

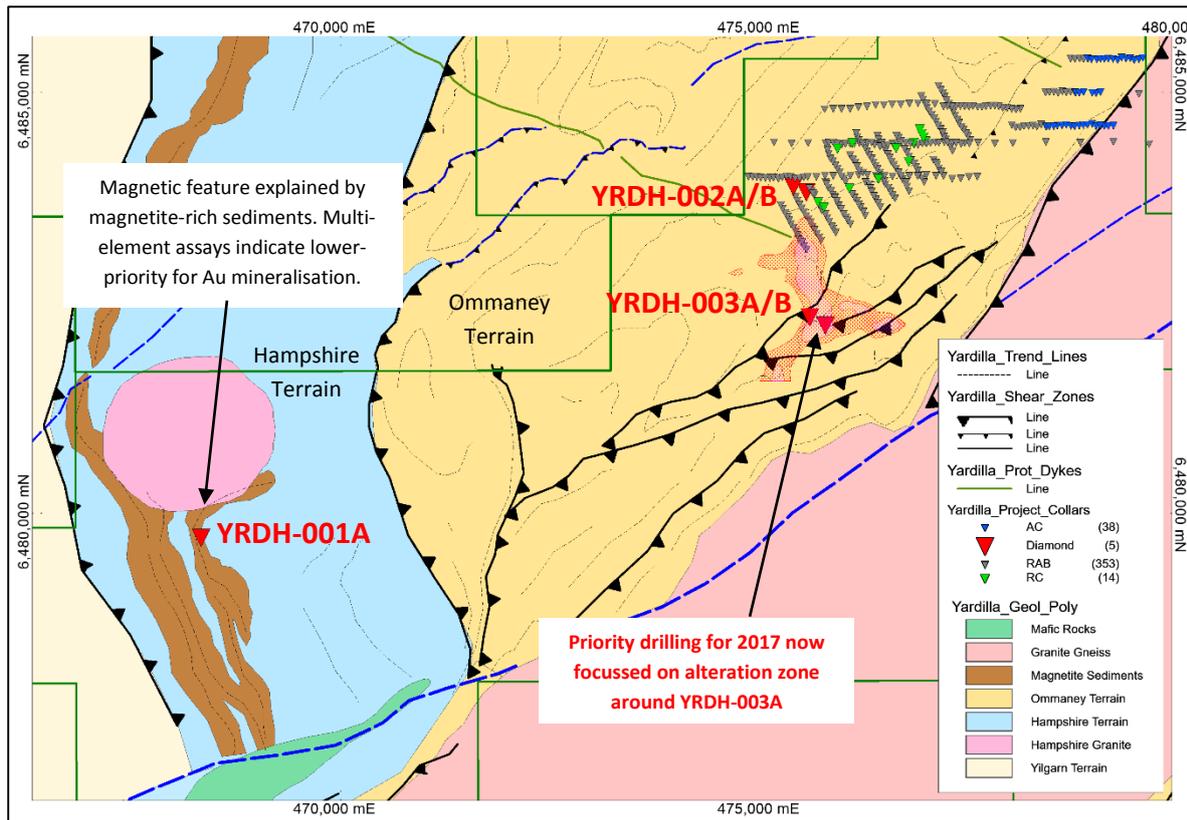


COMPANY UPDATE

MRG PLANNING FOLLOW UP DRILLING AT YARDILLA

- Comparison of assay results from YRDH-001 and YRDH-002 confirm the significance of the alteration system intersected in YRDH-003 at Ommaney. Focus and prioritisation is now on testing the extent of the alteration system for a higher gold mineralised zone.
- Comprehensive analysis of the drill hole assay data and historical data has been finalised using Sasak's AGLADS system. Sasak have completed an analysis comparing Ommaney with the database of >100 Archean gold deposits around the World. This analysis further demonstrated the potential of Ommaney.
- MRG to drill follow-up RC and Diamond Drill holes under and along strike of YRDH-003A with the purpose of vectoring to higher gold grades. Planning is underway with the aim of drilling as soon as possible. A drill plan will be provided prior to drilling.
- Yardilla program demonstrates MRG's rollout exploration strategy, providing Shareholders with cost effective exposure to the discovery of large mineral deposits using next generation technology.

Multi-element assay results from the remaining holes at Yardilla (YRDH-001A, YRDH-002A, YRDH002B, YRDH003B) have confirmed the significance of the alteration system intersected in YRDH-003A. MRG's focus is now on testing the wider zone of alteration around this hole, indicated by Sasak's analysis of surface multi-element sampling, for a higher-grade gold-mineralised zone.



The results of drilling in 2016 have led to re-interpretation of the project-scale geology at Yardilla, and along with multi-element analysis of core samples has driven a new prioritisation of exploration activities towards the wider extent of the intense sericite-biotite-albite (+pyrite) alteration system intersected in YRDH-003A (see zone in diagram). Numerous shear-zones and fault-zones interpreted from aeromagnetic data will also form part of the framework for drillhole planning and targeting at Ommaney.

Geological and multi-element assay analysis of core from YRDH-001A (Hampshire prospect) show definitively that highly-magnetic units along the western margin of the Yardilla tenements correspond to magnetite-rich metasediments and Sasak analysis of assay results confirms observations that alteration here is weak. MRG considers this target at Hampshire to have been successfully tested and determined to be of lower-priority for further exploration work.

Results and analysis from hole YRDH-002A/B (Ommaney) indicate that:

- The mafic and meta-sedimentary rocks in this hole are comparable with the feldspar-dominated gneissic rock intersected in hole YRDH-003A/B to the south. They likely belong to the same terrain.
- Alteration intersected in YRDH-002B is weaker than but comparable to the intense alteration zone intersected in YRDH-003A. This provides MRG with first-order evidence to vector exploration.

Planning is now underway to drill test the long-strike and down-dip extent of the wider alteration zone around YRDH-003A using a combination of RC and Diamond Drilling and further multi-element analysis of assay results by Sasak. The program is currently being planned and a more detailed drilling plan will be provided once the program planning is finalised.

Sasak AGLADS System

Based on the analysis of the drill core, Sasak have developed a new system, titled AGLADS, which compares the multi-element assays of drilling from new prospects such as Yardilla, with the multi-element signature of rocks and alteration **from more than 100 well-known and studied Archean gold deposits around the World**. This allows MRG to quickly determine if zones of altered rock intersected in drilling can be compared to and classified with rock in gold-mineralised systems that is part of the Ore Zone, Proximal to Ore, Distal to Ore, or Host rock outside the fluid alteration system.

The AGLADS system provides for fast and accurate first-order analysis of drilling results leading to better prioritisation of exploration targets and most-importantly to predict the occurrence of a near-miss scenario during the course of exploration drilling. AGLADS analysis of YRDH-003A indicates that the intense alteration zone in this hole plots within the range that is Proximal to Mineralisation when classified against other Archean deposits. The priority is now to gather additional information from drilling the wider alteration system at Ommaney and then to vector exploration towards rock with an Ore Zone signature. Development of the AGLADS system demonstrates the power of the Sasak technology and the competitive advantage that MRG has via the access of this technology to comprehensively analyse new exploration data to assist in targeting future exploration.

Andrew Van der Zwan Chairman

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.