



20 November 2014

Proposed Acquisition of a 50.1% Interest in an Advanced Tungsten Project

Leyshon Resources Limited (AIM/ASX: LRL) ("Leyshon Resources" or the "Company") is pleased to announce that it has entered into a binding Heads of Agreement to obtain a 50.1% interest in International Tungsten Services Limited ("ITS"), a private Korean company.

ITS has a controlling interest in an advanced tungsten exploration project, and commenced production of scheelite concentrate through the retreatment of surface stockpile material and bulk samples from an underground mine, in the Republic of Korea.

In return for its 50.1% interest in ITS, Leyshon Resources will provide management and corporate expertise and arrange funding of US\$13.5 million for the on-going development of the project. Once ITS is fully funded, Leyshon Resources will be entitled to nominate 3 directors to the board of ITS, with the other 3 directors to be nominated by ITS. The board will also appoint a mutually agreed Operations Manager, who will be responsible for the day-to-day management of ITS.

Under the terms of the Heads of Agreement, Leyshon Resources will also provide an initial unsecured loan of US\$500,000 to ITS, subject to the satisfaction of certain conditions. The loan is to provide working capital and will be interest free and repayable in 12 months.

Leyshon Resources Managing Director Corey Nolan said: "Following the successful demerger of Leyshon Energy Limited in January 2014, the Company has considered and evaluated an extensive list of potential projects and is delighted to have successfully negotiated a majority interest in this advanced tungsten project in close proximity to major Asian markets."

The Company will continue to evaluate other suitable investment opportunities and will keep the market informed of any material developments as they occur.

The shares of Leyshon Resources are currently suspended from trading on ASX. Pursuant to AIM Rule 14, the proposed transaction, if completed, would constitute a reverse takeover, requiring readmission of the shares of the Company to the AIM market, and therefore the Company has requested that its shares also be suspended from trading on AIM from 7:30am (London time) today. Re-admission would be subject to, inter alia, the approval of shareholders of the transaction in a general meeting and the publication of an admission document in respect of the enlarged entity.



Further details of the proposed transaction will be provided to shareholders in due course.

For further information please contact:

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