MRG ACQUIRES ADDITIONALTENEMENTS AS A RESULT OF DISCOVERING HIGH POTENTIAL ALTERATION ZONES AT YARDILLA

- **Sasak Minerals technology successfully predicted the location of the recently intersected alteration zones drilled at Yardilla (Ommaney).**
- **Success of the technology at Yardilla triggered technical analysis by Sasak, leading to the identification of further potential alteration systems as exploration targets outside MRG's current tenements.**
- **MRG has applied for additional tenements over these targets. (Fig 2)**
- **A detailed technical update of the geology and alteration from the recent drilling, will be prepared for release first week of January 2017.**
- **Assay results from Yardilla are anticipated by mid-January 2017.**

MRG's initial diamond drilling program at Yardilla was completed on Tuesday 13th December 2016. The program was successful in delivering crucial geological and geometric information for both of the two targets tested at Ommaney and Hampshire and justified MRG's increasingly technical approach towards mineral exploration.

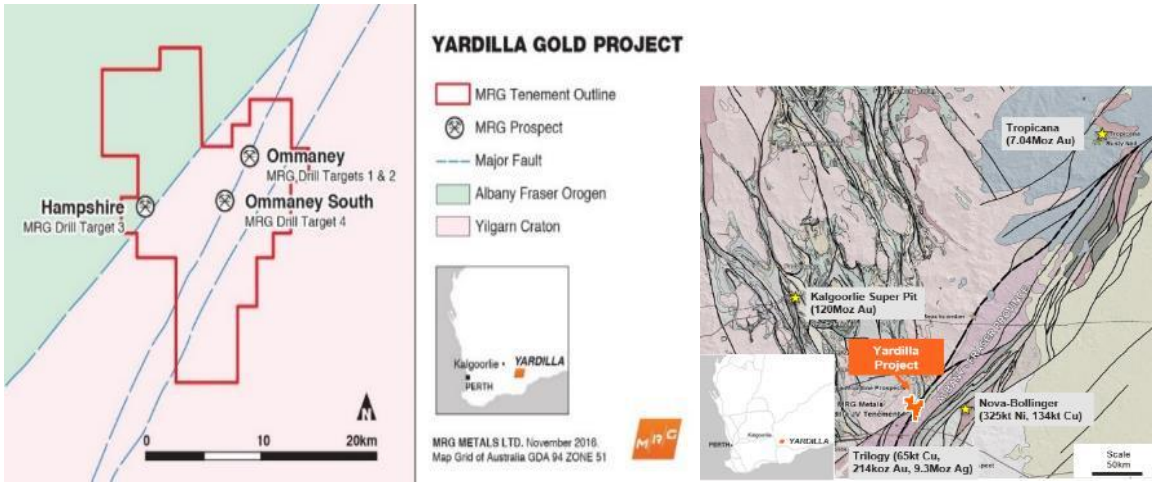


Fig 1: Existing Yardilla project.

The initial drilling program proved the effectiveness of using Sasak Technology to identify significant (post-metamorphic) alteration systems in the Albany Fraser terrain. These zones of hydrothermally altered rocks are the "footprint" of potentially large gold deposits and identifying them allows MRG firstly to prioritise its exploration activities and then to vector toward potentially economic gold mineralisation.

Regardless of the mineralisation within the Ommaney alteration zones, the identification of additional targets utilising the Sasak Technology provides the opportunity for MRG to test other targets showing similar characteristics, with similar potential for significant mineralisation. On this basis, MRG took the prudent action to acquire these assets now, while awaiting assay results from Yardilla. MRG will provide an update of more detailed technical analysis once it is completed in early January, to provide shareholders an understanding of the geological significance of the alteration zones at Ommaney, and the identification of similar targets in the new tenements.

Multi-element assay results (now anticipated by mid-January) will then determine the mineralisation potential of the alteration zones at Ommaney, and analysis of these results will direct the next stages of exploration at the Yardilla project.

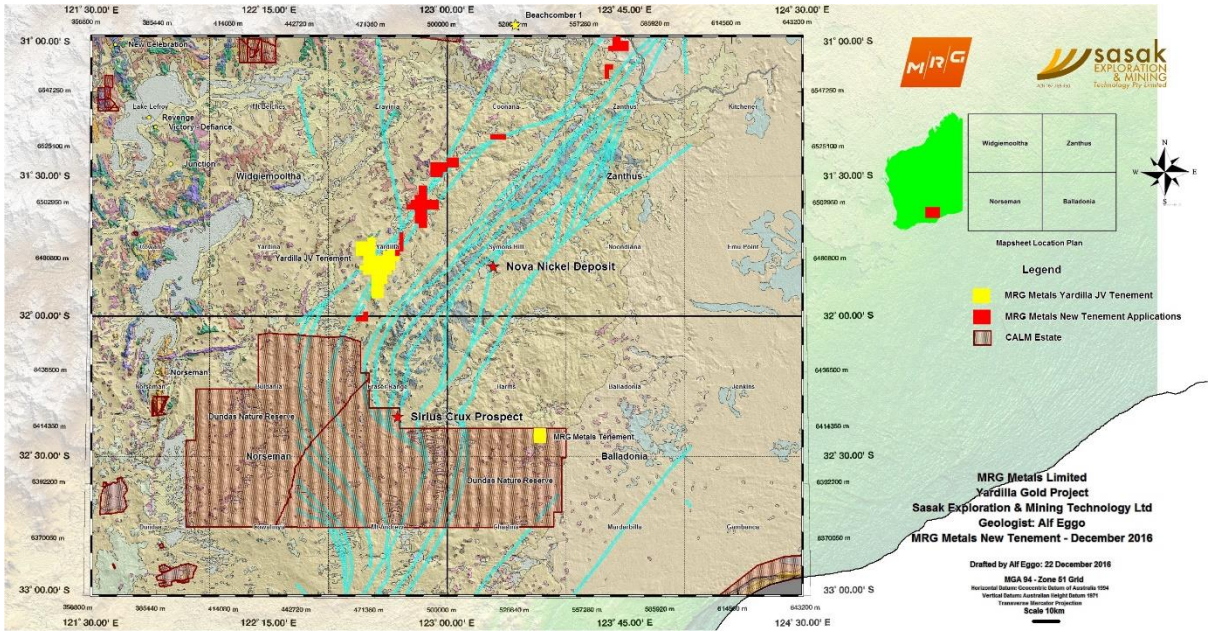


Fig 2: New Tenement(s) Applications (red)

Andrew Van der Zwan
Chairman

The information in this report, as it relates to Exploration Results is based on information compiled and/or reviewed by Mr. Benjamin McCormack, who is a member of the Australian Institute of Geoscientists (AIG).

Mr. McCormack is a consultant 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. McCormack consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.