

19 December 2019

Mr Jon Chow,
Adviser, Listings Compliance (Melbourne)
Australian Stock Exchange

Dear Mr Chow,

Re: Price Query

We refer to your letter received 18 December 2019 regarding a Price Query in MRG Metals Ltd ("MRG" or "MRQ") securities on 18 December 2019, whereby they traded from a low of \$0.012 to \$0.017 and significant volume was traded.

We respond to your letter and answer each question using the same numbers per your letter.

1. MRG is not aware of any information concerning it that has not been announced to the market, which if known by some in the market, could explain the recent trading.
2. Not applicable.
3. Explanations for the recent trading in MRQ securities include:
 - MRG's Heavy Mineral Sands ("HMS") project is located in a World class HMS area and within 10km of the one of the largest high grade HMS deposits in the World.
 - MRG has completed an initial Aircore drill program over the first of its 13 anomalies and has reported significant visual HMS results for 4,112 metres of drilling that show high HMS grades from surface over a 20km² footprint that is open at depth and in all directions around the edges of the footprint.
 - MRG has reported on 16 December 2019 the first Aircore drilling assays from 8 of the 82 Aircore holes drilled. The 8 Aircore holes as shown on Figure 1 in the market release, traverse a 2km wide section of potentially continuous high grade HMS mineralisation from one side to the other across the abovementioned mineralised footprint.
 - These assays met and exceeded expectation but importantly confirmed higher HMS grades than the corresponding high visual estimated HMS results. Similar correlations between Auger sample visuals and Auger sample assay results have previously been reported.

We believe that it is a combination and progression of the above factors and the verification provided by the first of Aircore assay results that has led to the recent trading in MRQ's securities.

In addition, MRG has a further 3 sets of assay results from the initial Aircore program due for processing in the Perth Lab through January. However, given the success of the first batch, MRG has indicated it will ramp up its exploration activity to feed into the previously announced Mineral Resource Estimation and Scoping Study processes.

4. We confirm that MRQ is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. We confirm that MRQ's responses to questions above have been authorised and approved.

Should you require any further information or explanation, please advise.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Shane Turner'.

SHANE TURNER
Director/Secretary



18 December 2019

Mr Shane Turner
Company Secretary
MRG Metals Limited

By email: shane.turner@rsm.com.au

Dear Mr Turner

MRG Metals Limited ('MRQ'): Price Query

We note the change in the price of MRQ's securities from a low of \$0.012 on 17 December 2019 to an intra-day high of \$0.017 today, 18 December 2019

We also note the significant increase in the volume of MRQ's securities traded today.

Request for Information

In light of this, ASX asks MRQ to respond separately to each of the following questions and requests for information:

1. Is MRQ aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is MRQ relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MRQ's securities would suggest to ASX that such information may have ceased to be confidential and therefore MRQ may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that MRQ may have for the recent trading in its securities?
4. Please confirm that MRQ is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that MRQ's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MRQ with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9.30 AM AEDT Thursday, 19 December 2019**. If we do not have your response by then, ASX will likely suspend trading in MRQ's securities under Listing Rule 17.3. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MRQ's obligation is to disclose the information

“immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail at ListingsComplianceMelbourne@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to MRQ’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance *Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that MRQ’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in MRQ’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in MRQ’s securities under Listing Rule 17.3.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards

Jon Chow
Adviser, Listings Compliance (Melbourne)