12 JULY 2011

## ASX ANNOUNCEMENT

# Aeromagnetic interpretation identifies 9 prospective targets at Kalgoorlie East

**Following on from the recent acquisition of the Kalgoorlie East Gold Project, preliminary interpretation of geophysical data has been completed and soil sampling over these targets areas has commenced.**

- **5 Gold** and **4 Nickel** targets identified
- Prospective mineralised trends and structural intersections identified
- Greenstone Belt has known Nickel and Gold mineralisation
- Soil sampling results due in coming weeks
- Further exploration including infill soil sampling and drilling to be completed should encouraging results be received.

- **Recapping key elements of Kalgoorlie East Project**
  - **Outstanding location**
  - **Augments existing Gold project portfolio**
  - **Highly prospective for Gold and Nickel**
  - **Low risk entry cost**
  - **Proximity to excellent infrastructure**
  - **Management committed to rapid exploration program**

***Company Information***

**Directors**

**Albert Pietrzak**
Non Executive Chairman

**Andrew Van Der Zwan**
Managing Director

**Shane Turner**
Non Executive Director
& Company Secretary

*MRG aspires to become an investment of choice, focused on:*

*The discovery of gold, base metals and other commodities which fit its growth strategy*

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***Quick Facts***
as at July 12, 2011

**Shares on Issue:** 86 million

**Market Cap:** A$27 million

**Options:** Nil

**Cash in Bank:** A$5.1 million

**Debt:** Nil

**Current Projects:**

Xanadu

Braemore Battery

Diorite

Bell Chambers

Mulgul

Kalgoorlie East

The Kalgoorlie East Project comprises 15 PL's covering over 1700 Ha located approximately 12km east of Kalgoorlie in Western Australia. The project was purchased by MRG Metals Ltd from Malanti Pty Ltd.

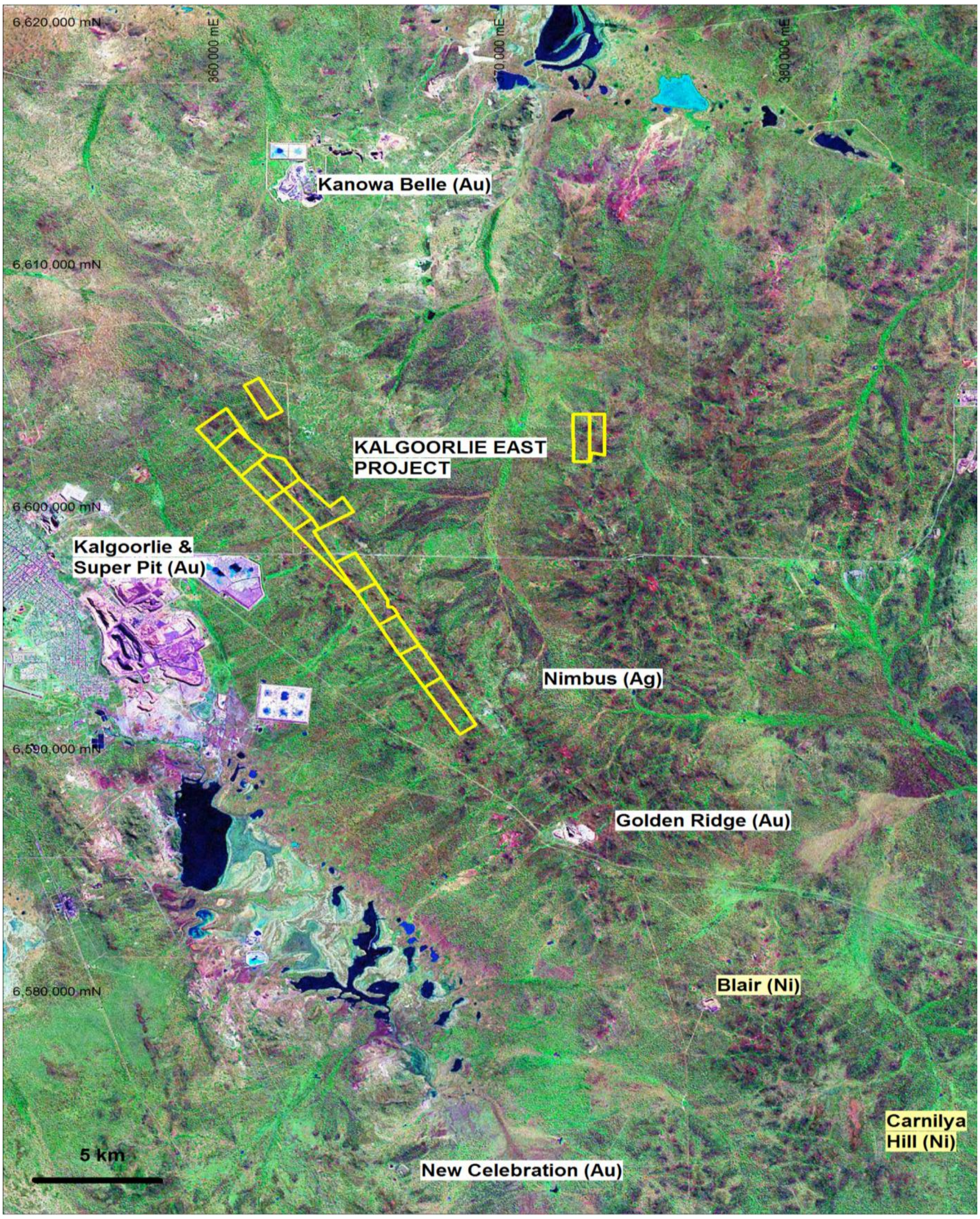
Preliminary interpretation of publicly available and multi-client aeromagnetics purchased by the Company together with other regional data sets has resulted in the identification of nine structural and geological targets considered prospective for gold and nickel.

These targets were selected using mineralised trends and geological settings known to occur within the Golden Ridge Greenstone Belt.

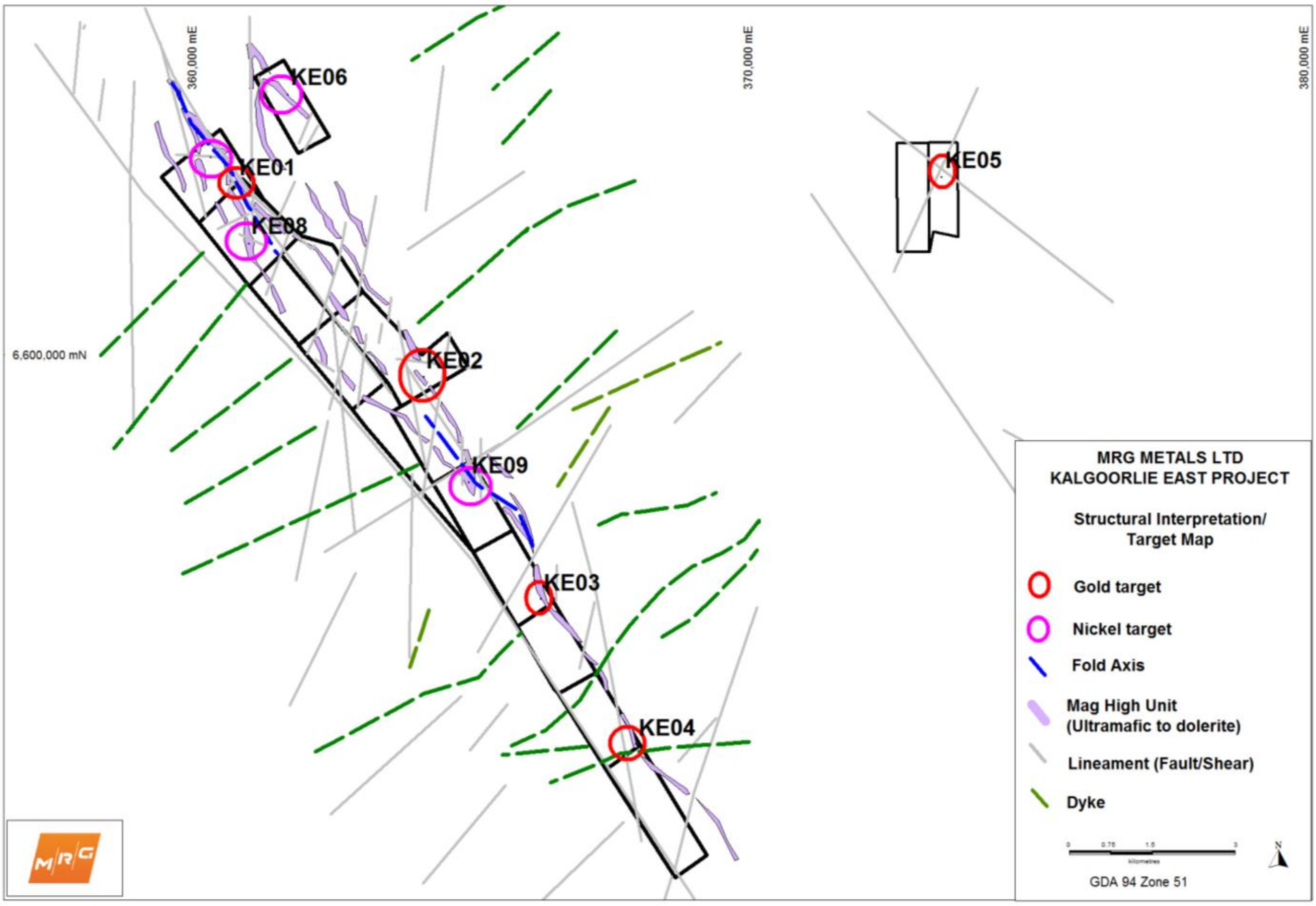
First pass geochemical sampling of these areas has commenced with results expected in coming weeks. A suite of elements including Au (ppb), Ni, As, Cu, Cr, Co, Pb, Zn, Ag (ppm levels) will be requested for analysis as these elements are considered useful pathfinder minerals for the commodities being targeted.

Andrew Van Der Zwan
Managing Director

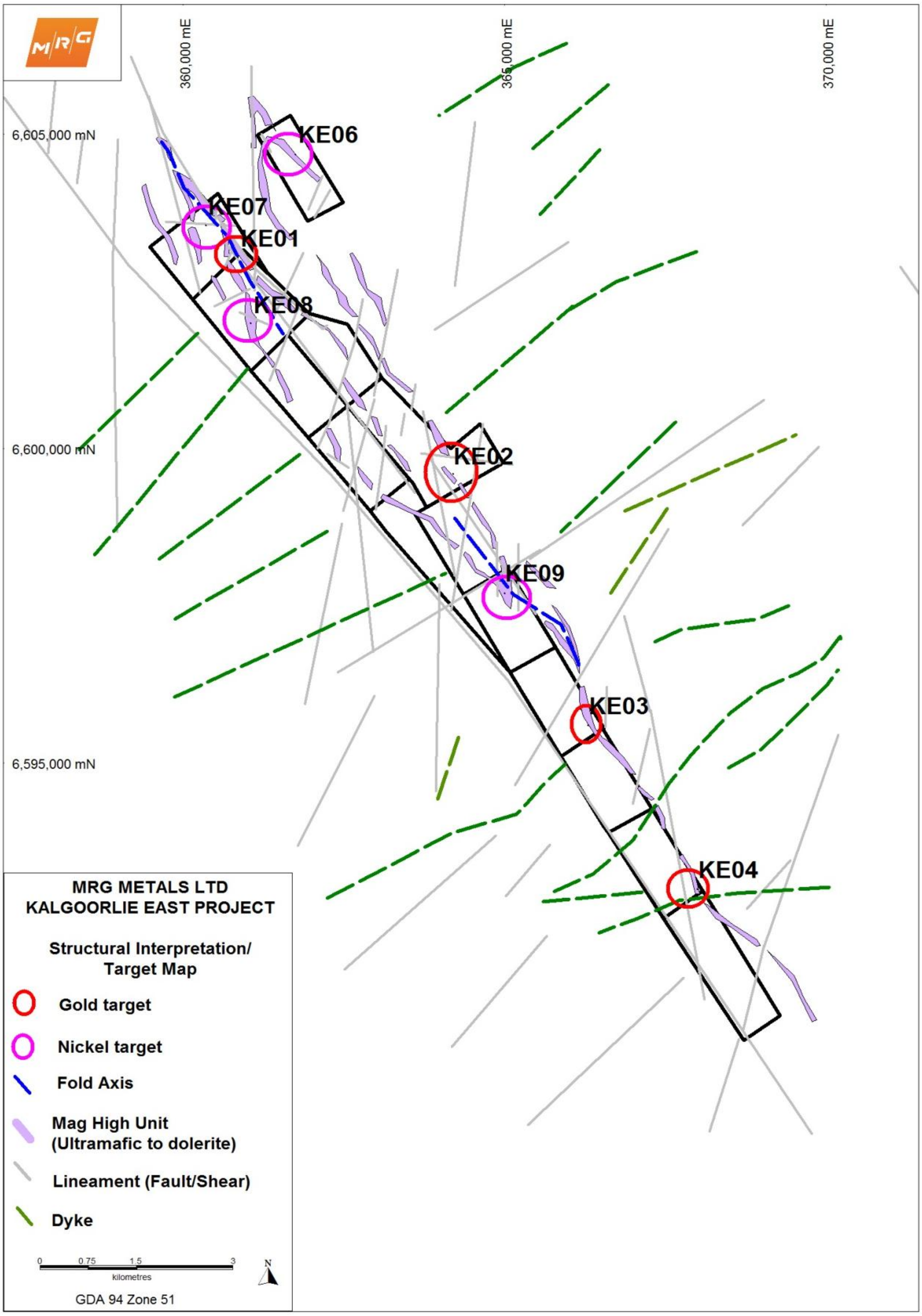
*The information in this report, as it relates to Exploration Results, is based on information compiled and/or reviewed by Mr. Lyle Thorne who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM).*
*Mr. Thorne is a consultant to the company and has the relevant experience with the mineralisation reported on to qualify as a Competent Person as defined in the 2004 Edition of the " Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ". Mr. Thorne consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.*



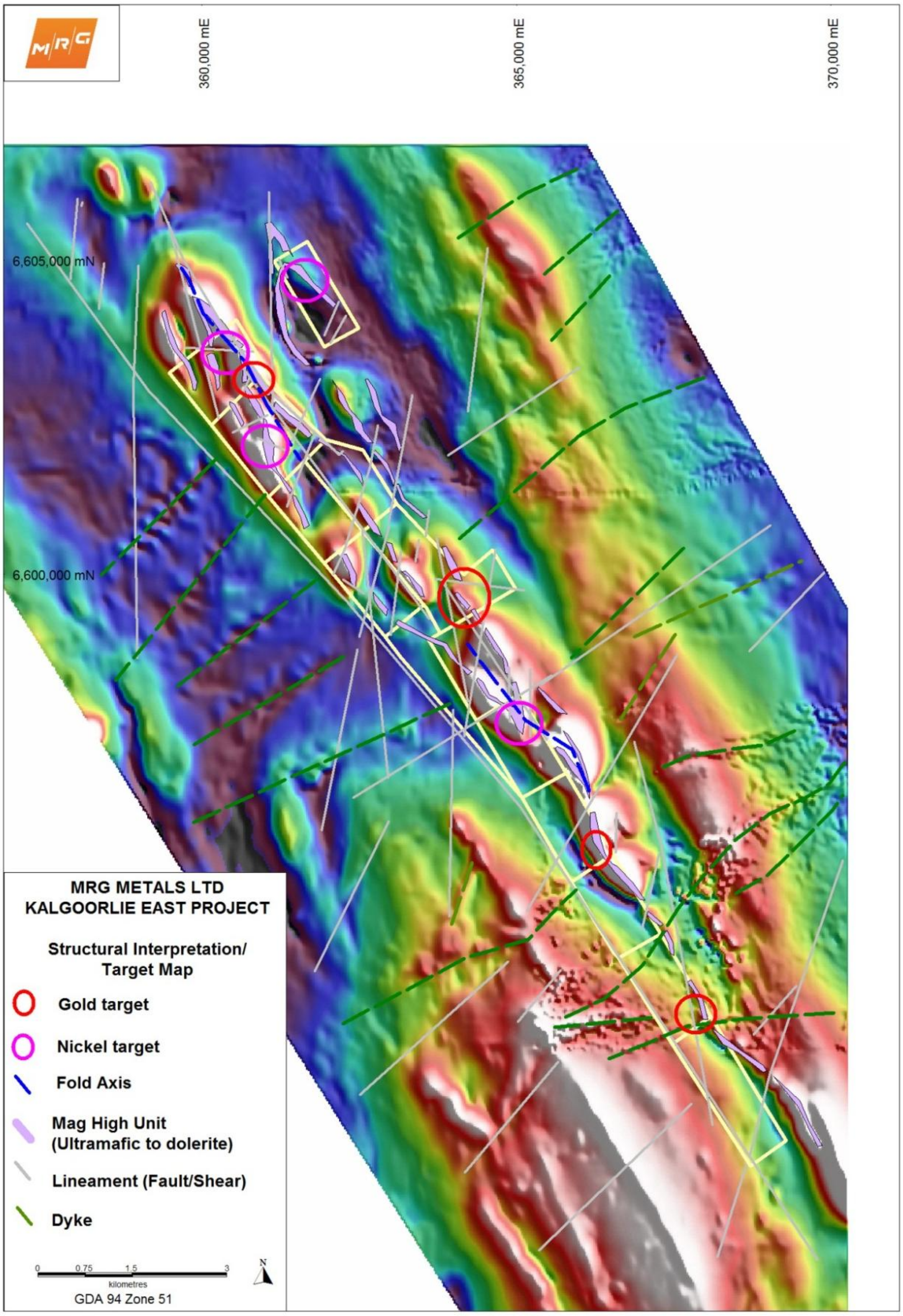

**Attachment 1 – Project Location Map**




**Attachment 2 - Target / structural interpretation map showing entire project area. Project area in black.**




**Attachment 3 – Enlarged Target / structural interpretation map. Project area in black.**




**Attachment 4 – Enlarged Target/structural interpretation map overlain on VIAS NE NL magnetic image. Project area in yellow.**