AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE

4 March 2020

RECONNAISSANCE AIRCORE DRILLING TO COMMENCE AT POIOMBO

Key Highlights

- **HIGH ESTIMATED TOTAL HEAVY MINERAL (THM) GRADES FROM AUGER DRILLING AT POIOMBO COMPELS IMMEDIATE AIRCORE DRILLING. SIGNIFICANT PROGRAM RESULTS INCLUDE:**
  - **19CSHA056 – 9M @ 6.64% THM (LABORATORY ASSAY 2019)**
  - **20CSHA254 – 12M @ 5.8% VIS EST THM**
  - **20CSHA259 – 12M @ 4.9% VIS EST THM**
  - **20CSHA295 – 10M @ 4.7% VIS EST THM**
  - **20CSHA243 – 12M @ 4.6% VIS EST THM**
- **TOTAL OF 10 RECONNAISSANCE AIRCORE HOLES WILL SCOUT TEST:**
  - **A CENTRAL HIGH GRADE 9 KM^2 MINERALISED FOOTPRINT,**
  - **LINEAR MAGNETIC ANOMALISM EXTENDING EAST FROM THE CENTRAL FOOTPRINT UNDER SHALLOW COVER, AND**
  - **WESTERN EXTENSION OF THE MINERALISED ZONE.**
- **AIRCORE DRILLING AT POIOMBO TARGET ALIGNS WITH RECENTLY ANNOUNCED TWO-PILLAR EXPLORATION STRATEGY TO PROGRESS KOKO MASSAVA WHILE EXPLORING FOR EVEN HIGHER UNIT VALUE HEAVY MINERAL SAND (HMS) MINERALISATION.**
- **AIRCORE DRILL PROGRAM TO COMMENCE AS SOON AS FIELD PREPARATION IS COMPLETE AND RIG RETURNS TO SITE (APPROXIMATELY 2-3 WEEKS).**

Poiombo Hand Auger Drilling Update

Reconnaissance hand auger drilling at the Poiombo target (TMI magnetic anomaly 10 – refer Announcement 13 June 2019), designed to explore the extent of the high grade mineralisation previously defined in 2019 auger holes, has been now been completed. The initial visual results of the wide-spaced drilling have been very encouraging and demonstrated the near-surface nature of high grade HMS mineralisation at the Poiombo target. Numerous auger holes have uncut, average downhole visual estimated grades >4% THM and 32% of holes end in estimated THM grades of >4%.

A total of 52 auger holes were drilled (Figure 1) with a best result of 5.8% average visual THM in hole 20CSHA254, drilled to 12m depth. Hole 20CSHA254 had a maximum of 6.7% visual THM in the sample interval 6.0-7.5m and ended in 5.9% visual THM in the 10.5m-12m interval. The second best hole was 20CSHA259 with 4.9% average visual THM over 12m, with an end-of-hole sample interval from 10.5m-12m of 5.8% visual THM.

A total of 28 of the 52 holes have >3.0% average visual estimated THM (Table 1), from hole depths ranging from 4.5m–12m.

Drillholes were spaced at 500m stations along lines 1000m apart. Samples were collected at 1.5m intervals downhole, with each sample interval panned to estimate a visual THM grade.

Hole depths range from 1.5m–12m deep, with an average depth of 9.2m (Table 1). A total of 334 samples, including QAQC samples, have been collected in the 52 holes.

As previously indicated (refer Announcement 13 February 2020), the most encouraging zone of near-surface HMS mineralisation >3% visual estimated THM, is in the central portion of the Poiombo target (see Figure 1). This zone has a footprint of approximately 4km X 3km, with auger hole 19CSHA056, drilled in 2019, at its centre containing a laboratory assay result of 9m @ 6.63% THM.

The western end the linear Poiombo target is bounded by the Limpopo River flood plain where the auger was unable to penetrate the wet surficial black clay.

At the east end, the Poiombo target appears to be constrained by a drainage basin where the shallow auger holes typically contain 1%–3% average downhole visual THM. Deeper drilling with the Aircore method will be required to more fully test the Poiombo target in the east.

The first batch of samples from the 2020 hand auger drilling, which includes samples from both Koko Massava and Poiombo) is still being permitted in Mozambique, but is expected to be ready for export by mid-March 2020.

Poiombo Reconnaissance Aircore Drill Plan

A maiden aircore drill programme on the Corridor South project is to commence at Poiombo in mid to late March, as soon as the field preparation is complete and the rig arrives back on site from a recently completed assignment outside of Mozambique.

The programme is supported by the excellent visual estimates of THM grade over the central section of the Poiombo target, where the footprint of auger holes with >3% visual estimated THM is currently about 9 km^2. Currently, an initial 10 aircore holes (Figure 2) are planned over the Poiombo target area and will begin in the area of known high grade (hole 19CSHA056) with drilling then progressing east and west from that point.

Several reconnaissance aircore holes in the Poiombo central zone will be drilled at 250m stations along the drill lines, given the strandline style target being explored and the potential for strandlines to be relatively narrow (Figure 2). Drilling will be centred around either laboratory or visual estimated 5% THM auger holes, or coincident with high intensity magnetic anomalism.

Owing to the reconnaissance nature of the programme, drill lines for this maiden aircore programme will be at least 1km apart and up to 3km apart in places. Hole depths will average 30m–36m as the Poiombo magnetic anomaly is interpreted to be relatively close to the surface. However, where there is potential encouragement from high grade THM intersected near surface, some holes will penetrate to between 50m–75m to explore the opportunity for deeper HMS mineralisation.

The hole planned in the eastern extension of the Poiombo target will test continuation of the potential mineralized footprint under shallow, lower-grade, cover material. The strong linear magnetic anomalism that continues to the east remains a promising portion of the overall Poiombo target, however given the lower-grade HMS cover, it is a lower ranked priority and will be further evaluated after the initial aircore drilling.

MRG Chairman, Mr Andrew Van Der Zwan, said "With the preliminary concept analysis at Koko Massava showing in excess of 2 Billion tonnes at around 4.5% THM, with likelihood of substantial tonnage above 6%, 7% and even 8%; we now focus on a very targeted exploration plan across our remaining targets, to not only increase the massive tonnage already identified, but look to even higher grades.

Koko Massava has exceeded our highest expectations and we anticipate the upcoming MRE will confirm our beliefs that Koko Massava is a potential standalone economic asset. However, we have a lot more to explore and our initial auger results at Poiombo are exceptional, are better than comparative results at Koko Massava at the same stage of

exploration, are substantive in size on their own and provide the opportunity for targeted drilling to find additional high grade resource to feed into a valued mineral resource. Grades of THM greater than 5% down to 12m is a fantastic start at Poiombo and we have identified an attractive target footprint of approximately 4km X 3km, with auger hole 19CSHA056, drilled in 2019, at its centre containing a laboratory assay result of 9m @ 6.63% THM.

Koko Massava results to date have allowed us to be extremely targeted in looking for even higher unit-value tonnage at our other targets. Our upcoming program at Poiombo is a clear example of this strategy and will be repeated, where initial Auger results support it, at the other targets within Corridor Central, Corridor South as well as Linhuane and other projects yet to be granted. This strategy should see our already substantive resource get bigger, but more importantly get better."

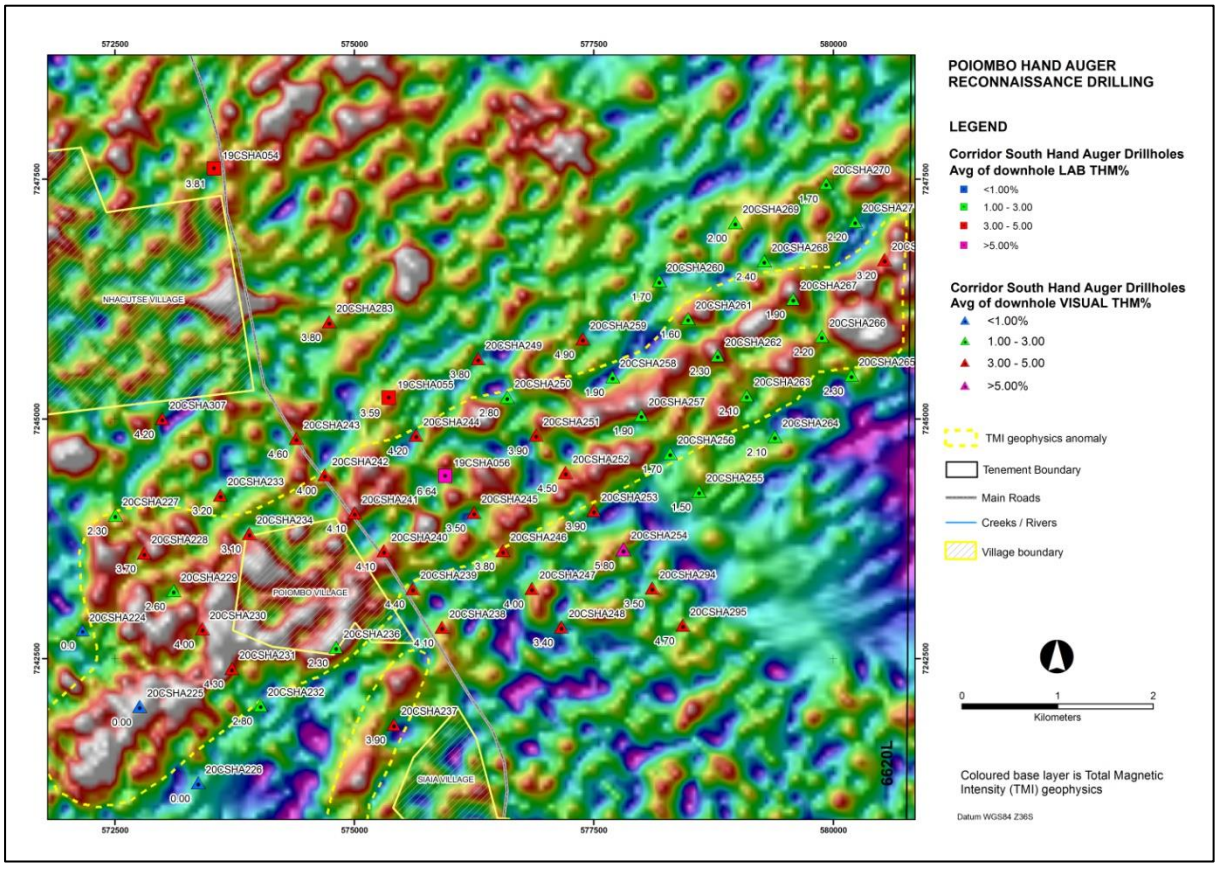

Figure 1: Location map of the Poiombo target (Corridor South project 6621L) hand auger drillholes reported previously and in this update, showing summary laboratory and visual estimated data for THM grades.

Table 1: Summary collar and visual estimated % THM data for the complete (to 29 February, 2020) hand auger drill programme at the Poiombo target. Bold italicized results are new data acquired after the previous Announcement of 13 February, 2020.

HOLE ID	UTM EAST WGS84	UTM NORTH WGS84	EOH (M)	ELEV'N (M)	DRILL TYPE	DOWNHOLE AVG % VIS EST THM	MIN OF % VIS EST THM	MAX OF % VIS EST THM
20CSHA224	572159	7242795	1.5	-1	HAND AUGER	0.0	0.0	0.0
20CSHA225	572756	7242000	1.5	1	HAND AUGER	0.0	0.0	0.0
20CSHA226	573368	7241204	1.5	3	HAND AUGER	0.0	0.0	0.0
20CSHA227	572500	7243995	10.5	28	HAND AUGER	2.3	2.0	2.5
20CSHA228	572803	7243600	12.0	30	HAND AUGER	3.7	3.2	4.2
20CSHA229	573110	7243206	10.5	32	HAND AUGER	2.6	1.8	3.2
20CSHA230	573410	7242810	10.5	42	HAND AUGER	4.0	3.2	4.3
20CSHA231	573718	7242396	10.5	29	HAND AUGER	4.3	3.3	4.6
20CSHA232	574017	7242011	7.5	15	HAND AUGER	2.8	1.9	4.0
20CSHA233	573597	7244205	10.5	67	HAND AUGER	3.2	2.5	3.5
20CSHA234	573900	7243804	10.5	75	HAND AUGER	3.1	2.1	3.4
20CSHA235	574204	7243393	10.5	66	HAND AUGER	3.5	2.1	4.0
20CSHA236	574807	7242617	7.5	22	HAND AUGER	2.3	2.0	2.5
20CSHA237	575409	7241812	10.5	44	HAND AUGER	3.9	3.4	4.4
20CSHA238	575912	7242826	10.5	70	HAND AUGER	4.1	2.7	4.9
20CSHA239	575608	7243229	10.5	80	HAND AUGER	4.4	3.9	5.0
20CSHA240	575305	7243623	10.5	80	HAND AUGER	4.1	3.6	4.4
20CSHA241	574999	7244019	10.5	78	HAND AUGER	4.1	3.4	5.0
20CSHA242	574688	7244415	10.5	79	HAND AUGER	4.0	3.6	4.4
20CSHA243	574390	7244796	12.0	80	HAND AUGER	4.6	2.9	5.2
20CSHA244	575639	7244828	10.5	81	HAND AUGER	4.2	3.5	4.5
20CSHA245	576246	7244023	10.5	84	HAND AUGER	3.5	2.8	4.1
20CSHA246	576548	7243626	10.5	82	HAND AUGER	3.8	2.5	4.5
20CSHA247	576851	7243231	10.5	82	HAND AUGER	4.0	3.5	4.3
20CSHA248	577158	7242829	10.5	88	HAND AUGER	3.4	2.9	3.9
20CSHA249	576289	7245627	10.5	88	HAND AUGER	3.8	3.2	4.3
20CSHA250	576592	7245226	10.5	81	HAND AUGER	2.8	2.3	3.6
20CSHA251	576893	7244831	10.5	84	HAND AUGER	3.9	2.8	4.5
20CSHA252	577200	7244439	10.5	84	HAND AUGER	4.5	3.7	5.3
20CSHA253	577498	7244042	10.5	78	HAND AUGER	3.9	3.0	4.5
20CSHA254	577803	7243639	12.0	79	HAND AUGER	5.8	4.7	6.7
20CSHA255	578595	7244243	10.5	49	HAND AUGER	1.5	1.0	1.9
20CSHA256	578294	7244639	10.5	53	HAND AUGER	1.7	1.3	2.0
20CSHA257	577993	7245037	7.0	51	HAND AUGER	1.9	1.7	2.1
20CSHA258	577692	7245439	10.5	56	HAND AUGER	1.9	1.3	2.5
20CSHA259	577381	7245834	12.0	66	HAND AUGER	4.9	3.4	5.8
20CSHA260	578181	7246437	10.5	62	HAND AUGER	1.7	1.0	2.4
20CSHA261	578482	7246046	5.5	55	HAND AUGER	1.6	1.5	1.8
20CSHA262	578791	7245660	4.5	53	HAND AUGER	2.3	2.1	2.5
20CSHA263	579094	7245243	7.0	58	HAND AUGER	2.1	1.6	2.3
20CSHA264	***579387***	***7244815***	***6.0***	***39***	***HAND AUGER***	***2.1***	***1.8***	***2.7***
20CSHA265	***580187***	***7245453***	***5.5***	***58***	***HAND AUGER***	***2.3***	***1.5***	***3.0***
20CSHA266	***579877***	***7245860***	***10.5***	***11***	***HAND AUGER***	***2.2***	***1.3***	***3.4***
20CSHA267	***579579***	***7246251***	***10.5***	***48***	***HAND AUGER***	***1.9***	***1.2***	***2.4***
20CSHA268	***579276***	***7246646***	***7.5***	***52***	***HAND AUGER***	***2.4***	***2.0***	***3.0***

HOLE ID	UTM EAST WGS84	UTM NORTH WGS84	EOH (M)	ELEV'N (M)	DRILL TYPE	DOWNHOLE AVG % VIS EST THM	MIN OF % VIS EST THM	MAX OF % VIS EST THM
20CSHA269	*578974*	*7247046*	*10.5*	*55*	*HAND AUGER*	*2.0*	*1.1*	*2.6*
20CSHA270	*579923*	*7247457*	*10.5*	*57*	*HAND AUGER*	*1.7*	*1.1*	*2.7*
20CSHA271	*580226*	*7247059*	*6.0*	*52*	*HAND AUGER*	*2.2*	*1.8*	*2.6*
20CSHA272	*580532*	*7246659*	*4.5*	*49*	*HAND AUGER*	*3.2*	*2.2*	*4.0*
20CSHA283	*574734*	*7246012*	*12.0*	*73*	*HAND AUGER*	*3.8*	*2.9*	*4.2*
20CSHA294	*578106*	*7243235*	*10.5*	*78*	*HAND AUGER*	*3.5*	*2.7*	*4.5*
20CSHA295	*578426*	*7242847*	*10.0*	*80*	*HAND AUGER*	*4.7*	*3.9*	*5.2*
20CSHA307	*572991*	*7245003*	*10.5*	*37*	*HAND AUGER*	*4.2*	*4.0*	*4.5*

Note: VIS EST= visual estimated; All data averages are grade weighted and uncut from surface. Dip for all holes if -90° and azimuth is 360°. Holes –'224 to 226 were drilled within the Limpopo River valley flood plain where wet black clay prevented penetration.

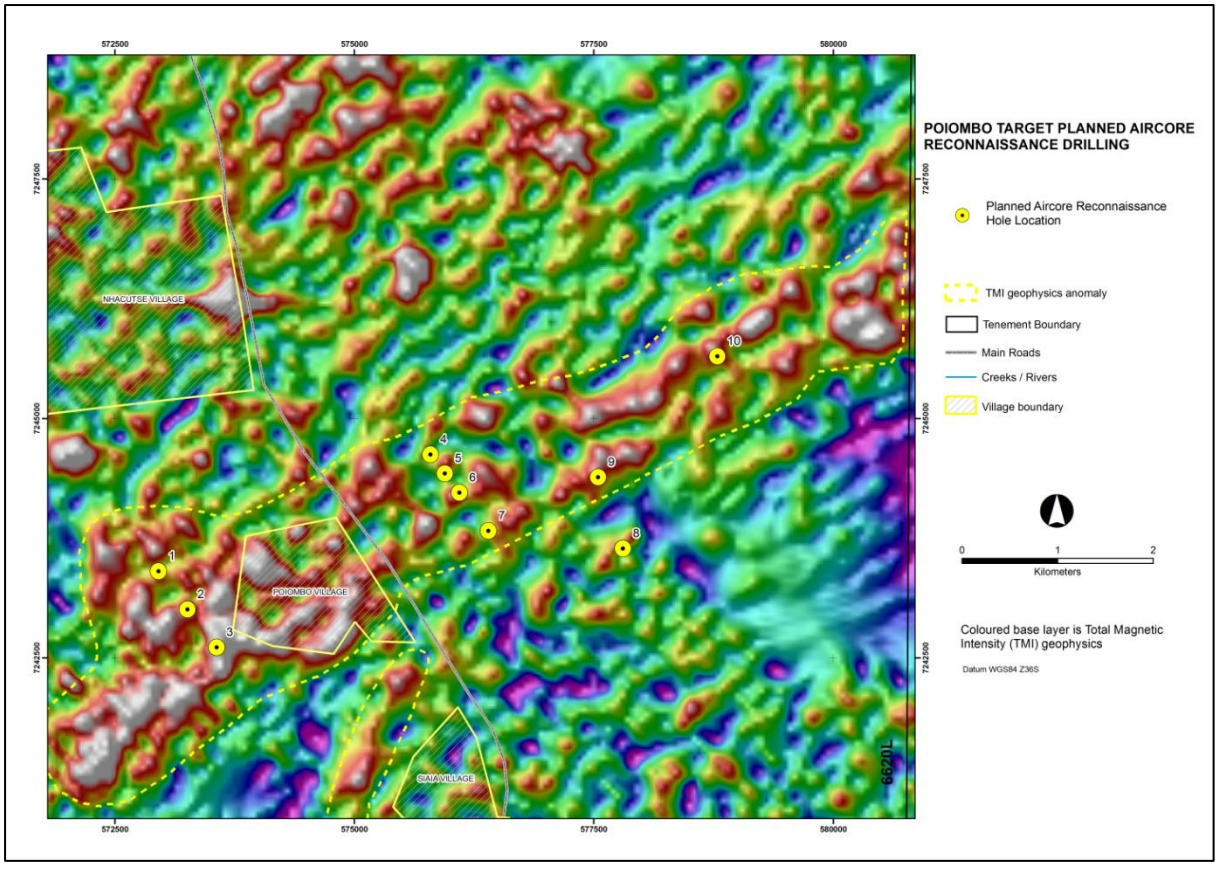

Figure 2: Location map of planned reconnaissance Aircore drill programme for the Poiombo target on the Corridor South project (6621L).

Competent Persons' Statement

The information in this report, as it relates to Mozambique Exploration Results is based on information compiled and/or reviewed by Dr Mark Alvin, who is a member of The Australasian Institute of Mining and Metallurgy. Dr Alvin is an employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been 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". Dr Alvin consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

-ENDS-

Authorised by
Mr Andrew Van Der Zwan
Chairman
MRG Metals Ltd

Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• A sample of sand, approximately 20g, was scooped from the sample bag of each sample interval for wet panning and visual estimation. • The same sample mass is used for every pan sample visual estimation. • The consistent sized pan sample is to ensure visual calibration is maintained for consistency in percentage visual estimation of total heavy mineral (THM). • Geotagged photographs are taken of each panned sample with the corresponding sample bag to enable easy reference at a later date • The larger 1.5m interval auger drill samples were homogenized prior to being grab sampled for panning. • The large 1.5m drill samples have an average of about 4kg and were split down in Mozambique to approximately 300-600g by riffle splitter for export to the Primary processing laboratory. • At the laboratory the 300-600g laboratory sample will be dried and split to 100g, de-slimed (removal of -45µm fraction) and oversize (+1mm fraction) removed, then subjected to heavy liquid separation using TBE to determine total heavy mineral (THM) content.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Hand Auger drilling is a manual hand operated system produced by Dormer Engineering in Australia. • Drill rods and drill bits are 1m long. • The auger is a 62mm open hole drilling technique. • All holes have been drilled vertically. • The drilling onsite is governed by a Hand Auger Drilling Guideline to ensure consistency in application of the method. • A wooden surface collar is placed on the ground at the beginning of each hole to prevent widening of the collar and material falling into the hole.
Drill sample	• *Method of recording and assessing core and chip sample recoveries*	• Auger drilling is considered to be an early stage relatively

Criteria	JORC Code explanation	Commentary
recovery	*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.*	unsophisticated technique of drilling. • The auger drill used is an open hole method and recovery of sample extracted from the holes is measured by spring balance at the drill site. • Samples are consistently collected at 1.5m intervals. • No significant losses of auger sample were observed due to the shallow depths of drilling (<12m). • The initial 0 – 1.5m interval in each auger hole is drilled with care to maximize sample recovery. • There is potential for contamination in open hole drilling techniques but sample bias is not likely due to the shallow drill hole depths.
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.*	• The 1.5m auger drill intervals were logged onto paper field log sheets prior to transcribing into a Microsoft Excel spreadsheet. • The auger samples were logged for lithology, colour, grainsize, rounding, sorting, estimated %THM, estimated %slimes and any relevant comments, such as slope and vegetation. • Geological logging is governed by a Hand Auger Drilling Guideline with predefined log codes and guidance of what to include in log fields to ensure consistency between individuals logging data. • Data is backed-up each day at the field base to a cloud storage site. • Data from the Microsoft Excel spreadsheets is imported into a Microsoft Access database and the data is subjected to numerous validation queries to ensure data quality.
Sub-sampling 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.*	• The 1.5m drill sample composites were homogenized at the drill site and then cone-and-quarter split onsite and inserted into clean calico sample bags with metal sample tag according to the Hand Auger Drilling Guideline. • At the field base, the samples were homogenized within the calico bag by rotating it and then fed through a single tier riffle splitter that is placed on a hard surface and leveled, to reduce samples to 300-600g sub-samples for export to the Primary processing laboratory. • The 300-600g sub-sample is deposited into a new labeled calico sample bag with metal sample tag and prepared to be sent to the Primary laboratory for analysis. • Where samples were wet when sampled, they were dried in clean plastic basins prior to riffle splitting. • All of the samples collected have been sand or silty-sand and the preparation techniques are considered appropriate for this sample type.

Criteria	JORC Code explanation	Commentary
		• The sample sizes were deemed suitable based on industry experience of the geologists involved and consultation with laboratory staff. • Field duplicates of the samples were completed at a rate of 5%, or at a frequency of approximately 1 per 25 primary samples. • A geologist supervises both the cone-and-quarter and riffle sample splitting processes.
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.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The wet panning of samples provides an estimate of the %THM content within the sample which was sufficient for the purpose of determining approximate concentrations of THM. • The field derived visual panned THM estimates are compared to a range of laboratory derived THM images of pan concentrates. This allows the field geologists to calibrate the field panned visual estimated THM with known laboratory measured THM grades. **Laboratory Analysis Methodology** • The individual 300-600g auger sub-samples will be sent to Western GeoLabs in Perth, Western Australia, which is considered the Primary laboratory. • The 300-600g auger samples will be first oven dried, disaggregated to break up any clay balls, and riffle split to 100g sub-samples. They will then wetted and attritioned and screened for removal and determination of Slimes (-45µm) and Oversize (+1mm) contents. • The +45um-1mm sample fraction will be then analysed for THM% content by heavy liquid separation (HLS). • The laboratory uses TBE as the heavy liquid medium for HLS – with density 2.95 g/ml, measured daily. • This is an industry standard technique for HLS to determine THM in HMS exploration. • Field duplicates of the auger samples were collected at a frequency of 1 per 25 primary samples and are submitted ‘blind’ to the Primary laboratory with the field sample batch. • Western GeoLabs completes its own internal QA/QC checks that include laboratory repeats every 10th sample prior to the results being released. • Analysis of the Company and laboratory QA/QC samples show the laboratory data to be of acceptable accuracy and precision. • The adopted QA/QC protocols are acceptable for this stage test work.
Verification of	• *The verification of significant intersections by either independent or*	• Selected visual estimated THM field data are checked by the Chief

Criteria	JORC Code explanation	Commentary
sampling and assaying	*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.*	Geologist. • Significant visual estimated THM >5% are verified by the Chief Geologist. This is done either in the field or via field photographs of the pan sample. • The Chief Geologist makes regular visits to the field drill sites to check on process and procedure. • No twinned holes have been completed due to the early nature of the auger drilling technique. • The field data has been manually transcribed into a master Microsoft Excel spreadsheet which is appropriate for this early stage in the exploration program. Data is then imported into a Microsoft Access database where it is subjected to various validation queries. • Test work has not yet been undertaken at a Secondary laboratory to check the veracity of the Primary laboratory data. This work is planned as part of the Company's standard QA/QC procedure. • A process of laboratory data validation using mass balance is undertaken to identify entry errors or questionable data. • Field and laboratory duplicate data pairs (THM/oversize/slime) of each batch are plotted to identify potential quality control issues.
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.*	• Downhole surveys for shallow auger holes are not required due to the very shallow nature. • A handheld 16 channel Garmin GPS was used to record the positions of the auger holes in the field. • The handheld Garmin GPS has an accuracy of +/- 5m. • The datum used for coordinates is WGS84 zone 36S. • The accuracy of the drillhole locations is sufficient for this early stage exploration.
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.*	• Auger holes were typically drilled at 500m between hole stations and 1000m between drill lines for reconnaissance drilling. • The reconnaissance auger hole spacing was systematic and hole locations were designed to test for extensions to known heavy mineral sand mineralisation. • The data has not been used for resource estimation.
Orientation of data in relation to geological	• *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*	• The auger drilling was placed as perpendicular as possible on lines cutting geophysical anomalies obtained from an airborne survey undertaken by the Company during April 2019.

Criteria	JORC Code explanation	Commentary
structure	*of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	
Sample security	• *The measures taken to ensure sample security.*	• Auger samples remain in the custody of Company representatives until they are transported to Maputo for final packaging and securing. • The Company uses a commercial shipping company, Deugro, to ship samples from Mozambique to Perth. • The Company dispatches these hand auger samples to Western GeoLabs in Perth for heavy liquid separation analysis. • Western GeoLabs is a dedicated and specialist heavy sand analysis laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Internal data and procedure reviews are undertaken. • No external audits or reviews have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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 exploration work was completed on the Corridor South tenement (6621L) which is 100% owned by the Company through its 100% ownership of its subsidiary, Sofala Mining & Exploration Limitada, in Mozambique. • All granted tenements have initial 5 year terms, renewable for 3 years. • Traditional landowners and village Chiefs within the areas of influence were consulted prior to the auger programme and were supportive of the programme. • An Environment Management Plan was prepared by an independent consultant and submitted to the Provincial Directorate of Lands, Environment and Rural Development in accordance with Mining Law and Regulations. An Environmental License has been obtained by the Company.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historic exploration work was completed by Corridor Sands Limitada, a subsidiary of Southern Mining Corporation and subsequently Western Mining Corporation, in 1999. BHP-Billiton acquired Western Mining Corporation and undertook a Bankable Feasibility Study of the Corridor Deposit 1 about 15km north of the Company's tenements. • The Company has obtained digital data in relation to this historic information. • The historic data comprises limited Aircore/Reverse Circulation drilling. • The historic results are not reportable under JORC 2012.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Two types of heavy mineral sand mineralisation styles are possible along coastal Mozambique: 1. Thin but high grade strandlines which may be related to marine or fluvial influences, and 2. Large but lower grade deposits related to windblown sands. • The coastline of Mozambique is well known for massive dunal systems such as those developed near Inhambane (Rio Tinto's Mutamba deposit), near Xai Xai (Rio Tinto's Chilubane deposit) and in Nampula Province (Kenmare's Moma deposit). Buried strandlines are likely in areas where palaeoshorelines can be defined along

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>coastal zones.</td></tr>
<tr><td>Drill hole Information</td><td>• 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:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole length and interception depth
○ 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.</td><td>• Summary drill hole information is presented within Table 1 of the main body of text of this announcement.</td></tr>
<tr><td>Data aggregation methods</td><td>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.</td><td>• No cut-offs were used in the downhole averaging of results.
• An example of the data averaging is shown below.
<table><tr><th>HOLE_ID</th><th>FROM</th><th>TO</th><th>PCT VIS THM</th><th>Average visTHM</th><th>Average visTHM</th></tr><tr><td>19CCAC104</td><td>0.0</td><td>3.0</td><td>6.0</td><td rowspan="14">37.5m @ 4.9%</td><td rowspan="14">27m @ 6.3%</td></tr><tr><td>19CCAC104</td><td>3.0</td><td>6.0</td><td>6.0</td></tr><tr><td>19CCAC104</td><td>6.0</td><td>9.0</td><td>6.0</td></tr><tr><td>19CCAC104</td><td>9.0</td><td>12.0</td><td>8.0</td></tr><tr><td>19CCAC104</td><td>12.0</td><td>15.0</td><td>6.2</td></tr><tr><td>19CCAC104</td><td>15.0</td><td>18.0</td><td>6.6</td></tr><tr><td>19CCAC104</td><td>18.0</td><td>21.0</td><td>5.5</td></tr><tr><td>19CCAC104</td><td>21.0</td><td>24.0</td><td>8.0</td></tr><tr><td>19CCAC104</td><td>24.0</td><td>27.0</td><td>4.0</td></tr><tr><td>19CCAC104</td><td>27.0</td><td>30.0</td><td>2.5</td></tr><tr><td>19CCAC104</td><td>30.0</td><td>33.0</td><td>2.0</td></tr><tr><td>19CCAC104</td><td>33.0</td><td>36.0</td><td>1.7</td></tr><tr><td>19CCAC104</td><td>36.0</td><td>37.5</td><td>1.5</td></tr></table></td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>• 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 (eg ‘down hole length, true width not known’).</td><td>• Auger holes are thought to represent close to true thicknesses of the mineralisation.
• Downhole widths are reported.</td></tr>
<tr><td>Diagrams</td><td>• 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</td><td>• Figures are displayed in the main text body.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	drill hole collar locations and appropriate sectional views.	
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.*	• A summary of the laboratory data is presented in Table 1 of the main part of the announcement, comprising downhole averages, together with maximum and minimum estimated THM values in each hole. Slime and oversize statistics are also presented.
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.*	• No other material exploration information has been gathered by the Company.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out 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.*	• Further work will include additional auger drilling and sampling, infill auger sampling and heavy liquid separation analysis. • High quality targets generated from reconnaissance work are planned to be drilled with aircore techniques. • Additional mineral assemblage and ilmenite mineral chemistry analyses will also be undertaken on suitable composite HM samples to determine valuable heavy mineral components. • As the project advances, TiO2 and contaminant test work analyses will also be undertaken.