

ASX ANNOUNCEMENT

22 October 2020

MAJOR ZONE OF HIGH GRADE HEAVY MINERAL SAND MINERALISATION FURTHER DEFINED BY PHASE 2 NHACUTSE AIRCORE DRILLING

Key Highlights

- Phase 2 aircore drilling (12 holes) has further delineated High Grade Heavy Mineral Sand (HMS) Strandline within the 18 km² Priority 1 footprint (refer ASX Announcement 6 October 2020).
- Significant visually estimated Total Heavy Mineral (THM) aircore results from Priority 1 drilling include:
 - 20CSAC572 – 30m @ 5.2% vis est THM
 - 20CSHA577 – 30m @ 4.6% vis est THM; and
 - 20CSHA578 – 30m @ 4.3% vis est THM, with highest 3m vis est THM grades intersection of 10% from 24.0 to 27.0m.
- Priority 1 drilling expands the high grade footprint linking the Nhacutse and Bungane Targets.

Aircore drilling (4 holes) in the Priority 2 eastern sector of Nhacutse tested a 5 km² footprint of high Valuable Heavy mineral (VHM) - Mineralogical study will allow better understanding of the higher percentage VHM terrain in the east of Corridor Central and Corridor South (refer ASX Announcements 26 August and 31 August 2020)

- The visual THM grades seen during the Phase 2 Nhacutse aircore drilling further validates the Priority 1 area as having the potential to meet or surpass MRG's current exploration prize of 100MT of higher value per ton Resource than the foundation Koko Massava Resource and could represent a start-up to a future mining operation.

MRG Metals Limited ("MRG" or "the Company") (ASX Code: MRQ) is pleased to announce the completion of Phase 2 aircore drilling on two priority zones of the Nhacutse Target in the Company's Corridor South Project in Mozambique (6621L, Figures 1 and 2) and to provide an update on results for visual estimated field THM data. The Phase 2 Nhacutse drilling consisted of 12 aircore holes drilled within Priority 1 target and 4 aircore holes drilled within Priority 2 target (Figure 3).

The Phase 2 aircore drilling on the Priority 1 target's approximately 18 km² area has confirmed the initial visual aircore results from the Company's Phase 1 aircore drilling at the Nhacutse Target (refer ASX Announcement 21 September 2020). The Phase 2 drilling confirmed the high grade strandline style HMS mineralisation in the area between the Nhacutse and Bungane Targets (Figure 4).

Phase 2 aircore holes drilled in the Priority 2 target's approximately 5 km² area were drilled to generate additional Heavy Mineral Concentrate (**HMC**) for further mineralogical studies (Figure 5). The studies are in progress and will assist in developing understanding around the higher percentage Valuable Heavy Mineral (**VHM**) found in the east of Corridor Central from Koko Massava drilling and the east of Corridor South from Nhacutse drilling (refer ASX Announcements 26 August and 31 August 2020).

MRG Metals Chairman, Mr Andrew Van Der Zwan said: *"The fact that this latest Phase 2 drilling has confirmed the high grade HMS mineralised footprint extends between our Nhacutse and Bungane Targets is a fantastic result, further underpinning the prospectivity of this exciting area. The potential that exists in the Higher percentage VHM in the east is developing (Figure 5) and the planned XRF analysis will be utilised to assist us in identifying how large and continuous the VHM grades are.*

Additionally, Nhacutse Phase 2 has further extended the high grade mineralised zone (hole 20CSAC578), which intersected up to 10% visually estimated THM over one of the 3m intervals at an average grade of 4.3% vis THM over 30m.

This is a great result from Phase 2 from which we are already planning follow-up Phase 3 aircore drilling program."

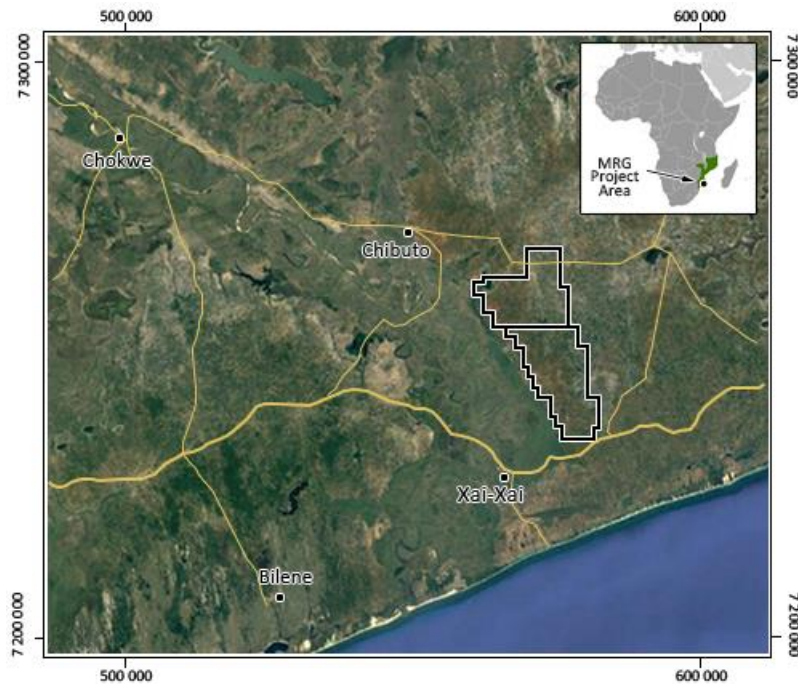


Figure 1: Map of the location of the Corridor Central (6620L) and Corridor South (6621L) projects.

Nhacutse Phase 2 Aircore Drilling Visual Results

The Phase 2 drilling at Nhacutse was firstly designed to further test the Priority 1 high grade zone which showed previously reported visually estimated high grade aircore holes drilled during Phase 1, interpreted to represent a strandline deposit (refer ASX Announcement 6 October 2020).

The drilling during Phase 2 included 12 aircore holes, 20CSAC572 to 20CSAC583, focussed on testing the continuity, strike and depth extensions of the high grade HMS mineralisation to the northeast and also between the Nhacutse and Bungane Targets (Figure 3). Phase 2 drilling has further extended the high grade mineralised zone (hole 20CSAC578), which intersected up to 10% visually estimated THM over one of the 3m intervals at an average grade of 4.3% vis THM over 30m, (refer Figure 3 and Table 1). Importantly, it has also confirmed the high grade HMS mineralised footprint extends between Nhacutse and Bungane, due to the high visually estimated grades from holes 20CSAC572, 20CSAC573 and 20CSAC574 (Table 1). MRG is currently planning a follow up aircore program to test for further high grade extension of this Priority 1 target.

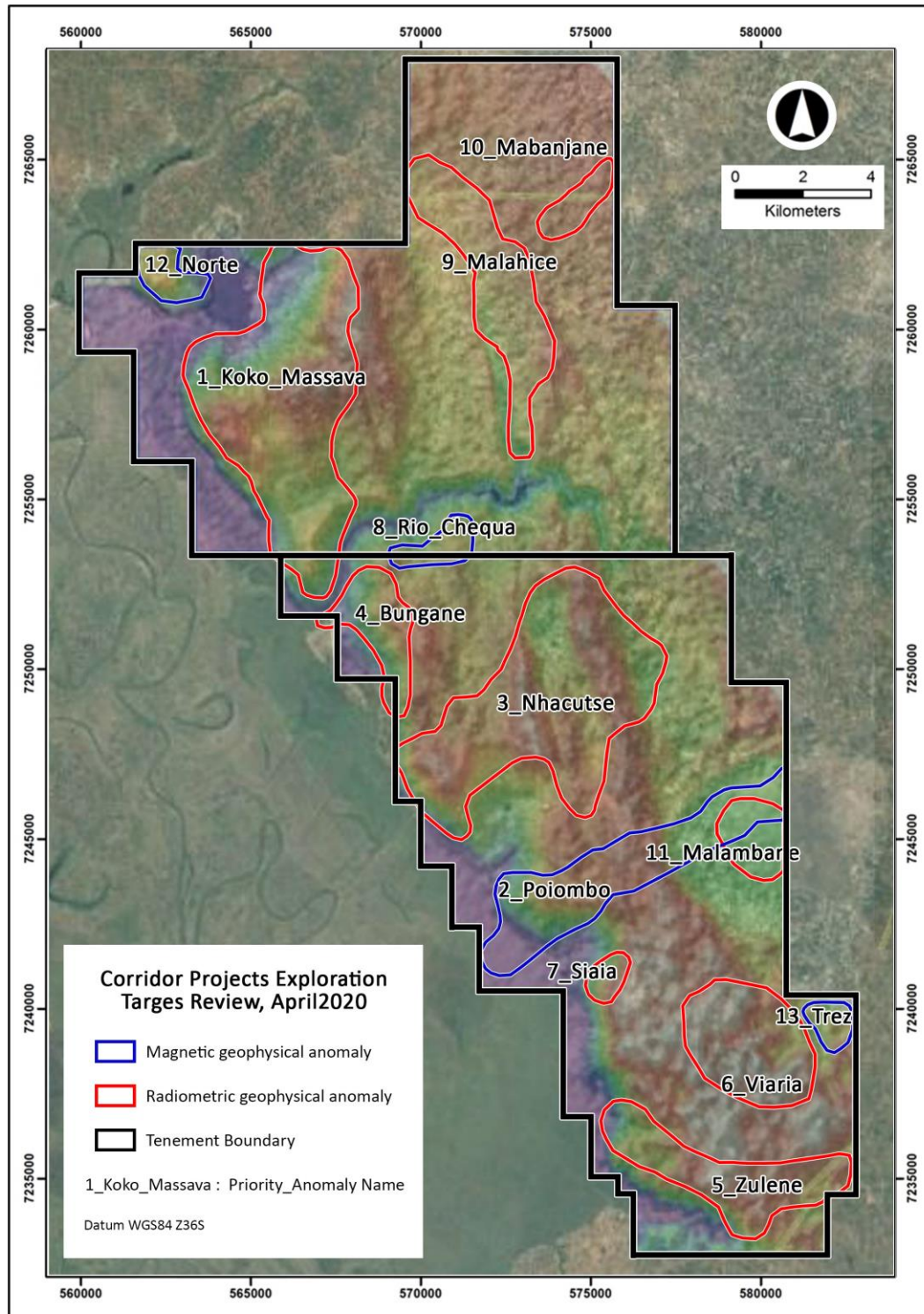
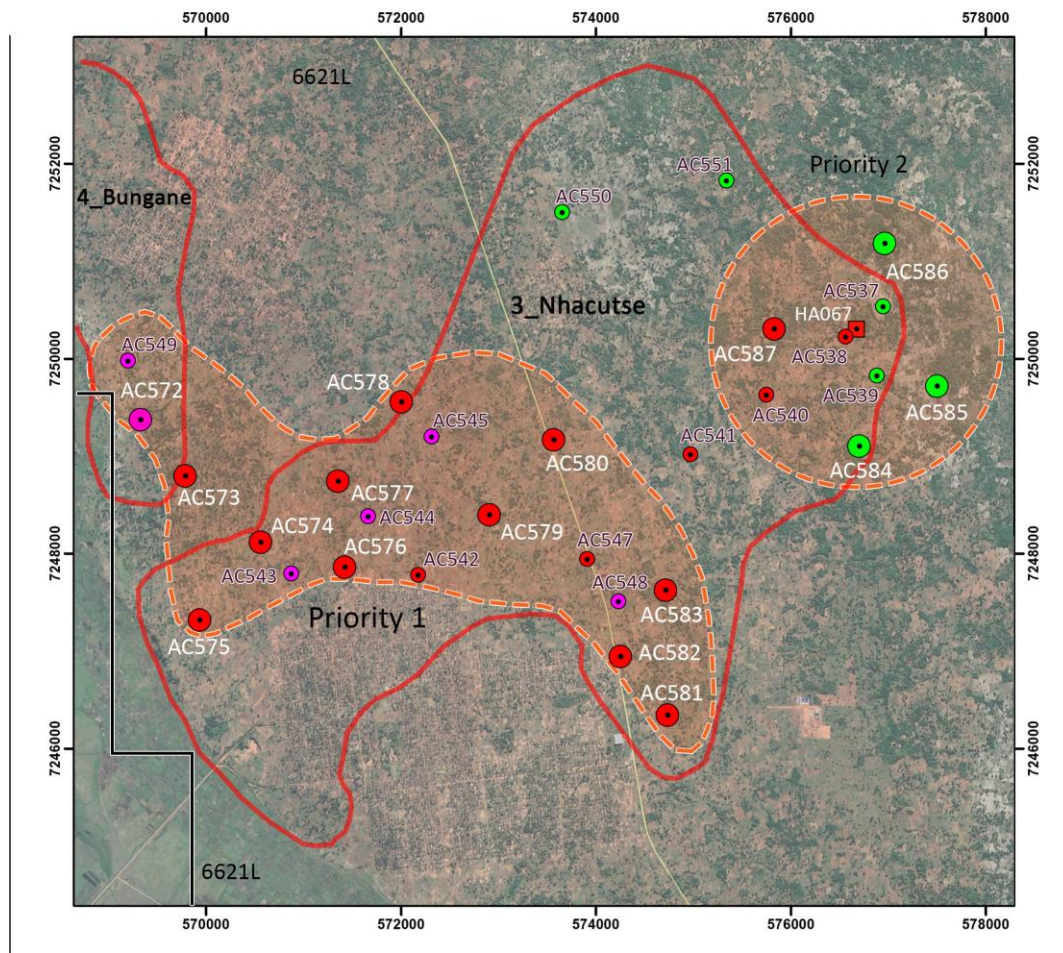


Figure 2: Map of the Corridor Central (6620L) and Corridor South (6621L) Projects showing the locations of the various Prospects.



Corridor South project, Nhacutse and Bungane targets planned Phase 2 reconnaissance aircore drillhole locations, October 2020.

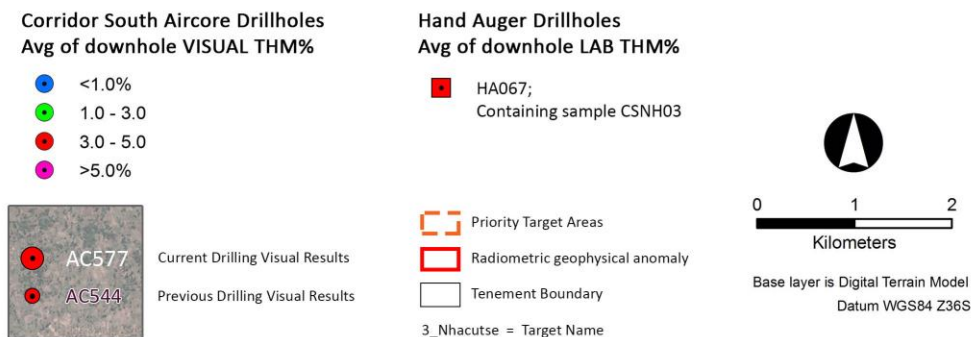
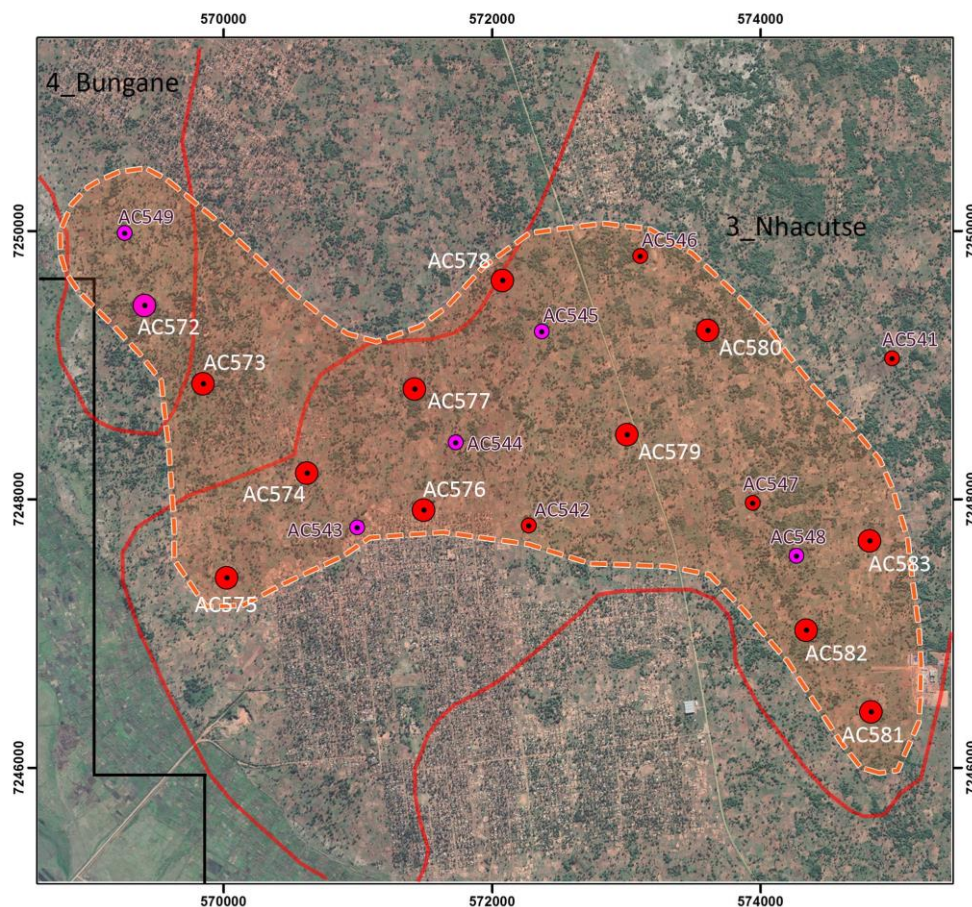


Figure 3: Map of the Nhacutse Prospect Target 1 and Target 2, with THM results shown.



Corridor South project, Nhacutse and Bungane targets planned Phase 2, Priority 1 reconnaissance aircore drillhole locations, October 2020.

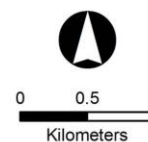
**Corridor South Aircore Drillholes
Avg of downhole VISUAL THM%**

- <1.0%
- 1.0 - 3.0
- 3.0 - 5.0
- >5.0%

- Priority Target Areas
- Radiometric geophysical anomaly
- Tenement Boundary
- 3_Nhacutse = Target Name



AC577 Current Drilling Visual Results
AC544 Previous Drilling Visual Results

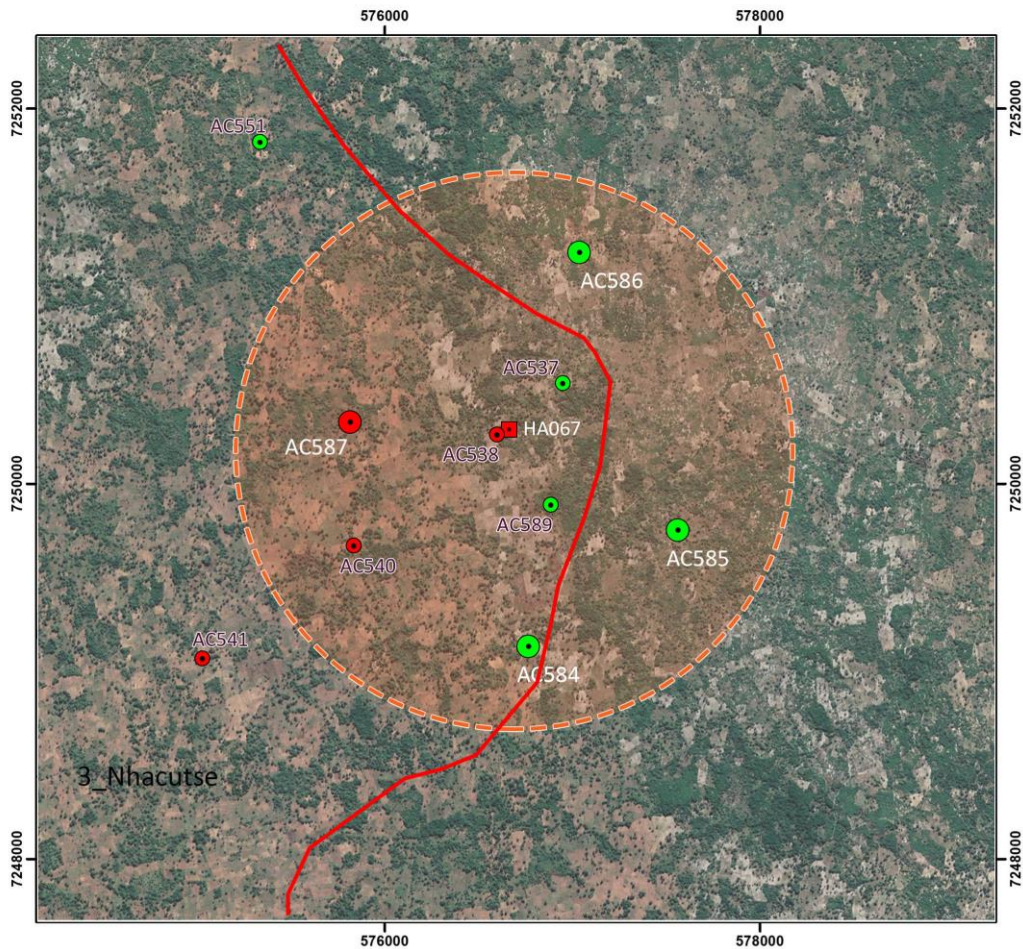


Base layer is Digital Terrain Model
Datum WGS84 Z36S

Figure 4: Map of the Nhacutse Target – Priority 1 drilling and THM Visual results.

Secondly, the Phase 2 aircore program at Nhacutse included 4 additional holes, 20CSAC584 to 20CSAC587, in the eastern part of Nhacutse (Figure 5). These holes were drilled to gain further information of an emerging zone of higher VHM concentration, interpreted from previous Qemscan analysis of samples from auger drilling to 12 metres. The HMC from these holes will be used in additional Qemscan and X-ray fluorescence spectroscopy (**XRF**) analysis to better interpret this significant finding.

The opportunity at Nhacutse east is to discover high THM grade tonnage at similar grade to Koko Massava but with a mineral assemblage (VHM) greater than Koko Massava, providing an even higher value per ton resource to be considered and prioritized against others for a potential mine start up.



Corridor South project, Nhacutse and Bungane targets planned Phase 2, Priority 2 reconnaissance aircore drillhole locations, October 2020.

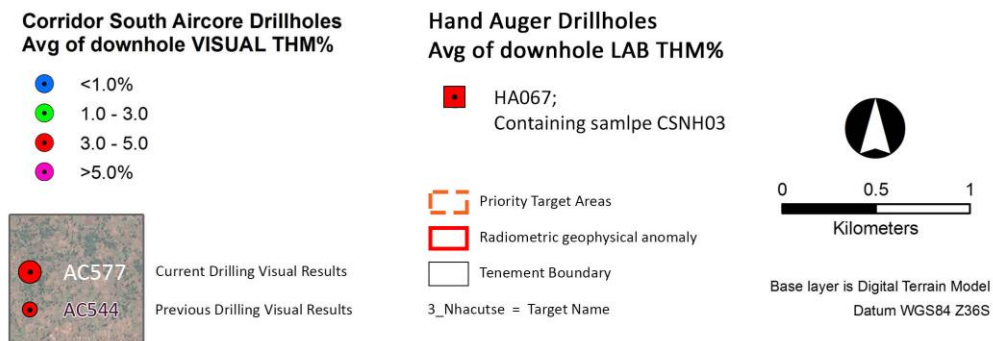


Figure 5: Map of the Nhacutse Prospect Target 2 drilling and THM results.

Table 1: Summary collar and visual estimated THM% results for aircore drill data for the Phase 2 Nhacutse target completed during October, 2020.

| HOLE ID | UTM EAST WGS84 | UTM NORTH WGS84 | EOH (M) | ELEV'N (M) | DRILL TYPE | DOWNHOLE AVG % VIS EST THM | MIN OF % VIS EST THM | MAX OF % VIS EST THM |
|-----------|----------------------|-----------------------|------------|---------------|---------------|----------------------------------|-------------------------|-------------------------|
| 20CSAC572 | 569313 | 7249432 | 30 | 51 | AIRCORE | 5.2 | 2.0 | 7.0 |
| 20CSAC573 | 569773 | 7248837 | 30 | 69 | AIRCORE | 3.4 | 2.0 | 5.0 |
| 20CSAC574 | 570556 | 7248175 | 30 | 76 | AIRCORE | 3.4 | 2.0 | 4.0 |
| 20CSAC575 | 569924 | 7247375 | 30 | 78 | AIRCORE | 3.9 | 3.0 | 5.0 |
| 20CSAC576 | 571420 | 7247892 | 30 | 74 | AIRCORE | 3.5 | 2.0 | 5.0 |
| 20CSAC577 | 571351 | 7248787 | 30 | 72 | AIRCORE | 4.6 | 3.0 | 6.0 |
| 20CSAC578 | 572015 | 7249595 | 30 | 71 | AIRCORE | 4.3 | 3.0 | 10.0 |
| 20CSAC579 | 572927 | 7248427 | 30 | 86 | AIRCORE | 3.2 | 2.0 | 4.0 |
| 20CSAC580 | 573558 | 7249205 | 30 | 79 | AIRCORE | 3.4 | 3.0 | 4.0 |
| 20CSAC581 | 574761 | 7246362 | 30 | 78 | AIRCORE | 3.4 | 2.0 | 4.0 |
| 20CSAC582 | 574276 | 7246968 | 30 | 74 | AIRCORE | 3.8 | 3.0 | 6.0 |
| 20CSAC583 | 574757 | 7247635 | 30 | 77 | AIRCORE | 3.5 | 3.0 | 4.0 |
| 20CSAC584 | 576760 | 7249119 | 30 | 56 | AIRCORE | 2.1 | 1.0 | 4.0 |
| 20CSAC585 | 577554 | 7249731 | 30 | 57 | AIRCORE | 2.0 | 1.0 | 5.0 |
| 20CSAC586 | 577045 | 7251236 | 30 | 67 | AIRCORE | 2.0 | 1.0 | 4.0 |
| 20CSAC587 | 575852 | 7250322 | 30 | 82 | AIRCORE | 3.7 | 3.0 | 4.0 |

Note: VIS EST= visual estimated; All data averages are grade weighted and uncut from surface. Dip for all holes if -90° and azimuth is 360°.

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 employee 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.

-ENDS-

Authorised by the Board of MRG Metals Ltd.



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Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---------------------|---|---|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. | <ul style="list-style-type: none"> Aircore drilling was used to obtain samples at 3.0m intervals. The larger 3.0m interval aircore drill samples were homogenized by rotating the sample bag prior to being grab sampled for panning. A sample of sand, approximately 20g, was scooped from the sample bag of each sample interval for wet panning and visual estimation. The same sample mass is used for every pan sample visual estimation. The consistent sized pan sample is to ensure visual calibration is maintained for consistency in percentage visual estimation of total heavy mineral (THM). Images of pan concentrate samples with associated laboratory THM results are used in the field as comparisons to further refine visual estimation of THM. Geologists enter the laboratory THM results for each sample on field log sheets against the visual estimation of THM to refine and further calibrate field visual estimation of THM. Geotagged photographs are taken of each panned sample with the corresponding sample bag to enable easy reference at a later date. A sample ledger is kept at the drill rig for recording sample intervals and sample mass, and photographs are taken of samples for each hole to cross-reference with logging. The large 3.0m drill samples have an average of about 18kg, range 8-40kg, and are being split down in Mozambique to approximately 300-600g using a three tier riffle splitter for export to the Primary processing laboratory. |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | <ul style="list-style-type: none"> Reverse Circulation 'Aircore' drilling with inner tubes for sample return was used. Aircore drilling is considered a standard industry technique for heavy mineral sand (HMS) mineralization. Aircore drilling is a form of reverse circulation drilling where the sample is collected at the face |

| Criteria | JORC Code explanation | Commentary |
|-----------------------|---|---|
| | | <p>and returned inside the inner tube.</p> <ul style="list-style-type: none"> • Aircore drill rods used were 3m long. • Drill rods used were 76mm in diameter and NQ diameter (80mm) Harlsan aircore drill bits were used. • All drill holes were drilled vertical. • The drilling onsite is governed by an Aircore Drilling Guideline to ensure consistency in application of the method between geologists. |
| Drill sample recovery | <ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> | <ul style="list-style-type: none"> • Drill sample recovery is monitored by measuring and recording the total mass of each 3.0m sample at the drill rig with a standard spring balance. • While initially collaring the hole, limited sample recovery can occur in the initial 0.0m to 3.0m sample interval owing to sample and air loss into the surrounding loose soil. • The initial 0.0m to 3.0m sample interval is drilled very slowly in order to achieve optimum sample recovery. • The entire 3.0m sample is collected at the drill rig in large numbered plastic bags for dispatch to the onsite initial split preparation facility. • At the end of each drill rod, the drill string is cleaned by blowing down with air to remove any clay and silt potentially built up in the sample pipes and cyclone. • The twin-tube aircore drilling technique is known to provide high quality samples from the face of the drill hole. • Wet and moist samples are placed into large plastic basins to dry prior to splitting. |
| Logging | <ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> | <ul style="list-style-type: none"> • The 3.0m aircore drill intervals are logged onto paper field log sheets at the drill site prior to transcribing into a Microsoft Excel spreadsheet at the field office. Field paper logs are scanned and archived digitally on a cloud storage site with the broader geological database. • The aircore samples were logged for lithology, colour, grainsize, rounding, sorting, estimated %THM, estimated %slimes and any relevant comments, such as slope and vegetation. • A representative portion of every sample interval is collected in a chip-tray and archived at the field base for any additional logging. A photograph is collected of the chip tray related to each hole and is digitally archived on a cloud storage site. • Geological logging is governed by an Aircore Drilling Guideline document with predefined log codes and guidance of what to include in data fields to ensure consistency between individuals logging data. |

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| | | <ul style="list-style-type: none"> Data is backed-up each day at the field office to a cloud storage site. Data from the Microsoft Excel spreadsheets is imported into a Microsoft Access database and the data is subjected to numerous validation queries to ensure data quality. |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. | <ul style="list-style-type: none"> The entire 3.0m aircore drill sample collected at the rig was dispatched to a sample preparation facility to split with a three tier riffle splitter to reduce sample mass. The water table depth was noted in all geological logs if intersected. Employees undertaking the primary sampling and splitting are closely monitored by a geologist to ensure sampling quality is maintained. Almost all of the samples are sand, silty sand, sandy silt, clayey sand or sandy clay and this sample preparation method is considered appropriate. The sample sizes were deemed suitable to reliably capture THM, slime, and oversize characteristics, based on industry experience of the geologists involved and consultation with laboratory staff. Field duplicates of the samples are completed at a frequency of 1 per 25 primary samples. Standard Reference Material (SRM) samples are inserted into the sample stream at a frequency of 1 per 50 samples. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. | <ul style="list-style-type: none"> The wet panning of samples provides an estimate of the %THM content within the sample which is sufficient for the purpose of determining approximate concentrations of %THM. The field derived visual panned THM estimates are compared to a range of laboratory derived THM images of pan concentrates. This allows the field geologists to calibrate the field panned visual estimated THM with known laboratory measured THM grades. An inter-laboratory check for this batch of samples will be conducted via c 10% of the samples being sent to the laboratory Scientific Services in South Africa. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. | <ul style="list-style-type: none"> Selected visual estimated THM field data are checked by the Chief Geologist. Significant visual estimated THM >5% are verified by the Chief Geologist. This is done either in the field or via field photographs of the pan sample. The Chief Geologist has made numerous visits to the field drill sites to train and embed process and procedure with field staff. No twinned holes have been completed during this programme to |

| Criteria | JORC Code explanation | Commentary |
|-------------------------------|--|--|
| | | <p>date but twin holes are planned.</p> <ul style="list-style-type: none"> The geologic field data is manually transcribed into a master Microsoft Excel spreadsheet which is appropriate for this stage in the exploration program. The raw field data is checked in the Microsoft Excel format first to identify any obvious errors or outlier data. The data is then imported into a Microsoft Access database where it is subjected to various validation queries. An inter-laboratory check for this batch of samples will be conducted via c 10% of the samples being sent to the laboratory Scientific Services in South Africa. |
| Location of data points | <ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. | <ul style="list-style-type: none"> Downhole surveys for these aircore holes are not required due to the relatively shallow nature. A handheld 16 channel Garmin GPS is used to record the positions of the aircore holes in the field. The handheld Garmin GPS has an accuracy of +/- 5m in the horizontal. The datum used for coordinates is WGS84 zone 36S. The accuracy of the drillhole locations is sufficient for this early stage exploration. |
| Data spacing and distribution | <ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. | <ul style="list-style-type: none"> Hole spacing used in this reconnaissance drill program is variable at 500m, 1000m, and 2000m between drill lines (traverses) and about 700m to 1000m between hole stations. The holes were located from a regular grid but are reconnaissance phase holes and were selected based on previous auger hole locations. The spacing between aircore holes and between lines combined with that of the previously drilled auger holes is sufficient to provide a reasonable degree of confidence in geological models and grade continuity between holes for aeolian style HMS deposits. Closer spaced drilling in a follow-up phase (250m x 500m and 250m x 1000m spaced holes) will provide a higher confidence in geological models and grade continuity between the holes. Each aircore drill sample is a single 3.0m sample of sand intersected down the hole. No compositing has been applied to values of THM, slime and oversize. |
| Orientation of data in | <ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering | <ul style="list-style-type: none"> The aircore drilling was located at selected sites along the interpreted strike of mineralization defined by reconnaissance auger drill data |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| <i>relation to geological structure</i> | <p><i>the deposit type.</i></p> <ul style="list-style-type: none"> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> | <p>and geophysical data interpretation.</p> <ul style="list-style-type: none"> Drill holes were vertical and the nature of the mineralisation is relatively horizontal. The orientation of the drilling is considered appropriate for testing the lateral and vertical extent of mineralization without any bias. |
| <i>Sample security</i> | <ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> | <ul style="list-style-type: none"> Field photographs are taken of each sample bag with corresponding sample number and panned sample in order to track numbers of samples per hole and per batch. Aircore samples remained in the custody of Company representatives while they were transported from the field drill site to Chibuto field camp for splitting and other processing. Aircore samples remain in the custody of Company representatives until they are transported to Maputo for final packaging and securing. The Company uses a commercial shipping company, Deugro or DHL, to ship samples from Mozambique to Perth. |
| <i>Audits or reviews</i> | <ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> | <ul style="list-style-type: none"> Internal data and procedure reviews are undertaken. No external audits or reviews have been undertaken. |

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| <i>Mineral tenement and land tenure status</i> | <ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | <ul style="list-style-type: none"> The exploration work was completed on the Corridor South tenement (6621L) which is 100% owned by the Company through its 100% ownership of its subsidiary, Sofala Mining & Exploration Limitada, in Mozambique. All granted tenements have initial 5 year terms, renewable for 3 years. An application for renewal of tenement 6621L was submitted in 23 September 2019 and is under review. Traditional landowners and village Chiefs within the areas of influence were consulted prior to the aircore drilling programme and were supportive of the programme. Representatives from the Provincial Directorate of Mineral Resources and Directorate of Lands, Environment and Rural Development, and District Planning and Infrastructure Departments are also part of the consent and consultation process. An Environment Management Plan was prepared by an independent consultant and submitted to the Gaza Provincial Directorate of Lands, Environment and Rural Development in accordance with Mining Law and Regulations. An Environmental License has been obtained by the Company. |
| <i>Exploration done by other parties</i> | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> Historic exploration work was completed by Corridor Sands Limitada, a subsidiary of Southern Mining Corporation and subsequently Western Mining Corporation, in 1999. BHP-Billiton acquired Western Mining Corporation and undertook a Bankable Feasibility Study of the Corridor Deposit 1 about 15km north of the Company's tenements. The Company has obtained digital data in relation to this historic information. The historic data comprises limited Aircore/Reverse Circulation drilling. The historic results are not reportable under JORC 2012. |
| <i>Geology</i> | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> Two types of heavy mineral sand mineralisation styles are possible along coastal Mozambique: <ol style="list-style-type: none"> Thin but high grade strandlines which may be related to marine or fluvial influences, and Large but lower grade deposits related to windblown sands. |

| Criteria | JORC Code explanation | Commentary | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--|-------------|----------------|----------------|-------------|----------------|----------------|-----------|-----|-----|-----|--------------|------------|-----------|-----|-----|-----|-----------|-----|-----|-----|-----------|-----|------|-----|-----------|------|------|-----|-----------|------|------|-----|-----------|------|------|-----|-----------|------|------|-----|-----------|------|------|-----|-----------|------|------|-----|-----------|------|------|-----|-----------|------|------|-----|-----------|------|------|-----|
| | | <ul style="list-style-type: none">The coastline of Mozambique is well known for massive dunal systems such as those developed near Inhambane (Rio Tinto's Mutamba deposit), near Xai Xai (Rio Tinto's Chilubane deposit) and in Nampula Province (Kenmare's Moma deposit). Buried strandlines are likely in areas where palaeoshorelines can be defined along coastal zones. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Drill hole Information | <ul style="list-style-type: none">A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:<ul style="list-style-type: none">easting and northing of the drill hole collarelevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collardip and azimuth of the holedown hole length and interception depthhole length.If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | <ul style="list-style-type: none">Summary drill hole information is presented within Table 1 of the main body of text of this announcement. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Data aggregation methods | <ul style="list-style-type: none">In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.The assumptions used for any reporting of metal equivalent values should be clearly stated. | <ul style="list-style-type: none">No cut-offs were used in the downhole averaging of results.The visual estimated THM% averaging is grade-weighted.An example of data averaging is shown below. <table><tr><th>HOLE_ID</th><th>FROM</th><th>TO</th><th>PCT VIS THM</th><th>Average visTHM</th><th>Average visTHM</th></tr><tr><td>19CCAC104</td><td>0.0</td><td>3.0</td><td>6.0</td><td rowspan="13">37.5m @ 4.9%</td><td rowspan="13">27m @ 6.3%</td></tr><tr><td>19CCAC104</td><td>3.0</td><td>6.0</td><td>6.0</td></tr><tr><td>19CCAC104</td><td>6.0</td><td>9.0</td><td>6.0</td></tr><tr><td>19CCAC104</td><td>9.0</td><td>12.0</td><td>8.0</td></tr><tr><td>19CCAC104</td><td>12.0</td><td>15.0</td><td>6.2</td></tr><tr><td>19CCAC104</td><td>15.0</td><td>18.0</td><td>6.6</td></tr><tr><td>19CCAC104</td><td>18.0</td><td>21.0</td><td>5.5</td></tr><tr><td>19CCAC104</td><td>21.0</td><td>24.0</td><td>8.0</td></tr><tr><td>19CCAC104</td><td>24.0</td><td>27.0</td><td>4.0</td></tr><tr><td>19CCAC104</td><td>27.0</td><td>30.0</td><td>2.5</td></tr><tr><td>19CCAC104</td><td>30.0</td><td>33.0</td><td>2.0</td></tr><tr><td>19CCAC104</td><td>33.0</td><td>36.0</td><td>1.7</td></tr><tr><td>19CCAC104</td><td>36.0</td><td>37.5</td><td>1.5</td></tr></table> | HOLE_ID | FROM | TO | PCT VIS THM | Average visTHM | Average visTHM | 19CCAC104 | 0.0 | 3.0 | 6.0 | 37.5m @ 4.9% | 27m @ 6.3% | 19CCAC104 | 3.0 | 6.0 | 6.0 | 19CCAC104 | 6.0 | 9.0 | 6.0 | 19CCAC104 | 9.0 | 12.0 | 8.0 | 19CCAC104 | 12.0 | 15.0 | 6.2 | 19CCAC104 | 15.0 | 18.0 | 6.6 | 19CCAC104 | 18.0 | 21.0 | 5.5 | 19CCAC104 | 21.0 | 24.0 | 8.0 | 19CCAC104 | 24.0 | 27.0 | 4.0 | 19CCAC104 | 27.0 | 30.0 | 2.5 | 19CCAC104 | 30.0 | 33.0 | 2.0 | 19CCAC104 | 33.0 | 36.0 | 1.7 | 19CCAC104 | 36.0 | 37.5 | 1.5 |
| HOLE_ID | FROM | TO | PCT VIS THM | Average visTHM | Average visTHM | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 0.0 | 3.0 | 6.0 | 37.5m @ 4.9% | 27m @ 6.3% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 3.0 | 6.0 | 6.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 6.0 | 9.0 | 6.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 9.0 | 12.0 | 8.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 12.0 | 15.0 | 6.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 15.0 | 18.0 | 6.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 18.0 | 21.0 | 5.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 21.0 | 24.0 | 8.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 24.0 | 27.0 | 4.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 27.0 | 30.0 | 2.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 30.0 | 33.0 | 2.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 33.0 | 36.0 | 1.7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 19CCAC104 | 36.0 | 37.5 | 1.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Relationship between mineralisation widths and | <ul style="list-style-type: none">These relationships are particularly important in the reporting of Exploration Results.If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. | <ul style="list-style-type: none">The nature of the mineralisation is broadly horizontal, thus vertical aircore holes are thought to represent close to true thicknesses of the mineralisation. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| <i>intercept lengths</i> | <ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). | <ul style="list-style-type: none"> Downhole widths are reported. |
| <i>Diagrams</i> | <ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | <ul style="list-style-type: none"> Figures are displayed in the main text. |
| <i>Balanced reporting</i> | <ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | <ul style="list-style-type: none"> A summary of the visual estimated THM% data is presented in Table 1 of the main part of the announcement, comprising downhole averages, together with maximum and minimum estimated THM values in each hole. |
| <i>Other substantive exploration data</i> | <ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | <ul style="list-style-type: none"> No other material exploration information has been gathered by the Company. |
| <i>Further work</i> | <ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | <ul style="list-style-type: none"> Further work will include heavy liquid separation analysis for quantitative THM% data. Additional mineral assemblage and ilmenite mineral chemistry analyses will also be undertaken on suitable composite HM samples to determine valuable heavy mineral components. As the project advances, TiO₂ and contaminant test work analyses will also be undertaken. |