

## ASX ANNOUNCEMENT

16 March 2022

### AIRCORE DRILLING UNDERWAY TESTING 3 TARGETS AT MARAO HEAVY MINERAL SANDS (HMS) PROJECT

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#### Key Highlights

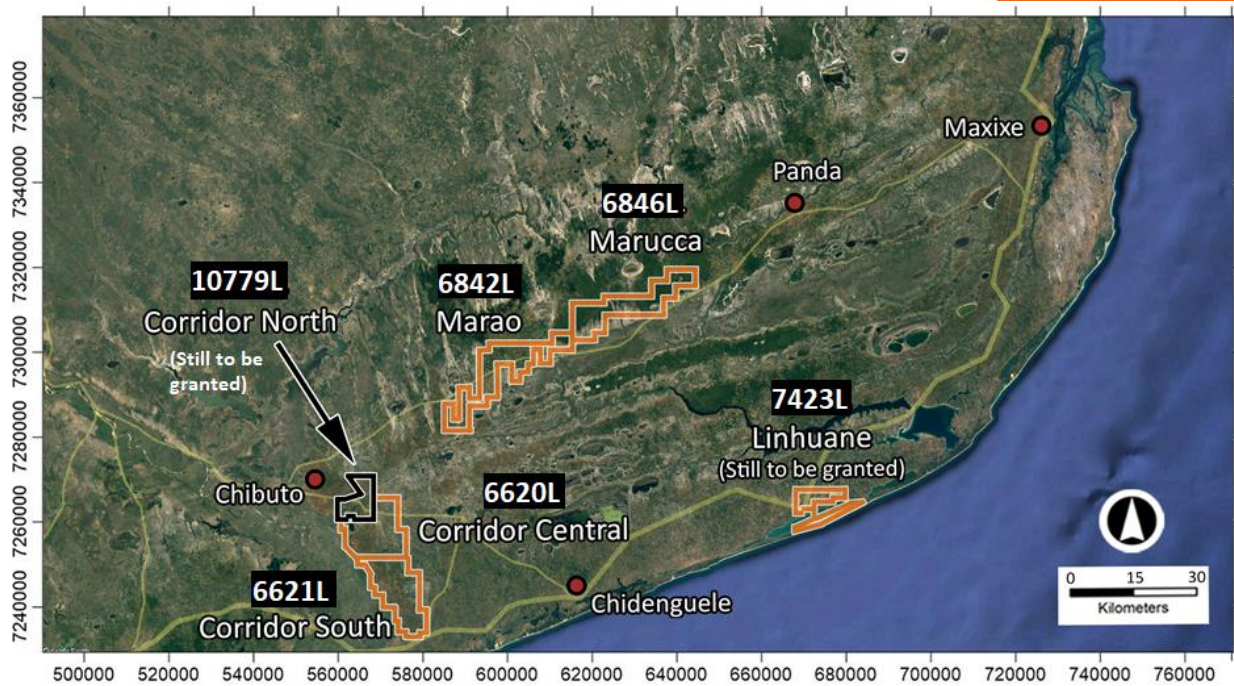
- Aircore drilling has begun at MRG's 3 heavy mineral sands (HMS) targets: Magonde, Mandende and Maduacua, which were identified by grid auger drilling in 2021 at the Marao Project (6842L).
- A program of 9 holes for a total of 350 to 400m is underway to test depth continuity of these 3 targets:
  - Magonde target has a surface footprint of >5 sq km of visually estimated (VIS EST) +3% total heavy minerals (THM) sand, with auger hole grades as high as VIS EST 5.1% THM over 13.5m (refer ASX Announcement 18 March 2021);
  - Mandende Target has a surface footprint of >9 sq km of VIS EST +3% THM, with auger hole grades as high as VIS EST 5.1% THM over 13.5m (refer ASX Announcement 18 June 2021); and
  - Maduacua target has a surface footprint >6 sq km of VIS EST +3% THM and a high grade VIS EST >5% THM portion of >3,5 sq km, with highest grade VIS EST of 6.9% THM over 13.5m (refer ASX Announcement 8 July 2021).
- The targets all demonstrate a north-south orientation, so an aircore hole will be drilled into the north, central and south sections of each of the targets.
- Samples from the aircore holes, together with relevant auger holes from the remaining grid auger program at Marao, will be sent for analysis at Western GeoLabs in Perth.
- Mineral assemblage investigations will be conducted from Heavy Mineral Concentrate (HMC) generated during the aircore drilling to follow-up on encouraging initial results of 50.05% Valuable Heavy Mineral (VHM) content (Ilmenite, Altered Ilmenite, Rutile and Zircon) from Scanning Electron Microscopy (SEM, refer ASX Announcement 27 April 2021). The VHM % is significantly higher than results reported in MRGs updated Koko Massava JORC Mineral Resource estimate of average 41% VHM of the HMC (refer ASX Announcement 16 December 2021) and from the maiden Nhacutse and Poiombo JORC Mineral Resource estimate at average 42% VHM of the HMC (refer ASX Announcement 2 February 2022).

MRG Metals Limited (“**MRG**” or “**the Company**”) (**ASX Code: MRQ**) is pleased to announce the commencement of an aircore drilling project of 9 drillholes at the 3 targets (Magonde, Mandende and Maduacua targets) generated from grid auger drilling at MRG’s Marao (6842L) **HMS** licence (Figure 1). The drilling will involve 3 holes in each of the targets, to a depth of approximately 45m or where VIS EST significant THM grades goes out of mineralisation. The Company is also nearing completion of the hand auger reconnaissance grid drilling at Marao (Figure 2). When samples from the aircore drilling project are sent to Western Geolabs in Perth, Australia, samples from selected auger holes will also be sent for analyses.

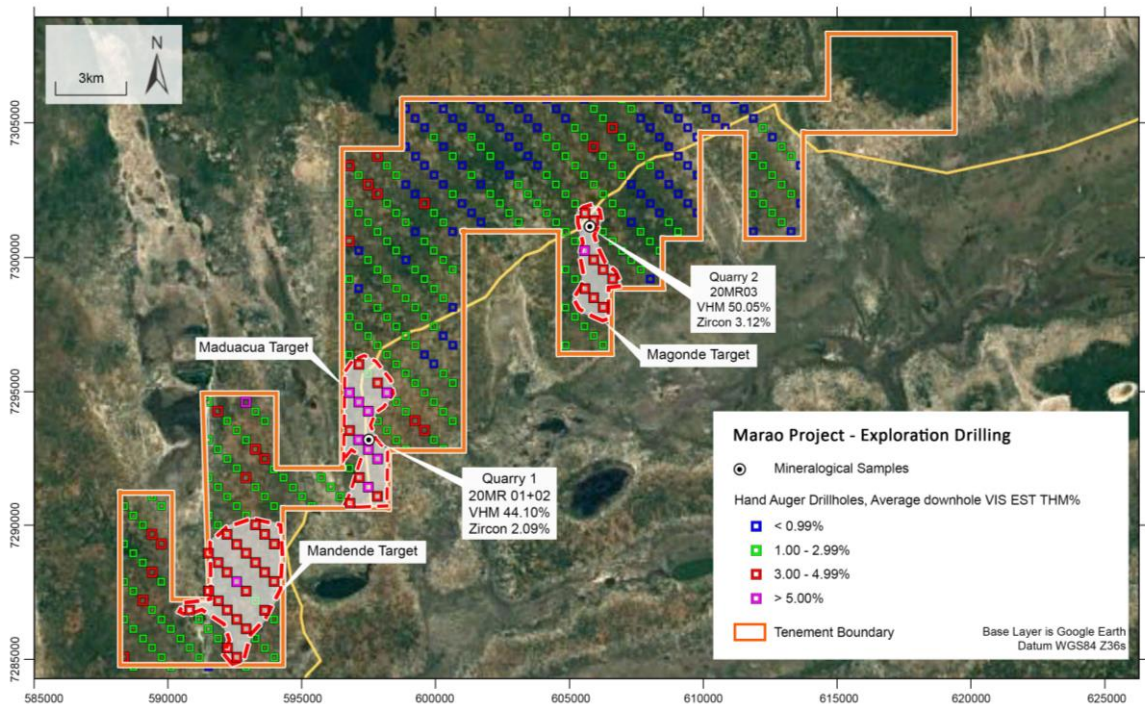
Mineralogical studies from composite HMC samples will be conducted from the aircore samples. The additional mineralogical work will follow up on very encouraging initial mineralogical investigations from grab samples at two road quarry sites within the Marao licence (refer ASX Announcement 27 April 2021), with the samples (20MR 01+02 in quarry 1 and 20MR 03 in quarry 2, Figure 2) falling within the Maduacua and Magonde targets respectively (Figures 2, 3 and 5).

The investigation showed encouraging 44.1% to 50.05% VHM content results (Ilmenite, Altered Ilmenite, Rutile and Zircon) from Scanning Electron Microscopy (SEM; refer ASX Announcement 27 April 2021). The VHM is higher to significantly higher than seen from the Koko Massava JORC Mineral Resource estimate of average 41% VHM of the HMC (refer ASX Announcement 16 December 2021) and from the maiden Nhacutse and Poiombo JORC Mineral Resource estimate at average 42% VHM of the HMC (refer ASX Announcement 2 February 2022). The Zircon content of 2.09% to 3.12% is also relatively high compared to MRG’s Koko Massava, Nhacutse and Poiombo deposits.

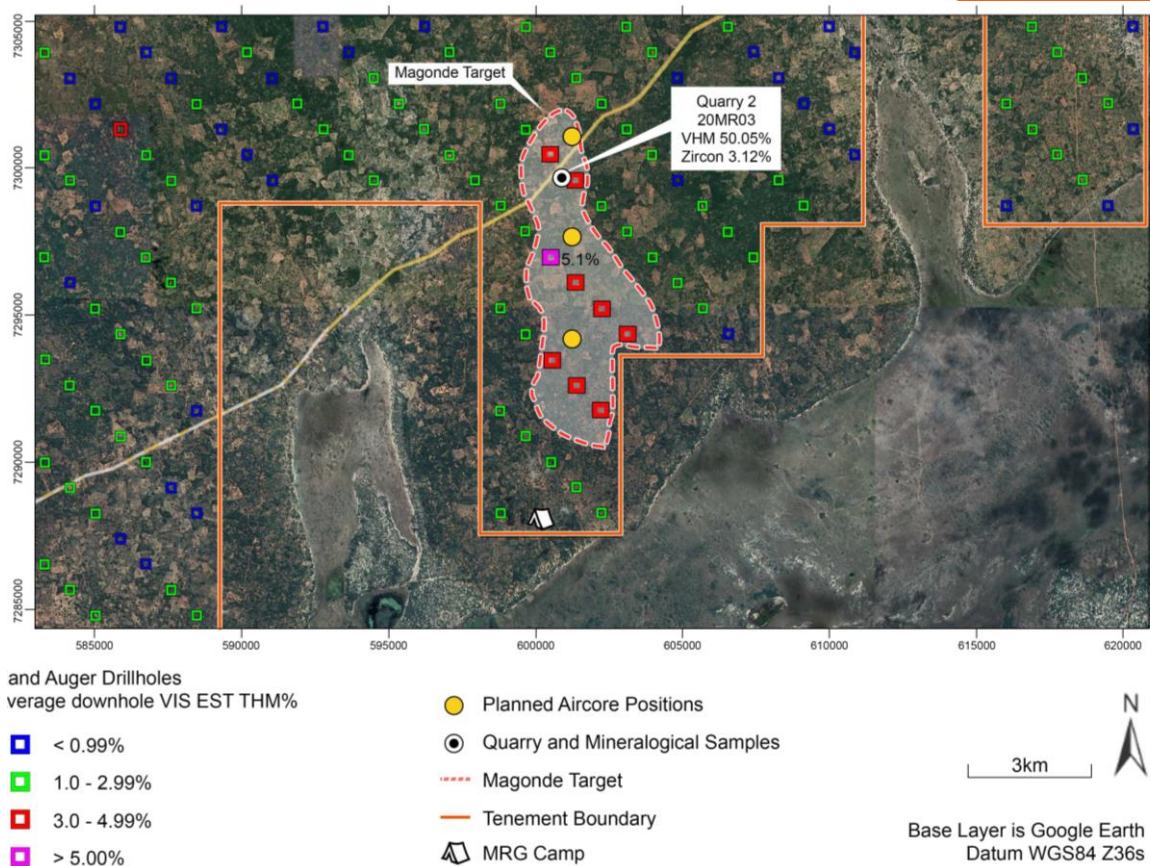
**MRG Metals Chairman, Mr Andrew Van Der Zwan said:** *“With our program at Corridor moving from an exploration focus to development, we will continue to explore our other portfolio opportunities. The drilling program at Marao follows our successful grid auger drilling which has identified high grade zones down to 15 metres as well as enhanced VHM. In particular, the higher Ilmenite and Zircon content within the assemblage is of interest as we commence our drilling program in 3 of the best targets identified to date.”*



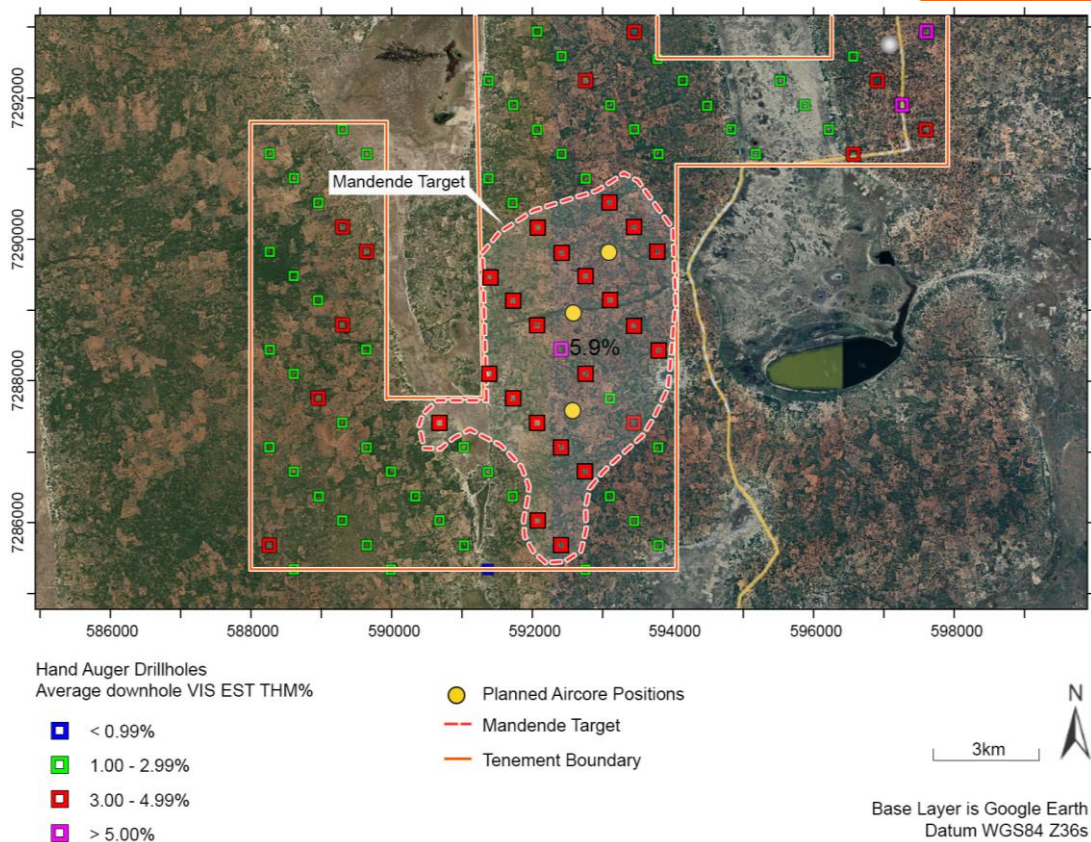
**Figure 1: MRG Projects in Mozambique.**



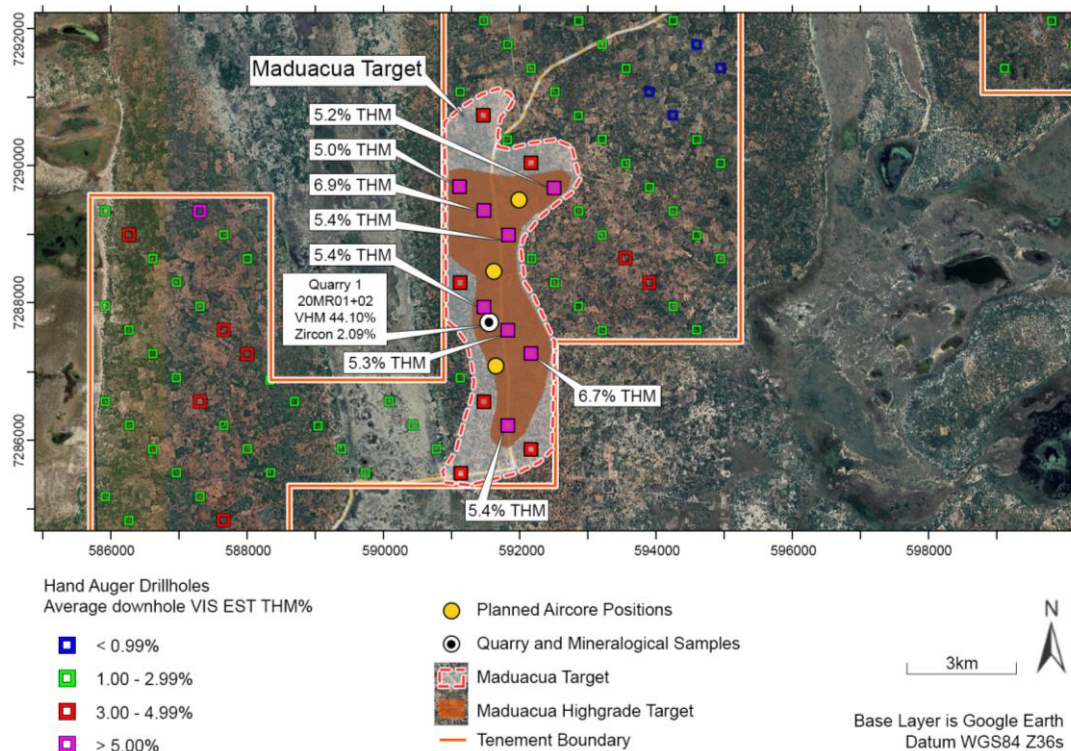
**Figure 2: Exploration hand auger drilling completed to date at Marao 6842, position of the Magonde, Mandende and Maduacua Targets.**



**Figure 3: Planned aircore drilling within the Magonde target.**



**Figure 4: Planned aircore drilling within the Mandende target.**



**Figure 5: Planned aircore drilling within the Maduacua target.**

### **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 consultant 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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