28 August 2015

Dear Shareholder,

NON-RENOUNCEABLE ENTITLEMENT ISSUE OF OPTIONS

On 17 August 2015, MRG Metals Limited (ASX: MRQ, the "**Company**") announced a pro rata non-renounceable entitlement issue of options and on 20 August 2015 announced a revised offer (the "**Offer**") to holders of shares in the Company as at 5.00pm AEST on Tuesday, 25 August 2015 ("**Record Date**"). The Company lodged a replacement prospectus with ASIC and ASX on 20 August 2015.

Pursuant to the Offer, the Company will offer two (2) new options ("**Options**") for every three (3) fully paid ordinary shares ("**Shares**") held on the Record Date. The options will be issued at an offer price of A$0.01 per Option to raise approximately A$904,081 before transaction costs. Each Option is exercisable at A$0.15 per Share and will have a 5 year term, expiring on 31 August 2020. Under the Offer, the Company will issue up to 90,408,077 Options.

The Offer is partially underwritten by Tempo Capital Pty Ltd up to $704,080.77 less the value of Options subscribed for under the Offer by the directors and key shareholder, Ottawa Resources Pty Ltd.

The net proceeds received from the Offer will be used to progress the Xanadu and Queensland IOCG targets.

Eligibility

The Offer is being extended to all shareholders named on the Company's register of members at 5:00pm on the Record Date with registered addresses in Australia and New Zealand ("**Eligible Shareholders**"). The Directors have determined, in accordance with the Corporations Act 2001 (Cth) and ASX Listing Rules, that it would be unreasonable to make the Offer to shareholders who have registered addresses outside of Australia and New Zealand ("**Ineligible Shareholders**") having regard to the number of shareholders in the places where the offer would be made, the number and value of the entitlements that would be offered, and the cost of complying with the legal requirements in those places. Therefore, Ineligible Shareholders will not be eligible to participate in the Offer.

Unfortunately, you are an Ineligible Shareholder and will not be eligible to participate in the Offer and will not be sent a copy of the prospectus.

Yours sincerely,

Andrew Van Der Zwan
Non-Executive Chairman
MRG Metals Limited

Keith Weston
Managing Director
MRG Metals Limited

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