AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE

28 July 2016

MRG SET TO DRILL PRIORITY TROPICANA GOLD ANALOGUE TARGET FOLLOWING SUCCESSFUL CAPITAL RAISE

Immediate Soil Geochemistry Programme to confirm high impact drill targets

HIGHLIGHTS

- **$520,000 raised through successful 20 million share placement at 2.6c per share**
- **Funds raised to be used to accelerate the Yardilla Gold Project, West Australia with field work set to commence**
- **VTEM Survey at 100% owned Iron Oxide Copper Gold ("IOCG") projects near Mt Isa, Queensland**
- **Capital raising allows MRG to leverage the highly encouraging breakthrough Sasak Minerals technology ("Sasak") which predicts geochemistry and frontier discoveries under cover**
- **A proposed one for one (1:1) non renounceable entitlements issue at 1.0c to raise a further ~$1.556m**

MRG Metals Limited (ASX: MRQ) ("MRG" or "the Company") is pleased to announce that it has successfully raised $0.52 million to accelerate the maiden program at its **Yardilla Gold Project** in Western Australia, where it has recently identified a series of compelling Tropicana Gold Analogue exploration targets.

The share placement – which was undertaken at an issue price of 2.6 cents per share to sophisticated private clients of CPS Capital ("CPS") Perth, as well as some long-standing shareholders of the Company – will allow MRG to commence soil geochemistry testing prior to

a planned RC maiden drilling program at Yardilla, as well as a VTEM survey of its IOCG targets near Mt Isa, QLD.

The share placement will be completed in one tranche only, within the Company's existing 15% placement capacity.

MRG Chairman, Mr Andrew Van Der Zwan, said the upcoming soil testing program at Yardilla was a pivotal opportunity for MRG, representing the first comprehensive test of what has emerged as an outstanding greenfields project.

"As we've said previously, these targets stand out in terms of their strength, potential size and quality – utilising our strategic agreement with Sasak which uses their game changing method for area and target generation. This is an exciting time for MRG and we are very much looking forward to the start of this field program on assets within our portfolio which until now have lacked adequate funding to be tested," Mr Van Der Zwan added.

Share Placement and Use of Funds

The share placement, comprising 20 million fully-paid ordinary shares at an issue price of $0.026 per share, has been undertaken within the Company's available placement capacity under ASX Listing Rules 7.1. The shares have been placed to sophisticated private clients of CPS and some existing shareholders of the Company.

The funds raised will be used for the following purposes:

- To provide funds for the development and planned drilling program for the Yardilla Gold Project;
- VTEM Survey Development of its 100% owned QLD IOCG projects and;
- To provide general working capital.

Rights Issue

MRG further announces a proposed one for one (1:1) non-renounceable entitlements issue of ordinary fully paid shares in the Company ("Offer").

Pursuant to the Offer, the Company will offer one (1) new fully paid ordinary share for every one (1) fully paid ordinary share held on the Record Date at an issue price of A$0.01 (1 cent) per share to raise A$1,556,121 before transaction costs.

The entitlements are non-renounceable and will not be tradable on the ASX.

MRG has engaged CPS as Lead Manager to the Offer.

Subject to ASX approval, the anticipated timetable for the Offer is as follows:

Event	Date
Lodgement of Prospectus with the ASIC / ASX	15 August 2016
Notice sent to Shareholders	16 August 2016
Ex Entitlement Date	17 August 2016
Record Date for determining Entitlements	18 August 2016
Prospectus despatched to Shareholders	19 August 2016
Closing Date*	2 September 2016
Securities quoted on a deferred settlement basis	5 September 2016
ASX notified of under subscriptions	7 September 2016
Issue date	9 September 2016

**The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. In this regard, the date the shares are expected to commence trading on ASX may vary.*

Further investor updates shall be provided with details regarding the upcoming Rights Issue and investors are encouraged to visit the MRG website and review the Company Update presentation.

Corporate Advisory Mandate

MRG has engaged CPS as Corporate Advisors to assist MRG with its growth strategy and general corporate advice.

Trading Halt

This is the announcement that was referred to in the Company's request for a Trading Halt on 26 July 2016.

-ENDS-

On behalf of:

Mr Andrew Van Der Zwan
Chairman
MRG Metals Ltd