



ASX ANNOUNCEMENT

Date 7 December 2018

ASX Code: MYL

BOARD OF DIRECTORS

Mr John Lamb
Executive Chairman, CEO

Mr Rowan Caren
Executive Director

Mr Jeff Moore
Non-Executive Director

Mr Paul Arndt
Non-Executive Director

ISSUED CAPITAL

Shares	1,261 m.
Listed options	184 m.
Unlisted Options	49 m.
Performance Rights	14 m.

CORPORATE UPDATE

Myanmar Metals Limited (“MYL” or “the Company”) has issued 5,000,000 unlisted options to Argonaut (or its nominee) in relation to lead manager services provided by Argonaut in the Company’s June 2018 Placement. The issue of these unlisted options was approved by shareholders at the Company’s AGM on 21 November 2018.

The unlisted options will not vest until and unless Argonaut raises further funds for the Company.

An Appendix 3B follows.

Furthermore, the Company has completed a review of executive salaries/fees. As part of this review the salary/fees of Mr Lamb and Mr Caren have increased. This increase has recognised that the levels of remuneration initially agreed, while the Company was an option holder of the Bawdwin project, were well below market rates.

The Company advises pursuant to ASX Listing Rule 3.16.4 that:

- Mr Lamb, the CEO and Executive Chairman, will now receive a salary of \$450,000 per annum inclusive of superannuation. In all other respects the terms and conditions of his contract are unchanged from the terms and conditions disclosed in the Company’s ASX announcement dated 3 October 2017.
- Mr Caren, the Executive Director and Company Secretary, will receive fees and salary of \$212,000 per annum inclusive of superannuation, but exclusive of GST as applicable. In all other respects the terms and conditions of his contract are unchanged from the terms and conditions disclosed in the Company’s ASX announcement dated 14 February 2018.

For More Information:

Ross Dinsdale, General Manager Investor Relations and Corporate Affairs

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About Myanmar Metals Limited

The Bawdwin project forms the means by which MYL intends to become a leading regional base metals producer. MYL is well positioned to realise this goal, enabled by: the Tier 1 Bawdwin project resources, world class exploration potential, a strategically advantageous project location, a management team with experience and depth, highly capable local partners and a strong balance sheet with supportive institutional shareholders.

The Bawdwin Concession is held under a Production Sharing Agreement (PSA) between Win Myint Mo Industries Co. Ltd. (WMM) and Mining Enterprise No. 1, a Myanmar Government business entity within the Ministry of Natural Resources and Environmental Conservation. It contains a Tier 1 polymetallic deposit with a JORC compliant Indicated and Inferred Mineral Resource of 82.0 Mt at 4.8% Pb, 119g/t Ag, 2.4% Zn and 0.2% Cu, (0.5% Pb cut-off above 750m RL, 2% Pb below 750m RL) including an Indicated Mineral Resource of 24.8 Mt at 5.1% Pb, 134g/t Ag, 2.8% Zn and 0.2% Cu (0.5% Pb cut-off above 750m RL, 2% Pb below 750m RL) (refer to ASX announcement dated 2 July 2018). Myanmar Metals Limited confirms that it is not aware of any new information or data that materially affects the Mineral Resource information included in the market announcement dated 2 July 2018 and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Myanmar Metals Limited (ASX: MYL) holds a majority 51% participating interest in the Bawdwin Project in joint venture with its project partners, WMM and EAP.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Myanmar Metals Limited

ABN

48 124 943 728

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Options over Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 5,000,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Options (Expiry Date 15/6/22, Exercise Price \$0.078) |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No, however ordinary shares issued upon conversion of the Options would rank equally with ordinary shares then on issue</p>
<p>5 Issue price or consideration</p>	<p>Nil</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Balance of Lead Manager options from June Placement. The options are unvested and will not vest until and unless Argonaut raises further funds for the Company</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>21 November 2018</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	5,000,000 21 November 2018							
6f	Number of +securities issued under an exception in rule 7.2	Nil							
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A							
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A							
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1: 189,177,768 7.1A: 126,118,512							
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	7 December 2018							
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>1,261,185,118</td> <td>ORD</td> </tr> <tr> <td>183,647,896</td> <td>Options to acquire ordinary shares, exercisable at 3 cents each expiring 31 December 2019</td> </tr> </tbody> </table>	Number	+Class	1,261,185,118	ORD	183,647,896	Options to acquire ordinary shares, exercisable at 3 cents each expiring 31 December 2019	
Number	+Class								
1,261,185,118	ORD								
183,647,896	Options to acquire ordinary shares, exercisable at 3 cents each expiring 31 December 2019								

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	14,000,000	Class C Performance Rights Options 7.8c, 15 June 2022 Options 7c, 30 November 2020 Options 6c, 30 June 2021
	40,000,000	
	7,000,000	
	1,500,000	
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company currently has no dividend policy.	

Part 2 - Pro rata issue

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the +securities will be offered	N/A
14 +Class of +securities to which the offer relates	N/A
15 +Record date to determine entitlements	N/A
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17 Policy for deciding entitlements in relation to fractions	N/A
18 Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19 Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Director/Company secretary)

Date: 7 December 2018

Print name: ROWAN CAREN

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

No, as a result of the Company issuing shares outside the scope of shareholder approval (refer ASX release dated 14 July 2017), ASX has imposed a prohibition on the Company issuing any shares pursuant to the ASX Listing Rule 7.1 (15% rule) or ASX Listing Rule 7.1A (Additional 10%) capacity at any time up to 24 October 2018.

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	649,749,057
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period 	Listed Option conversion 30,000 Performance Right Conversion 14,000,000 Placement 583,333,333 Listed Option conversion 68,776 Performance Right Conversion 14,000,000 Listed Option conversion 3,952
Note: <ul style="list-style-type: none"> • Include only ordinary securities here – other classes of equity securities cannot be added • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	1,261,185,118

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	189,177,768
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	Nil
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	189,177,768
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.15] – “C”	189,177,768 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,261,185,118
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	126,118,512
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	Nil

+ See chapter 19 for defined terms.

Appendix 3B
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Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	126,118,512
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	126,118,512 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.