



ASX/Media Release

(ASX: MZN)

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Issued Capital:

876.9m fully paid ordinary shares,

236.8m listed options Ex. 2.0c
Expiring 31 December 2016

62m unlisted options Ex. 2.5c
Expiring 31 December 2019

Marindi Secures Lithium Projects in WA's Forrestania Belt

Establishes dominant lithium exploration portfolio in WA's Forrestania Greenstone Belt within 1km of recently announced results from Western Areas – 50m @ 0.95% Li₂O (incl. 9m @ 2.85% Li₂O)

Key Points:

- **Marindi secures a dominant position for lithium exploration in the Forrestania Greenstone Belt of Western Australia with applications lodged for 850 square kilometres of tenements over a 90km strike length.**
- **Minimal historical systematic lithium exploration within the Forrestania Greenstone belt despite 'accidental' drill intersections of spodumene pegmatites during nickel and gold exploration programs**
- **Newly established portfolio includes:**
 - **The South IronCap Prospect, located immediately adjacent to Western Areas' (ASX: WSA) recently announced lithium exploration results – 50m @ 0.95% Li₂O including 9m @ 2.85% Li₂O (SID017) as spodumene.**
 - **Multiple pegmatites identified recently by Marindi at the Diggers Rocks South Prospect**
 - **Tenements at the Mt Hope Prospect lie within 1km of significant historical spodumene intercepts reported by Forrestania Gold Mines in 1987, including 9m @ 1.87% Li₂O (MHD19).**
- **Marindi's 100% owned lithium project is located within 100km of one of the two operating spodumene mines in Australia at Mt Cattlin – which is owned by General Mining Ltd (ASX: GMM) and Galaxy Mining Ltd (ASX: GXY).**
- **Marindi secures the services of respected pegmatite consultant Dr Leigh Bettenay.**
- **Marindi is evaluating the area with a view to commencing ground-based exploration in the near future. These programs will be advanced in parallel with ongoing exploration at the Company's flagship Newman Base Metals Project in the Pilbara.**

Marindi Metals Limited (ASX: MZN) is pleased to advise that it has secured an attractive new growth opportunity in lithium exploration in the Forrestania Greenstone Belt of WA, after identifying and securing a highly prospective project package in the heart of a well-known pegmatite district.

Background

Marindi has in-depth knowledge of the Forrestania Greenstone Belt with the Company's Managing Director Joe Treacy having worked extensively in the belt in the 1970s and 1980s in the first instance and subsequently with base metals miner Kagara Ltd, which previously owned the nearby Lounge Lizard nickel deposit (an extension to the Flying Fox nickel deposit).

Pegmatites are the host rock for spodumene-lithium mineralisation similar to that being mined at the Mt Cattlin Project (Galaxy Resources and General Mining), located near Ravensthorpe some 100km to the south, and to the mineralisation which underpins the world-class Pilgangoora lithium-tantalum deposit in WA's Pilbara region, currently being developed by Pilbara Minerals (ASX: PLS).

The combined project package – to be known as the Forrestania Lithium Project – provides Marindi with numerous walk-up exploration targets for potential lithium mineralisation in a region which was recognised historically for its strategic metals prospectivity.

The Forrestania district has come into prominence in the lithium sector recently with the start-up of production from the Mt Cattlin spodumene project and with the recognition of the spodumene-lithium potential of the area by other companies such as Western Areas (ASX: WSA) and Kidman Resources (ASX: KDR) at its Mt Holland Project.

The intersection of 50.6m @ 0.95% Li₂O quoted by WSA lies adjacent to Marindi's South Ironcap Prospect. The Mt Hope Prospect located at the northern end of Marindi's tenement holdings was the focus of nickel exploration activity in the 1970s, during this time intersections of up to 9m@1.87%Li₂O MHD 019 from spodumene were recorded, (Forrestania Gold Prospectus 1987).

Marindi views the Forrestania Lithium Project as a low-cost, complementary growth opportunity alongside its flagship 100%-owned Newman Zinc Project, where a new phase of drilling is about to commence.

Forrestania Lithium Project

Following a geological review of the potential for lithium mineralisation in the Yilgarn and the Pilbara Marindi has applied for six Exploration Licences covering a total area of approximately 850 square kilometres on the eastern and southern sides of the Forrestania Greenstone Belt, north of Ravensthorpe.

This greenstone belt, which hosts the highly successful Bounty Gold Mine and Flying Fox Nickel deposits, was recognised historically for its strategic metals potential but has had virtually no exploration for these commodities since the 1970s. Marindi's applications build on information gathered from previous field experience working in the belt in the 1980s.

The accompanying plan shows the extent of the Marindi tenements.

In 1985 consulting geologist / geochemist Dr Leigh Bettenay prepared a report on the area in which he concluded that the pegmatites in the Forrestania Greenstone Belt are highly fractionated, enriched in a variety of rare elements and hence have the potential to contain significant mineralisation such

as lithium, tantalum, tin, beryllium, etc., similar to pegmatites at Greenbushes and Pilbara Pegmatite Districts.

Dr Bettenay is consulting to the Company on its future lithium exploration program and direction.

Pegmatites with these characteristics are often termed “LCT” pegmatites (for Lithium-Caesium-Tantalum) and, where they occur elsewhere in the world, they constitute major sources for Li, Ta-Nb, Sn, Be and other specialty elements.

Numerous pegmatites are known within the Forrestania Greenstone Belt as a result of accidental intersections in drill holes dating back to the 1970s that were targeting gold and nickel. Despite this, there is no indication that the known pegmatites have ever been appraised for their economic potential. Nor is there any record of exploration in the district specifically for lithium, tin, tantalum or other specialty metals. Hence, there is a significant opportunity to assemble the existing data and to progress rapidly to the point of identifying specific drilling targets.

The tenement package has an area of 850 square kilometres and a strike length of approximately 90 kilometres. Previous exploration has been primarily directed toward gold and nickel, however regional lag sampling conducted in the 1990s returned several samples with anomalous tin values (WAMEX database A 18389). A very preliminary investigation of these anomalies has resulted in the location of pegmatite rock outcrop at Digger Rocks South within the Marindi ELA's. A review of the open file data base also confirms that the tenements have anomalous gold geochemistry.

While Marindi remains focused on its Newman Base Metal Project it will concurrently commence immediate appraisal of the lithium potential of the Forrestania Project.

Marindi's Managing Director, Mr Joe Treacy, said the new WA lithium projects provided the Company with a low-cost entry to a high quality exploration opportunity in a proven lithium district.

“The Company's extensive knowledge of the Forrestania Greenstone Belt from previous field experience dating back to the 1980s has given us a significant head-start in terms of identifying and rapidly appraising these lithium exploration opportunities.

“The Forrestania district is a proven host to lithium-rich pegmatites, as evidenced by the recently commissioned Mt Cattlin spodumene project, but it has been largely ignored for strategic metals over the past three decades due to the focus on gold, nickel and iron ore.

“We see the lithium sector as sharing many of the characteristics of our other key commodity – zinc – in that it has outstanding market fundamentals and is currently experiencing a significant mismatch between supply and demand.

“We see an opportunity to create value for our shareholders by exploring in a proven lithium district with the potential for genuine discoveries close to existing infrastructure and, in the case of the Forrestania district, one of the State's only operating strategic metals operations.

“We intend to initiate our exploration activities this quarter in the Forrestania region to give our shareholders the opportunity to leverage off this strategic acquisition while remaining focussed on our flagship Newman Base Metal Project. “

Joe Treacy
Managing Director

Figure 1 - Forrestania Greenstone Belt Lithium Project

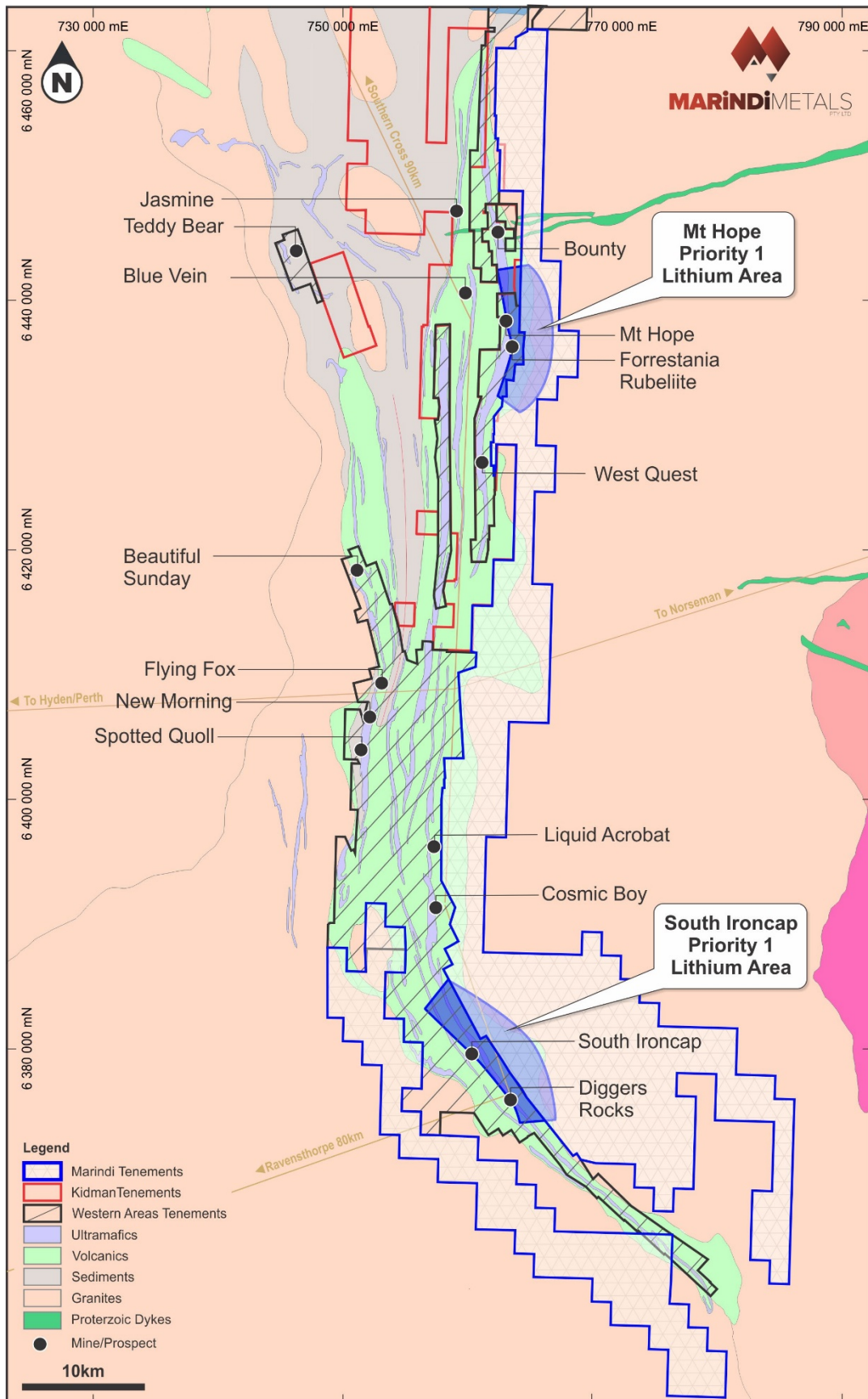


Figure 2 - South Ironcap Lithium Project

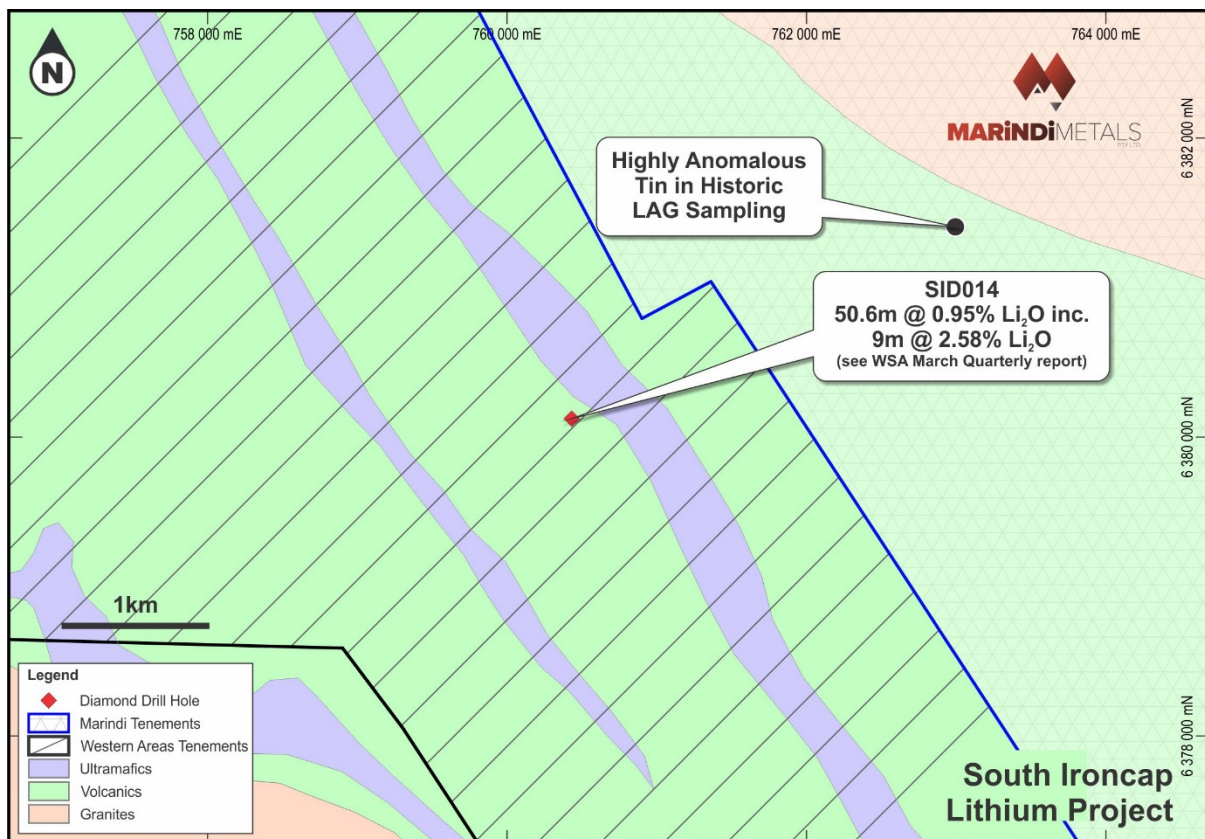


Figure 3 - Mt Hope Lithium Project

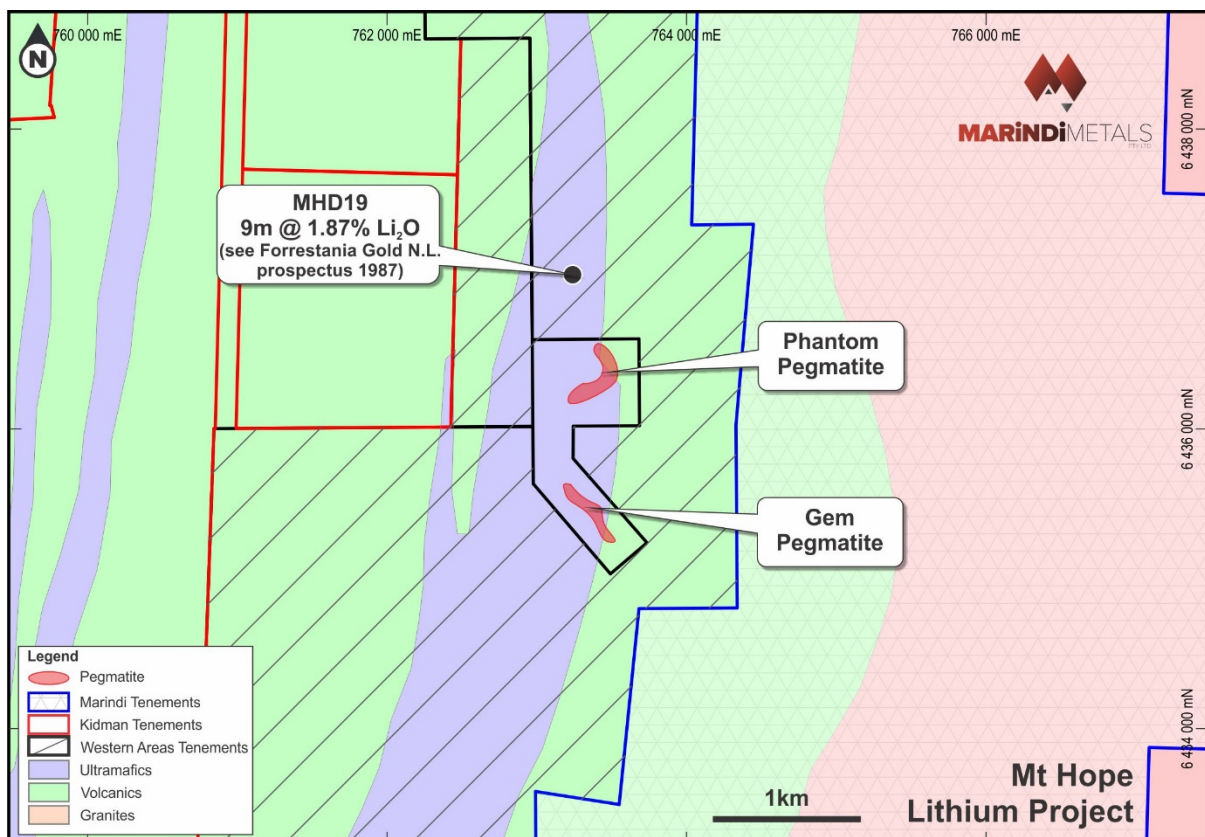


Figure 4 - Diggers Rock South Pegmatite Outcrop



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.

Information in this report may also reflect past exploration results, and Marindi's assessment of exploration completed by past explorers, which has not been updated to comply with the JORC 2012 Code. The Company confirms it is not aware of any new information or data which materially affects the information included in this announcement.