

Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**To Company Name/Scheme Myanmar Metals LimitedACN/ARSN 124 943 728**1. Details of substantial holder (1)**Name Perilya LimitedACN/ARSN (if applicable) 009 193 695The holder became a substantial holder on 15/06/2018.**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Ordinary shares	249,422,477	249,422,477	10.99%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)*	Class and number of securities
Perilya Limited	Registered holder of the shares acquired under the Share Subscription Agreement dated 24 May 2018, a copy of which is annexed to this notice and marked Annexure B.	249,422,477 Ordinary shares
Zhongjin Lingnan Mining (HK) Company Limited	Taken under section 608(3)(b) of the Corporations Act to have a relevant interest by reason of having control of Perilya Limited	As above
Shenzhen Zhongjin Lingnan Nonfermet Co., Ltd	Taken under section 608(3)(b) of the Corporations Act to have a relevant interest by reason of having control of Perilya Limited	As above
Each of the controlled entities of Perilya Limited (Perilya Entities) as named in part A of the list annexed to this notice and marked Annexure A	Entities controlled by Perilya are deemed to have the same relevant interests as Perilya.	As above
Each of the associates of Shenzhen Zhongjin Lingnan Nonfermet Co., Ltd (Zhongjin Associates) as named in part B of the list annexed to this notice and marked Annexure A	Relevant interest held by Shenzhen Zhongjin Lingnan Nonfermet Co., Ltd, an Associate under section 12(2)(a) of the Corporations Act.	

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Perilya Limited	Perilya Limited	Perilya Limited	249,422,477 Ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Perilya Limited	15/06/2018	\$14,965,349		249,422,477 Ordinary shares
Zhongjin Lingnan	As above	As above		As above

Mining (HK) Company Limited				
Shenzhen Zhongjin Lingnan Nonfermet Co., Ltd	As above	As above		As above
Each of the Perilya Entities and Zhongjin Associates	As above	As above		As above

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Zhongjin Lingnan Mining (HK) Company Limited, Shenzhen Zhongjin Lingnan Nonfermet Co., Ltd and each of the Perilya Entities and Zhongjin Associates.	The entities are all associates of each other by virtue of section 12(2)(a) of the Corporations Act 2001 (Cth).

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Perilya Limited	Level 8, 251 Adelaide Terrace Perth WA 6000
Zhongjin Lingnan Mining (HK) Company Limited	18 th Floor, Tower Two, Admiralty Centre, Central, Hong Kong
Shenzhen Zhongjin Lingnan Nonfermet Co., Ltd	Level 24-26, Nonfermet Building, 6013 Shennan Avenue, Shenzhen, China 518040

Signature

print name Jialiang (Eric) Zeng capacity Director

sign here  date 19 / 06 / 2018

Annexure "A"

This is Annexure "A" of 2 pages referred to in Form 603 (Notice of initial substantial holder) signed by me and dated 19 June 2018

print name Jialang (Eric) Zengcapacity Directorsign here date 19 / 06 / 2018**PART A: Perilya Entities**

Name of Perilya Entity
Perilya Investments Pty Ltd ACN 009 232 464
Perilya Broken Hill Limited ACN 099 761 289
Perilya Freehold Mining Pty Ltd ACN 068 463 579
Perilya Exploration Pty Ltd ACN 009 098 980
Perilya Management Pty Ltd ACN 078 343 094
MI Oxide Pty Ltd ACN 133 057 593
Perilya (Malaysia) Sdn Bhd
ACN 106 537 008 Pty Ltd
Richview Investments Pty Ltd ACN 126 294 451
Powerform Investments Pty Ltd ACN 126 353 062
Noble Mining Corporation Pty Ltd ACN 009 176 232
Riverpoint Holdings Pty Ltd ACN 124 541 868
Talyn Limited
Riverpoint Holdings (Mauritius) Pty Ltd
Calabrid Trading 18 (Pty) Ltd
Defacto Investments 275 Pty Ltd
GlobaStar Mining Corporation
TGW Corp Inc
Sermin Exploration Corp
Taipan Explorations SRL
Corporacion Minera Dominicana S.A.S.

PART B: Zhongjin Associates

Name of Zhongjin Associate
Shum Yip Nonfermet Hong Kong Ltd
China Nonferrous Industrial Shenzhen Warehousing & Logistics Company
Shenzhen Nonfermet HI-power Battery Material Co Ltd
Zhongjin Lingnan Nonfermet Technology Company
Tianjin Jinkang Real Estate Development Company
Shaoguan Jinsheng Metals Trading Co Ltd
Zhongjin Lingnan Nonfermet Financial Co Ltd
Shenzhen Kangfa Development Company
Nonfermet International (China-Canada-Japan) Aluminum Co Ltd
Shenzhen Jinhui Futures Brokerage Co Ltd
Zhongjin Nonfermet Construction and Installation Company
Renhua Welda Development Co Ltd
Renhua Fankou Lead-zinc Construction and Installation Company
Guangxi Zhongjin Lingnan Mining Limited Liability Company
Shaoguan Zhongjin Lingnan Commercial Reserves Co Ltd
Nonfermet International Xilin Industry Ltd
Shenzhen Huapin Rail Transit Co Ltd
Shenzhen China-Canada-Japan Curtain Wall Technology Co Ltd
Shenzhen Xinyue Advanced Material Technology Co Ltd
Shenzhen Zhongjin Lingnan Jinhui Capital Management Co Ltd
Guangdong Zhongjin Lingnan Environment Protection Engineering Co Ltd
Guangdong Zhongjin Lingnan Nonferrous Metallurgy Design and Research Co Ltd
Guangdong Zhongjin Lingnan Equipment and Technology Co Ltd
Ganzhou Zhongjin HI-power Battery Material Co Ltd

Annexure "B"

This is Annexure "B" of 32 referred to in Form 603 (Notice of initial substantial holder) signed by me and dated 19 June 2018.

This Annexure B is a true copy of the original document.

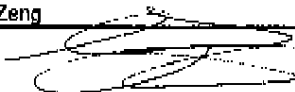
print name

Jialang (Eric) Zeng

capacity

Director

sign here



date 19 / 06 /2018

BELLANHOUSE

LAWYERS

Level 19, Alluvion
58 Mounts Bay Road
Perth WA 6000
Australia
PO Box 7044
Cloisters Square PO, WA 6850
T: +61 8 6355 6888

Share Subscription Agreement

Myanmar Metals Limited
Company

Perilya Limited
Investor

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This agreement is made this 24th day of May 2018

Parties Myanmar Metals Limited (ACN 124 943 728) of Suite 4, 38 Colin Street,
West Perth, Western Australia (Company)

and

Perilya Limited (ACN 009 193 695) of Level 8, 251 Adelaide Terrace,
Perth, Western Australia (Investor)

This agreement provides

1. Definitions and interpretation

1.1 Definitions

In this agreement the following terms shall bear the following meanings:

Accounting Standards means generally accepted accounting standards in Australia.

ASIC means the Australian Securities & Investments Commission.

Associate means a Subsidiary or a Holding Company of a person or any other Subsidiary of that Holding Company.

ASX means ASX Limited, and where the context requires, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the official listing rules of the Australian Securities Exchange.

ASX Undertaking means the undertaking provided by the Company to the ASX on 7 July 2017.

Authorisation means includes:

- (a) any consent, registration, filing, agreement, notice of non-objection, notarisation, certificate, licence, approval, permit, authority or exemption from, by or with a Government Agency; or
- (b) in relation to anything which a Government Agency may prohibit or restrict within a specific period, the expiry of that period without intervention or action or notice of intended intervention or action.

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 Concession in Myanmar.

Board means the board of directors of the Company.

Bright Mountain means Bright Mountain Resources Myanmar Co., Ltd.

Business Day means:

- (a) for the purposes of clause 16.2, a day on which banks are open for business in the city where the notice or other communication is received excluding a Saturday, Sunday or public holiday; and
- (b) for all other purposes, a day on which banks are open for business in Perth, Western Australia excluding a Saturday, Sunday or public holiday.

Company Group means the Company and each of its Subsidiaries.

Conditions means the conditions set out in clause 3.1.

Contested Taxes means a Tax payable by the Company is contesting its liability to pay that Tax in good faith by appropriate proceedings, and has reasonable grounds to do so and for which reserves have been established in accordance with applicable Accounting Standards.

Control means 'control' as defined in section 50AA of the Corporations Act.

Controller means a 'controller' as defined in section 9 of the Corporations Act or an analogous person.

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

Deposit means the amount of \$14,965,348.68 to be paid by the Investor to the Company in accordance with this agreement.

Distribution means any dividend, distribution or other amount declared or paid by the Company on any Marketable Securities issued by it.

Dollars and \$ means the lawful currency of the Commonwealth of Australia.

Draw-Down Date has the meaning ascribed in clause 2.3.

Encumbrance means an interest or power:

- (a) reserved in or over an interest in any asset including, but not limited to, any retention of title; or
- (b) created or otherwise arising in or over any interest in any asset under a security agreement, bill of sale, mortgage, charge, lien, pledge, trust or power or any other agreement having similar effect,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes any agreement to grant or create any of the above and includes a security interest within the meaning of section 12(1) of the PPSA.

End Date means 14 June 2018.

Escrow Account has the meaning ascribed in clause 2.2(a).

Event of Default means any event specified in clause 13.

Financial Report means in relation to an entity, the following financial statements and information in relation to the entity, prepared for its financial half year or financial year:

- (a) a statement of financial performance;
- (b) a statement of financial position; and
- (c) a statement of cashflows,

together with any notes to those documents and any accompanying reports, statements, declarations and other documents or information.

FIRB Approval has the meaning given in clause 5.2(a)(i).

General Meeting means the meeting of the Company's members scheduled to be held on Tuesday, 5 June 2018 proposing the resolutions as set out in the Company's notice of general meeting lodged with ASX on 4 May 2018.

Government Agency means any government or any governmental, semi governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.

GST means the goods and services tax levied under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (GST Act).

Holding Company of any other person, means a company in respect of which that other person is a Subsidiary.

Insolvency Event means in relation to any person:

- (a) an order being made, or that person passing a resolution, for the winding up of that person;
- (b) an application being made to a court for an order for the winding up of that person, unless the application is withdrawn or dismissed within 30 days or the application is frivolous or vexatious;
- (c) an administrator being appointed to that person;
- (d) that person resolving to appoint a Controller to that person or any of its property;
- (e) an application being made to a court for an order to appoint a Controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous person to that person or any of its property, unless the application is stayed, withdrawn or dismissed within 20 days or the application is frivolous or vexatious;
- (f) an appointment of the kind referred to in paragraph 5 above being made (whether or not following a resolution or application);
- (g) that person being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand;
- (h) that person:

- (i) suspending payment of its debts, stating that it is unable to pay its debts or being or becoming otherwise insolvent;
 - (ii) being taken by applicable law to be (or if a court would be entitled or required to presume that it is) unable to pay its debts or otherwise insolvent; or
 - (iii) enters into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors (unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved in writing by the Investor); or
- (i) anything analogous to or having a substantially similar effect to any of the above happens in relation to any person under the laws of any jurisdiction.

Long Stop Date means the date that is the later of:

- (a) 3 months following the date that FIRB Approval is not provided or the Investor (or associated party) receives an Objection Notification in accordance with clause 5.2(a); or
- (b) if either FIRB Approval is not provided or an Objection Notification is received on the basis of a matter or thing that the Investor considers, acting reasonably, can be resolved or otherwise dealt with by submitting or re-submitting an application for FIRB Approval or to SASAC or NDRC (including arising from a procedural or administrative error or irregularity), 3 months after the date that the revised application is submitted, if the FIRB Approval or Objection Notification (as applicable) is not provided or withdrawn within that time provided that except with the consent of the Company (not to be unreasonably withheld or delayed), the Investor may only submit or re-submit once under this clause.

Loss means any claim, action, damage, loss, liability, cost, charge, expense, outgoing or payment.

Marketable Securities means 'marketable securities' as defined in section 9 of the Corporations Act, whether or not the relevant entity is domiciled in Australia.

Material Adverse Effect means a material adverse effect upon:

- (a) the Company's ability to perform any of its obligations under this Agreement; or
- (b) the financial condition, assets, prospects, business or operations of the Company.

NDRC means the National Development and Reform Commission, Guangdong Province of the People's Republic of China.

Nominee means a Related Body Corporate of the Investor.

Objection Notification has the meaning given in clause 5.2(a)(ii).

Officer means:

- (a) in relation to the Company, a director or secretary, or a person notified to be an authorised officer, of the Company; and

- (b) in relation to the Investor, any person whose title includes the word 'Director', 'Managing Director', 'Manager' or 'Vice President', and any other person appointed by the Investor to act as its authorised officer for the purposes of this agreement.

Placement means the Company's proposed capital raising to be undertaken by way of an issue of Shares to persons who qualify under section 708(8) or (11) of the Corporations Act as a person to whom an offer to acquire securities may be made without a disclosure document under Chapter 6D of the Corporations Act, which, together with the Deposit, will raise a minimum of \$25 million and up to a maximum of \$35 million.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Related Body Corporate means a 'related body corporate' as defined in section 50 of the Corporations Act.

Repayment Amount means the Deposit, less any amount which has previously been repaid or applied for the subscription of Shares in accordance with this agreement.

Repayment Date means the date for payment of the Repayment Amount to the Investor, in accordance with clause 6.

SASAC means the State-owned Assets Supervision and Administration Commission of the State Council of the Guangdong Province of the People's Republic of China.

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

Shareholder Approval has the meaning given in clause 3.1(h).

Subscription Date means the later of:

- (a) the date that the Shares are issued pursuant to the Placement; and
- (b) the date that each of the items set out in clause 5.2(a) have been satisfied or waived.

Subscription Price means the issue price per Share pursuant to the Placement, being \$0.06 per Share.

Subscription Shares means Shares issued pursuant to the application of the Deposit towards the issue of Shares at the Subscription Price under this agreement.

Subsidiary means a 'subsidiary' as defined in section 46 of the Corporations Act, whether or not the relevant subsidiary or holding entity is domiciled in Australia.

Tax means:

- (a) any tax, including the GST, levy, charge, impost, duty, fee, deduction, compulsory loan or withholding; or
- (b) any income, stamp or transaction duty, tax or charge,

which is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or other amount imposed on or in respect of any of the above.

1.2 Interpretation

In this agreement, headings and bold type are for convenience only and do not affect the interpretation of this agreement and, unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include any gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this agreement have a corresponding meaning;
- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency;
- (e) a reference to any thing (including, but not limited to, any right) includes a part of that thing but nothing in this clause 1.2(e) implies that performance of part of an obligation constitutes performance of the obligation;
- (f) a reference to a clause, party, attachment, exhibit or schedule is a reference to a clause of, and a party, attachment, exhibit and schedule to, this agreement and a reference to this agreement includes any attachment, exhibit and schedule;
- (g) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;
- (h) a reference to a party to any document includes that party's successors and permitted assignees;
- (i) a reference to a document includes any agreement in writing, or any certificate, notice, deed, instrument or other document of any kind;
- (j) a reference to an agreement other than this agreement includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing;
- (k) no provision of this agreement will be construed adversely to a party solely on the ground that the party was responsible for the preparation of this agreement or that provision;
- (l) a reference to liquidation includes official management, appointment of an administrator, compromise, arrangement, merger, amalgamation, reconstruction, winding up, dissolution, assignment for the benefit of creditors, scheme, composition or arrangement with creditors, insolvency, bankruptcy, or any similar procedure or, where applicable, changes in the constitution of any partnership or person, or death; and
- (m) a reference to 'arm's length' means on terms that are fair and reasonable and;
 - (i) no less favourable to the Company than could reasonably be expected to apply in a comparable transaction with a person which is not an affiliate of it where neither party is under any compulsion to enter into the transaction; and

- (ii) no more favourable to such other person than could reasonably be expected to apply in a comparable transaction with a person which is not its affiliate where neither party is under any compulsion to enter into the transaction.

1.3 Interpretation of inclusive expressions

Specifying anything in this agreement after the words 'include' or 'for example' or similar expressions does not limit what else is included unless there is express wording to the contrary.

1.4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the preceding Business Day.

2. Deposit

2.1 Amount

The Investor agrees to pay the Deposit with respect to the Subscription Shares to the Company on the terms and conditions contained in this agreement.

2.2 Escrow account

- (a) The Investor will transfer the Deposit to an escrow account as advised by the Company by 1 June 2018 (**Escrow Account**).
- (b) The Deposit amount will be held in escrow in the Escrow Account pending drawdown in accordance with clause 2.3.
- (c) In the event the conditions for drawdown are not satisfied by the End Date, the escrow agent will be instructed by notice from the Investor to release the Deposit to the Investor.
- (d) If required, the parties will enter into an escrow deed on the terms required by the escrow agent holding the Deposit amount.

2.3 Payment

The Deposit funds will automatically be paid by the escrow agent from the Escrow Account to the Company on the date the Conditions have been satisfied or waived in accordance with clause 3 (**Draw-Down Date**).

2.4 Purpose

The Company must use the Deposit only for:

- (a) funding its share of the cost to exercise the Bawdwin Option; and
- (b) any other purpose that the Investor approves in writing.

3. Conditions precedent

3.1 Conditions

The escrow agent is not obliged to release the Deposit funds from the Escrow Account to the Company until the following conditions are fulfilled to the Investor's satisfaction (acting reasonably) and the Investor has provided written notice to the escrow agent that the following conditions have been fulfilled or waived:

- (a) **no Event of Default:** no Event of Default has occurred or will occur as a result of the Deposit being provided;
- (b) **no material adverse event:** since the date of execution of this agreement:
 - (i) there has been no material adverse change in the position or prospects of the Company; and
 - (ii) no event or circumstance, or series or combination of events or circumstances, has occurred which has had or is likely to have a Material Adverse Effect; and
- (c) **representations and warranties:**
 - (i) as at the date of signing this agreement, the representations and warranties set out in clause 11.1 are true and correct; and
 - (ii) if any event occurs after the date of signing this agreement which may cause any representation or warranty set out in clause 11.1 to be incorrect or misleading, it is not considered by the Investor (acting reasonably) to have or potentially have a Material Adverse Effect;
- (d) **no breach:** the Company is not in material breach of any term of this agreement as at the Draw-Down Date;
- (e) **no regulatory intervention:** no temporary restraining order, preliminary or permanent injunction or other order, in each case issued by a court of competent jurisdiction in Australia in a proceeding brought by a Government Agency preventing or delaying the Placement, the Deposit or the issue of the Subscription Shares is in effect as at the Draw-Down Date;
- (f) **Bright Mountain Shareholders' Agreement:** Bright Mountain has agreed a final form of the shareholders' agreement on terms and conditions not materially less favourable to those contained in the draft shareholders' agreement dated 20 May 2018;
- (g) **notice of exercise of Bawdwin Option:** the Company has validly provided notice to exercise the Bawdwin Option in accordance with its terms;
- (h) **shareholder approval:** the members of the Company at the General Meeting have approved by the appropriate majority:
 - (i) the significant change in the scale of the Company's activities resulting from the completion of the exercise of the Bawdwin Option for the purpose of ASX Listing Rule 11.1.2; and

- (ii) the issue of the Shares under the Placement (which includes the issue of the Subscription Shares to the Investor in accordance with this agreement),

for the purposes of the ASX Listing Rules (together, the Shareholder Approval); and

(i) **Placement commitments:**

- (i) the Company makes an announcement to the ASX that commitments for the Placement have been received;
- (ii) those commitments, together with the Deposit, being for a minimum of \$25 million and a maximum of \$35 million; and
- (iii) those commitments being substantially in the form of the proposed placement agreements provided by the Company to the Investor before the date of this agreement.

3.2 Best endeavours

- (a) The Company must use its best endeavours to ensure that the Conditions are satisfied as soon as possible and in any event before the End Date.
- (b) Without limiting clause 3.2(a), the Company must provide the Investor with a copy of any further draft of the Bright Mountain Shareholders Agreement referred to in clause 3.1(f) and give the Investor a reasonable opportunity to provide its comments on such draft.

3.3 Notice

Each party must

- (a) keep the other promptly and reasonably informed of the steps it has taken and of its progress towards satisfaction of the Conditions;
- (b) promptly notify the other in writing if it becomes aware that any of the Conditions has been satisfied or has become incapable of being satisfied.

3.4 Waiver

Each of the Conditions are for the benefit of the Investor and may only be waived by the Investor in writing (acting reasonably and having regard to the status of achievement of each of the Conditions).

3.5 Termination

Each party may, by not less than three Business Days' notice to the other party, terminate this agreement at any time before the Draw-Down Date if:

- (a) the Conditions are not satisfied, or waived in accordance with clause 3.4, by the End Date; or
- (b) the Conditions become incapable of satisfaction or the parties agree that the conditions in clause 3.1 cannot be satisfied.

4. Interest

4.1 Interest

No interest will accrue on the Deposit or the Repayment Amount.

5. Issue of the Subscription Shares

5.1 Automatic issue of the Subscription Shares

Subject to the release of the Deposit to the Company under clause 3, the Deposit will automatically be applied to the subscription in full for the Subscription Shares on the Subscription Date, subject to and conditional on the following provisions of this clause 5.

5.2 Requisite Approvals

- (a) The rights and obligations of the parties under this clause 5 are subject to and conditional on:
- (i) the Treasurer of the Commonwealth of Australia (or his delegate) providing written notice to the Investor stating or to the effect that the Commonwealth of Australia does not object to the issue of the Subscription Shares to the Investor for the purposes of the *Foreign Acquisitions and Takeovers Act 1975* (Cth), either unconditionally or on terms that do not impose unduly onerous obligations on the Investor (**FIRB Approval**); and
 - (ii) neither SASAC nor the NDRC providing written notice stating or to the effect that it objects to the issue of the Subscription Shares to the Investor, either unconditionally or on terms that impose unduly onerous obligations on the Investor or any associated party (**Objection Notification**).
- (b) The Investor must procure that all necessary filings or notifications are lodged with SASAC or NDRC as soon as practicable after the date of this agreement.
- (c) The Company must use its best endeavours to obtain the Shareholder Approval at the General Meeting.

5.3 Takeover prohibition

- (a) Notwithstanding any other provision of this agreement, the issue of Subscription Shares is subject to and conditional upon the issue of the relevant Subscription Shares not resulting in any person being in breach of section 606(1) of the Corporations Act.
- (b) In the event that there would be breach of section 606(1) of the Corporations Act by issuing all of the Subscription Shares the Company must still issue to the Investor the maximum number of Subscription Shares that may be issued to the Investor so that section 606(1) of the Corporations Act is not breached, and the balance of the Deposit remaining must be repaid to the Investor within 5 Business Days of the reduced number of Subscription Shares being issued.

- (c) The Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Subscription Shares.

5.4 Issue of Subscription Shares

- (a) If the Deposit is applied towards the subscription for Shares under this agreement, the Company must, subject to clause 5.3 above, issue to the Investor (or its Nominee, at its election) on the Subscription Date, the number of Subscription Shares determined in accordance with clause 5.5 and comply with clause 5.6 in respect of the Subscription Shares so issued.
- (b) On the issue of the Subscription Shares to the Investor (or its Nominee) in accordance with clause 5.4(a), the Deposit is deemed to have been paid or repaid (as the case may be) by the Company to the Investor in full satisfaction of the Subscription Price for the Subscription Shares.
- (c) The operation of clause 5.4(b) is subject to and conditional on full compliance by the Company with the provisions of clause 5.6 in respect of the relevant Subscription Shares.

5.5 Number of Subscription Shares to be issued

- (a) The number of Subscription Shares to be issued is to be calculated using the following formula:

$$A = \frac{B}{C}$$

where:

A = the number of Subscription Shares to be issued to the Investor (or its Nominee);

B = the Deposit Amount; and

C = the Subscription Price.

- (b) Where the number of Subscription Shares calculated results in a fraction of a Share, the number of Subscription Shares to be issued must be rounded up to a whole number of Shares. Each Subscription Share will rank in all respects pari passu with all other Shares then on issue.

The Investor and Company agree that the Subscription Shares will be equal to 19.99% of the Company's undiluted post-Placement issued share capital (including the Shares to be issued under this agreement), as set out below on a maximum Placement basis and excluding any Shares issued on conversion of the convertible securities set out below:

Amount Raised	A\$35,000,000
Placement Price	A\$0.06
New Shares	583,333,334
Shares On Issue	663,779,057
Post-Placement and Subscription Shares On Issue	1,247,112,391
Deposit Amount	A\$14,965,348.68
Subscription Price	A\$0.06

Subscription Shares	249,422,477
Investor's Shareholding	19.99%

5.6 Obligations following issue of Subscription Shares

Following the issue of any Subscription Shares under this agreement:

- (a) the Company must immediately enter the Investor (or its Nominee) into the register of members of the Company as the registered holder of the relevant Shares with the address of the Investor (or its Nominee) as the address for the Investor set out in clause 16.2(a)(1);
- (b) the Company must promptly provide the Investor with evidence satisfactory to the Investor (acting reasonably) of the issue of the Subscription Shares;
- (c) the Company must apply to the ASX for official quotation of the Subscription Shares on the date that the Subscription Shares are issued;
- (d) the Company must, as soon as practicable after issue of the Subscription Shares occurs (and in any event within 5 Business Days), lodge with ASIC a transaction specific prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Subscription Shares issued to the Investor does not require disclosure to investors;
- (e) the Investor acknowledges and agrees that such Shares must not be transferred or otherwise disposed of until the prospectus referred to in clause 5.6(d) has been so lodged with ASIC and consents to the Company instructing its share registry to place a holding lock over the Shares issued to the Investor until such time as the prospectus referred to in clause 5.6(d) is lodged by the Company with ASIC;
- (f) the Company must deliver an original holding statement in respect of the relevant Shares to the Investor (or its Nominee) as soon as practicable, and in any event within 2 Business Days after the date that the Shares are issued; and
- (g) the Company must prepare and lodge with ASIC and ASX all other documents required by the Corporations Act and the ASX Listing Rules as is necessary in connection with the issue of the relevant Shares and the quotation of those Shares on the ASX within 5 Business Days of the issue of any Subscription Shares.

6. Repayment of Repayment Amount

6.1 Repayment at Company's election

In the event that the Investor gives written notice to the Company that FIRB Approval has not been obtained or that an Objection Notification has been received, the Company may elect to pay all (but not part) of the Repayment Amount to the Investor at any time before the Long Stop Date.

6.2 Priority treatment of Investor

The Company warrants that until the earlier of the Subscription Date and the repayment of all of the Deposit, the Company will only apply available funds either in

the ordinary course of the Company's activities or for the exercise of the Bawdwin Option.

6.3 Repayment on Long Stop Date

- (a) If the Repayment Amount has not been applied towards the issue of the Subscription Shares in accordance with this agreement or repaid in full prior to the Long Stop Date, the balance of the Repayment Amount must be paid by the Company to the Investor within 10 Business Days of the Long Stop Date (Repayment Date).
- (b) If the Company is unable to comply with clause 6.3(a) then the Investor may elect that, subject to any regulatory or other approvals required (for which the Company must use their best endeavours to obtain), to apply all of the Deposit to subscribe for that number of fully paid ordinary shares in Bright Mountain representing 20% of Bright Mountain's diluted share capital, adjusted for 20% of any cash held by the Company after exercising the Bawdwin Option and payment of the costs of the transaction (subject to clause 6.3(c)).

A worked example is provided below:

- No of new Bright Mountain shares to be issued to represent 20% interest based on existing Issued capital = 12,500
- Total cash held by the Company after exercising the Bawdwin Option and the costs of the transaction: \$10 million.
- Adjustment: 20% of \$10 million = \$2 million.
- Ratio of \$2 million to \$14.9 million =13.42%
- The issued share capital of Bright Mountain would be as set out below:

Holder	Shares	%
Bright Mountain Pty Ltd (ACN 624 159 879)	49,999	77.908
Rowan St John Caren	1	0.002
Investor	12,500+(12500*13.42%)=14177	22.09
TOTAL	64,177	100

- (c) In no circumstances will the percentage of shares of Bright Mountain held by the Investor exceed 49%. In the event that the adjustment mechanism in clause 6.3(b) would result in the Investor holding in excess 49% of the shares of Bright Mountain, the excess over 49% must be paid by the Company to the Investor in cash at the same time the shares in Bright Mountain are issued to the Investor.

6.4 Payment upon an Event of Default

- (a) If an Event of Default occurs in respect of the Company, the Investor may, by giving the Company written notice, require the Company to pay all (not some only) of the Repayment Amount.

- (b) If the Investor gives the Company written notice in accordance with clause 6.4(a), the Company must pay the Repayment Amount to the Investor within 10 Business Days after the notice is provided.

6.5 Repayment of balance following partial issue of the Subscription Shares

In the event that any part of the Repayment Amount is not applied towards the issue of the Subscription Shares, that part of the Repayment Amount which is not so applied is to be repaid on the Long Stop Date or otherwise in accordance with this clause 6.

7. Standstill and non-compete

- (a) For a period of 2 years from the Subscription Date, Investor agrees not to acquire any further Shares to increase Investor's 'relevant interest' (as that term is defined in the Corporations Act) above 25% other than:
 - (i) with the prior consent of the Company; or
 - (ii) pursuant to a pro rata offer or share purchase plan.
- (b) The standstill in clause 7(a) will cease immediately upon a third party announcing a transaction (or an intention to propose a transaction) that if successful would influence the control of the Company (including a takeover or merger proposal, proposal to remove and replace Board members, or entering into voting agreements with other shareholders representing 50.1% of Company's Shares).
- (c) Subject to clause 7(d), the Investor undertakes that whilst the Investor holds at least 10% of the Company's issued share capital on an undiluted basis the Investor will not compete in respect of any identified natural resources related acquisition, investment or related transaction in Myanmar (**Myanmar Transaction**). The Company agrees that this clause does not extend to the Investor's parent entity (Shenzhen Zhongjin Lingnan Nonfemet Co. Limited) and the parent entity's major shareholder (Guangdong Rising Assets Management Co. Ltd).
- (d) The Investor must notify the Company of any Myanmar Transaction that it is considering pursuing as soon as reasonably practicable. If the Company does not notify the Investor that it intends to pursue such a transaction within 10 Business Days of notice from the Investor, clause 7(c) will not apply to that Myanmar Transaction.
- (e) In return for the undertaking in clause 7(c), the Company agrees that it will grant the Investor a first right, but not the obligation, to be a partner on an arm's length commercial basis in any such Myanmar Transaction, should the Company seek an offshore partner.

8. Company Director & project committee appointment right

- (a) Subject to clauses 8(c) and 8(f), the Investor shall be entitled to nominate one director to the Board of the Company as a non-executive director (**Nominated Director**), and the Company must procure that the Board appoints the Nominated Director to the Board (**Director Appointment Right**).

- (b) The Company must establish a project committee for the purposes of assessing and reviewing the overall progress of the Bawdwin Project and, in particular, to consider and provide advice to the Board in respect of the technical, legal, financial, financing, environmental, permitting and stakeholder engagement/social aspects of the Bawdwin Project and, subject to clause 8(f), the Investor shall be entitled to have a representative on that committee or any group tasked from time to time with similar responsibilities (**Project Committee Representative Appointment Right**).
- (c) The Director Appointment Right is subject to and conditional on:
 - (i) the Nominated Director being Paul Arndt, or such other person acceptable to the Company, acting reasonably;
 - (ii) the appointment occurring in compliance with all relevant regulations and laws;
 - (iii) receipt by the Company of a consent to act as a director for the purposes of sections 205B and 205C of the Corporations Act from the Nominated Director;
 - (iv) the Nominated Director entering into an engagement agreement with the Company on standard terms; and
 - (v) the adoption by the Company, and consent by the Nominated Director, to a Board protocol for dealing with confidential information in respect of nominee directors.
- (d) Any Nominated Director appointed in accordance with this clause 8 must be appointed on the same terms as the other non-executive directors of Company, including terms of remuneration, cost reimbursement and rights of indemnity, access and insurance.
- (e) The Nominated Director shall be entitled to appoint an alternate (such person to be acceptable to the Company acting reasonably), and the Company must procure that the Board appoints the Nominated Director's alternate to the Board in accordance with the Company's constitution.
- (f) The Board Appointment Right and the Project Committee Representative Appointment Right will:
 - (i) commence from such time as the Investor holds a relevant interest in the Company of 10% or above; and
 - (ii) cease to apply at any time if the Investor's relevant interest in the Company falls below 10% on an undiluted basis for more than 30 consecutive days on which the ASX is open for trading.

9. Investor anti-dilution right

- (a) Subject to clauses 9(b), 9(e) and 9(h), the Investor will have the right to participate in any offer of securities by the Company after the Subscription Date up to the number of securities required to ensure that the Investor's relevant interest in the Company's securities immediately before completion of the offer or those issues is maintained, provided that such participation is for cash consideration that is:

- (i) no more favourable than cash consideration paid by third parties (in the case of issues of securities to third parties for cash consideration); or
- (ii) equivalent in value to non-cash consideration offered by third parties (in the case of issues of securities to third parties for non-cash consideration).

(Anti-Dilution Right).

- (b) The Anti-Dilution Right is subject to and conditional on:
 - (i) the Company obtaining from the ASX a waiver of ASX Listing Rule 6.18; and
 - (ii) the Company and Investor entering into a strategic alliance agreement on or about the date of this agreement and the nature of that strategic alliance agreement being materially maintained.
- (c) As soon as practicable following the execution of this agreement, and in any event within 10 Business Days, the Company must use its best endeavours to seek and obtain from the ASX a waiver of Listing Rule 6.18 in relation to the Anti-Dilution Right. The Company must provide the Investor with copies of all draft documentation for this purpose for comment prior to submission to the ASX and must take into account all reasonable comments received by the Investor. The Company must also provide the Investor with copies of all related correspondence with the ASX promptly upon receipt from, or prior to submission to, the ASX (as applicable).
- (d) If ASX declines to grant a waiver of Listing Rule 6.18 in relation to the Anti-Dilution Right, then:
 - (i) the parties will use all reasonable endeavours in good faith to agree an alternative anti-dilution regime of reduced scope which provides the Investor with as much as possible of the protections afforded by the Anti-Dilution Right whilst at the same time being acceptable to ASX, including discussing potential alternatives with ASX and seeking appropriate waivers and/or confirmations from ASX; and
 - (ii) the Company will be obliged to accept and implement any such alternative anti-dilution regime, provided that it is no more onerous to the Company than the Anti-Dilution Right.
- (e) The Anti-Dilution Right will cease to apply upon the earlier to occur of the following:
 - (i) the Investor's relevant interest in the Company's securities falling to below 10% on an undiluted basis (other than as a result of shares to which the Anti-Dilution Right applies and in respect of which the Investor is still entitled to exercise, or has exercised, the Anti-Dilution Right); or
 - (ii) the Investor's relevant interest in the Company's securities increasing to above 25% on an undiluted basis.

- (f) Any calculation of the value of non-cash consideration for the purposes of clause 9(a)(ii) is to be determined by the Company, acting in good faith and reasonably taking into account any comments provided by the Investor.
- (g) The Anti-Dilution Right will not apply in relation to an issue of equity securities by the Company:
- (i) pursuant to the Placement;
 - (ii) pursuant to a pro-rata entitlement issue or pursuant to any other rights made available to all shareholders (including the Investor);
 - (iii) pursuant to any asset acquisition, merger, business combination, tender offer, exchange offer, takeover or scheme or arrangement;
 - (iv) under any employee incentive scheme pursuant to ASIC Instrument 14/1000;
 - (v) pursuant to a conversion of any of the convertible securities set out below that are either on issue as at the date of this agreement or will be on issue as at the Subscription Date:

	Shares	Options	Performance Rights
Currently On Issue	663,779,057	183,720,624	28,000,000
Placement Shares	333,910,856	Nil	Nil
Subscription Shares (Perilya)	249,422,478	Nil	Nil
Argonaut Options	Nil	40,000,000	Nil
Triple C Options	Nil	7,000,000	Nil

or

- (vi) to a related body corporate of the Investor.
- (h) In respect of an equity capital raising:
- (i) the Company will notify the Investor of its intention to conduct an equity raising within 8 Business Days of public announcement;
 - (ii) the Investor will then have a period of 4 Business Days to elect to participate to maintain its shareholding pursuant to its Anti-Dilution Right;
 - (iii) Should the Investor elect to participate then it will enter into a binding intention agreement that will be capable of being disclosed to ASX.

10. Letter of support

- (a) At the date of execution of this agreement, the Investor will provide a non-binding letter of financial support to assist the Company in arranging future finance of up to US\$150 million for construction of the Bawdwin Project that

is capable of being presented to the Myanmar government or regulatory entities as required (**Letter of Support**).

- (b) The Investor agrees the existence of the Letter of Support will be disclosed to ASX by the Company.

11. Representations and warranties

11.1 Representations and warranties

- (a) The Company represents and warrants to, and for the benefit of, the Investor that each of the following statements is true, complete and accurate (together, **Company Warranties**):
- (i) the entry into this agreement does not breach the ASX Undertaking;
 - (ii) the Subscription Shares once issued, will be fully paid ordinary shares in the capital of the Company free from Encumbrances;
 - (iii) the Subscription Shares, once issued, will rank equally in all respects with all other Shares then on issue;
 - (iv) the Subscription Shares are in a class of securities that are quoted securities of the Company;
 - (v) the offer, issue and official quotation of the Subscription Shares complies with the Corporations Act and the ASX Listing Rules;
 - (vi) the Subscription Shares are not being issued by the Company with the purpose of the Investor selling or transferring its Subscription Shares, or granting, issuing or transferring interests in, or options over, its Subscription Shares;
 - (vii) the Company and each member of the Company Group is validly incorporated, organised and subsisting in accordance with all laws;
 - (viii) this agreement constitutes valid and binding obligations upon the Company enforceable in accordance with its terms;
 - (ix) the execution, delivery and performance of this agreement by the Company will not result in any breach or default under the constituent documents of the Company, and the Company has complied with applicable provisions of those constituent documents in relation to the execution, delivery and performance of this agreement;
 - (x) the Company has the power to own its assets and carry on its business as it is being conducted;
 - (xi) neither the Company nor any company in the Company Group is subject to an Insolvency Event;
 - (xii) the Company's Shares are quoted on the ASX;
 - (xiii) other than the matters contemplated by this agreement, the Placement, or any other matter advised to the Investor prior to the

execution of this agreement, the Company is not withholding any information from disclosure by reason of ASX Listing Rule 3.1A;

- (xiv) to the best of the Company's knowledge, other than relating to the Placement, such matters that are to be approved at the General Meeting, or any other matter advised to the Investor prior to the execution of this agreement, there are no agreements, arrangements or understandings in force which call for the present or future issue of, or grant to any person the right to require the issue of, any Shares or other securities in the Company;
 - (xv) to the best of the Company's knowledge, the Company and each member of the Company Group has conducted and is conducting its business in material compliance with all applicable laws and regulations;
 - (xvi) to the best of the Company's knowledge, the Company and each member of the Company Group holds all Authorisations that are necessary to enable it to properly carry on its business and the Company and each company in the Company Group are complying in all material respects, with any conditions to which such Authorisations are subject;
 - (xvii) to the best of the Company's knowledge, the Company and each member of the Company Group has not breached any material contract entered into where such breach would reasonably be expected to have a Material Adverse Effect on the Company Group;
 - (xviii) to the best of the Company's knowledge, there is no material litigation, arbitration or administrative proceeding taking place, pending or to the knowledge of any of its officers threatened against it or any of its assets or any company in the Company Group;
 - (xix) no Event of Default is continuing;
 - (xx) the financial statements of the Company for the year ending 30 June 2017 present fairly, in all material respects, the financial position of the Company and contains no misrepresentation and have been prepared in conformity with the Accounting Standards applied on a consistent basis throughout the period involved; and
 - (xxi) all information actually known by any member of the Board relating to the Company, the Bawdwin Project or the Bawdwin Option which might reasonably be regarded as material to a purchaser for value of Shares has been fully and fairly disclosed to the Investor or its representatives in writing before the date of this agreement.
- (b) The Investor acknowledges and agrees that the Company has disclosed or is deemed to have disclosed against the Company Warranties, and the Investor will be treated as having actual knowledge of, all facts, matters and circumstances that:
- (i) are provided for or described in this agreement; or
 - (ii) are fairly disclosed in the information contained in matters disclosed by the Company on the ASX market announcements platform prior to the date of this agreement.

- (c) The Company Warranties are given subject to the disclosures or deemed disclosures described in clause 11.1(b). The Company will have no liability under the Company Warranties to the extent that disclosure is made or is deemed to have been made against the Company Warranties under clause 11.1(b).
- (d) The maximum aggregate amount that the Company may be required to pay in respect of all claims in respect of a breach of a Company Warranty is limited at the Deposit amount.
- (e) The Company is not liable for any claim for a breach of a Company Warranty if:
 - (i) the Investor does not notify the Company of the claim in writing within 12 months of the Subscription Date; and
 - (ii) within 12 months of the date the Investor is required to notify the Company of the claim under clause 11.1(e):
 - (A) the claim has not been agreed, compromised or settled; or
 - (B) the Investor has not issued or served legal proceedings against the Company in respect of the claim.
- (f) The Investor represents and warrants to, and for the benefit of, the Company that each of the following statements is true, complete and accurate (together, the Investor Warranties):
 - (i) It does not hold a relevant interest in any Shares of the Company;
 - (ii) it has full right and authority to enter into the agreement, to subscribe for the Subscription Shares and to perform its other obligations under the agreement and that other than with respect to the FIRB Approval and any required filing or notification to SASAC or NDRC, it has taken all action and obtained all regulatory and other consents, approvals and authorisations necessary in that respect;
 - (iii) it is a sophisticated investor as defined by section 708(8) of the Corporations Act or a professional investor for the purposes of section 708(11) of the Corporations Act;
 - (iv) it will comply with all legislation and all Corporations Act requirements with respect to being issued the Subscription Shares and will provide all such information as may be required by the Company to comply with its constitution and the Corporations Act;
 - (v) upon being registered as the registered holder of Shares, the Investor will be bound by the Company's constitution;
 - (vi) it has not relied on any representation or warranty (whether express, implied or otherwise) by the Company other than as expressly disclosed in this agreement;
 - (vii) it has relied upon its own judgment in executing the agreement and has not relied on or been induced by any representation, statement or act by the Company or any of its directors, employees or agents;

- (viii) it is not an "associate" of any other shareholder (as that term is defined in section 12 of the Corporations Act) of the Company and no other shareholder of the Company will have a "relevant interest" (as that term is defined in sections 608 and 609 of the Corporations Act) in the Subscription Shares.
- (g) The Company acknowledges and agrees that the Investor has disclosed or is deemed to have disclosed against the Investor Warranties, and the Company will be treated as having actual knowledge of, all facts, matters and circumstances that are provided for or described in this agreement.
- (h) The Investor Warranties are given subject to the disclosures or deemed disclosures described in clause 11.1(g). The Investor will have no liability under the Investor Warranties to the extent that disclosure is made or is deemed to have been made against the Investor Warranties under clause 11.1(g).
- (i) The maximum aggregate amount that the Investor may be required to pay in respect of all claims in respect of a breach of a Investor Warranty is limited at the Deposit amount.
- (j) The Investor is not liable for any claim for a breach of a Investor Warranty if:
 - (i) the Company does not notify the Investor of the claim in writing within 12 months of the Subscription Date; and
 - (ii) within 12 months of the date the Company is required to notify the Investor of the claim under clause 11.1(g):
 - (A) the claim has not been agreed, compromised or settled; or
 - (B) the Company has not issued or served legal proceedings against the Investor in respect of the claim.

12. Undertakings from Company

12.1 Performance

The Company must fully and punctually perform its obligations under this agreement.

12.2 Maintenance of capital

From the date of this agreement to the earlier of the Issue of the Subscription Shares or the Repayment Date, the Company must not:

- (a) financially assist or pass a resolution to allow it to financially assist a person to acquire shares or units of shares (within the meaning of the Corporations Act) in the Company;
- (b) release or pass a resolution to allow it to release any person from liability in respect of any uncalled capital or other amount that is or may become payable in respect of its Marketable Securities;
- (c) reduce or pass a resolution to reduce its capital other than with the Investor's prior written consent;

- (d) buy back or pass a resolution to buy back, any of its shares other than with the Investor's prior written consent; or
- (e) attempt or take any steps to do anything which it is not permitted to do under clauses 12.2(a), (b), (c) or (d).

12.3 Compliance with laws and Authorisations

The Company must:

- (a) comply in all material respects with all laws and legal requirements, including each judgement, award, decision, finding or any other determination of a Government Agency, which applies to it or any of its assets;
- (b) obtain, maintain and comply with all Authorisations required:
 - (i) for the enforceability against it of this agreement; and
 - (ii) in relation to it, its business or any of its assets;
- (c) not do anything which would prevent the renewal of any Authorisation referred to in clause 12.3(b) or cause it to be renewed on less favourable terms; and
- (d) do everything necessary to maintain its corporate existence and, if applicable, remain in good standing in accordance with the applicable companies law in its jurisdiction of incorporation or registration.

12.4 No Encumbrances

From the date of this agreement until the Repayment Date, the Company agrees not to create an Encumbrance or allow one to exist on the whole or any part of its present or future property without the consent of the Investor.

12.5 No expenditure during Repayment Period

The Company must not, during the Repayment Period, apply any available funds towards expenditure other than:

- (a) towards the Repayment Amount;
- (b) for payments in the ordinary course of the Company's activities; or
- (c) funds used for the Bawdwin Option.

12.6 No change to business

From the date of this agreement to the Subscription Date the Company must not engage in any business other than, or do anything which would result in substantial changes to, its existing core businesses and operations.

12.7 Restrictions on Distributions and fees

The Company must not:

- (a) make any Distribution without the Investor's prior written consent; or

- (b) pay any director fees, management fees, consultancy fees or other like payments to any director, Associate, or Related Body Corporate of the Company unless those fees or other payments are:
 - (i) reasonable and are no more or less favourable than it is reasonable to expect would be the case if the relevant persons were dealing with each other at arm's length; or
 - (ii) paid with the Investor's prior written consent.

12.8 Payment of Taxes and outgoings

- (a) The Company must pay or cause to be paid all Taxes when due, other than Contested Taxes.
- (b) The Company must pay or cause to be paid all Contested Taxes when the terms of any final determination or settlement require those Contested Taxes to be paid.

12.9 Compliance with ASX Listing Rules

The Company must comply with the ASX Listing Rules, including its periodic and continuous disclosure obligations under those rules.

12.10 Inspection

The Company must permit the Investor and any representatives designated by the Investor to visit and inspect the financial records and the property of the Company, at reasonable times and as often as reasonably requested by the Investor and to make extracts from and copies of the financial records, and permit any representatives of the Company to discuss the affairs, finances, accounts and condition of the Company with the officers, employees and advisors of the Investor (including independent accountants).

12.11 Term of undertakings

The Company's undertakings in this clause 12 continue in full force and effect from the date of this agreement until the earlier of the date that the Deposit is applied in full to subscription for the Subscription Shares and the date that the Repayment Amount is paid to the Investor.

13. Events of Default

It is an Event of Default while the Deposit has yet to be applied towards the subscription of Shares or repaid, whether or not it is within the control of the Company, if:

- (a) **failure to pay:** the Company fails to pay or repay any part of the Repayment Amount when due and payable by it, unless its failure to pay is caused by administrative or technical error beyond the control of the Company and payment is made within 3 Business Days of the due date;
- (b) **other failure:** the Company fails to perform or observe any material undertaking or obligation of it under this agreement (other than as described in clause 13(a)) and, where the failure is remediable, the Company does not remedy the failure within 10 Business Days of the Investor giving notice to the

- Company or the Company becoming aware of the failure to perform or observe, whichever is the earlier;
- (c) **Insolvency Event:** an Insolvency Event occurs in relation to the Company or any member of the Company Group;
 - (d) **incorrect Company Warranty:** a Company Warranty made or taken to be made is found to have been or becomes materially incorrect or materially misleading;
 - (e) **breach of undertakings:** the Company does not comply with its obligations under clause 12;
 - (f) **Material Adverse Effect:** an event occurs which has, or is likely to have (or a series of events occur which, together, have, or are likely to have) a Material Adverse Effect on the Company;
 - (g) **judgment:** a judgment in an amount exceeding \$1,000,000 is obtained against a member of the Company Group and is not set aside, stayed pending the outcome of an appeal (for as long as it is stayed) or satisfied within 10 Business Days or any later date permitted under the terms of that judgment;
 - (h) **execution:** any distress, attachment, execution or other process of a Government Agency in an amount exceeding \$1,000,000 is issued against, levied or entered upon an asset of the Company Group and is not set aside, stayed pending the outcome of an appeal (for as long as it is stayed) or satisfied within 20 Business Days;
 - (i) **deregistration:** any member of the Company Group is deregistered, or any steps are taken to deregister the member of the Company Group, under the Corporations Act or analogous laws of the place of the member of the Company Group's place of incorporation;
 - (j) **reorganisation:** the Company implements a merger, demerger or scheme of arrangement with any person without the prior written consent of the Investor;
 - (k) **ceasing business:** the Company or any member of the Company Group ceases or threatens to cease to carry on its business or a material part of it;
 - (l) **Bawdwin Project:** any member of the Company Group:
 - (i) sells, transfers, conveys or assigns or otherwise disposes of all or a substantial part of its interests in the Bawdwin Project (by any means whatsoever); or
 - (ii) all or a substantial part of its interests in the Bawdwin Project are compulsorily acquired by a Government Agency or a Government Agency orders or threatens the sale, vesting or diversity of its interests in the Bawdwin Project;
 - (m) **de-listing on ASX:** the Company ceases to have its ordinary shares listed for trading on the ASX;
 - (n) **violation of agreement:**

- (i) a material provision of this agreement is illegal, void, voidable or unenforceable; or
- (ii) the execution, delivery or performance of this agreement by the Company breaches or results in a contravention of any law.

14. Costs and expenses

The Company and the Investor agree to each pay their respective costs and expenses in connection with this agreement.

15. Assignment

Neither party may assign or novate any of its rights or obligations under this agreement without the prior written consent of the other party.

16. General

16.1 Confidential information

No party may disclose to any person any information about the other party except:

- (a) to any professional or other adviser consulted by it in relation to any of its rights or obligations under this agreement;
- (b) to the Reserve Bank of Australia, the Australian Tax Office, the Australian Transaction Reports and Analysis Centre or any Government Agency in Australia or elsewhere requiring or requesting disclosure of the information;
- (c) to any Related Body Corporate where the disclosure is made on the basis that the recipient of the information will comply with this clause 16.1 in the same way that the disclosing party is required to do;
- (d) in connection with the enforcement of its rights under this agreement;
- (e) where the information is already in the public domain, or where the disclosure would not otherwise breach any duty of confidentiality;
- (f) if required by law in Australia or elsewhere;
- (g) if required by the ASX Listing Rules or the listing rules of any other securities exchange on which shares in that party are listed for trading, provided that disclosure may only be made under this clause 16.1(g) in relation to this agreement after each party has used reasonable endeavours to agree the form and content of its proposed disclosure with the other party; or
- (h) otherwise with the prior written consent of the other party (such consent not to be unreasonably withheld).

16.2 Notices

Any notice or other communication including, but not limited to, any request, demand, consent or approval, to or by a party:

- (a) must be in legible writing and in English addressed as shown below:

(i) if to the Investor:

Address: Level 8, 251 Adelaide Terrace, Perth WA 6000
Attention: Company Secretary
Email: company.secretary@perilya.com.au

(ii) if to the Company:

Address: Suite 4, 38 Colin Street, West Perth WA 6005
Attention: Company Secretary
Email: r.caren@myanmarmetals.com.au

or as specified to the sender by any party by notice;

- (b) if the sender is a company, must be signed by an Officer of or under the common seal of the sender;
- (c) any such notice or communication is regarded as being given by the sender and received by the addressee:
- (i) if by delivery in person, when delivered to the addressee;
- (ii) if by post, on delivery to the addressee; or
- (iii) if by email, when the email (including any attachment) comes to the attention of the addressee,

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm (addressee's time) it is regarded as received at 9.00am on the following Business Day.

- (d) Any such notice or other communication can be relied upon by the addressee and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.
- (e) A notice must not be given by electronic means of communication (other than facsimile and email as permitted in clause 16.2(c)).

16.3 Governing law and jurisdiction

- (a) This agreement is governed by the laws of Western Australia.
- (b) The Company and the Investor irrevocably submit to the non-exclusive jurisdiction of the courts of Western Australia.
- (c) The Company and the Investor irrevocably waive any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (d) The Company and the Investor irrevocably waive any immunity in respect of its obligations under this agreement that it may acquire from the jurisdiction of any court or any legal process for any reason including, but not limited to, the service of notice, attachment before judgment, attachment in aid of execution or execution.

16.4 Waivers

- (a) Waiver of any right arising from a breach of this agreement or of any power arising upon default under this agreement or upon the occurrence of an Event of Default must be in writing and signed by the party granting the waiver.
- (b) A failure or delay in exercise, or partial exercise, of:
 - (i) a right arising from a breach of this agreement or the occurrence of an Event of Default; or
 - (ii) a power created or arising upon default under this agreement or upon the occurrence of an Event of Default,does not result in a waiver of that right or power.
- (c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right or power arising from a breach of this agreement or on a default under this agreement or on the occurrence of an Event of Default as constituting a waiver of that right or power.
- (d) A party may not rely on any conduct of another party as a defence to exercise of a right or power by that other party.
- (e) This clause may not itself be waived except by writing.

16.5 Variation

A variation of any term of this agreement must be in writing and signed by the parties.

16.6 Counterparts

- (a) This agreement may be executed in any number of counterparts.
- (b) All counterparts, taken together, constitute one instrument.
- (c) A party may execute this agreement by signing any counterpart.

16.7 Attorneys

Each of the attorneys executing this agreement states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

Executed as an Agreement.

Company

**Executed by Myanmar Metals Limited
ACN 124 943 728 in accordance with
section 127 of the Corporations Act;**

Signature of Director

Signature of Secretary/other Director

Name of Director in full

Name of Secretary/other Director in full

Investor

**Executed by Perilya Limited (ACN 009
193 695) in accordance with section 127
of the Corporations Act;**

P. Arndt

Signature of Director

Paul Arndt

Name of Director in full



Signature of Secretary/other Director


Eric Zeng

Name of Secretary/other Director in full

Executed as an Agreement.

Company


**Executed by Myanmar Metals Limited
ACN 124 943 728 in accordance with
section 127 of the Corporations Act:**



Signature of Director

JEFFREY MOORE

Name of Director in full



Signature of Secretary/other Director

ROWAN CAREN

Name of Secretary/other Director in full

Investor

**Executed by Perilya Limited (ACN 009
193 695) in accordance with section 127
of the Corporations Act:**

Signature of Director

Name of Director in full

Signature of Secretary/other Director

Name of Secretary/other Director in full