

ASX ANNOUNCEMENT

1 October 2020

RESULTS FOR INFILL HOLES AT ZULENE, SAIA AND VIARIA TARGETS SUPPORT EXPANDED AIRCORE DRILLING PROGRAM AT CORRIDOR SOUTH PROJECT

Key Highlights

- Auger assay results returned from infill holes at Zulene and Viaria Targets indicate continuity of mineralisation between the two targets.
- Aggregate Zulene-Viaria mineralised zone contains a large footprint of approximately 17km² Auger drilling across radiometric and magnetic anomalies in Corridor South and has identified high grade Total Heavy Mineral (THM) areas with coincident high Valuable Heavy Mineral (VHM) assemblage which warrant drill testing.
- The significance of grade and assemblage combinations support an immediate expanded drill program given drill rig is still currently on site.
- Based on these latest results, MRG Metals will commence a 7 hole reconnaissance aircore program comprising 5 holes at Zulene Target and 2 holes at Viaria Target, focussed on:

Zulene Target

- Deeper drill testing of high grade THM zones which correlate with high VHM assemblage in the northwest; and
- Depth test of high grade auger results (20CSHA413 – avg 6.3% THM).

Viaria Target

Depth test broader target area for higher grades >5% THM over best auger hole results.

- Field preparation currently in progress for drilling at Zulene and Viaria Targets with drilling to commence approximately 1 October 2020.

Corridor South Project Auger Drilling Update and Planned Aircore Program

MRG Metals Limited (“the **Company**” or “**MRQ**”) (ASX code: MRQ) is pleased to provide an update for new laboratory assay results from infill auger drilling on the Zulene, Viaria and Saia Targets located within the Company’s Corridor South tenement (6621L) in Mozambique. The results from this latest data set of new auger assays has extended both Zulene and Viaria, suggesting the continuity of heavy mineral sand (**HMS**) mineralisation exists between the two targets.

The laboratory results returned are for 226 samples (including QAQC samples) from a total of 31 auger holes, comprising 325.5m of drilling over the three targets.

Overall, the laboratory results demonstrate that 87% (27) of the 31 holes attained an uncut average downhole grade >3% THM, with 5 of the 31 holes having an uncut average downhole grade of >4% THM. There are 9 holes that end with a final sample interval grade of ≥4% THM.

Significant assay results returned from the infill auger program include:

Zulene

- 12m @ 4.16% THM (hole 20CSHA445) from surface & max 5.92% THM from 7.5-9.0m
- 12m @ 4.11% THM (hole 20CSHA437) from surface & ended in 4.61% THM

Viaria

- 12m @ 4.06% THM (hole 20CSHA444) from surface & ended in 4.68% THM

Saia

- 12m @ 4.47% THM (hole 20CSHA467) from surface & ended in 4.75% THM

Full results are contined in Table 1 below.

The infill drilling laboratory results have now extended the footprint of the Viaria target in the northwest, but also indicate continuity of mineralisation exists between Viaria and Zulene at 3–4% THM. The aggregate Zulene-Viaria mineralised footprint now stands at approximately 17km². Importantly, the Zulene-Viaria Target contains some of the better VHM assemblage results for the Corridor South Project at typically >43% ilmenite+leucoxene (refer ASX announcement 31 August 2020).

On the basis of the encouraging HMS grade and mineral assemblage results for the Zulene and Viaria Targets, MRQ is now progressing with field preparation for the commencement of an expanded aircore drilling program at the Corridor South Project, comprising 7 additional aircore holes across the Zulene and Viaria Targets (Figure 1). The drilling will be the maiden aircore program for both of these targets.

The Company’s drill contractor currently has its drill rig stationed in the field at Corridor South and the contractor is prepared to begin drilling when field preparation is complete at Zulene and Viaria.

MRG Chairman, Mr Andrew Van Der Zwan, said “These latest results from the infill auger drilling program continue to excite the team as we are witnessing significant high grades and assemblage. Of huge importance is the extension of both Zulene and Viaria footprint means we could potentially be looking at a much bigger target than originally anticipated. We are very fortunate to already have the drilling contractor on site meaning we can immediately move to expand the program with a further seven aircore holes at the Zulene-Viaria Target – the very first aircore holes to be put into either targets. We will announce shortly our expanded program at Nhacutse following the recently announced first aircore program and the rig is completing drilling at Poiombo. The next 3 months through to year end will include numerous announcements on both visual drilling results and anticipated follow up programs.”

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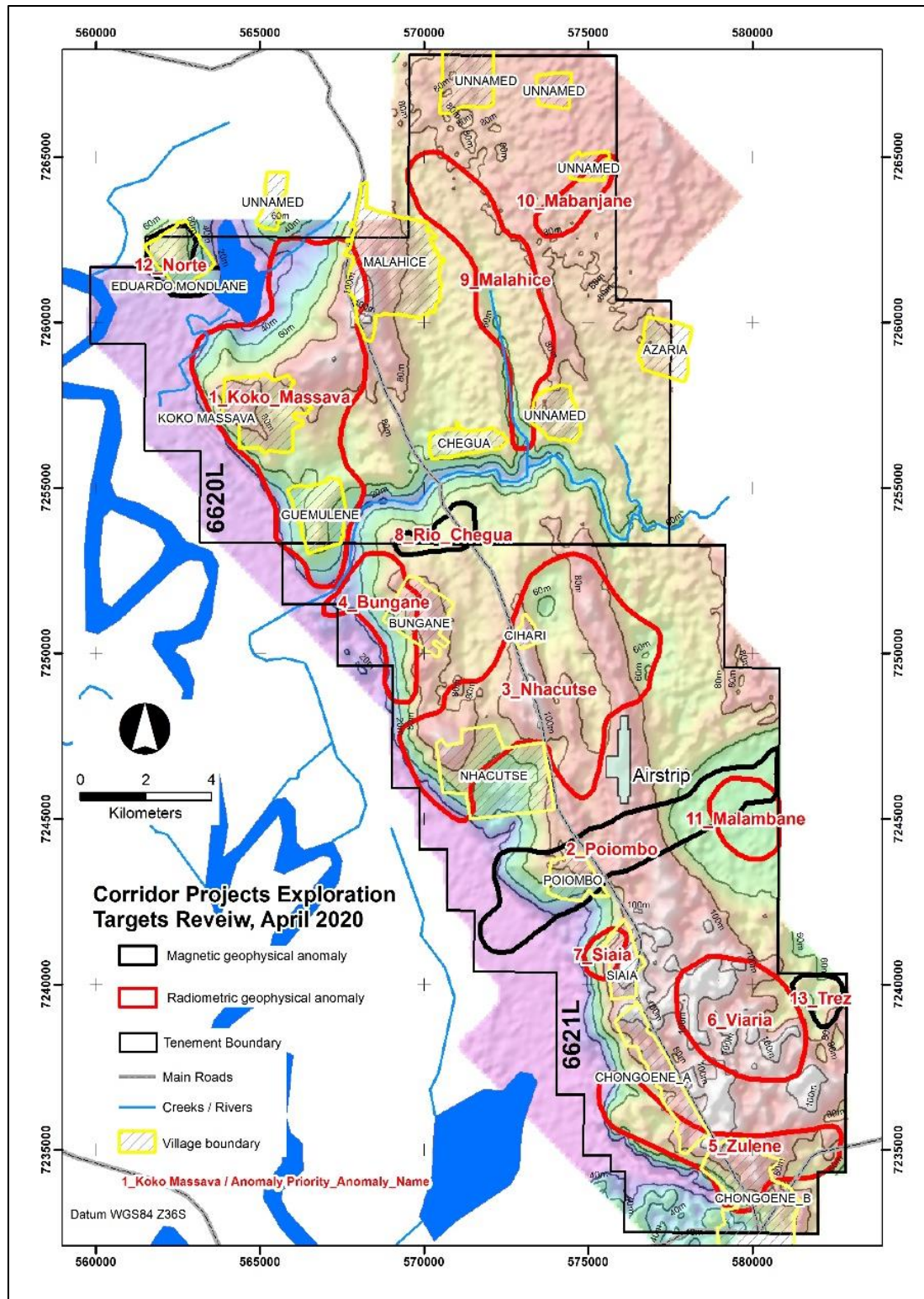


Figure 1: Location map of Corridor Central and Corridor South Projects showing the main Exploration Targets.

Zulene-Viaria Target Auger Sample Laboratory Results

The auger drilling data reported here are for infill holes from within higher grade THM zones defined from the first phase of reconnaissance auger drilling and is part of a larger program of broad-spaced holes at 500m stations on drill traverses 1000m apart and designed to test geophysical anomalies.

The most significant hole at Zulene returned within this new laboratory batch is 20CSHA445, located in the central south part of the target and returned 12m @ 4.16% THM (from 0.0–12m). The maximum individual grade from the hole (Table; Figure 2) was 5.92% THM in the interval 7.0–9.5m. Slime values related to hole 20CSHA445 are relatively low, with a range of 8.07%–12.77% and an average of 10.68%.

A further important result at Zulene is from hole 20CSHA437, located at the far east end of the target (Figure 2), comprising 12m @ 4.11% THM, uncut from surface to 12m. The hole yielded a maximum grade of 4.61% THM from 10.5–12m, which was the final sample interval in the hole and indicates high grade continues at depth. Slime for this hole has an average of 14.69%.

From within the Viaria target, the best result was returned from hole 20CSHA444, which comprised 12m @ 4.06% THM. The maximum individual sample grade in this hole was 4.68% THM, from the final sample interval 10.5–12m.

The new auger results indicate there is continuity in the surface mineralisation between the eastern Zulene zones and the western part of the Viaria mineralised zone (Figure 3; holes 20CSHA444; 471–474). The aggregate Zulene-Viaria mineralised zone has a footprint of about 17km², up to 5.5km along strike southwest-northeast and 3km in width northwest-southeast.

On the basis that the Zulene-Viaria mineralised zones typically contain mineral assemblage data with >43% ilmenite and >2% zircon, which is higher than assemblage results for similar VHM in the Poiombo and Saia mineralised zones, (refer ASX announcements 31 July and 31 August 2020) the northwest extent of the Zulene-Viaria target is interpreted near the boundary of the geophysical anomalies. The aggregate Zulene-Viaria mineralised zone has a long axis northeast-southwest and possibly represents a palaeo-shoreline that is sub-parallel to the interpreted Poiombo shoreline, which has associated strandline style mineralisation (refer ASX announcement 18 June 2020).

Deep aircore drilling is required to explore if strandline style mineralisation is associated with the near surface Zulene-Viaria mineralised zones at depth. The auger THM grade and mineral assemblage results have been used to prioritise and rank the Zulene and Viaria Targets.

Saia Target Auger Sample Laboratory Results

The best results returned in this laboratory batch are from two holes located on the east side of the Saia target (Figure 2). The best hole 20CSHA467 returned 12m @ 4.47% THM (from 0.0–12m) and ended in 4.75% THM (10.5m–12.0m), which was also the maximum individual grade from the hole (Table 1; Figure 2). Slime values related to hole 20CSHA467 are relatively low, with a range of 8.78%–12.73% and an average of 11.36%.

The second significant hole at Saia is 20CSHA464, comprising 10.5m @ 4.40% THM.

The Saia Target is relatively small at 1.5km x 1km, and was interpreted from a discrete high intensity radiometric anomaly. However, given the Saia target is only 1km south of the larger Poiombo Target and has widespread continuity in high grade mineralisation (3%–4% THM) at surface with the Poiombo Target, the Saia Target is likely to have been related to the Poiombo Target that has been truncated due to the drainage feature that now separates the two.

Auger Drilling Details

Auger holes were selected for laboratory analysis by filtering average downhole visual estimated THM%, with only samples from those holes attaining $\geq 3\%$ average visual THM being selected for laboratory analysis.

Auger samples were sent to Western GeoLabs in Perth for heavy liquid separation analysis. Samples were initially oven dried and disaggregated if required by hand, weighed and then split to approximately 100g sub-samples. The sub-sample was wetted and attritioned to ensure further breakdown of any clay aggregates and then de-slimed at $45\mu\text{m}$ to measure Slime percent. The sub-sample was then screened at +1mm to remove and measure Oversize percent. The $+45\mu\text{m}$ -1mm fraction was then subjected to heavy liquid separation (HLS) with tetrabromoethane (TBE) at specific gravity of 2.95. The settling time for HLS was 45 minutes with several stirs of the liquid to ensure adequate heavy mineral 'drop'.

In terms of QAQC, field duplicate samples are prepared at a frequency of 1 per 25 primary samples and submitted 'blind' to the laboratory. A Standard Reference Material (SRM) sample was inserted into the field sample batch at a frequency of 1 per 50 primary samples. At the laboratory, additional duplicates are routinely prepared at a frequency of 1 per 10 primary samples.

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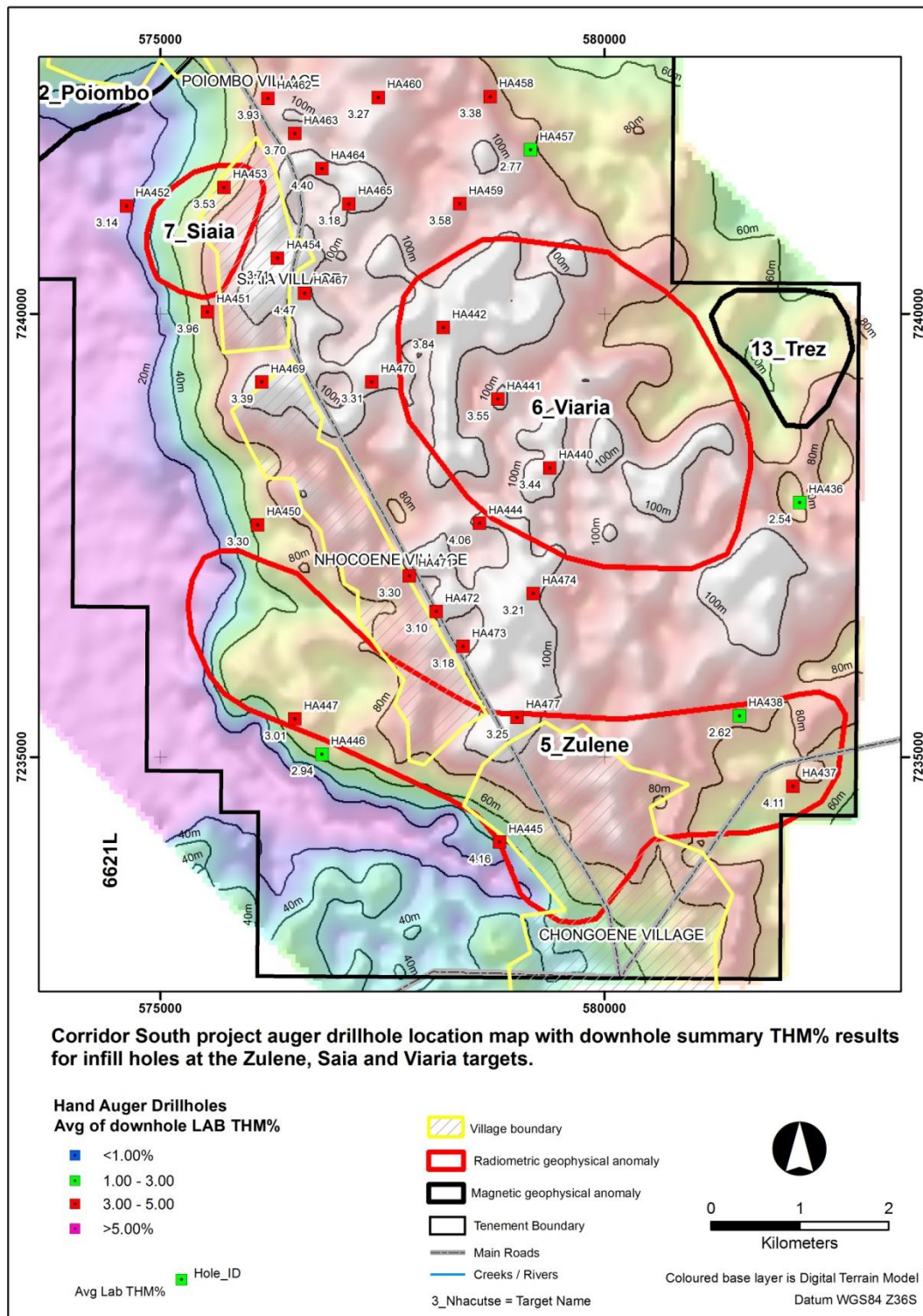


Figure 2: Location map of in-fill hand auger holes in the Zulene, Viaria and Saia target areas showing summary laboratory data for THM grades. Hole numbers have been shortened for presentation, but are all prefixed by “20CS”.

Table 1: Summary laboratory sample data returned for infill auger drilling in the Zulene, Viaria and Saia target areas. Visual field estimate data (VIS THM%) are included to demonstrate relative correlation with laboratory data.

HOLE ID	UTM EAST WGS84	UTM NORTH WGS84	EOH (M)	ELEV'N (M)	DIP	AZI	AVG HOLE VIS THM%	AVG HOLE THM%	MAX HOLE THM%	MIN HOLE THM%	AVG HOLE SLIME%	AVG HOLE O/S%
20CSHA436	582200	7237873	10.5	77	-90	360	3.27	2.54	2.79	1.97	10.80	2.41
20CSHA437	582125	7234673	12	74	-90	360	5.04	4.11	4.61	3.37	14.69	0.51
20CSHA438	581521	7235468	10.5	83	-90	360	3.06	2.62	2.95	2.20	11.84	3.00
20CSHA440	579386	7238261	10.5	108	-90	360	3.91	3.44	3.74	2.93	10.10	1.01
20CSHA441	578800	7239037	10.5	89	-90	360	4.30	3.55	3.74	3.00	10.46	1.60
20CSHA442	578185	7239844	10.5	102	-90	360	4.74	3.84	4.39	2.98	10.51	3.45
20CSHA444	578594	7237639	12	95	-90	360	5.60	4.06	4.68	3.14	11.08	3.01
20CSHA445	578820	7234044	12	41	-90	360	5.36	4.16	5.92	2.91	10.68	1.17
20CSHA446	576822	7235035	10.5	63	-90	360	3.34	2.94	3.25	2.42	9.19	2.37
20CSHA447	576517	7235432	10.5	70	-90	360	3.84	3.01	3.35	2.40	9.31	1.77
20CSHA450	576096	7237620	10.5	63	-90	360	4.11	3.30	3.71	2.84	11.70	1.40
20CSHA451	575532	7240021	10.5	75	-90	360	3.79	3.96	4.29	3.41	13.39	0.91
20CSHA452	574622	7241215	4.5	14	-90	360	3.93	3.14	3.32	2.92	2.88	1.22
20CSHA453	575717	7241424	10.5	62	-90	360	3.67	3.53	3.79	2.88	13.09	0.89
20CSHA454	576321	7240626	10.5	93	-90	360	4.49	3.71	4.14	3.07	9.84	1.24
20CSHA457	579169	7241848	10.5	77	-90	360	3.59	2.77	3.02	2.54	9.55	1.39
20CSHA458	578714	7242448	10.5	82	-90	360	4.10	3.38	3.51	3.08	10.90	0.62
20CSHA459	578371	7241240	10.5	92	-90	360	4.64	3.58	3.99	3.16	11.04	1.02
20CSHA460	577456	7242438	10.5	96	-90	360	4.84	3.27	3.70	2.68	9.91	1.21
20CSHA462	576213	7242428	10.5	91	-90	360	4.30	3.93	4.52	3.36	11.53	0.83
20CSHA463	576515	7242030	10.5	89	-90	360	3.56	3.70	4.00	3.19	10.70	1.12
20CSHA464	576820	7241636	10.5	100	-90	360	4.77	4.40	4.63	3.65	10.21	2.38
20CSHA465	577125	7241238	10.5	97	-90	360	3.01	3.18	3.55	2.88	11.08	1.29
20CSHA467	576625	7240229	12	104	-90	360	5.38	4.47	4.75	3.77	11.36	1.80
20CSHA469	576142	7239230	10.5	107	-90	360	3.64	3.39	3.69	3.13	10.66	1.25
20CSHA470	577381	7239232	10.5	99	-90	360	3.94	3.31	3.63	2.64	12.09	1.84
20CSHA471	577805	7237044	10.5	96	-90	360	3.26	3.30	3.74	2.72	11.92	2.13
20CSHA472	578107	7236643	10.5	97	-90	360	3.43	3.10	3.54	2.61	11.38	3.97
20CSHA473	578409	7236249	10.5	94	-90	360	3.26	3.18	3.41	2.74	11.81	2.26
20CSHA474	579200	7236846	10.5	94	-90	360	3.46	3.21	3.58	2.67	10.31	2.39
20CSHA477	579018	7235449	10.5	97	-90	360	3.91	3.25	3.57	2.70	11.18	1.60

Note: VIS = visual estimated; O/S = Oversize (+1mm); All data averages are grade weighted and uncut and from surface.

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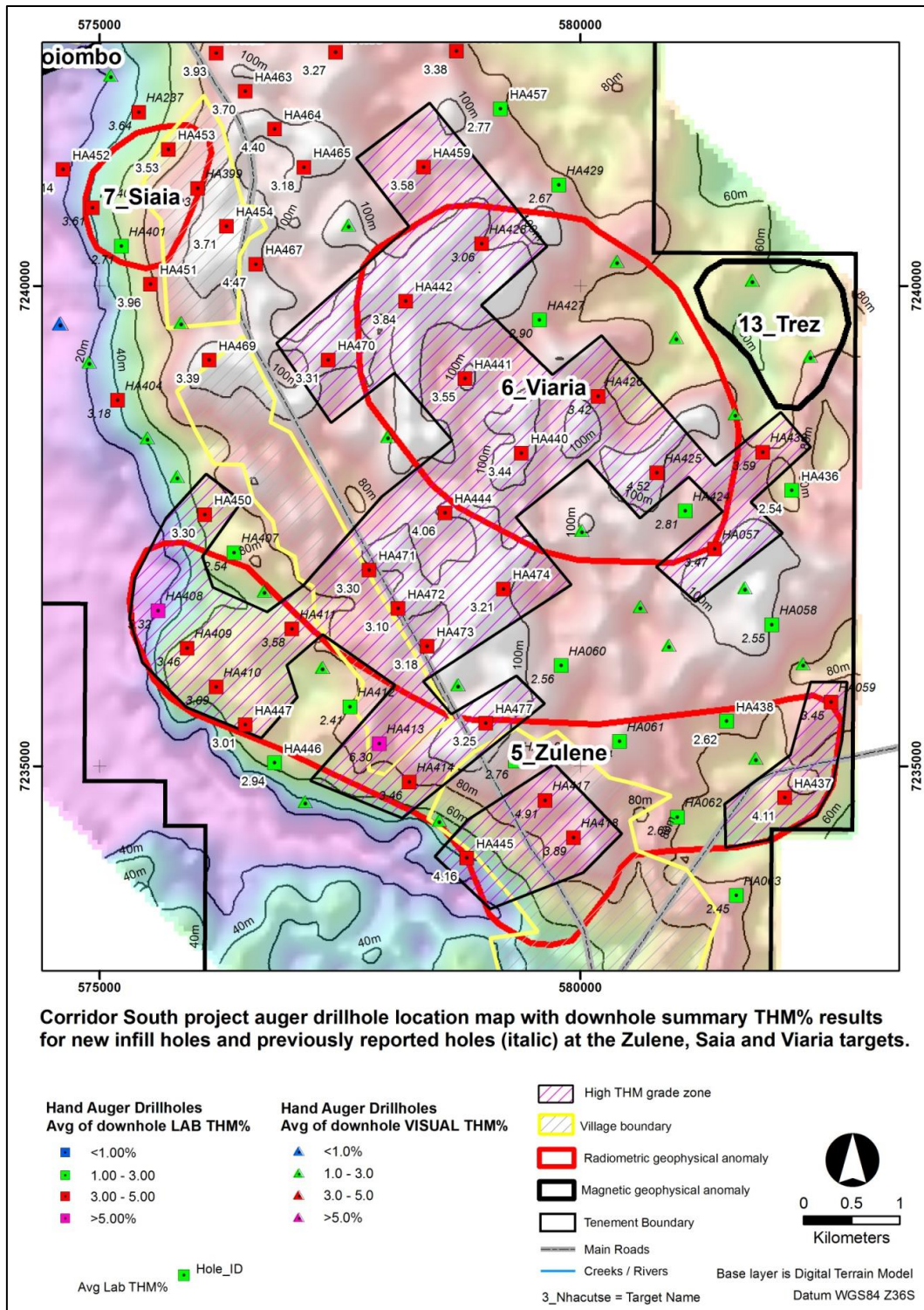


Figure 3: Location map of infill and previously reported (italic labels) hand auger holes in the Zulene, Viaria and Saia target areas showing the continuity of near surface mineralisation between the Zulene and Viaria targets. Hole numbers have been shortened for presentation, but are all prefixed by “20CS”.

Zulene Reconnaissance Aircore Drill Plan

The maiden aircore drill program is to commence at Zulene as soon as the field preparation is complete on site, currently anticipated to be 1 October 2020.

The Zulene aircore program is supported by the excellent THM grades over the northwest section of the arcuate target, where the main mineralised footprint of auger holes with >5% THM currently covers approximately 2.0km x 1.5km (refer ASX announcement 21 July, 2020). In addition to the high THM grades, recent Qemscan mineral assemblage data has indicated high VHM components associated the Zulene target, providing the Company with further encouragement to follow-up with aircore drilling in these areas (refer ASX announcement 31 August 2020).

Currently, an initial 5 reconnaissance aircore holes (Figure 4) are planned over the Zulene Target area which will explore the potential for significant thicknesses high grade HMS mineralisation in an area with known associated high VHM assemblage (49.16% ilmenite+leucoxene, 0.94% rutile, 2.18% zircon). Deeper drilling to 30–36 metres will provide samples for determination of VHM assemblage patterns with depth. Aircore holes in this reconnaissance phase drilling are not placed on a regular grid, but are distributed along strike (southeast-northwest) and across strike at high grade auger hole locations to understand distribution and continuity of the THM grade and assemblage, as well as correlation with peaks in radiometric geophysical anomalism.

The Company's geological understanding is still emerging around why there is a trend to higher VHM mineral assemblage in the eastern and southern sectors of Corridor South. The main drivers for variation in heavy mineral sand assemblage are the provenance, distance from source of sediment load and the re-working of existing concentrations (i.e. maturity). The titanomagnetite content of the mineral assemblage at the Zulene-Viaria targets is typically 5% lower than in assemblages to the north at Poiombo and western Nhacutse (refer ASX announcements 31 July and 31 August 2020) and since the depositional environments and maturity of sediment over the Corridor projects are similar, it is probable the lower titanomagnetite in the south is provenance-related. This new aircore drilling and associated Qemscan mineralogy program aims to further develop and test the Company's geological understanding.

Viaria Reconnaissance Aircore Drill Plan

The Viaria Target has a generally lower grade THM signature of 3%–4.5% THM and therefore, is a lower priority for drilling. There are two reconnaissance aircore holes are planned at the Viaria Target (Figure 4), where auger holes 20CSHA425 and 20CSHA444 returned average grades of >4% THM over 12m from surface (refer ASX announcement 21 July 2020).

Mineral assemblage results for Viaria show ilmenite+leucoxene content is typically >41% (refer ASX announcement 31 August 2020). One of the planned aircore holes is planned at the auger hole location (20CSHA425) related to the best mineral assemblage result for Viaria with 44.33% ilmenite+leucoxene, 0.91% rutile and 2.35% zircon.

This limited aircore drilling at Viaria will test the potential for higher grade THM mineralisation at depth and possibility of higher VHM with depth across the broader Zulene-Viaria targets.

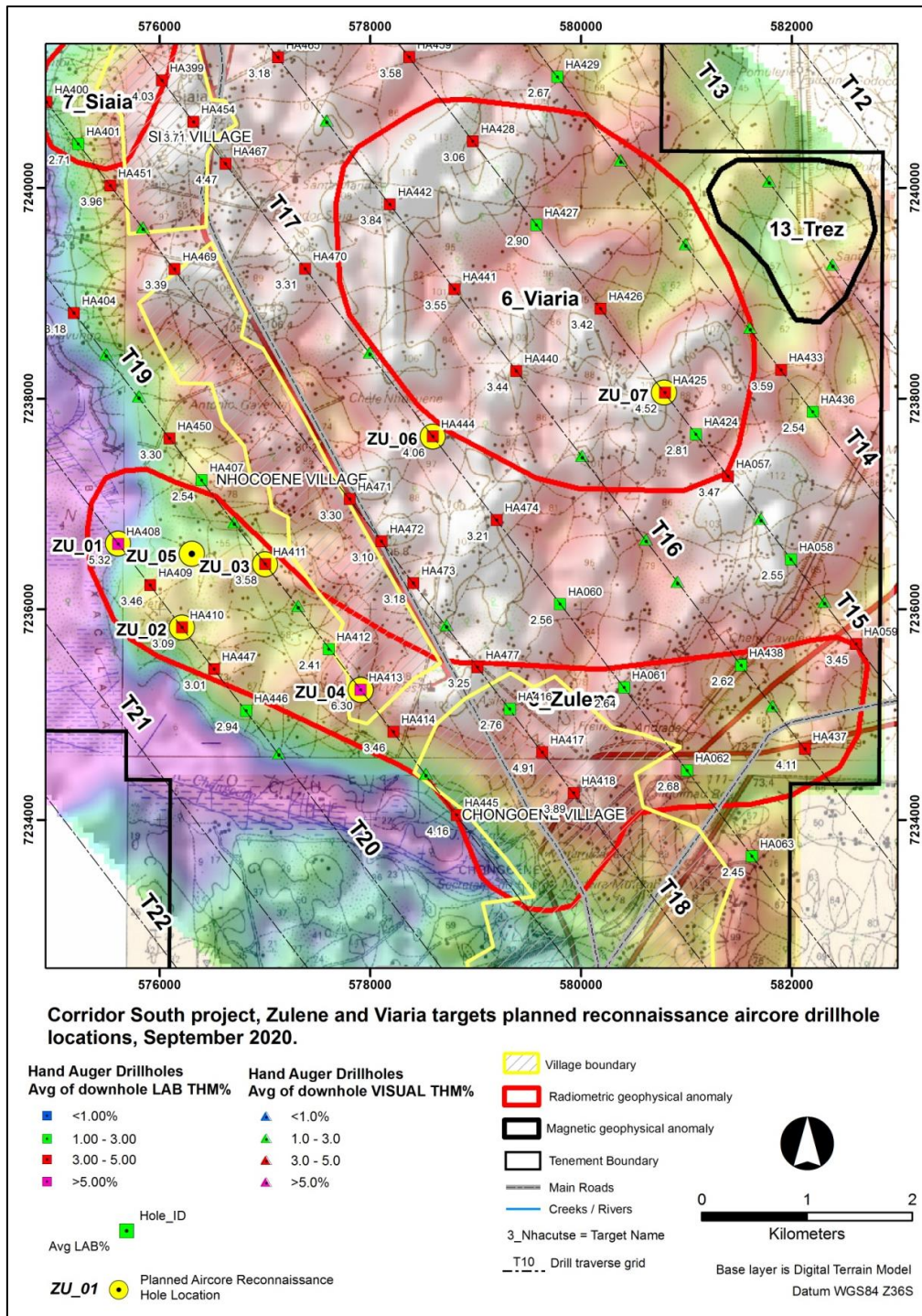


Figure 4: Location map of planned reconnaissance Aircore drill program, relative to previously drilled hand auger holes, for the Zulene and Viaria Targets on the Corridor South project (6621L).

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-

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Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. Visual estimated THM% results are filtered to determine which holes are sent for laboratory analysis. Only holes with average uncut downhole grade $\geq 3\%$ visual estimated THM are sent for heavy liquid separation laboratory analysis. 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 was dried and split to 100g, de-slimes (removal of $-45\mu\text{m}$ fraction) and oversize ($+1\text{mm}$ fraction) removed, then subjected to heavy liquid separation using TBE to determine total heavy mineral (THM) content.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> 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

Criteria	JORC Code explanation	Commentary
		the hole.
<i>Drill sample recovery</i>	<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"> • Auger drilling is considered to be an early stage relatively 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.
<i>Logging</i>	<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.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • 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. • Field photographs are taken of each panned sample alongside the sample bag with sample number to track numbers of samples per hole and cross reference with laboratory 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.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>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.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field</i> 	<ul style="list-style-type: none"> • 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

Criteria	JORC Code explanation	Commentary
	<p><i>duplicate/second-half sampling.</i></p> <ul style="list-style-type: none"> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>Primary laboratory for analysis.</p> <ul style="list-style-type: none"> • 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. • 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. • Standard Reference Material (SRM) samples are inserted into the sample stream at a frequency of 1 per 50 samples. • Employees undertaking the primary sampling and splitting are closely monitored by a geologist to ensure sampling quality is maintained.
<p><i>Quality of assay data and laboratory tests</i></p>	<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> • <i>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.</i> 	<ul style="list-style-type: none"> • 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. • The Heavy Liquid Separation analysis method to determine total heavy mineral content is an appropriate and standard method of assay for heavy mineral sand samples. <p>Laboratory Analysis Methodology</p> <ul style="list-style-type: none"> • The individual 300-600g auger sub-samples were sent to Western GeoLabs in Perth, Western Australia, which is considered the Primary laboratory. • The 300-600g auger samples were first oven dried, disaggregated to break up any clay balls, and riffle split to 100g sub-samples. They were then wetted and attritioned and screened for removal and determination of Slimes (-45µm) and Oversize (+1mm) contents. • The +45um-1mm sample fraction was then analysed for THM% content by heavy liquid separation (HLS). • The laboratory used 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

Criteria	JORC Code explanation	Commentary
		<p>HMS exploration.</p> <ul style="list-style-type: none"> Field duplicates of the auger samples were collected at a frequency of 1 per 25 primary samples and submitted 'blind' to the Primary laboratory with the field sample batch. Western GeoLabs completed its own internal QA/QC checks that included 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 sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Selected visual estimated THM field data are checked by the Chief 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 has made regular visits to the field drill sites to check on and ensure process and procedure are understood by all field staff. 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. 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	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> 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

Criteria	JORC Code explanation	Commentary
		exploration.
<i>Data spacing and distribution</i>	<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> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Auger holes were typically drilled at 500m between hole stations and 1000m between station lines for reconnaissance drilling. • Samples are collected systematically at 1.5m intervals downhole. • The reconnaissance auger hole spacing was systematic and hole locations were designed to test for heavy mineral sand mineralisation related to geophysical anomalism. • The data has not been used for resource estimation.
<i>Orientation of data in relation to geological structure</i>	<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"> • The auger drilling was placed as perpendicular as possible on lines cutting the geophysical anomalies obtained from an airborne survey undertaken by the Company during April 2019.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Field photographs are taken of each sample with corresponding sample number in order to track numbers of samples per hole and per batch. • 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 or DHL, to ship samples from Mozambique to Perth. • The Company dispatched 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.
<i>Audits or reviews</i>	<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"> • 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
<i>Mineral tenement and land tenure status</i>	<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 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. An application for renewal of tenement 6621L was submitted in 23 September 2019 and is under review. Additional supporting information was requested by the Ministry of Mineral Resources on 14 April 2020 and this was submitted by the Company on 29 April, 2020. • 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. • Representatives from the Provincial Directorate of Mineral Resources and Directorate of Lands, Environment and Rural Development, and District Planning and Infrastructure Departments are also part of the consent and consultation process.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • 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.
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Two types of heavy mineral sand mineralisation styles are possible along coastal Mozambique:

Criteria	JORC Code explanation	Commentary
		<ol style="list-style-type: none"> 1. Thin but high grade strandlines which may be related to littoral marine or fluvial influences, and 2. Large but lower grade dunal deposits related to windblown sands. <ul style="list-style-type: none"> • 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 coastal zones.
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <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> 	<ul style="list-style-type: none"> • Summary drill hole information is presented within Table 1 of the main body of text of this announcement.

Criteria	JORC Code explanation	Commentary																																																												
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No cut-offs were used in the downhole averaging of results. The visual estimated THM% averaging is grade-weighted. An example of the data averaging is shown below. <table border="1" data-bbox="1429 316 1937 667"> <thead> <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> </thead> <tbody> <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> </tbody> </table>	HOLE_ID	FROM	TO	PCT VIS THM	Average visTHM	Average visTHM	19CCAC104	0.0	3.0	6.0	37.5m @ 4.9%	27m @ 6.3%	19CCAC104	3.0	6.0	6.0	19CCAC104	6.0	9.0	6.0	19CCAC104	9.0	12.0	8.0	19CCAC104	12.0	15.0	6.2	19CCAC104	15.0	18.0	6.6	19CCAC104	18.0	21.0	5.5	19CCAC104	21.0	24.0	8.0	19CCAC104	24.0	27.0	4.0	19CCAC104	27.0	30.0	2.5	19CCAC104	30.0	33.0	2.0	19CCAC104	33.0	36.0	1.7	19CCAC104	36.0	37.5	1.5
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Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> Auger holes are thought to represent close to true thicknesses of the mineralisation. Downhole widths are reported. 																																																												
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Figures are displayed in the main text. 																																																												
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No other material exploration information has been gathered by the Company. 																																																												
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral 	<ul style="list-style-type: none"> Further work may include additional auger drilling and sampling, infill 																																																												

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	<p><i>extensions or depth extensions or large-scale step-out drilling).</i></p> <ul style="list-style-type: none">• <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>	<p>auger sampling and heavy liquid separation analysis.</p> <ul style="list-style-type: none">• Mineral assemblage analyses by QEMSCAN will be undertaken on suitable composite HM samples to determine valuable heavy mineral components.• High quality targets (high grade and high valuable heavy mineral assemblage) generated from reconnaissance work are planned to be drilled with aircore techniques to test the depth of high grade mineralisation.• Metallurgical test work completed on a bulk sample from the Koko Massava deposit on tenement 6620L has determined a good ilmenite product with 47.1% TiO₂ is achievable.