

**ASX ANNOUNCEMENT**

24 July 2022  
ASX Code: **MYL**

**BOARD OF DIRECTORS**

Mr Jeff Moore  
Non-Executive Chairman

Mr John Lamb  
Managing Director

Mr Rowan Caren  
Executive Director

Mr Paul Arndt  
Non-Executive Director

Mr Steve Hendel  
Non-Executive Director

**ISSUED CAPITAL**

|                    |        |
|--------------------|--------|
| Shares             | 302 m. |
| Performance Rights | 5 m.   |
| Unlisted Options   | 1 m.   |

**Mallee Resources Limited**

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Western Australia

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ABN: 48 124 943 728

## MYL TO SELL BRIGHT MOUNTAIN RESOURCES

Mallee Resources Limited (“MYL” or the “Company”) is pleased to announce that it has agreed to sell its Myanmar subsidiary, Bright Mountain Resources (Myanmar) Limited (**BMR**). Mallee will sell all the shares in BMR to 24 Hour Mining & Industry Company Limited’s subsidiary, Myanmar Airways International Company Limited (**MAI**).

24 Hour Mining & Industry Company Limited owns and operates several large infrastructure, mining and aviation businesses in Myanmar, including Myanmar Airways International which operates international flights between Yangon and destinations across Southeast Asia.

Pursuant to the terms of the sale transaction, Mallee is to receive a total of US\$10.2 million for its shareholding in BMR. Settlement of the transaction will occur in tranches over the next six months with completion due by 17 January 2023.

The performance of the transaction is subject to security in the form of a share pledge in favour of Mallee. The share sale agreement contains customary default provisions in the event of a failure to pay. MYL has completed due diligence on 24 Hour Mining & Industry Company Limited and MAI.

Completion of this sale transaction will bring an end to Mallee’s involvement in Myanmar. BMR’s sole asset was the residual cash balance of US\$12.06 million remaining from the proceeds of the sale of the Group’s interests in the Bawdwin project.

The Company is of the view that the sale of BMR does not materially affect the disclosures in its Notice of General Meeting announced on 30 May 2022 (**NOM**) or its planned development program for the Avebury Project set out in the NOM. In terms of the pro forma balance sheet as shown in Schedule 3 of the NOM, the sale of BMR will result in cash and cash equivalents decreasing by A\$16.9 million with current receivables increasing by A\$14.3 million, with the net result that current assets are reduced by approximately A\$2.6 million. Accumulated losses would increase by A\$2.6 million.



Mallee is now focused on bringing the Avebury Nickel mine in Tasmania into production following recent completion of that acquisition<sup>1</sup>.

Approved for release to the ASX by

**John Lamb**  
Managing Director

### **About Mallee Resources Limited**

Mallee Resources Limited (ASX: MYL) is an emerging miner listed on the Australian Securities Exchange. The Company wholly owns the Avebury nickel sulphide project in Zeehan, western Tasmania. The Avebury projects hosts JORC (2012) Mineral Resources of 29.3 Mt at 0.9% Ni<sup>2</sup>, an underground mine and a modern processing plant and mine infrastructure. The Avebury Mineral Resource is open at depth and along strike and bears outstanding exploration potential.

<sup>1</sup> Refer ASX release date 7 July 2022 "MYL Completes Acquisition of Avebury Nickel Project".

<sup>2</sup> The Mineral Resource estimate including JORC Table 1, sections 1, 2 and 3 and the competent persons statement has been previously reported by the Company in accordance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves' (JORC Code) on 8 April 2022 and is publicly available at <https://malleeresources.com.au/static/2f9fb39a04dad8dc51edb897481a4701/2367037.pdf>. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.