



SHEN YAO HOLDINGS LIMITED
(Company Registration No. 202042117W)
(Registered in Singapore)

MATERIAL CHANGES TO RESERVES AND RESOURCES

In compliance with Rule 704(35)(a) of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited (“**Catalist Rules**”), the Board of Directors (the “**Board**”) of Shen Yao Holdings Limited (the “**Company**”) would like to announce that based on the Independent Qualified Person’s Report titled “Independent Qualified Persons Report for the Ballarat Goldmine, Australia”, effective 28 February 2021 (“**IQPR**”), the Mineral Resource for the Ballarat Goldmine represents a material change from what was reported in the annual report for the financial year ended 30 June 2020 (“**FY2020**”).

The IQPR is attached and can be found on the Company’s website at <https://shenyaoholdings.com/>.

The summary of Ore Reserves and Mineral Resources for the Ballarat Goldmine, as extracted from the IQPR and presented below has been prepared and classified in accordance with the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, 2012 edition.

Date of report: 28-02-2021

Date of previous report: 30-06-2020

Summary of Mineral Reserves and Resources for the Ballarat Goldmine, Victoria, Australia

Category	Mineral type	Gross attributable to licence		Net attributable to issuer			Remarks
		Tonnes (kt)	Grade (g/t Au)	Tonnes (kt)	Grade (g/t Au)	Change in ounces Increase %	
Reserves							
Proved	Gold	-	-	-	-	-	
Probable	Gold	-	-	-	-	-	
Total Reserves	Gold	-	-	-	-	-	
Resources							
Measured	Gold	-	-	-	-	-	
Indicated	Gold	2,900	6.0	2,900	6.0	100	New Indicated Resource
Inferred	Gold	1,500	5.7	1,500	5.7	88	Underground Resource
	Gold	2,300	0.8	2,300	0.8	-	Tailings Storage Facility (“ TSF ”) Resource
	Gold	3,800	2.7	3,800	2.7	55	Total Inferred Resource
Total Resources	Gold	6,700	4.14	6,700	4.14	320	

Note: Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. Tonnage is reported in metric tonnes (1 kt = 1,000 t), grade as grams per tonne gold (g/t Au). Tonnages of the TSF Resource, total Mineral Resource rounded to the nearest 100 kt, other tonnages rounded to the nearest 1 kt. The Indicated and Inferred Mineral Resource includes the Underground Mineral Resource, reported above a cut-off grade of 2.0 g/t Au and the TSF Resource, reported at a 0.0 g/t Au cut-off. It is assumed that the TSF Resource may be reprocessed in its entirety. The Mineral Resource has been depleted for mining up until 28th February 2021. Totals may vary due to rounding.

Following an update on the underground Mineral Resource of the mine as result of exploration and resource estimation, the mine’s total Mineral Resource increased by 320% which comprises of an initial Indicated Mineral Resource and an increase in Inferred Mineral Resource by 55% over the reporting period. The Inferred Mineral Resource for the Ballarat Goldmine includes the Mineral Resource for the

mine's TSF Resource which remained unchanged over the reporting period and the underground Mineral Resource which increased by 88% over the reporting period.

Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. It is uncertain if further exploration will result in the upgrade of the Indicated Mineral Resource and Inferred Mineral Resource to the Measured Mineral Resource category.

No Ore Reserves have been defined at Ballarat Goldmine as at 28 February 2021, and therefore economic decisions to mine are based on Indicated Mineral Resources and Inferred Mineral Resources. Mine planning and scheduling are carried out with some flexibility built in to allow for change to be implemented efficiently if and when required.

Cautionary Statement

Shareholders and potential investors are advised to exercise caution when trading in the Company's shares as the information herein may be updated or amended in line with future exploration and studies to be conducted. When in doubt as to the action they should take, shareholders of the Company should consult their financial, tax or other advisers.

The information that relates to Mineral Resources is based on information compiled by Dr Bielin Shi, a Qualified Person as defined by the Catalist Rules. Dr Shi is a principal consultant with DW Resources Industry Consulting Co., Limited, an independent consultant group based in Hong Kong. Dr Shi is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Chartered Professional Geologist (CPGeo) with the AusIMM. Dr Shi is also a member of the Australian Institute of Geoscientists (AIG). Dr Shi holds a PhD in Economic Geology from the University of Melbourne (1997) and post-Doctoral researcher in geostatistics in Edith Cowen University (2000). His experience includes more than 30 years in geostatistical theory and application, exploration geology, Mineral Resource assessment and evaluation, including orogenic gold deposits. Dr Shi has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the JORC Code 2012. Dr Shi is also an Independent Qualified Person as defined in the Catalist Rules based on the requirements set out therein.

Dr Shi has consented to the public reporting of the IQPR entitled "Independent Qualified Persons Report for the Ballarat Goldmine, Australia" and to the form and context in which the Qualified Persons' findings are presented.

BY ORDER OF THE BOARD

Yao Liang
Executive Director
25 May 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, W Capital Markets Pte. Ltd. (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Chia Beng Kwan, Registered Professional, W Capital Markets Pte Ltd, 65 Chulia Street, #43-01 OCBC Centre, Singapore 049513, Telephone (65) 65133541.

The Sponsor has retained AMC Mining Consultants (Singapore) Pte. Ltd. ("AMC") to provide technical expertise to assist with the review of the IQPR to ensure compliance with Catalist Rules. AMC is independent of, and has no conflict of interest with the Company.