



## COMPANY ANNOUNCEMENT

8 February 2016

### PanAust announces Exploration Licences in Myanmar

PanAust is very pleased to announce that the Company has been granted three Exploration Licences in Myanmar. The announcement follows an official signing ceremony attended by U Myint Aung, Minister of Mines, Government of Myanmar, and PanAust representatives led by Richard Taylor, Director of Wuntho Resources Co Ltd, in the Myanmar capital Naypyitaw on 19 January, 2016.

The Exploration Licences comprise three blocks – Hel Chain, Pin Hin Hka and Nam Awl – which provide the Company with the first phase of a contract area that PanAust aims to build into a package of tenements covering 1,400 square-kilometres in the Sagaing Division in Myanmar. Sagaing Division is located in the northern region of the country and is considered to be highly prospective for copper and gold.

Basic reconnaissance work has commenced at the site and historical exploration data undertaken by western mining companies during the 1990s has been made available to PanAust by the Government of Myanmar. This data is currently under review.

PanAust Managing Director, Dr Fred Hess said the Company is delighted to have entered Myanmar and the Exploration Licences fit well with PanAust’s corporate strategy to maximise returns from producing assets while advancing projects that offer potential to sustain and grow the business in the long term.

“It is an exciting time to be in Myanmar and this is an excellent opportunity to strengthen our presence in Asia. Myanmar is undergoing rapid change and PanAust stands ready to participate in the economic transition underway within the country. The recently held elections show a genuine commitment towards resolving issues that have held Myanmar back from realising its full potential. We are one of the first and certainly the largest ‘western’ company to have been granted an Exploration Licence in Myanmar,” Dr Hess said.

“With Myanmar’s proximity to Laos, we have been able to cost-effectively ready an exploration team for mobilisation upon the Licences being granted while providing administrative support from our existing operations. Training and operational readiness has been taking place while we waited for the Licences with a number of Myanmar nationals on the exploration team.

“Our focus for the upcoming year is to carry out geochemical sampling and mapping to identify potential drill targets by year end. We will also strengthen our business presence in Myanmar by establishing a permanent office in Banmawk Township and continue advancing other potential exploration opportunities in the country.

2013 WINNER  
PROJECT DEVELOPMENT  
OF THE YEAR



2013 WINNER  
SUSTAINABILITY LEADERSHIP  
2010/2011 WINNERS  
BEST COMMUNITY DEVELOPMENT



2011  
LAO PDR LABOUR ORDER CLASS 1  
BEST RURAL DEVELOPMENT



2011 WINNER  
SOCIAL/COMMUNITY PRESENTED BY  
ETHICAL INVESTOR



“In progressing activities in Myanmar, we have leveraged our award-winning sustainability practices and will continue to do so to ensure our activities contribute to the nation’s long-term growth and prosperity.

“In response to widespread flooding throughout Myanmar during the 2015 wet season, PanAust made a US\$20,000 donation to Myanmar Red Cross Services as part of our initial corporate social responsibility obligations in the country. The funds were directed to infrastructure reconstruction activities within Sagaing Division following last year’s flooding.

“We are assessing other socially responsible projects that fit within our host-community development priorities of capacity building and promoting economic independence,” Dr Hess said.

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. WRCL owns 100 per cent of the rights to the areas covered by the Exploration Licences.

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