ASX ANNOUNCEMENT

19 December 2017

MRG METALS LIMITED
NON-RENOUCEABLE ENTITLEMENT OFFER

NOTICE UNDER SECTION 708AA(2)(F) OF THE CORPORATIONS ACT 2001 (CTH)

This notice is given by MRG Metals Limited (ASX Code: MRQ) (**MRQ**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

MRQ announced on 13 December 2017 a proposed capital raising of approximately $1,001,949 by way of a non-renounceable issue (**Offer**). Under the Offer, shareholders with a registered address in Australia and New Zealand are invited to subscribe for one fully paid ordinary share (**Share**) for every 2 Shares held as at 7.00pm (AEDT) on 22 December 2017. There will be an attaching option to every share subscribed for exercisable at $0.01 with an expiry date of 20 December 2020.

MRQ confirms that:

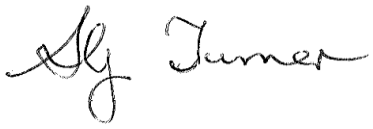
1. The Shares and Options will be offered without disclosure under Part 6D.2 of the Corporations Act.
2. This notice is being given under section 708AA(2)(f) of the Corporations Act.
3. As at the date of this notice, MRQ has complied with:
   (a) the provisions of Chapter 2M of the Corporations Act as they apply to MRQ; and
   (b) section 674 of the Corporations Act.
4. As at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7) of the Corporations Act.

5. The potential effect that the issue of Shares will have on the control of MRQ, and the consequences of that effect, will depend on a number of factors, including investor and existing shareholders' demand. To the extent that shareholders fails to take up their entitlement under the Offer, the percentage of holdings of those shareholders in MRQ may be diluted by those other shareholders who take up some, all or more than their entitlement. At this time, the issue of the Shares under the Offer is not expected to have a material effect or consequence on the control of MRQ given:

   (a) the Offer is structured as a pro-rata issue; and

   (b) the current level of holdings of substantial holders (based on substantial holding notices that have been given to MRQ and lodged with ASX on or before the date of this notice).

Yours faithfully,



SHANE TURNER
Director/Secretary