MARINDI METALS LTD

ASX/Media Release

(ASX: MZN)

26th April 2016

Marindi Metals Ltd
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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

March 2016 Quarterly Activities Report

HIGHLIGHTS

- **3,000m of combined RC and diamond drilling planned to commence at 100%-owned Newman Base Metal Project in WA in early May.**
- **Deep diamond holes to be drilled at the large Wolf Prospect, partially funded by WA Government's Exploration Incentive Scheme.**
- **Drilling at Wolf to target the source of extensive zinc chlorite mineralisation intersected in drilling last year:**
  - ***Intersections of up to 58m at 2.3% Zn including 8.45m at 5.5% Zn.***
- **Strong IP conductors located south along strike from the Prairie Deposit and coincidental with the Prairie Downs Fault Zone to be tested.**
- **Drilling expected to take 4-6 weeks to complete, with first assays expected shortly thereafter.**
- **Review of Marindi's 100%-owned Caranbirini Project in the NT confirms untested exploration potential for significant base metal-lead-zinc mineralisation.**
- **Several high priority targets identified on the Yalco Joint Venture in the NT by Teck Australia Pty Ltd (Teck).**

During the March 2016 Quarter, Marindi Metals Limited (ASX: MZN) completed planning for a major new exploration program at its 100%-owned Newman Base Metal Project, located 60km south-west of Newman in Western Australia's Pilbara region (Plan 1).

The program will comprise drilling of high-priority targets along strike from the Prairie Deposit, as well as two deep diamond drill holes beneath the Wolf Prospect and the Prairie Base Metal Deposit. These deeper holes will be co-funded with the Exploration Incentive Scheme (EIS) of the Western Australian Government.

This new phase of exploration is expected to commence around 10 May 2016, and will comprise an initial program of approximately 3,000m of combined Reverse Circulation (RC) and diamond drilling. It follows a comprehensive assessment of the results of last year's maiden exploration activities, and will test several highly prospective target areas.

The core objective of the program is to identify large-scale base metal sulphide mineralisation at the Newman Project with the potential to underpin a significant future production opportunity.

The upcoming drilling program at the Newman Project is expected to take 4-6 weeks to complete, with first assays expected shortly thereafter. Follow-up drilling and regional exploration drilling is scheduled to commence in mid-July.

Marindi remains very positive about the outlook for the zinc market, with zinc metal stockpiles at their lowest levels for many years as global supply continues to tighten with the removal of a number of major mines from the market (Century, Lisheen and Tennessee). A lack of investment in zinc exploration and development over the last 20 years will mean that the predicted zinc shortage cannot be easily reversed, as there is not the supply capacity to meet the predicted shortfall. The changing supply/demand dynamics are increasingly being reflected in zinc stockpile levels and price forecasts by leading commodity groups.

Newman Base Metal Project (Marindi right to earn 100%)

The Newman Base Metal Project represents a major base metal occurrence in the Capricorn Orogen of Western Australia, where Marindi holds over 1,000 square kilometres of tenure granted or under application.

The Prairie Downs Fault Zone (PDFZ) is the dominant structural feature and is anomalous in base metal geochemistry over its entire 23km strike length. Multi-element geochemistry conducted by Marindi has outlined three major hydrothermal cells along the PDFZ. The **Wolf-Prairie Corridor** spans a distance of 3.5km and contains the Prairie Base Metal Deposit as well as the large Wolf Prospect (Plan 2), which was the first of the three hydrothermal cells to be drill tested by Marindi as part its maiden exploration program last year.

Last year's exploration program returned wide intersections of zinc mineralisation at Wolf and some very high-grade zinc intersections at the Prairie Downs Deposit, providing the Company with a number of important leads for follow-up exploration.

The Company has completed a detailed review of all of the data from the 2015 exploration program during the northern wet season. This has enabled it to refine and plan a comprehensive new exploration program, which is scheduled to commence in early May.

Wolf Prospect

Holes PDD 424-426 were drilled at the Wolf prospect during 2015 and intersected thick zones of zinc-lead-silver mineralisation with the zinc mineralisation being predominantly chlorite-hosted. Results from last year included:

PDD 426 **58m at 2.3% Zn, 0.1% Pb, 13.0g/t Ag from 155m, including:**

- **8.45m at 5.5% Zn, 0.2% Pb, 32g/t Ag from 195.05m, and**
- **1.51m at 9.4% Zn, 0.7% Pb, 141g/t Ag from 200m.**

PDD 424 **66.3m at 2.1% Zn, 0.1% Pb, 7g/t Ag from 71.7m, including:**

- **3.9m at 4.9% Zn, 0.1% Pb, 3g/t Ag from 128m.**

The presence of an extensive zone of chlorite-hosted zinc mineralisation is most unusual and, after reviewing the multi-element geochemistry coupled with detailed geological interpretation, Marindi believes that the intersections at Wolf may be indicative of a very large zinc mineralising system.

The Company has secured funding from the WA Government through the Exploration Incentive Scheme (EIS) to drill three deep diamond drill holes between the Wolf Prospect and the Prairie Downs Deposit to look for the source of this widespread zinc mineralisation at depth.

A review of the multi-element geochemistry between Wolf and Prairie has highlighted an area with extremely elevated antimony (Sb) and barium (Ba) values with four metre intervals reaching over 150ppm Sb and 7000ppm Ba. To test this target, an EIS hole will be drilled under three historical shallow drill holes, PDP354-356, on section 19000E. One of the holes, PDP354, was stopped in weakly zinc-lead mineralised quartz breccia where the Prairie Downs Fault Zone (PDFZ) is in contact with the Fortescue Formation (see Plan 3).

Drill-hole PDP355 passed through two strongly anomalous copper zones of 4m @ 0.9% Cu from 64m and 4m @ 0.7% Cu from 80m (ASX release 25 May 2015). There are several small copper prospecting pits in the area and all three holes contain anomalous antimony and barium values from surface to the bottom of hole with peak values up to 198ppm Sb.

Antimony is indicative of the upper levels of a hydrothermal alteration system and is commonly associated with base metal mineralisation. EIS2 is targeting 400m below surface with 300m of RC and 250m of NQ2 diamond for a total of 550m.

The second EIS hole will be drilled on the southern side of Wolf on section 17920E, under three historical drill holes. All of these holes contained zinc mineralisation with intersections up to 14.2m @ 5.4% Zn from 190.6m in hole PDD405, in the form of zinc chlorite. Also seen in these holes were common quartz veins with white sphalerite (zinc sulphide) possibly indicating a transition from zinc chlorite to zinc sulphide at depth. The hole will be drilled 250m below the PDD405 intersection which is 400m below surface.

The third EIS hole will be sited based on the results from EIS1 and EIS2.

Prairie Deposit

Several high priority targets have been selected for follow-up drilling in this program.

The Main Splay refers to a parallel structure that branches off the Prairie Main Zone. It has been traced at depth over a strike length of several hundred metres, but has not been tested close to surface. This position has the potential to develop a significant tonnage over a short strike length, as shown in section 19740E. The drilling program will also test two IP anomalies close to the PDFZ, one located south of Prairie Pup and the other on the flank of the Titan gravity anomaly.

Program of Work Applications and Heritage Clearances have been submitted and clearances will be sought for both detailed drilling around the Prairie Deposit and more regional exploration activities, particularly to the south-east along strike where the very large African Hunting Dog (AHD) anomaly, stretching for over five kilometres, is yet to be investigated with drilling.

Regional Exploration (Marindi 100%)

Marindi has a significant tenement holding in the Capricorn Orogen and is in the process of compiling all previous data, prior to commencing field work in the June 2016 Quarter. This work has highlighted several areas that require follow-up prospecting and investigation. The Company is also an industry participant in the Distal Footprints Research Program, an $18 million collaborative study coordinated by the CSIRO on the Capricorn Orogen.

The Capricorn Orogen lies between the Archean Yilgarn and Pilbara Cratons and faults can extend down into the mantle with the potential to tap mineralising mantle fluids and transport them to surface levels to form ore deposits.

Marindi believes that the PDFZ may have accessed fluids from one of these structures. Prairie Downs, together with several other major deposits, is being studied as part of the Footprints Program and the Company believes its involvement will allow it to leverage off the very significant intellectual property of the research organisations participating in this program.

McArthur River

Marindi's second major land-holding for base metal mineralisation is in the Northern Territory, where it has the Yalco Joint Venture area with Teck and the 100% Marindi owned Caranbirini Project located 8km north of Glencore's operating McArthur River Mine. The McArthur River Mine, which had Reserves of 110 million tonnes at 10% Zn, 4.7% Pb and 47g/t Ag as at 31 December 2012, is hosted in the Barney Creek Formation (BCF), a mineralised pyritic shale unit (see Plan 6).

Yalco (Teck earning 70%)

Marindi have received a report from Teck Australia Pty Ltd. ("Teck") which details the results of the significant exploration program completed in the December quarter of last year. Teck have the right to earn up to a 70% interest in the Yalco Project by spending $3.5 million prior to June 30, 2018. Teck have spent approximately $1.8 million on the Project to date with $1.36 million of that having been expended in the past 12 months.

Teck completed a significant body of field work in 2015 and have undertaken amongst other activities, multi element soil sampling, infill gravity surveying, 36 kilometres of seismic surveying on three separate lines and complimentary Audio Magneto Telluric (AMT) surveys over substantially the same area as was covered by the seismic survey (see plan 7).

The data generated by this work is still being processed however some strong targets have been defined at Yalco East and in the Emu Fault Corridor that will require follow up.

Plan 7 shows the location of previous drilling which is believed to have been ineffective in testing the prospective BCF: Hole McA05 returned anomalous zinc up to 4% in thin pyrite beds within an elevated zinc zone of 66m @ 760ppm Zn; hole BCD01 returned up to 0.15% Zn and hole McA16 did not reach the prospective BCF. The area remains prospective for SHMS mineralisation.
The Emu Fault Corridor lies to the western side of the project area. As reported last quarter, anomalous lead geochemistry was detected in both the footwall and hanging wall rock units along the western edge of the Emu Fault Corridor. Further processing of seismic and AMT data has outlined a high priority target coincident with the geochemical signature in the north-west quadrant of the fault corridor. This area is interpreted to represent potential deepening in the sedimentary basin and is cut by the north-west trending Pine Creek Fault. The combination of favourable structural and sedimentary features coupled with anomalous geochemistry make this a high priority target.

The coming year will see further refinement of the targets however Teck have indicated that they are unlikely to drill either target this year.

Caranbirini, NT (Marindi 100%)

The Caranbirini Project covers 10km of the prospective Batten Trough and is located only 8km from the McArthur River Mine. Historical exploration has intersected base metal mineralisation in close proximity to the Emu Fault. A plan of the past drilling is shown in Plan 6 and shows that most of the exploration effort has

been focused on or around the Emu Fault. The Emu Fault together with cross-cutting structures played an important role in the deposition of McArthur River Deposit.

A review by Marindi of the drilling undertaken to date has shown that only three holes have been drilled any distance west of the fault, and of those holes, CPDH002 intersected 1m @ 17.3% Zn and 1.3% Pb in possible Barney Creek Formation (BCF).

Marindi believes the area west of the Emu Fault has been underexplored and now intends to test the western half of the Company's tenement holdings for shale hosted massive sulphide (SHMS) systems. It has previously been assumed that the BCF occurs too deep to justify further exploration, however this appears to be speculation as there has been no drilling or gravity surveying to constrain the depth to BCF to the west and, where drilled, it hosts high-grade albeit thin base metal-lead-zinc mineralisation.

Work on the Teck Yalco Joint Venture to the north has shown that the western edge of the Emu Fault Corridor may be equally as prospective as the eastern edge of the Emu Fault area, and that the depth to the BCF may be significantly less than previously interpreted. There is the potential for this structural and geological environment to be repeated on the Caranbirini tenements.

Marindi plans to conduct a gravity survey over the tenement in the coming field season with the aim of developing a 3D geological model that will incorporate the existing EM surveys, geochemical and structural data aid in drill targeting.

Oakover (Marindi 100%)

The Oakover Manganese Project lies approximately 80km east of Newman in Western Australia's East Pilbara Manganese Province. The Project is situated about 100km south of the Ant Hill Manganese Deposit owned by Mineral Resources Ltd and about 50km from the Nicholas Downs Manganese Deposit.

A scoping study report on the project has been received and is being reviewed.

Corporate

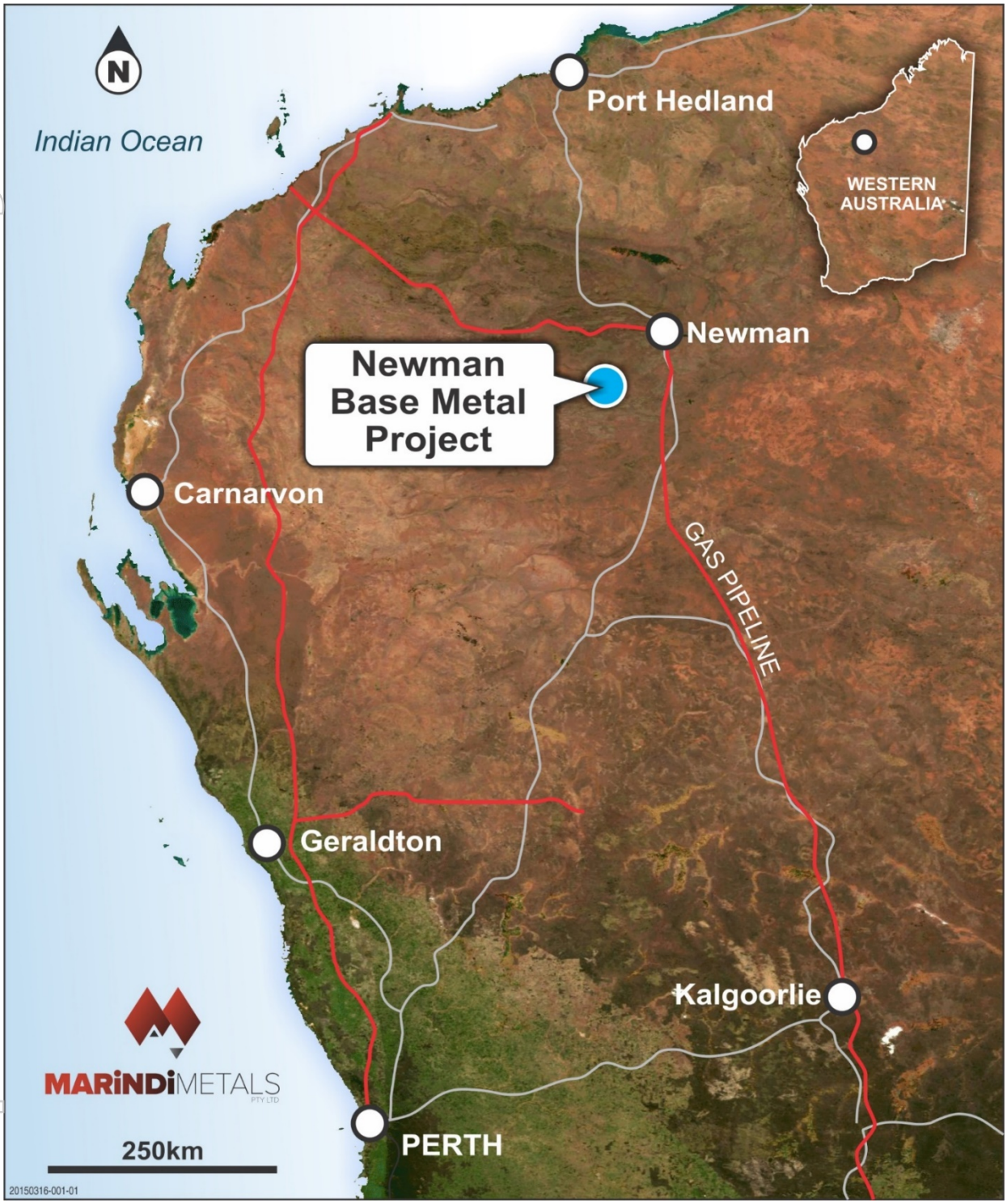
Marindi continues to review more advanced opportunities, primarily in zinc and other base metals within Australia and will add quality projects to its portfolio as appropriate**.**

Cash at the end of the Quarter was approximately $1.3 million.

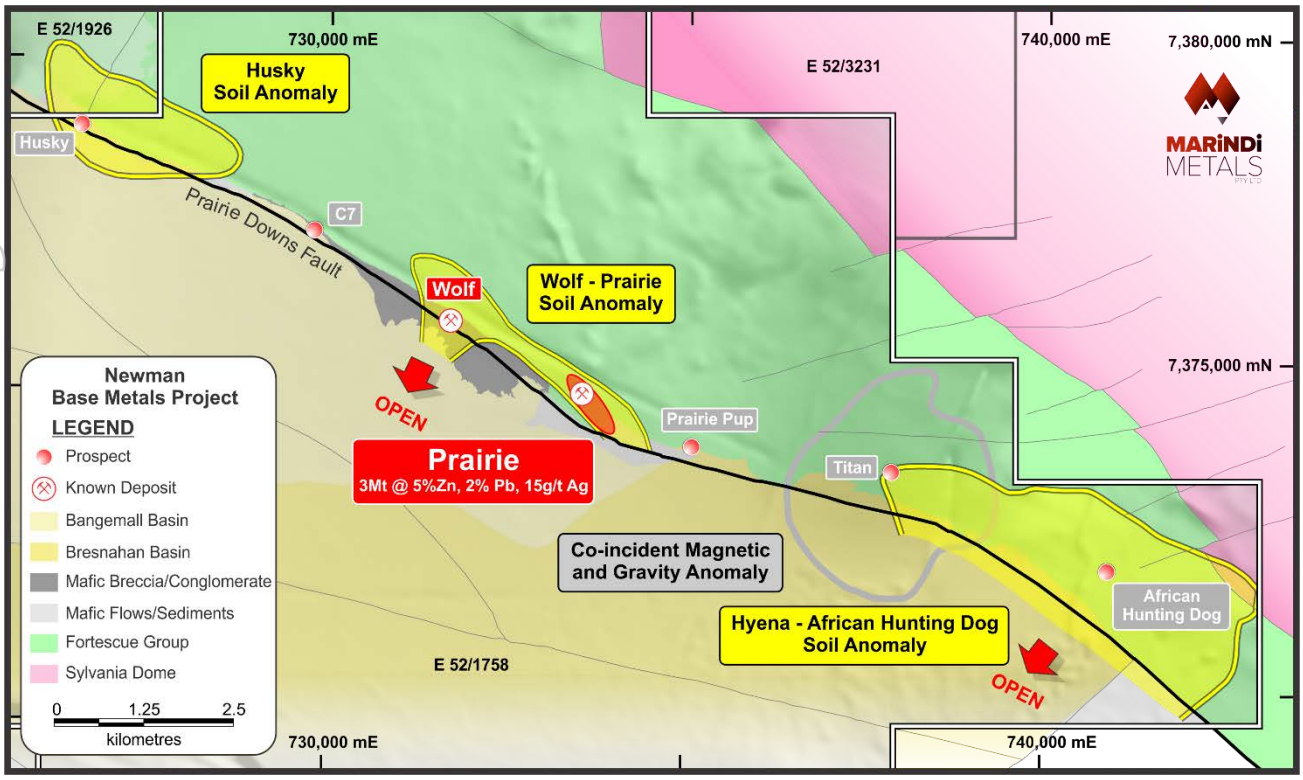
Joe Treacy
Managing Director
Marindi Metals Ltd

Competent Persons Statement
Information in this release that relates to Exploration Results is based on information prepared by Mr Joseph Treacy and who is a Competent Persons Members of the Australian Institute of Geoscientists. Mr Treacy is an employee of the company. 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.

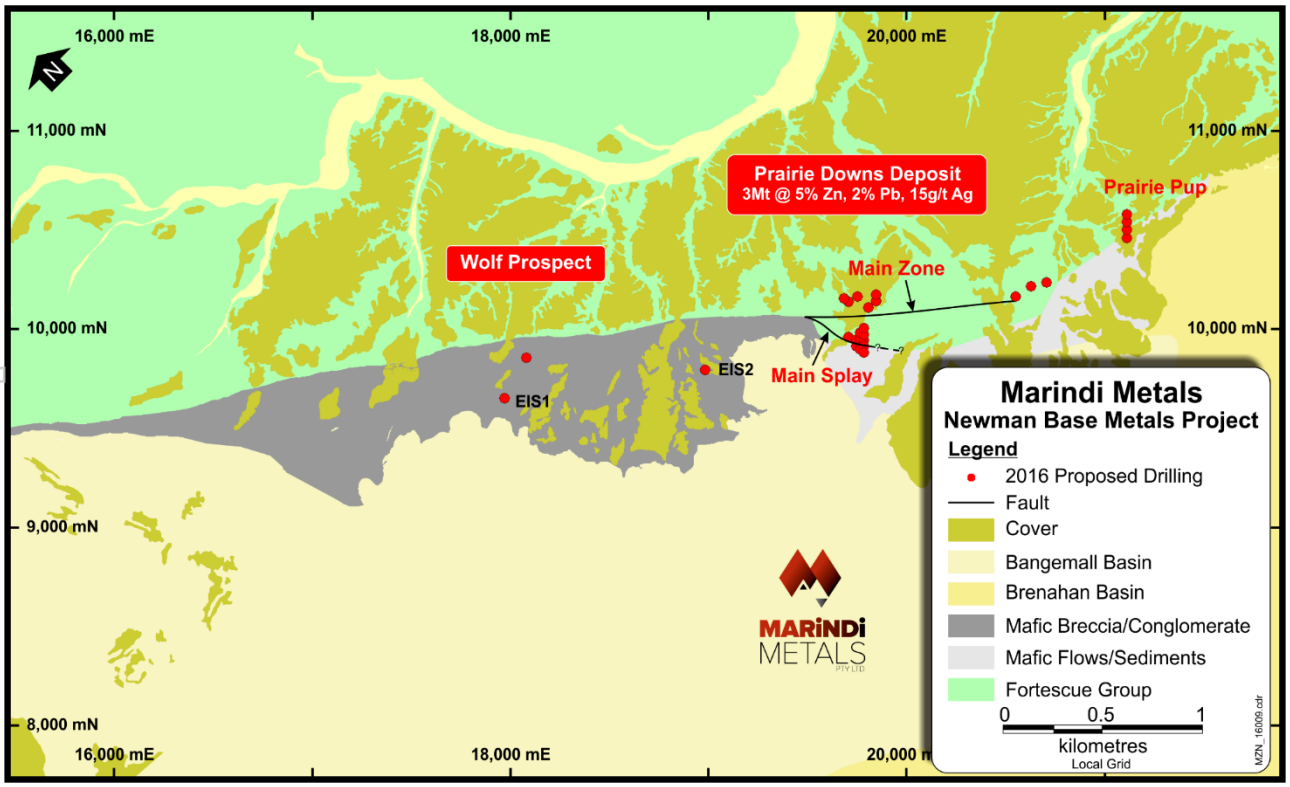
Plan 1- Location Map



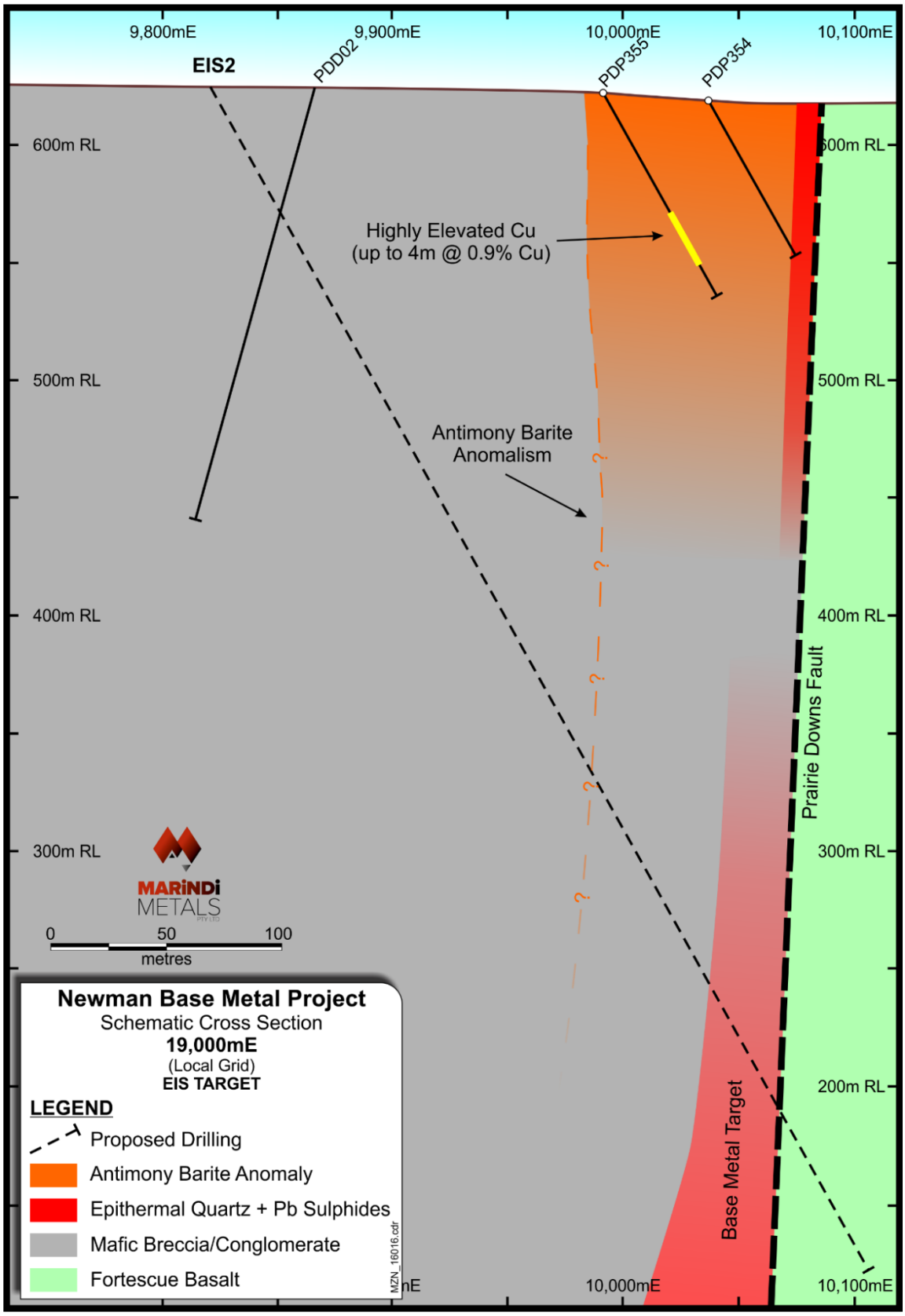
Plan 2 – Prairie Fault Geochemistry



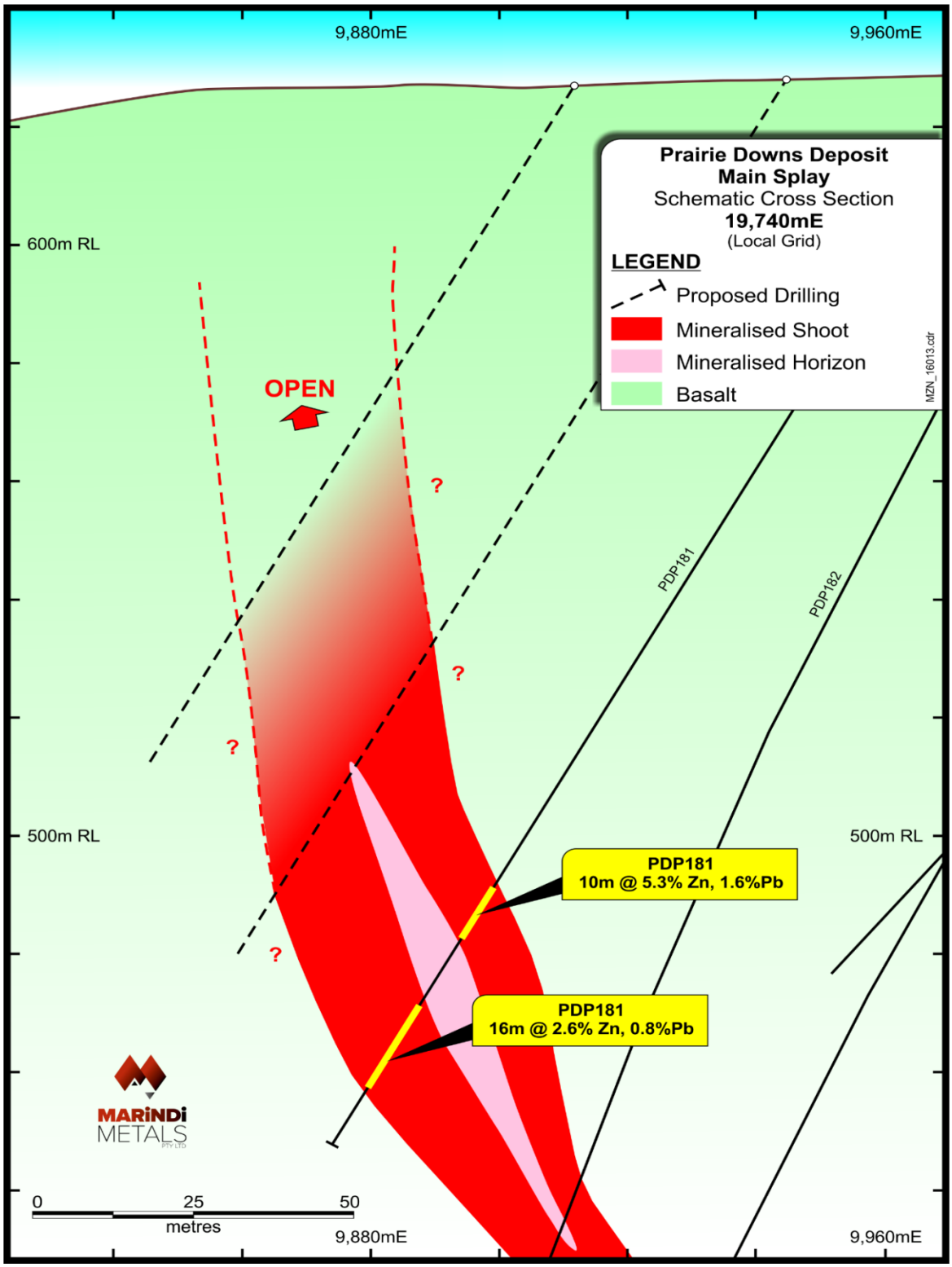
Plan 3 – Wolf-Prairie Corridor



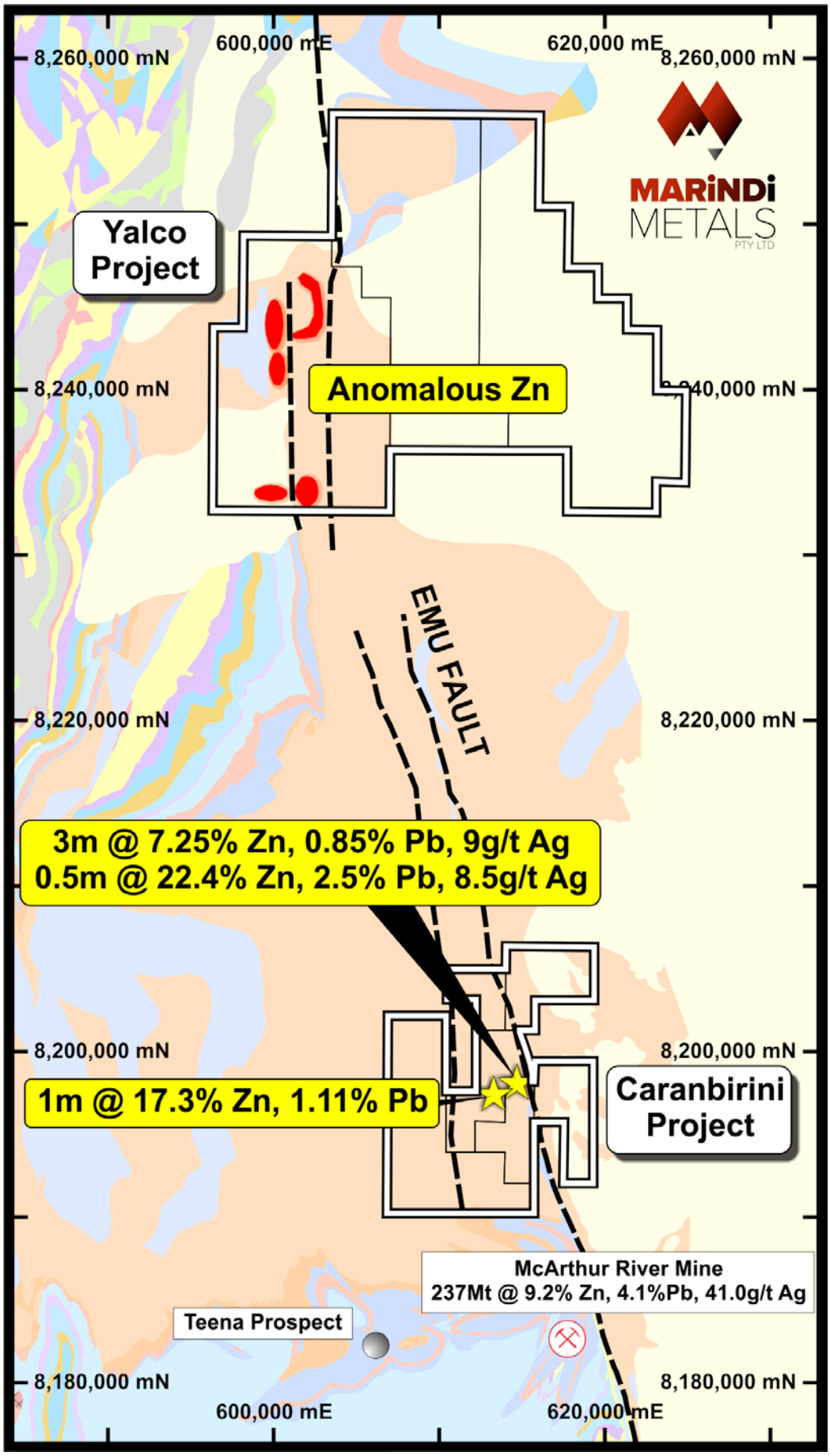
Plan 4 – EIS Drilling 1900mE



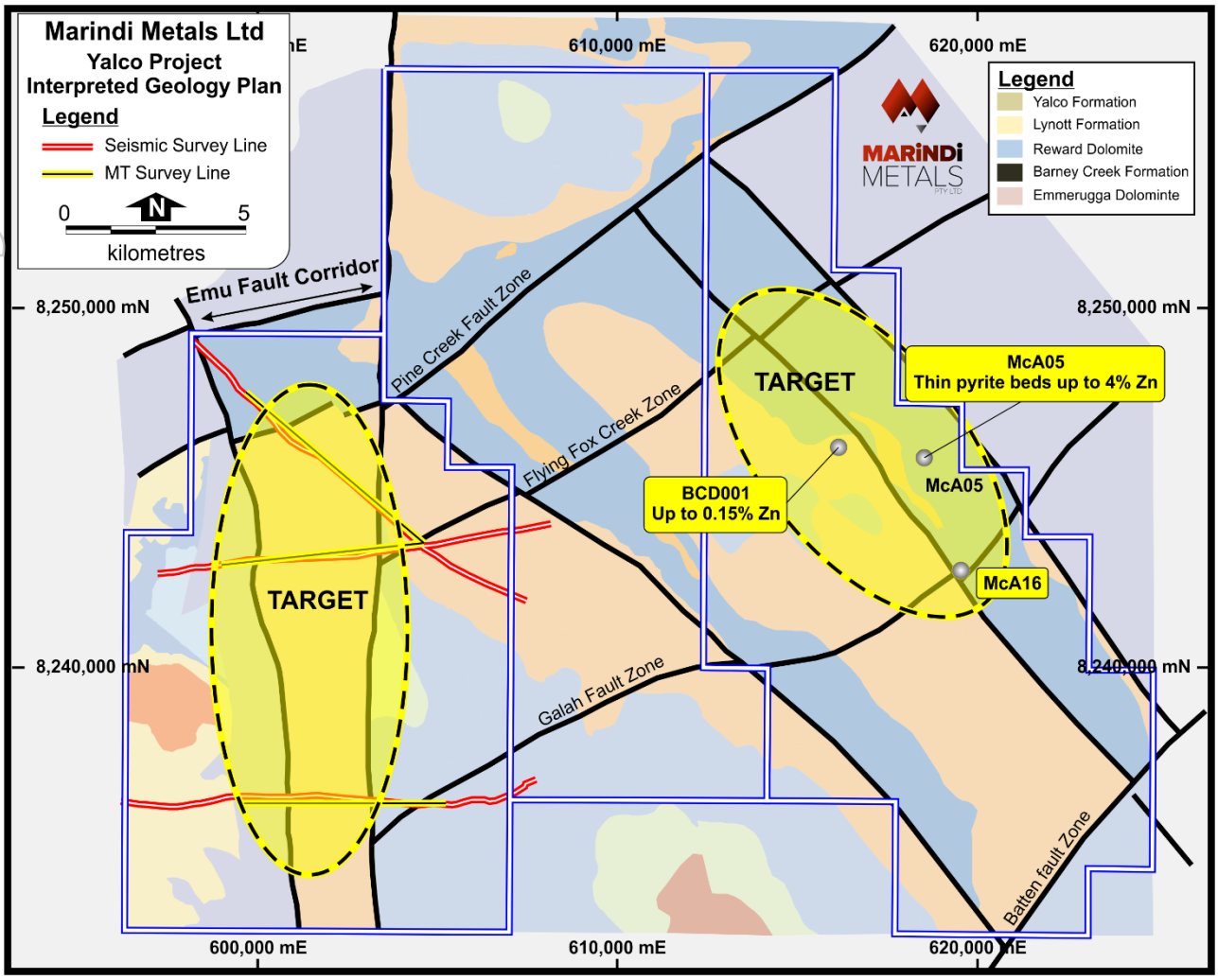
Plan 5 – Main Splay 19,740mE



Plan 6 – NT Tenements



Plan 7 – Yalco Project



Hole	From (m)	To (m)	Interval (m)	Zn %	Pb %	Ag g/t	Cu %	Type
PDP423	0	31	31	Not Assayed				
PDD424	0	68	68	No Significant Results				
	68	138	70	2	0.1	6	0	Bch
	94	138	44	2.6	0.1	10	0	Bch
	118	135.2	17.2	3.1	0.1	10	0	Bch
	128	131.9	3.9	4.9	0.1	3	0	Bch
	138	148.4	10.4	No Significant Results				
	148.4	151	2.6	2.3	0.1	7	0	Bch
	151	158	7	No Significant Results				
	158	160.03	2.03	4.8	0	2	0	Bch
	160.03	225.5	65.47	No Significant Results				
PDD425	0	75	75	Not Assayed				
	75	120.7	45.7	2.1	0.1	5	0	Bch
	98.6	120.7	22.1	2.8	0.1	9	0	Bch
	120.7	145.31	24.61	No Significant Results				
	145.31	147.05	1.74	0.1	2.4	18	0.1	Sulp
	147.05	194.1	47.05	No Significant Results				
PDD426	0	155	155	No Significant Results				
	155	213	58	2.3	0.1	13	0	Bch + Sulp
	167	206.3	39.3	2.9	0.2	18	0	Bch + Sulp
	167	175.08	8.08	3.9	0.1	8	0	Bch
	171.5	174	2.5	6.2	0.1	7	0	Bch
	195.05	207.5	12.45	4.5	0.2	23	0	Bch + Sulp
	195.05	203.5	8.45	5.5	0.2	32	0	Bch + Sulp
	195.05	198.1	3.05	6.3	0.1	7	0	Bch
	200	201.51	1.51	9.4	0.7	141	0.2	Bch + Sulp
	201.05	201.51	0.46	16.2	2.1	363	0.6	Sulp
	206.3	294.4	88.1	No Significant Results				
PDP427	0	132	132	No Significant Results				
PDD428	0	235	235	No Significant Results				
	235	280.4	45.4	1.7	0.1	9	0	Bch
	259	275.4	16.4	2.8	0.1	17	0	Bch
	267.5	269.1	1.6	5.2	0.1	13	0	Bch
	280.4	360.3	79.9	No Significant Results				
PDD429	0	170.47	170.47	No Significant Results				
	170.47	174.18	3.71	22.4	1.8	25	0	Sulp
	174.18	204.7	30.52	No Significant Results				
PDD430	0	213.05	213.05	No Significant Results				
	213.05	213.65	0.6	3.8	0.5	7	0	Sulp
	213.65	246.7	33.05	No Significant Results				
PDD431	0	181.8	181.8	No Significant Results				
	181.8	182.1	0.3	12.1	0.2	21	0	Sulp
	182.1	224.7	42.6	No Significant Results				
PDP432	0	97	97	No Significant Results				

Hole	From (m)	To (m)	Interval (m)	Zn %	Pb %	Ag g/t	Cu %	Type
PDP433	0	97	97	No Significant Results				
PDD434	0	700.2	700.2	No Significant Results				
PDP435	0	145	145	No Significant Results				
PDP436	0	100	100	No Significant Results				
PDP437	0	97	97	No Significant Results				
PDP438	0	100	100	No Significant Results				
PDP439	0	100	100	No Significant Results				
PDP440	0	100	100	No Significant Results				
PDP441	0	55	55	No Significant Results				
PDP442	0	73	73	No Significant Results				
PDD443	0	487.5	487.5	No Significant Results				

Drill Hole Collar Table

Prospect	Hole	Local E	Local N	AHD (m)	MGA E	MGA N	AHD (m)	Az Mag	Dip	End Of Hole (m)
Wolf	PDP423	17531.3	9726.3	633	731465	7376054.2	633	38	-59	31
Wolf	PDD424	17531	9728.1	632.9	731466.1	7376055.7	632.9	38	-55	225.5
Wolf	PDD425	17529.7	9727.3	633	731464.6	7376056.1	633	25	-53	194.1
Wolf	PDD426	17645.4	9709.3	631.6	731533.5	7375961.5	631.6	50	-55	294.4
Wolf	PDP427	17645.7	9711.2	631.5	731535.1	7375962.6	631.5	50	-51	132
Wolf	PDD428	17862.6	9673.1	632	731661.3	7375782.2	632	42	-50	360.3
Prairie Downs	PDD429	19701	10134.7	624.7	733285.9	7374807.4	624.7	225	-60	204.7
Prairie Downs	PDD430	19748.5	10159.5	624.7	733337	7374791.3	624.7	227	-63	246.7
Prairie Downs	PDD431	19748.3	10158.2	624.7	733336	7374790.5	624.7	227	-64	224.7
Prairie Pup	PDP432	20698.5	10230.1	617.5	734057.7	7374169	617.5	224	-60	97
Prairie Pup	PDP433	20698.5	10189.1	617.9	734028.7	7374140	617.9	224	-60	97
Titan	PDD434	23980	12352.6	598.8	737876.4	7373345.8	598.8	43	-80	700.2
Prairie Pup	PDP435	20623	10110.7	620.9	733919.9	7374138.1	620.9	225	-60	145
Prairie Pup	PDP436	20700.5	10146.1	618.4	733999.7	7374108.3	618.4	225	-60	100
Prairie Pup	PDP437	20698.5	10266.2	617.1	734083.2	7374194.5	617.1	225	-60	97
Prairie Pup	PDP438	21098.1	10344.8	624.5	734421	7373967.3	624.5	225	-60	100
Prairie Pup	PDP439	21100.8	10377	624.6	734445.7	7373988.1	624.6	225	-60	100
Prairie Pup	PDP440	21101.8	10414.9	624	734473.2	7374014.1	624	226	-60	100
Wolf	PDP441	17645.1	9712.9	631.5	731535.9	7375964.2	631.5	42	-65	55
Wolf	PDP442	17645.1	9712.3	631.4	731535.5	7375963.8	631.4	42	-75	73
Wolf	PDD443	17645.2	9712.1	631.5	731535.3	7375963.6	631.5	42	-82	487.5
Yalco	BCD001				616125	8246166		360	-90	468.2
Yalco	MCA05				618507	8245879		360	-90	495.9
Yalco	MCA16				619505	8242758		360	-90	219

JORC 2012 Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code Explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• 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	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.*	• 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.

Criteria	JORC Code Explanation	Commentary
Subsampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample intervals are determined by a Marindi geologist. All intervals are documented digitally and on ticket books. Sample intervals are determined by geological intervals and when sampling core, samples are kept as near as possible to 1m intervals. This sampling procedure is appropriate for Zinc exploration on the Newman Zinc Project. • With all diamond core half the sample is submitted for analysis. The sample is cut using an Almonte core saw. The saw is regularly checked for cutting in a straight line and cutting through half the core sample. Interval and sample number are checked, via visual confirmation of interval in sample ledger, on the core and in the ticket book when adding the ticket to sample before it is finally sealed in calico bag. • 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. • Standards are added every 20 samples. No duplicates are made. • These sampling techniques are sufficient for this style of Zinc mineralisation and exploration with in the Newman Zinc Project.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	• Samples are analysed via a 4 acid digest with an ICPAES finish. This method is considered to be a total analysis of the sample. This method is considered to appropriate for base metal mineralisation and is of high quality. The analysis is completed by an industry leading laboratory. Each batch of samples analysed has several standards, blanks and duplicates included. Marindi Metals also add a standard every 20 samples to monitor accuracy and consistency of each batch.

Criteria	JORC Code Explanation	Commentary
Quality of assay data and laboratory tests (Cont'd)	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• No geophysical tools are used. A XRF instrument is used to aid geological logging and determination of sample intervals. No XRF data has been reported by Marindi Metals.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Intersections have been verified by Marindi personal and contract professionals. • None of the drill holes in this report are twinned. • All data is recorded on paper and then entered into a database. Data is then checked before being moved into a primary database. Data is backed up on a remote server in two locations. • No adjustment to assay data has occurred.
Location of data points	• *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.*	• 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	• *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.*	• 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	• *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.*	• 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.

Criteria	JORC Code Explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Appropriate security measures are taken to dispatch samples to the laboratory. Chain of custody of samples are managed byMarinid 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	• *The results of any audits or reviews of sampling techniques and data.*	• 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	• *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.* • *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.*	• 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	• *Acknowledgment and appraisal of exploration by other parties.*	• 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	• *Deposit type, geological setting and style of mineralisation.*	• 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.

Criteria	JORC Code Explanation	Commentary
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole o down hole length and interception depth* o *hole length.* *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.*	• Refer to Table 1 of this document, Drill Hole Collar Table.
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• 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.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *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').*	• 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.
Diagrams	• *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.*	• Appropriate maps with scale are included within the body of the accompanying document.

Criteria	JORC Code Explanation	Commentary
Balanced reporting	• *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.*	• The accompanying document is considered to represent a balanced report.
Other substantive exploration data	• *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.*	• 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.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale stepout drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Marindi advise that drilling is continuing to test for extensions of mineralisation.