ASX and Media Release: 17 April 2018
ASX code: MRQ

Share & Option Placement Notice under Section 708A(5)(e) of the Corporations Act and ASX Listing Rule 3.10.5

MRG Metals Limited ("**MRG**") refers to its ASX Announcement dated 11 April 2018 and advises that it has successfully completed the share and option placement (referred to in that Announcement) and issued a total of 60,000,000 fully paid ordinary shares ("**Placement Shares**") and 30,000,000 free attaching options to acquire fully paid ordinary shares (MRQOB - exercise price of $0.01 and expiry 20 December 2020) ("**Placement Options**") to institutional and sophisticated investors at a price of $0.01 per share, raising $600,000 before costs.
The Placement Shares were issued pursuant to Listing Rule 7.1A whereas the Placement Options were issued pursuant to Listing Rule 7.1 on 17 April 2018.

Share & Option Placement Notice under Section 708A(5)(e) of the Corporations Act

For the purposes of section 708A(6) of the *Corporations Act 2001* (Cth) ("**Act**"), MRG advises that:

- the Placement Shares and Placement Options were issued without disclosure to investors under Part 6D.2 of the Act;
- this notice is being given pursuant to section 708A(5)(e) of the Act;
- as at the date of this notice, MRG has complied with:
  - the provisions of Chapter 2M of the Act as they apply to MRG; and
  - section 674 of the Act; and
- as at the date of this notice, there is no information that is "excluded information" (within the meaning of sections 708A(7) and 708A(8) of the Act).

Information disclosed under ASX LR 3.10.5A and 7.1A.4(b)

Pursuant to Listing Rule 3.10.5A and with respect of the Placement Shares, MRG provides the following information:

(a) The Placement Shares of 60,000,000 shares were issued to institutional and sophisticated investors pursuant to Listing Rule 7.1A (representing 9% of the post-placement capital). None of the pre-placement security holders participated in the Share Placement. Hence, the pre-placement security holders' ordinary shareholding in MRG was diluted by the issue of the share placement. Details of the dilution to the pre-placement security holders of ordinary shares in MRG caused by the Share Placement are set out below:

1.	Number of fully paid ordinary shares on issue pre-placement	607,169,639
2.	Number of placement shares issued under Listing Rule 7.1A	60,000,000
3.	Total number of shares on issue post-placement (1+2)	667,169,639
4.	Percentage of post-placement shares held by pre-placement security holders	91%

(b) MRG issued the Placement Shares as a placement under Listing Rule 7.1A rather than rights issue or issue in which pre-placement security holders can participate because funds could be raised by share placement in a shorter timeframe and more cost efficiently at the time. Additionally, it also provided the Company certainty of raising the amount of capital.

(c) The placement was not underwritten.

(d) A 6% fee on funds raised was incurred by MRG in connection with the placement with respect to the Placement Shares 7.1A.

An Appendix 3B for the issue of the Placement Shares and Placement Options is attached.

Yours faithfully,

SHANE TURNER
Director/Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

MRG Metals Limited

ABN

83 148 938 532

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Ordinary shares. MRQOB Listed options.
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	60,000,000 ordinary shares. 30,000,000 MRQOB listed options.
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Fully paid ordinary shares. Listed options with an exercise price of $0.01 and an expiry date of 20 December 2020.

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Fully paid ordinary shares. Yes. Options – Not applicable. Any shares issued upon exercise of options will rank equally with the existing fully paid ordinary shares in the Company.
5	Issue price or consideration	Fully paid ordinary shares - $0.01 (1 cent) per share. Listed options – nil, 30,000,000 free attaching listed options to shares issued today.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The ordinary shares and listed options are issued for the following purposes: • for working capital requirements; and • to pursue new opportunities.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes.
6b	The date the security holder resolution under rule 7.1A was passed	28 November 2017.

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	30,000,000 MRQOB Listed Options.
6d	Number of +securities issued with security holder approval under rule 7.1A	60,000,000 ordinary shares.
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	Nil
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Yes. 15 day VWAP - $0.0091 75% of 15 day VWAP - $0.0068 Issue price - $0.01 Source – Orient Capital
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 – 61,075,446 Rule 7.1A – 716,963
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	On 17 April 2018

+ See chapter 19 for defined terms.

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	667,169,639	Ordinary shares.
		321,389,880	Listed options, exercisable at $0.01 and expiring 20 December 2020 (ASX code: MRQOB)
		72,978,404	Listed options excercisable at $0.15 and expiring on 31 August 2020 (ASX code: MRQOA)

+ See chapter 19 for defined terms.

9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	Number Nil	+Class
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend envisaged at present.	

Part 2 - Pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements *in full* through a broker?	
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	+Issue date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(*tick one*)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	
39	+Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	

42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)	Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 17/04/2018
(Director/Company secretary)

Print name: SHANE TURNER

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	320,779,759
Add the following: • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	 200,389,880 86,000,000 Nil
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
"A"	607,169,639

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	91,075,446
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	30,000,000 listed options.
"C"	30,000,000
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	91,075,446
Subtract "C" *Note: number must be same as shown in Step 3*	30,000,000
Total ["A" x 0.15] – "C"	61,075,446 *[Note: this is the remaining placement capacity under rule 7.1]*

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	607,169,639
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	60,716,963
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	60,000,000
"E"	60,000,000

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	60,716,963
Subtract "E" *Note: number must be same as shown in Step 3*	60,000,000
Total ["A" x 0.10] – "E"	716,963 *Note: this is the remaining placement capacity under rule 7.1A*

+ See chapter 19 for defined terms.