3rd September 2018

Drilling commences at Caranbirini Zinc Joint Venture, NT

- **High-impact diamond drill program underway at Caranbirini Zinc JV with JOGMEC**
- **Drilling will test three high-priority coincident gravity and VTEM targets, <10km from the world-class McArthur River zinc-lead mine**
- **Targets lie within the projected high-potential HYC horizon which hosts the HYC deposit at McArthur River**
- **Drilling is expected to take ~6 weeks to complete with the holes testing the entire stratigraphic sequence**

Marindi Metals Limited (ASX: MZN) is pleased to announce that a major diamond drilling program will commence this week at its Caranbirini Zinc Joint Venture Project in the Northern Territory.

As announced 27 March 2018, Marindi Metals has partnered with the Japan Oil, Gas and Metals National Corporation (JOGMEC) at the Caranbirini Project to explore the highly-prospective McArthur Group sedimentary sequence, less than 10km from the world-class McArthur River zinc-lead operation, owned and operated by Glencore Plc (see Figure 1).

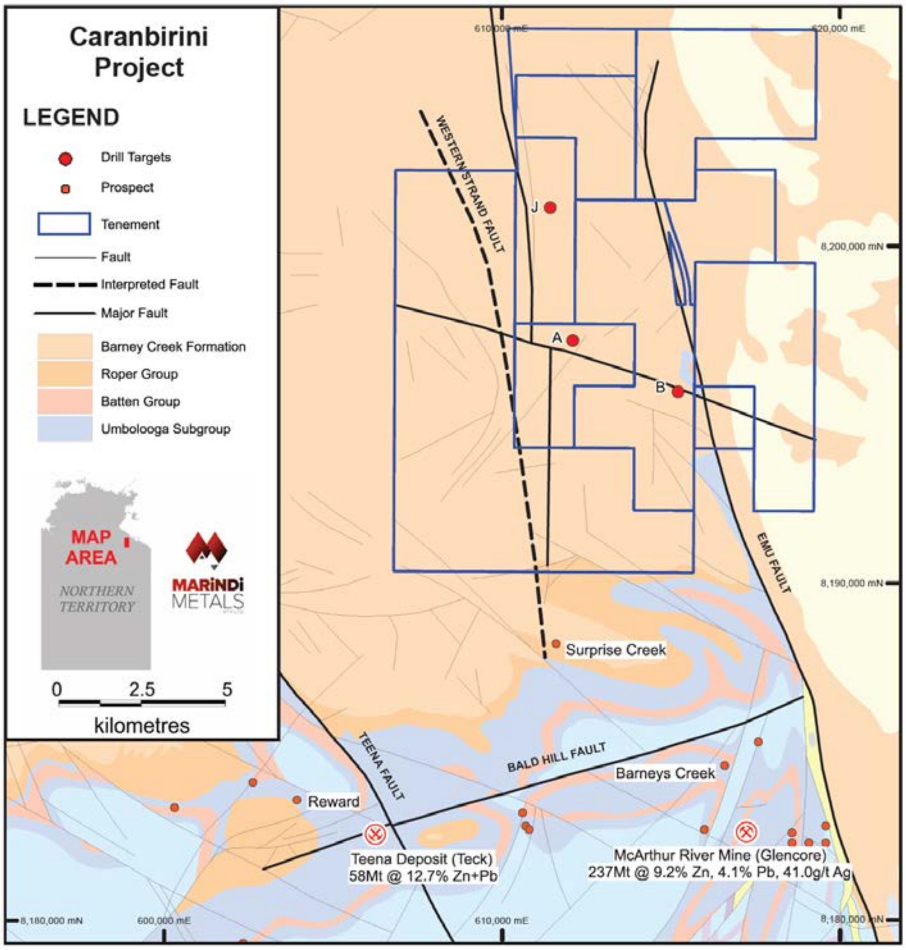

Figure 1. Caranbirini Zinc JV Project location with geological context and proximity to the world-class McArthur River Zn-Pb-Ag Mine.

The McArthur River Mine is the second-largest zinc deposit in the world with a resource of 237Mt of zinc ore. The zinc-lead-silver mineralisation at the McArthur River Mine occurs within the carbonaceous and pyritic HYC member of the Lower Barney Creek Formation. The HYC deposit is roughly 2km wide and 55m thick.

The HYC or "Here's Your Chance" deposit at McArthur River, as it was originally named, is a Sedimentary Exhalative or SEDEX-style deposit. SEDEX deposits are produced during extended fault-related low-temperature hydrothermal metal-rich brine interaction on or just below the sea-floor in a marine basinal environment.

These deposits are commonly stratiform (deposition oriented relative to a sedimentary sequence(s)) and often kilometre-scale in their extent. Mt Isa, George Fisher – the largest zinc resource in the world – and the Century zinc mines are other examples of local world-class SEDEX deposits (see Figure 2).

Figure 2. Northern Australian SEDEX deposit locations. HYC is the McArthur River Mine. Large circles indicate +10Mt of contained zinc metal.

The Caranbirini JV Zinc Project

At the Caranbirini Zinc Joint Venture Project, the Emu Fault, active as a conduit for metal-rich brine fluids during deposition of the HYC deposit, runs directly through and across the east of the project area.

Surface soil sampling traverses conducted by Marindi have identified the Emu Fault and also the adjacent Western Strand Fault as having acted as conduits for metal-rich – specifically zinc-rich fluids – along the vast majority of their strike lengths where they cross the Caranbirini Zinc Joint Venture Project area.

Surface mapping and historical drilling has shown that the same sedimentary sequence that hosts the HYC deposit to the south is spread across the JV project area, with a gradual thickening towards the Emu Fault.

Sporadic drilling by previous operators at Caranbirini has tested mainly the upper rock units of the sequence with only one or two holes drilled deep enough to intersect the HYC unit.

Significant historical results include 40m of sulphidic shale (HYC) from 568m including 0.5m @ 22.4% Zn, 2.5% Pb and 8.5g/t Ag (historical drill-hole DD82CA1, drilled by CRA).

Geophysical methods, particularly gravity surveys, are useful in targeting potential SEDEX deposits, due to the presence of abundant high-density zinc and lead in these types of deposits.

Gravity surveys conducted by Marindi have identified nine high-density targets across the Caranbirini Zinc Joint Venture Project area, with two considered high-priority due to their location adjacent to the historical fluid conduit Emu and Western Strand Faults.

In 2017, Marindi partnered with the CSIRO to re-process Heliborne Electromagnetic (Heli-EM or VTEM) data acquired in 2010 over the Caranbirini Zinc Project. This re-processing used a new algorithm, giving much better depth resolution. The acquisition of VTEM data is used to identify sub-surface conductive layers within the McArthur Group sediments on the basis that shales, specifically the HYC sulphidic shale unit, would be highly conductive and illustrate depth to the target horizon across the project area.

The re-processing worked very well with depths to the HYC shale projected at around 600-800m across the entire project area (see Figure 3).

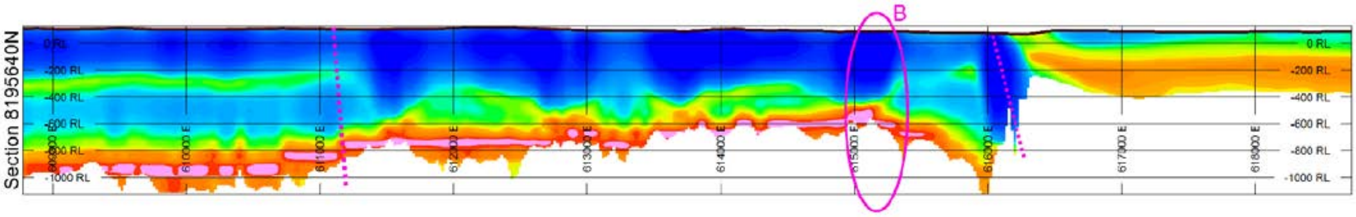

Figure 3. CSIRO conductivity cross-section through 8195640N illustrating Target B and projected depth to target of -500m to -650m. View looking north, Emu Fault dashed line on the right, Western Strand Fault dashed line on left.

On the basis of the gravity and VTEM studies, nine targets have been identified, all within 500m to 800m from surface, and all within the projected high-potential HYC horizon.

A schematic cross-section of the stratigraphy and geometry of the expected units is illustrated in Figure 4.

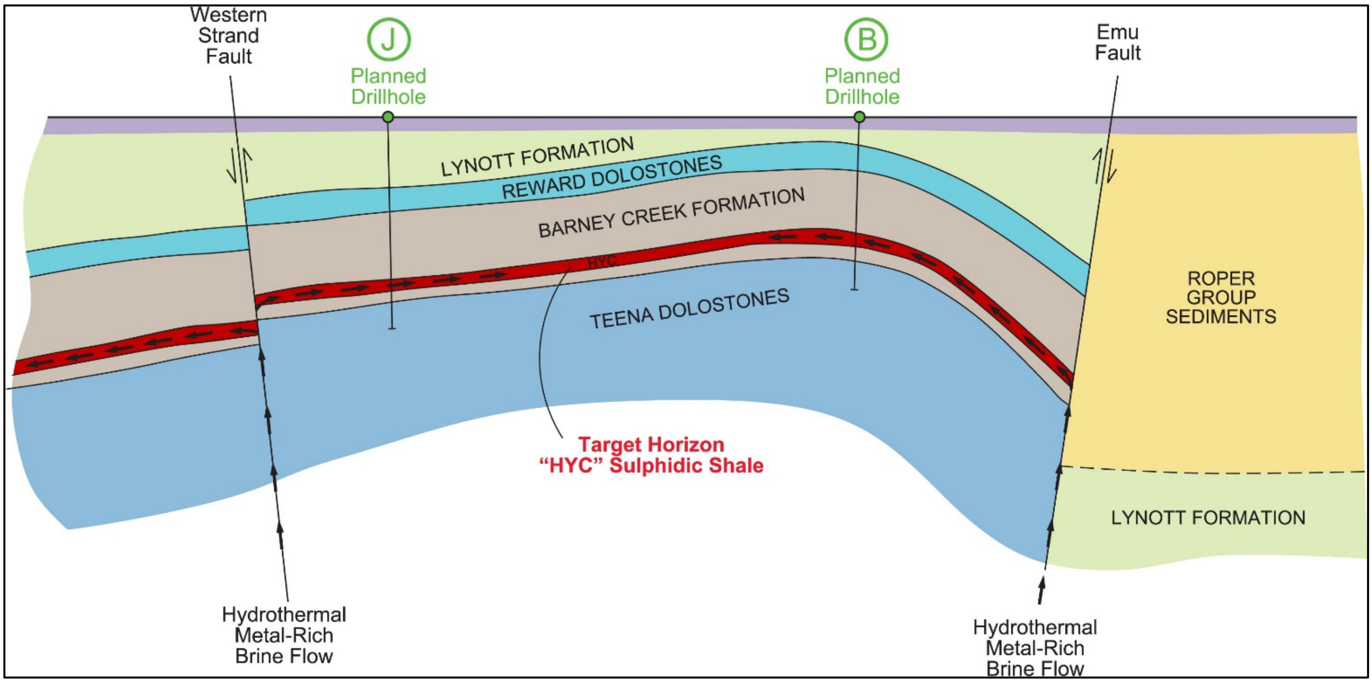

Figure 4. Schematic cross-section derived from acquired data illustrating target B and J and expected stratigraphy. Not to scale.

After consultation with JOGMEC and reaching agreement on strategy and budgeting, three of these targets – A, B, and J – are slated for drill testing during the upcoming campaign (see Figure 5).

The JV drill program is expected to take around six weeks to complete and all three priority targets will be tested to depth to ensure full coverage of the stratigraphic sequence.

Personnel are currently on-site at the Caranbirini Zinc Joint Venture Project setting up the drill-camp and establishing drill access tracks, pads and sumps.

DDH1, a highly experienced drilling company with extensive experience drilling in this area, will arrive between the 5th and 7th September with drilling to commence on Target B soon thereafter.

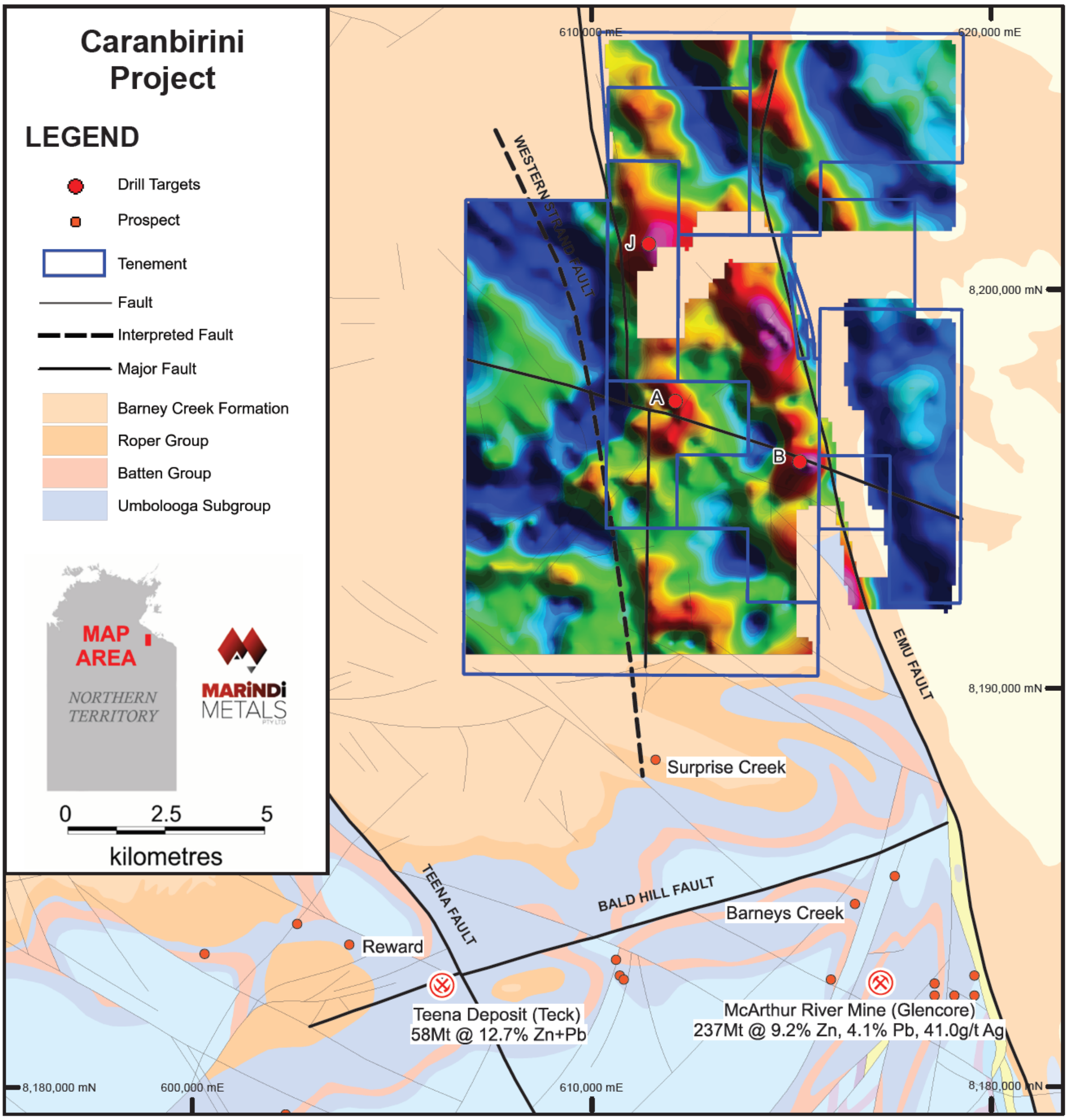

Figure 5. Caranbirini JV Zinc Project gravity anomalies with Marindi tenure (blue), and the three priority drill targets A, B and J.

Marindi's Managing Director, Simon Lawson, said: "We have moved from signing a Joint Venture agreement in March 2018 through ground-based targeting and refinement to commencing a major drilling campaign in a premier zinc region at Carinbirini inside six months."

"I would like to thank JOGMEC for partnering with us on this exciting and high-potential project. Together, we are poised to break new ground on the selected targets and I am looking forward to the results which this drilling program could generate over the coming months."

Simon Lawson
Managing Director and CEO

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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 and the Australian Institute of Geoscientists 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: Collar ID

Hole_ID	Depth	MGA_East	MGA_North	Dip	Azimuth Mag
DD82CA1	1000.3	614632	8198768	-90	360

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.*	• The intersection of 0.5m @ 22.4% Zn, 2.5% Pb and 8.5 g/t Ag from drill hole DD82CA1 was drilled in the 1980s by CRA. There are no records of the nature and quality of the diamond core sampling.
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.).*	• Historic hole DD82CA1 was RC drilled to 288m and diamond cored to end of hole at 1000.3m.
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 recovery is not recorded.
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.*	• Logged to industry standards for 1980's

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.*	• Unknown. CRA was a reputable Australian exploration company. It is assumed good industry practices were adopted during the exploration program.
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.*	• Unknown. CRA was a reputable Australian exploration company. It is assumed good industry practices were adopted during the exploration program.
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.*	• Unknown. CRA was a reputable Australian exploration company. It is assumed good industry practices were adopted during the exploration program.
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.*	• Unknown. CRA was a reputable Australian exploration company. It is assumed good industry practices were adopted during the exploration program.
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.*	• Unknown. CRA was a reputable Australian exploration company. It is assumed good industry practices were adopted during the exploration program.
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.*	• NA for this release
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• The orientation of the CRA drill hole intersects the McArthur Group at a high angle.

geological structure	• *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.*	
Sample security	• *The measures taken to ensure sample security.*	• NA
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Marindi Metals have checked the relevant annual reports and sighted the drill hole collar.

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 Caranbirini Project comprises of 8 granted exploration tenements EL28951, EL28952, EL25313, EL28007, EL28006, EL31424, EL25467 and EL29021. All tenements are held by Marindi Metals Ltd.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Initial exploration along the Emu fault started in the late 1960's, and in the early 1970's the McArthur River Mine was discovered seven kms to the south of Caranbirini. In the 1970's and 1980's, Amoco, CRA and Kennnecott completed airborne EM, IP survey, gravity, geochemical assessment and drilling. 7 drill holes were drilled with best results of 0.5m @ 2.5% Pb, 22.4% Zn and 9g/t Ag, and 3m @ 0.9% Pb, 7.3% Zn and 10g/t Ag. In the 1990's three drill holes were drilled by MIM with best result of 1m @ 1.3% Pb and 17% Zn. Little work was completed in the 2000's. In 2012 Brumby completed a VTEM survey and tested shallow VTEM anomalies with 4 holes (<380m). Only weak Zn anomalism was found. In 2016 Marindi Metals engaged in an Innovation Connections project with CSIRO Mineral Resources. CSIRO used historic drill core, a new gravity survey and re-processed VTEM data to create a 3D structural and geological model. In 2017 Geodiscovery Ltd completed a review of the CSIRO work and recommended several priority targets.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Caranbirini Project is located within the McArthur Group sediments and along the Emu Fault. The McArthur Group sediments are divided into the Umbolooga and Batten subgroups. The late-Paleoproterozoic Umbolooga subgroup comprises the basal Teena Dolostone, Barney Creek Formation and the Reward Dolostone. The Barney Creek Formation has the Cooley Dolostone Member, the W-fold Shale Member and the HYC Pyritic Shale Member. The Barney Creek Formation hosts the McArthur River Mine with 237Mt @ 13.4% Zn + Pb and the Teena deposit 58Mt @ 12.7% Zn + Pb.
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*	• See Collar Table in release. Further information is in the CRA annual report CR19830022

	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.*	
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').*	• Down-hole length, true width not known.
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 are included within the body of the accompanying document.
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*	• N/A to this release

	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.*	