

ASX ANNOUNCEMENT

Date 13 February 2020

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

ISSUED CAPITAL

Shares 1,769 m.

Unlisted Options 62 m.

MYL COMPLETES LOCRIAN DUE DILIGENCE

Highlights

- Due diligence successfully completed
- MYL has given a Notice of Intention to Proceed with its investment in Locrian Precious Metals
- MYL has appointed three directors to the Board of Locrian and is awaiting the grant of an exploration licence to enable the exercise of the option
- Final stages of Tarlay licence grant process are progressing with Environmental Management Plan (EMP) approved
- Gold fragments and grains panned from creeks recovered from geological reconnaissance during recent site visit to Tarlay
- Systematic exploration program set to commence in mid-March with geological mapping, stream sediment sampling and acquisition of remote sensing data



Figure 1. Gold nugget recovered on the Tarlay Application

Myanmar Metals Limited (**MYL** or the **Company**) is pleased to announce that the legal, commercial and technical due diligence on the Company's investment in Locrian Precious Metals Limited (**Locrian**) has been successfully completed. The Company has given notice of intention to proceed with its investment and three MYL representatives have been appointed to Locrian's Board.

As announced on 7 November 2019, MYL negotiated and agreed an exclusive option agreement with Locrian to acquire an interest of up to 85%

in Locrian by way of phased investment. When either the Tarlay or Mongywang Integrated Exploration Licence (IEL) are granted by the Myanmar Department of Geological Survey and Mineral Exploration (DGSE) the Company can exercise the Locrian option by payment of the option fee. Thereafter the Company will move into Phase 3 of the option agreement, where a systematic exploration program will commence.

John Lamb, Executive Chairman and CEO, commented:

“Having completed due diligence we are confident that Locrian is a compelling investment opportunity. Numerous artisanal gold mines have been identified near-to and within the Exploration Licence application areas and other areas of anomalous gold as well as associated pathfinder elements have been recently identified in regional exploration which require follow-up. We are eager to get going with modern, systematic exploration to evaluate the broad gold anomalism identified to date.”

Locrian

Locrian holds applications for two highly prospective gold/copper exploration licences in eastern Shan State, Myanmar: The Tarlay Application (Tarlay) covers 458 km² adjacent to the Myanmar-Thai-Laos border, in a region known as the “Tarlay Gold Belt” hosting numerous small-scale mines. The Mongywang Application (Mongywang) covers 668 km² of similarly prospective country further north towards the Myanmar-Laos border.

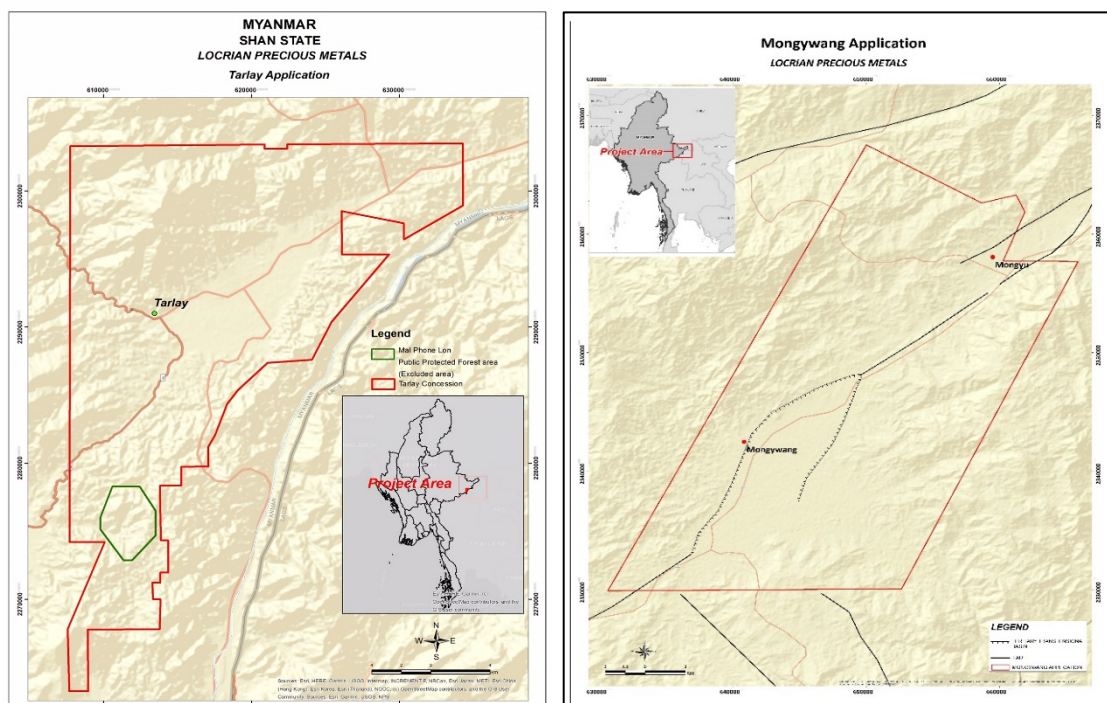


Figure 2. Map of the Tarlay and Mongywang Application areas. Source: Locrian.

Of the two applications, the Tarlay process is the more advanced. The final key step in the application process, approval of the environmental management plan, has recently been satisfied for the Tarlay application and Locrian now awaits the formal grant of the IEL.

Exploration program

Site visits to the application areas undertaken during the due diligence period have provided encouraging geological information, including the discovery of coarse gold grains in panned stream samples whilst verifying previous sampling by Locrian.



Figure 3. Gold in pan from local stream on the Tarlay application.

On ground exploration is planned to commence mid-March, with an infill stream sediment sampling program. In addition, remote sensing and topographic data will be purchased to assist in the identification of alteration anomalies.

Andrew Ford, GM Geology, commented:

“We are very excited to get on-ground exploration started on the Tarlay project. The area looks to have potential for both deeper mesothermal gold bearing veins, as well as shallow level “epithermal” gold systems. Both of these styles are being mined just outside of the Locrion application areas by local companies.”

Authorised for release to the ASX by



John Lamb

Executive Chairman and CEO

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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 institutional 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, 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.

The Company has the exclusive option to acquire up to an 85% interest in Locrian Precious Metals Limited – a company which holds two integrated exploration licence applications in eastern Shan State at Tarlay and Mongywang. The application areas are considered to have potential for both deeper mesothermal gold bearing veins, as well as for shallow level “epithermal” gold systems.

Forward Looking Statements

The announcement contains certain statements, which may constitute “forward – looking statements”. Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward-looking statements.

Competent Person Statements

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the ‘JORC Code’) sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The Information contained in this announcement has been presented in accordance with the JORC Code.

The information in this report that relates to Geology and Exploration Results is based, and fairly reflects, information compiled by Mr Andrew Ford, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Ford is a full-time employee of Myanmar Metals Limited. Mr Ford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Ford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.