



MARINDIMETALS LTD

ASX/Media Release

(ASX: MZN)

22nd October 2015

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Issued Capital:

876.9m fully paid ordinary shares,

236.8m listed options Ex. 2.0c
Expiring 31 December 2016

62m unlisted options Ex. 2.5c
Expiring 31 December 2019

Sulphide-bearing sediments intersected at Titan

Down-hole magnetic survey to be undertaken to establish the source of the original anomaly, which remains unexplained

Key Points:

- **700m diamond hole completed at Titan magnetic and gravity anomaly.**
- **Sedimentary sequences intersected with 2-3% sulphides.**
- **Anomaly remains unexplained and will be further tested.**
- **Drill rig now back at Prairie Pup prospect on the Prairie Downs Fault for the next phase of the current program.**

Marindi Metals (ASX: MZN) is pleased to provide an update on its ongoing drill program at the **Newman Base Metals Project** in WA, where deep diamond drilling has recently been completed as part of an initial test of the Titan prospect, located ~5km south-east of the Prairie base metals deposit.

Titan is a very large coincident magnetic and gravity anomaly which is interpreted to represent an intrusion given its proximity to the Prairie Downs Fault and known mineralisation at the nearby Prairie base metals deposit and Wolf base metals prospect (tested by recent drilling).

Drill hole PDD 434, which was collared in the same position as historical drill hole PDD145, has now been completed to a final down-hole depth of 700.2 metres.

From 539 metres down-hole to the end-of-hole, PDD 434 intersected a thick package of predominantly deep-water sedimentary sequences with interbedded and interlaminated mudstone, siltstones and fine sandstones visually estimated to contain disseminated, occasional blebby, 2-3% sulphides (mostly pyrrhotite – pyrite) with occasionally trace chalcopyrite. Carbonate veining and alteration is also present throughout.

Geological logging and magnetic susceptibility data collected while drilling has failed to indicate the presence of any lithology or mineralisation that could be expected to explain the anomaly.

Accordingly, Marindi believe that the anomaly targeted by the drill-hole has not been adequately tested. The top of the hole has now been cased and the Company plans to run a fluxgate magnetometer down-hole to determine the source of the anomaly and establish whether it is located deeper or off-hole.

This down-hole survey will be undertaken while the current drill program is completed. Once the results have been received and the data from the hole has been fully reviewed, the rig will be relocated to Titan if required.

The drill rig is now moving to the Prairie Pup prospect, where it will complete a program of planned Reverse Circulation drill holes to test a highly

anomalous zone of surface geochemistry before moving back to the Wolf prospect.

At Wolf, further drilling is planned to test at depth below the recently intersected baileychlore-hosted zinc mineralisation (see ASX Release – 13 October 2015) to determine if the nature of the mineralisation changes with depth.

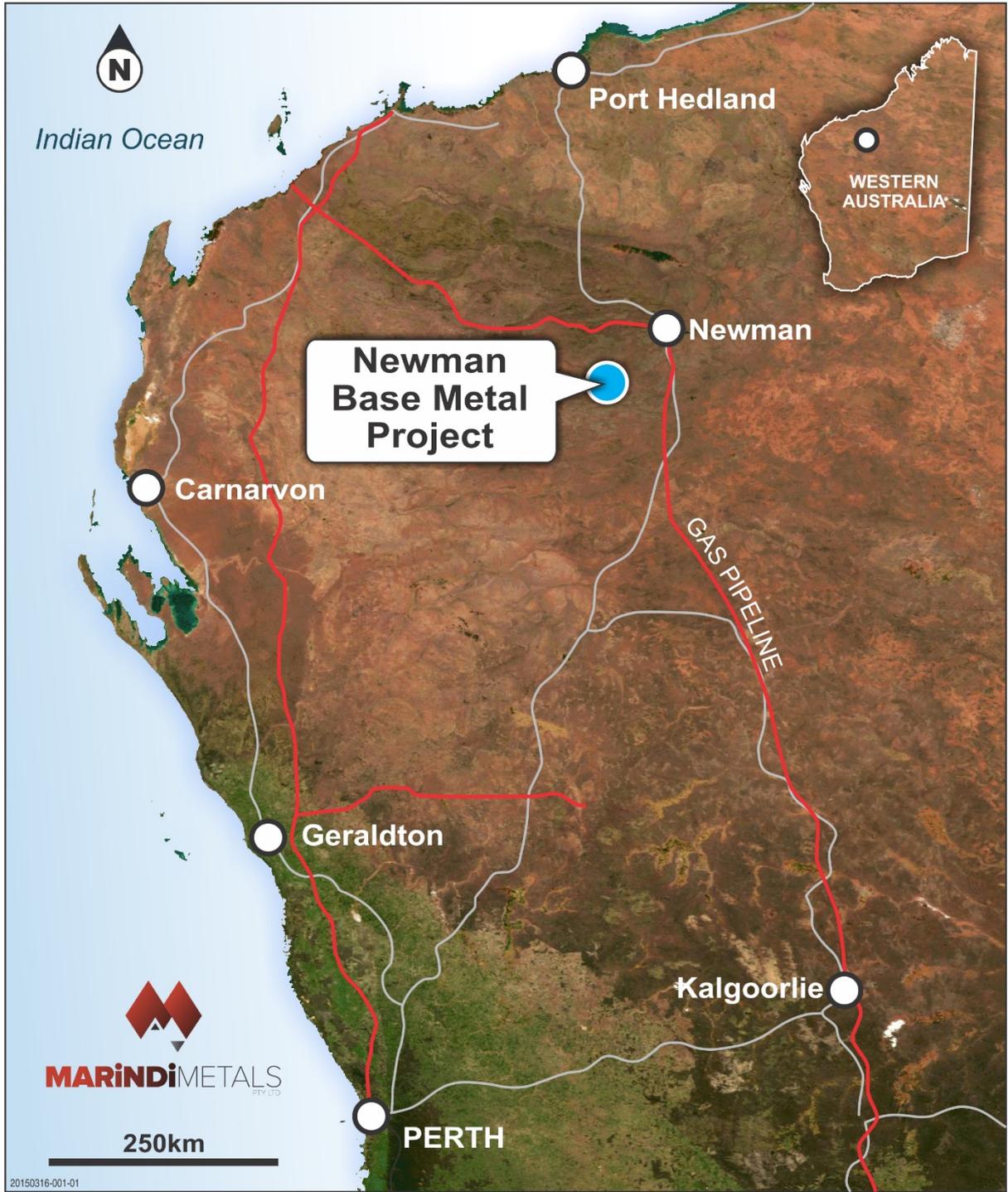
Yours faithfully

Joe Treacy
Managing Director
Marindi Metals Ltd

Competent Persons Statement

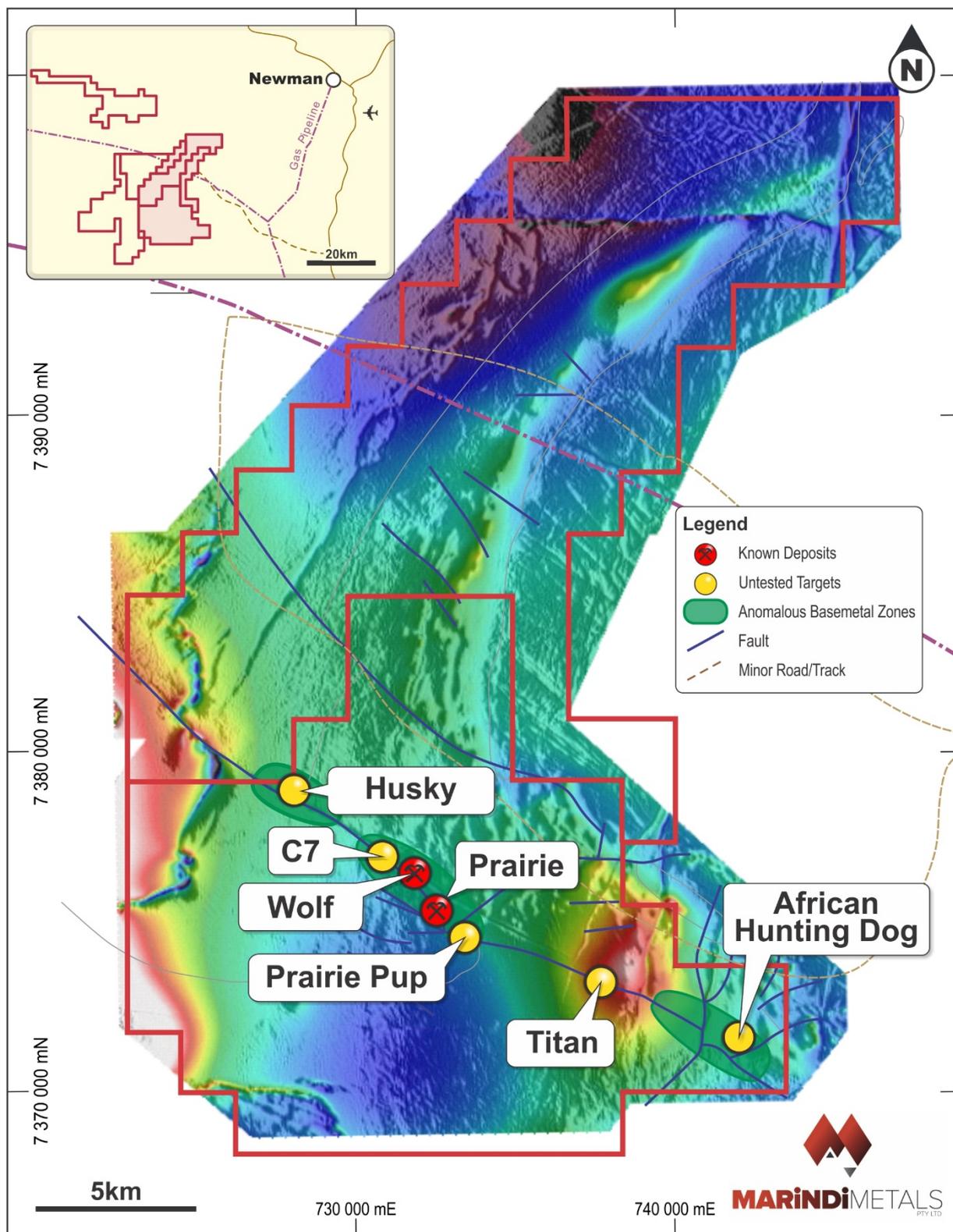
Information in this release that relates to Exploration Results is based on information prepared by Mr Joseph Treacy a Member of the Australasian Institution of Mining and Metallurgy and the Australian Institute of Geoscientists Mt Treacy is the Managing Director of Marindi Metals Ltd, a full time employee and shareholder. Mr Treacy has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being 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”. Mr Treacy consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Figure 1- Project Location



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Figure 2 - Marindi Main Tenements with magnetics



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Table 1 - Drill Hole Table

Prospect	Hole	Local_E	Local_N	Local_mRL	MGA_E	MGA_N	AHD_m	Az_Mag	Dip	EOH	RC	NQ2
Titan	PDD434	23979.65	12351.05	622	737875	7373345	622	42	-80	700.2	246.9	453.3

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Appendix 2 - JORC TABLE 1

Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Diamond core samples are either NQ2 or NQ3 in size. Sample intervals are established by a geologist and are determined by geological contacts. Geologists aim to keep sample intervals to a consistent 1m length. Sample intervals are then cut in half and sent to the laboratory. • Two samples are taken for each metre drilled using Reverse Circulation method. A bulk sample is collected in a 600x900mm plastic bag and a 10% split using a cone splitter is also taken in a calico bag. Sample intervals are then determined by geology and geochemistry (portable XRF). If a single 1m sample is required then a the single split is assayed, or if composite samples are required then 1m splits are combined and assayed. If a composite sample will be greater 3kg, then a 25% riffle split will be taken to composite. If further sampling is required spear samples can be taken for the bulk samples • A Thermo Scientific Niton Portable XRF is used to help determine sample intervals for RC drilling. A single shot is taken on all bulk sample bags. The portable XRF has been calibrated for low level base metal detection. Standards are shot before and after the period of analysis.
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • Diamond drill holes are started using Reverse Circulation drilling using a 5 ½ inch hammer. Before target area is reached diamond drilling commences using NQ2 diamond gear. If ground conditions don't allow gathering of reliable geological information then NQ3 drilling method is used. • Drill holes are routinely surveyed at 18m or 30m intervals using a Ranger Discovery Camera survey tool. • Orientation measurements are taken at the end of each 3m run using an ACT 3 orientation tool.

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Drill sample recovery	<ul style="list-style-type: none">• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	<ul style="list-style-type: none">• Diamond core recovery is measured by the drilling contractor every 3m. Core sample recovery is also measured every 1m by Marindi geologists and geotechnicians. Where poor sample recovery is anticipated, NQ3 triple tube drilling technology is used. If sample recovery is less than 100% and the interval is assayed, the recovery is noted in the assay ledger.• Experienced RC drillers from a high standard drilling contractor are being used for this drill program. The Drilling contractor and Marindi Metals are using industry standard techniques to maximise sample recoveries and produce representative sample intervals during RC drilling. The cyclone and splitter are levelled after every 6m run, or if there is significant movement noticed, then it is levelled after every 1m to provide a representative split. Sample recovery is recorded for every 1m by Marindi geologists and geotechnicians. Where sample recovery is less than 100% and the sample is assayed, recovery is noted in the assay ledger.• Drilling to date by Marindi has had very good sample recovery. No bias has occurred during sampling.
Logging	<ul style="list-style-type: none">• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.</i>	<ul style="list-style-type: none">• Every metre drilled has numerous logs completed on them. Including geology, orientation, structure, geotechnical, photography, magnetic susceptibility and XRF analysis. Geology logs record geological units, alteration, veining and percentage of relevant minerals. Where structural measurements are warranted, the core is orientated and the quality of the orientation line is documented in orientation logs. Structures, veins and geological contacts are measured in the graphic structural logs. Geotechnical information including recovery, rock strength, hardness and RQD are recorded. Magnetic Susceptibility is measure once every meter on RC and 3 times every 1m on core. All RC samples are analysed once using a Thermo Scientific Niton Portable XRF. All data is validated before entering Marindi's database.

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Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • All collar co-ordinates of drill holes in this release have been located via a Garmin hand held GPS. Locations are averaged for a minimum of 15 GPS readings. Accuracy is assumed to be within +/- 4m. Drill holes will be routinely surveyed by a surveyor as the drilling program progresses. Drill hole locations are measured in GDA94, MGA Zone 50. • Topographic control is considered adequate. New collar locations have been compared against surrounding surveyed historic drill hole locations.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Drill spacing is currently defined by geological criteria and is regarded as appropriate to determine the extents of mineralisation. Spacing is shown by the accompanying tables and figures. Exploration drilling at Wolf is preliminary and spacing and distribution of exploration results is not sufficient to support Mineral Resources or Ore Reserves. • No sample compositing has been applied to these exploration results.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • No significant orientation based sampling bias is known at this time. • The drill holes may not necessarily be perpendicular to the orientation of the intersected mineralisation. All reported intervals are downhole intervals, not true widths. True widths and orientation of mineralised bodies will be established with additional drilling.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Appropriate security measures are taken to dispatch samples to the laboratory. Chain of custody of samples are managed by Marindi Metals. Samples are stored onsite and transported to the laboratory by a licence transport company. The laboratory issues a receipt and a reconciliation of delivered samples against the laboratory analysis submission form from Marindi Metals.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • Marindi Metals have not completed any external audits or reviews of the sampling techniques and data.

Section 2 Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • The Prairie Downs Project comprises two current Exploration Licences located on vacant crown land. The tenements are E52/1926, registered under Prairie Downs Metals Ltd and E52/1758 registered under the name of Mineral Investments Ltd, a wholly owned subsidiary of Prairie Downs Metals Ltd. Marindi Metals limited entered into a sale agreement to purchase 100% of the tenements for \$1.5m plus a 2.5% net royalty to Prairie Downs Metals; the details of this agreement were released to the ASX by Prairie Downs Metals on April 2, 2015. • The tenement does not host any historic sites, wilderness or national parks. The tenement is located in the Ngarlawagga peoples land. All land clearing completed to perform exploration drilling was approved via a heritage survey. • The tenement is in good standing and there are no impediments to obtaining a licence to operate in the area.
Exploration done by other parties	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Numerous exploration companies have conducted exploration at Wolf and surrounding areas over a number of years. Significant exploration results have been summarised in a release on 25 May 2015 which includes a JORC Table 1. • A large amount of historic data is available to Marindi Metals and appraisal of data is continuing.
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The Wolf prospect is located on the Prairie Downs Fault. The fault loosely marks the contact between the Fortescue group and the Bresnahan group and host high grade zinc and lead mineralisation. Zinc and lead sulphide mineralisation at Wolf is hosted in high level epithermal quartz veining within the Prairie Downs Fault package. The zinc and lead bearing veins are located within a very large zinc alteration halo suggesting the Prairie Downs fault has been a high active conduit for metal bearing fluids.

<p>Drill hole Information</p>	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	<ul style="list-style-type: none"> • Refer to Table 1 of this document, Drill Hole Collar Table.
<p>Data aggregation methods</p>	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Significant intersections are calculated using a weighted average. Intersections stated are based on greater than 0.5% Zn or Pb with a maximum internal dilution of 2.0m and a minimum composite grade of 2% Zn. • Grades used for calculating significant intersections are uncut. • Minimum and maximum diamond core sample intervals used for intersection calculation are 0.45m and 1.45m. • There are no metal equivalents calculated for the drilling results and there is no core loss in the reported intersections.

<p>Relationship between mineralisation widths and intercept lengths</p>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • The geometry of the mineralisation, relative to the drill holes, is targeted to be approximately perpendicular. As geological interpretation advances, any area where drilling is interpreted to be at a low angle will be tested with holes from a more suitable orientation and reported as such. All intersections reported in this release are downhole intervals.
<p>Diagrams</p>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Appropriate maps with scale are included within the body of the accompanying document.
<p>Balanced reporting</p>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • The accompanying document is considered to represent a balanced report.
<p>Other substantive exploration data</p>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • Other exploration data collected is not considered as material to this document at this stage. Further data collection will be reviewed and reported when considered material.
<p>Further work</p>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale stepout drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Marindi advise that drilling is continuing to test for extensions of mineralisation.