

ASX AND MEDIA ANNOUNCEMENT

31 May 2018

MINREX COMPLETES THE FIRST EXPLORATION PROGRAMS AT ITS EAST PILBARA PROJECTS

Highlights:

- A field team was mobilised to the East Pilbara area during May 2018. All four of MinRex's East Pilbara Project areas were visited and a total of 190 samples were collected from old workings, prospects and outcropping rock formations.
- These samples have now been submitted for multi-element analysis at a laboratory in Perth, with assay results due in mid-June 2018.
- These results will build on the very encouraging gold assay results from ten samples at the Marble Bar South Project area (P45/3039), as announced in February 2018, and the six gold nuggets recovered from the Marble Bar North Project area, announced in January 2018.
- The results of this latest sampling will be used to determine which projects and areas to target for further exploration and detailed evaluation later in 2018.

MinRex Resources Limited (ASX: MRR) ('MinRex' or 'the Company') is pleased to announce that it has now completed the first detailed geological evaluation and sampling program on the five East Pilbara tenements that the company holds a 70% interest in.

As previously announced, earlier piecemeal programs recovered gold nuggets from the Marble Bar North project tenement, P45/3040, announced in January 2018; and the assay results were announced for ten rock samples collected from the Marble Bar South project tenement, P45/3039, in February 2018.

A detailed data compilation and review of historic mining and mineral exploration within the East Pilbara project areas has now been completed, leading to the field exploration work commencing. As previously stated, the intention was that the initial exploration of the East Pilbara project areas would include the collection of a significant number of rock samples from the areas of old workings in both P45/3039 and P45/3040, at Marble Bar, and also the workings at the Daltons project and the previously defined prospect areas at the Bamboo Creek project.



Figure 1: Location of MinRex Project Areas

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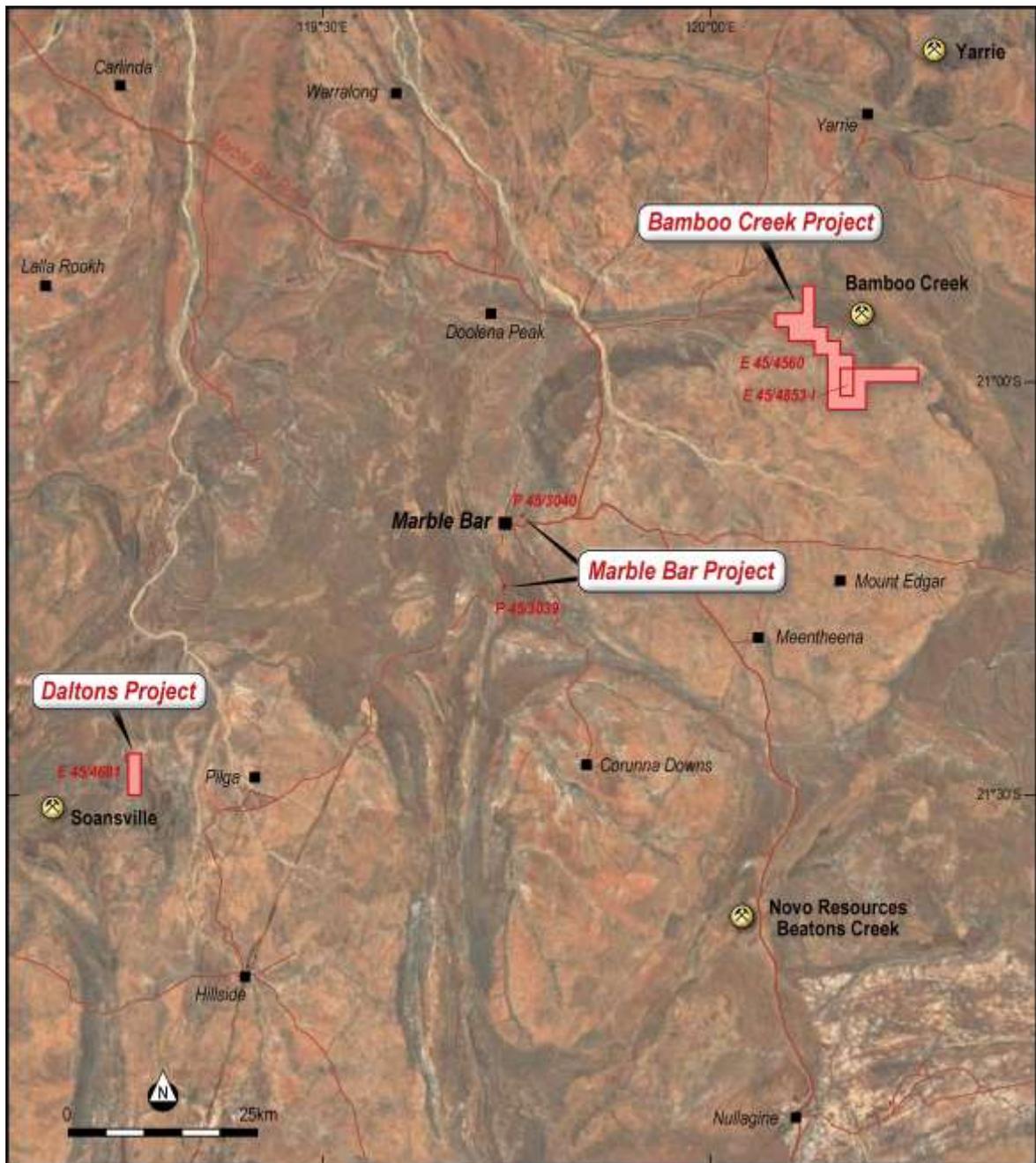


Figure 2: Satellite Image showing the four East Pilbara Project Areas

At Marble Bar North (P45/3040) a total of 40 rock samples (MNR001-040) were collected from the extensive old workings, variously named Ironclad, Jo Jo North and Betty Boo. The gold mineralisation in this area occurs as quartz veins in sheared and strongly carbonated mafic schists (greenstones), and associated alteration zones, in dolerite and other mafic rock types, close to the greenstone/granitoid contact.

This lease has been worked extensively in the past. In the lease a line of old gold workings lies along the sheared lithological contact between felsic and mafic volcanic rocks. This highly sheared contact trends north-south and hosts an extensive gold-bearing quartz vein system that dips shallowly to the west, within the encompassing shear zone. The lease is 3km from Marble Bar Township, with a well maintained track running right to the old Ironclad mine-site and battery, a five minute drive from Marble Bar.



Figure 3: View to the north (along strike) of the Ironclad Gold Mine Workings in P45/3040

The Ironclad Mine workings form part of the Marble Bar Group which contains a total of 29 gold occurrences, with a production of about 1,298kg of gold, within a strike extent of about 4km. The Ironclad Mine was worked from the 1890's until 1933 and produced 1,451oz of gold from 2,843t of ore treated; a significant proportion of this production was probably from the area now covered by P45/3040.

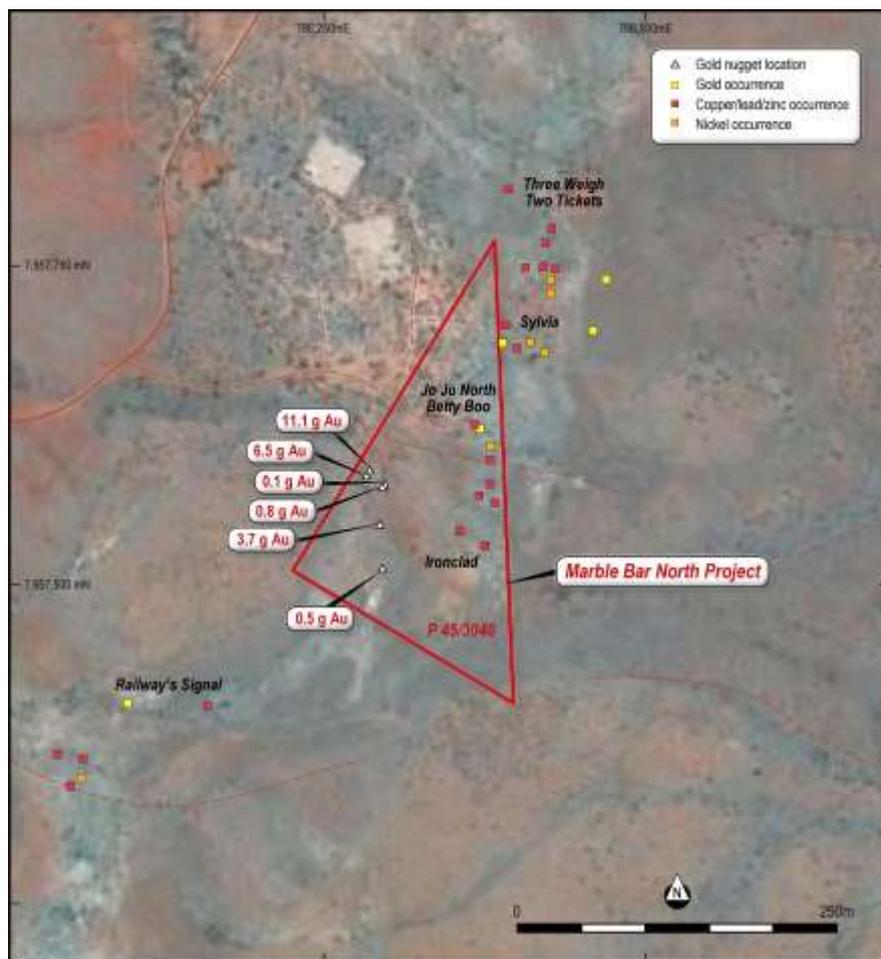


Figure 4: Marble Bar North tenement P45/3040, old workings and previous gold nugget locations

At Marble Bar South (P45/3039) a total of 40 rock samples (MSR011-050) were collected to add to the ten (MSR001-010) collected in December 2017. The lease has a line of old workings running along a 30-40m high ridge of greenstone rocks. The old mine was known as McKays Find and the mineralisation occurs as a 2m wide zone of pyritic-fuchsite-carbonate rock, with associated quartz veining. The mined zone was 100m long, 0.5-2m wide, strikes at 010° and dips at $70-90^{\circ}$ to the east, the ore shoot plunges east/southeast, parallel to the intersection of fracturing and regional schistosity. The lease is 11km from Marble Bar Township, on the main Marble Bar-Hillside Road, and has a weak old track running through the lease, a fifteen minute drive from Marble Bar.



Figure 5: View of some of the old workings and veins at McKays Find in P45/3039

At Daltons (E45/4681) a total of 60 rock samples (DAR001-060) were collected from along the line of workings spaced over a length of about 2km, variously named Daltons, McLeods Reward, Thomas and Eclipse. This lease area is quite large and holds the remains of an old battery, with old tracks that provide access to most of the workings. The mineralisation occurs as gold-copper in quartz veins with the highest copper content (shown by green malachite and red cuprite) being associated with the highest gold grades. The lease is remote and best accessed by driving 72km south on the Marble Bar-Hillside road (unsealed) and then 17km by weak tracks into the lease area – the 89km drive takes about 2 ½ hours and the last 17km of track driving is difficult. The long access time dictates that work in this area requires camping on site.



Figure 6: View of some of the old workings and veins at the Daltons project in E45/4681

The geology in the project area strikes north-northwest is steeply dipping and layered with bands of jaspilite, quartzite, ultramafic, felsic, mafic and amphibolitic rocks. A fault or tight fold displaces the sequence by about 400m. The area is structurally complex, with numerous shear zones and steeply plunging fold axes (NNW-NNE plunging) dips are between 50°NE and 65°SE.

The old McLeods Reward mine has a recorded production of 409.5t for 5.543kg gold – a recovered grade of 13.54g/t Au. Greenstone schists and massive greenstones of the Warrawoona series are host to quartz reefs, which are principally within the schists and lie parallel to the schistosity, with the schistosity striking north-northwest and dipping from steep easterly to vertical. The main old workings extend for approximately 700m in length, with scattered other old workings occurring for up to 2km in length.



Figure 7: Views of the Nobb Well and BC07 prospect areas and close up of fluorite-rich sulphide mineralisation from BC07, in the Bamboo Creek project in E45/4560

At the Bamboo Creek project (E45/4560 & 4853) a total of 50 rock samples (BBR001-050) were collected; there are no old workings here but samples were taken from some of the named prospects, including Norms Find, BC07 and Nobb Well, as well as various outcropping quartz veins and breccia zones.

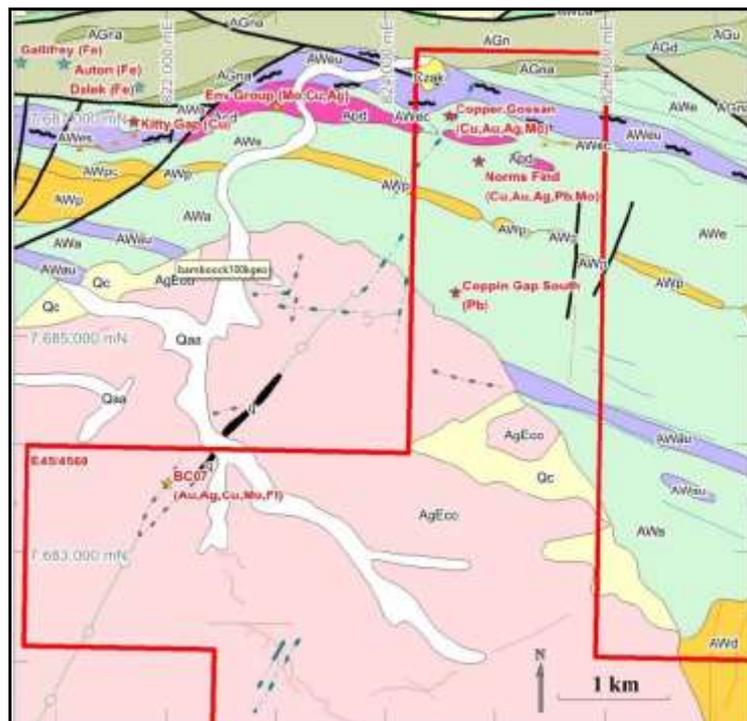


Figure 8: Map showing prospect locations in the northern part of the Bamboo Creek project

Gold mineralisation in the Bamboo Creek area is associated with quartz veins, while Norms Find is a copper-gold prospect (green malachite), BC07 is a quartz vein in granite, associated with high fluorite content, and Nobb Well is a large intrusive ultramafic body with elevated nickel and chrome contents.

Previous explorers of the Norms Find prospect identified gossanous structures and malachite-staining within this northerly striking, sub-vertical quartz vein structure; while previous work at the BC07 prospect area identified chalcopyrite, pyrite, molybdenite and fluorite at this large quartz vein system, which strikes north-northeast.

The Bamboo Creek project is large, being several times the size of all the other East Pilbara project areas combined, with reasonable access via the unsealed road to Coppins Gap and various station tracks; however the tracks are limited and it is generally necessary to complete foot traverses to the various prospects due to the rocky undulating terrain.

Tenement Details:

Region	Project	Tenement	Area approx.	Grant Date	Expiry Date	MinRex Interest
East Pilbara	Daltons	E45/4681	9 km ²	13-07-17	12-07-22	70%
East Pilbara	Bamboo Creek	E45/4560	69 km ²	27-10-17	26-10-22	70%
East Pilbara	Bamboo Creek	E45/4853	6 km ²	11-10-17	10-10-22	70%
East Pilbara	Marble Bar South	P45/3039	8.26 ha	Pending	-	70%
East Pilbara	Marble Bar North	P45/3040	3.03 ha	Pending	-	70%

Table 1: Current listing of the East Pilbara Tenement holdings of MinRex Resources Ltd

For further information, please contact:

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Competent Persons Statement:

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Kieron Munro, a Competent Person who is a Member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 Munro is employed as an independent geological consultant by MinRex and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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