



## ASX ANNOUNCEMENT

Date 24 February 2021

ASX Code: MYL

### BOARD OF DIRECTORS

Mr John Lamb  
Executive Chairman, CEO

Mr Rowan Caren  
Executive Director

Mr Jeff Moore  
Executive Director

Mr Paul Arndt  
Non-Executive Director

Mr Andrew Teo  
Non-Executive Director

### ISSUED CAPITAL

Shares 1,901 m.

Unlisted Options 54 m.

# CORPORATE UPDATE

Myanmar Metals Limited (“MYL” or “the Company”) provides the following update in relation to the Company’s operations.

On 1 February 2021 a state of emergency was declared in Myanmar. Since this time, the Company has been working with its local staff, partners and advisers to implement safety protocols for our staff and to safeguard the Company’s projects and assets.

The situation in Myanmar is evolving and uncertainty remains. New Ministers, with previous experience in government, have been appointed to lead the Ministry of Investment and Foreign Economic Relations (MIFER) and the Ministry of Natural Resources and Environmental Conservation (MONREC).

The USA has imposed targeted sanctions on individuals within Myanmar’s new government and entities associated with Myanmar’s military. Advice received by MYL in relation to the sanctions confirms that the current implementation of Executive Order 14014 does not prohibit transactions with the Government of Myanmar, or restrict trade with Myanmar, but forbids transactions in or passing through the U.S involving, directly or indirectly, the specific entities added to the SDN (“Specially Designated Nationals”) List. Therefore, there is no legal or regulatory impact of these measures on the Company’s proposed operations in Myanmar. The US sanctions do not target any entities or individuals with which MYL does or has done business.

In consideration of recent events, MYL’s Board has initiated cash management strategies to preserve the Company’s strong financial position, \$16.0 million in cash with no debt<sup>1</sup>, and focus the Company’s activities on the Bawdwin approvals process. Accordingly, the scope of the exploration drilling program underway at Bawdwin has been modified and the exploration drilling will cease upon completion of the drilling of the current hole at Mt Teddy. The Company will minimise expenditure on the Tarlay exploration project. The Company is continuing with its due diligence on the Wuntho Project which is a more advanced exploration opportunity. However, as the Company’s present policy is to avoid non-essential travel in Myanmar, MYL has sought an extension to the due diligence period from the vendors.

In recent weeks there has been an escalation of civil unrest in the Northern Shan Region. As a result of the conflict, villagers have been displaced and have sought refuge in safe locations. MYL and its partners are actively providing food aid support to Internally Displaced Persons (IDP’s) in Namtu Township fleeing this unrest. In the meantime, travel on access routes is restricted for safety reasons.

<sup>1</sup> As at 31 December 2020.



Figure 1. BJV providing food to internally displaced persons.

MYL is of the firm view that investment in Myanmar and development of its mineral resources is critical to the future of an emergent nation like Myanmar. The Bawdwin project will require an initial capital investment of approximately US\$300 million and will generate approximately 1,000 jobs during the construction phase and a significant proportion of this number during operations, most of which will be sourced from the communities proximate to Bawdwin and will lead to an upskilling of the local workforce. This will result in a significant multiplier benefit to the region and Myanmar for many years and enrichment of the lives of people in Shan State.

John Lamb, Executive Chairman and CEO, said:

“Shareholders are justifiably very concerned about the uncertainty created by recent political events in Myanmar. While our shares are suspended from trading we are seeking clarity on the status of the Bawdwin project and will aim to provide this information to shareholders as soon as practicable.

I will re-iterate a message I expressed earlier this month, Myanmar Metals is committed to Myanmar and the Bawdwin project. We trust that in due course the situation will be resolved in the best interests of Myanmar’s people and we may continue with our investment”.

Authorised for release to the ASX by



John Lamb

Executive Chairman and CEO

### **About Myanmar Metals Limited**

Myanmar Metals Limited (ASX: MYL) is an explorer and mine developer listed on the Australian Securities Exchange. MYL intends to become a leading regional base metals producer and is well positioned to realise this goal, based on the Tier 1 Bawdwin project resources, world class exploration potential, strategically advantageous project location, management team with experience and depth, highly capable local partners and a strong balance sheet with supportive shareholders.

The Company holds a majority 51% participating interest in the Bawdwin Project in joint venture with its two local project partners, Win Myint Mo Industries Co. Ltd. (WMM) and EAP Global Co. Ltd. (EAP).

The Bawdwin Joint Venture (BJV) intends to redevelop the world class Bawdwin Mineral Field, currently held under a Production Sharing Agreement (PSA) between WMM and Mining Enterprise No. 1, a Myanmar Government business entity within the Ministry of Natural Resources and Environmental Conservation.