



MRG Drilling Program to Test Extensions to the Norrliden Norra Deposit and Surface Mineralisation at Norrliden Södra.

- **Technical analysis has identified the potential for Au-Ag-Cu rich mineralisation at depth below the existing Zinc-rich resource at Norra.**
 - Drilling contracts in place, with scheduled commencement in early September subject to final approvals.
 - One remaining approval from local authorities is yet to be received. Further update to be provided if delay to schedule occurs.
 - Plans to step out exploration in follow-up campaign.
- **Existing resource at current Zinc pricing of circa USD \$3,100/Tonne makes the Norra deposit a compelling exploration play.**
 - The Norrliden Norra historic mineral resource estimate contains 1.497Mt @ 4.4% Zn, 0.8% Cu, 0.4% Pb, 0.8g/t Au, 59.9g/t Ag (North Atlantic Resources Limited (NAN) 2004).
- **Norrliden Södra in close proximity to existing Norra resource but with stand-alone potential for gold-rich deposit.**
 - Norrliden Södra rock chip sampling June/July 2017: Assay results confirmed poly-metallic (Au-Ag-Pb-Zn) mineralisation at surface.
 - Compilation and modelling of geophysical data to complement drillhole targeting at Södra.

MRG Metals Limited (ASX: MRQ) has finalised plans for initial drill testing of several targets at the Company's Norrliden Project located within the Skellefte Mining District of Northern Sweden and is waiting on regulatory approval to commence drilling.

Compilation and modelling of the historical drillhole database during July-August has identified key opportunities to test and confirm MRG's exploration strategy by targeting Au-Ag-Cu rich mineralisation, close to areas where exploration has historically been focussed on base-metals.

MRG is planning to test a promising target in the deeper parts of the Norrliden Norra deposit where drilling from 1999 indicates zonation of mineralisation towards more gold and copper-rich sulphides than the main zinc-rich orebody. The presence of a deeper, more Au-Ag-Cu rich ore zone beneath Norrliden Norra (to complement what could become an expanded Zinc-rich resource closer to surface) has analogies to the Boliden and Kankberg mines to the southeast along the Skellefte Belt.

At Norrliden Södra, the down-dip extension of outcropping sulphide mineralisation (sampled in June/July 2017) is planned to be tested by a series of shorter holes designed to also test geophysical anomalies (magnetic and EM) coincident with the outcrop.

Identification of gold-and-silver rich ore at the Norrliden Södra prospect could not only open-up the potential for development of a new resource (in close proximity to Norra), but confirm the prospectivity of the trend between Södra and the Bjurfors prospects 1.5km to the southeast.

6 initial diamond drillholes (1,090m total) have been approved (Figure 1), with provision to expand the program to 9 holes (1,660m) on further information from drilling or ongoing technical work at Norrliden. Commencement of the program is planned for early September, contingent on gaining final regulatory approvals from local and state authorities in Sweden. If no delays are encountered, MRG will complete the initial drill program before a break in activities during October to allow for the annual migration of reindeer in the region. Follow-up drilling could commence as early as November 2017 and continue throughout the winter months.

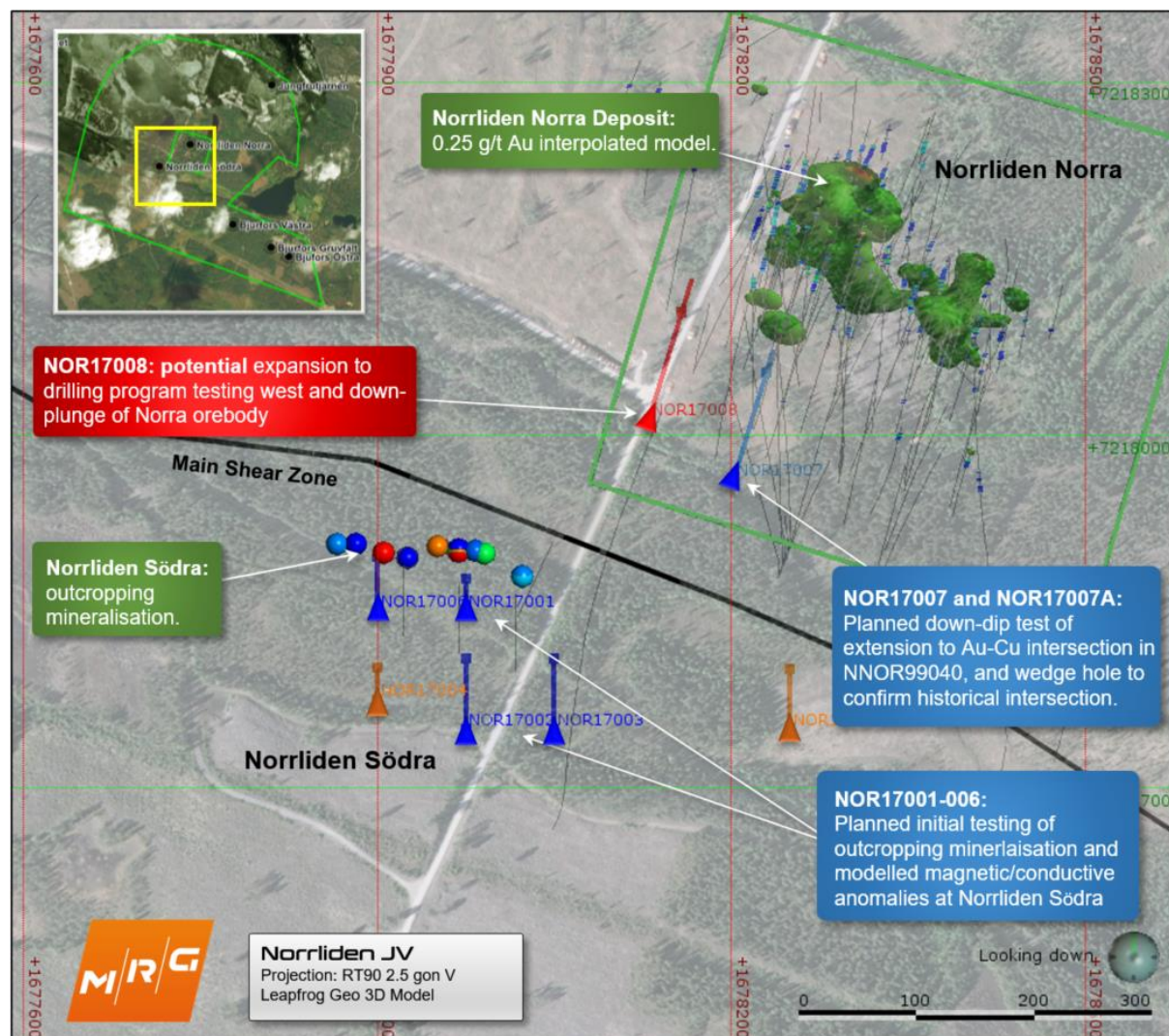


Figure 1. Planned drillholes targeting the down-dip extent of mineralisation defined at Norrliden Norra, and outcropping mineralisation (and modelled geophysical targets) at Norrliden Södra in September 2017. (Au shells are interpolated from drilling in Leapfrog Geo and are not representative of published resource.)

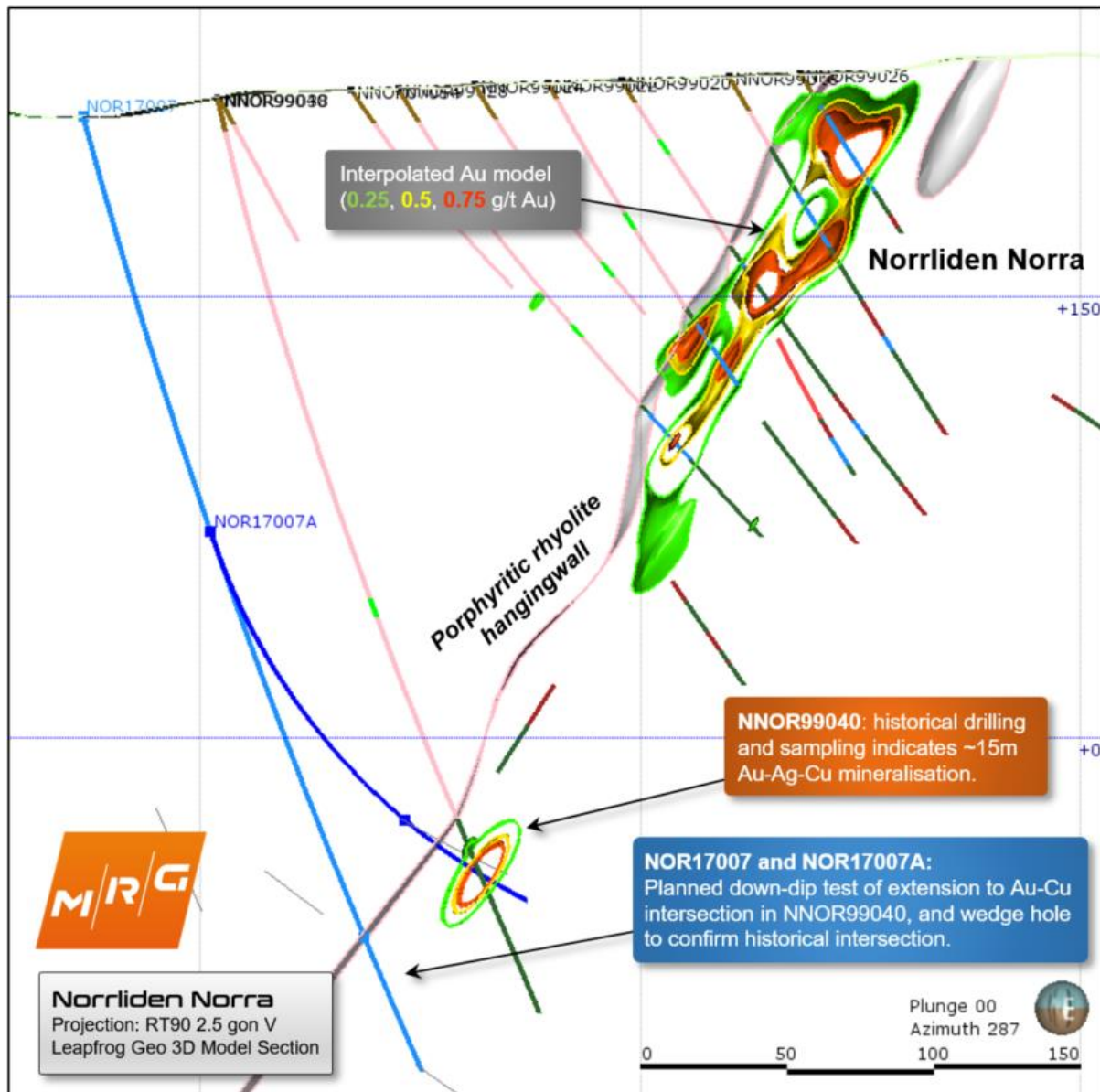


Figure 2. Cross section through modelled mineralisation at Norrliden Norra showing planned initial drillholes. (Au shells are interpolated from drilling in Leapfrog Geo and are not representative of published resource.)

Norrliden Norra

Limited drilling from the 1990's beneath the resource at Norrliden Norra intersected sulphide mineralisation of high Au-Ag-Cu tenor suggesting that mineralisation is zoned at depth towards more gold and copper rich sulphides, than the main zinc-rich Norra resource. Exploration drilling into this zone during the 1960's and 1970's noted limited intersections of massive-sulphide base-metal mineralisation, but few of these drillholes were assayed for gold.

MRG's initial drill testing of Norrliden Norra (Figures 2 & 3) comprises a 345m deep hole (NOR 17007) with a 150-170m daughter hole (NOR 17007A) wedged off the main hole. These are designed to achieve three important goals:

- 1) Confirm the intersection of Au-Ag-Cu mineralisation (both position and tenor) in historical drilling below the main Norrliden Norra resource and acquire detailed multi-element assay information to assist in vectoring to further mineralisation. Retrieval of oriented drill core for structural analysis of the orientation and controls on the mineralised zone.
- 2) Test the down-dip/down-plunge (approx. 50m) continuity of this Au-Ag-Cu mineralisation and provide further controls on its geometry and location relative to the hangingwall (porphyritic) rhyolite.
- 3) Allow completion of a modern down-hole EM survey to greater than 300m below surface to identify off-hole conductors untested by drilling.

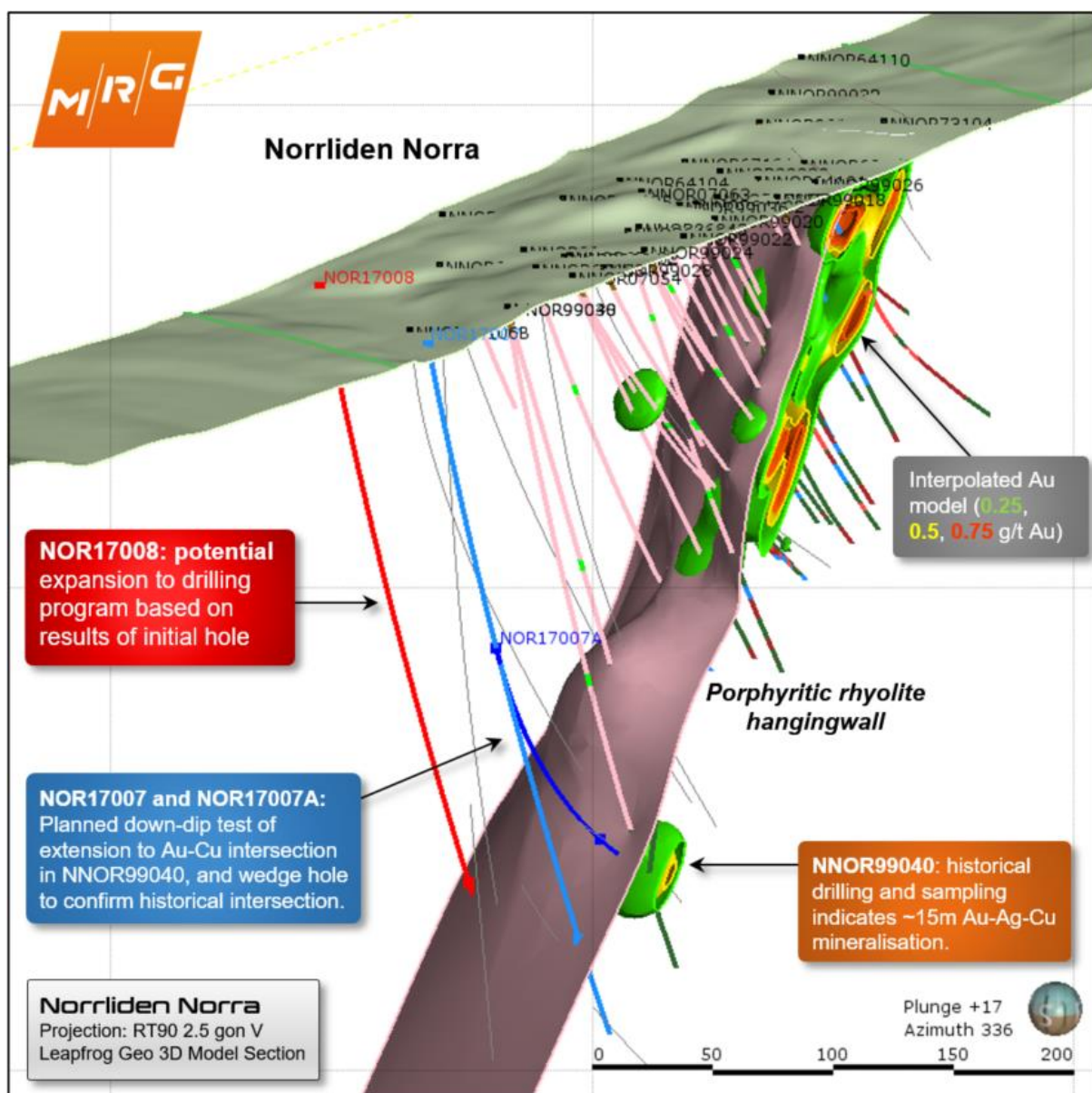


Figure 3. Oblique section through Norrliden Norra showing planned initial drillhole and potential expansion to the drilling program if early results warrant. (Au shells are interpolated from drilling in Leapfrog Geo and are not representative of published resource.)

Provision has been made for a second 350-370m hole (NOR 17008) at Norrliden Norra in order to follow-up immediately on the results of initial drilling. The exact target of this drillhole is conditional on further ongoing technical work at the project.

Review of the existing zinc-dominated resource defined at Norrliden Norra remains an important priority to MRG, particularly with the current Zinc price at around USD \$3,100 per tonne. Modelling of anomalous Zn assays indicates that additional drill testing of the deeper parts of the deposit and at the eastern margins of the current drill lines would likely contribute towards a future update of the resource. Technical information (downhole geophysics, structural data) gathered during the initial drilling campaign will be crucial to informing MRG's strategy for developing this resource.

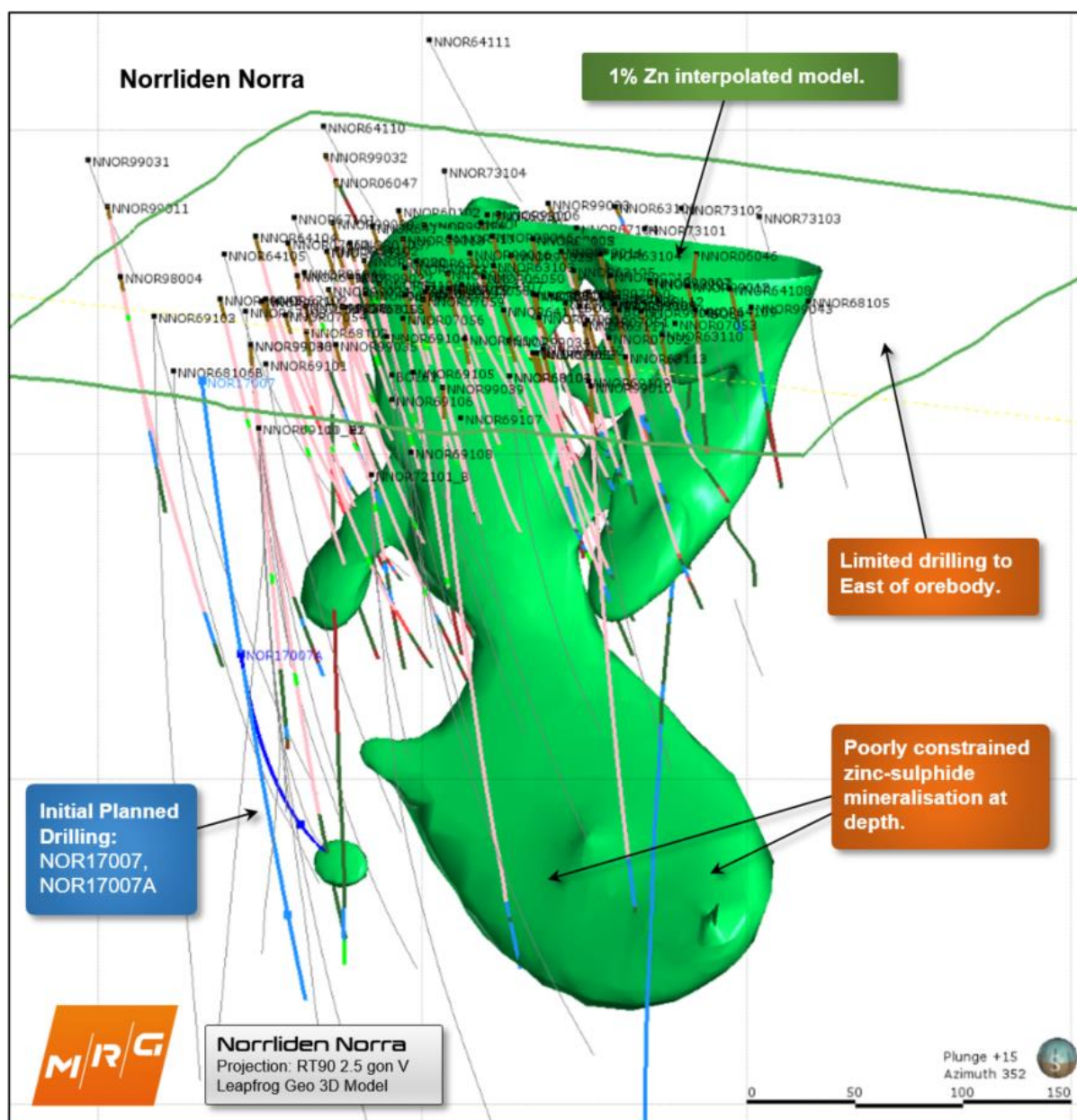


Figure 4. Modelled anomalous zinc values in drilling at Norrliden Norra show a poorly-constrained zone of Zn-sulphide mineralisation in the deeper parts of the deposit and highlights the lack of drilling to the immediate east of the resource. (Zn shells are interpolated from drilling in Leapfrog Geo and are not representative of published resource.)

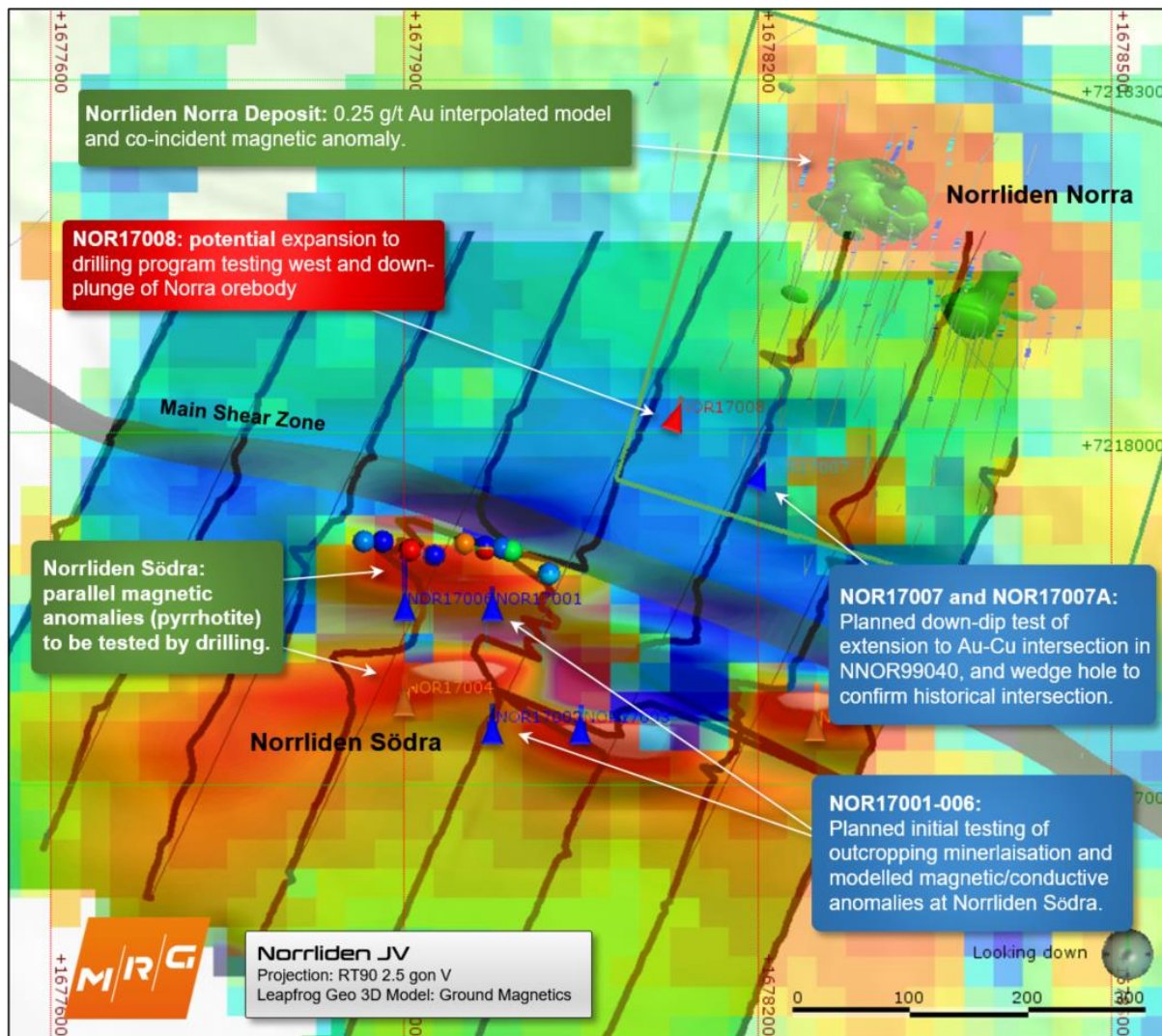


Figure 5. Plan view of Norrliden Norra and Södra showing twin magnetic anomalies at Södra and magnetic anomaly associated with mineralisation at Norra. (Au shells are interpolated from drilling in Leapfrog Geo and are not representative of published resource.)

Norrliden Södra

A total of 14 rock chip samples (refer Figure 1) were collected from the Norrliden Södra prospect during June 2017 from sulphide-rich (mainly pyrite) mineralisation at surface. The samples collected included both outcropping mineralisation and also mullock dump samples from trenches completed during the early 1930's when the prospect was first discovered. Assay results from pyrrhotite-rich silica-sericite altered felsic to intermediate volcanic rock sampled in June include 1.08g/t Au, 18.9g/t Ag, 1040ppm Pb, 89ppm Zn (A24313) and 0.59g/t Au, 44.5g/t Ag, 6530ppm Pb, 9840ppm Zn (A24314) (see ASX Announcement 27th July 2017). Three short diamond drillholes at Norrliden Södra were completed between 1957-1959, they intercepted a weak zone of sulphide mineralisation with trace amounts of sphalerite, pyrite and chalcopyrite, but at the time were not assayed for gold.

Refinement and modelling of existing ground magnetic data resolved two separate, steeply south-west dipping anomalies at Norrliden Södra (Figure 6). The northern-most anomaly is co-incident with the outcropping mineralisation (pyrrhotite) while the southern anomaly located 200m south of the historical trenches remains untested. Modelling of a local anomaly in historical fixed-loop EM data

(FLEM) also resolved a south-west dipping (south-east plunging) conductive plate that is also co-incident with outcropping sulphides.

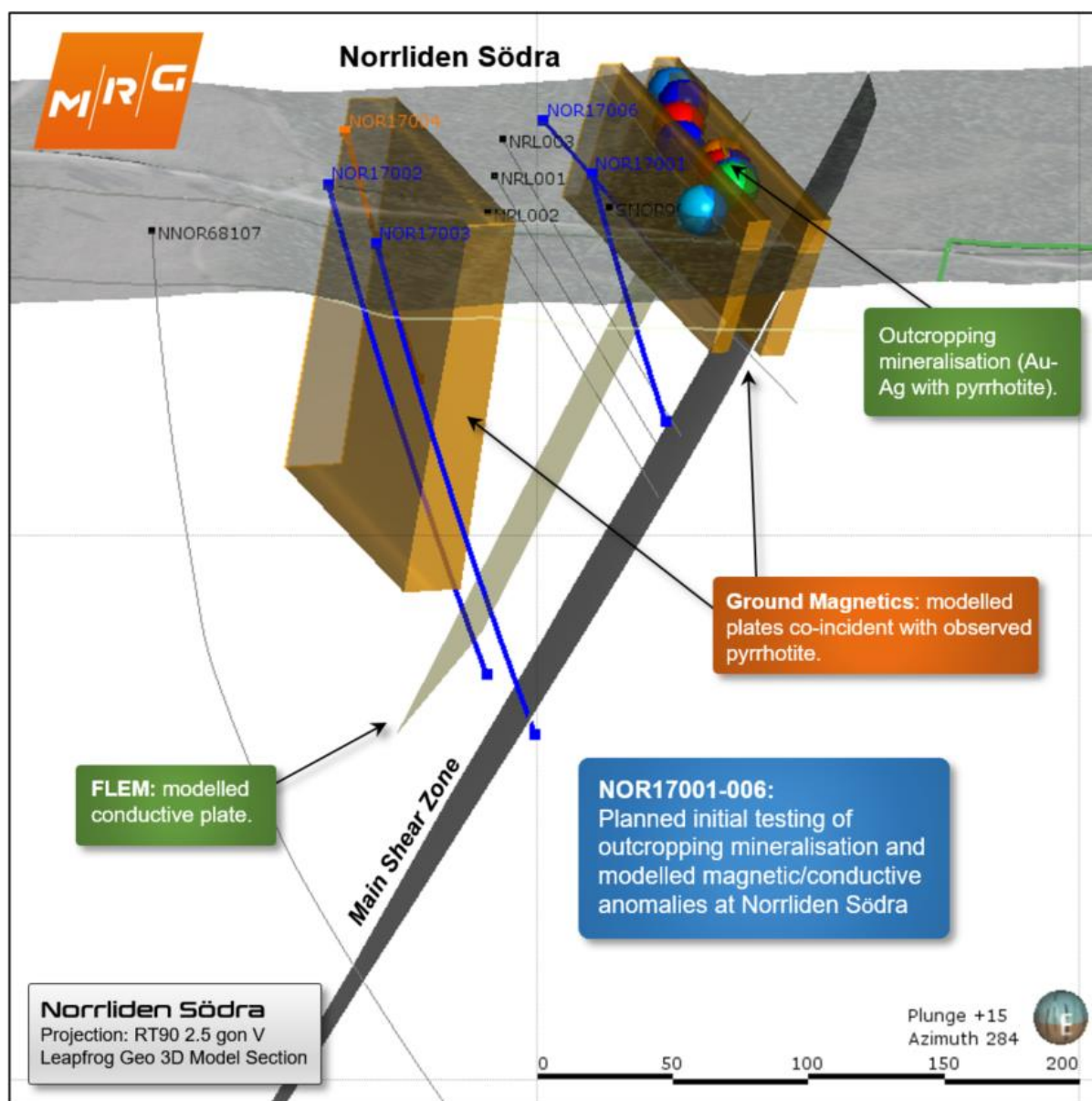


Figure 6. Oblique section through Norrliden Södra showing modelled geophysical plates and samples locations of outcropping sulphide mineralisation. The initial drill program is designed to test both of these targets types.

The initial program of 4 drillholes (NOR17001-003 and NOR17006) at Norrliden Södra is designed to test both geochemical and geophysical targets with provision for an additional 2 drillholes (NOR17004-005) if early results warrant.

Although host rock mineralogy and mineralisation styles are similar, Norrliden Södra is separated from Norrliden Norra by a regional-scale shear zone. Encouraging ore-grade intersections underneath the outcropping mineralisation could lead to development of an additional resource at the project, separate from the defined Norra resource.

Chairman and Non-Executive Director, Andrew Van Der Zwan, commented:

“ With Zinc prices hitting a 10 year high, it is a good time to build on an existing Zinc-rich resource where the potential for Gold, Silver, and Copper to contribute significant additional value to the deposit is high. The Skellefte Region is punctuated by high-grade gold deposits in addition to its base-metal resources, and this project has the potential to deliver more than just expanding on the existing Zinc play. A renewed focus on precious metals and our use of modern multi-element analysis and targeting methods will give us valuable knowledge that was just not available during previous phases of exploration.”

The information in this report, as it relates to Exploration Results is based on information compiled and/or reviewed by Mr. Benjamin McCormack, who is a member of the Australian Institute of Geoscientists (AIG).

Mr. McCormack is a consultant to the Company and has the relevant experience with the mineralisation reported on 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. McCormack consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.