



**MUSTANG**  
— RESOURCES LTD —

6 March 2018

## Mustang implements new ruby sales and marketing strategy

### COMPANY INFORMATION

Mustang Resources Ltd  
ABN 34 090 074 785  
ASX Code: MUS

Current Shares on Issue:  
771,433,387

Market Capitalisation:  
\$19.3M as at 5 March 2018

### COMPANY DIRECTORS

Ian Daymond  
Chairman

Bernard Olivier  
Managing Director

Cobus van Wyk  
Chief Operating Officer

Christiaan Jordaan  
Director

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Mustang Resources (**ASX: MUS**) is pleased to announce that following a recently-completed review of its sales and marketing strategy, the Company has decided to implement a series of measures which better reflect the current exploration and development status of its Montepuez Ruby Project in Mozambique.

The review was initiated and overseen by Mustang's new Managing Director, Dr Bernard Olivier, who has more than 18 years' experience in the exploration, mining and marketing of coloured gemstones.

In light of the review's findings, Mustang has decided to close its sales facilities in Mauritius.

These facilities were designed to enable Mustang to undertake large-scale auctions. However, given Mustang's current production levels, they are no longer considered suitable.

Mustang has now established a sales and marketing office in Chanthaburi, Thailand. This facility is markedly smaller and lower-cost than that in Mauritius and more in line with the Company's emphasis on project and ruby market development and ongoing market research (see Figures 3,4 and 4 below).

As part of this revised approach, Mustang's ruby inventory of 333,184 carats that was stored in both Mauritius and in Mozambique has now been relocated to the Chanthaburi office where it will be re-parcelled and prepared for sale as part of an ongoing sales and market development process.

Thailand is considered the world-leader in trading and beneficiation of coloured gemstones, especially rubies and sapphires. Since the 15<sup>th</sup> century, Chanthaburi and Bangkok have been the main trading and beneficiation centres for the coloured gemstone industry in Thailand.

Mustang's revised marketing strategy will be based on regular sales of rubies of all product categories to local and international customers.

This process will generate valuable market intelligence for Mustang, enabling it to identify the demand for the various categories of stones. It will also enable Mustang to establish strong relationships with major ruby customers and meet their individual requirements as they arise and as they change over time.

The Chanthaburi office will also oversee selected heating and cutting of the Company's ethically-mined rubies as part of its market development and product research campaign.

This measured approach to marketing is intended to generate regular cash flow for Mustang as it continues to pursue exploration and bulk sampling activities.

Mustang Managing Director Dr. Bernard Olivier said: *"Our sales and marketing review has been very productive and creates a clear pathway to unlocking the full value of our outstanding Montepuez Ruby Project.*

*"We will achieve this end objective in a staged and measured fashion, growing our business by developing strong and close customer relationships and aiming to meet their respective requirements.*

*"This approach will allow us to place an accurate value on our existing inventory and enable us to assess the project's longer-term economic outlook.*

*"In the near-term, we aim to align our sales volumes with our limited production from what is essentially still an exploration and development project.*

*"As part of this exploration phase, we intend to establish a maiden JORC Resource which, in conjunction with the market intelligence we gather from the sales activity, will form an important basis for determining the project's economic viability."*



**Figure 1: Mustang Team meeting with the Gems and Jewelry Institute of Thailand (“GIT”) during the 61st Bangkok Gems and Jewelry Fair.**



**Figure 2: Mustang team meeting with the Permanent Secretary, Ministry of Commerce, Royal Thai Government.**





Figure 3: Material being re-sorted for sale at the newly established office in Chanthaburi



Figure 4: International ruby dealer, Mr Vikram Mehta, inspecting Mustang's product at its newly established office in Chanthaburi.



**Figure 5: Selected cut and rough material at the Company's Chanthaburi office, Thailand.**

FOR FURTHER INFORMATION, PLEASE CONTACT:

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## **FORWARD-LOOKING STATEMENTS:**

This document may include forward-looking statements. Forward-looking statements include, but are not necessarily limited to the Company's planned exploration program and other statements that are not historic facts. When used in this document, words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although the Company considers that its expectations reflected in these statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

## **COMPETENT PERSON STATEMENT:**

Information in this report that relates to the Montepuez Ruby Project's Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Sara Turnbull, a Competent Person who is a registered member of the South African Council for Natural Scientific Professions (SACNASP), which is a Recognised Professional Organisation (RPO) included in a list posted on the ASX website. Ms Turnbull is an independent consultant who was engaged by the company to undertake this work. Ms Turnbull has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which she is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms. Turnbull consents to the inclusion of the data in the form and context in which it appears.