



ASX/Media Release

(ASX: MZN)

16 February 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:

1,323m fully paid ordinary shares,

64m unlisted options Ex. 2.5c Expiring
31 December 2019

FORRESTANIA UPDATE - MARINDI EXERCISES OPTION TO PURCHASE GEM MINING LEASE

Marindi Metals Ltd (ASX: MZN) is pleased to provide the following update in relation to its highly prospective Forrestania Lithium Project in Western Australia.

Exercise of Gem Mining Lease Option

The Company is pleased to announce that it has exercised its option to earn up to 70% in the Gem pegmatite lease at Forrestania, where drilling recently returned the very high grade lithium intersection of **33m @ 3.2% Li₂O** (including 10m @ 4.0% Li₂O).

The granted Mining Lease M77/549 covers several Lithium Caesium Tantalum (LCT) pegmatites in the Mt Hope area including the "Gem" pegmatite, which was mined historically for tantalum, tin and semi-precious gems in the 1980's, and the "Giant" pegmatite the site of the high-grade intersection referred to above.

The Company has paid the vendors \$50,000 in cash and a further \$100,000 in shares and the option allows Marindi to earn a 51% interest by expenditure of \$300,000 within an 18-month period. Marindi expects that this expenditure milestone will be reached during the current drilling program.

Marindi may then earn up to a 70% by spending a further \$150,000 (total expenditure \$450,000 within a 3-year period) with the ability to purchase 100% under certain terms and conditions which are summarised in the Company's ASX announcement regarding the option agreement released on 20 September 2016.

Exploration program

The previously announced drill program planned to commence in early February has been delayed due to the heavy unseasonal rainfall through the area and is now anticipated to commence within the next week, weather permitting.

The northern portion of the granted Mining Lease hosts the Giant pegmatite, which is a larger specialised pegmatite that has been mapped in costeans over 40m in width. Although outcrop is poor, pegmatite has been recorded in historic RAB and diamond holes over a distance of at least 400m and was intersected by Marindi in its recent drilling, notably hole GPRC06, which returned 33m @ 3.2% Li₂O.

The drill program will take approximately 2 weeks to complete and a further 2 weeks before results can be expected. A Program of works (PoW) has been submitted to the Department of Mines to facilitate further detailed drilling of the northern portion of the mining lease.

Marindi Managing Director Joe Treacy said: "We are very pleased to have formally exercised our option to earn up to 70% at the Gem Mining Lease, in the heart of the rapidly emerging world-class Forrestania lithium province, and look forward to recommencement of drilling.

Legal Proceedings

Kidman Matter.

As previously advised, the matter has been listed for trial in the Supreme Court of Western Australia commencing 29 May 2017 and the parties have been directed to attend court supervised mediation before the trial date. No date for a court supervised mediation has yet been scheduled.

Rox Matter

The directions hearing scheduled for the 2nd February 2017 was vacated due to all parties agreeing with programming orders, including an order referring the matter to a court supervised mediation. At this stage, no trial date or court supervised mediation date has been set.

The Company will provide further updates as appropriate.

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.