

MRL Corporation Ltd



EMERGING PRODUCER OF
HIGH GRADE SRI LANKAN
VEIN GRAPHITE & HIGH
QUALITY GRAPHENE

September 2015

Important Notice

The potential quantity and quality of the targets identified in this presentation are conceptual in nature and there has been insufficient exploration to date to define a mineral resource in accordance with JORC.

The content of the report is based on low level technical and economic assessment and is insufficient to support estimation of reserves or to provide assurance of an economic development case or to provide certainty that the production conclusions will be realised. Furthermore is it uncertain if further exploration will result in the determination of mineral resources.

The potential quality and grade of targets are conceptual in nature, there has been insufficient exploration to determine mineral resources and there is no certainty that further exploration work will result in the determination of a mineral resources or that the production targets will be realised.

Accordingly, this document contains reference to certain targets and plans of MRL which may or may not be achieved. The performance of MRL may be influenced by a number of factors, uncertainties and contingencies, many of which are outside the control of MRL and its directors, staff and consultants.

quality

Noun qual-i-ty

Plural qual-i-ties

Definition

Degree of excellence

Superiority in kind

- Highest quality natural graphite in the world
- Produces high quality graphene, comparable with the quality of graphene prepared by synthetic routes
- High quality management, employees and training

Executive Summary

- MRL Corporation Ltd (Ticker ASX:MRF) (“MRL” or “Company”) holds 1 Mining Licence and 4 Exploration Permits covering 6,300 ha of known ultra high-grade, vein graphite deposits in Sri Lanka.
- Ultra high grade Sri Lankan vein graphite (~90 - 99%) when compared to average grades of ~ 10-20%:
 - Typically attracts a premium price over ordinary flake graphite in traditional graphite markets.
 - Ideally suited to high growth premium value ‘Future Use’ applications – such as Graphene and Lithium Ion Batteries used in Electric Vehicles (EVs) and green energy storage
- Graphene characterisation tests conducted by the University of Adelaide returned outstanding results, demonstrating MRL’s graphite was suitable for scalable graphene production.
- Quality of the prepared graphene from MRL’s graphite was outstanding and comparable with the quality of graphene prepared by synthetic routes.
- First graphite production expected in 2015 from rehabilitated shafts on the:
 - Warakopola Prospect where drilling results to date have demonstrated veins containing up to 99.2% Total Carbon.
 - Aluketiya Prospect which already has a Mining Licence and drilling has indicated grades up to 99.3% Total Carbon.
- Management team comprises experienced, practical mining professionals.
- Compelling Valuation.

Graphene

- Testing at University of Adelaide show excellent results for high quality graphene production.
- Tests performed produced high quality single and multi-layer graphene sheets showing low defects, which was confirmed by the Raman characterisation.
 - The quality of the graphene exfoliated from MRL's graphite is comparable with the quality of graphene prepared by synthetic routes.
 - MRL's graphite has very high crystalline carbon content.
 - Processes showed promising potential for quality, scalable extraction of graphene.
 - Discussing collaboration with several graphene production facilities

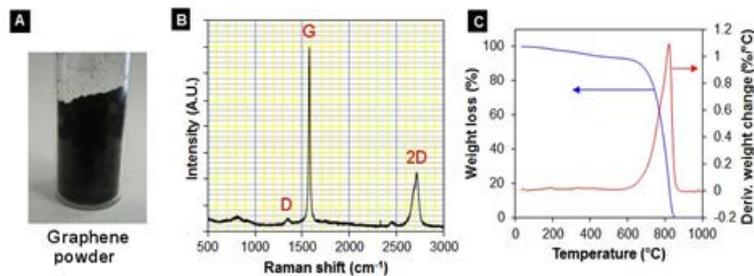


Figure 1 a) Digital photograph of prepared graphene powder from MRL ore graphite, b) Raman and c) TGA plots of graphene prepared.

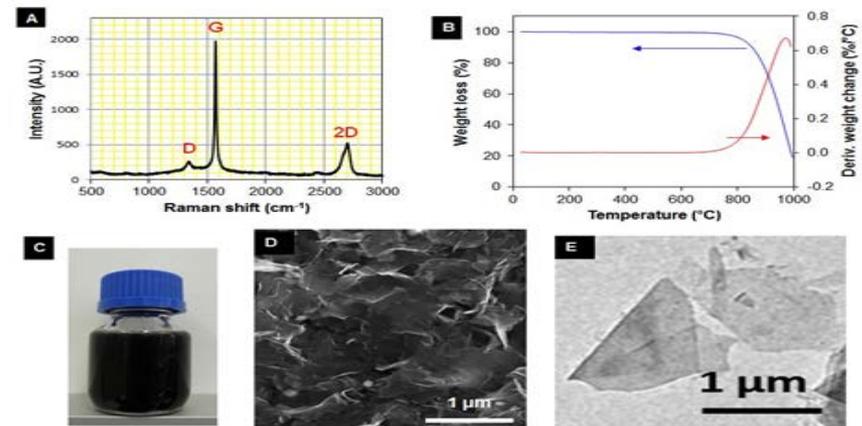


Figure 2. a-b) Raman and TGA spectra of graphene produced from MRL ore graphite, c) Prepared graphene solution, d) SEM, and e) TEM images of showing typical structures graphene nanosheets.

Sri Lankan Vein Graphite

- Sri Lankan vein graphite production has shrunk from greater than 33,000t in 1916 to less than 3,500 t in 2012 as a result of only two mines continuing to produce.
 - It is the rarest, most valuable, highest quality form of natural graphite with a purity of **90-99% Total Carbon without refining**.
 - Graphite of this quality in commercial quantity is unique to Sri Lanka.
 - The key benefit to producers is they can sell their Run Of Mine material without the need for large treatment facilities and the associated high capex and opex.
 - The benefits to end-users are:
 - Low impurities and;
 - Higher conductivity.
 - High crystalline structure
- 
- Low processing costs and;
 - More environmentally-friendly treatment processes.

(US\$)	5 Year History of Prices Paid by US Importers				
	2009	2010	2011	2012	2013
Lump and chip (Sri Lanka)	1,410	1,700	1,820	1,960	1,720
Flake	694	720	1180	1370	1360
Amorphous	249	257	301	339	433

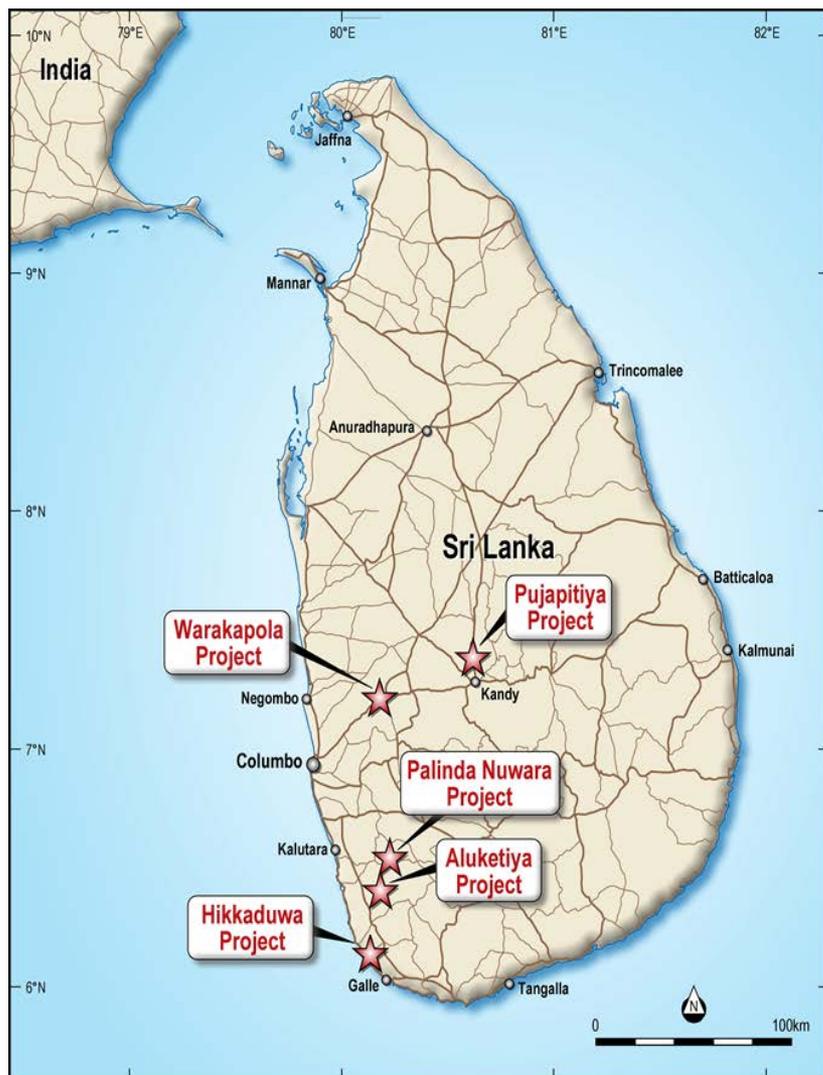
- Note the premium paid for Sri Lankan graphite throughout this period.

Source: USGS Mineral Commodities Summary 2014.

High Level Business Plan

- 'Old-Timers' mined shallow shafts (~25m) and produced a significant quantity of graphite before being forced out of their workings because of lack of capital, poor ventilation and water control.
- MRL's will use conventional but modern techniques to identify old workings that are prospective for re-entry, complete limited drilling to establish commercial thickness and commence mining
- Management Estimate of Rehabilitation cost per site, based on Pandeniya, is approx. US\$150,000;
- Of the sites MRL plans to re-open in CY15 and CY16, 12 have already been identified
- Small scale flexible production requiring limited infrastructure investment and importantly Run of Mine is saleable without further processing.

Projects: Introduction



Historical Adit



Historical Shaft



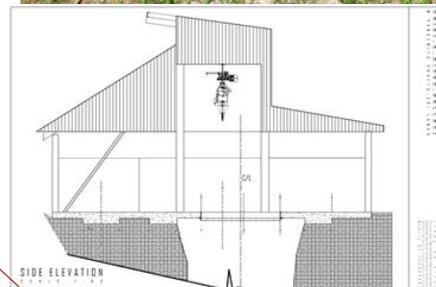
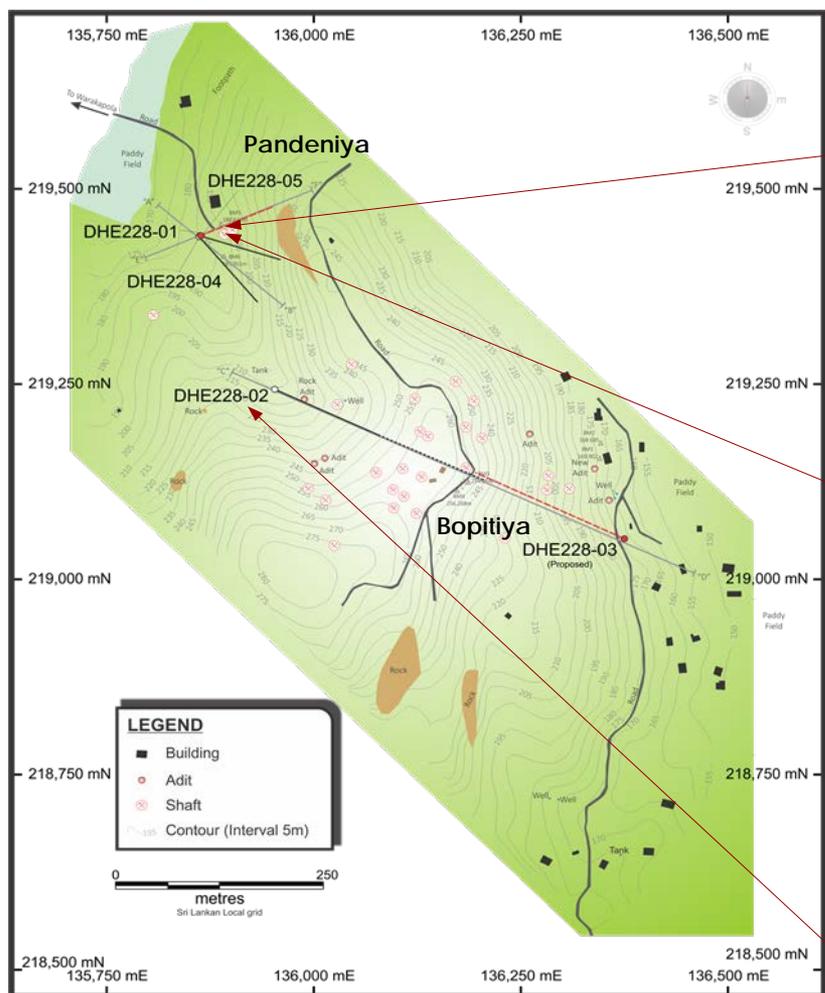
Remnant Graphite Stockpile

- MRL has five separate graphite project areas in Sri Lanka covering 6,300 ha.
- All projects are 100% owned.
- ~ 220 historical workings have been identified to date and large remnant graphite dumps indicate MRL's licences have, in the past, produced large volumes of vein graphite at shallow depths.
- Prior to MRL, with the exception of Aluketiya, there hadn't been any systematic or modern exploration on MRL licences.
- Analysis of drilling core shows a range of 92.8 to 99.3% TGC.¹
- Analytical results of the 'waste' dumps shows 85% TGC and test work shows it 'upgrades' to >95% with a simple un-optimised float.²
- Based on the geology at nearby mines (Kahatagaha and Bogala which are being mined below 500m) graphite mineralisation is expected to remain open and improve at depth.

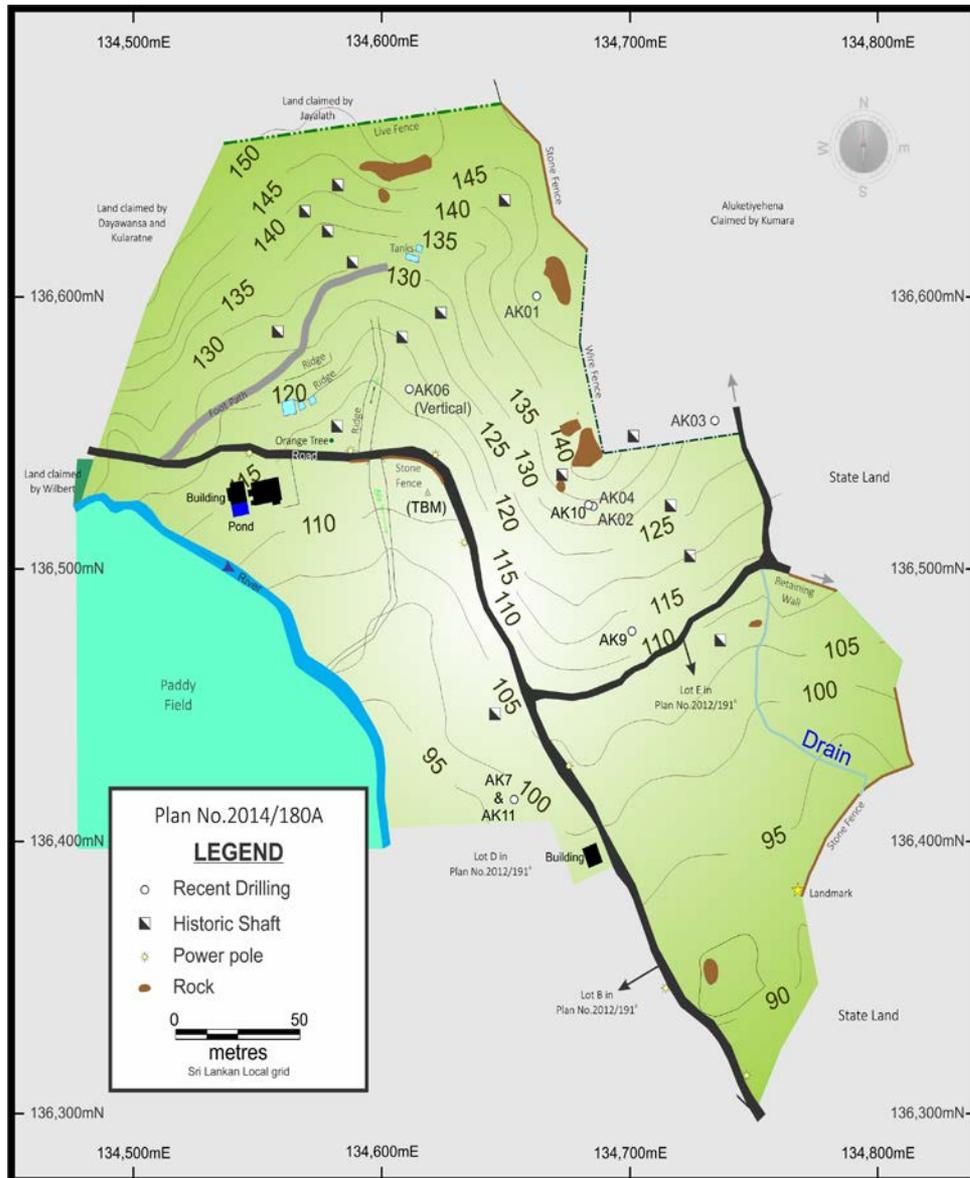
1: ASX Announcements 17 July 2014 & 28 January 2015

2: ASX Announcement 23 May 2014

Warakapola (Comprising Pandeniya and Bopitiya)



- ~40 historical workings identified.
- Drilling program completed confirming commercial shallow vein graphite mineralisation below 2 historical shafts with grades ranging from 92.8 to 97.8% TGC.¹
- Based on regional geology, management believes each vein has potential to produce for a considerable period >10 years.
- Rehabilitation of Pandeniya shaft is well underway.
- Management estimate production expected during 2015.
- Pandeniya will become the 'proto-type / blue print' for development of future sites, i.e. MRL is standardising infrastructure plans and equipment



- Aluketiya is already covered by an Industrial Mining License.
- Located in a rich graphite-bearing region in Sri Lanka.
- Core from 11 diamond core holes drilled has been logged and analysed. Results range up to 99.3% TGC¹ with multiple vein structures
- Rehabilitation of 2-3 shafts is commencing.

Pujapitiya

- Located south of Kahatagaha mining operations which is one of the oldest producing mines in Sri Lanka and has produced >300,000 tonnes of high-grade graphite.
- Prolific remnant graphite at surface and numerous abandoned historical underground shafts.
- Several land access agreements completed and a number being negotiated.
- Identified 7 priority areas with multiple historical workings.
- High Grade veins at surface; trench work on going, together with shallow shaft exploration.
- Awaiting drill rig



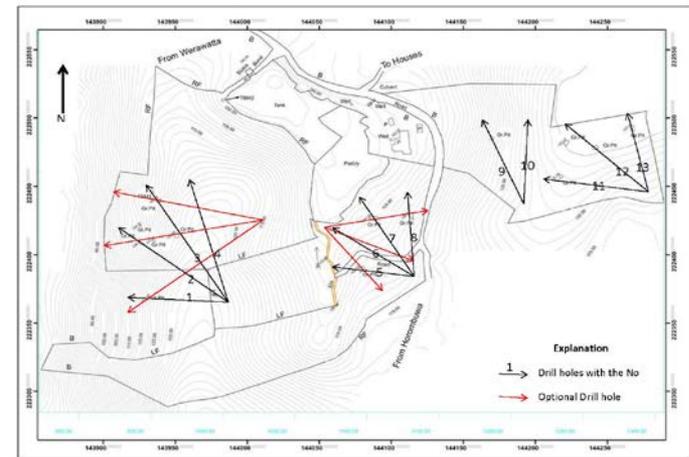
Trenching at Pujapitiya

Dedigama

- Located north of Pandeniya. Dedigama hosts four drill ready targets below shallow historical workings. Topographic survey completed & awaiting drill rig.
- Land access agreements are in place.

Other Areas

- Geological crews progressively working on prioritised EL areas.



Dedigama Drilling Plan

- Further to the highly successful Graphene characterisation test work completed MRL is seeking collaboration with reputed companies and institutions with the view to early Graphene production.
- Deliverables from the study will aim to clarify the following estimates:
 - Estimated Capex US\$5m.
 - Estimated Potential Revenue of US\$55,000 /t.
 - Estimated Additional Opex –US\$3,500 /t.
 - Estimated Margin– estimated US\$40,000 – 50,000/t.
- MRL is undertaking test program to establish the parameters required for scalability.
- MRL understands the Government will be very supportive of the project.

Directors and Management

Peter Hepburn-Brown - Chairman

- 30 years of experience as a mining engineer in both open pit and underground mining
- Extensive background in narrow vein mining
- Director of several private & public companies

Craig McGuckin - Managing Director

- Qualified mining professional with in excess of 30 years experience in the mining, drilling and petroleum industries
- Held senior positions in private and publicly listed companies

Peter Youd – Executive Director, Chief Financial Officer & Company Secretary

- Chartered Accountant and has extensive experience within the resources, oil and gas services, and mining
- For over 35 years has held senior management positions and directorships for publicly listed and private companies in Australia and overseas
- Bachelor of Business from the W.A Institute of Technology (now Curtin University).

Denis Geldard - Non-Executive Director

- 40 years of technical and operational experience in exploration and project development in Australia and internationally
- Mining graduate from the Kalgoorlie School of Mines in Western Australia
- Director in a number of Australian listed mining and exploration companies

Chris Banasik - Non-Executive Director

- Master's Degree in Mineral Economics from University of WA and Bachelor's Degree in Applied Physics from Curtin University
- Director of Exploration and Geology of Silver Lake Resources
- Held senior geological management positions over 12 years' with organisations including WMC Resources Ltd, Reliance Mining Ltd, Goldfields Mine Management and Consolidated Minerals Ltd

Project History and Development

Summary of Recent Work

- Drilling at Warakapola returned extremely high-grade graphite ranging from 92.8 to 97.8% TGC at shallow depths.¹
- Drilling at Alukatiya has confirmed multi-vein high-grade graphite at targeted development sites up to 99.3%² TGC.
- Rehabilitation of Pandeniya Shaft is nearly complete, a further minimum 19 are planned to be commissioned over the next three years.
- MRL has applied for Industrial Mining Licence (IML) for Warakopola. First new licence in >25 years. First licence application to include an Initial Environmental Examination (IEE). Alukatiya already has an IML.
- Mine labour trained to Australian standards commenced in January 2014 and are ready to commence operations.
- Testing at University of Adelaide shows excellent results for high quality graphene production. Tests performed produced high quality single and multi-layer graphene sheets showing low defects, which was confirmed by the Raman characterisation. Scalable testing to be undertaken in the near future.
- Product analysis and process design flowcharts confirmed MRL's graphite to be suitable for battery use.

1: ASX Release 17 July 2014
2: ASX Release 28 January 2015

- Fast growing economy – GDP growth: 7.4% (2014¹).
- The Sri Lankan government is keen to promote foreign private sector investment.
- The Geological Survey & Mines Bureau provides excellent support services for exploration activities. MRL supplements this support with international expertise not available in Sri Lanka, as required.
- Excellent infrastructure and an experienced vein graphite labour market support the Company's intention of medium term production potential.
- Population – 20.6m (2014¹) – provides ready workforce.
- Stable democracy and Member of the Commonwealth.

1. Source: www.worldbank.org/en/country/srilanka

Corporate Overview

Capitalisation

Shares On Issue		196,716,587
Incl. Escrow Shares		5,000,000
Options	(See Share & Option Summary)	
Price (03/09/15)	(\$)	\$0.049
Market Cap	(\$m)	\$9.40
52 Week High	(\$)	\$0.13
52 Week Low	(\$)	\$0.03
Cash (30/06/2015)	(\$m)	\$1.10
Debt	(\$m)	\$0.00
Enterprise Value	(\$m)	\$8.30

Share Price History (Source Iress)



Board and Management

- Peter Hepburn-Brown – Non-Executive Chairman
- Craig McGuckin – Managing Director
- Peter Youd – Executive Director, CFO & Co. Secretary
- Denis Geldard – Non-Executive Director
- Chris Banasik – Non-Executive Director

Competent Persons Statement

The information reported above relating to Exploration and Metallurgical results were prepared and disclosed in company announcements on the following dates :

- ASX Announcement 23/05/2014 – Preliminary Graphite Test work.
- ASX Announcement 25/06/2014 – MRL Confirms High-Grade Graphite Veins.
- ASX Announcement 17/07/2014 – High-grade Graphite Assays In First Diamond Hole Confirm Potential Of Sri Lanka Vein Graphite Project.
- ASX Announcement 24/07/2014 – June Quarterly Report
- ASX Announcement 31/07/2014 – Progress Report
- ASX Announcement 19/08/2014 - New Project
- ASX Announcement 23/10/2014 - Key Test work Commences on High-Grade Graphite
- ASX Announcement 30/10/2014 - September Quarterly Report
- ASX Announcement 18/11/2014 – Research Report
- ASX Announcement 01/12/2014 – MRL Doubles holding of Sri Lankan graphite acreage
- ASX Announcement 21/01/2015 – Tests find MRL graphite suitable for lithium batteries
- ASX Announcement 28/01/2015 – Outstanding assays for Aluketiya
- ASX Announcement 30/01/2015 – December Quarterly Report
- ASX Announcement 30/01/2015 – March Quarterly Report
- ASX Announcement 08/04/2015 – MRL graphite to be tested for premium-priced graphene
- ASX Announcement 13/05/2015 - MRL receives outstanding results from graphene testing
- ASX Announcement 27/07/2015 - June Quarterly Report
- ASX Announcement 03/08/2015 – Heads of Agreement to Pursue Graphene Commercialisation
- ASX Announcement 11/08/2015 – Tests Show Very High Graphene Yields
- ASX Announcement 24/08/2015 – Research Report
- ASX Announcement 01/09/2015 - MRL strikes key agreement for sales of premium graphite
- ASX Announcement 02/09/2015 - University of Adelaide to confirm strong commercial viability of MRL graphene in pilot study

Competent Persons Statement

The information provided in this presentation has not materially changed.

Information in this report relating to Metallurgical interpretation, analysis, mineral distribution and recommendations has been compiled by Mr Denis Geldard, MAusIMM in consultation with Dr Slobodanka Vukcevic, Senior Metallurgist at Nagrom the Mineral Processors. Dr Slobodanka Vukcevic has sufficient experience and expertise relevant to this type of test work through her job experience and expertise and qualifies as a competent person in the field of metallurgy. Mr Geldard has sufficient experience and expertise relevant to this work through his job experience and expertise and qualifies as a competent person. Mr Geldard consents to the inclusion in the report of the matters based on the information reported in the form and context in which it appears.

Information in this report relating to Exploration Results is based on information compiled by Mr Denis Geldard, MAusIMM working in consultation with consulting Geologist Mr Chris Banasik, MAusIMM and MRL's Senior Sri Lankan Geologist who has 35 years of vein graphite experience in Sri Lanka. Their experience is relevant to the type of deposit under consideration. Mr Geldard is signing as competent person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Geldard consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

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- b. involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements; and
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