

20 October 2017

ASX ANNOUNCEMENT

By Electronic Lodgement

MRV METALS PTY LTD FIRST SILVER CONCENTRATE READY FOR DISPATCH

- Approx. 784kg of Silver Concentrate being finalised through the Retort process, ready for dispatch from the Granite Belt Project Site next week
- Tail end processes of treatment area, being the retort onward are fully commissioned and operational
- Progress through production supply chain for commissioning continuing
- Currently on track to achieve full production by end of January 2018

It is with great pleasure the board of Moreton Resources Limited announces it's maiden mining operations at the Granite Belt Project, operated by our fully owned subsidiary MRV Metals Pty Ltd, has prepared its first batch of Silver Concentrate, generated from commissioning activities at site in the last two weeks. It is expected two shipments will take place from site in the coming week.

The Silver Concentrate, which is bound for our smelting and refining partners Siltech PMR Pty Ltd in Melbourne, is the outcome of the following commissioning activities:

- Commissioning of the Silver Room's Retort process which is the drying and purification of the concentrate
- Commissioning of the broader Silver Processing Shed and its Electrical Systems
- Commissioning of our Site Power Generation systems and processes
- Commissioning of our calibration, Lab, Assaying and Weighing facilities

In saying this, we have generated approx. 784kg of Silver Concentrate, which contains multiple impurities due to the commissioning nature of the processes and collection methods.





However, the company does through our Assay Results, expect considerable Oz of Silver to be produced from this maiden shipments of concentrate to Siltech. Moving forward we would expect to be shipping Silver concentrate of greater than 70% purity, for further treatment by our smelting and refining partners.

More importantly, this now validates our success in establishing the tail end process, and we will continue to work our way back through the production chain, focusing upon the process Ponds and Filtration systems for bulk concentrate production, in our extraction trial in the coming weeks.

The board is extremely pleased with the progress of the Operational commissioning, and the Company is well on track for significant Silver concentrate production by the end of January 2018, at which point we expect to be close to our targeted monthly production rate of 90,000Oz per month.

Regards

Jason Elks
Executive Chairman
Moreton Resources Limited

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