



## MRG EXPANDS QUEENSLAND COPPER PORTFOLIO

MRG Metals Ltd ('MRG') is pleased to advise that it has expanded its copper portfolio with the granting of the 2 remaining licence applications within the Mount Isa block in Queensland. (Figure 1)

Along with current licence EPM19306, these 3 projects have the potential to host Iron Oxide, Copper Gold ('IOCG') and base metal deposits, as they have similar geophysical characteristics to known deposits such as Glencore PLC's Ernest Henry Mine (166 Mt @ 1.1% Cu & 0.54 g/t Au - pre mining resource) and BHP's Cannington Mine (44 Mt @ 383 g/t Ag, 8.9% Pb, 4.2% Zn - 2007 resource).

As indicated at the time of the acquisition of the Sasak Resources Australia Pty Ltd ('Sasak') one of the benefits was a diversification in commodities by gaining exposure to prospective ground within the Mount Isa block. Prior analysis utilising the technology of Sasak revealed the potential of these three areas to host mineralisation.

### **SQUIRREL HILL - EPM19470**

The Squirrel Hill Project is located approximately 125 km SSE of Cloncurry and some 15 kilometres WNW of the Cannington mine is operated by BHP Billiton.

Despite the proximity of Squirrel Hill to Cannington, the Sasak technology suggests a geological setting favourable for IOCG deposits in addition to silver - lead - zinc mineralisation. Prior exploration has shown that the Project lies below a thin 10 to 40 m of cover in the south eastern corner of the Mt Isa Inlier, to the east of the Cloncurry Overthrust, within the Eastern Fold Belt. The host rocks comprise strongly metamorphosed sandstones (psammite), which have been extensively intruded by granitites. MRG has already commenced a review of past exploration to select initial targets.

### **PULCHERA - EPM19471**

Situated in the Simpson Desert near the Northern Territory border in western Queensland EPM19471 is located 135 kilometres north west of Bedourie. The Pulchera project is near the major Toomba Fault which lies on the south western edge of the Mt. Isa Block, a Proterozoic geological terrain that hosts a diverse range of world class orebodies.

Previous broad spaced drilling by BHP revealed that the depth of cover ranges from a manageable 40 to 100 m. Recent exploration on an adjacent licence returned strongly anomalous results of up to 27m @ 0.4% copper from 9m (including 3m @ 2.4% copper).

The aim is to discover an Olympic Dam style IOCG (Iron Oxide Copper Gold) deposit in a granitic breccia host, associated with continental faulting and high fluid flow on terrane boundaries.

### **DAVENPORT DOWNS - EPM19306**

The Davenport Downs licence was granted in April 2013 and lies 120 kilometres south east of Boulia. Like the Pulchera Project it is close to the interpreted southern margin of the Mount Isa Block. The Project straddles portion of a prominent gravity ridge with accompanying favourable magnetic signatures. Exploration work undertaken on the tenement to date comprise historical data compilation, geophysical data review and prospectivity assessment. The Davenport Downs EPM is considered prospective due to its positive magnetic - gravity response which are characteristic of IOCG-Type deposits in the Mount Isa Block. The depth of cover is understood to be around 400m, so future exploration will comprise focussed drilling of geophysical (magnetic-gravity) anomalies.

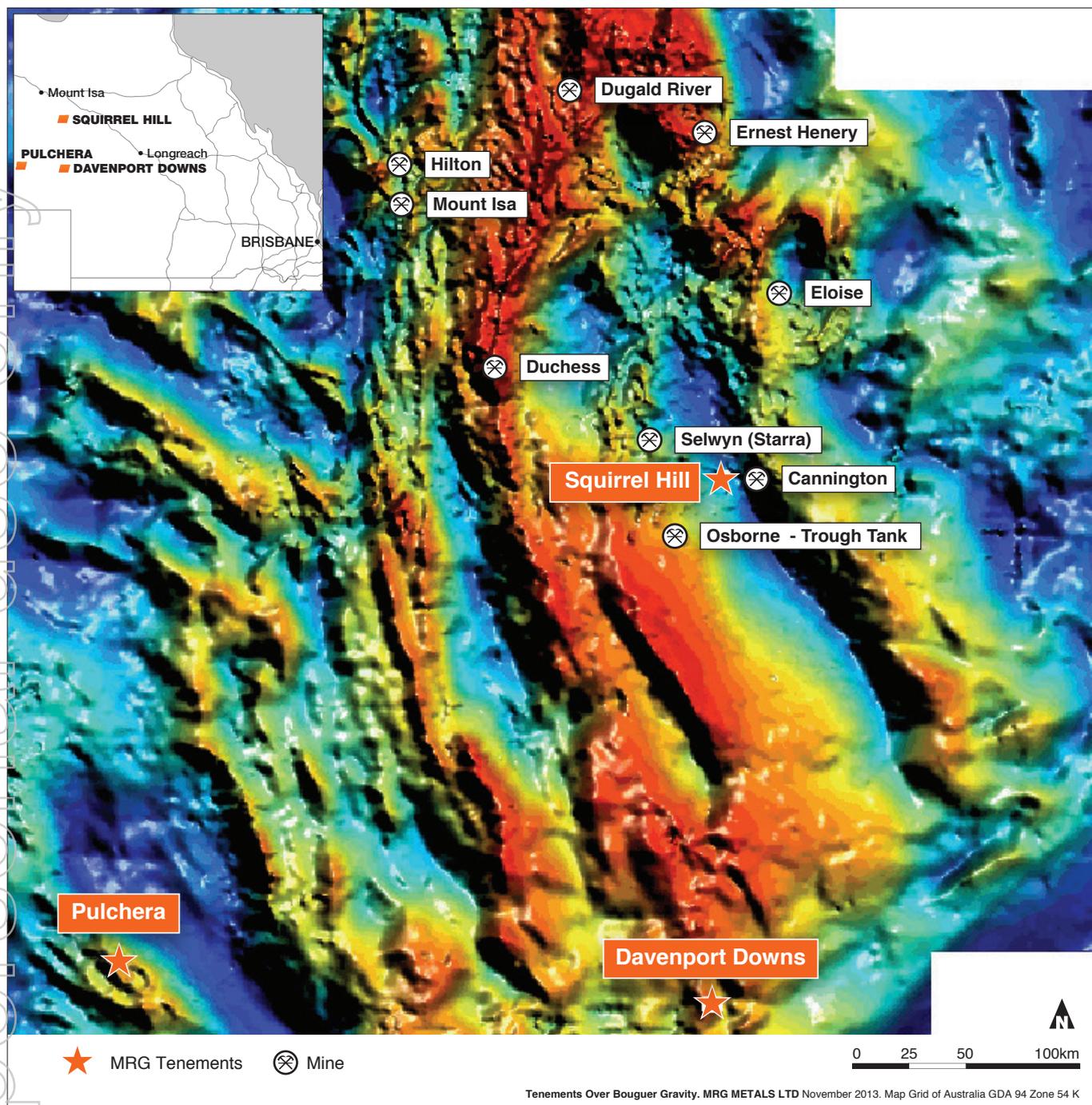


Figure 1. Queensland IOCG Projects

These newly granted licences will form the focus of MRG exploration efforts in the coming year. Our strategy has been to apply for ground largely on the margins of the mineralised Proterozoic Mount Isa block, where basement is under cover and there are exploration opportunities for discoveries utilising the Sasak technology.

**KEITH WESTON**  
**Managing Director**

*The information in this report, as it relates to Exploration Results is based on information compiled and/or reviewed by Mr Keith Weston, who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Weston is an employee 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 Weston consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.*