

ASX ANNOUNCEMENT

Date 3 January 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

Mr Bruce Goulds
Non-Executive Director

ISSUED CAPITAL

Shares 1,679 m.

Listed options 100 m.

Unlisted Options 62 m.

POSITIVE BAWDWIN EXPANSION STUDY SHOWS TWO FURTHER CUTBACKS

Highlights

- The Bawdwin Expansion Study has been completed, demonstrating two further open pit cutbacks - beyond the planned Starter Pit - as the preferred way forward
- Following the Starter Pit (finished depth 220m), the second and third phases of mining at Bawdwin are expected to be delivered by a further two open-pit cutbacks to finished depths of 270m and 365m respectively
- The Expansion Study supports the Bawdwin Joint Venture's application for a 50-year production sharing agreement with the Myanmar Government
- Expansion Study conclusions prompt an upwards review of plant throughput rates
- Underground mining remains an option, particularly after the Phase 2 cutback

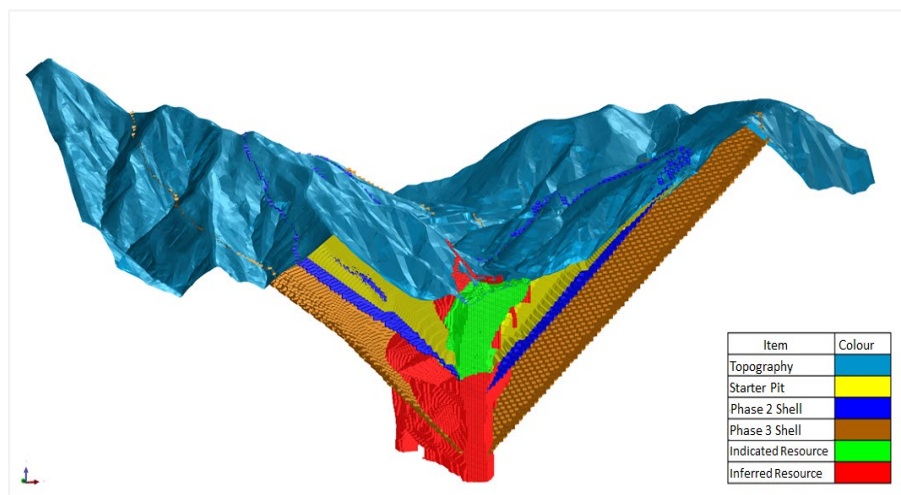


Figure 1. Cross section of Phases 1, 2 and 3 of the open-pit, China Lode

Expansion Study Disclosure Note:

53% of the Mineral Resources contained within the Expansion Study optimisation shells are drawn from the Inferred Mineral Resource category as detailed in the Resource Update ASX Announcement dated 18 August 2019. Accordingly, this announcement contains no production or financial metrics in relation to the proposed Phase 2 or Phase 3 cutbacks.

Readers are directed to the Company's announcement dated 6th May 2019 in which a Pre-Feasibility Study (PFS) and JORC-2012 Ore Reserve Statement were published, relating to the Starter Pit referred to in this document.

Overview of the Expansion Study

Myanmar Metals Limited (**MYL** or the **Company**), working with its partners in the Bawdwin Joint Venture (**BJV**), is pleased to announce that the Bawdwin Expansion Study (Expansion **Study**) has been completed. Mining consultant Cube Consulting Pty Ltd (**Cube**) has undertaken an assessment on the merits of underground and open-pit mining operations targeting the Mineral Resources left un-mined by the Phase 1 open-pit mine (**Starter Pit**).

The Bawdwin project will be delivered in phases to optimise mine operating performance and minimise capital and operating costs. Phase 1, the Starter Pit, focuses mining operations on the central China Lode as detailed in the PFS (see announcement published 6 May 2019). The Starter Pit processes 24.7 Mt of the 100.6 Mt Bawdwin Mineral Resource, leaving the majority of the Mineral Resources un-mined. The Expansion Study, which underpins phases 2 and 3 of mining operations at Bawdwin, assessed the optimal mining method for targeting the remaining Mineral Resources.

Mining phase	Comment	Status
Phase 1 (Starter Pit)	Open-pit focusing on the central China Lode with a finished pit depth of 220 metres, below the current valley floor. 24.7 million tonnes processed	PFS completed (May 2019)
Phase 2	Second cutback extending the pit south into Meingtha Lode and deepening the pit by a further 50 metres.	Expansion Study completed
Phase 3	Third cutback into the east and west pit walls, deepening the pit floor a further 95 metres.	Expansion Study completed

Table 1. Three phases of proposed mining at Bawdwin from existing, published JORC-2012 Mineral Resources

John Lamb, Chairman and CEO commented:

“The Expansion Study is our roadmap for mining at Bawdwin after the 13 year Starter Pit and it demonstrates to stakeholders that there is plenty more value within the declared Mineral Resources of Bawdwin, and a greatly extended life. The Expansion Study underpins the BJV’s recent application to the Myanmar Ministry of Natural Resources and Environmental Conservation (MONREC) for a 50 year mining term in the production sharing agreement.”

Expansion Study

Cube was appointed in 2019 to undertake an assessment of the optimal mining method at Bawdwin to follow the Phase 1 Starter Pit. A bulk sub-level caving operation was anticipated to be the most viable method of underground mining but in consideration of geotechnical data and the existence of historic underground stopes a decision was made to consider an expansion of the open-pit mine in parallel.

The Expansion Study concluded that underground mining at Bawdwin is possible, based on the study assumptions, however, two further open pit cutbacks beyond the Starter Pit, namely Phases 2 and 3 (presented in Table 1) offer potential for superior outcomes relative to underground mining. The Expansion Study also suggested that an interim step, occurring between Phases 1 and 2, involving small scale underground mining and exploration drilling from the floor of the Starter Pit could assist decision making on whether to proceed with Phase 3 as an open-pit cutback or, instead, with Phase 3 as an underground mine.

Figures 2 and 3 below illustrate the Starter Pit, Phase 2 cutback, and Phase 3 cutback within the context of the Bawdwin Mineral Resource.

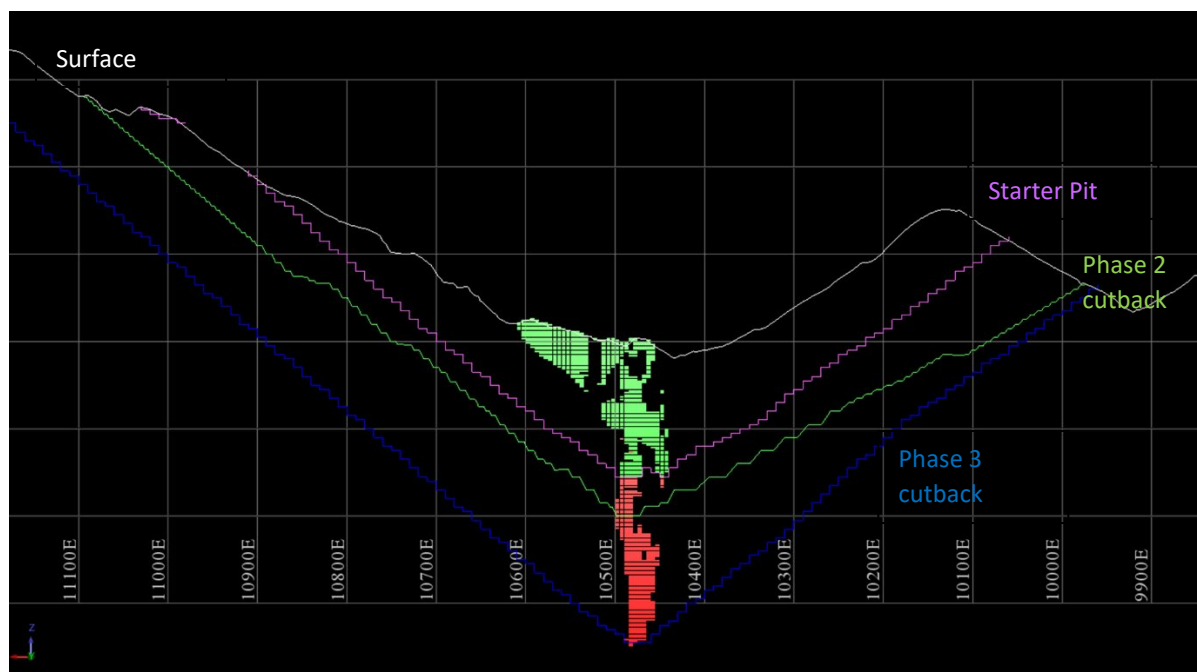


Figure 2. Cross-section looking north at 50,600N showing the proposed open pits and resource blocks to be mined in green (Indicated) and red (Inferred). Source: Cube Consulting Pty Ltd 2019 – Bawdwin Expansion Options Study.

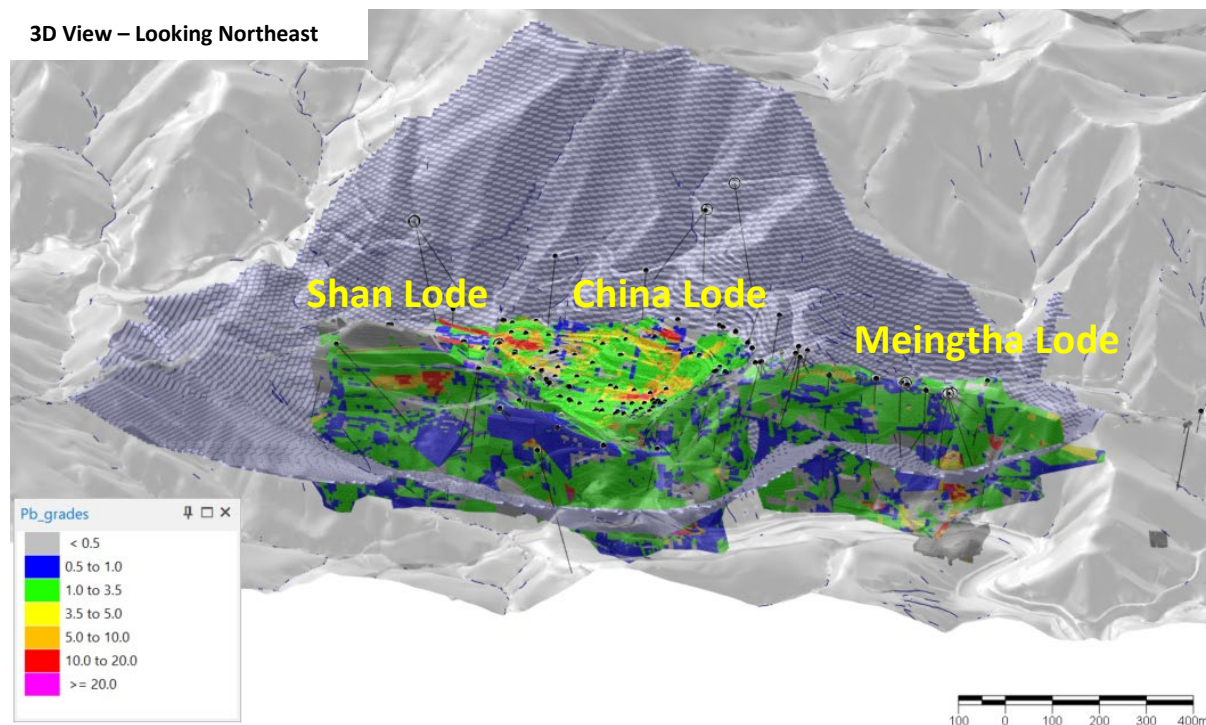


Figure 3. Phase 3 Bawdwin pit shell overlaid on the 100Mt Bawdwin Mineral Resource.

Phases 1 – 3 of mining at Bawdwin are based on Mineral Resources declared on the historically mined Shan, China and Meingtha Lodes. Further phases of mining at Bawdwin are possible from the mineralised targets and prospects that the BJV has identified (see Figure 4) but the Company notes this was beyond the scope of the Expansion Study.

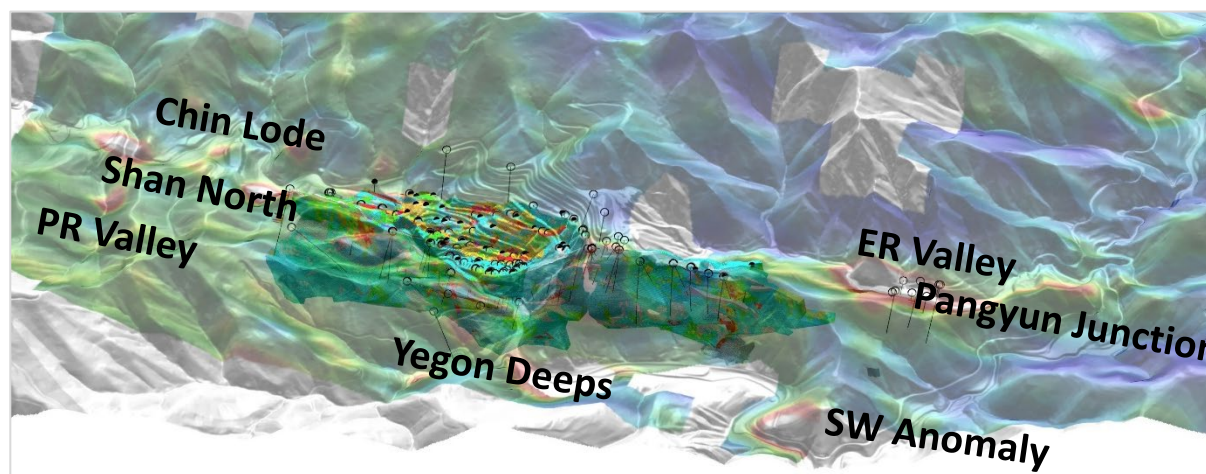


Figure 4. Mineralised targets and prospects on the Bawdwin Concession.

The results of the Expansion Study have broader implications for the project than a change in mining methods. A processing plant size of 2 million tonnes per annum was selected in the PFS based on the view it would be well suited to manage the transition from higher volume, moderate grade mineral feed from the open-pit mine to lower volume, higher grade mineral feed from underground mines. The results of the Expansion Study, which support an expansion of the open-pit mine, have prompted the BJV to re-evaluate the plant throughput and assess whether the plant throughput capacity can be increased.

John Lamb, Chairman and CEO commented:

“Bawdwin is a long-life mining project and we plan to maximise value for stakeholders over the mine’s life. To achieve this, good operational and site infrastructure decisions should be made upfront and the Expansion Study, together with other technical studies, provide us with the foundation for making those decisions.”

Authorised for release to the ASX by



John Lamb

Executive Chairman and CEO

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About Myanmar Metals Limited

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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 current Indicated and Inferred Mineral Resource estimate (JORC 2012) is 100.6Mt at 4.0% Pb, 3.1 Oz/t (97 g/t) Ag, 1.9% Zn and 0.2% Cu.

Oxidation	Class	Tonnage ('000t)	Pb (%)	Ag (Oz/t)	Zn (%)	Cu (%)
Oxide	Indicated	2,310	1.9	2.6	0.2	0.0
	Inferred	990	2.5	3.2	0.3	0.1
	Total	3,300	2.1	2.8	0.2	0.1
Transition	Indicated	3,214	3.0	2.2	0.8	0.2
	Inferred	4,928	2.5	1.6	1.5	0.1
	Total	8,142	2.7	1.9	1.3	0.1
Deep Transition	Indicated	1,582	3.4	3.2	2.1	0.1
	Inferred	180	1.5	0.7	0.2	0.0
	Total	1,762	3.2	2.9	1.9	0.1
Fresh	Indicated	35,249	4.3	3.3	2.2	0.2
	Inferred	52,121	4.2	3.2	1.9	0.2
	Total	87,370	4.3	3.2	2.0	0.2
Total	Indicated	42,356	4.0	3.2	2.0	0.2
	Inferred	58,219	4.1	3.1	1.8	0.2
	Total	100,575	4.0	3.1	1.9	0.2

Table 1. Bawdwin Indicated and Inferred Global Mineralisation Mineral Resource Estimate summary table.

Refer to the ASX announcement dated 18 August 2019 for further details.

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.

Disclaimer

Details of the assumptions underlying any Mineral Resource estimations are contained in previous ASX releases or at www.myanmarmetals.com.au

For full details of exploration results refer to previous ASX announcements on MYL’s website. MYL is not aware of any new information or data that materially effects the information in those announcements.

All information relating to exploration results has been previously released to the market and is appropriately referenced in this document. JORC tables are not considered necessary to accompany this document.