

Sale of Tumblegum South Gold Deposit in WA

Project to be vended into new IPO for cash and shares

Highlights:

- **Agreement executed** on the Tumblegum South gold deposit with Star Minerals Limited
- Bryah to receive the following consideration on completion:
 - **\$500,000 cash,**
 - **9,000,000 shares (valued at \$1,800,000)** in Star Minerals Limited, and
 - **7,000,000 Performance Rights,** which will convert upon achievement of milestones into 7,000,000 Star Minerals Limited shares
- The Tumblegum South gold deposit has an Inferred Mineral Resource of **600,000 tonnes @ 2.2 g/t Au for 42,500 oz Au¹**
- Bryah also sells one Exploration Licence in the Bryah Basin to Star Minerals Limited for an **additional 2,000,000 Star Minerals Limited shares**
- Both transactions **conditional upon Star Minerals Limited undertaking IPO** and obtaining ASX approval to list by 31 May 2021
- **Bryah likely to hold 21.6% equity in Star Minerals Limited** upon successful listing, with potential to increase equity through conversion of Performance Rights to over 30% upon commencement of gold production at Tumblegum South
- Transaction allows **Bryah to maintain focus on copper-gold exploration** whilst retaining significant exposure to gold production at Tumblegum South

Bryah Resources Limited (“Bryah” or “the Company”) (ASX:BYH) is pleased to announce the execution of a Tenement Transfer Agreement (“Agreement”), in respect to the Company’s Tumblegum South gold deposit (“Deposit”) located within the Gabanintha Project in the gold-rich Meekatharra region of Western Australia (see Figure 1).

The Agreement is with Star Minerals Limited, an unlisted public company and its wholly owned subsidiary (“Star Minerals”) and is subject to Star Minerals receiving conditional approval from ASX Limited (“ASX”) to admit its securities to official quotation by 31 May 2021.

Bryah understands that in the coming weeks Star Minerals plans to undertake a \$5.0 million capital raise via an Initial Public Offer (IPO).

¹ See BYH ASX Announcement dated 29 January 2020 for full details of the Mineral Resource Estimate.

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ASX Code: BYH

ABN: 59 616 795 245
Shares on issue: 153,540,508
Latest Share Price: \$0.058
Market Capitalisation: \$8.9M

Projects

Bryah Basin – Copper, Gold,
Manganese
Gabanintha – Gold, Copper
bryah.com.au

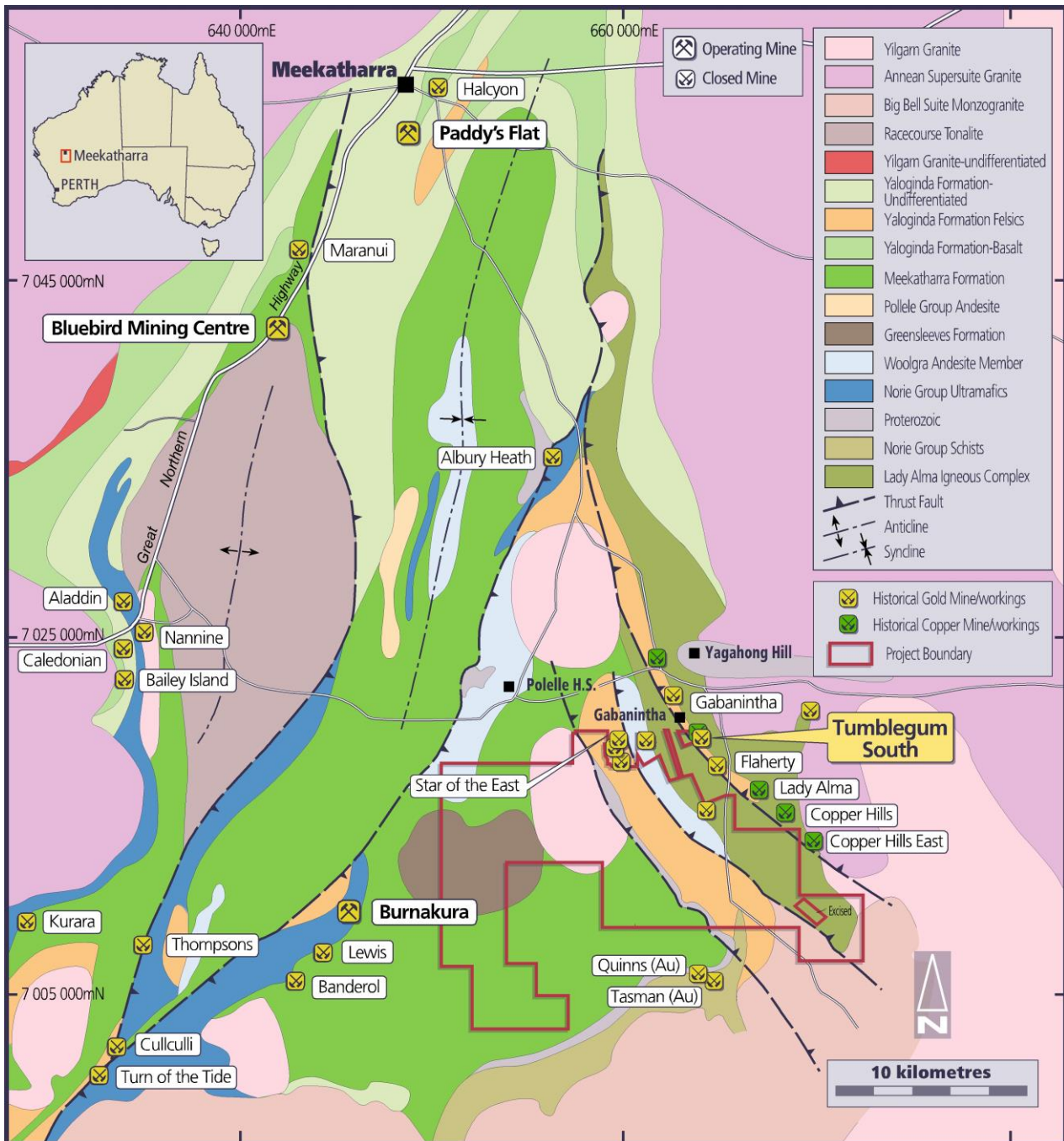


Figure 1 - Gabanintha Project Location Map

Consideration

The total consideration Bryah will receive under the Agreement for the Deposit is:

- \$500,000 cash;
- 9,000,000 fully paid ordinary shares in Star Minerals (valued at \$1,800,000);
- 3,000,000 Class A Performance Rights, vesting upon a Measured Mineral Resource report; and
- 4,000,000 Class B Performance Rights, vesting upon commencement of commercial gold production.

Each Performance Right will convert to one fully paid ordinary share in the capital of Star Minerals upon the achievement of the milestones as detailed in Appendix 1.

Commenting on the Agreement, Bryah Resources Managing Director Neil Marston said:

“We are very pleased that we have been able to realise value in the Tumblegum South gold deposit through this transaction.

“Disposal of the Tumblegum South gold deposit allows Bryah to continue its focus on exploration for new high-grade copper-gold deposits at its flagship Bryah Basin project and on the remainder of its Gabanintha Project.

“By selling the project to Star Minerals Limited, Bryah has secured a funding solution for the development of this gold deposit without diluting Bryah’s existing shareholders.

“Bryah and its shareholders will retain significant exposure to the successful development of the Tumblegum South gold deposit through Bryah’s major shareholding in Star Minerals. Upon successful completion of its IPO, Star Minerals will be fully funded to take over carriage of this project, and hopefully achieve a swift path to gold production under the arrangements Bryah put in place in 2020.

“The Tumblegum South gold deposit sits on a Mining Lease which was granted in November 2020. In December 2020 Bryah signed a Development Agreement to potentially access the Kirkalocka gold processing facility to treat gold-bearing material from Tumblegum South. This Development Agreement with Kirkalocka Gold remains in place and Star Minerals will assume Bryah’s rights and obligations under the agreement at completion.”

Conditions of the Agreement

Completion is subject to and conditional upon each of the conditions precedent set out below being satisfied or waived on or before 31 May 2021:

- (a) Star Minerals receiving conditional approval from ASX to admit its securities to official quotation on ASX on terms acceptable to Star Minerals (acting reasonably);
- (b) Star Minerals receiving, to the extent required by the Mining Act, consent of the Minister (or an officer of the Department duly authorised under section 82(1)(d) of the Mining Act) to registration of the transfer of the tenements, M51/888 and application L51/112;
- (c) Each party obtaining all required authorisations necessary to give effect to the Agreement;
- (d) Bryah obtaining the approval of its shareholders for the effective disposal of its mineral rights over the Deposit for the purposes of ASX Listing Rule 11.4 and all other purposes; and
- (e) Kirkalocka Gold SPV Pty Ltd (“Kirkalocka”) consenting to the assignment to and assumption by Star Minerals of Bryah’s rights and obligations under the Development Agreement and Bryah, Star Minerals and Kirkalocka entering into a Deed of Covenant.

It is expected that the Star Mineral shares issued to Bryah at completion will be subject to a 1 year escrow period.

West Bryah Tenement Sale

Bryah has also signed Tenement Purchase and Royalty Agreements with Star Minerals in respect to Exploration Licence E52/3739, a tenement acquired by Bryah in 2019 within the western part of the Bryah Basin.

Bryah will receive consideration of 2,000,000 fully-paid ordinary shares (valued at \$400,000) in the capital of Star Minerals as well as a 0.75% Net Smelter Return royalty for selling E52/3739.

This sale is also conditional upon Star Minerals receiving approval from ASX to admit its securities to official quotation by 31 May 2021.

Star Minerals Limited – Proposed Capital Structure

Following completion of the IPO, Star Minerals capital structure is expected to be:

Description	Shares	Value @ \$0.20/share	Equity Position
Founders/Promoters/Seed	11,000,000	\$1,200,000	21.6%
Vendor – Bryah (Tumblegum South)	9,000,000	\$2,200,000	21.6%
Vendor – Bryah (E52/3739)	2,000,000		
Vendors - Others	4,000,000	\$800,000	7.8%
IPO Applicants	25,000,000	\$5,000,000	49.0%
Total	51,000,000	\$10,200,000	100.0%

Assuming the above proposed capital structure and upon conversion of the Class A and B Performance Rights (PR), Bryah's equity position in Star Minerals may cumulatively increase from 21.6% to 31.6% as shown below²:

Description	Shares held by Bryah	Total Shares on Issue	Cum. Equity Position
Shares Issued to Bryah at Completion	11,000,000	51,000,000	21.6%
On conversion of 3,000,000 Class A PR	3,000,000	54,000,000	25.9%
On conversion of 4,000,000 Class B PR	4,000,000	57,000,000	31.6%
TOTAL	18,000,000	57,000,000	31.6%

2020 Mineral Resource Estimate (JORC Code 2012)

The Mineral Resource Estimation for the Deposit was completed in January 2020 in accordance with the 2012 JORC Code and is based on 49 reverse circulation (RC) drill holes for a total of 5,640 metres.

The Inferred Mineral Resource is 600,000 tonnes @ 2.2 g/t Au for 42,500 ounces gold using a cut-off grade of 0.3g/t Au.³

The Deposit lies on mining lease, M51/888, which covers an area of 70.9 hectares of ground south of and immediately along strike from the open pits of the Gabanintha Gold Mine which were mined between 1987 and 1992 by Dominion Mining Ltd in a Joint Venture with Southern Ventures NL and Black Swan Gold Mines Ltd (see Figure 2).

² Assumes no other shares have been issued since IPO and any necessary share issue approvals are obtained.

³ See BYH ASX Announcement dated 29 January 2020 for full details of the Mineral Resource Estimate.

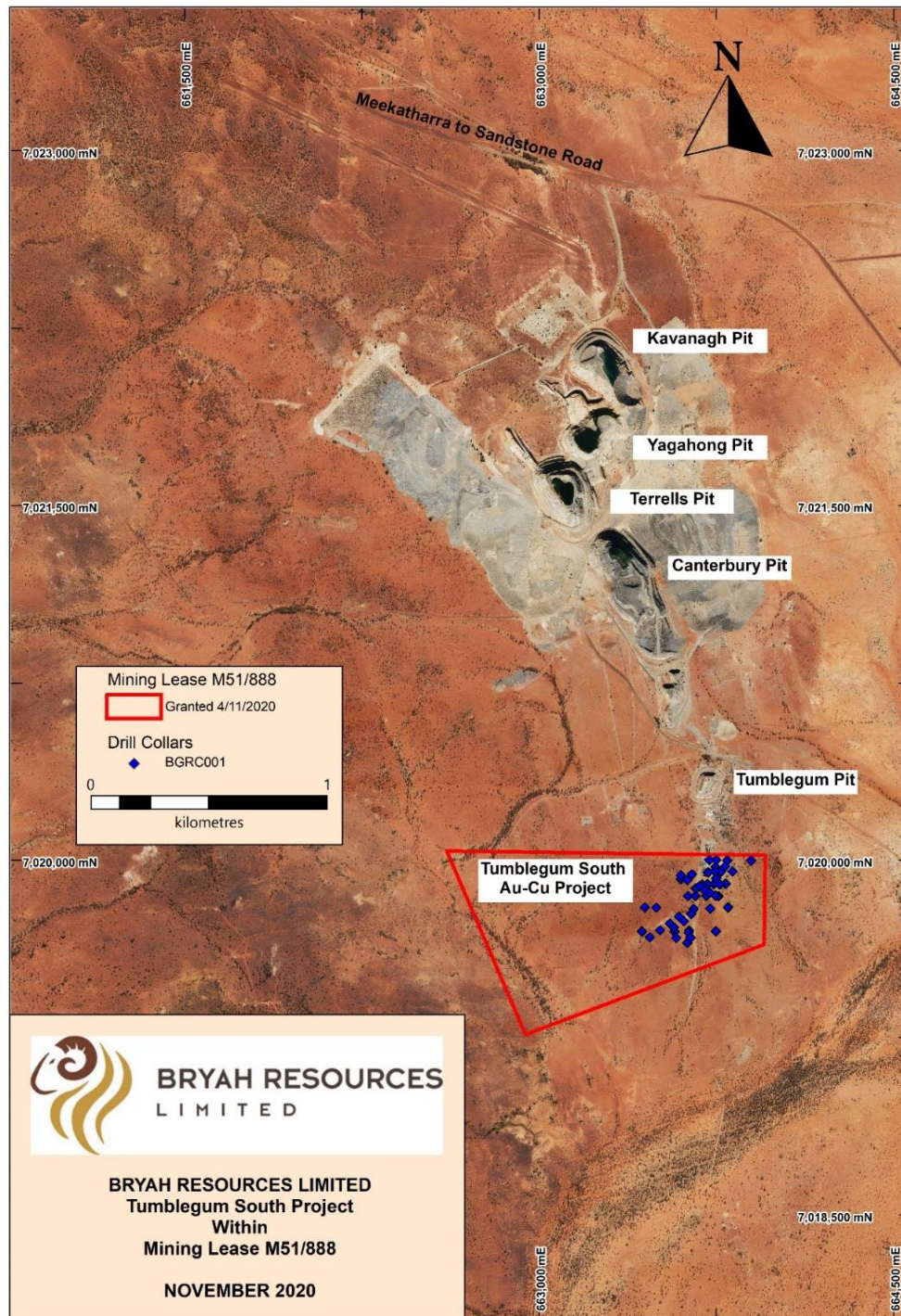


Figure 2 - Tenement Location Plan

The board of directors of Bryah Resources Limited has authorised this announcement to be given to the ASX.

For further information, please contact:

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About Bryah Resources Limited

Bryah Resources Limited is a copper-gold-manganese focused explorer with 2 projects located in central Western Australia, being the 1,185km² Bryah Basin Project and the 170km² Gabanintha Project. The Bryah Basin is host to the high-grade copper-gold mines at DeGrussa, discovered by Sandfire Resources Limited in 2009, and at Horseshoe Lights, which was mined until 1994. The Bryah Basin also has several historical and current manganese mines including the Company's Horseshoe South mine. The Company has a joint venture agreement with OM (Manganese) Limited in respect to its manganese rights only in respect to approximately 660 km² of its Bryah Basin tenement holdings.

*At Gabanintha, Bryah holds the rights to all minerals except Vanadium, Uranium, Cobalt, Chromium, Titanium, Lithium, Tantalum, Manganese & Iron Ore (Excluded Minerals). Australian Vanadium Limited retains 100% rights in the Excluded Minerals on the Gabanintha Project. Bryah has announced a maiden Inferred Mineral Resource at the Tumblegum South Prospect at Gabanintha of **600,000 tonnes @ 2.2 g/t Au for 42,500 oz Au⁴**.*

Competent Persons Statement – Mineral Resource Estimation

The information in this announcement that relates to Mineral Resources (see BYH ASX announcement dated 29 January 2020) is based on and fairly represents information compiled by Mr Ashley Jones, Consultant with Kamili Geology Pty Ltd. Mr Jones is a member of the Australasian Institute of Mining and Metallurgy (AusIMM).

The Company confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.

Competent Persons Statement

Where the Company refers to Exploration Results in this announcement (referencing previous releases made to the ASX), the Company is not aware of any new information or data that materially affects the information included in the relevant market announcements.

Forward Looking Statements

This report may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any “forward looking statement” to reflect events or circumstances after the date of this report, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

⁴ See BYH ASX Announcement dated 29 January 2020 for full details of the mineral resource estimate.

Appendix 1 – Terms of Performance Rights

1. Grant

Star Minerals Limited (**Company**) will offer performance rights (**Performance Rights**) to Bryah Resources Limited (**Holder**) on and subject to these terms and conditions.

2. Classes of Performance Rights

The following classes of Performance Rights will be granted by the Company on and subject to these terms:

- (a) Class A Performance Rights; and
- (a) Class B Performance Rights.

3. Entitlement

- (a) Subject to this paragraph 3 and any applicable requirements of the ASX listing rules, each vested Performance Right entitles the Holder to be issued with one fully paid ordinary share in the Company (**Share**), (**Entitlement**) as follows:

Class	Milestone	Performance Rights	Number of Shares issued on satisfaction of Milestone	Milestone End Date
A	The announcement by Star Minerals to ASX of a Measured Mineral Resource in compliance with the JORC Code 2012 in relation to Tenement M51/888.	3,000,000	3,000,000	5 years after the date of grant of Performance Right
B	Commencement of commercial gold production in relation to Tenement M51/888.	4,000,000	4,000,000	5 years after the date of grant of Performance Right

- (b) In these terms:
 - (ii) **JORC Code 2012** – means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition;
 - (iii) **Mineral Resource** – means a ‘Mineral Resource’ within the meaning of the JORC Code 2012 which satisfies the requirements for reporting in accordance with the JORC Code 2012.
- (c) The Company’s obligations to the Holder in relation to a Performance Right are discharged and satisfied in full upon issuing the Entitlement for that class of Performance Rights.

4. Vesting

- (a) Subject to paragraph 13, a Performance Right automatically vests to the Holder upon satisfaction or achievement of the conditions stated in the table in paragraph 3(a) (each a **Milestone**) following which the Holder may elect to receive the Holder’s Entitlement.
- (b) If a Milestone for a class of Performance Rights is not achieved, that class of Performance Rights will not vest, subject to these terms.

- (c) The determination of Star Minerals' board of directors as to whether a Milestone has been achieved is final.
- (d) Satisfaction of the Milestones is to be determined in relation to each class of Performance Rights.

5. Expiry and forfeiture

Each Performance Right that has not vested will automatically lapse and will be cancelled if at midnight on the last day by which the Milestone for that class of Performance Rights must be achieved is not achieved.

6. Transfer and encumbrances

- (a) A Performance Right is not transferable.
- (b) A Holder must not grant or permit any security interest or other encumbrances over a Performance Right.

7. Quotation of Performance Rights

The Company will not apply for quotation on ASX of any class of Performance Right.

8. Quotation of Shares

If the Entitlement is issued for a class of Performance Rights and the Company is admitted to ASX, the Company will apply to ASX for official quotation of those Shares.

9. New issues of securities

A Holder is not entitled to participate in any new issue of securities in the Company to be issued to shareholders of the Company unless the Holder's Performance Rights (or any of them) have vested and the Entitlement has been issued before the record date for determining entitlements to the new issue of Securities and participate as a result of holding Shares.

10. Reorganisation

- (a) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Holder in relation to each class of Performance Rights held by the Holder will be changed to the extent necessary to comply with the ASX listing rules applying to a reorganisation of capital at the time of the reorganisation.
- (b) Any calculations or adjustments which are required to be made in relation to paragraph 10(a) will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Holder.
- (c) The Company must, within a reasonable period of a reorganisation paragraph 10(a) occurring, give to the Holder notice of any change to the number of Shares which the Holder is entitled to receive under the Entitlement for a class of Performance Rights.

11. Issue of Entitlement

Subject to the Company's Constitution, all Shares issued in relation to the Entitlement for a class of Performance Rights will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

12. Vesting on change of control

In the event that:

- (a) a person, or a group of associated persons, becoming entitled to sufficient Shares to give that person or persons the ability, in a general meeting, to replace all or a majority of the Board;
- (b) a takeover bid under Chapter 6 of the Corporations Act is made in respect of the Company under which acceptances have been received for more than 50% of the Company's shares on issue and the bid is declared unconditional by the bidder; or
- (c) a Court grants orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies (including under Part 5.1 of the Corporations Act),

prior to the Milestones being achieved for one or more classes of Performance Rights (**Unvested Rights**) being achieved, then all of the Unvested Rights on issue will vest.

13. Deferral of vesting

If the vesting of any class of Performance Rights (or any part thereof) would result in any person being in contravention of section 606(1) of the Corporations Act (**Takeover Restriction**) then:

- (a) the vesting of those Performance Rights (or any part thereof) will be deferred until such later time or times that the vesting would not result in a contravention of the Takeover Restriction;
- (b) a Holder may give written notification to the Company if they consider that the vesting of those Performance Rights (or any part thereof) may result in the contravention of the Takeover Restriction, failing which the Company may assume the vesting of those Performance Rights will not result in any person being in contravention of the Takeover Restriction; and
- (c) The Company may (but is not obliged to) by written notice to a Holder, request a Holder to provide the written notice referred to in paragraph 13(b) within 7 days if the Company considers that the vesting of those Performance Rights (or any part thereof) may result in a contravention of the Takeover Restriction. If the Holder does not give notification to the Company within 7 days that they consider the vesting of the Performance Rights (or part thereof) may result in the contravention of the Takeover Restriction, then the Company may assume that the vesting of the Performance Rights (or part thereof) will not result in any person being in contravention of the Takeover Restriction.

14. Amendments required by ASX

These terms may be amended as necessary by the Company's Board of Directors in order to comply with the ASX listing rules (if applicable), or any directions of ASX (if applicable) regarding the terms, provided that, subject to compliance with the ASX listing rules, the economic and other rights of the Holder are not diminished or terminated following such amendment.

15. Governing law

These terms and the rights and obligations of the Holder are governed by the laws of Western Australia. The Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia in this respect.