**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT**
**& MEDIA RELEASE**

09 August 2019

# MOZAMBIQUE HMS CORRIDOR PROJECTS – AIRCORE DRILL PROGRAM UPDATE

---

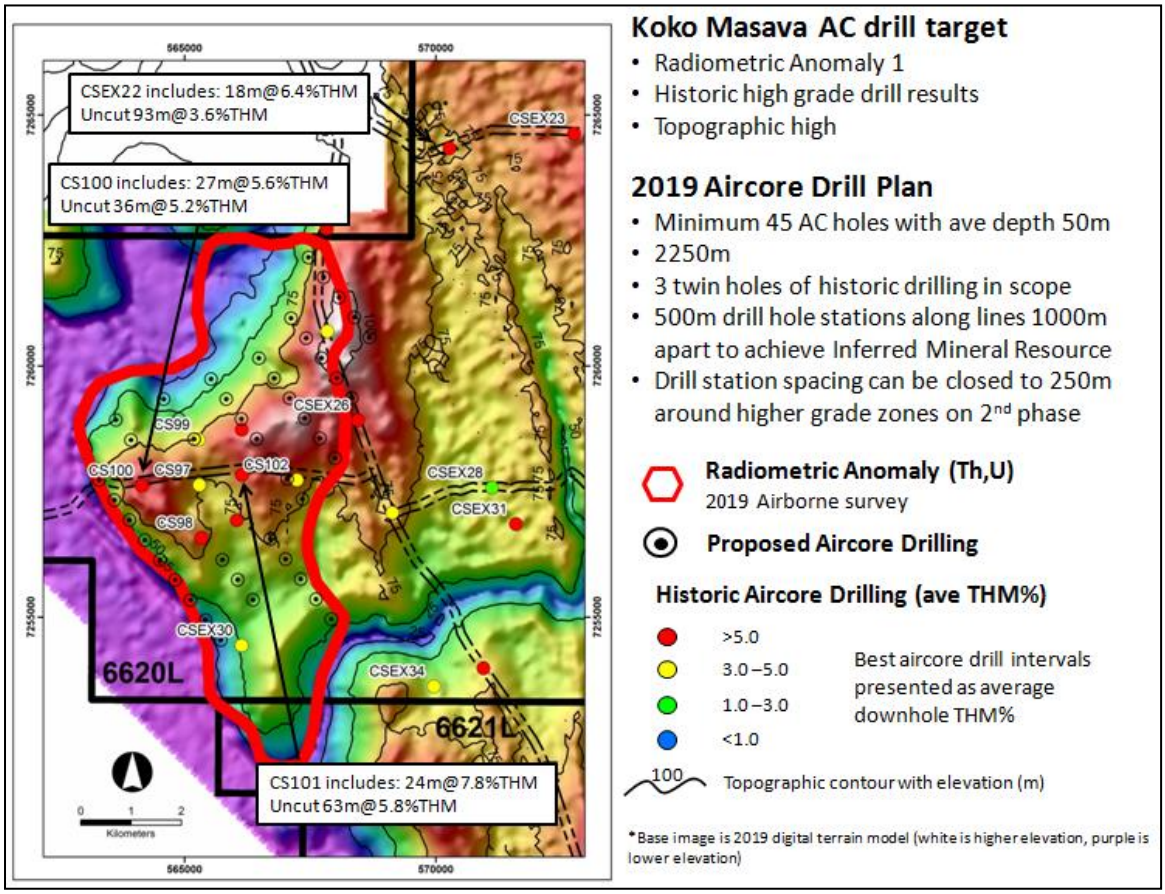
## Key Highlights

- **COMMENCEMENT OF CORRIDOR KOKO MASAVA AIRCORE DRILLING PLANNED FOR LATE AUGUST**
- **DRILL CONTRACT EXECUTED**
- **ENVIRONMENTAL APPROVALS BEING FINALISED**
- **PRE-DRILLING PREPARATION UNDERWAY AND ON TRACK**
- **AUGER DRILLING CONTINUES ACROSS CORRIDOR TENEMENTS**
- **FIRST AUGER DRILLING RESULTS EXPECTED WEEK OF 12TH AUGUST**
- **MANAGEMENT TO FINALISE PREPARATION WORK MID AUGUST AND SUPERVISE FIRST AIRCORE DRILL PROGRAM**
- **REGULAR MARKET UPDATES TO FOLLOW INTO DRILLING, INCLUDING DETAILS ON THE FULL DRILL PROGRAM**

MRG Metals (ASX Code: MRQ) is pleased to update on preparations for the Aircore Drilling Program at its 100% owned Koko Masava target and the ongoing Auger Drilling Program across the Company's Corridor heavy mineral sands projects in Mozambique.

## Aircore Drill Program at Koko Masava

The Company is due to commence its maiden drill program on or about 30th August, pending all necessary logistical arrangements being in place and community engagement completed. A drill contract has been finalized and signed with an experienced and qualified contractor. Rig mobilisation from Johannesburg is expected to begin ~23rd August.




## Environmental Approvals Process

Environment clearance process:

- Requires field visit to the tenement areas by officials from the Direcção Provincial de Terra, Ambiente e Desenvolvimento Rural (DPTADER) [Provincial Directorate of Lands, Environment and Rural Development]; scheduled for Friday 9th August.
- Environmental consultant retained by the Company requires feedback from DPTADER officials after the field visit to finalise the Environmental Management Plan (EMP) submission.

## Pre – Drill Program Planning and Site Preparation

- Drill line and drill pad clearing will commence in the Koko Masava target area after the DPTADER visit due on Friday 9th August.
- Estimated time to complete drill line clearing and track definition for the Koko Masava target area is ~14 days.
- Recruitment of labourers and a second geologist, training for field Standard Operating Procedures (SOPs) and contracting for support services.

## Corridor Auger Drilling Program – First Results Due

The Company has implemented a comprehensive approach to heavy mineral sands exploration on the Corridor Central and Corridor South tenements since completion of the acquisition on 8th January 2019. Handheld auger drilling has been an integral part of the exploration methodology. Visual estimates of heavy mineral concentrations have been recorded during field sampling and the first laboratory results are currently expected the week of 12th August. The results will then be validated, merged with the database and expediently reported to the market.

## Management to finalise preparation work mid-August and supervise first Aircore Drill Program

Mark Alvin (Mozambique General Manager and In Country Director) will arrive in Mozambique mid-August to ensure preparations are progressing to plan, meet with the necessary Government officials and participate in Community engagement sessions. In addition, Mark will oversee all necessary safety training for the drill crew personal. Mark will then remain in Mozambique through the initial Aircore drill program to ensure our standards are met and quality control protocols for drilling and sampling are clearly established and adhered to.

## Regular Market Updates to follow into drilling, including details on full drill program

The Company expects numerous information flow coming into and during the drilling program. The intent with this information flow will be to provide as much information as possible to the Market to allow an understanding of what our program is striving to achieve, a relative scale comparison of our program to other successful HMS Explorers/Producers and what a succeeding MRG Aircore drill program might look like as the Company starts putting the drill bit to work.

**Competent Persons' Statement**

The information in this report, as it relates to Mozambique Exploration Results is based on information compiled and/or reviewed by Dr Mark Alvin, who is a member of The Australasian Institute of Mining and Metallurgy. Dr Alvin is an employee 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". Dr Alvin consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

-ENDS-

On behalf of:

Mr Andrew Van Der Zwan

Chairman

MRG Metals Ltd