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ASX ANNOUNCEMENT

25 May 2018

ASX Code: MYL

Board of Directors

Mr John Lamb
Executive Chairman

Mr Rowan Caren
Executive Director

Mr Jeff Moore
Non-Executive Director

Issued Capital

Shares 663m.

Options 184m.

Performance rights 28m.

Share price (24/5/18) A\$0.058

Market capitalisation A\$38m.

Cash (31/3/18) A\$3.9m.

Debt Nil

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ADDENDUM TO THE NOTICE OF GENERAL MEETING

Myanmar Metals Limited (ASX:MYL) (**Company**) advises that the Company has prepared the following Addendum to the Notice of Meeting for the General Meeting to be held on Tuesday, 5 June 2018 at 9.00am at AICD, WA Business Centre and Member Lounge, Level 1, 77 St Georges Terrace, Perth, Western Australia.

Addendum

As disclosed in the Notice of Meeting, the Company is proposing to undertake a placement to raise up to \$35 million (before costs) (**Placement**). The funds raised are intended to be directed towards the exercise of the Bawdwin Option, completion of a preliminary feasibility study on the Bawdwin Project, further drilling on the Bawdwin Project, concession holding costs, the commencement of a bankable feasibility study for the Bawdwin Project, costs of issue and general working capital.

As announced on 25 May 2018, the Company has entered into agreements with Perilya Limited (**Perilya**) that encompasses a maximum \$14.9 million cornerstone investment at \$0.06 per Share whereby Perilya will become a 19.9% shareholder in the Company and enter into a strategic alliance to support the optimal development and financing of the Bawdwin Project (**Agreements**).

Pursuant to the Agreements, Perilya will provide a deposit that will mandatorily be applied to subscribe for a 19.9% shareholding in the Company at \$0.06 per Share on the later of settlement of the remainder of the Placement (that is, excluding Perilya's deposit), or FIRB approval. The issue of the Shares to Perilya is also conditional on Perilya having not received a notice of objection to the issue of the Shares from the State-owned Assets Supervision and Administration Commission of the State Council of the Guangdong Province of the People's Republic of China, or the National Development and Reform Commission, Guangdong Province of the People's Republic of China.

Pursuant to the Agreements, Perilya will pay the deposit to an escrow account by 1 June 2018. Draw-down of the deposit by the Company remains subject to the receipt of shareholder approval for Resolutions 1 and 2 at the General Meeting and the receipt by the Company of binding commitments under the Placement raising at least \$25 million (including Perilya's deposit), as well as customary conditions including no event of default or material adverse event occurring, no material breach of the Perilya subscription agreement by the Company, no regulatory intervention and no breach of representation or warranty by the Company.

As the Company has now fixed the issue price for the Placement at a minimum of \$0.06 per Share, a maximum of 583,333,333 Shares will be issued to raise \$35 million (before costs). As a result, sections of the Explanatory Memorandum require amendment.

Proxy Forms

The Company confirms that there have been no changes to the Proxy Form previously dispatched to Shareholders. Shareholders are advised that:

- If you have already completed and returned the Proxy Form which was provided with the original Notice of Meeting and you wish to change your vote, you must complete and return a new Proxy Form. Please contact the Company if you require a new Proxy Form.
- If you have already completed and returned the Proxy Form which was annexed to the original Notice of Meeting and you do not wish to change your vote, you do not need to take any action as the earlier submitted Proxy Form will be accepted by the Company unless you submit a new Proxy Form.
- If you have not yet completed and returned a Proxy Form and you wish to vote on the Resolutions in the Notice of Meeting, please complete and return the Proxy Form.

To vote in person, please attend the Meeting at the time, date and place set out above.

For More Information:

Ross Dinsdale

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MYANMAR METALS LIMITED

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ADDENDUM TO NOTICE OF GENERAL MEETING

Myanmar Metals Limited (Company) hereby gives notice to Shareholders that, in relation to the Notice of Meeting and Explanatory Memorandum dated 4 May 2018 in respect of the General Meeting to be held at AICD, WA Business Centre and Member Lounge, Level 1, 77 St Georges Terrace, Perth on Tuesday, 5 June 2018 at 9:00am (WST) (Meeting), the Directors have resolved to supplement the information contained in the Explanatory Memorandum as set out below.

The numbering used in this Addendum reflects the numbering used in the Notice and the Explanatory Memorandum. Capitalised terms used in this Addendum are as defined in the Notice and the Explanatory Memorandum, unless expressly defined otherwise.

Explanatory Memorandum

Section 3.5 is deleted and replaced with the following:

3.5 Placement

The Company intends to raise up to \$35 million (before costs) by way of the Placement.

The funds will be directed towards the exercise of the Bawdwin Option, completion of a preliminary feasibility study on the Bawdwin Project, further drilling, the costs of holding the concession, a bankable feasibility study on the Bawdwin Project, costs of issue and general working capital. Refer to Section 3.8 for a detailed proposed use of funds.

The Placement will be conducted by the issue of up to 583,333,333 Shares at a minimum issue price of \$0.06 per Share (**Placement Shares**).

The issue of Placement Shares may be undertaken as a single tranche, or a number of tranches in the three month period following the date of the Meeting.

As announced on 25 May 2018, the Company has entered into agreements with Perilya Limited (**Perilya**) that encompasses a maximum \$14.9 million cornerstone investment at \$0.06 per Share whereby Perilya will become a 19.9% shareholder in the Company and enter into a strategic alliance to support the optimal development and financing of the Bawdwin Project (**Agreements**).

Pursuant to the Agreements, Perilya will provide a deposit that will mandatorily be applied to subscribe for a 19.9% shareholding in the Company at \$0.06 per Share on the later of settlement of the remainder of the Placement (that is, excluding Perilya's deposit), or FIRB approval. The issue of the Shares to Perilya is also conditional on Perilya having not received a notice of objection to the issue of the Shares from the State-owned Assets Supervision and Administration Commission of the State Council of the Guangdong Province of the People's Republic of China, or the National Development and Reform Commission, Guangdong Province of the People's Republic of China.

Pursuant to the Agreements, Perilya will pay the deposit to an escrow account by 1 June 2018. Draw-down of the deposit by the Company remains subject to the receipt of Shareholder approval for Resolutions 1 and 2 and the receipt by the Company of binding commitments under the Placement raising at least \$25 million (including the Perilya deposit), as well as customary conditions including no event of default or material adverse event occurring, no material breach of the Perilya subscription agreement by the Company, no regulatory intervention and no breach of representation or warranty by the Company. In addition, the Company has received a \$4.2 million binding commitment to participate in the Placement from its current largest shareholder Mr Mark Creasy (via Yandal Investments Pty Ltd).

The Company is seeking Shareholder approval pursuant to Resolution 2 for the issue of the Placement Shares.

The Company has appointed Argonaut to act as lead manager in relation to the Placement. In accordance with the Argonaut Mandate, the Company has agreed to issue 40,000,000 Options to Argonaut (or its nominee) as part consideration for its lead manager services (**Argonaut Options**). The Argonaut Options will be subject to vesting criteria, whereby they will vest on the basis that for every one Australian dollar raised under the Placement, one Option shall vest and become exercisable at the price equivalent to a 30% premium to the issue price of the Placement Shares (such that the exercise price shall be \$0.078 per Argonaut Option), on or before the date which is four years from the date of issue.

Section 3.7 is deleted and replaced with the following:

3.7 Pro forma capital structure

The indicative pro forma capital structure of the Company following completion of the Acquisition and the Capital Raising is set out in the following table.

The table is based on the following assumptions:

- (a) the Placement is conducted at an issue price of \$0.06 per Share;
- (b) an indicative Placement is undertaken to raise \$25 million (before costs);
- (c) a maximum Placement is undertaken to raise \$35 million (before costs);
and
- (d) no other Securities are issued.

	Shares	Options	Performance rights
Currently on issue:	663,779,057	183,720,624	28,000,000
Placement Shares:	Indicative: 416,666,667 Maximum: 583,333,333	Nil	Nil
Argonaut Options:	Nil	40,000,000	Nil
Post-Placement Totals	Indicative: 1,080,445,723 Maximum: 1,247,112,390	223,720,624	28,000,000

The Company has also agreed to issue 7,000,000 Options to Triple C (or its nominee) as part consideration for previous lead manager services provided to the Company (the subject of Resolution 4), however this Options issue is separate to the proposed Placement and Bawdwin Option exercise and is not included in the above table.

Section 5 is deleted and replaced with the following:

5. Resolution 2 - Approval of issue of Placement Shares

5.1 General

Resolution 2 seeks Shareholder approval for the issue of up to 583,333,333 Shares at a minimum issue price of \$0.06 per Share pursuant to the Placement.

The Board recommends that Shareholders vote in favour of Resolution 2.

Resolution 2 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 2.

5.2 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 2 will be to allow the Company to issue the Placement Shares during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

In accordance with ASX's requirements, the Company has provided an undertaking to ASX not to issue any Equity Securities under Listing Rule 7.1 or 7.1A without Shareholder approval until 24 October 2018, unless the issue comes within an exception in Listing Rule 7.2. Therefore, the Company is currently required to obtain Shareholder approval for any issue of Equity Securities (including the issues contemplated by Resolutions 2 to 4 inclusive), unless the issue comes within an exception in Listing Rule 7.2.

5.3 Specific information required by Listing Rule 7.3

Listing Rule 7.3 requires that the following information be provided to Shareholders in relation to the issue of the Placement Shares:

- (a) the maximum number of Placement Shares is 583,333,333;
- (b) the minimum issue price per Placement Share will be \$0.06;
- (c) the Placement Shares are proposed to be issued to cornerstone investors (including Perilya and Yandal Investments Pty Ltd) and others. The remaining places are not yet known but none will be a related party of the Company;
- (d) the Placement Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (e) refer to Section 3.8 of the Explanatory Memorandum for the Company's intended use of funds raised from the issue of the Placement Shares;
- (f) it is intended that the Placement Shares will be issued progressively; and
- (g) a voting exclusion statement is included in the Notice.