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Markets Announcement Platform
Australian Stock Exchange

HEAVY MINERAL SANDS PROJECTS IN MOZAMBIQUE – BINDING TAX ASSESSMENT RECEIVED

The Mozambique Tax Authority (MTA) has issued a binding tax assessment of the Capital Gains Tax (Tax) payable in relation to the indirect transfer of the Mozambique mineral rights.

The amount assessed is MZN2,991,441 (AUD\$70,609) and is within the range expected based on the Company's own assessment. Payment is now being made.

MRG understands that payment of this tax is the remaining item required by the Mozambique Ministry of Mineral Resources and Energy (MIREME) to finalise approval of ownership.

When MRG Metals Ltd (MRG or Company) acquired Sofala Resources Pty Ltd and its subsidiary, Sofala Mining and Exploration, Limitada (SMEL); pursuant to Mozambique Mining legislation it is deemed that an indirect transfer has occurred of the mineral rights that SMEL owned. As a result, an assessment of Tax is required and any Tax assessed has to be paid prior to MIREME finalising their approval of the indirect transfer of ownership. The application for tax assessment was lodged with MTA on 6 March 2019.

The Company has now received the binding tax assessment from MTA. This payment is now being made. Following payment, MTA issues a tax discharge certificate. This tax discharge certificate is the remaining item required in connection with the application that has already been lodged with MIREME for approval of the indirect transfer of ownership of the mineral rights held by SMEL and ultimately MRG. The application for ownership transfer was lodged with MIREME on 23 May 2019 and they have confirmed that completion is pending the tax discharge certificate.

The Company's Legal Advisors, MXR Advogados & Associates – Sociedade, Lda; who have submitted similar applications previously, advise that once MTA issues their Tax assessment and any resultant Tax has been paid, then MIREME's approval is timing and process based. On this basis the Company will move forward with the exploration program.

We will update further as matters progress.