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Market Announcement

Sale of Queensland Mining Corporation Pty Ltd for A\$52 million

Young Australian Mines Limited (“**YAML**” or “**the Company**”) is pleased to announce that it has entered into a binding QMC Sale Implementation Agreement (the “**Implementation Agreement**”) with Fetch Metals Pty Ltd (“**Fetch**”) under which YAML agrees to sell to Fetch all of the shares that the Company holds in its subsidiary Queensland Mining Corporation Pty Ltd (“**QMC**”).

Under the Implementation Agreement, Fetch has agreed to purchase 100% of the shares in QMC and to pay a total amount of A\$52 million in cash.

Key terms of the Implementation Agreement are summarised below:

1. A\$4,000,000 deposit will be released to YAML if all of the conditions precedent to the sale by YAML of its shares in QMC are satisfied or waived on or before 20 April 2022.
2. Within seven business days after satisfaction or waiver of all of the conditions precedent to the sale by YAML of its shares in QMC, Fetch is to pay YAML A\$24,600,000 (in addition to the deposit amount of A\$4,000,000) for 55% of the shares in QMC.
3. Fetch must acquire YAML’s remaining 41.4% shareholding in QMC on the date that is 12 months after the date that it acquires the 55% shareholding in QMC from YAML for A\$21,528,000. Fetch has the right to elect to expedite its acquisition of YAML’s remaining 41.4% shareholding in QMC.
4. During the period between Fetch’s acquisition of the 55% shareholding in QMC from YAML up to and until Fetch acquires YAML’s remaining shareholding in QMC, Fetch will appoint two directors to the board of QMC, and as operator will undertake exploration work and works preparatory to mine development on the QMC tenements (noting that Fetch has committed to spend at least A1,000,000 on such activities) on the basis of an Approved Work Program and to also pay for all rents and rates, environmental fees and utility costs which any company in the QMC group is obliged to pay.¹

¹ If Fetch does not comply with the Approved Work Program, or if a Fetch insolvency event occurs, or if Fetch does not acquire YAML’s remaining 41.4% shareholding in QMC on or before the date that is 12 months after the date that it acquires the 55% shareholding in QMC from YAML, YAML has the right to either buy, or nominate a third party to buy, all of the shares in QMC held by Fetch for 80% of the amount that has already been paid by Fetch to YAML for shares in QMC.

One of the conditions precedent to the sale by YAML of its shares in QMC to Fetch is approval by the shareholders of YAML. YAML's board of directors, including representatives of 53.8% shareholder Hanlong Mining Investment Pty Ltd, have voted in favour of the Implementation Agreement.

Details regarding the extraordinary general meeting that is to be held by YAML will be provided to YAML shareholders shortly.

Termination of contract with Gold Valley Copper

In July 2020 the Company had entered into a Share Subscription and Sale Agreement with Gold Valley Copper Pty Ltd ("**GVC**") and QMC (the "**GVC Agreement**"). GVC did not fully perform its obligations under the GVC Agreement. As a consequence, the GVC Agreement has been terminated.

GVC currently owns 3.6% of the fully paid ordinary shares on issue in QMC. The Implementation Agreement does not require GVC to sell its 3.6% shareholding interest in QMC to Fetch.

Advisers to YAML in relation to its sale of QMC

The sale of QMC to Fetch was arranged with the assistance of the Company's financial advisers, BurnVoor Corporate Finance and its legal advisers Cadogan Corporate Lawyers.