

13th November 2020

ASX Announcement

Binding Term Sheet for Dysart East Underground Development

Mastermyne Group Limited (ASX Code: MYE) (“Mastermyne” or “the Company”) is pleased to announce that it has executed a binding term sheet with Dysart Coal Mine Management Pty Ltd (“DCMM”) (acting on behalf of the tenement holder Bengal Coal Pty Ltd) in respect of the Dysart East Underground Coal Mine. The binding term sheet, subject to conditions precedent, would see Mastermyne appointed as the Mining Contractor for the proposed Dysart East Underground Coal Mine.

Mastermyne, who has been engaged through an Early Contractor Involvement (ECI) process, will continue to work with DCMM to finalise the conditions precedent, one of which is a mining contract between the parties.

DCMM will prepare a final bankable feasibility study focussing on developing a mining operation utilising continuous miners, shuttle cars and mobile bolters. The study is expected to take 20 weeks to complete. On completion of the study, and subject to final board and funding approvals, and finalisation of suitable commercial terms, DCMM will appoint Mastermyne as the Mining Services Contractor. It is anticipated the contract will incorporate the box cut construction and drift driveage development (~18 months), then covering a further 5 years of coal mining operations.

The Mining Lease approvals are currently in place for the production of ~1.9mtpa ROM of metallurgical coal with current JORC reserves of 84mt, and the potential for further expansion.

Mastermyne CEO, Tony Caruso, said “we are very pleased to have been engaged by DCMM and Bengal Coal at the early stages of this project. This engagement is yet another significant progression of the Company’s strategy for Whole of Mine operations and reinforces our strong pipeline of these types of projects. We look forward to assisting with the study and seeing the Mine move into production.”

The Company will provide further information to the market on completion of the study.

Further information:

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