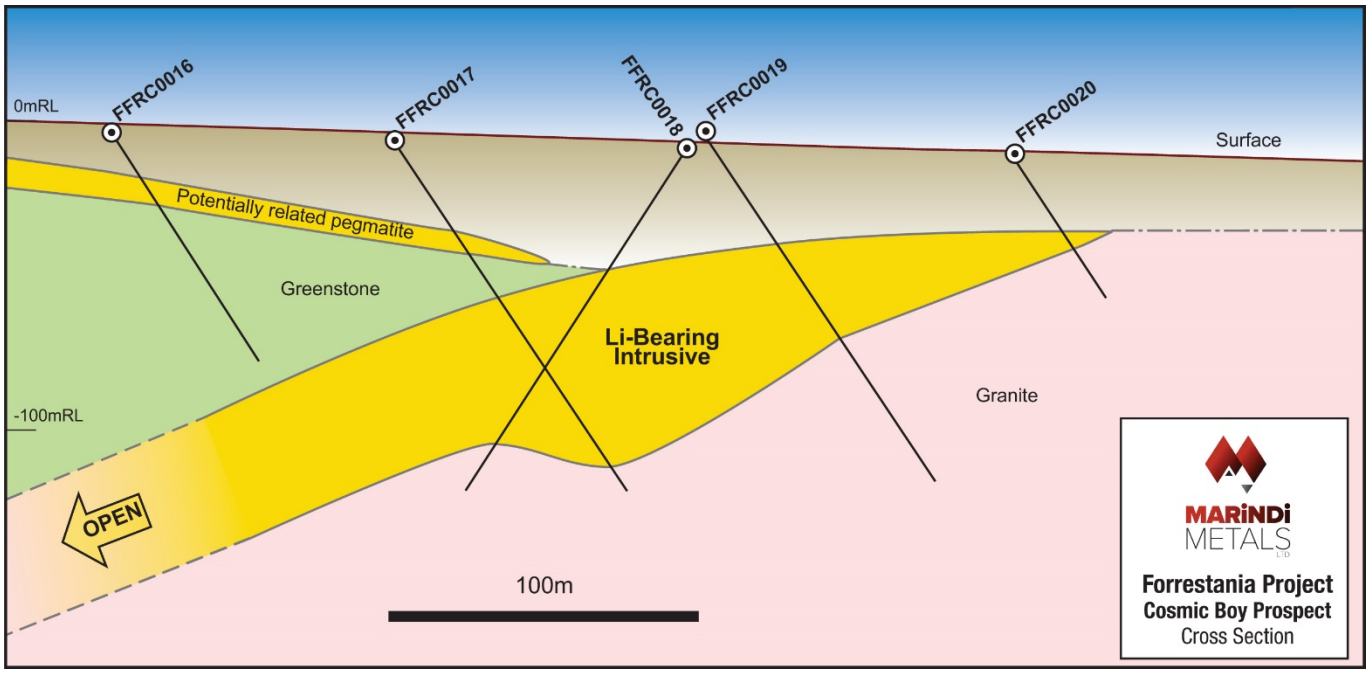

Figure 2. Cross-section schematic showing FFRC0017 and other logged drill-holes (awaiting assays).

As a precautionary measure given the potential significance of these logged intervals, the Company requested a Trading Halt pre-open on Tuesday 21 August with the RC drill samples rushed to Perth for inspection by its geology team, a review by its independent consulting geologist and laboratory analysis by ALS Perth.

Given the diverging views expressed by expert geologists on the nature and provenance of this rock unit, the Company decided to wait for assay results to provide shareholders with a more definitive view on the significance of the discovery. Accordingly, the Company requested an additional 2-day Voluntary Suspension to allow time for the assays to be processed.

Assays for hole FFRC0017, drilled across the intrusive unit, were received late Friday 24th August. The interval through the intrusive unit returned a broad zone of anomalous lithium mineralisation with variable lithium values including a 4m interval grading 0.10% Li_2O, including 1m @ 0.15% Li_2O.

While these are not economic lithium grades, the presence of elevated lithium values within the rock unit has highlighted the potential for higher lithium grades within what appears to be a very large, fractionated, tabular and continuous intrusive unit that is open to the north and south and down-dip to the west.

The Company has sent samples for petrological and geochemical analysis in order to determine the significance of the discovery, as well as its relationship to the nearby, along-strike and as-yet undrilled Echo LCT-pegmatite outcrop target.

Marindi completed the current phase of Aircore and RC drilling at the Forrestania Project on Friday, 24th August. A total of 8,816m of Aircore and 6,257m of RC drilling were completed across six target LCT-pegmatite outcrops at the Mt Holland and Cosmic Boy East prospects.

Two outcrop targets, Echo at Cosmic Boy East and Golf at Diggers Rocks East prospect remain untested at this stage.

A large number of assays are currently in the laboratory and will be sampled for both lithium and gold. Assay results are expected to be received progressively over the coming weeks and a full progress update will be provided in due course.

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Competent Persons Statement

Information in this release that relates to Exploration Results is based on information prepared by Mr Simon Lawson, a Member of the Australasian Institution of Mining and Metallurgy. Mr Lawson is the Managing Director of Marindi Metals Ltd, a full-time employee and shareholder. Mr Lawson 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 Lawson consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Table 1 – FFRC0017 Collar table

Hole ID	Easting MGA	Northing MGA	EOH Depth	Azi Mag	Dip
FFRC0017	759578	6387512	150	060	-60

Table 2 – FFRC0017 Assay table

From	To	ME-ICP89 Li %
64.0	65.0	0.001
65.0	66.0	0.015
66.0	67.0	0.006
67.0	68.0	0.040
68.0	69.0	0.021
69.0	70.0	0.012
70.0	71.0	0.014
71.0	72.0	0.025
72.0	73.0	0.024
73.0	74.0	0.008
74.0	75.0	0.005
75.0	76.0	0.006
76.0	77.0	0.011
77.0	78.0	0.008
78.0	79.0	0.011
79.0	80.0	0.006
80.0	81.0	0.007
81.0	82.0	0.009
82.0	83.0	0.006
83.0	84.0	0.005
84.0	85.0	0.006
85.0	86.0	0.004
86.0	87.0	0.004
87.0	88.0	0.004
88.0	89.0	0.021
89.0	90.0	0.012
90.0	91.0	0.004
91.0	92.0	0.035
92.0	93.0	0.047
93.0	94.0	0.071
94.0	95.0	0.039
95.0	96.0	0.008

From	To	ME-ICP89 Li %
96.0	97.0	0.004
97.0	98.0	0.018
98.0	99.0	0.012
99.0	100.0	0.018
100.0	101.0	0.020
101.0	102.0	0.006
102.0	103.0	0.005
103.0	104.0	0.006
104.0	105.0	0.006
105.0	106.0	0.008
106.0	107.0	0.005
107.0	108.0	0.004
108.0	109.0	0.001
109.0	110.0	0.005
110.0	111.0	0.003
111.0	112.0	0.005
112.0	113.0	0.006
113.0	114.0	0.022
114.0	115.0	0.011
115.0	116.0	0.007
116.0	117.0	0.007
117.0	118.0	0.010
118.0	119.0	0.016
119.0	120.0	0.028
120.0	121.0	0.003
121.0	122.0	0.003
122.0	123.0	0.004
123.0	124.0	0.006
124.0	125.0	0.004
125.0	126.0	0.003
126.0	127.0	0.001
127.0	128.0	0.014

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 Schramm 685 rig with 2400CFM and 800 PSI air pressure. 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 reputable drilling contractor using suitable drilling equipment has been used for this drill program. The contractor and Marindi Metals staff 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 regularly, or if there is significant movement noticed, then it is levelled after every 1m to ensure 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 to be assayed, any recovery loss is noted in the assay ledger. • Drilling to date by Marindi has had very good sample recovery. • No apparent bias has occurred during sampling.
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 entry into the Marindi Metals Ltd database.

Criteria	JORC Code Explanation	Commentary
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 Metals Ltd geologist. • All intervals are documented digitally. • 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.
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Samples are analysed via a 4 acid digest with an ICP-MS finish. This method is considered to be a total analysis of the sample with 48 elements assayed for. For Li samples greater than 10000ppm, a new analysis is done using Na2O2 fusion with a ICP-AES finish. • The analysis is completed by an industry-leading laboratory. • Each batch of samples analysed has several standards, blanks and duplicates included. • No geophysical tools are used. • An XRF instrument is used to aid geological logging and determination of sample intervals. No XRF data has been reported by Marindi Metals Ltd.

Criteria	JORC Code Explanation	Commentary
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 Metals Ltd personnel and contract professionals. • None of the drill-holes in this report are twinned. • All data is recorded on paper logs 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 locations. • Adjusting Li to Li_2O is achieved by multiplying by 2.15 and adjusting Fe to Fe_2O_3 is achieving by multiplying by 1.43. These being the relevant atomic weight ratios.
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 hole locations are recorded in MGA94_Zone50 coordinate system. • Topographic control is considered adequate.
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.*	• The drill spacing in this program has been variable, however, where specific lines have been drilled across the greenstone/granite contact 100m to 50m spacing is used. • Where intersections of interest have been made, a “scissor”-hole has been drilled at 180 degrees to the first to confirm width of original intercept. • Exploration drilling at the Cosmic Boy East prospect is preliminary and spacing and distribution of exploration results is not sufficient to support Mineral Resources or Ore Reserves. • Each reported assay in this release is a 1m composite. Composites are 4% cyclone splits.
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. • Scissor holes have been drilled at regular intervals and in areas of interest to ensure widths and orientations are refined. • Exact true widths and specific orientation of mineralised bodies could be established with additional drilling.

Criteria	JORC Code Explanation	Commentary
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 Marindi Metals Ltd. • Samples are stored onsite and transported to the laboratory by Marindi Metals Ltd personnel or a licenced transport company. • The laboratory issues a receipt and a reconciliation of delivered samples against the laboratory analysis submission form from Marindi Metals Ltd.
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.*	• E77/2348 is 100% owned by Forrestania Pty Ltd which is a 100% owned subsidiary of Marindi Metals Limited
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• A large amount of historic data is available to Marindi Metals and appraisal of data is continuing. • The majority of nickel exploration was reported on by Amax Exploration (Aust) limited in 1975 . The sampling and appraisal of the LCT pegmatites was most comprehensively reported on by Aztec Exploration in 1985 (Wamex ref A17582) and specifically appendix 2 of that report entitled “The potential for pegmatite related mineralisation in the Mt Hope District Yilgarn Goldfields, Westerns Australia” by Dr L F Betternay.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• As described in this document
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 Table 1 of this document, Drill Hole Collar Table.
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').*	• As described in this document • All intersections reported in this release are downhole intervals.
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.*	• Appropriate maps with scale are included within the body of the accompanying document.

Criteria	JORC Code explanation	Commentary
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.*	• The accompanying document is considered to represent a balanced report.
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.*	• Other exploration data collected is not considered as material to this document at this stage. Further data collection will be reviewed and reported when considered material.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale stepout 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 exploration is planned once all data has been assessed.