

EXPLORATION LICENCES, MYANMAR



In Myanmar, PanAust holds an 80 per cent interest in Wuntho Resources Company Limited (WRCL) and has established a joint venture with Myanmar Energy Resources Group International Company Limited (MERG), a Myanmar-based company which holds the remaining 20 per cent of WRCL.

On 5 July 2018 – following the approval from the Government of the Republic of the Union of Myanmar – PanAust announced it had been awarded three Exploration Licences in the Sagaing Region. Covering copper and gold prospecting and exploration, the Licences were the first awarded under the Myanmar Union Government's new minerals regulations.

The Exploration Licences comprise the Ton Kyaung, Taung Kon and Naugphat blocks. Together, the blocks represent a 562 square-kilometre area in the highly prospective Wuntho Massif region.

The 2018 Licences complement those granted in 2016, marking PanAust's first venture into Myanmar. The 2016 Exploration Licences lie within a 213 square-kilometre contract area in the Sagaing Region and cover three tenement blocks: Hel Chain, Pin Hin Hka and Nam Awl.

With Myanmar's proximity to Laos, PanAust was able to cost-effectively ready an exploration team in 2015 (which included a number of Myanmar-national employees) for mobilisation upon the Licences being granted in early 2016. Administrative support was also provided by PanAust's existing Lao Operations.

The Company's Exploration Licences in Myanmar fit well with PanAust's corporate strategy to maximise returns from producing assets while advancing projects that offer potential to grow and sustain the business.

Being at the vanguard of the next generation of mining in Myanmar, PanAust has an opportunity to help position the industry as a positive contributor to the country's development.

PanAust's world-class operations in Laos will provide a model for how the Company will advance its activities in Myanmar. The Company will apply the same commitment to supporting the long-term socio-economic development of its host communities – a practice that has been so successful in Laos.

In progressing activities in Myanmar, PanAust will be leveraging its award-winning sustainability practices and will continue to do so to ensure the Company's activities contribute to the nation's long-term growth and prosperity.

PanAust looks forward to carrying out a successful exploration program that will eventually lead to Myanmar's next major mining operation.

For more information, visit www.panaust.com.au.

Photo captions: (L-R)

Field work and geological sampling being carried out in the Wuntho tenements

PanAust Managing Director, Dr Fred Hess receives Exploration Licences from Union Minister for Natural Resources and Environmental Conservation, H.E. U Ohn Win at an official signing ceremony in Myanmar's capital, Naypyitaw 5 July 2018