

13 March 2019

## Forrestania Gold Project, WA – Drilling and Exploration Update

### HIGHLIGHTS

#### Southern Forrestania Gold Project (MZN: 100%)

- 1,855m of Reverse Circulation drilling completed at the Great Southern Gold Prospect.
- 25 holes drilled targeting four different areas, including extensions to both the Great Southern and Premier (Commonwealth) historical open pits, as well as strike extensions to historical surface shaft positions.
- Quartz veining intersected over down-hole widths of up to 12m in projected extensional positions.
- Geophysical SAM survey results validated by the quartz intercepts, proving that the technique is effective at “seeing” potentially mineralised trends beneath transported cover.
- ~600 samples submitted, awaiting assays.



**Figure 1. Recent RC drilling across northern extension to Great Southern open pit at Forrestania.**

Marindi Metals Ltd (ASX: MZN) is pleased to provide an update on recent exploration activities across its 100%-owned Southern Forrestania Gold Project in Western Australia, where it has recently completed a maiden Reverse Circulation drilling program at the newly-acquired Great Southern Gold Prospect while continuing to advance geophysical exploration programs across other parts of its extensive portfolio.

The Company has recently completed 1,855m of Reverse Circulation drilling across four different target areas at the Great Southern Prospect, which Marindi purchased in 2018 for \$45,000 consideration (see ASX: MZN announcement dated 15/10/2018).

Targets tested included the projected strike extensions to both historical open pit gold mines at the Great Southern Gold Prospect (see Figures 1 and 2).

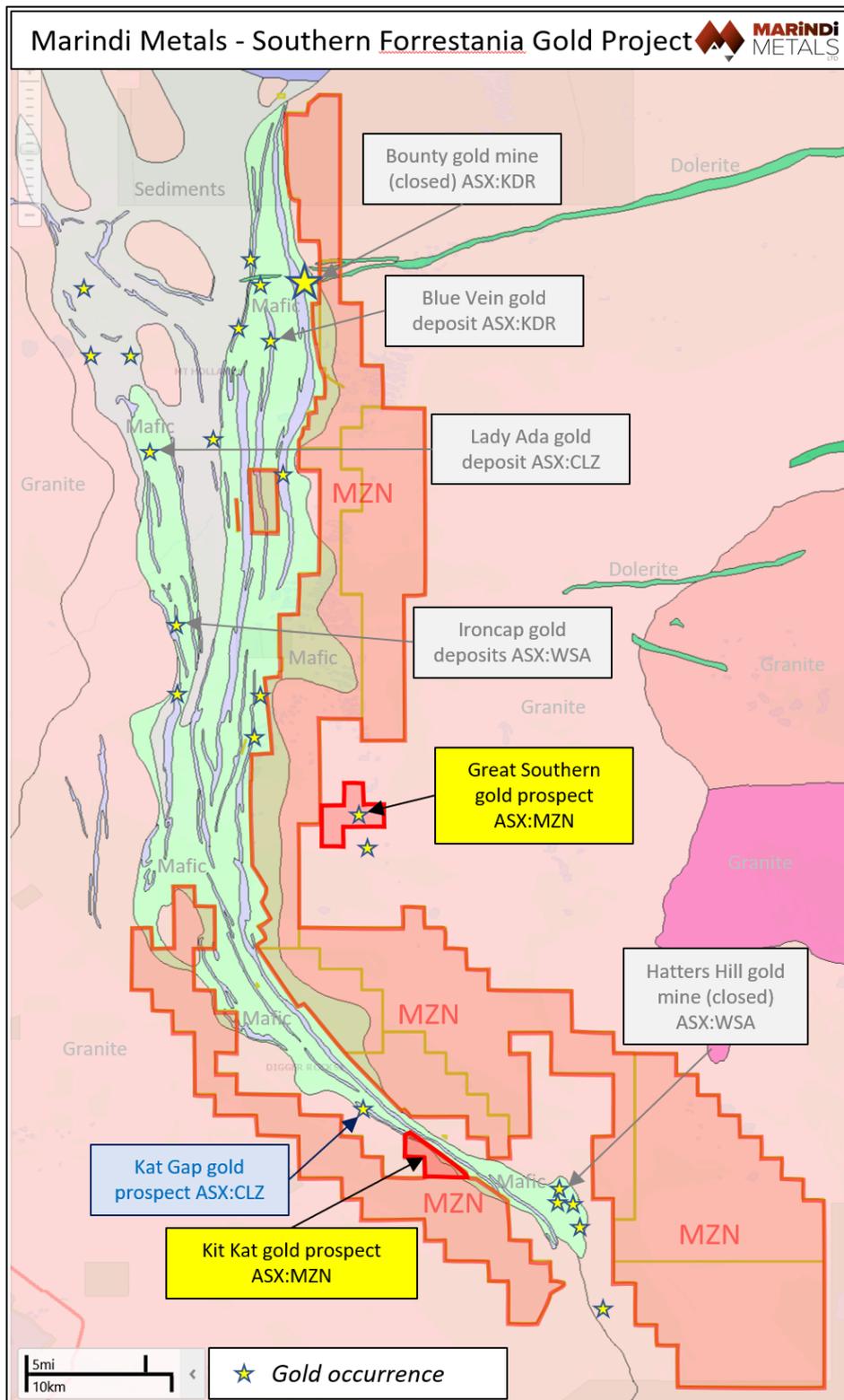


Figure 2. Marindi Metals Great Southern and Kit Kat gold prospects.

Visual assessment of the drill chips by experienced field geologists indicates that the drilling intersected significant widths (up to 12m down-hole) of quartz veining in the projected extensional positions of the main mineralised trends mined in the historical open pits.

“While we are still awaiting assays, the results validate our interpretation of the structures at Great Southern and reinforce the value of the SAM geophysics we employed to de-risk our drilling,” said Marindi’s Managing Director, Simon Lawson.

“The staged exploration approach we are employing is proving to be highly effective. We will continue to use this methodology here at Great Southern across our newly generated ‘historical auger’ targets and also at our Kit Kat prospect, located south of the established Kat Gap prospect where a new SAM geophysical survey has just also just been completed.

“We are progressing our gold-focused strategy, we are acquiring data and we are drilling holes. We are continuing to evaluate multiple pathways to monetise our non-core assets to help fund our gold exploration activities and we are committed to finding and defining significant gold deposits across our Southern Forresteria Gold Project.”

**Simon Lawson**  
**Managing Director and CEO**

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**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 Lawson consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

## 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>• Two samples are taken for each metre drilled using Reverse Circulation method. A bulk sample is collected in a 600x900mm plastic bag and a 4% split using a cone splitter is also taken in a calico bag. Sample intervals are then determined by geology. If a single 1m sample is required then a single 4% split is assayed, or if composite samples are required then 1m splits are combined and assayed. If a composite sample is greater 3kg, then a 25% riffle split is taken to composite. If further sampling is required spear samples can be taken from the bulk samples.</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>• Drilling method used is Reverse Circulation. The drill rig is a Schramm 685 rig with 2400CFM and 800 PSI air pressure. A 146mm hammer was used.</li> </ul>

Criteria	JORC Code Explanation	Commentary
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>• An experienced RC driller from a reputable drilling contractor using suitable drilling equipment has been used for this drill program. The contractor and Marindi Metals staff are using industry standard techniques to maximise sample recoveries and produce representative sample intervals during RC drilling. The cyclone and splitter are levelled and cleaned regularly, or if there is significant movement noticed, then it is levelled after every 1m to ensure a representative split.</li> <li>• Sample recovery is recorded for every 1m by Marindi geologists and geotechnicians. Where sample recovery is less than 100% and the sample is to be assayed, any recovery loss is noted in the assay ledger.</li> <li>• Drilling to date by Marindi has had very good sample recovery.</li> <li>• No apparent bias has occurred during sampling.</li> </ul>
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>• Every metre drilled has geology analysis. Geology logs record geological units, alteration, veining and percentage of relevant minerals.</li> <li>•</li> <li>• All data is validated before entry into the Marindi Metals Ltd database.</li> </ul>

Criteria	JORC Code Explanation	Commentary
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>Sample intervals are determined by a Marindi Metals Ltd geologist.</li> <li>All intervals are documented digitally.</li> <li>Sample intervals are determined by geological intervals.</li> <li>Two samples are taken for each metre drilled using Reverse Circulation method. A bulk sample is collected in a 600x900mm plastic bag and a 4% split using a cone splitter is also taken in a calico bag. Sample intervals are then determined by geology. If a single 1m sample is required then a single 4% split is assayed, or if composite samples are required then 1m splits are combined and assayed. If a composite sample is greater 3kg, then a 25% riffle split is taken to composite. If further sampling is required spear samples can be taken from the bulk samples.</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>Samples are analysed via AA15.</li> <li>The analysis is completed by an industry-leading laboratory.</li> <li>Each batch of samples analysed has several standards, blanks and duplicates included.</li> <li>No geophysical tools are used.</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>Intersections have been verified by Marindi Metals Ltd personnel and contract professionals.</li> <li>None of the drill-holes in this report are twinned.</li> <li>All data is recorded on paper logs and then entered into a database. Data is then checked before being moved into a primary database. Data is backed up on a remote server in two locations.</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>All collar co-ordinates of drill holes in this release have been located via a Garmin hand held GPS. Locations are averaged for a minimum of 15 GPS readings.</li> <li>Accuracy is assumed to be within +- 4m.</li> <li>Drill hole locations are recorded in MGA94_Zone50 coordinate system.</li> <li>Topographic control is considered adequate.</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>The drill spacing in this program has been variable, however, where specific lines have been drilled across the greenstone/granite contact 100m to 50m spacing is used.</li> <li>Exploration drilling at the Great Southern prospect is preliminary and spacing and distribution of exploration results is not sufficient to support Mineral Resources or Ore Reserves.</li> <li>Each reported assay in this release is a 1m composite. Composites are 4% cyclone splits.</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>No significant orientation-based sampling bias is known at this time.</li> <li>The drill holes may not necessarily be perpendicular to the orientation of the intersected mineralisation.</li> <li>All reported intervals are downhole intervals, not true widths.</li> <li>Scissor holes have been drilled at regular intervals and in areas of interest to ensure widths and orientations are refined.</li> <li>Exact true widths and specific orientation of mineralised bodies could be established with additional drilling.</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.</li> <li>Chain of custody of samples are managed by Marindi Metals Ltd.</li> <li>Samples are stored onsite and transported to the laboratory by Marindi Metals Ltd personnel or a licenced transport company.</li> <li>The laboratory issues a receipt and a reconciliation of delivered samples against the laboratory analysis submission form from Marindi Metals Ltd.</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>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• E77/2313 is 100% owned by Marindi Metals Limited</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>• A large amount of historic data is available to Marindi Metals and appraisal of data is continuing.</li> <li>•</li> </ul>

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• As described in this document</li> </ul>
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>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• NA</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>• NA</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 stepout 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>Further exploration is planned once all data has been assessed.</li> </ul>