



ASX/Media Release

(ASX: MZN)

30 October 2017

Marindi Metals Ltd
ABN 84 118 522 124

Level 3, 35 Havelock Street
West Perth WA 6005
Australia

Contact:

Joe Treacy
Managing Director

Phone: 08 9322 2338
Email : info@marindi.com.au

Directors:

Ross Ashton
John Hutton
Geoff Jones
Joe Treacy

Issued Capital:

1,327m fully paid ordinary shares,
64m unlisted options Ex. 2.5c Expiring
31 December 2019

NEW BASE METAL SULPHIDE DISCOVERY AT NEWMAN BASE METAL PROJECT

HIGHLIGHTS

- Lead-zinc sulphides intersected in 1st phase of drilling at Husky South Prospect.
- Disseminated sulphides intersected over 10-20m true width with zones of semi-massive to massive sulphide dominated by galena (lead) with minor sphalerite (zinc) and trace chalcopyrite (copper).
- Defined over 400m to date with drilling ongoing.
- Further highlights the prospectivity of the Newman Project to host high grade base and precious metal deposits.
- Approximately 18km strike length of the Prairie Downs Fault Zone yet to be drill tested.

Marindi is pleased to provide the following update on recent results of the ongoing reverse circulation (RC) drilling at the Newman base metal project. The program commenced on Saturday October 21 testing the recently discovered Husky South geochemical anomaly. Disseminated and massive sulphides have been intersected in the four traverses completed to date, see plans attached. The sulphides are dominated by lead (galena) with minor zinc (sphalerite) and trace copper (chalcopyrite).

The base metal sulphides have been visually identified in drill samples and confirmed by portable hand held XRF sampling. The mineralisation sits close to or within the Prairie Downs Fault Zone (PDFZ) at the contact with the basalts of the Lower Fortescue Group and varies from 10 to 20m true width. The mineralisation where intersected presents as a wide visually estimated zone of disseminated (0.5%-5%) sulphides with occasional zones of semi-massive to massive sulphide mineralisation, and remains open along strike and at depth.

The best intersection to date is hole PDP456 where the mineralised zone has been logged as extending 38m down hole from 87m and includes a 4m zone of semi massive to massive sulphide (galena) from 92m down hole. To confirm the dip and true width, hole PDP456 has been “scissored” by holes PDP459 and PDP460 with the latter hole returning a similar mineralised intersection and established the dip as 80 degrees to grid south and the true width at approximately 40% of the down hole intersection.

Hole PDP458 was drilled approximately 100m grid west of hole PDP456 intersected a similar sequence, however extremely high-water flows compromised the sample. Marindi considers it likely that sulphides may also have been intersected between 92m and 95m down hole.

The Husky South anomaly extends for approximately 1.6km and RC drilling has been confined to 400m of the central section where previous prospecting and soil sampling returned rock chip samples from gossanous material of up to 54.3% Pb, 543g/t Ag and 0.3g/t Au and elevated lead in soils to 0.11%.

On completion of the initial program at Husky South, the rig will move on to test the other high priority geochemical targets at Husky and Lone Wolf (see plans attached). This is expected to take another two weeks to complete and will conclude Stage 1 of the program. Marindi will then commence Stage 2 of the program by moving to the southern section of the PDFZ to test other geochemical and geological targets along the 23km strike extent of the PDFZ. Analytical results, including assays from Stage 1 are expected in 3-4 weeks.

Marindi is highly encouraged by the intersections from Husky South, which represent the first significant base metal sulphide discovery in the area away from Prairie and Wolf deposits since the original discovery by the Geological Survey of Western Australia in 1965¹.

Joe Treacy
Managing Director and CEO

Investor Inquiries
Marindi Metals Limited
08 9322 2338

Media Inquiries
Empeiros Advisory
John Phaceas
0411 449 621
john.phaceas@empeirosadvisory.com.au

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.

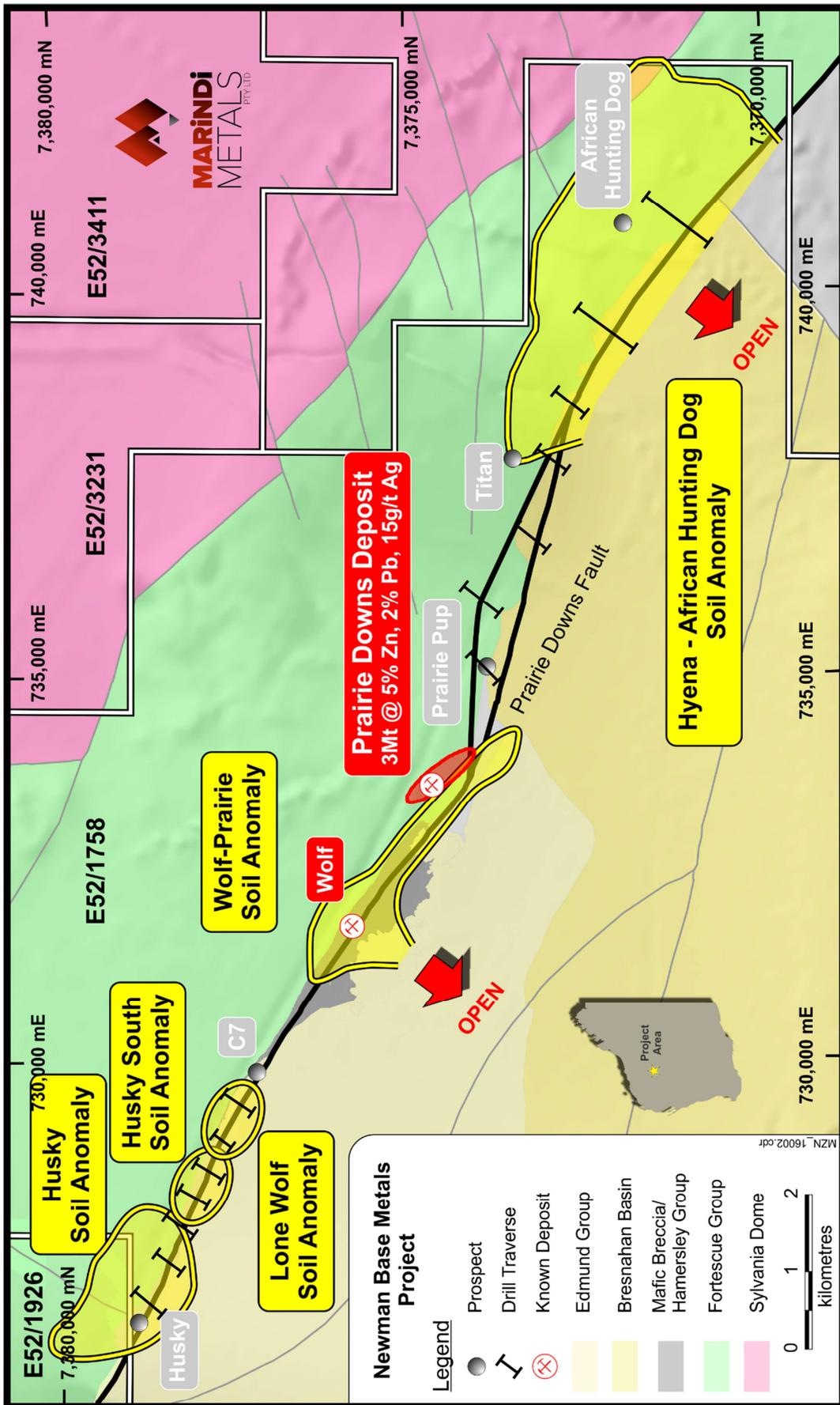
¹ Daniels and MacLeod 1965

For personal use only

Table 1 - Drill Collars

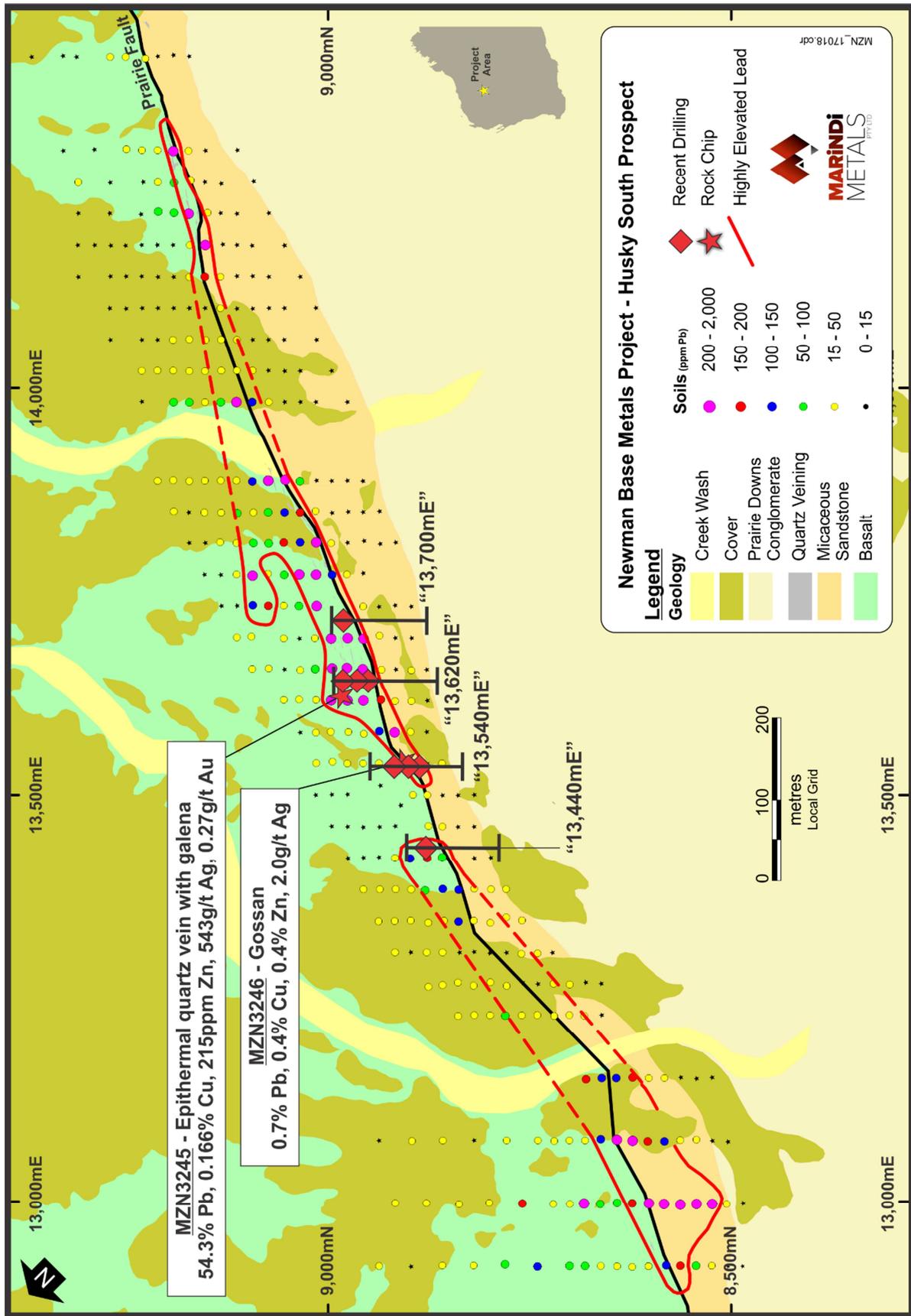
Prospect	Hole	Local E	Local N	Az Mag	Dip	End Of Hole (m)
Husky South	PDP453	13629	9001	225	-57	138
Husky South	PDD454	13623	8920	225	-57	96
Husky South	PDD455	13702	8984	225	-57	78
Husky South	PDD456	13549	8932	225	-60	144
Husky South	PDP457	13623	8959	225	-60	144
Husky South	PDD458	13434	8879	225	-55	144
Husky South	PDD459	13547	8870	45	-60	102
Husky South	PDD460	13544	8867	45	-80	144

Figure 1 – Newman Project Proposed Drilling



For personal use only

Figure 2 – Husky South Prospect Plan



For personal use only

Figure 3 – Husky South Cross Section 13,440mE

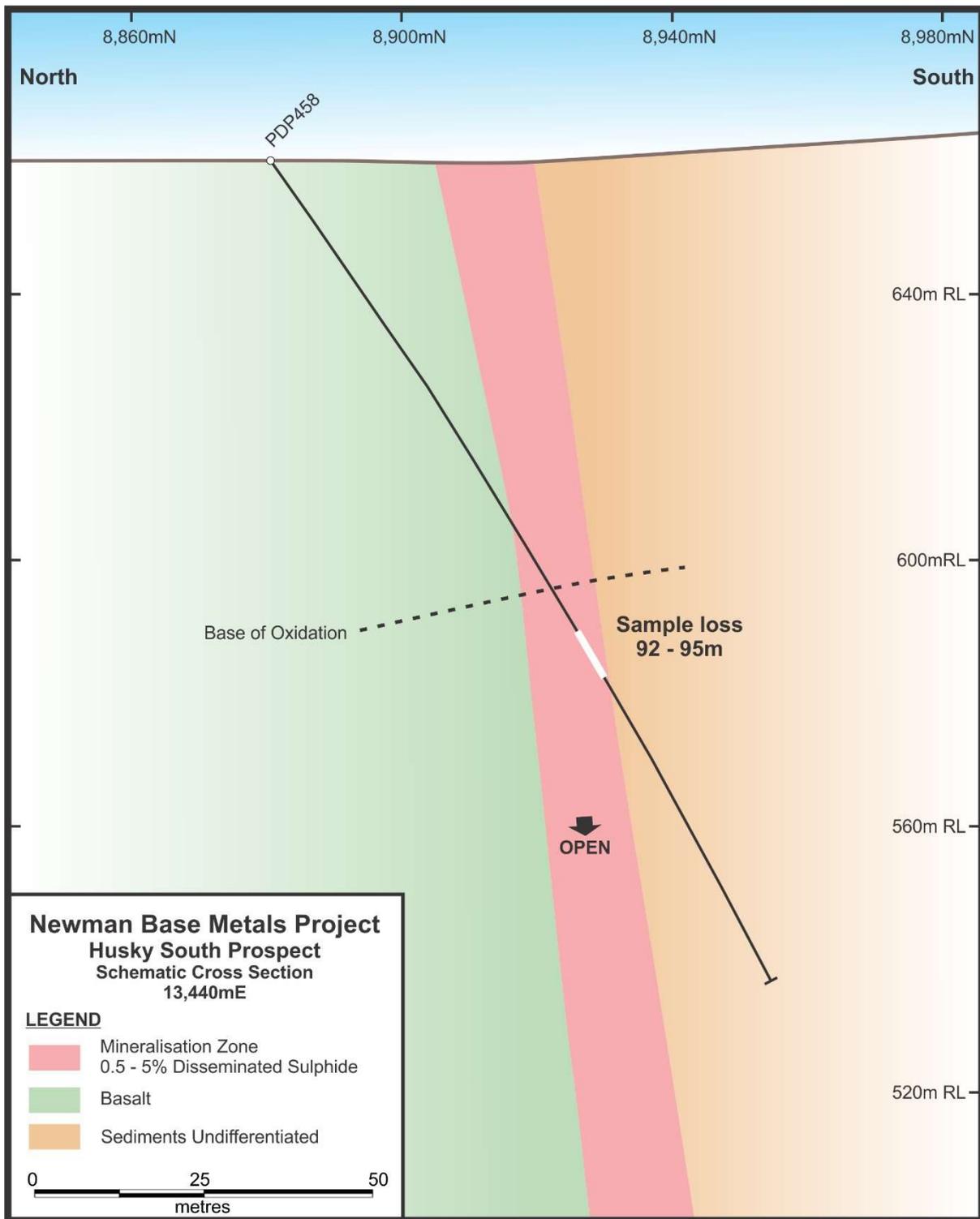
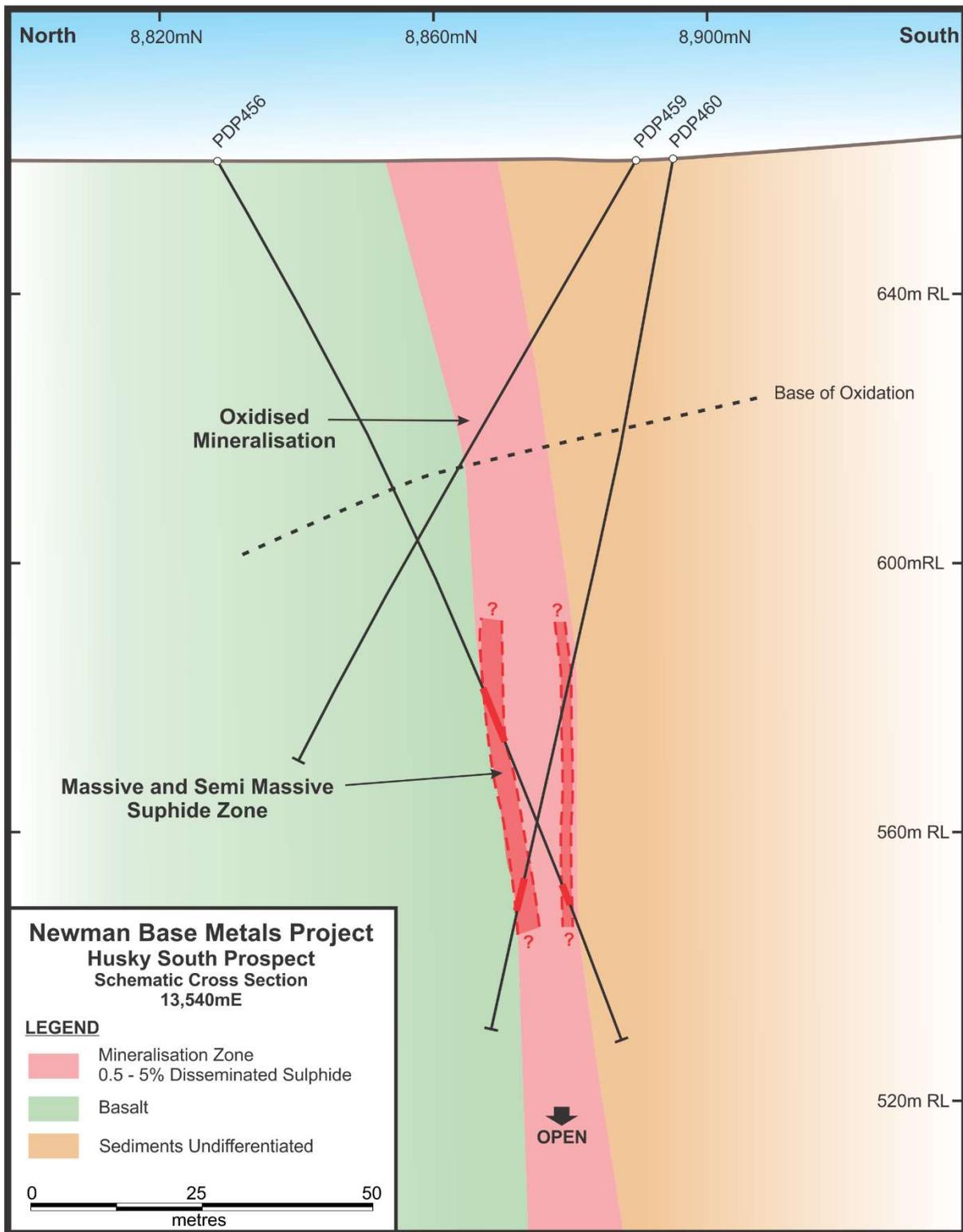


Figure 4 – Husky South Cross Section 13,540mE



For personal use only

Figure 5 – Husky South Cross Section 13,620mE

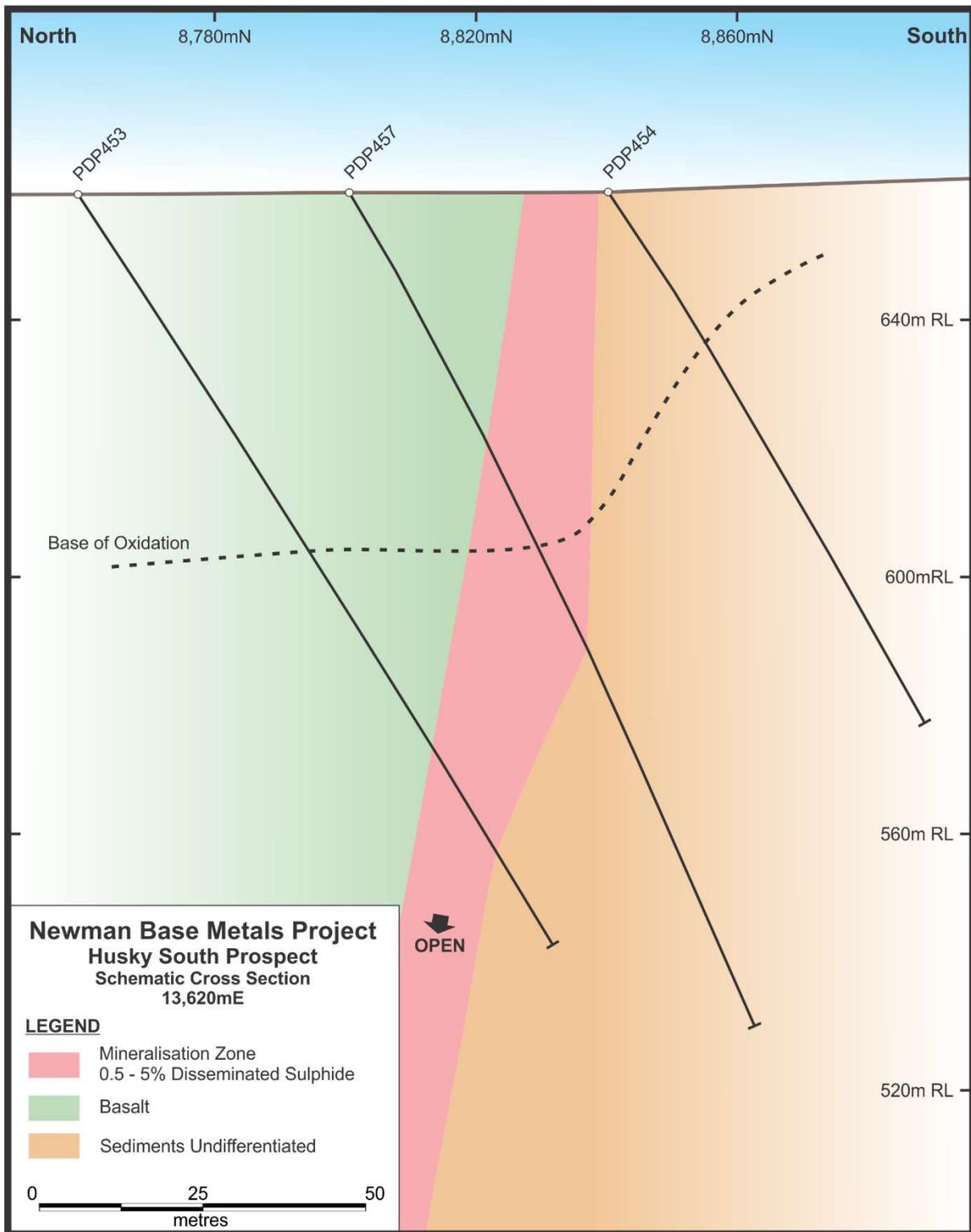
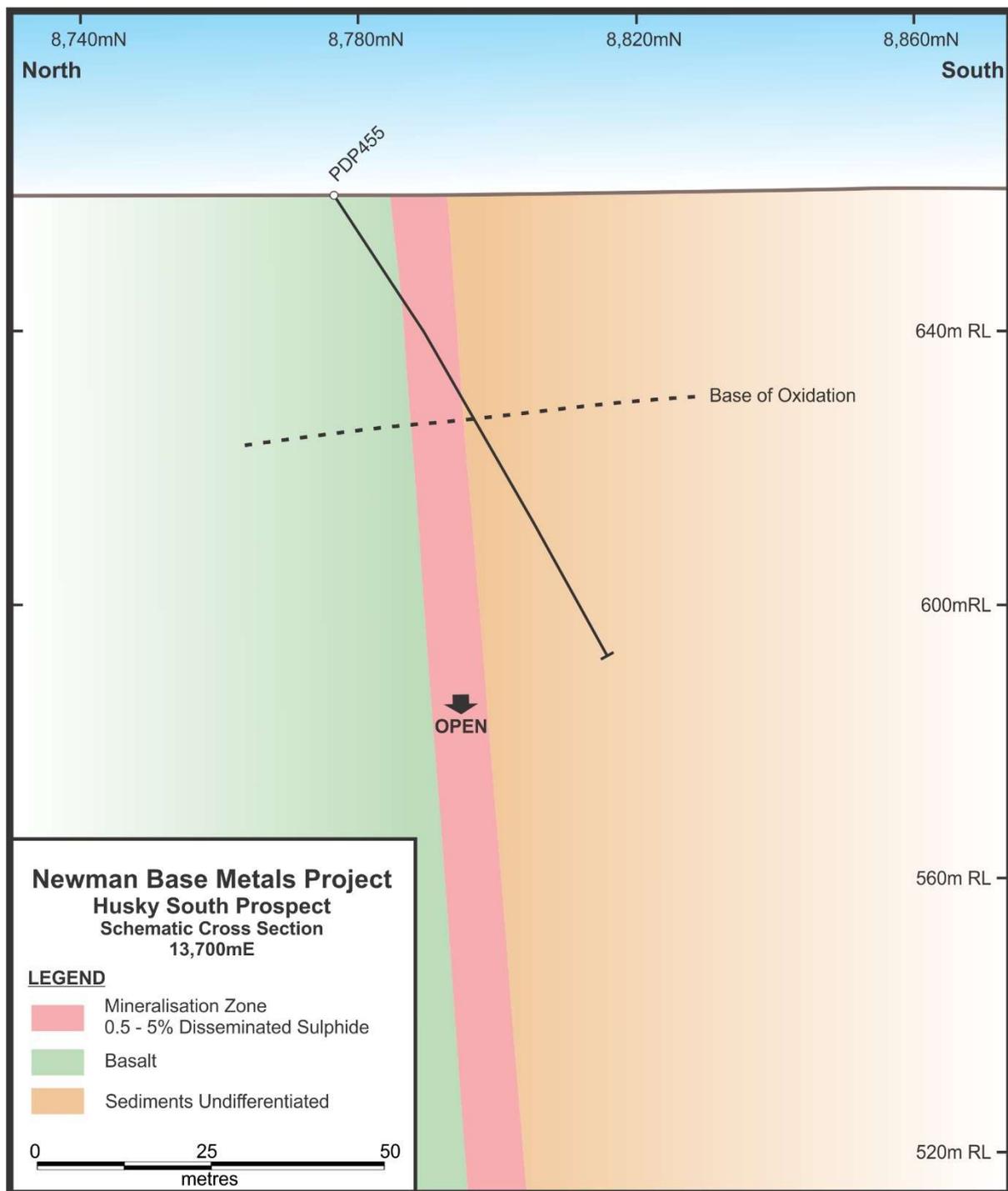


Figure 6 – Husky South Cross Section 13,700mE



For personal use only

Appendix 1 – 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"> • Two samples are taken for each metre drilled using Reverse Circulation method. A bulk sample is collected in a 600x900mm plastic bag and a 4% 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 single 4% split is assayed, or if composite samples are required then 1m splits are combined and assayed. If a composite sample is greater 3kg, then a 25% riffle split is taken to composite. If further sampling is required spear samples can be taken from the bulk samples
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"> • Drilling method used is Reverse Circulation. The drill rig is a RCD250 rig with 2400CFM and 800 PSI. A 146mm hammer was used.

For personal use only

Criteria	JORC Code Explanation	Commentary
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"> • An experienced RC driller 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 and cleaned 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
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 geology and XRF analysis. Geology logs record geological units, alteration, veining and percentage of relevant minerals. All RC samples are analysed once using a Thermo Scientific Niton Portable XRF. All data is validated before entering Marindi's database
Subsampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>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.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Sample intervals are determined by a Marindi geologist. All intervals are documented digitally and on ticket books. Sample intervals are determined by geological intervals. • Two samples are taken for each metre drilled using Reverse Circulation method. A bulk sample is collected in a 600x900mm plastic bag and a 4% 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 single 4% split is assayed, or if composite samples are required then 1m splits are combined and assayed. If a composite sample is greater 3kg, then a 25% riffle split is taken to composite. If further sampling is required spear samples can be taken from the bulk samples .

Criteria	JORC Code Explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> 	
Quality of assay data and laboratory tests (Cont'd)	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> No assay data is reported Niton XRF quality control is monitored by the assessment of 4 standards with varying base metal quantities including a blank. The standards are assayed at the beginning and end of each batch to ensure accuracy of the Niton. Duplicates are also assayed every 20th sample.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> 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
Location of data points	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<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.

Criteria	JORC Code Explanation	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> 	<ul style="list-style-type: none"> Available data suggests the intersection may be vertical. Further drilling will be required to confirm this. exploration results are not sufficient to support Mineral Resources or Ore Reserves. No analytical data reported. Spacing is shown by the accompanying figure.

	<ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<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"> • <i>The measures taken to ensure sample security.</i> 	<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 Marinid 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"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<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 Marindi Operations PTY LTD and E52/1758 registered under the name of Marindi Operations PTY LTD. A 2.5% net royalty to Prairie Downs Metals exits over both tenements. • 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 Husky South 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.

For personal use only

Criteria	JORC Code Explanation	Commentary
Drill hole Information	<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"> o <i>easting and northing of the drill hole collar</i> o <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> o <i>dip and azimuth of the hole</i> o <i>down hole length and interception depth</i> o <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 Drill Hole Collar Table attached to this document
Data aggregation methods	<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"> • N/A to this release
Relationship between mineralisation widths and intercept lengths	<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"> • See document for details

Criteria	JORC Code Explanation	Commentary
Diagrams	<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.
Balanced reporting	<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.
Other substantive exploration data	<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.
Further work	<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 step out 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"> • Exploration drilling is continuing