

ASX ANNOUNCEMENT

28 April 2023

MRG METALS MARCH 2023 QUARTERLY ACTIVITY REPORT

Key Highlights

Corridor Projects

- New discoveries and successful metallurgical testwork demonstrate potential to significantly upgrade the existing PEA at Corridor HMS Project (NPV after tax USD\$258M; ASX 3 November 2022).
- Significant Results during the quarter:
 - Metallurgical testwork completed successfully on the bulk sample non-magnetic concentrate that had been assigned a low value in existing PEA;
 - Aircore drilling delivered exceptional mineralogy and high-grade assay results confirming the new target, “Azaria”, located just 3km east of Koko Massava deposit; and
 - Planning commenced for an extensive exploration program in 2023.

Corporate

- Equity raising completed comprising:
 - 3 for 5 pro-rata non-renounceable entitlement offer of options to existing Shareholders closed on 13 January 2023 raising \$312,683;
 - A Placement of fully paid ordinary shares, with 2 for 3 free attaching options, raising \$60,000 from Directors, after approval from the General Meeting held on 13 January 2023;
 - Placement of fully paid ordinary shares, with 2 for 3 free attaching options, raised \$840,000 (completed in November 2022); and
 - Funds to be used for improvement programs to increase project economics of the Corridor Sands HMS Project towards Feasibility.
 - MRG Metals held a cash position of \$853,000 as at 31 March 2023.
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MRG Metals Limited (“MRG” or “the Company”) (ASX Code: MRQ) is pleased to provide a summary of the Company’s activities for the March 2023 quarter.

CORRIDOR SANDS PROJECT

PROGRAMS TO IMPROVE THE NPV OF THE CORRIDOR SANDS PROJECT

During the quarter, MRG Metals continued activities to significantly improve the NPV that will be generated from an updated Preliminary Economic Assessment (PEA).

2023 EXPLORATION PROGRAM

MRG has commenced planning for a targeted exploration program during 2023, following the excellent Q4 2022 Total Heavy Mineral (THM) and mineralogy results from aircore drilling and associated laboratory metallurgical testwork results at Corridor Central (11142C), Corridor South (11137C) and Marao (6842L) licences.

The exploration activities and 2023 HMS work plan (refer Table 1) will focus on new data to update and hopefully further increase the already substantial NPV for the Corridor Project. This will likely comprise:

- infill / extension aircore drilling of Azaria and Malambane for MRE and pit optimisation purposes;
- mineralogical and metallurgical studies, with new grade and metallurgical recovery work to be undertaken initially on Azaria and Malambane drill samples; and
- further study of the non-magnetic part of the existing PEA material to upgrade the zircon recoveries.

Table 1: Work program for 2023, with priority rating of targets.

Funding Priority 2023	Deposit / Target	Mineralogy VHM (Total %)	Next Step 2023
1	Koko Massava + Nhacutse + Poiombo PEA (NPV) A\$417M	45	Focussed metallurgy aimed to upgrade non-magnetic product value, to in turn substantially increase the project NPV
2	Malambane	61.6	Initial metallurgy to confirm significant VHM mineralogy results compared to Koko Massava, Nhacutse + Poiombo
3	Azaria	72.4	Initial metallurgy to confirm significant VHM mineralogy

			results compared to Koko Massava, Nhacutse + Poiombo
7	Cihari	58.1	Initial metallurgy to confirm significant VHM mineralogy results compared to Koko Massava, Nhacutse + Poiombo
8	Viaria	63.5	To be announced
9	Zulene	62.6	To be announced
10	Magonde	58.2	To be announced
11	Mandende	58.7	To be announced
12	Maduacua	57.4	To be announced
13	Corridor North	NA	To be announced upon grant of ELA
4	Patricio, Fotinho, Adriano (REE + U)	NA	Field work to commence immediately upon grant of ELA. Geological mapping, stream sediment sampling, auger drilling
5	Olinga (REE + U)	NA	Field work to commence immediately upon grant of ELA. Geological mapping, stream sediment sampling, auger drilling
6	Linhuane	NA	Field work to commence immediately upon grant of ELA. Auger drilling to follow up very high THM historic anomalies

METALLURGICAL TESTWORK

During the quarter, MRG completed highly successful metallurgical testwork on non-magnetic (nonmag) concentrate that had been assigned a low value in the existing PEA. These metallurgy results are expected to significantly and positively impact the economic model to be associated with an updated PEA.

Previous Scoping and PEA testwork conducted at IHC Mining on a bulk sample generated from the Koko Massava deposit produced a non-magnetic concentrate as a potential product stream. The valuable mineral in the concentrate was predominantly zircon, with rutile as a secondary product. The concentrate was degraded by high grades of U and Th associated with monazite and with aluminosilicates.

The objective of the sighter testwork was to investigate potential product grades in the concentrate and to identify potential issues that would impact the grade and recoveries of those products. The sample used for the sighter testwork (Figure 1) was a composite of processing streams reconstituted to a non-magnetic concentrate by IHC Mining (Table 2).

The sighter metallurgical testing involved single stage RER magnetic separation on the non-magnetic concentrate, followed by primary stage of electrostatic separation on the nonmag stream to further isolate potential zircon and rutile products by to separate the TiO₂ bearing minerals from the zircon. The two streams were then processed through stages of gravity, electrostatic and magnetic separation to isolate potential zircon and rutile products.

The RER magnetic separation work resulted in upgrading the nonmag by a significant reduction in mass of the nonmag concentrate by removing deleterious minerals such as aluminosilicates and Monazite, as well as significant reductions in Fe₂O₃ and Cr₂O₃. The electrostatic separation, followed by gravity, electrostatic and magnetic separation, resulted in a number of near Zircon and Rutile product streams. Further optimised testing will result in upgrading the Zircon and Rutile streams further. Testwork to optimise a Monazite product from the reject magnetic stream needs to still take place.

TZMI calculated value for combined Zircon and Rutile non-magnetic products are now more than USD\$900 per ton, up from approximately USD\$350 per ton used in the PEA, with additional work to be done, including on the Monazite in the magnetic rejects, to determine value.

TZMI estimated the unit prices of ZrO₂ and TiO₂ at US\$15.95 per % and US\$8.12 per % respectively, multiply the values against the ZrO₂ (47.9%) and TiO₂ (15.4%) content of the non-magnetic concentrate, to a total value of more than USD1,000 per ton.

Further metallurgy results are expected shortly from sighter testwork at newly discovered Azaria and Malambane deposits, where substantially higher VHM mineralogy has been discovered and is being progressed in anticipation of providing further upside into an updated PEA.

Summary of testwork and results

The following comments are made based on the results of the initial sighter testwork on the non-magnetic concentrate:

- The grade of the reconstituted non-magnetic sample closely matched the results from IHC Mining for the same sample (Table 2). The exception to this is the CaO grade of 0.59% compared to the 0.05% in the Reported (IHC) assay. While this may warrant further investigation, the distribution of CaO in the primary separation stage was 85% reporting

to mag rejects, therefore did not adversely affect the grades of products in the context of this sighter.

- The non-magnetic concentrate had a $\text{ZrO}_2 + \text{HfO}_2$ grade of 30%, equating to an approximate zircon content of 45.5%. The grade of TiO_2 in the sample was 16.7% and the grade of Fe_2O_3 was 14.1% **(Refer ASX Announcement 31 August 2022)**.
- The principle contaminant minerals in the concentrate were aluminosilicates, both para-magnetic and non-magnetic with the associated oxides Al_2O_3 , SiO_2 and Fe_2O_3 . Additionally, the sample had a high grade of monazite, associated with the oxides CeO_2 , P_2O_5 and Th. A calculation of the monazite content based on an approximate CeO_2 content of 26% in monazite was 7.1%. The combined grades of U and Th in the was 5,293 ppm.
- The primary process tested in the sighter metallurgical testwork was a single stage of magnetic separation using an RER magnetic separator (Figure 1). The process sought to reduce the grades of U and Th through the rejection of monazite to a magnetic reject. Additionally, this process would reduce the mass and increase the grades of zircon in rutile in the concentrate through the rejection of para-magnetic gangue mineral.

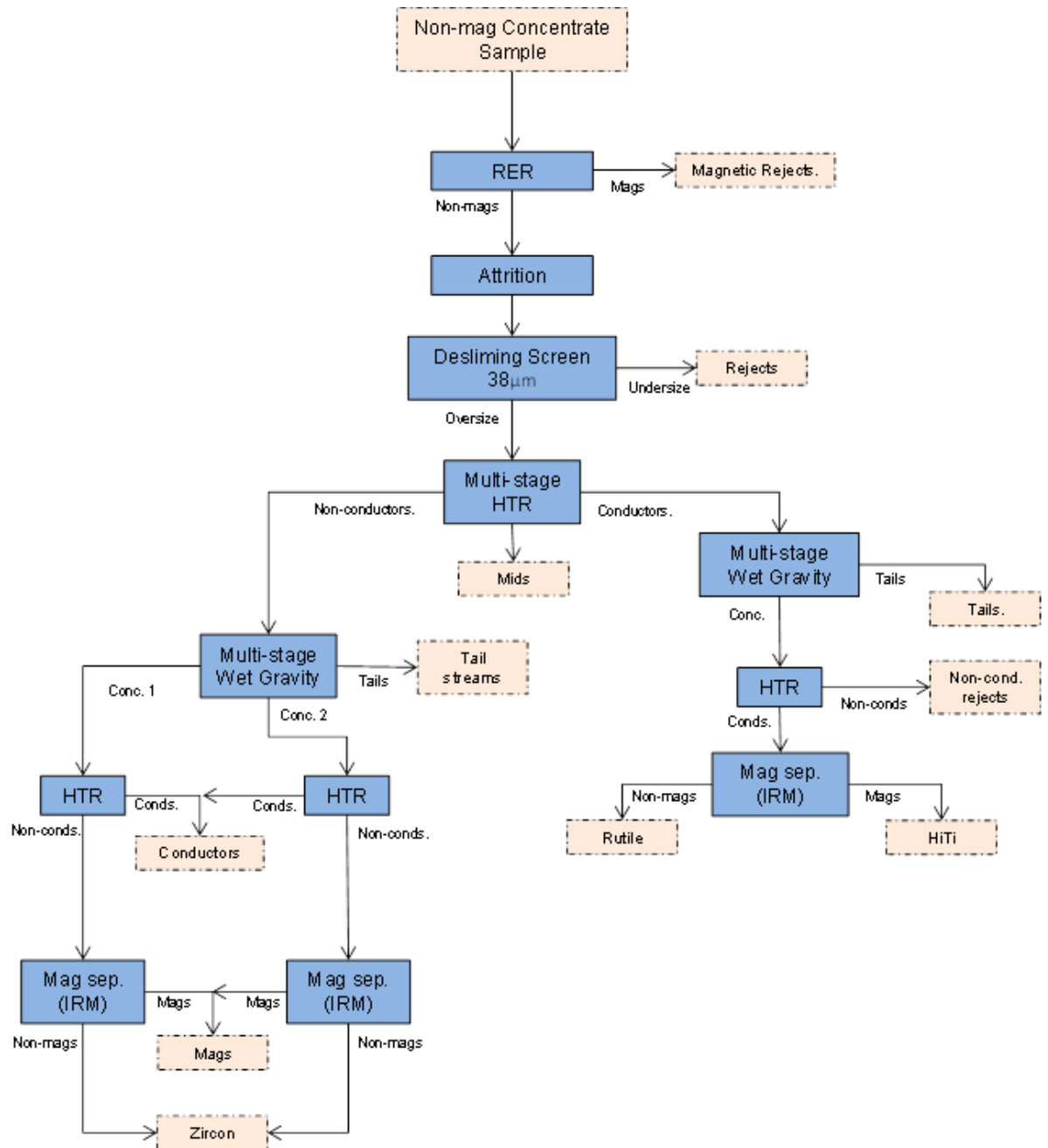


Figure 1: Met testwork flowsheet

- The processing rejected 39.8% of the mass, 97.5% of the Fe_2O_3 , 95.1% of the CeO_2 and 75.6% of the Al_2O_3 to the magnetic stream with a loss of 4% of the ZrO_2 (Table 3). The non-magnetic stream had a $\text{ZrO}_2+\text{HfO}_2$ grade of 47.87% equating to an approximate zircon content of 72.5%.

- There was a recovery of 60.3% of the TiO_2 to the non-magnetic stream (Table 3). The ratio of TiO_2 to Fe_2O_3 in the non-magnetic stream indicates that this is associated with high TiO_2 and low Fe_2O_3 mineral, rutile and HiTi/leucoxene. The TiO_2 reporting to the magnetic fraction is likely secondary type ilmenite although this could be further investigated in future testwork. The grades and distributions of the Cr_2O_3 are notable in regard to this with 98.3% of the Cr_2O_3 reporting to the magnetics at a grade of 4.05% (Table 3).
- The distributions of CeO_2 and P_2O_5 indicate that greater than 90% of the monazite has reported to the magnetic rejects (Table 3). The combined grades of U and Th in the nonmagnetic concentrate are reduced from 5,293ppm in the pre-RER concentrate (Figure 2) to 1,212ppm in the post RER concentrate (Figure 3). While this grade exceeds a typical target for shipping the results do indicate the potential to greatly reduce the U and Th through a stage of magnetic separation.
- Further sighter tests were conducted on a sub-split of the RER non-magnetic concentrate using an IRM (Figure 1). The results of these tests indicate that magnetic separation can be used to reduce the grades of U and Th in the non-magnetic concentrate with the additional benefit of increasing the grade of zircon (Figures 3 and 4). However, the recovery of zircon is likely to be impacted as lower grades are targeted.
- Post RER separation, the non-magnetic stream was processed to isolate potential zircon and rutile products (Figure 3). The processing involved a primary stage of electrostatic separation to separate the TiO_2 bearing minerals from the zircon. The two streams were then processed through stages of gravity, electrostatic and magnetic separation.
- The processing recovered a high-grade zircon product with a $\text{ZrO}_2+\text{HfO}_2$ grade of 66.2% (Table 4). The grades of TiO_2 and Fe_2O_3 in this were less than 0.1% and the grade of Al_2O_3 was 0.12%. The combined grade of U and Th was 398ppm (Table 4).
- A number of near zircon product grade streams were generated in the processing (Table 2 5 and 6). These were degraded by varying grades of TiO_2 , Fe_2O_3 , Al_2O_3 and U and Th. This initial processing indicates that aluminosilicates, notably kyanite, are likely to have the greatest impact on zircon recovery. The un-optimised wet gravity processing conducted in this initial sighter does however indicate that much of the Al_2O_3 should be rejectable through an optimised processing.
- The impact of monazite on the zircon product grade and recovery will likely be reduced with an optimised rejection of this mineral in the primary magnetic separation of the non-magnetic concentrate. It is not possible to comment on the potential to reduce the TiO_2 and Fe_2O_3 grades in the near zircon product grade streams in this stage of testwork, however it is notable that the final zircon stream recovered had grades of less than 0.1% without the inclusion of acid leaching.
- The processing recovered a high-grade rutile product with a TiO_2 grade of 95.5% and Fe_2O_3 grade of 0.49% (Table 7). The product had a SiO_2 grade of 1.26% and a ZrO_2 grade of 0.5%.

Other contaminants were V_2O_5 at 0.39% and Cr_2O_3 at 0.23%. The combined grade of U and Th was 60ppm (Figure 4).

- A number of near rutile product grade streams were generated in the processing (Table 7). These were degraded by varying grades of SiO_2 , Al_2O_3 and ZrO_2 associated with misreporting non-conductors from the primary electrostatic separation. It is likely that an optimised separation in this stage of separation will reduce the impact of these non-conductors on the grade and recoveries of rutile.

Table 2: Sighter test head grade

Oxide		Reported (IHC)	Received
Grades			
TiO_2	%	16.7	15.35
Fe_2O_3	%	14.3	14.1
Al_2O_3	%	5.98	6.21
SiO_2	%	23.5	23.2
Cr_2O_3	%	1.42	1.64
ZrO_2+HfO_2	%	29.5	30.0
CaO	%	0.05	0.59
MgO	%	0.47	0.53
MnO	%	0.25	0.27
CeO_2	%	1.65	1.85
Th XRF	ppm	4634	4840
U XRF	ppm	464	453
K_2O	%	0.06	0.06
Nb_2O_5	%	0.09	0.08
P_2O_5	%	1.79	1.99
SO_3	%	0.51	0.05
V_2O_5	%	0.11	0.09
LOI @ 1000°C	%	N/R	0.47

Table 3: RER separation results

Stream	Mass (%)	TiO ₂ (%)		Fe ₂ O ₃ (%)		ZrO ₂ +HfO ₂ (%)		Al ₂ O ₃ (%)		SiO ₂ (%)	
		Grade	Distr.	Grade	Distr.	Grade	Distr.	Grade	Distr.	Grade	Distr.
Mag	39.8	15.30	39.7	34.50	97.5	3.03	4.0	11.8	75.6	11.4	19.5
Non-mag	60.2	15.35	60.3	0.58	2.5	47.87	96.0	2.52	24.4	31.1	80.5
Calc. Total	100.0	15.33	100.0	14.07	100.0	30.04	100.0	6.21	100.0	23.2	100.0

CeO ₂ (%)		P ₂ O ₅ (%)		Th (ppm)		U (ppm)		Cr ₂ O ₃ (%)	
Grade	Distr.	Grade	Distr.	Grade	Distr.	Grade	Distr.	Grade	Distr.
4.42	95.1	4.63	92.5	11000	90.4	470	41.3	4.05	98.3
0.15	4.9	0.25	7.5	770	9.6	442	58.7	0.05	1.7
1.85	100.0	1.99	100.0	4839	100.0	453	100.0	1.64	100.0

Table 4: Initial sighter zircon processing; individual stream grades and recoveries

Oxide		Zircon	Zircon Conductors	Zircon Gravity Tail 1	Zircon Mags	Zircon Gravity Tail 2
Recoveries						
Mass	% N/M conc.	7.46	1.60	2.49	13.93	13.80
ZrO ₂ +HfO ₂	%	16.4	3.45	5.1	29.26	27.5
Grades						
TiO ₂	%	0.07	0.6	0.11	0.1	0.22
Fe ₂ O ₃	%	0.09	0.25	0.41	0.34	0.42
Al ₂ O ₃	%	0.12	0.21	0.42	1.41	2.69
SiO ₂	%	32.8	32.3	31.4	32.7	34.2
Cr ₂ O ₃	%	0.00	0.01	0.01	0.01	0.01
ZrO ₂ +HfO ₂	%	66.2	64.6	61.9	63.1	59.9
CaO	%	0.04	0.10	0.20	0.15	0.19
MgO	%	0.00	0.0	0.02	0.0	0.02
MnO	%	0.01	0.02	0.02	0.02	0.03
CeO ₂	%	0.02	0.2	1.01	0.1	0.12
Th XRF	ppm	152	893	3188	793	750
U XRF	ppm	246	373	657	527	580
K ₂ O	%	0.01	0.01	0.02	0.02	0.03
Nb ₂ O ₅	%	0.00	0.01	0.01	0.01	<0.01
P ₂ O ₅	%	0.11	0.3	1.12	0.3	0.24
SO ₃	%	0.09	0.2	0.10	0.0	0.05
V ₂ O ₅	%	0.00	0.01	0.02	0.01	0.01
LOI @1000°C	%	0.30	0.45	0.81	0.62	0.76

Table 5: Initial sighter zircon processing streams; cumulative grades and recoveries

Oxide		Zircon	Zircon 2	Zircon 3	Zircon 4	Zircon 5
Recoveries						
Mass	% N/M conc.	7.46	9.06	11.55	25.48	39.29
ZrO ₂ +HfO ₂	%	16.4	19.89	25.0	54.27	81.8
Grades						
TiO ₂	%	0.07	0.2	0.15	0.1	0.17
Fe ₂ O ₃	%	0.09	0.12	0.18	0.27	0.32
Al ₂ O ₃	%	0.12	0.13	0.20	0.86	1.50
SiO ₂	%	33	33	32	33	33
Cr ₂ O ₃	%	<0.01	<0.01	<0.01	<0.01	0.01
ZrO ₂ +HfO ₂	%	66.2	65.9	65.0	63.9	62.5
CaO	%	0.04	0.05	0.08	0.12	0.14
MgO	%	<0.01	<0.01	0.01	0.01	0.01
MnO	%	0.01	0.01	0.01	0.02	0.02
CeO ₂	%	0.02	0.1	0.26	0.2	0.17
Th XRF	ppm	152	283	909	846	812
U XRF	ppm	246	268	352	448	494
K ₂ O	%	0.01	0.01	0.01	0.02	0.02
Nb ₂ O ₅	%	0.00	0.00	0.01	0.01	0.00
P ₂ O ₅	%	0.11	0.2	0.36	0.3	0.28
SO ₃	%	0.09	0.1	0.10	0.1	0.06
V ₂ O ₅	%	0.00	0.00	0.01	0.01	0.01
LOI @1000°C	%	0.30	0.32	0.43	0.53	0.61

Table 6: Initial sighter zircon processing streams; cumulative grades and recoveries

Oxide		Rutile	Rutile para-mag	Rutile HTR Mid	Rutile IRM Mag	Rutile Non- cond.	Rutile Gravity Tail 2	Rutile Gravity Tail 1
Recoveries								
Mass	% N/M conc.	1.01	0.72	0.33	0.09	2.51	1.93	5.18
TiO ₂ (total)	%	6.28	4.41	1.99	0.48	12.17	10.11	21.67
TiO ₂ (non-mag post RER)	%	10.4	7.32	3.3	0.80	20.2	16.76	35.9
Grades								
TiO ₂	%	95.50	93.4	92.50	80.6	74.40	80.2	64.10
Fe ₂ O ₃	%	0.49	1.11	0.94	10.70	0.90	1.34	1.75
Al ₂ O ₃	%	0.26	0.48	0.48	0.88	0.57	0.95	2.36
SiO ₂	%	1.3	1.9	2.6	2.8	8.2	7.8	14.2
Cr ₂ O ₃	%	0.23	0.23	0.25	0.58	0.19	0.20	0.17
ZrO ₂ +HfO ₂	%	0.46	0.47	1.77	1.04	12.56	7.19	14.42
CaO	%	0.02	0.03	0.03	0.08	0.10	0.08	0.14
MgO	%	<0.01	<0.01	<0.01	0.1	<0.01	0.0	0.03
MnO	%	0.01	0.02	0.02	0.20	0.02	0.03	0.04
CeO ₂	%	<0.01	0.01	<0.01	0.02	0.09	0.07	0.09
Th XRF	ppm	30	40	80	100	500	320	480
U XRF	ppm	30	40	60	40	260	180	330
K ₂ O	%	0.04	0.08	0.07	0.09	0.08	0.13	0.16
Nb ₂ O ₅	%	0.35	0.61	0.42	0.62	0.32	0.39	0.35
P ₂ O ₅	%	<0.01	0.01	0.02	0.04	0.12	0.09	0.13
SO ₃	%	<0.01	0.01	<0.01	0.06	0.03	0.02	0.05
V ₂ O ₅	%	0.39	0.30	0.32	0.22	0.26	0.22	0.16
LOI @1000°C	%	0.08	0.16	0.22	0.07	0.52	0.58	0.84

Table 7: Initial sighter rutile processing streams; cumulative grades and recoveries

Oxide		Rutile 1	Rutile 2	Rutile 3	Rutile 4	Rutile 5	Rutile 6	Rutile 7
Recoveries								
Mass	% N/M conc.	1.0	1.7	2.1	2.2	4.7	6.6	11.8
TiO ₂ (total)	%	6.3	10.7	12.7	13.2	25.3	35.4	57.1
TiO ₂ (non-mag post RER)	%	10.4	17.7	21.0	21.8	42.0	58.8	94.7
Grades								
TiO ₂	%	95.50	94.6	94.28	93.7	83.32	82.4	74.35
Fe ₂ O ₃	%	0.49	0.75	0.78	1.20	1.04	1.13	1.40
Al ₂ O ₃	%	0.26	0.35	0.37	0.39	0.49	0.62	1.39
SiO ₂	%	1.26	1.51	1.69	1.73	5.22	5.98	9.60
Cr ₂ O ₃	%	0.23	0.23	0.23	0.25	0.22	0.21	0.19
ZrO ₂ +HfO ₂	%	0.5	0.5	0.7	0.7	7.1	7.1	10.3
CaO	%	0.02	0.02	0.03	0.03	0.07	0.07	0.10
MgO	%	<0.01	<0.01	<0.01	<0.01	<0.01	<0.01	0.02
MnO	%	0.01	0.01	0.01	0.02	0.02	0.02	0.03
CeO ₂	%	<0.01	<0.01	<0.01	<0.01	0.05	0.06	0.07
Th XRF	ppm	30	34	41	44	289	298	378
U XRF	ppm	30	34	38	38	158	164	237
K ₂ O	%	0.04	0.05	0.05	0.06	0.07	0.08	0.12
Nb ₂ O ₅	%	0.35	0.46	0.45	0.46	0.38	0.39	0.37
P ₂ O ₅	%	<0.01	0.0	0.01	0.01	0.07	0.07	0.10
SO ₃	%	<0.01	<0.01	<0.01	0.01	0.02	0.02	0.03
V ₂ O ₅	%	0.39	0.35	0.35	0.34	0.30	0.27	0.22
LOI @ 1000°C	%	0.08	0.11	0.13	0.13	0.34	0.41	0.60

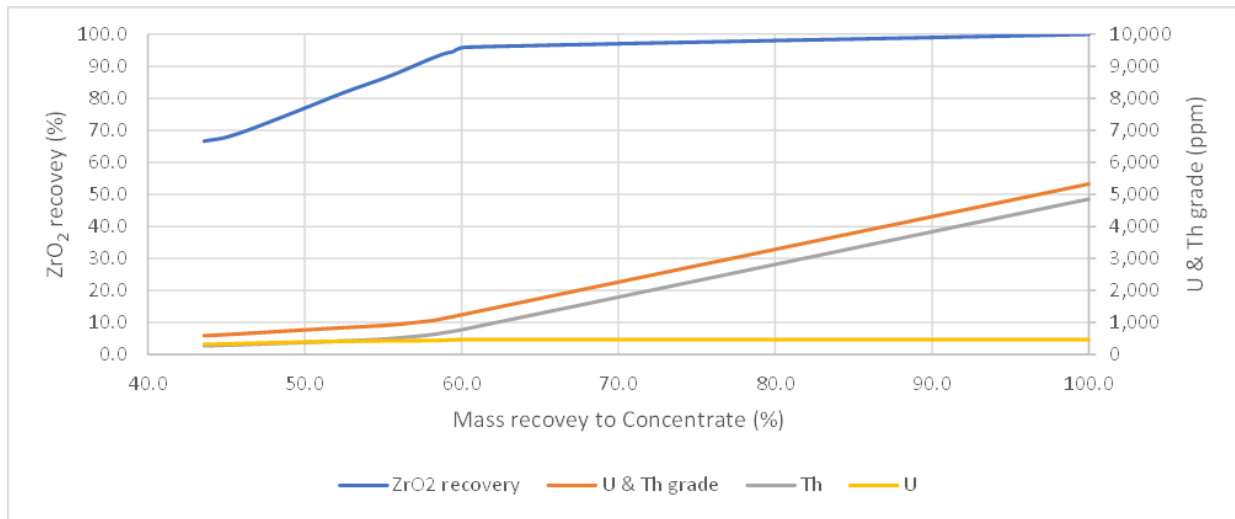


Figure 2: Magnetic separation of Concentrate: zircon recovery vs grades of U & Th

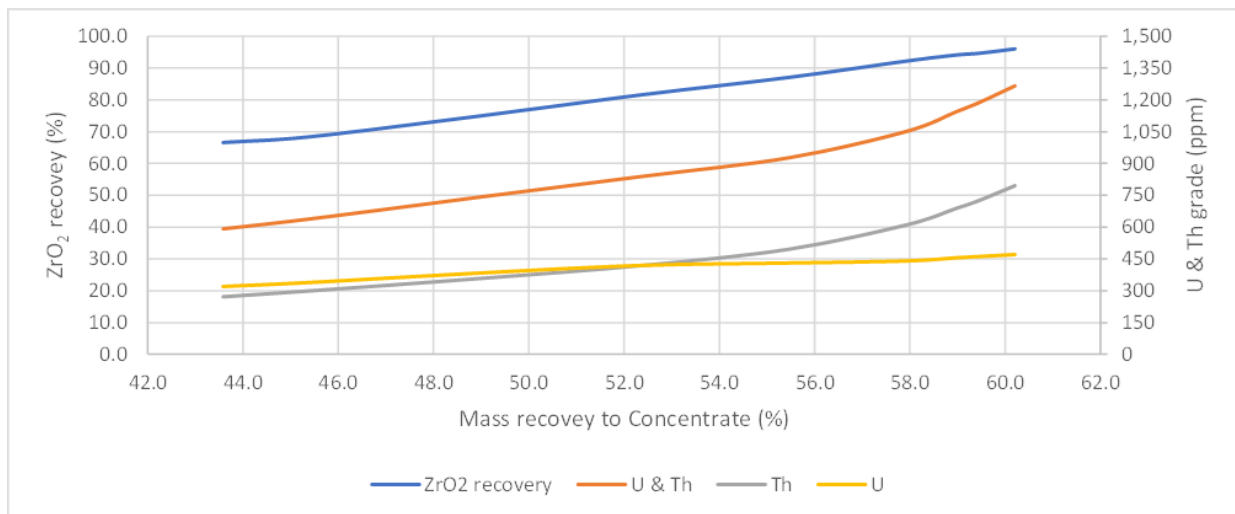


Figure 3: Post Primary RER magnetic separation of Concentrate: zircon recovery vs grades of U & Th

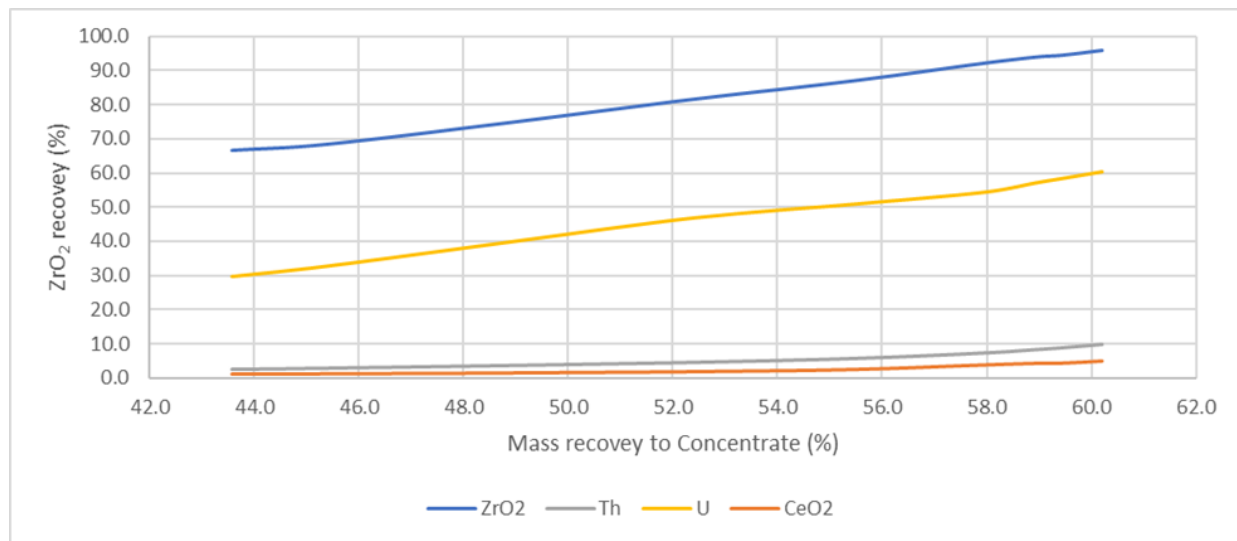


Figure 4: Post Primary RER magnetic separation of Concentrate: recovery ZrO₂, CeO₂, U & Th

APPLICATION FOR MINING CONCESSION FOR CORRIDOR PROJECTS

The Mining Concession applications are currently being assessed by the Instituto Nacional de Minas (INAMI).

URANIUM & RARE EARTH ELEMENT LICENCE APPLICATION

The Exploration Concession applications are currently being assessed by the Instituto Nacional de Minas (INAMI). Land use agreements with forestry concession holders are currently being negotiated.

CORPORATE

PLACEMENT AND OPTIONS ENTITLEMENT OFFER

During the quarter, MRG Metals Limited completed a capital raising (announced 23 November 2022) comprising:

- 3 for 5 pro-rata non-renounceable entitlement offer of options to existing Shareholders closed on 13 January 2023 raising \$312,683.
- A Placement of fully paid ordinary shares, with 2 for 3 free attaching options, raising \$60,000 from Directors, after approval from the General Meeting held on 13 January 2023.
- Placement of fully paid ordinary shares, with 2 for 3 free attaching options, raised \$840,000 (completed in November).

The 3 for 5 pro-rata non-renounceable entitlement offer of Options to existing Shareholders raised \$312,682.80 on closing on 13 January 2023. This resulted in the issue of 312,682,557 listed MRQO Options, exercisable at \$0.008 and expiring 31 December 2025.

The Board sought Shareholder approval at a General Meeting of the Company, held on 13 January 2023, to take up \$60,000 under the same terms as the Placement. This resulted in the issue of 15,000,000 fully paid ordinary shares at \$0.004 per share, together with 10,000,001 free attaching MRQO listed options, exercisable at \$0.008 and expiring 31 December 2025.

Proposed Use of Funds:

- Corridor Sands HMS Project - improvement programs to increase project economics towards Feasibility. Follow up drilling, mineralogy and metallurgy to test high VHM Azaria and Cihari targets.
- Exploration at HMS, Rare Earth Elements and Uranium Projects should these Exploration Licences be granted.
- Working Capital, costs of the Placement and expenses of the Offers.

JANGAMO MINING CONCESSION

Late in 2022 (ASX Announcements 9 November 2022 and 30 December 2022) MRG advised that it had, subject to Due Diligence, secured an option to acquire Savannah Resources Plc's Jangamo Mining Concession in Mozambique. During the quarter, MRG advised that the Due Diligence period in relation to the option agreement had lapsed and both parties had mutually decided not to proceed with entering into an Option Agreement.

TENEMENTS

The Tenements held by the Company at 31 March 2023 are as follows:

Project	Tenement	% Owned	Note
Norrliden	K nr 1	10	
Malanaset	nr 100	10	
Malanaset	nr 101	10	
Corridor Central	11142C	100	
Corridor South	11137C	100	
Corridor North	10779L	100	Application
Linhuan	7423L	100	Application
Marao	6842L	100	
Marruca	6846L	100	
Patricio	10999L	100	Application
Adriano	11000L	100	Application
Fotinho	11002L	100	Application
Olinga	11005L	100	Application

Competent Persons' Statement

The information in this report, as it relates to Mozambique Exploration Results is based on information compiled and/or reviewed by Mr JN Badenhorst, who is a member of the South African Council for Natural Scientific Professions (SACNASP) and the Geological Society of South Africa (GSSA). Mr Badenhorst is a contracted consultant of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been 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 Badenhorst consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

Authorised by the Board of MRG Metals Ltd.

For more Information please contact:

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MRG METALS LIMITED

ABN

83 148 938 532

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(58)	(174)
	(e) administration and corporate costs	(158)	(447)
1.3	Dividends received (see note 3)		
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(214)	(619)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	-	(5)
	(d) exploration & evaluation	(133)	(754)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(133)	(759)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	373	1,213
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	373	1,213

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	827	1,018
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(214)	(619)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(133)	(759)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	373	1,213

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	853	853

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2	3
5.2	Call deposits	851	824
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	853	827

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	25
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Director Fees, Secretarial Fees, Consulting Fees, & Accounting Fees.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	NIL	NIL
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	214
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	133
8.3	Total relevant outgoings (item 8.1 + item 8.2)	347
8.4	Cash and cash equivalents at quarter end (item 4.6)	853
8.5	Unused finance facilities available at quarter end (item 7.5)	0
8.6	Total available funding (item 8.4 + item 8.5)	853
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.46
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 APRIL 2023

Authorised by: THE BOARD OF MRG METALS LTD
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.