



MYANMAR METALS^{LTD}

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Suite 4, 38 Colin Street

West Perth 6005 Western Australia

5 June 2018

GENERAL MEETING OF THE COMPANY

CHAIRMAN'S ADDRESS

Thank you for your attendance today ladies and gentlemen, at a meeting which is quite possibly the most important in the Company's history.

In a few moments I will ask you to cast your vote on a series of resolutions which will change our company forever. Of course, you know that I am talking about funding the exercise of the Bawdwin Option, which changes MYL from a junior with a chance, into a mining company with a controlling interest in a world-class asset: An asset that we intend to develop and mine so that we can fulfil our goal of becoming a significant metals producer.

Your vote is crucial and, to be clear, **your Board recommends you vote FOR all resolutions.**

I would like to briefly recap some of the key milestones from the past 12 months, and then move to the details of the current placement. There is a new presentation pack available on the website and ASX portal and you will also find the text of this address on the ASX portal as well.

Turning first to the key milestones of the past year:

Over the past 12 months, your Board has made significant progress transforming Myanmar Metals into a fast-growing resources company with a Tier-1 mining asset.

- Last October we released the first JORC-2012 resource ever declared at Bawdwin; and that was followed by updates in December, March and May. Despite the fact that we have only drilled within the confines of the

historical mine workings and have not made any attempt to explore the 9km of strike extent on the tenement at this stage, the total JORC resource stands at 82 million tonnes of which 20 million tonnes in in the Indicated Category and some 44 million tonnes makes up a high-grade primary deposit grading 7.8% lead, 3.6% zinc, 180 g/t silver and 0.3% copper. Copper which, by the way, we now know occurs in discrete zones within the deposit and so we have declared 4.24 million tonnes grading 3.03% copper plus high grade lead, silver and zinc¹.

- Make no mistake: Bawdwin ranks amongst the very best lead/zinc deposits globally.
- Over 7,000 metres of drilling, together with logging, assaying and modelling have gone into the resource model, along with historical data drawn from the 56 kilometres of tunnels developed at Bawdwin by the old-time miners.
- In addition to the technical work, we have engaged with the Myanmar Government, including the detailed presentation of our Scoping Study in December. That engagement has led to both the Ministry of Natural Resources and Environmental Conservation and the Myanmar Investment Commission welcoming us as participants.
- One of the reasons for that acceptance is that we offer a new model for mine development: A model in which the foreign owner has a small majority and capable local companies participate fully in the project. A model in which the Joint Venture operates and reports to Australian standards, ensuring transparency and good practices. A model that will deliver, as mines in Australia do, social benefits in our host communities.
- Much work has been done de-risking the project. By selecting East Asia Power (EAP) to join Win Myint Mo and ourselves as a third JV partner, we substantially reduced sovereign risk. EAP is a capable local company already working in the metals industry and already employing in our region and trading across the same border crossing into China; and part of a major national manufacturing conglomerate.

¹ JORC compliant Indicated and Inferred Mineral Resource as disclosed in ASX release dated 22 May 2018. No material changes to the resources have occurred since this time.

- Our JV negotiations concluded successfully about three weeks ago and a shareholders' agreement has been struck between the parties.
- These things led us to give formal notice, two weeks ago, of our intention to exercise the Bawdwin Option together with the other incoming party, EAP.
- That notice started a 28-day countdown requiring payment between the two parties of \$20 million USD by close of business on the 18th of June. Our share is \$13.9M USD or about \$18.5M AUD
- As you know, we intend to fund that from part-proceeds of our current \$35 Million AUD raising, for which your approval is required.

Turning now to our current capital raising, the headline is that **major placement commitments are already secured.**

After a comprehensive global cornerstone process, your Board is delighted to have secured Perilya as our cornerstone 19.9% shareholder (subject to your approval, FIRB approval and completion of the placement).

Perilya is an ideal strategic investor with a wealth of experience in zinc, lead and silver mining operations and metals marketing. These strategic benefits are backed by Perilya's parent company, Zhongjin Lingnan, China's largest integrated zinc producer with a market capitalisation in the order of CNY22.5 billion. Perilya has flagged its assistance in future capital raisings by providing a letter of support, but I note to you that the Bawdwin product offtake is at this stage 100% unencumbered.

Perilya's commitment, in combination with the ongoing support of major shareholder Mr. Mark Creasy, means that **Myanmar Metals is already fully funded for imminent exercise of the Bawdwin option.** Binding commitments for \$19.1 million in funding from Perilya and Mr. Creasy's Yandal Investments Limited ensure that the company will have sufficient cash to exercise the Bawdwin Option. This truly validates the quality of the opportunity at hand and represents the key foundation for the Placement, which your Board is now seeking your approval to complete.

I can also tell you that over the past few days we have received pre-commitments for an additional \$7 million from two institutional investors which takes the raising beyond its minimum \$25 million before we look to place shares more widely. That is outstanding news and a real vote of confidence in both the asset and the way our company has gone about securing it.

It remains now to fill the rest of the placement, out to a total of \$35 million dollars with your approval. I can tell you that, as of this morning, the company is in a Trading Halt while we meet, then take binding bids and determine our allocations.

Shares will be placed at 6 cents, a slight discount to both the last close and last week of trading. We expect shares to re-commence trading on Thursday 7th June; settlement of the placement will be on the 14th to allow for payment of our option fee before the deadline.

Upon payment of the Option fee, Myanmar Metals will be transformed into a well-funded 51% operator of the world class Bawdwin Project. This has been the major focus for your Board over the last 12 months.

Through the participation of two of Myanmar's largest industrial players as joint venture partners, and now with the support of our largest investors, Perilya and Yandal, Myanmar Metals is well placed to deliver considerable value for shareholders in the near-term.

At every turn, the Bawdwin project has continued to fulfil its promise as a Tier-1 polymetallic deposit, and it is our firm view that we are only at the tip of the iceberg in terms of the potential size and scale of Bawdwin. The upside associated with Bawdwin's development is truly outstanding – very rarely do projects of this magnitude sit within what is still a small, emerging publicly listed company.

Your support and participation in voting **FOR** the Resolutions presented at this Meeting is an important step in enabling the Company to capitalise on the world-class opportunity that is Bawdwin.

I thank you for your support and the belief you have shown in myself and the board; and I look forward to another strong show of support here today.

Thank you.

John Lamb
Executive Chairman and CEO

