

**ASX ANNOUNCEMENT**

**6 August 2020**

## **Major Infrastructure Boost to Mozambique**

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MRG Metals Limited (“the **Company**” or “**MRQ**”) (ASX code: MRQ) is pleased to announce that it continues to progress discussions with Moçambique STT Sociedade Anónima (“**STT**”), the private enterprise behind the proposed multibillion-dollar Chongoene Development Corridor Project (“**CDC**”) in Mozambique.

The CDC development comprises a 150 Mtpa multipurpose deep-water seaport to be located in the town of Chongoene, approximately 40km south of MRQ’s Koko Massava Prospect and just 10km from the southern boundary of the Company’s Corridor South Tenement. The Chongoene port will be linked by a railway to the existing Maputo-Zimbabwe line and the proposed track line will run through or adjacent to the Company’s Corridor Central and Corridor South projects (Figure 1).

The close proximity of the Chongoene deep-water seaport project and proposed Mineral Processing Zone as well as planned extension of a natural gas pipeline for energy production for the Park and Port, will provide a substantial economic boost to MRG’s potential mining operations, as it will facilitate a trucking option as well as rail for export of MRG heavy mineral sand concentrate (Figure 2).

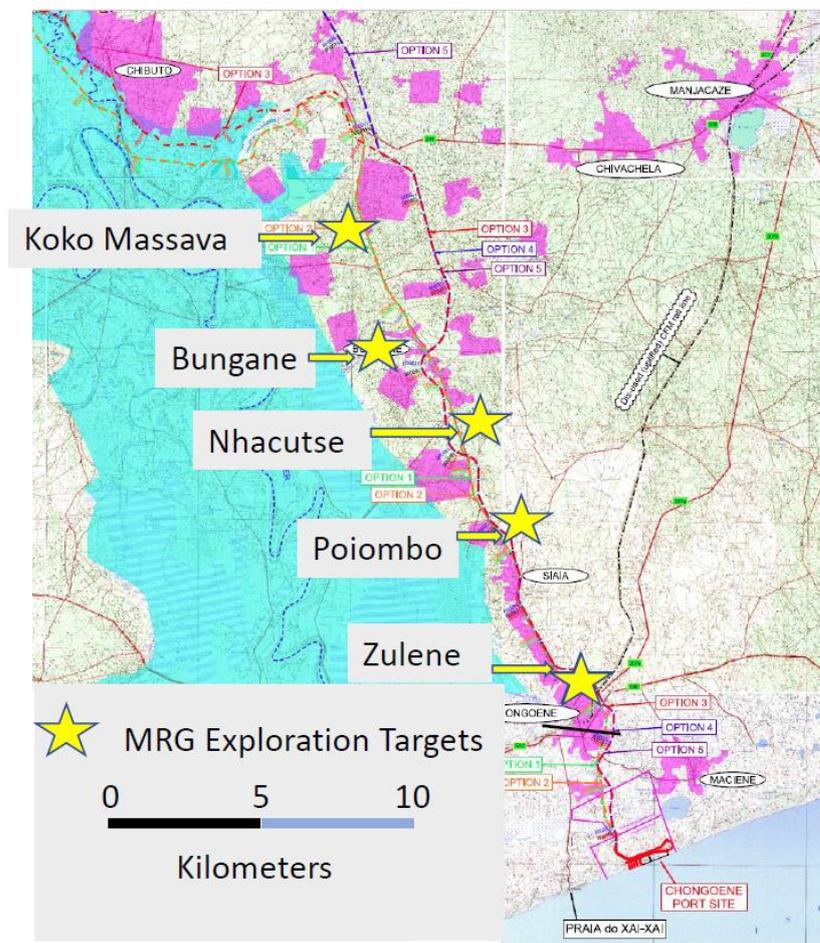
***Commenting on the CDC development MRG Metals Chairman, Mr Andrew Van Der Zwan, said “An investment of this size in the local infrastructure is a fantastic result for Mozambique. At this stage it is proposed that the railway component of the CDC development will run through our Corridor Central and Corridor South tenements and as such, STT has invited MRG Metals to provide information as to the impact of the location would have on the Company’s projects. We will continue these discussions and look forward to continuing to work with STT on what could be a hugely exciting infrastructure upgrade for the country of Mozambique.”***

It is estimated that Phase 1 of the CDC Development will commence in 2023 at an investment cost of approximately US\$3.78 billion (of which US\$2.83 billion will be invested directly into Mozambique). Phase 1 will comprise the construction of:

- A 2-berth jetty at the Chongoene port with capacity for 10 Mtpa;
- Railway line (221km) from Chongoene to Macaratane; and
- Improvements to the existing 310km CFM Line from Macaratane the Chicualacuala, which located on Mozambique’s border with Zimbabwe. This provides a link into the 886km National

Railways of Zimbabwe line, which in turn links directly into the rail networks of Botswana, South Africa and Zambia. This assures a rail link from Chongoene to six countries including the Democratic Republic of Congo as well as Angola, in the Southern Africa Development Community (SADC).

# CHONGOENE PORT AND RAIL LINK

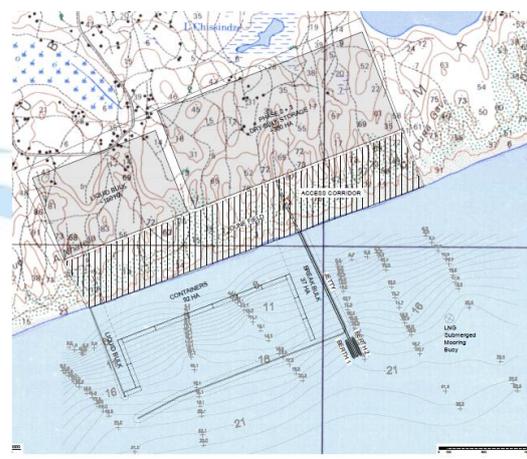
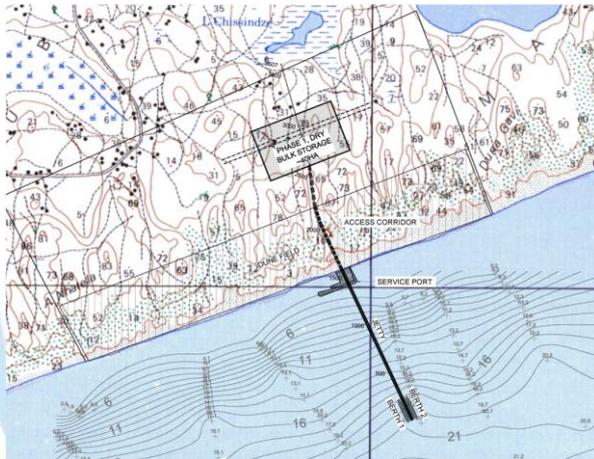


**Figure 1.** Approximate location of proposed railway line (red dotted line) in relation to MRG Metals 6620L Corridor Central and 6621L Corridor South Tenements. Note: Final route subject to change pending outcome of MRG exploration programs.

## CONCEPT PLAN - CHONGOENE DEEP-WATER SEAPORT

Phase 1 (2023 – 2025)  
10Mtpa

Phase 2 (2026 – 2032)  
(100Mtpa)



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**Figure 2.** STT Plan of CDC Development of Chongoene Port and Mineral Processing Zone

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**Authorised for release by the Board of MRG Metals Ltd.**

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