



25 October 2016

Transfer of Mt Leyshon to Newmont

Leyshon Resources Limited (ASX: LRL) ("Leyshon Resources" or the "Company") is pleased to announce that the Queensland Department of Natural Resources and Mines has granted final approval for the transfer of the Company's five Mt Leyshon Mining Licenses ("ML's") to Newmont Australia Pty Ltd ("Newmont") under the restructure and settlement arrangement announced on 6 May 2016. Leyshon's land holdings at Mt Leyshon have also been transferred to Newmont as part of the settlement.

A restructure of the legacy Mt Leyshon mine asset has been a priority focus of the Directors in order for Leyshon to be a viable entity able to pursue investment opportunities, and ultimately seek re-listing of its securities on the Australian Securities Exchange ("ASX").

At Mt Leyshon, the Company held five Mining Licenses ("ML's"), an Environmental Authority ("EA") and land covering the historical mining operations which are now subject to long-term rehabilitation. Newmont Australia Pty Ltd ("Newmont") performed management services related to the site closure (including rehabilitation) in 2002-2003. Leyshon and Newmont had been in dispute since 2006 as to the validity and status of the ongoing obligations with respect to management of the site.

The Company had been incurring significant and growing costs associated with holding Mt Leyshon including, ML and EA fees, council rates, land taxes and other administration costs, totaling more than A\$300,000 per year. Newmont assumed responsibility for these costs going forward, making payments of more than A\$240,000 since signing the settlement agreement. The Company also received a cash payment of A\$220,000 from Newmont in July 2016 for expenses incurred on the tenements in 2015. This amount is to be repaid when Leyshon re-lists on the ASX.

Under the settlement agreement, Leyshon will provide Newmont with cash and/or shares in Leyshon as additional compensation. The payments to Newmont include \$170,000 in December 2016 (Leyshon's election payable as cash or shares), \$200,000 in December 2017 (Newmont's election payable as cash or shares), and \$275,000 each year between December 2018 and 2025 (Newmont's election payable as cash or shares).

Chairman Paul Atherley commented,

"The transfer of the Mt Leyshon properties and Mining Licences to Newmont represents a significant milestone for the Company as it seeks to position itself to undertake an acquisition and relist on the ASX. We are actively reviewing a number of very interesting opportunities at a time when the appetite for resource stocks has improved considerably. We look forward to keeping shareholders informed of developments on a regular basis."



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