AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE

12 September 2019

MOZAMBIQUE HMS CORRIDOR PROJECTS - AUGER AND AIRCORE DRILLING UPDATE

Key Highlights

- **ALL APPROVALS IN PLACE TO COMMENCE AIRCORE DRILLING AT KOKO MASAVA WITH STRONG COMMUNITY SUPPORT.**
- **SITE PREPARATION FOR DRILL RIG COMPLETED AT KOKO MASAVA.**
- **STAFF TRAINING COMPLETED TO COMMENCE DRILLING.**
- **AWAITING DRILLING CONTRACTOR, BAMBOO ROCK DRILLING LDA, TO COMMENCE MOBILISATION OF RIG FROM SOUTH AFRICA.**
- **DRILLING FORECAST TO COMMENCE AT KOKO MASAVA WITHIN A WEEK OF MOBILISATION.**
- **AUGER DRILLING NOW EXPLORING THE EDGES OF THE KOKO MASAVA MINERALISED FOOTPRINT BY TESTING EXTENSIONS TO THE NORTH, SOUTH AND EAST.**
- **AUGER DRILLING TO THEN MOVE TO HIGH PRIORITY POIOMBO AND NHACUTSE TARGETS, ALSO SCHEDULED FOR AIRCORE DRILL TESTING. (NOTE INFILL DRILLING AT KOKO MASAVA MAY TAKE PRIORITY DEPENDING ON EARLY DRILL RESULTS INTERPRETATION).**

Background

MRG Metals (ASX Code: MRQ) is pleased to provide an update on the upcoming Aircore drilling at the Koko Masava target confirmed from recent Auger drilling results (Figures 1 and 2). Field preparation including community alignment through meetings held at several villages within the area of influence of the drilling is complete. (Figure 3). In compliance with Mozambique environment law, the village meetings are facilitated by the relevant District Planning and Infrastructure Department with representatives from the Provincial Directorate of Land, Environment and Rural Development and Provincial Directorate of Mineral Resources, in addition to the local community stakeholders.

The Drill rig (Figure 4) is scheduled to mobilize from South Africa to site. Drilling is anticipated to commence within a week of the drill rig leaving South Africa, although delays related to ongoing security problems in South Africa and clearance of Mozambique customs at the border may impact arrival onsite by a few days.

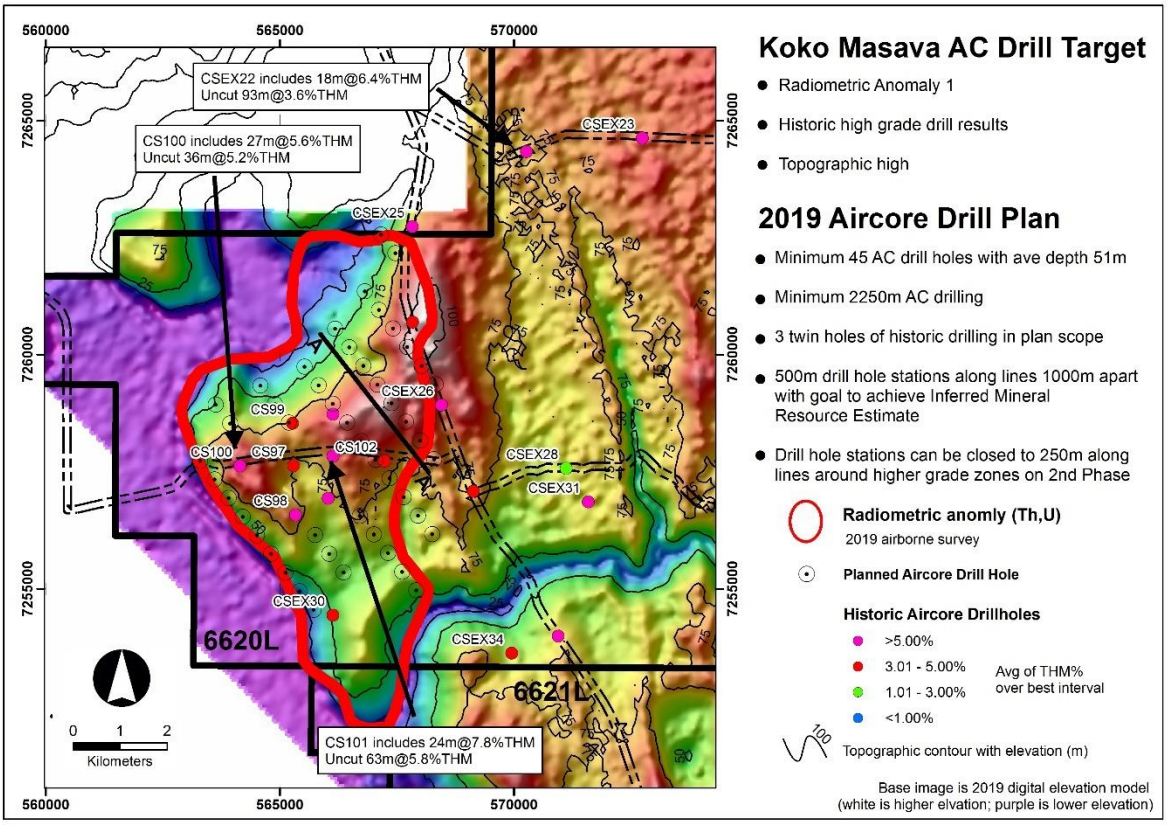

Figure 1: Map of planned aircore drilling at the Corridor Central, Koko Masava target.

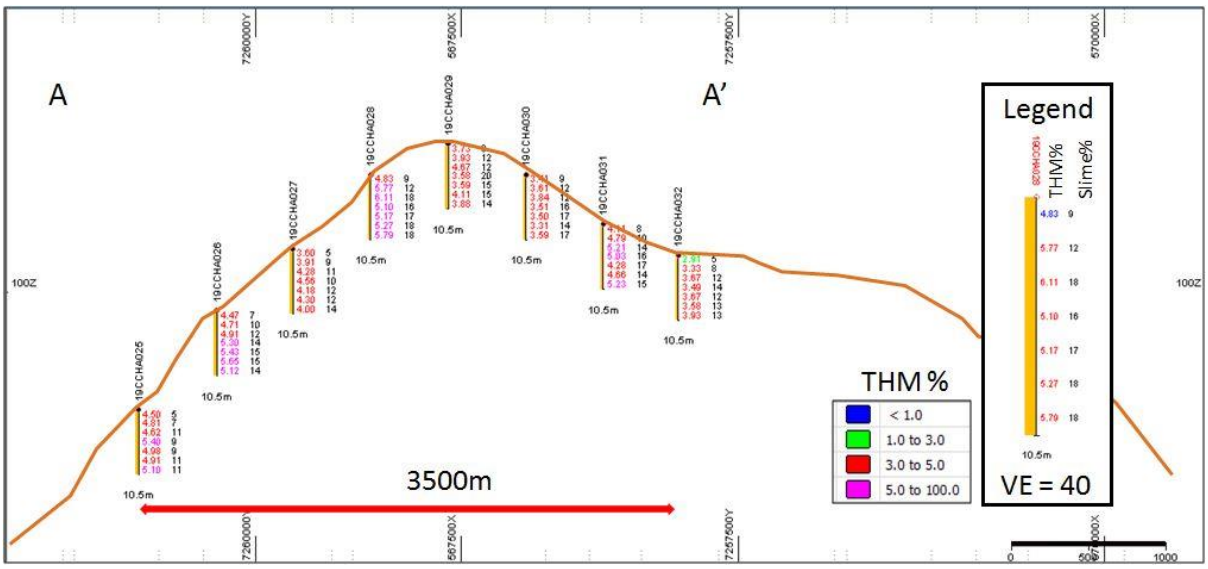

Figure 2: Cross section showing auger drill sample results from within the Koko Masava target. The section location is shown on Figure 1 as A-A'.



Figure 3: Community and key stakeholder engagement meeting at Poiombo.
(Note: Similar meetings held with Koko Masava, Guemulene and Malehice communities that may be impacted by proposed drill programs).



Figure 4: Purpose built Aircore rig in Johannesburg workshop prior to delivery to site.

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