

16<sup>TH</sup> MAY 2018



## High-grade assay results from regional stream sediment sampling at Bellary Dome Conglomerate Gold Project, Pilbara region

### HIGHLIGHTS

- **Widespread fine visible gold panned across the Bellary Dome Project**
- **Multiple conglomerate horizons confirmed as gold-bearing**
- **Outcrop grab samples return best grades of 38.2g/t and 19.4g/t gold**
- **Further sampling work underway**

Marindi Metals Limited (ASX: MZN) is pleased to advise that the initial phase of exploration work completed recently at its 100%-owned Bellary Dome Project in the Pilbara region of WA has highlighted the presence of widespread fine visible gold in stream sediment samples, see map 1.

The gold was panned from more than 20 alluvial "trap-sites" across the Bellary Dome Project by respected geological consultant Mr George Merhi, a specialist in Pilbara conglomerate gold, as part of an initial prospectivity study.

As this study was conducted on a tenement-wide basis, the results were variable. However, stream samples taken from areas closest to the Bellary Formation conglomerate outcrops were consistent in yielding fine visible gold (see photo 1).

To assist in establishing the potential provenance of the alluvial gold, in-situ conglomerate samples were also taken from Bellary Formation conglomerate at several historical costeans, crushed and panned.

In one instance, more than 150 grains of fine visible gold grains were liberated from just 1kg of in-situ sample (see photo 2).

"The results of this initial work have exceeded our expectations," said Marindi's Managing Director, Mr Simon Lawson. "Mr Merhi designed and executed a rapid reconnaissance sampling program for us within a short timeframe and to budget which providing Marindi with significant insights into the emerging potential of this project.

"Further work utilising Mr Merhi's team has already begun with the focus to establish location and extent of Bellary Formation conglomerate outcrop mapping across the west of the project area.

"While our primary corporate focus is on rapidly advancing the LCT-pegmatite drill-out at the Forrestania Lithium-Gold Project, we intend to continue to conduct further inexpensive, value-adding exploration activities across the Bellary Dome conglomerate gold project.

"This accretive approach will systematically build options into the project for us, with the view that we can utilise one, or all, of those options in the near-term to extract maximum shareholder return on the initial investment."

**Table 1 – Assays**

Sample ID	Easting MGA50	Northing MGA50	Au ppb	Au ppm
18BDR 1	566348	7437878	1299	
18BDR 2	566348	7437878	180	
18BDR 3	566348	7437878	277	
18BDR 4	566348	7437878	>2000	38.26
18BDR 5	566348	7437878	309	
18BDR 6	566336	7437878	>2000	3.03
18BDR 7	566345	7437883	1349	
18BDR 8	566354	7437873	>2000	19.38
18BDR 9	566351	7437852	276	
18BDR 10	565711	7441729	13	

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**Photo 1 –**

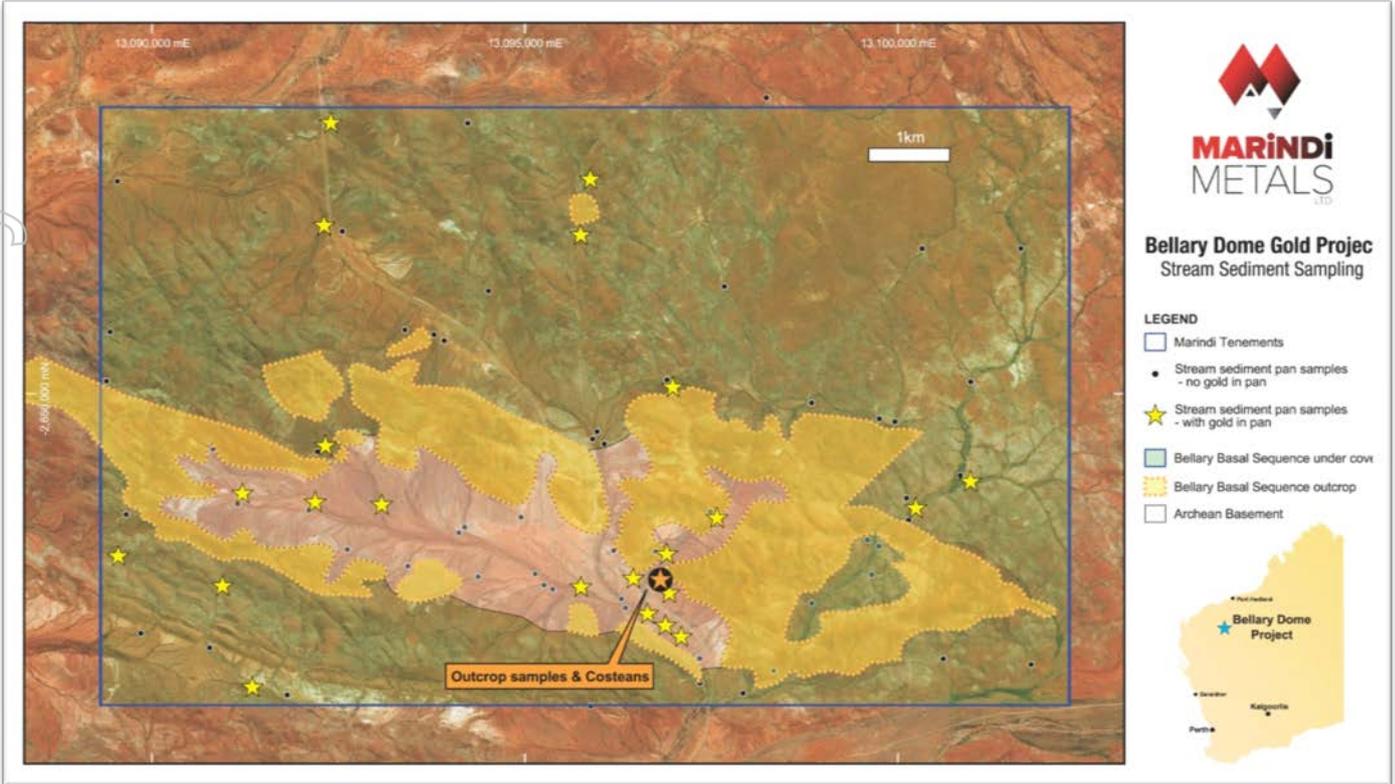


**Photo 2 –**



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### Map 1 – Stream Sediment Sampling



### Competent Persons Statement

Information in this release that relates to Exploration Results is based on information prepared by Mr Simon Lawson a Member of the Australasian Institution of Mining and Metallurgy and the Australian Institute of Geoscientists Mr Lawson is the Managing Director of Marindi Metals Ltd, a full-time employee and shareholder. Mr Lawson 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.

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## 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"> <li>• <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></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Rock samples were collected from the spoil piles adjacent to trenches and proximal to trench walls at Edney’s Find.</li> <li>• Stream sediment locations with visible gold shown in map 1 consisted of a 10kg sample of -2mm material being collected from each trap site. The 10kg sample was then panned.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• No drilling reported</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• No Drilling Reported</li> </ul>

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Criteria	JORC Code Explanation	Commentary
Logging	<ul style="list-style-type: none"> <li>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Location and type of material has been described.</li> <li>• Visible gold in stream sediment samples are only qualitative and must be interpreted in combination with the local geology of the area</li> </ul>
Subsampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Rock samples were collected from the spoil piles adjacent to trenches and proximal to trench walls.</li> <li>• Stream sediment sample sites are located in a part of a stream that will provided a representative sample of the catchment.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Rock samples were analysed via a reputable international analytical laboratory.</li> <li>• Rock samples were first analysis by inductively coupled plasma mass spectrometry after aqua-regia digest. If the sample was greater than 2000ppb, they were then analysed via a 25g lead collection fire assay with inductively coupled plasma optical emission spectrometry.</li> </ul>

Criteria	JORC Code Explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Multiple standards, blanks and checks were completed during the analytical process.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Rock and stream samples are located using a Garmin hand held GPS. Accuracy is assumed to be within +/- 4m. Sites are measured in GDA94, MGA Zone 50.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <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></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Due to the early stage of exploration and type of work completed sampling is non-systematic nor representative for any future ore resource estimate.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• The relationship between sampling and mineralisation orientation is not known.</li> </ul>

Criteria	JORC Code Explanation	Commentary
Sample security	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Appropriate security measures are taken to dispatch samples to the laboratory. Chain of custody of samples are managed by Marind 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.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Marindi Metals have not completed any external audits or reviews of the sampling techniques and data.</li> </ul>

**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"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The Bellary Dome EL 52/3555 is owned by Marindi Metals Ltd. The tenement is granted and Marindi is required to keep the tenements in good standing by spending a minimum of \$350,000 per annum. Bacom Pty Ltd retain a 5% Gross Overriding Royalty on any future production from the tenement.</li> <li>The tenement is in the Yinhawangka peoples land.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>The tenement has been subjected to several phases of exploration which were summarised in ASX release of 10 November 2017. The Work by Mr Gary Strong was a prospecting based approach to gold exploration. Creek and soil sampling were inconclusive (WAMEX65364). Rock chip sampling of float and insitu material outlined a gold and PGE anomalous area of 5km. Rock chip sapling returned up to 7.4g/t Au and 0.55 g/t Pt from oxidised sulphide nodules.. A large amount of historic data is available to Marindi Metals but pertains mainly to iron ore exploration and appraisal of data is continuing.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Bellary prospect is a gold bearing pyritic conglomerate that has similarities to late Proterozoic and Archaean paleo channel/conglomerate occurrences around the world. These deposits occur at Witwatersrand in South Africa, Tarkwa in Ghana and the Jacobina deposit in Brazil. The recent exploration success by Novo Resources /Artemis at Purdy's Reward in the Pilbara may also represent a similar style of deposit. The Bellary Formation is the lowermost member of the Fortescue Group and sits conformably below the Mt Roe Basalt and this is the equivalent stratigraphic position to the Purdy's Reward occurrence.</li> </ul>

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Criteria	JORC Code Explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> <li>• <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"> <li>o <i>easting and northing of the drill hole collar</i></li> <li>o <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>o <i>dip and azimuth of the hole</i></li> <li>o <i>down hole length and interception depth</i></li> <li>o <i>hole length.</i></li> </ul> </li> </ul> <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"> <li>• No Drilling Reported</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• <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></li> <li>• <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></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No drill intersections reported.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Not known at this time.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate maps with scale are included within the body of the accompanying document.</li> </ul>

Criteria	JORC Code Explanation	Commentary
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The accompanying document is considered to represent a balanced report.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Follow up stream sediment sampling, soil sampling, rock chipping and mapping are planned.</li> </ul>

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