



ACN 124 943 728

PROSPECTUS

This Prospectus is being issued for the offer of:

- 10 Shares at an issue price of \$0.06 per Share;
- 40,000,000 Lead Manager Options; and
- 7,000,000 Broker Options.

This Prospectus has been issued for the primary purposes of:

- removing any trading restrictions on Shares issued prior to the Closing Date in accordance with section 708A(11) of the Corporations Act; and
- allowing the Shares that are issued on exercise of the Lead Manager Options and the Broker Options to be on-sold without further disclosure in accordance with ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.

IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.

IMPORTANT INFORMATION

This Prospectus is dated 14 June 2018 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Securities offered by this Prospectus should be considered speculative. The Company will apply for Official Quotation by ASX of the Shares offered by this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Suite 4, 38 Colin Street, West Perth, Western Australia, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 4.7). The Prospectus will also be made available in electronic form. The Offer is only available to those who are personally invited to apply for Securities under the Offer. Applications for Securities under the Offer can only be submitted on an original Application Form which accompanies this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

Definitions of certain terms used in this Prospectus are contained in Section 6. All references to currency are to Australian dollars and all references to time are to WST unless otherwise indicated. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

CORPORATE DIRECTORY

Directors

Mr John Lamb Executive Chairman & CEO
Mr Rowan Caren Executive Director & CFO
Mr Jeffrey Moore Non-Executive Director

Share Registry*

Link Market Services Limited
Level 12, QV1 Building
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PERTH WA 6000

Company Secretary

Mr Rowan Caren

Phone: +61 8 9211 6610

Registered and Principal Office

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WEST PERTH WA 6005

Auditor*

Grant Thornton Audit Pty Ltd
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152-158 St Georges Terrace
PERTH WA 6000

Phone: +61 8 6147 8100
Email: info@myanmarmetals.com.au
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Solicitors

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Level 19, Alluvion
58 Mounts Bay Road
PERTH WA 6000

ASX Codes:

MYL (Shares)
MYLO (Options)

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

INDICATIVE TIMETABLE

Event	Date
Lodgement of Prospectus with ASIC and ASX	14 June 2018
Opening Date of Offer	14 June 2018
Issue of Placement Shares	15 June 2018
Closing Date of Offer (5:00pm WST)	15 June 2018

These dates are indicative only and subject to change. Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.

INVESTMENT OVERVIEW

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Securities.

Key Information	Further Information
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	<p>Section 4.6</p>
<p>Risk factors</p> <p>Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are in Section 3, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> • Future capital requirements: Further funding will be required by the Company to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all. • Contract and joint venture risks: On completion of the exercise of the Bawdwin Option, the Bawdwin Project will be held through a binding contractual joint venture arrangement. Accordingly, the ability of the Company to achieve its stated objectives will depend on the performance by the parties under the joint venture agreement. If any of the parties default in the performance of their respective obligations, or disagree as to a matter of contractual interpretation, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly and may not necessarily result in a favourable outcome for the Company. • Myanmar governmental approvals: Upon completion of a bankable feasibility study for the Bawdwin Project, approval is intended to be sought from the Myanmar Investment Commission pursuant to a recommendation from the Ministry of Natural Resources and Environmental Conservation for, amongst other things, the Company to take a controlling equity interest in WMM, the holder of the Bawdwin Project. There can be no guarantee that the necessary approvals will be forthcoming, or granted on terms that are acceptable to the Company. Delays in obtaining, or the inability to obtain, required approvals on acceptable terms may significantly impact on the Company's operations. • Emerging market: The Bawdwin Project is located in Myanmar. When conducting operations on foreign assets in emerging markets such as Myanmar, ASX-listed entities may face a number of additional risks that companies with operations wholly within Australia may not face. For example, the ability to implement effective internal control and risk management systems and good corporate governance principles, having 	<p>Section 3</p>

Key Information	Further Information								
<p>regard to the separation of executive management and the Board from the location of the projects and the need to rely on consultants and professional advisors in those jurisdictions.</p> <ul style="list-style-type: none"> • Sovereign risks: The Company is subject to the risks associated with operating in a foreign country. These risks include ability to obtain key approvals on a timely basis, economic, social or political instability or change, civil unrest, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, imposition of sanctions, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. • Mining industry risk: The Company is subject to customary risks faced by those operating within the exploration and mining industry, including exploration and development risk, operating risks, metallurgical risks, environmental risks, commodity price and exchange rate volatility, as well as general market risks. 									
<p>Offer</p> <p>This Prospectus is for an offer of 10 Shares to selected investors at an issue price of \$0.06 each.</p> <p>The primary purpose of this Prospectus is to remove any trading restrictions on Shares issued prior to the Closing Date (including the Placement Shares, the Performance Rights Conversion Shares and the Quoted Option Conversion Shares).</p> <p>The Prospectus is also for the offers of the Lead Manager Options and the Broker Options.</p>	<p>Sections 1.1 to 1.3</p>								
<p>Effect of the Offer</p> <p>The Offer will result in the issued capital of the Company increasing by 10 Shares and 47,000,000 Options.</p> <p>It is not expected that the Offer will have any effect on the control of the Company.</p> <p>After paying the expenses of the Offer of approximately \$8,500, there will be no proceeds from the Offer. The expenses of the Offer will be met from the Company's existing cash reserves. The Offer will have a nominal effect on the Company's financial position of reducing the cash balance by the costs of the Offer.</p>	<p>Section 2</p>								
<p>Directors' interests in Securities</p> <p>The relevant interest of each of the Directors in Securities as at the date of this Prospectus is set out in the table below:</p> <table border="1" data-bbox="145 1906 987 2038"> <thead> <tr> <th data-bbox="145 1906 379 1977">Director</th> <th data-bbox="379 1906 568 1977">Shares</th> <th data-bbox="568 1906 683 1977">%</th> <th data-bbox="683 1906 987 1977">Performance Rights</th> </tr> </thead> <tbody> <tr> <td data-bbox="145 1977 379 2038">John Lamb</td> <td data-bbox="379 1977 568 2038">6,500,000</td> <td data-bbox="568 1977 683 2038">0.98</td> <td data-bbox="683 1977 987 2038">12,000,000</td> </tr> </tbody> </table>	Director	Shares	%	Performance Rights	John Lamb	6,500,000	0.98	12,000,000	<p>Section 4.13(b)</p>
Director	Shares	%	Performance Rights						
John Lamb	6,500,000	0.98	12,000,000						

Key Information				Further Information
Jeffrey Moore	4,375,000	0.66	8,000,000	
Rowan Caren	4,250,000	0.64	8,000,000	
Further details of the Directors' Security holdings are in Section 4.13(b).				
<p>Forward looking statements</p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 3.</p>				Section 3

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1. Details of the Offer

1.1 Summary of the Offer

The Company is offering, pursuant to this Prospectus, 10 Shares at an issue price of \$0.06 each (**Offer**).

The Offer will only be extended to specific parties on invitation of the Directors. Application Forms will only be provided by the Company to these parties.

Shares issued under the Offer will be issued as fully paid ordinary shares and will rank equally in all respect with the existing Shares on issue. Refer to Section 4.1 for a summary of the rights and liabilities attaching to the Shares under the Offer.

The Shares issued under the Offer will be issued in accordance with the Shareholder approval obtained at the General Meeting.

\$0.60 will be raised under the Offer assuming it is fully subscribed. The total estimated expenses of the Offer of \$8,500 will be paid by the Company from its cash reserves.

1.2 Previous and proposed issues of Shares and Options

(a) Performance Rights Conversion Shares

On 30 April 2018, the Company issued 14,000,000 Shares on conversion of certain Performance Rights (**Performance Rights Conversion Shares**).

The holders of the Performance Rights Conversion Shares agreed not to on-sell those Shares until such time as a disclosure document had been issued by the Company in accordance with section 708A(11) of the Corporations Act (that is, this Prospectus).

The holders of the Performance Rights Conversion Shares are also subject to additional disposal restrictions under the terms of the Company's Performance Rights Plan. In particular, the Performance Rights Conversion Shares may not be disposed with or dealt with in any way until the earlier of:

- (i) the holder of the Performance Rights Conversion Share (or the person in respect of whom the Performance Rights Conversion Share was issued, if a nominee holder is used) (**Eligible Participant**) ceasing to be employed by the Company or its subsidiaries;
- (ii) the Board approving, in its discretion, that the restriction be released where the Eligible Participant suffers total and permanent disability or severe financial hardship;
- (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company, a change of control occurs or a takeover bid is declared unconditional; or
- (iv) the five year anniversary of the date of grant of the underlying Performance Rights.

(b) **Placement Shares**

As announced to the ASX on 7 June 2018, the Company intends to raise \$35,000,000 (before costs) via a placement to sophisticated and professional investors (**Placement**) of a total of 583,333,333 Shares at \$0.06 per Share (**Placement Shares**).

The first stage of the Placement, pursuant to which binding commitments for approximately \$19,156,348 have been obtained, was lead managed by Argonaut. A summary of the Argonaut Mandate is in Section 4.2. Argonaut was the lead manager and sole bookrunner for the balance of the Placement, which was co-managed by Triple C. A summary of the Triple C Mandate is in Section 4.4.

The Placement Shares are intended to be issued on or about the date of this Prospectus and before the Offer under this Prospectus is closed, in accordance with the Shareholder approval obtained at the General Meeting.

As disclosed in the Company's announcements of 25 May 2018 and 7 June 2018 and the Notice of General Meeting announced on 4 May 2018 (also refer to the addendum announced on 25 May 2018), the Company intends to use the funds raised towards the exercise of the Bawdwin Option, ongoing drilling program, completion of a preliminary feasibility study, the costs of holding the concession, commencement of a bankable feasibility study, costs of issue and general working capital.

(c) **Quoted Option Conversion Shares**

The Company has received conversion notices in respect of a total of 68,776 Quoted Options, together with proceeds of \$2,063. The Company is required to issue 68,776 Shares pursuant to these conversion notices (**Quoted Option Conversion Shares**). The Quoted Option Conversion Shares are intended to be issued on or about the date of this Prospectus, before the Offer under this Prospectus is closed.

(d) **Lead Manager Options**

The Company has agreed to issue 40,000,000 Options to Argonaut (or its nominees) upon the successful completion of the Placement as partial consideration for the lead manager services provided in connection with the Placement (**Lead Manager Options**). This Prospectus includes a separate offer of the Lead Manager Options to Argonaut (or its nominees). Only Argonaut (or its nominees) may accept the offer of the Lead Manager Options. Application Forms will be issued to Argonaut and (or its nominees) together with a copy of this Prospectus.

The terms and conditions of the Lead Manager Options are described in Section 4.3.

If the Lead Manager Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Nominal application monies of \$0.00001 per Lead Manager Option are payable in respect of the offer of the Lead Manager Options.

(e) **Broker Options**

The Company has agreed to issue 7,000,000 Options to Triple C (or its nominees) as partial consideration for services provided in connection with the Company's capital raising completed on 20 November 2017 (**Broker Options**).

This Prospectus includes a separate offer of the Broker Options to Triple C (or its nominees). Only Triple C (or its nominees) may accept the offer of the Broker Options. Application Forms will be issued to Triple C and (or its nominees) together with a copy of this Prospectus.

The terms and conditions of the Broker Options are described in Section 4.5.

If the Broker Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

No application monies are payable in respect of the offer of the Broker Options, however the Company may elect to accept nominal application monies for the issue of these Options.

1.3 Purpose of the Prospectus

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

Section 708A(5) of the Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). The Company has been suspended from trading on the ASX for more than 5 days in the last 12 months and as a result is precluded from issuing a 'cleansing' notice in accordance with section 708A(5) of the Corporations Act.

Section 708A(11) of the Corporations Act provides another exemption from the general requirement under section 707(3) where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

In addition, ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 provides relief from the on-sale provisions for the on-sale of shares on the exercise of options where the option was issued with disclosure and the exercise of the option did not involve any further offer.

Accordingly, the purposes of this Prospectus are to:

- (a) make the Offer; and
- (b) ensure that any on-sale of the Shares issued by the Company prior to the Closing Date, including the Performance Rights Conversion Shares, the Placement Shares and the Quoted Option Conversion Shares, do not breach section 707(3) of the Corporations Act; and
- (c) ensure that any on-sale of the Shares issued by the Company on exercise of the Lead Manager Options and the Broker Options do not breach section 707(3) of the Corporations Act.

1.4 Closing Date

The Closing Date for the Offer is 15 June 2018. The Company reserves the right, subject to the Corporations Act and the Listing Rules to extend or shorten the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

1.5 Underwriting and minimum subscription

There is no minimum subscription for the Offer and the Offer is not underwritten.

1.6 Application Forms

The Offer of Shares is being extended to investors who are invited by the Company to subscribe for Shares and is not open to the general public. The Company may determine in its discretion whether to accept any or all Applications.

The Offer of the Lead Manager Options and Broker Options are being extended to Argonaut and Triple C respectively, and their respective nominees.

Applications must be made using the Application Form attached to this Prospectus. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

Completed Application Forms must be received by the Company prior to the Closing Date. Application Forms should be delivered to the Company in accordance with the instructions on the Application Form.

If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Securities accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of the Securities under the Offer.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

1.7 Issue and dispatch

Subject to the Corporations Act and the Listing Rules, the Company intends to issue the Securities subscribed for under the Offer on or about 15 June 2018.

Shareholder statements will be dispatched as soon as possible after the issue of the Shares under the Offer.

1.8 Application Monies held on trust

All Application Monies received for the Securities will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Securities are issued. All Application Monies will be returned (without interest) if the Securities are not issued.

1.9 ASX quotation

Application will be made to ASX no later than 7 days after the date of this Prospectus for official quotation of the Shares under the Offer. If permission is not granted by ASX for the Official Quotation of the Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

1.10 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

1.11 Residents outside Australia

This Prospectus and an accompanying Application Form do not, and are not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

1.12 Risk factors

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 3.

1.13 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Securities under this Prospectus.

1.14 Major activities and financial information

A summary of the major activities and financial information relating to the Company can be found in the Company's Annual Financial Report for the financial year ended 30 June 2017 lodged with ASX on 6 October 2017 and the Company's Half Yearly Report to 31 December 2017 lodged with ASX on 14 March 2018.

The Company has made continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Financial Report on 6 October 2017, as outlined in Section 4.7.

Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

1.15 Privacy

Applicants will be providing personal information to the Company (directly or by the Share Registry) on the Application Form. The Company collects, holds and will use that information to assess the Acceptance, service Shareholders' needs, facilitate distribution payments and corporate communications to Shareholders, and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for Shares in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

Shareholders can access, correct and update the personal information the Company holds about them by contacting the Company or the Share Registry at the relevant contact numbers set out in this Prospectus. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

Applicants should note that if they do not provide the information required on Application Form, the Company may not be able to accept or process their Application.

1.16 Enquiries concerning Prospectus

Enquiries should be directed to the Company Secretary on +61 8 6147 8100.

2. Effect of the Offer

2.1 Capital structure on completion of the Offer

	Shares	Options	Performance Rights
Balance at the date of this Prospectus	663,779,057	183,720,624 ¹	28,000,000 ²
Placement Shares to be issued	583,333,333	-	-
Quoted Option Conversion Shares to be issued	68,776	(68,776)	
Maximum to be issued under the Offer	10	47,000,000 ³	-
TOTAL⁴	1,247,181,176	230,651,848³	28,000,000

Notes:

1. Comprised of Quoted Options only.
2. Performance Rights are comprised of 14,000,000 Performance Rights of each of Classes B and C and have the terms and conditions as set out in the Company's notice of annual general meeting lodged with ASX on 22 September 2017.
3. Comprised of 40,000,000 Lead Manager Options and 7,000,000 Broker Options. Under the terms and conditions of the Lead Manager Options as approved by Shareholders at the General Meeting, (set out in Section 4.3) 5,000,000 of the Lead Manager Options will lapse immediately following completion of the Placement. The Company presently intends to issue a further 5,000,000 Options to Argonaut (or its nominees). Such Options would vest on a one-for-one basis for every Australian dollar raised under further placements in respect of which Argonaut provided its services. These Options are intended to have the same exercise price and expiry date as the Lead Manager Options.
4. Assumes that no further Securities are issued or Options or Performance Rights converted into Shares.

2.2 Financial effect of the Offer

After paying the expenses of the Offer of approximately \$8,500, there will be no proceeds from the Offer. The expenses of the Offer will be met from the Company's existing cash reserves. The Offer will have a nominal effect on the Company's financial position of reducing the cash balance by the costs of the Offer.

Please refer to Section 4.16 for further details on the estimated expenses of the Offer.

2.3 Effect of the Offer on control of the Company

The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offer.

3. Risk Factors

The Securities offered under this Prospectus should be considered speculative because of the nature of the business activities of the Company. Potential investors should consider whether the Securities offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. This list is not exhaustive and potential investors should read this Prospectus in its entirety and if in any doubt consult their professional adviser before deciding whether to participate in the Offer.

The principal risks include, but are not limited to, the following:

3.1 Risks specific to the Company

(a) **Future capital requirements**

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities.

The Company believes its available cash and the net proceeds of the Placement should be adequate to fund its business development activities and other Company objectives in the short- to medium-term.

However, in order to successfully develop the Bawdwin Project and for production to commence, the Company will require additional financing in the future, in addition to amounts raised pursuant to the Placement. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained as and when required, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in its interest in the Bawdwin Project being subject to dilution or forfeiture and could affect the Company's ability to continue as a going concern.

(b) **Contractual and joint venture risks**

On completion of the exercise of the Bawdwin Option, the Company's interest will be held through a legally binding contractual joint venture arrangement with WMM, the current controlling shareholders of WMM (**OSG**), and EAP.

On completion of the exercise of the Bawdwin Option, the Bawdwin Project will be held as follows:

- (i) Company: 51%
- (ii) EAP: 24.5%; and
- (iii) OSG: 24.5%.

Upon completion of a bankable feasibility study, approval is to be sought from the Myanmar Investment Commission for the Company to take a controlling equity interest (majority shareholding) in WMM, the holder of the Bawdwin Project. The Company will have the right to appoint the majority of directors to the board of WMM, one of whom will be the managing director of WMM.

On completion of equity vesting, shares in WMM will be held as follows:

- (i) Company: 51%;
- (ii) EAP: 24.5%; and
- (iii) OSG: 24.5%.

Accordingly, the ability of the Company to achieve its stated objectives will depend on the performance by the Company, EAP, the current shareholders of WMM, and WMM itself under the aforementioned agreements. If any of EAP, or WMM or the existing shareholders of WMM defaults in the performance of their obligations, or there is disagreement as to a matter of contractual interpretation, it may be necessary for the Company to initiate proceedings in an arbitral tribunal or a court to seek a legal remedy, which can be costly and has no certainty of resulting in a favourable outcome for the Company.

(c) **Myanmar governmental approvals**

Upon completion of a bankable feasibility study for the Bawdwin Project, approval is to be sought from the Myanmar Investment Commission (**MIC**) pursuant to a recommendation from the Ministry of Natural Resources and Environmental Conservation (**MONREC**) for:

- (i) An investment permit allowing the Company to take a controlling equity interest in WMM, as the holder of the Bawdwin Project;
- (ii) WMM to undertake development of a new and/or expanded mining operation as described in the bankable feasibility study; and
- (iii) WMM to continue to undertake large-scale mineral production activities as a foreign-invested entity (following vesting of the Company's controlling equity interest).

Myanmar mining laws allow the undertaking of large-scale mineral production activities, including by foreign-invested entities, subject to the grant of a large-scale production permit and/or production agreement by MONREC. WMM currently holds a granted production agreement for the Bawdwin Project. Subject to the results of the bankable feasibility study process, amendments may be required to WMM's current production agreement in order to allow the Company and WMM to undertake the scale of operations for the full life of mine called for by the bankable feasibility study.

Under Myanmar investment laws, major and/or sensitive projects, including proposed large-scale mineral production projects, require investment approvals from the MIC. Approvals are sought by way of an application based on the financial, technical and related projections for the proposed project, including in respect of such factors as profitability, creation of employment and social and environmental factors.

Myanmar environmental laws contain detailed environmental impact assessment (EIA) requirements, which also comprise social impact assessment. Proponents of major projects, including large-scale mineral production projects, are required to prepare and submit a detailed EIA to MONREC by way of application for an environmental compliance certificate (ECC) based on review and approval of the EIA. An ECC constitutes an environmental permit to proceed with the project and is subject to periodic renewal.

It is expected that various other ancillary permits and approvals will be required from time to time from various Myanmar government authorities in relation to specific aspects of the Company's and WMM's intended future activities, such as in relation to import/export activities, water usage, building construction and on-site health and safety.

There can be no guarantee that all of the necessary permits and approvals will be forthcoming or granted on terms that are acceptable to the Company. Delays in obtaining, or the inability to obtain, permits and required approvals on acceptable terms may significantly impact on the Company's operations.

(d) **Emerging markets**

The Bawdwin Project is located in Myanmar. When conducting operations on foreign assets in emerging markets such as Myanmar, ASX-listed entities may face a number of additional risks that companies with operations wholly within Australia may not face. For example, the ability to implement effective internal control and risk management systems and good corporate governance principles, having regard to the separation of executive management and the Board from the location of the projects and the need to rely on consultants and professional advisors in those jurisdictions.

(e) **Sovereign risks**

The Company will be subject to the risks associated in operating in a foreign country. These risks include ability to obtain key approvals on a timely basis, economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, imposition of sanctions, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

The Company and its advisers will undertake all reasonable due diligence in assessing and managing the risks associated with mineral exploration and production in Myanmar. However, any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company may have projects is outside the control of the Company. Such changes may affect the foreign ownership, exploration, development or activities of companies involved in mining exploration and production and in turn may affect the viability and profitability of the Company.

Myanmar is continuing to experience civil unrest, politically-motivated violence and conflict between ethnic groups and military forces. Such political instability and ongoing religious conflicts can fundamentally impact foreign

businesses' operations in Myanmar. Although the unrest and conflict are not presently located within the area of the Company's operations, the possibility of continued or an increase in civil and political unrest remains a constant threat which may affect the viability and profitability of the Company.

(f) Environmental risk

The operations and proposed activities of the Company are or may be subject to various laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

Portions of the area comprising the Bawdwin Project have been subject to previous mining works which may not have been adequately rehabilitated. Whilst the Company does not consider that it is responsible for these historic works, it intends to undertake activities in these areas and the historical disturbances caused by previous mining may increase future rehabilitation costs over what otherwise would be expected. Further, claims may be made that the Company does face some liability for these historic works, which may require the Company to seek a legal remedy, which can be costly.

(g) Force majeure

The Company's projects may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Myanmar has experienced civil disorder and insurgency by various ethnic groups in recent years and may experience ongoing civil disorder and insurgency. Such risks are beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

(h) Relocation and community risks

The Company expects the Bawdwin mine re-development will create significant social and economic benefits for local communities, including employment opportunities, but acknowledges that local some residents may be directly or indirectly affected by the mine development and associated operations. Community programs and social impact studies will be conducted at the earliest opportunity to understand community issues and where possible address concerns.

The existing processing facility at Bawdwin has been established for many years but an expanded mine and/or treatments facility may impact on some local housing which may result in the Company being required to negotiate a resettlement program with the affected community members. The Company may therefore be required to undertake activities including a livelihood restoration and relocation program, including the building of new homes. As it is intended that local residents will be the source of a significant number of employees for the mine, and the quality of the housing constructed is expected to be higher than the existing buildings, community support is expected but cannot be guaranteed. If some members of the community are slow to relocate or resist moving altogether, it may have the potential to adversely affect future production.

(i) Legacy risks

The existing Board was appointed on 19 June 2017, following the resignation of former directors Messrs Mordechai Gutnick and Peter Lee, and Dr David Tyrwhit. The existing Board did not have oversight of the Company's activities prior to their appointment.

The Company's corporate records are incomplete for the period prior to the appointment of the existing Board. Consequently, there may be actions that were taken by previous directors and officers of the Company that the existing Board is not aware of. There is a risk that previous actions unknown to the existing Board may adversely affect the Company's operations and financial position, or lead to litigation that could take up management's time in defending any such litigation.

(j) New projects and acquisitions

If the exercise of the Bawdwin Option is not completed for any reason, the Company will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

The Company has recently relinquished the only other exploration licence it held. Therefore, other than its interest in Bawdwin, it has no mineral assets.

3.2 Mining Industry Risks

(a) Exploration and development risks

Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration or development of the Bawdwin Project or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource. Although the Company has declared a mineral resource estimate for the Bawdwin Project, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities.

In the event that exploration programs are unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its interests in its projects.

(b) Operating risk

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its interests. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(c) Metallurgy

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

(d) **Metals and currency price volatility**

The Company's ability to proceed with the development of its mineral projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of zinc, lead, silver, copper, cobalt, other base and precious metals, and industrial metals.

Consequently, any future earnings are likely to be closely related to the price of these commodities and the terms of any off-take agreements that the Company enters into. Metals are principally sold throughout the world in US dollars. The Company's cost base may be payable in various currencies including Myanmar kyat, Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar or between the Australian dollar and the Myanmar kyat could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

(e) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition, including major mineral exploration and production companies. Although the Company undertakes all reasonable due diligence in its business decisions and operations, the Company has no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

Some of the Company's competitors have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

3.3 General Risks

(a) **Market conditions**

The market price of the Company's Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

Further, share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as: general economic outlook; interest rates and inflation rates; currency fluctuations; changes in investor sentiment; the demand for, and supply of, capital; and terrorism or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) **Government and legal risk**

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Securities. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its current or proposed permits. However, changes in political and community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's exploration and/or development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(c) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. To the best of the current Directors' knowledge, the Company is not currently engaged in any other litigation.

(d) **Insurance risks**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(e) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

3.4 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market

value of those Securities. Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

4. Additional information

4.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

- (a) **(Ranking of Shares):** At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.
- (b) **(Voting rights):** Subject to any rights or restrictions, at general meetings:
 - (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
 - (ii) has one vote on a show of hands; and
 - (iii) has one vote for every Share held, upon a poll.
- (c) **(Dividend rights):** Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive. Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.
- (d) **(Variation of rights):** The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.
- (e) **(Transfer of Shares):** Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer. In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.
- (f) **(General meetings):** Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

- (g) **(Unmarketable parcels):** The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.
- (h) **(Rights on winding up):** If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

4.2 Argonaut Mandate

The Company has engaged Argonaut as its lead manager in relation to the Placement.

In accordance with the Argonaut Mandate, the Company agreed to issue the Lead Manager Options to Argonaut (or its nominees) as part consideration for its lead manager services.

The Lead Manager 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 Lead Manager Option shall vest and become exercisable at the price equivalent to a 30% premium to the issue price of the Placement Shares, on or before the date which is four years from the date of issue. Refer to Section 4.3 for the terms and conditions of the Lead Manager Options.

The issue of the Lead Manager Options will be pursuant to the Shareholder approval received at the General Meeting.

In consideration for its services, Argonaut will receive (or has received) the following, in addition to the Lead Manager Options:

- (a) **(financial advisory fee):** a financial advisory fee of US\$25,000 per calendar month (to be reduced to US\$5,000 per month where there are materially reduced levels of advisory services being provided by Argonaut, or nil per month where no or extremely limited advisory services are provided by Argonaut);
- (b) **(equity raising fee):** a capital raising fee of 4% of the amount raised and a management fee of 2% of the amount raised (except in respect of funds raised from certain nominated investors); and
- (c) **(financing fee):** for any financing that is not a capital raising, a financing fee of 2% of the amount raised under such financing.

The Company must reimburse Argonaut for reasonable expenses, up to US\$5,000, plus travel expenses.

Subject to Argonaut successfully completing the Placement, and procuring a letter of support or similar from a cornerstone investor to provide and/or assist in arranging certain future financing for construction of the Bawdwin Project that is capable of being presented to Myanmar Government or regulatory entities as required, Argonaut is granted a first right of refusal (within 30 days of written notification) to act as:

- (a) exclusive overall independent financial advisor, lead manager and financial arranger across all financing work streams to finance the Bawdwin Project into

full scale production including, but not limited to, project finance debt, equity, convertible bonds, loan plus warrants and/or partial project sell-down; and

- (b) exclusive defence advisor to the Company in respect of any mergers and acquisitions activity proposed or undertaken by the Company,

on industry standard terms (having regard to terms and conditions upon which investment banks and financial advisory firms are engaged to undertake similar services for similar transactions in Australia), to be mutually agreed by the parties in good faith as and when the Company is presented with or elects to seek proposals from third parties to act in any such capacity, for 3 years following the termination or expiry of the Argonaut Mandate. However, this right shall not apply in the event that the Argonaut Mandate is terminated by the Company due to Argonaut's gross negligence, wilful misconduct or fraud or by Argonaut for any reason.

The Argonaut Mandate contains additional covenants, warranties, representations and indemnities that are customary for an agreement of this nature.

4.3 Terms and conditions of Lead Manager Options

The following terms and conditions apply to the Lead Manager Options:

- (a) **(Entitlement):** Subject to the terms and conditions set out below, each Option, once vested, entitles the holder to subscribe for one Share of the Company upon exercise of the Option.
- (b) **(Exercise Price and Expiry Date):** Each Option will have an exercise price of \$0.078 (**Exercise Price**) and expire at 5:00pm (WST) on the date which is four years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Vesting Criteria):** The Options will vest on the basis that for every one Australian dollar raised under the Placement, one Option shall vest on the date of completion of the Placement (**Vesting Date**). Any Options not vested upon completion of the final stage of the Placement will automatically lapse on completion of the final stage of the Placement.
- (d) **(Exercise Period):** Vested Options are exercisable at any time after the relevant Vesting Date and on or prior to the Expiry Date.
- (e) **(Quotation of the Options):** The Company will not apply for quotation of the Options on ASX unless determined otherwise in the Board's sole discretion.
- (f) **(Transferability of the Options):** The Options are transferable.
- (g) **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's registry.

- (h) **(Shares issued on exercise):** Shares issued on exercise of the Options rank equally with the then Shares of the Company.
- (i) **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (j) **(Timing of issue of Shares):** Within 30 Business Days after the later of the following:
 - (i) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,
 the Company will:
 - (i) issue the Shares pursuant to the exercise of the Options;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (k) **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (l) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (m) **(Change in exercise price):** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (n) **(Change in control):** Any unvested Options will automatically vest and become exercisable upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for greater than 50% of the Company's shares on issue; and
 - (B) having been declared unconditional by the bidder;

- (ii) any person acquires a Relevant Interest (as defined in the Corporations Act) more than 50% of the Shares by any other means; or
- (iii) any merger transaction or scheme of arrangement is recommended by the Board and (where such transaction would have the effect contemplated in paragraph (ii) above.

4.4 Triple C Mandate

The Company previously agreed under the Triple C Mandates to issue the Broker Options to Triple C (or its nominee) as part consideration for lead manager services provided to the Company in respect of the placement completed on 20 November 2017.

The Broker Options will be exercisable at \$0.07 each on or before 30 November 2020. Refer to Section 4.5 for the terms and conditions of the Broker Options.

The issue of the Broker Options will be pursuant to the Shareholder approval received at the General Meeting.

In consideration for its services, Triple C will receive (or has received) the following, in addition to the Broker Options:

- (a) a monthly retainer of \$10,000 until the earlier of the expiry of the term (29 September 2018) or when the Company has completed the Placement; and
- (b) reasonable out-of-pocket expenses (subject to a maximum of \$15,000).

The Triple C Mandates contains covenants, warranties, representations and indemnities that are customary for an agreement of this nature.

4.5 Terms and conditions of Broker Options

The following terms and conditions apply to the Broker Options:

- (a) **(Entitlement):** Subject to the terms and conditions set out below, each Option entitles the holder to subscribe for one Share of the Company upon exercise of the Option.
- (b) **(Exercise Price and Expiry Date):** The Options have an exercise price of \$0.07 per Option (**Exercise Price**) and expire at 5:00pm (WST) on 30 November 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Period):** Options are exercisable at any time and from time to time on or prior to the Expiry Date.
- (d) **(Quotation of the Options):** The Company will not apply for quotation of the Options on ASX unless determined otherwise in the Board's sole discretion.
- (e) **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company.
- (f) **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. Any Notice of Exercise of an Option received by

the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's registry.

- (g) **(Shares issued on exercise):** Shares issued on exercise of the Options rank equally with the then Shares of the Company.
- (h) **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (i) **(Timing of issue of Shares):** Within 30 Business Days after the later of the following:
 - (i) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (i) issue the Shares pursuant to the exercise of the Options;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (j) **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
 - (k) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
 - (l) **(Change in exercise price):** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

4.6 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about

specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 4.7 below). Copies of all documents announced to the ASX can be found on the Company's website.

4.7 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer a copy of:

- (a) the financial statements of the Company for the financial year ended 30 June 2017 and the half-year ended 31 December 2017, being the last two financial statements of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in paragraph 4.7(a) above until the date of this Prospectus:

Date lodged	Subject of Announcement
14 June 2018	Perilya Confirms FIRB Green Light for MYL Investment
8 June 2018	ASX waiver granted - Perilya anti-dilution right
7 June 2018	\$35 million share placement completed oversubscribed
5 June 2018	Results of Meeting
5 June 2018	Chairman's address to Shareholders
5 June 2018	Investor presentation
5 June 2018	Trading halt
25 May 2018	MYL Investor Teleconference
25 May 2018	Chairman's Letter to Shareholders
25 May 2018	Addendum to Notice of Meeting
25 May 2018	Binding Financing Commitments to Fully Fund Option Exercise
22 May 2018	Updated Resource with Substantial Indicated Classification

Date lodged	Subject of Announcement
22 May 2018	MYL Gives Formal Notice to Exercise Bawdwin Option
16 May 2018	May Investor Presentation
16 May 2018	Details of Company Address
9 May 2018	Drill Results Reinforce Bawdwin's Open Pit Potential
4 May 2018	Notice of General Meeting/Proxy Form
2 May 2018	Boardroom Media Interview with CEO John Lamb
2 May 2018	Bawdwin Project further de-risked after Government Advice
1 May 2018	Appendix 3B
1 May 2018	Change of Director's Interest Notices (x3)
27 April 2018	Quarterly Activities and Cashflow Report
11 April 2018	Argonaut Initiates Research Coverage
5 April 2018	Mines and Money Presentation - Hong Kong
4 April 2018	Bawdwin Video presentation
28 March 2018	BoardRoom Media Interview with CEO John Lamb
28 March 2018	MYL Secures Major Myanmar Industrial to Invest in Bawdwin
20 March 2018	Outstanding Silver, Base Metals and Cobalt Drill Results
14 March 2018	Half Year Accounts

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 4.17 and the consents provided by the Directors to the issue of this Prospectus.

4.8 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

4.9 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

4.10 Market price of Shares

The highest and lowest market closing prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.081 per Share on 7 and 8 June 2018

Lowest: \$0.050 per Share on 3 April 2018

The latest available market closing price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.079 per Share on 13 June 2018.

4.11 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

4.12 Substantial Shareholders

Based on the substantial holder notices provided to the Company as at the date of this Prospectus, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Number of Shares	% Shareholding
Yandal Investments Pty Ltd	87,505,328	13.18%

As announced by the Company on 25 May 2018, a binding commitment has been agreed with Yandal Investments Pty Limited (**Yandal Investments**) for Yandal Investments to subscribe for 70,000,000 Shares at an issue price of \$0.06 per Share as part of the Placement. On the assumptions that:

- (a) the Placement is completed and 583,333,333 Shares are issued (including those to Yandal Investments outlined above and those to Perilya outlined below);
- (b) 68,776 Quoted Option Conversion Shares are issued;
- (c) 10 Shares are issued under the Offer; and
- (d) no other Shares are issued,

Yandal Investments will hold a voting power in the Company of approximately 12.63% on completion of the Placement.

Also as announced by the Company on 25 May 2018, a binding agreement has been entered into with Perilya Limited (**Perilya**) pursuant to which Perilya will subscribe for 249,422,477 Shares at an issue price of \$0.06 per Share as part of the Placement. On the assumptions outlined above, Perilya will hold a voting power in the Company of approximately 19.99% on completion of the Placement.

4.13 Interests of Directors

(a) Information disclosed in this Prospectus

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (i) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (ii) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

(b) Security holdings

The Directors have the following relevant interests in the Securities as at the date of this Prospectus:

Director	Shares	%	Options	Class B Performance Rights ¹	Class C Performance Rights ²
John Lamb	6,500,000	0.98	-	6,000,000	6,000,000
Jeffrey Moore	4,375,000	0.66	-	4,000,000	4,000,000
Rowan Caren	4,250,000	0.64	-	4,000,000	4,000,000

Notes:

1. Class B Performance Rights on the terms and conditions as set out in the Company's notice of annual general meeting lodged with ASX on 22 September 2017.
2. Class C Performance Rights on the terms and conditions as set out in the Company's notice of annual general meeting lodged with ASX on 22 September 2017.

(c) Remuneration

The Constitution provides that the non-executive Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors as the Directors shall determine, and in default of agreement then in equal Shares. The current maximum amount of remuneration that may be paid to all non-executive Directors is \$250,000 per annum.

The remuneration of the executive Directors must, subject to the provisions of any contract between each of them and the Company, be fixed by the Directors. The Company currently has two executive Directors, Mr John Lamb and Mr Rowan Caren.

Mr Lamb, who is the Company's Executive Chairman and Chief Executive Officer, has a base salary including director fees of \$350,000 per annum (excluding superannuation). Mr Lamb was also invited to participate in the Company's Performance Rights Plan (as approved by Shareholders at the 2017 annual general meeting).

Mr Caren, who is an Executive Director, Company Secretary and Chief Financial Officer of the Company, has a base fee of \$150,000 per annum and a director fee of \$36,000 per annum excluding superannuation. Mr Caren may also be paid consulting fees for services provided in excess of 3 days per week. Mr Caren was also invited to participate in the Company's Performance Rights Plan (as approved by Shareholders at the 2017 annual general meeting).

A Director may also be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The Directors have received the following remuneration entitlements for the financial year ended 30 June 2017:

Director	Salary & fees (\$)	Super-annuation (\$)	Share based payments (\$)	TOTAL (\$)
John Lamb ¹	15,600	570	-	16,170
Jeffrey Moore ²	5,400	285	-	5,685
Rowan Caren ³	25,950	285	-	26,235
Mordechai Gutnick ⁴	-	-	160,800	160,800
Peter Lee ⁴	-	-	160,800	160,800
Dr David Tyrwhitt ⁴	-	-	-	-
Joseph Gutnick ⁵	-	-	-	-

Notes:

- From 19 June 2017 to 30 September 2017, Mr Lamb was entitled to an annual salary of \$72,000 excluding superannuation as non-executive chairman of the Company. The above remuneration includes payment of \$9,600 (plus GST) to Mr Lamb for consulting services provided with respect to technical advice regarding the Bawdwin Option Agreement in May-June 2017. Since 1 October 2017, Mr Lamb has been engaged as the Company's Chief Executive Officer and Executive Chairman, on the terms disclosed above. Mr Lamb was issued 18,000,000 Performance Rights on 30 October 2017 as approved by Shareholders at the Company's 2017 annual general meeting. 6,000,000 of these Performance Rights have vested and were converted into Shares on 30 April 2018.
- Mr Moore has been entitled to an annual salary of \$36,000 excluding superannuation since his appointment as a Director on 19 June 2017. The above remuneration includes payment of \$2,400 (plus GST) to Mr Moore for consulting services provided with respect to certain agreements, including the Bawdwin Option Agreement in May-June 2017. Mr Moore may also be paid consulting fees for services additional to those provided as Non-Executive Director. Mr Moore was issued 12,000,000 Performance Rights on 30 October 2017 as approved by Shareholders at the Company's 2017 annual general meeting.

4,000,000 of these Performance Rights have vested and were converted into Shares on 30 April 2018.

3. Mr Caren has been entitled to an annual salary of \$36,000 excluding superannuation since his appointment as a Director on 19 June 2017. The above remuneration includes payment of \$22,950 (plus GST) for consulting services provided with respect to certain agreements in May-June 2017. Since 1 March 2018, Mr Caren has been engaged as an Executive Director on the terms disclosed above. Mr Caren was issued 12,000,000 Performance Rights on 30 October 2017 as approved by Shareholders at the Company's 2017 annual general meeting. 4,000,000 of these Performance Rights have vested and were converted into Shares on 30 April 2018.
4. Each of Messrs Mordechai Gutnick and Lee, and Dr Tyrwhitt, resigned as a director of the Company on 19 June 2017. The current Board understands from public disclosures that AXIS Consultants Pty Ltd previously provided key management personnel services to the Company, including the director services of Messrs Mordechai Gutnick and Lee. Included in the management fees paid to AXIS Consultants Pty Ltd for the financial year ended 30 June 2017 were fees for the provision of key management personnel services. Messrs Mordechai Gutnick and Lee were each issued 3,000,000 Shares valued at \$0.0536 per Share under the Company's 2016 Incentive Share Scheme in accordance with Shareholder approval obtained at the Company's annual general meeting on 30 November 2016.
5. Mr Joseph Gutnick resigned as a director of the Company on 8 July 2016.

4.14 Related party transactions

There are no related party transactions involved in the Offer.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

4.15 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

4.16 Expenses of Offer

Estimated expenses of the Offer	\$
ASIC lodgement fee and ASX quotation fee	2,500
Legal and preparation expenses	6,000

Estimated expenses of the Offer	\$
TOTAL	8,500

4.17 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Bellanhouse has given its written consent to being named as the solicitors to the Company in this Prospectus. Bellanhouse has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC. Bellanhouse:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

5. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:

Rowan Caren
Executive Director & Company Secretary

6. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ or A\$ means Australian dollars.

Applicant means a person who submits an Application Form.

Application Form means the application form provided by the Company with a copy of this Prospectus.

Application means a valid application for Securities made on an Application Form.

Application Monies means the amount of money in dollars and cents payable for Shares at the Offer price per Share pursuant to the Offer.

Argonaut Mandate means the agreement between Argonaut and the Company dated 19 February 2018.

Argonaut means Argonaut Securities (Asia) Limited (SFC CE No. AX0052).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means ASX Settlement Operating Rules of ASX Settlement.

Bawdwin Option Agreement means the option agreement entered into between the Company and Win Myint Mo Industries Co., Ltd (a private company incorporated in Myanmar) on or about 22 May 2017, as subsequently amended, pursuant to which the Company has the exclusive option to acquire a 51% interest in the Bawdwin Project, and as may be further amended from time to time.

Bawdwin Option means the Company's exclusive option to acquire a 51% concessional interest in the Bawdwin Project from Win Myint Mo Industries Co., Ltd, a private company incorporated in Myanmar.

Bawdwin Project means the Bawdwin Zn-Pb-Ag-Cu mine lease in Myanmar.

Board means the Directors meeting as a board.

Broker Options has the meaning given in Section 1.2(e), and are to be issued on the terms and conditions in Section 4.5.

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHESS means ASX Clearing House Electronic Sub-registry System.

Closing Date has the meaning given in Section 1.4.

Company means Myanmar Metals Limited (ACN 124 943 728).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means *Corporations Act 2001* (Cth).

Directors mean the directors of the Company as at the date of this Prospectus.

EAP means East Asia Power (Mining) Company Limited.

General Meeting means the general meeting of the Company held on 5 June 2018.

Issuer Sponsored means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Lead Manager Options has the meaning given in Section 1.2(d) and are to be issued on the terms and conditions in Section 4.3.

Listing Rules means the official listing rules of ASX and any other rules of ASX which are applicable while any Securities are admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express waiver by ASX.

Offer means an offer under this Prospectus to apply for Shares, Lead Manager Options or Broker Options (as applicable).

Official List means the official list of ASX.

Official Quotation means quotation of Shares on the Official List.

Option means an option to acquire a Share.

Performance Rights Conversion Shares has the meaning given in Section 1.2(a).

Placement has the meaning given in Section 1.2(b).

Placement Shares has the meaning given in Section 1.2(b).

Prospectus means this prospectus dated 14 June 2018.

Quoted Option means a quoted option to acquire one Share in the capital of the Company, exercisable at \$0.03 and expiring on 31 December 2019.

Quoted Option Conversion Shares has the meaning given in Section 1.2(c).

Section means a section of this Prospectus.

Securities mean any securities including Shares, Options or Performance Rights issued or granted by the Company.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Link Market Services Limited (ACN 083 214 537).

Shareholder means a holder of Shares.

Triple C Mandates means the agreements between Triple C and the Company dated 12 November 2017 and 19 February 2018.

Triple C means Triple C Consulting Pty Ltd (ACN 141 412 106).

US\$ means United States dollars.

WMM means Win Myint Mo Industries Co., Ltd.

WST means Western Standard Time, being the time in Perth, Western Australia.