Extension to Yardilla Option and Sale Agreement

The Board of MRG Metals Ltd is pleased to announce an extension to the option and purchase agreement over the two exploration licences held by TasEx Pty Ltd. These two licences adjoin a MRG 100% owned licence. Together they cover a contiguous area of approximately 220 square kilometres, known as the Yardilla Project. The option has been extended for a period of 6 months until 20 December 2016 for nil consideration.

The Yardilla Project comprises three adjoining exploration licences and contains a number of high impact gold and nickel sulphide targets. They cover part of the Cundeelee Fault, which separates the Archean Yilgarn Craton and the Proterozoic Albany-Fraser Orogen (Figure1).

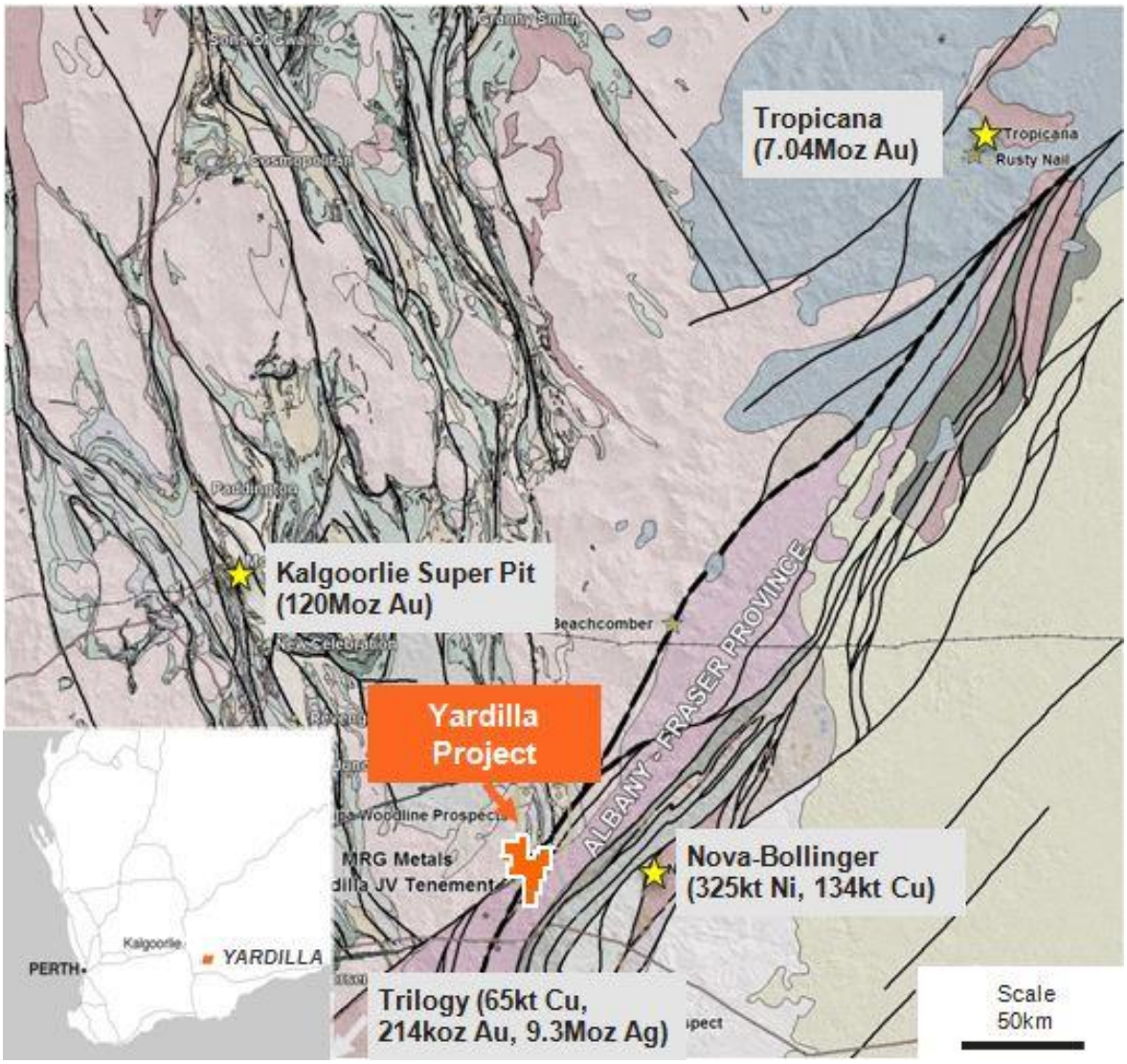

Figure 1 Yardilla Project Location.

The Albany-Fraser Orogen hosts a number of world class deposits, including:

Tropicana gold mine – Resource of 115.7Mt @ 1.89 g/t Au for 7.04Moz Au.

Nova-Bollinger nickel sulphide deposits – Resource of 14.3Mt @ 2.3% Ni & 0.9% Cu for 325kt Ni & 134kt Cu.

Trilogy base metal deposit – Resource of 6.2Mt @ 1% Cu, 0.9 g/t Au & 47 g/t Ag for 65kt Cu, 214koz Au & 9.3Moz Ag.

The Cundeelee fault is the major tectonic suture between the Kurnalpi greenstone Terrain of the Yilgarn Craton and the Proterozoic Albany-Fraser Province, covering tectonically reworked Archean rocks which form the eastern margin of the Yilgarn Craton. The Project occupies a Tectono-Structural position similar to Tropicana deposit on the south eastern edge of the Yilgarn Craton.

Analysis of the available geochemical soil data by Sasak Technology identified several untested gold anomalies, close to the suture zone (Cundeelee Fault).

In addition, the project covers a greenstone belt containing anomalous nickel geochemistry accompanied by the strongest magnetic anomaly in the southern part the Yilgarn Craton.

MRG plans to undertake a program of soil sampling to extend the known target areas followed by a program of reverse circulation drilling.

Keith Weston

Managing Director

The information in this summary report, as it relates to Exploration Results is based on information compiled and/or reviewed by Mr. Keith Weston, who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM).

Mr. Weston is an employee to the Company and has the relevant experience with the mineralisation reported on 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. Weston consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.