MYANMAR METALS LIMITED

ABN 48 124 943 728

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019

Corporate Directory

DIRECTORS	John Lamb – Executive Chairman and CEO Rowan Caren – Executive Director and CFO Jeffrey Moore – Executive Director Paul Arndt – Non-Executive Director Bruce Goulds – Non-Executive Director
COMPANY SECRETARY	Rowan Caren
REGISTERED OFFICE	Suite 4, 38 Colin Street West Perth WA 6005 Australia
TELEPHONE	+61 8 6147 8100
EMAIL	info@myanmarmetals.com.au
WEBSITE	www.myanmarmetals.com.au
AUDITORS	Grant Thornton Audit Pty Ltd Level 43, Central Park 152-158 St Georges Terrace Perth WA 6000 Australia
SOLICITORS	DLA Piper Australia Level 31, Central Park 152-158 St Georges Terrace Perth WA 6000
SHARE REGISTRY	Automic Group Level 2 267 St Georges Terrace PERTH WA 6000 www.automic.com.au T: 1300 288 664
AUSTRALIAN STOCK EXCHANGE	The Company's securities are quoted on the official list of the ASX Ltd (ASX), the home exchange being: The ASX (Perth) Ltd Level 40, Central Park 152-158 St Georges Terrace, Perth WA 6000
ASX CODE	MYL MYLO
ACN	124 943 728

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MYANMAR
METALS LTD

Chairman's Address

Bawdwin's credentials as a Tier 1 polymetallic deposit are now well-established but the 2019 financial year proved that Myanmar Metals, and its BJV partners, are up to the task and are capable of repeatedly delivering on project milestones.

In September 2018, the China Pit Scoping Study was released. Only 7 months later, project studies had rapidly advanced and the Bawdwin Starter Pit Pre-Feasibility Study (PFS) was published, supporting a maiden JORC-2012 Ore Reserve in excess of 18 million tonnes. These project studies encompass a large body of technical, environmental, social and financial work and provide the blueprint for the re-development of the world class Bawdwin project. The studies focused on the first phase of mining operations at Bawdwin and demonstrated robust project economics underpinned by a low cost open-pit mining operation, which provided a rapid payback of the cost of the life-of-mine infrastructure. Our Definitive Feasibility Study (DFS) is now underway and will finalise the development options for Bawdwin and resolve physical and financial estimates with a higher degree of certainty.

The Company's investment in an extensive drilling and geoscience program yielded outstanding results: Project Mineral Resources are now up 22% from the start of the financial year and the confidence in the resource model has grown dramatically with a 109% increase in Indicated Mineral Resources. In July 2019 I was delighted to announce that this work has now delivered a JORC-2012 Measured and Indicated Mineral Resource Estimate in excess of 100 million tonnes for the first time. Our exploration program led to the discovery of mineralised extensions to all three of the known lodes and the exciting discovery of two new lodes, including the ER Valley copper lode. To-date, only the historical lodes of Shan, Meingtha and China have been included in the Mineral Resource Estimate, and the resource model remains open in all directions.

The BJV has created new employment opportunities for local people, invested in community initiatives and engaged with communities on the re-development plans for Bawdwin. We view these activities, together with sound environmental stewardship, as standard operating practises which support our investment in Bawdwin.

Myanmar Metals' financial position remains strong with $23 million in cash and no debt at the end of the period. Your Board is grateful for the support received from shareholders in the May 2019 capital raising and we move forward, funded through to a planned decision to mine, targeted for mid-2020.

Our team has delivered great results this financial year, but it is the next 12 months in which your Company will be taken to the next level. In the 2020 financial year, feasibility studies will be finalised, the Myanmar Investment Commission Permit sought, project financing and offtake arrangements negotiated and drilling on highly prospective exploration targets completed. We have a Company-defining 12 months ahead of us all!

My sincere thanks for your support and encouragement.

John Lamb
Chairman and CEO

Review of Operations

Project Studies

Phase 1 of mining operations at Bawdwin was first evaluated in the September 2018 China Pit Scoping Study (“Scoping Study”). The Scoping Study focused on an open-pit mining operation, targeting the Indicated Mineral Resources of the central China lode (“Starter Pit”) and provided robust preliminary technical and economic estimates.

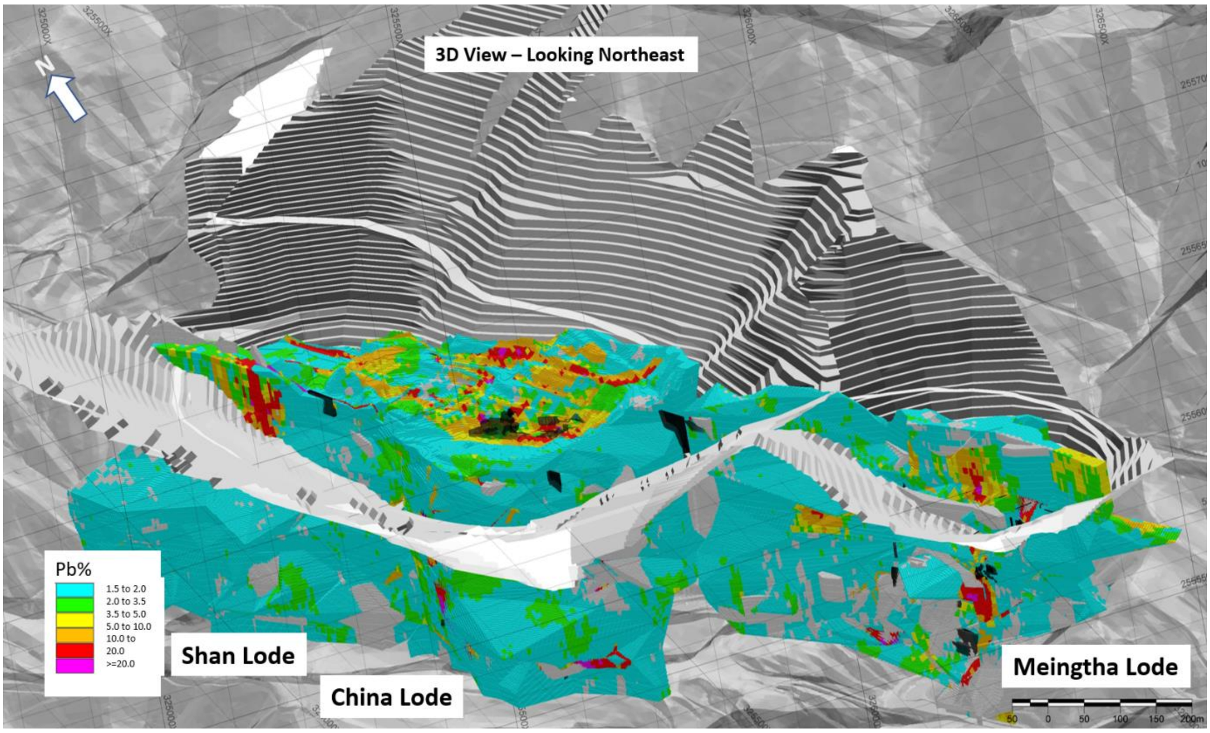

Figure 1. Wireframe of the entire Bawdwin PFS Mineral Resource estimate with the Starter Pit shell (shown in grey) containing a processing inventory of 24.7 Mt.

In October 2018 the PFS commenced, which focused on the optimisation the Starter Pit, as well as investigating site layout and logistics alternatives. Relative to the Scoping Study, the PFS presented project physical and financial estimates with a higher degree of certainty and confidence (see Tables 1 and 2).

The PFS delivered outstanding project economics with a robust net present value (8% real discount rate) of US$ 580 million / A$ 828 million (100% basis)[1] and Internal Rate of Return of 30%[2]. The project physical estimates were also compelling. In steady state production, Bawdwin’s Starter Pit would be the 3rd largest-producing lead mine in the world, the 10th largest-producing silver mine in the world, as well as being a globally significant zinc producer.[3]

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[1] *MYL holds a 51% participating interest in the Bawdwin project. Converted to AUD at AUD:USD 0.70. No adjustment has been made for movements in FX rates.*

[2] *Net present value and internal rate of return presented pre corporate tax and MYL corporate overheads but post royalties and production sharing taxation*

[3] *Based on data sourced from S&P MI as at 11 April 2019. Information sourced from reported 2018 annual production metrics from project operators. Bawdwin is not in production but is shown against existing producing projects for comparative purposes.*

Parameter	Unit	Annual Estimate (Steady State)	Life of Starter Pit Estimate
Mining			
Starter pit mine life	Years		13
Material mined	Mt	19.1	222.9
Ore mined	Mt	2.2	24.7
Waste mined	Mt	16.9	198.2
Strip ratio	Ratio		8.0
Processing			
Processing life	Years		13
Tonnes processed	Mt	2.0	24.7
Average lead grade	%		6.4
Average silver grade	g/t		168.1
Average zinc grade	%		3.2
Metal recovered to concentrate			
Lead	kt	118.0	1,385.9
Silver	kOz	10,062.4	118,798.7
Zinc	kt	49.0	555.4
Weighted average concentrate grade			
Lead	%		60%
Silver in lead concentrate	g/t		1,186
Zinc	%		53%
Concentrate production			
Lead - silver concentrate	kt	196	2,312
Zinc concentrate	kt	93	1,054

Table 1. Key Starter Pit Physical Metrics

Parameter	Units	Life of Starter Pit Estimate
Metals prices		
Lead	US$/t	2,170
Silver	US$/Oz.	17.3
Zinc	US$/t	2,535
Project cashflows		
Revenue	US $ million	5,891
Operating costs	US $ million	2,665
Mineral and production sharing taxation	US $ million	1,442
EBITDA	**US $ million**	**1,785**
Capital expenditure	US $ million	267
Capital expenditure contingency	US $ million	33
Sustaining capex. & mine closure provision	US $ million	28
Undiscounted free cash flow	**US $ million**	**1,458**
Valuation		
Net present value (8% real discount rate)	$	US$ 580 m. / A$ 828 m.
Internal rate or return	%	30%
Payback period	Years	4
Foreign exchange rate		
AUD:USD		0.70

Table 2. Key Starter Pit Financial Metrics

1. *100% project basis. MYL holds a 51% participating interest in the Bawdwin project.*
2. *Financial estimates are presented on a real 2019 basis with no inflation or escalation applied; and on a pre-financing basis.*
3. *Financial estimates account for government royalties and production sharing taxation but do not include MYL corporate overheads or corporate taxation.*
4. *Steady state defined as calendar years 2023 -2033 where 2 Mtpa is planned for processing.*

The Starter Pit PFS demonstrated attractive valuation metrics and an early payback period, indicative of strong underlying project cashflows from a high-grade, low cost mining operation. Beyond the Starter Pit, which is the sole focus of the PFS, further open pit expansion stages, and potential underground mining operations are planned. An underground assessment for China lode beneath the planned starter pit, and the Shan and Meingtha lodes is in scoping study phase. A number of other targets and prospects have potential to materially add mine life and value to the Bawdwin mining operation.

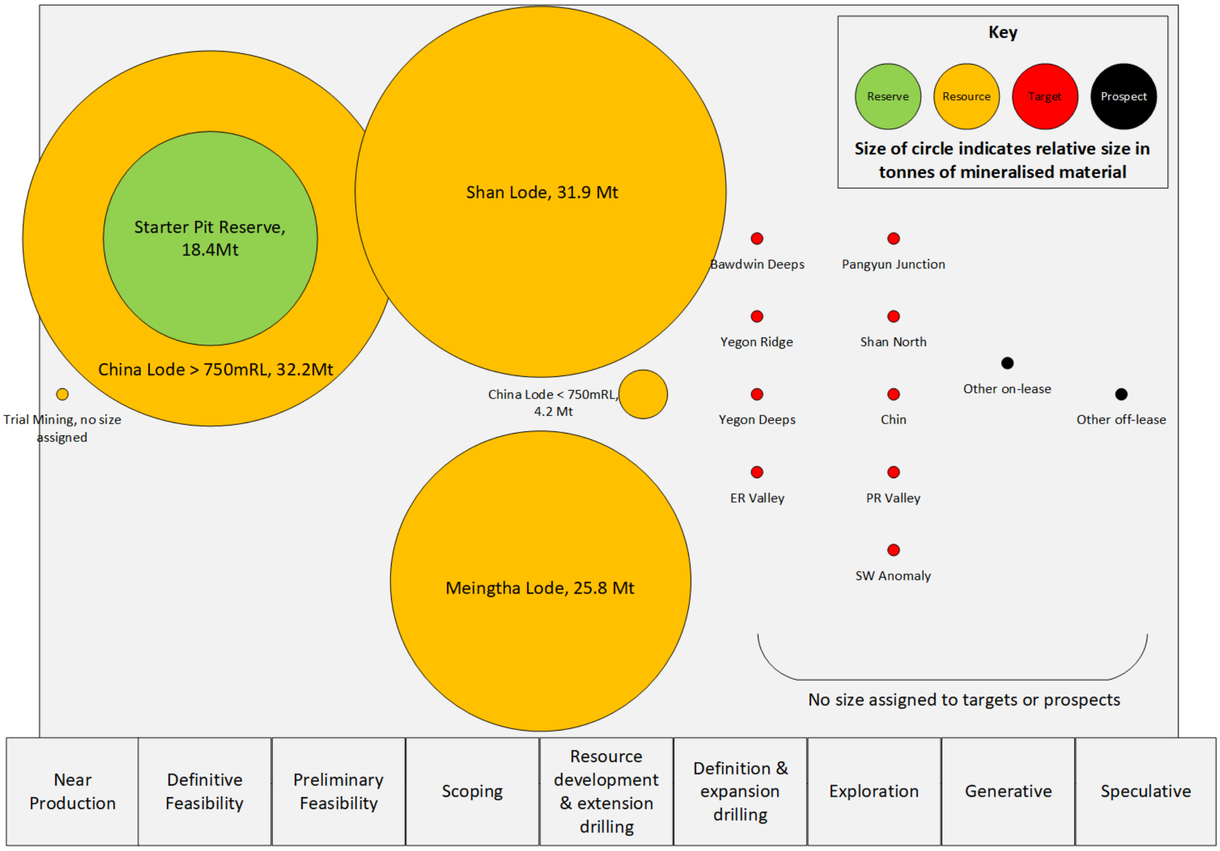


Figure 2. Bawdwin Project Pipeline

Notes on Figure X:

1. *Bubble size shows the size of Indicated and Inferred Mineral Resources (see Table 5 of announcement dated 6 May 2019) for Mineral Resource by lode*
2. *Starter Pit Reserves are included in Bawdwin's Indicated Mineral Resources (see Tables 4 and 6 of announcement dated 6 May 2019)*

As part of the PFS, a maiden high grade Probable Ore Reserve Estimate of 18.4 Mt grading 6.4% lead, 169 g/t silver and 3.4% zinc was declared for the Starter Pit.

A DFS is currently underway, which will finalise the development options for Bawdwin and resolve physical and financial estimates with a higher degree of certainty.

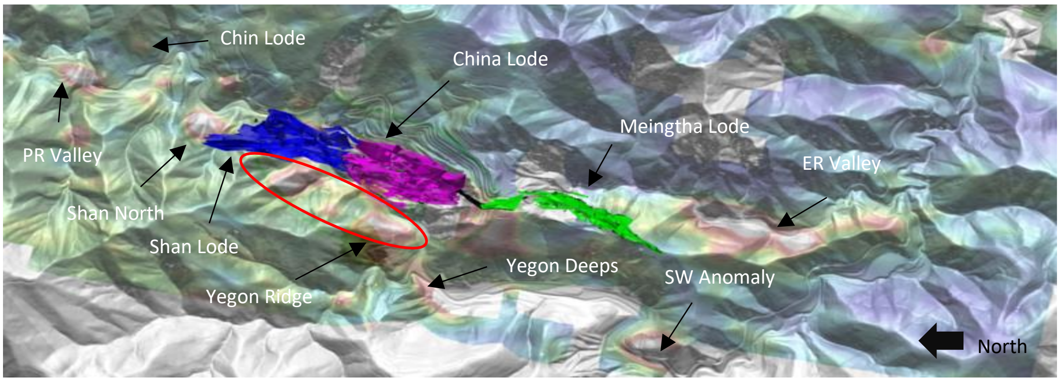
Drilling Operations

The drilling program in the 2019 financial year was designed to; provide geotechnical and metallurgical samples for the PFS, upgrade resource classification in regions of the Starter Pit and target areas with potential to host new mineralisation outside the defined Bawdwin Mineral Resource.

Drilling completed over the financial year led to the August 2019 declaration of over 100Mt of project Mineral Resources of which, 42% of project resources are now in the Indicated Mineral Resource category (see Statement of Mineral Resources and Ore Reserves).

Exploration drilling led to the extensions of the China, Meingtha and Shan Lodes and the discovery of the new Yegon Ridge and ER Valley Lodes. The Company enjoyed a 100% success rate in translating geophysical targets into discoveries.

Plan view of lodes and targets



Longitudinal section of lodes and targets

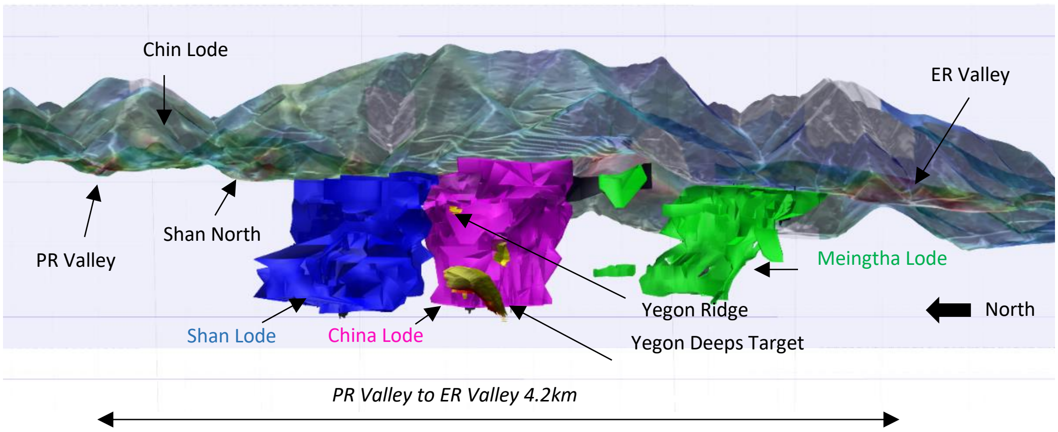


Figure 3. Overview of Bawdwin Mineral Field.

Safety, Health, Environment and Community

Myanmar Metals had no lost time injuries during the period. A safety conscious culture has been embraced by our leaders, employees and contractors through education, training and the delegation of responsibilities and accountability.

There were no environmental incidents reported in the 2019 financial year. Work is ongoing for the Environmental and Social Impact Assessment (ESIA). This study will be delivered to meet Myanmar and international standards.

Figure 4. Engagement program at local schools

Strong engagement with the local community is important in developing a long-term sustainable mining operation and for the well-being of our team. Over the period the Bawdwin Joint Venture participated in and supported sporting, cultural and educational events to get involved with the local community and create an awareness about the redevelopment of the Bawdwin mine. Our community engagement program will continue to look for ways to improve the livelihoods of the local community members.

Corporate

New Board Appointment

In December 2018 the Board undertook a review of its composition and skills with consideration of the present stage of development of the Company, its trajectory towards becoming a mine operator and its governance structure.

On 1 February 2019, the Board appointed Mr Bruce Goulds, previously CFO of Mineral Resources Limited (ASX: MIN) as an independent Non-Executive Director. Mr Goulds' 30 years of experience in the resources sector provides additional industry experience, financial and commercial expertise.

Other Key Appointments

In September 2018, Mr Rob Cicchini was appointed as Project Director to lead the Bawdwin re-development project through the study, permitting and construction stages. Mr Cicchini is a Civil Engineer with more the 27 years' experience working with Lycopodium Limited on international projects in the resources sector. Further key appointments have been made to senior roles in the Company and in the Bawdwin Joint Venture throughout the course of the year.

The Company also established a BJV office in Yangon, Myanmar, in support of current project studies and future project operations.

Capital Raising

In May 2019, the Company completed a $20.8 million placement of new shares to domestic and international institutional investors. In a strong show of support, MYL's cornerstone investors Perilya Limited and Yandal Investments Pty Ltd (Mr Mark Creasy) subscribed for a combined total of $7.4 million worth of placement shares.

The placement has strengthened the Company's financial position and provides funding through to a decision to mine, which is expected in the second quarter of 2020.

John Lamb, Executive Chairman and CEO, commented:

"The foundations for moving quickly along the mine development path are now in place. We have delivered a high quality PFS which allows us to fast track definitive feasibility studies, commence project finance and offtake negotiations and advance Government approval discussions.

The outstanding potential that Bawdwin has long presented will start to become a reality over the course of the next 12 months as we cross off the milestones and turn the first sod at site. During this period, we will also be aiming to deliver considerable value through the drill bit as we undertake an exciting exploration program in a vastly underexplored mineral system. This is why I say, Myanmar Metals is in the enviable position of having both a world class silver-lead development project alongside a world class exploration project."

Directors' Report

Your directors present their report together with the financial statements of Myanmar Metals Limited ("Company") and the entities it controlled during the financial year ended 30 June 2019 ("Consolidated Entity" or "Group").

General information

Myanmar Metals Limited is a public listed company limited by shares, incorporated and domiciled in Australia. The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

The financial statements are authorised for issue by a resolution of Directors on 29 August 2019.

Directors

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

John Lamb
Rowan Caren
Jeffrey Moore
Paul Arndt
Bruce Goulds (from 1 February 2019)

Principal activities

The principal activity during the financial year was mineral exploration and evaluation in Myanmar. There has been no significant change in the nature of these activities during the financial year.

Dividends

No dividends have been paid or declared since the start of the financial year and the directors have not recommended the payment of a dividend in respect of the financial year.

Review of operations

During, and since the end of, the financial year, the Company has:

- Raised $20.79m (before costs) from a Share Placement in May 2019;
- Declared an updated JORC mineral resource;
- Declared a maiden ore reserve; and
- Completed a PFS at Bawdwin.

Operating results for the year

Net loss attributable to equity holders of the Company for the year ended 30 June 2019 was $16,362,744 (2018: $11,691,251). Basic loss per share was 1.27 cents (2018: 1.97 cents).

The net loss for the current year has been significantly impacted by the level of exploration and evaluation activity on the Bawdwin project resulting in net exploration and evaluation expenses of $13,394,234 (2018: $3,789,386).

The increase in exploration and evaluation expenses has been offset by a reduction in share-based payment expenses which totalled $418,389 (2018: $3,127,123) and the non-recurrence of a loss from the change in fair value of derivative financial instruments of $2,698,832.

Directors' Report (Continued)

Significant changes in the state of affairs

During the year, the Company:

- Issued 319,877,148 shares pursuant to a Share Placement in May 2019 raising $20.79m before costs;
- Issued 28,000,000 shares as a result of conversion of performance rights;
- Issued 8,327,616 shares on exercise of listed options; and
- Granted 5,000,000 unlisted options to consultants and 1,500,000 unlisted options to employees.

Significant events after balance date

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature, not otherwise disclosed in this financial report, which in the opinion of the Directors of the Company, has significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company.

Likely developments and expected results of operations

There are no likely developments of which the Directors are aware which could be expected to significantly affect the results of the Company's operations in subsequent financial years not otherwise disclosed in this Report.

Environmental legislation

The exploration and evaluation activities of the Company are conducted in accordance with the relevant government legislation.

The Company is committed to minimising the impact of its activities on the surrounding environment at the same time aiming to maximise the social, environmental and economic returns for the local community. To this end, the environment is a key consideration in our exploration and evaluation activities and during the rehabilitation of disturbed areas. Generally, rehabilitation occurs immediately following the completion of a particular phase of exploration. In addition, the Company continues to develop and maintain mutually beneficial relationships with the local communities affected by its activities.

Information on Directors

John Lamb
Executive Chairman and CEO
B. Surv(IT), Grad.Dip.Man, MBA, F.AusIMM(CP), GAICD

Mr Lamb was appointed as a Non-Executive Director and Chairman of the Company from 19 June 2017 and as Executive Chairman and CEO from 3 October 2017.

Mr Lamb is an experienced business leader in the mining, construction, forestry and transport sectors. His career of over 30 years includes Chief Executive roles for Shaw Contracting (civil construction) and Lloyds North (transport and forest services); general management roles at the Rosebery (underground polymetallic) and Century (open cut zinc/lead) mines and many years of business and technical management, principally in the minerals sector.

Mr Lamb has built and managed mining operations throughout Australia and has served as a director on the boards of industry bodies, regional land management councils, a large pastoral company and several small businesses. He has consulted widely in the fields of business improvement, risk management and strategic planning.

Directors' Report (Continued)

Information on Directors (Continued)

John Lamb
Executive Chairman and CEO (Continued)

A qualified surveyor, he also holds degrees in management and business; is a Chartered Professional Fellow of the Australasian Institute of Mining and Metallurgy and an Order of Merit Graduate of the AICD Company Directors course.

Mr Lamb was a director of the Tasmanian Minerals and Energy Council for six years.

During the last three years, Mr Lamb has not served as a director of any other listed company.

Rowan Caren
Executive Director, Company Secretary and CFO
B. Com, CA

Mr Caren was appointed as a Non-Executive Director and Company Secretary of the Company on 19 June 2017 and as an Executive Director, Company Secretary and CFO from 1 March 2018.

Mr Caren has 25 years commercial experience as a Chartered Accountant, having qualified with PricewaterhouseCoopers in 1992. He has been involved in the minerals exploration industry for over twenty years and in 2004 created a specialist company secretarial and advisory consultancy, Dabinett Corporate Pty Ltd. He has provided financial and corporate services to several listed and unlisted companies involved in the resources sector.

Mr Caren graduated with a Bachelor of Commerce (Accounting) from the University of Western Australia and is a Member of the Institute of Chartered Accountants in Australia.

During the last three years, Mr Caren has not served as a director of any other listed company.

Jeffrey Moore
Non-Executive Director
B.SC, MAUSIMM, MGSA

Mr Moore was appointed as a Non-Executive Director of the Company on 19 June 2017. Mr Moore is Chairman of the Remuneration and Nomination Committee and a member of the Audit Committee, both established during the year. Subsequent to the end of the financial year, on 1 July 2019, Mr Moore has been determined to be an Executive Director.

Mr Moore is a geologist with extensive technical, managerial and project finance experience in exploration and mining for publicly listed companies. During his career, he has generated and managed projects for commodities including precious metals, base metals, diamonds, nickel and industrial minerals throughout Australia, Central and South America, Africa and Asia.

Mr Moore has held previous directorships with Allied Gold Limited from 2004 to 2008, Abra Mining Limited from 2006 to 2011 and Riedel Resources Limited from 2011 until January 2019. He is also a corporate member of the Australasian Institute of Mining and Metallurgy and a member of the Geological Society of Australia.

During the last three years, until January 2019, Mr Moore also served as a director of Riedel Resources Limited (ASX: RIE).

Information on Directors (Continued)

Mr Paul Arndt
Non-Executive Director
BSc, MSc, Grad Dip Engineering, MBA

Mr Arndt was appointed as a Non-Executive Director of the Company on 19 June 2018. Mr Arndt is a member of the Remuneration and Nomination Committee and the Audit Committee, both established during the year.

Mr Arndt was appointed as Executive General Manager of Operations and Development of Perilya Limited ("Perilya") in February 2008 and subsequently appointed to the joint roles of Managing Director and Chief Executive Officer of Perilya on 25 November 2008. Mr Arndt is the nominated representative of Perilya, the Company's largest shareholder, on the Company's board.

During his tenure at Perilya, it has acquired and commenced development of an underground polymetallic (copper, zinc, gold & silver) mine in the Dominican Republic.

Former roles include senior general management positions with Newcrest Mining Limited at their Telfer operation in Western Australia, Pasminco Limited's Cockle Creek smelter in Boolaroo (NSW), and MIM Holdings Limited's Britannia zinc and lead operation in Avonmouth (UK). Mr Arndt is also a director of PanAust Limited which operates the Phu Bia copper-gold mine in Laos.

During the last three years, Mr Arndt has not served as a director of any other listed company.

Mr Bruce Goulds
Non-Executive Director
BBus, Grad Dip Management, LLB (Hons)

Mr Goulds was appointed as a Non-Executive Director of the Company on 1 February 2019. Mr Goulds is a member of the Remuneration and Nomination Committee and Chairman of the Audit Committee, both established during the year.

Mr Goulds has over 30 years financial and commercial experience in listed and unlisted companies. Mr Goulds was the inaugural CFO and Company Secretary of Mineral Resources Limited (ASX:MIN) a position he held for over 14 years until his retirement in 2018.

Prior to that he was Commercial Manager within Brambles Industries, Financial Controller and Company Secretary of Cockburn Corporation Limited and Commercial Manager for the Australasian operations of international mining equipment manufacturers Svedala Industrii, Metso Minerals and Sandvik.

Mr Goulds is a Fellow Certified Practising Accountant, a Fellow of the Institute of Chartered Secretaries and a Member of the Australian Institute of Company Directors.

During the last three years, Mr Goulds has also served as a director of Mesa Minerals Limited (ASX: MAS) (appointed 25 May 2010, resigned 6 December 2018).

Directors' Report (Continued)

Interests in the Securities of the Company held by Directors

The following relevant interests in securities of the Company or a related body corporate were held by the directors as at the date of this report:

Director	Number of Fully Paid Ordinary Shares
John Lamb	18,500,000
Rowan Caren	12,250,000
Jeffrey Moore	12,375,000
Paul Arndt	-
Bruce Goulds	1,900,000

Directors' Meetings

The number of meetings of directors held during the year and the number of meetings attended by each director was as follows:

Director	Directors' Meetings		Audit Committee		Remuneration and Nomination Committee	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
John Lamb	11	11	-	-	-	-
Rowan Caren	11	11	-	-	-	-
Jeffrey Moore	11	11	1	1	1	1
Paul Arndt	11	11	1	1	1	1
Bruce Goulds	7	7	1	1	-	-

In addition to the above meetings, there were a number of matters addressed by circular resolution.

A Remuneration and Nomination Committee was established on 19 November 2018 and the Remuneration and Nomination Committee Charter was approved by the Board on 29 April 2019.

An Audit Committee was established on 1 February 2019 and the Audit Committee Charter was approved by the Board on 29 April 2019.

Remuneration Report - Audited

This report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the key management personnel ("KMP") of the Company for the financial year ended 30 June 2019. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent Company.

Directors' Report (Continued)

Key Management Personnel

Directors

John Lamb	Executive Director, Chairman & CEO
Rowan Caren	Executive Director, Company Secretary & CFO
Jeffrey Moore	Non-Executive Director
Paul Arndt	Non-Executive Director
Bruce Goulds	Non-Executive Director (from 1 February 2019)

Other KMP

Roberto Cicchini	Project Director (from 1 September 2018)

The Remuneration Report is set out under the following main headings:

A. Remuneration policy and elements of remuneration
B. Details of remuneration for the year ended 30 June 2019
C. Service agreements
D. Share-based compensation
E. Security holdings of Key Management Personnel
F. Other transactions and balances with Key Management Personnel

A. Remuneration policy and elements of remuneration

(a) Remuneration philosophy

The performance of the Company depends upon the quality of its people. To prosper, the Company must attract, motivate and retain highly skilled directors and executives.

To this end, the Company embodies the following principles in its compensation framework:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation;
- maintain a significant portion of executive compensation 'at risk', dependent upon meeting pre-determined performance benchmarks; and
- establish appropriate, demanding performance hurdles for variable executive remuneration.

During the Group's exploration and evaluation phase, it is not anticipated that the Group will be generating operating revenue nor paying dividends or returning capital. Accordingly, there is currently no relationship between the Group's earnings or changes in the Company's share price and the Board's policy for determining the nature and amount of compensation of KMP.

Remuneration may consist of fixed remuneration and variable components.

(b) Remuneration determination and review

The Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the directors and all other key management personnel based on the recommendations of the Remuneration and Nomination Committee.

During the year the Company established a Remuneration and Nomination Committee comprising the following Non-Executive Directors:

- Jeffrey Moore (Chair)
- Paul Arndt
- Bruce Goulds (from 1 February 2019)

Directors' Report (Continued)

The Committee reviews and determines the remuneration policy and structure annually to ensure it remains aligned to business needs and meets our remuneration principles.

No remuneration consultants were used during the financial year.

The Remuneration and Nomination Committee will assess the appropriateness of the nature and amount of compensation of key management personnel on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team.

The Board of Directors reviews fixed remuneration annually. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices.

(c) Remuneration structure

In accordance with best practice Corporate Governance, the structure of non-executive director and executive remuneration is separate and distinct.

(d) Fixed remuneration – executives

Executives may receive their fixed remuneration as cash, or cash with non-monetary benefits. Fixed remuneration is reviewed annually, or on promotion. It is benchmarked against market data for comparable roles in companies in a similar industry and with similar market capitalisation.

The committee aims to position executives at or near the median, with flexibility to take into account capability, experience, value to the organisation and performance of the individual.

(e) Variable remuneration

In 2017 the Company adopted the Performance Rights Plan ("Plan") which was approved by shareholders at the AGM on 23 October 2017.

The objective of the Plan is to attract, motivate and retain key Directors, employees and contractors. It is considered by the Company that the adoption of the Plan and the future issue of Performance Rights under the Plan will provide selected participants with the opportunity to participate in the future growth of the Company.

Refer to section D below for details of Performance Rights issued under the Plan.

(f) Non-executive director remuneration

The Board seeks to set aggregate remuneration at a level that provides the company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The latest determination was at the General Meeting held on 18 August 2017 when shareholders approved an aggregate remuneration of $250,000 per year. The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Each director receives a fee for being a director of the company. From 1 November 2018, the fee for each Non-Executive Director is $50,000 inclusive of superannuation (prior to 1 November 2018: $39,420 per annum).

Any services provided by the Non-Executives that are in addition to those of a Non-Executive and approved by the Chairman are charged at $1,600 per day plus applicable GST.

The compensation of directors for the year ended 30 June 2019 is detailed in the table below.

Directors' Report (Continued)

B. Details of remuneration for the year ended 30 June 2019

		Primary benefits			Post employment	Equity	Total	%
KMP	Year	Salary & Fees $	Annual Leave Provision $	Non Monetary Benefits $	Superannuation $	Performance Rights $	$	Perform-ance related %
Executive Directors								
John Lamb	**2019**	**402,979**	**9,940**	**15,000**	**20,531**	**151,233**	**599,683**	**25.2%**
John Lamb	2018	332,900	16,153	15,092	26,647	1,288,767	1,679,559	76.7%
Rowan Caren	**2019**	**274,941**	**-**	**-**	**4,032**	**100,822**	**379,795**	**26.5%**
Rowan Caren	2018	180,400	-	-	3,705	859,178	1,043,283	82.4%
Non-Executive Directors								
Jeffrey Moore	**2019**	**181,841**	**-**	**1,465**	**4,032**	**100,822**	**288,160**	**35.0%**
Jeffrey Moore	2018	67,300	-	-	3,705	859,178	930,183	92.4%
Paul Arndt[1]	**2019**	**45,333**	**-**	**-**	**-**	**-**	**45,333**	**-**
Paul Arndt[1]	2018	1,286	-	-	-	-	1,286	-
Bruce Goulds[2]	**2019**	**19,026**	**-**	**-**	**1,807**	**-**	**20,833**	**-**
Bruce Goulds[2]	2018	-	-	-	-	-	-	-
Other KMP								
Roberto Cicchini[3]	**2019**	**308,926**	**12,035**	**-**	**17,109**	**-**	**338,070**	**-**
Roberto Cicchini[3]	2018	-	-	-	-	-	-	-
Total KMP	**2019**	**1,233,046**	**21,975**	**16,465**	**47,511**	**352,877**	**1,671,874**	
Total KMP	2018	581,886	16,153	15,092	34,057	3,007,123	3,654,311	

Notes:

1 The amounts disclosed for Mr Arndt are paid to Perilya Limited in lieu of director fees.
2 Mr Goulds was appointed 1 February 2019.
3 Mr Cicchini was appointed 1 September 2018.

C. Service agreements

(a) Non-Executive Directors

Each of the current Non-Executive directors has entered into a Non-Executive Director Service Deed which sets out the minimum monthly fees.

(b) Executive Directors

Effective from 1 October 2017, Mr Lamb has been employed as CEO, Executive Director and Executive Chairman of the Company and has entered into an executive services agreement from that date. From 1 November 2018, he receives a salary of $450,000 inclusive of superannuation (prior to 1 November 2018: $370,531 per annum).

Effective from 1 March 2018, Mr Caren has been employed as Executive Director, Company Secretary and CFO of the Company and has entered into a consultancy agreement effective from that date. From 1 November 2018, he receives an annual director's fee of $50,000 inclusive of superannuation plus a consulting fee of $162,000 per annum plus GST (prior to 1 November 2018: director's fee of $39,420 per annum, plus a base fee of $150,000 per annum plus GST). Any additional services provided by Mr Caren are charged at $1,600 per day plus applicable GST.

The following key terms are included in the service agreements with the Executive Directors:

- Notice period by Company or Executive is 3 months;
- In a Company initiated termination, a payment of 6 months' base fee is also payable;
- If termination by the Company is within 24 months of the Contract commencement, an additional 6 months' base fee is payable; and
- Upon the occurrence of a change of control transaction, the Executive is entitled to a bonus payment of 12 months' base fee, subject to certain conditions.

(c) Other KMP

Effective from 1 September 2018, Mr Cicchini has been employed as Project Director of the Company. Mr Cicchini has entered into a Limited Term Executive Services Agreement dated 1 September 2018 which ends on Completion (being handover of the site to the Operations Team). The agreement may be terminated by Mr Cicchini or the Company with notice of 3 months and with an additional 6 months remuneration payable if there is a change of control. He receives a base salary of $400,000 inclusive of superannuation plus a Completion Bonus payable upon successful achievement of certain milestones. No bonus has been paid or is payable in the year ended 30 June 2019.

D. Share-based compensation

On 23 October 2017, Performance Rights were granted to Mr Lamb, Mr Moore and Mr Caren under the Performance Rights Plan as approved by shareholders at the AGM. The fair value of the rights was determined based on the market price of the Company's shares at the date of grant being 8 cents each.

The Performance Rights had the following milestones attached to them:

- Class A Performance Rights: upon a positive recommendation to continue exploration/development arising from CSA Global's scoping study for the Bawdwin project (Performance Rights Milestone 1);
- Class B Performance Rights: upon exercise of the option under the Bawdwin Option Agreement (Performance Rights Milestone 2); and
- Class C Performance Rights: 12 months from the date of grant (Performance Rights Milestone 3), (each referred to as a Milestone).

The Performance Rights vested on the date the Milestone relating to that Performance Right was satisfied. Subsequent to vesting, each Performance Right has been converted into one fully paid ordinary share in the Company. The shares which were issued upon conversion of performance rights are restricted pursuant to the terms of the Company's Performance Rights Plan.

The table below shows details of the Performance Rights which vested during the year. No Performance Rights were granted or forfeited during the year.

		Balance at the start of the year		Vested during the year		Converted	Balance at the end of the year	Maximum value yet to vest
		Vested	Unvested					
Director	Grant date	Number	Number	Number	Percentage	Number	Number	$
John Lamb	23-Oct-17	6,000,000	6,000,000	6,000,000	100%	(12,000,000)	-	-
Rowan Caren	23-Oct-17	4,000,000	4,000,000	4,000,000	100%	(8,000,000)	-	-
Jeffrey Moore	23-Oct-17	4,000,000	4,000,000	4,000,000	100%	(8,000,000)	-	-

E. Security holdings of Key Management Personnel

(a) Shareholdings of Key Management Personnel

Shareholdings of key management personnel as at the end of the year.

	Balance at the start of the year Number	Acquired Number	Conversion of Performance Rights Number	Balance at the end of the year Number
John Lamb	6,500,000	-	12,000,000	18,500,000
Rowan Caren	4,250,000	-	8,000,000	12,250,000
Jeffrey Moore	4,375,000	-	8,000,000	12,375,000
Paul Arndt	-	-	-	-
Bruce Goulds	1,000,000[1]	900,000	-	1,900,000
Roberto Cicchini	-[1]	500,000	-	500,000
	16,125,000	1,400,000	28,000,000	45,525,000

Notes:
[1] Balance as at date of appointment.

(b) Performance rights holdings of Key Management Personnel

Performance rights holdings of key management personnel as at the end of the year.

	Balance at the start of the year Number	Converted to Shares Number	Balance at the end of the year Number
John Lamb	12,000,000	(12,000,000)	-
Rowan Caren	8,000,000	(8,000,000)	-
Jeffrey Moore	8,000,000	(8,000,000)	-
Paul Arndt	-	-	-
Bruce Goulds	-[1]	-	-
Roberto Cicchini	-[1]	-	-
	28,000,000	(28,000,000)	-

Notes:
[1] Balance as at date of appointment.

F. Other transactions and balances with Key Management Personnel

There are no other transactions or balances between the company and current key management personnel that have not otherwise been disclosed in this remuneration report.

End of audited remuneration report

Share Options and Performance Rights

Details of unissued ordinary shares under option at the date of this report are as follows:

- 175,324,232 Listed Options exercisable at 3 cents each and expiring on 31 December 2019;
- 7,000,000 Unlisted Options exercisable at 7 cents each and expiring on 30 November 2020;
- 1,500,000 Unlisted Options exercisable at 6 cents each and expiring on 30 June 2021; and
- 40,000,000 Unlisted Options exercisable at 7.8 cents each and expiring on 15 June 2022.

Directors' Report (Continued)

8,327,616 (2018: 14,206,276) ordinary shares were issued during the financial year as a result of the exercise of listed options and 28,000,000 (2018: 14,000,000) ordinary shares were issued during the financial year as a result of the conversion of performance rights. There are no unpaid amounts on the shares issued.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify the directors of the Company against all liabilities to another person (other than the Company or related body corporate) that may arise from their position as officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has insured all of the Directors and Officers of the Company. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and amount of the premium paid. The Corporations Act 2001 does not require disclosure of the information in these circumstances.

Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Auditor Independence

Section 307C of the Corporations Act 2001 requires the Company's auditor, Grant Thornton, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is located on page 24 of this report and forms part of this directors' report for the year ended 30 June 2019.

Auditor

Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Non-Audit Services

During the year, Grant Thornton, the Company's auditor, has not performed any other services in addition to their statutory duties.

Details of the amounts paid to the auditor of the Company, Grant Thornton, and its related practices for audit services provided during the year are set out in Note 24.

This report is made in accordance with a resolution of the directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

Rowan Caren
Director
Perth, 29 August 2019

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Auditor's Independence Declaration

To the Directors of Myanmar Metals Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Myanmar Metals Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

L A Stella
Partner – Audit & Assurance

Perth, 29 August 2019

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
Other revenue	3	197,146	20,154
Net foreign exchange gain/(loss)		(235,746)	240,163
Exploration and evaluation expenses		(13,394,234)	(3,789,386)
Corporate and administration expenses		(2,929,910)	(4,894,075)
Finance expenses	4	-	(569,275)
Loss from change in fair value of derivative financial instruments	4	-	(2,698,832)
Loss before income tax expense		**(16,362,744)**	**(11,691,251)**
Income tax expense	5	-	-
Loss after income tax expense attributable to members of Myanmar Metals Limited		**(16,362,744)**	**(11,691,251)**
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Exchange differences arising on translation of foreign operations		131,772	(2,684)
Other comprehensive income for the year, net of income tax		**131,772**	**(2,684)**
Total comprehensive loss for the year attributable to the owners of Myanmar Metals Limited		**(16,230,972)**	**(11,693,935)**
Loss per Share attributable to ordinary equity holders of the Company:			
Basic and diluted loss per share (cents per share)	25	**(1.27)**	**(1.97)**

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
Assets			
Current Assets			
Cash and cash equivalents	13(a)	22,881,004	16,580,163
Trade and other receivables	6	133,571	1,949,712
Total current assets		**23,014,575**	**18,529,875**
Non-current Assets			
Trade and other receivables	7	3,104,645	1,362,388
Plant and equipment	8	95,292	14,057
Exploration and evaluation assets	9	19,579,997	19,579,997
Total non-current assets		**22,779,934**	**20,956,442**
Total assets		**45,794,509**	**39,486,317**
Liabilities			
Current Liabilities			
Trade and other payables	10	2,418,227	695,027
Provision for annual leave		119,233	17,435
Total current liabilities		**2,537,460**	**712,462**
Total liabilities		**2,537,460**	**712,462**
Net assets		**43,257,049**	**38,773,855**
Equity			
Share capital	11	87,467,468	65,075,576
Other equity	12	777,194	777,194
Reserves	12	2,382,148	3,928,102
Accumulated losses		(47,369,761)	(31,007,017)
Total equity		**43,257,049**	**38,773,855**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2019

	Share Capital $	Other Equity $	Reserves $	Accumulated Losses $	Total Equity $
Balance at 1 July 2018	**65,075,576**	**777,194**	**3,928,102**	**(31,007,017)**	**38,773,855**
Loss for the year	-	-	-	(16,362,744)	(16,362,744)
Other comprehensive loss for the year, net of tax	-	-	131,772	-	131,772
Total comprehensive loss for the year, net of tax	-	-	131,772	(16,362,744)	(16,230,972)
Transactions with owners, recorded directly in equity:					
Issue of Placement shares	20,792,015	-	-	-	20,792,015
Issue of shares on conversion of performance rights	2,240,000	-	(2,240,000)	-	-
Grant of options	-	-	50	-	50
Exercise of options	249,828	-	-	-	249,828
Share based payment expense	-	-	562,224	-	562,224
Transaction costs arising from share issues	(889,951)	-	-	-	(889,951)
Total transactions with owners	22,391,892	-	(1,677,726)	-	20,714,166
Balance at 30 June 2019	**87,467,468**	**777,194**	**2,382,148**	**(47,369,761)**	**43,257,049**
Balance at 1 July 2017	**17,513,827**	**777,194**	**64,000**	**(19,315,766)**	**(960,745)**
Loss for the year	-	-	-	(11,691,251)	(11,691,251)
Other comprehensive loss for the year, net of tax	-	-	(2,684)	-	(2,684)
Total comprehensive loss for the year, net of tax	-	-	(2,684)	(11,691,251)	(11,693,935)
Transactions with owners, recorded directly in equity:					
Issue of shares	52,310,233	-	-	-	52,310,233
Issue of options for services	-	-	1,979,663	-	1,979,663
Issue of performance rights	-	-	1,887,123	-	1,887,123
Transaction costs arising from share issue	(4,748,484)	-	-	-	(4,748,484)
Total transactions with owners	47,561,749	-	3,866,786	-	51,428,535
Balance at 30 June 2018	**65,075,576**	**777,194**	**3,928,102**	**(31,007,017)**	**38,773,855**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(15,901,750)	(6,491,665)
Receipt for reimbursement of exploration expenditure		1,955,878	-
Interest received		92,160	20,154
Net cash used in operating activities	13(c)	**(13,853,712)**	**(6,471,511)**
Cash flows from investing activities			
Amounts placed on deposit		(30,659)	(190,247)
Refunds of deposits		148,500	-
Consideration paid for acquisition of Bawdwin interest		-	(18,560,631)
Option fees paid		-	(1,986,492)
Currency option fee paid		-	(95,170)
Receipt for reimbursement of option fees		-	1,219,907
Payments to acquire other non-current assets		(102,126)	(15,859)
Net cash from / (used in) investing activities		**15,715**	**(19,628,492)**
Cash flows from financing activities			
Finance costs paid		-	(104,852)
Loan repaid to other entity		-	(100,000)
Proceeds from issue of equity securities		21,041,893	45,426,538
Equity securities issue transaction costs		(799,081)	(2,819,170)
Net cash from financing activities		**20,242,812**	**42,402,516**
Net increase in cash and cash equivalents		6,404,815	16,302,513
Cash and cash equivalents at 1 July		16,580,163	28,930
Effect of currency changes on cash and cash equivalents		(103,974)	248,720
Cash and cash equivalents at 30 June	13(a)	**22,881,004**	**16,580,163**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2019

1. *Statement of Significant Accounting Policies*

(c) Basis of preparation

Myanmar Metals Limited (the 'Company') is a company domiciled in Australia. The financial statements of the Company as at and for the year ended 30 June 2019 comprise the Company and its consolidated entities ("Consolidated Entity" or "Group").

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law. The financial report has also been prepared on a historical cost basis. For the purposes of preparing the consolidated financial statements, the Company is a for profit entity.

The financial report is presented in Australian dollars. The company is an ASX listed public company, incorporated in Australia. The financial report was authorised for issue by a Board resolution dated 29 August 2019.

(d) Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

(i) New or revised Standards or Interpretations

In the year ended 30 June 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations and, therefore, no material change is necessary to the Group's accounting policies.

- AASB 15 *Revenue from Contracts with Customers*

The Group has considered the requirements of AASB 15 *Revenue from Contracts with Customers* and concluded that adoption of this standard from 1 July 2018 has no impact due to the Group not having any revenue contracts with customers.

- AASB 9 *Financial Instruments*

The Group has adopted AASB 9 *Financial Instruments* from 1 July 2018. The new impairment model in AASB 9 uses more forward looking information to recognise expected credit losses - the 'expected credit losses model'. The application of the new impairment model depends on whether there has been a significant increase in credit risk. The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument. The Group has considered the impact of the new impairment model on the Group's financial assets and concluded on the basis of the available evidence that there are no expected credit losses to be recognised at 30 June 2019. Other than consideration of the new impairment model, there are no significant changes for the Group arising from AASB 9.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

1. Statement of Significant Accounting Policies (Continued)

(ii) Accounting Standards not yet effective

Management has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2019. It has been determined that there is no material impact of the new and revised Standards and Interpretations on its business and, therefore, no material change is necessary to Group accounting policies. In particular, the Group has considered the requirements of AASB 16 Leases and has determined that when the Standard is first adopted for the year ending 30 June 2020 there will be no material impact on the transactions and balances recognised in the financial statements.

(e) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates that management has made in the process of applying the Company's accounting policies in these financial statements and that have a significant effect on the amounts recognised in the financial statements.

- The accounting policy for, and carrying value of, exploration and evaluation assets and the required impairment charge. The policy for estimating the value is as described in note 1(k) below. Management has assessed that no impairment of the cost recognised as at 30 June 2019 is considered necessary;
- The carrying value of receivables and the required impairment charge. The carrying value of receivables at 30 June 2019 has been assessed as being considered recoverable; and
- The value of the Company's granted unlisted share options, which are determined using a Black Scholes pricing model and include key estimates such as a volatility rate of 95% and a risk free rate (estimated based on government bond yields).

(f) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company and the results of all subsidiaries.

Control is achieved when the Company has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

1. Statement of Significant Accounting Policies (Continued)

Subsidiaries are all those entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies, is exposed or has rights to variable returns from its involvement and has the ability to use its power to affect the returns of those entities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. Intercompany transactions and balances, income and expenses and profits and losses between Group companies, are eliminated.

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction. All investments in subsidiaries made by the parent are held at cost.

(g) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars ($), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

All foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

1. Statement of Significant Accounting Policies (Continued)

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(h) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

1. Statement of Significant Accounting Policies (Continued)

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(i) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(j) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

1. Statement of Significant Accounting Policies (Continued)

(k) Financial Instruments

(i) Financial assets

- *Classification*

From 1 July 2018, the group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

- Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

- Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is

1. Statement of Significant Accounting Policies (Continued)

derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the statement of profit or loss.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

o Impairment

From 1 July 2018, the group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(ii) Financial liabilities

The Group's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(l) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(m) Exploration and evaluation expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method and with AASB 6 *Exploration for and Evaluation of Mineral Resources*.

Exploration and evaluation expenditure encompasses expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

For each area of interest, expenditure incurred in the acquisition of rights to explore is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation expenditure incurred by the Group subsequent to acquisition of the rights to explore is expensed as incurred, up until the technical feasibility and commercial viability of the project has been demonstrated with a bankable feasibility study.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

1. Statement of Significant Accounting Policies (Continued)

Exploration and evaluation expenditure incurred in relation to the acquisition of a project by the Group is accumulated for each area of interest and recorded as an asset if:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
    - the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
    - exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Exploration and evaluation expenditure is assessed for impairment when facts and circumstances suggest that their carrying amount exceeds their recoverable amount and where this is the case, an impairment loss is recognised. Should a project or an area of interest be abandoned, the expenditure will be written off in the period in which the decision is made.

(n) Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(o) Share-based payment transactions

(i) Equity settled transactions:

The Company has provided benefits to directors and other employees, consultants, advisors or service providers of the Company in the form of share-based payments, whereby services are rendered in exchange for shares, options or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with is measured by reference to the fair value of the equity instruments at the date at which they are granted. For unlisted share options, the fair value is determined by an internal valuation using an option pricing model. For listed equity-settled share options, the fair value is estimated as at the date of grant using the volume weighted average listed option price on the date of grant. For performance rights, the fair value is estimated as at the date of grant using the volume weighted average share price on the date of grant.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price and liquidity of the shares of Myanmar Metals Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant holders become fully entitled to the award (the vesting period).

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

1. Statement of Significant Accounting Policies (Continued)

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Company's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met, as the effect of these conditions is included in the determination of fair value at grant date. The Statement of Profit or Loss and Other Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition. If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 25).

(p) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Earnings/(loss) per share

Basic earnings/(loss) per share is calculated as net profit/(loss) attributable to members of the company, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(r) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

(s) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

2. *Segment Reporting*

During the year, the consolidated entity operated predominantly in one reportable business segment, managed by one segment manager and in one geographical location. The operations of the consolidated entity consist of minerals exploration and evaluation, within Myanmar.

The information disclosed in the financial statements is the same information utilised in internal reporting by the chief operating decision maker. Accordingly, no additional quantitative or qualitative disclosures are required.

3. *Other Revenue*

	2019 $	2018 $
Interest income	92,160	20,154
Net other financing income	104,986	-
Finance income	**197,146**	**20,154**

4. *Finance and Other Expenses*

	2019 $	2018 $
Interest on convertible notes	-	(214,423)
Borrowing costs	-	(350,000)
Other finance expenses	-	(4,852)
Total finance expenses	**-**	**(569,275)**
Loss from change in fair value of derivative financial instruments[1]	**-**	**(2,698,832)**
Disclosure of specific expenses by nature that are included in the result for the year:		
Employee benefits expense (including share based payments)	(2,744,920)	(3,442,284)
Depreciation	(20,891)	(1,802)

Notes

[1] The loss from change in fair value of derivative financial instruments pertains to a conversion option for convertible loans which were converted to shares during the prior financial year.

5. *Income Tax*

(a) *Income tax recognised in profit or loss*

	2019 $	2018 $
Total tax expense comprises:		
Current tax benefit	(193,587)	349,036
Adjustments for current income tax of previous years	225,534	-
Deferred tax benefit	645,484	232,845
Deferred tax assets not brought to account	(677,431)	(581,881)
Income tax expense	**-**	-

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

(b) Numerical reconciliation between income tax expense and the loss before income tax

	2019 $	2018 $
Loss before income tax	(16,362,744)	(11,691,251)
Income tax benefit on loss:		
At Australian tax rate of 30% (2018: 27.5%)	4,908,824	3,215,094
Non-assessable overseas income	-	390,253
Convertible note expenses	-	(801,145)
Non-deductible overseas expenses	(3,586,050)	(1,232,505)
Non-deductible share based payment expenses	(125,517)	(959,859)
Non-deductible other expenses	(63,354)	(13,166)
Difference in overseas tax rates	(682,006)	(16,791)
Adjustments in respect of current income tax of previous years	225,534	-
	677,431	581,881
Current year losses for which no deferred tax asset was recognised	(677,431)	(581,881)
Income tax expense	**-**	**-**

(c) Deferred tax assets and liabilities

	Assets		Liabilities	
	2019 $	2018 $	2019 $	2018 $
Annual leave provision	35,770	4,795	-	-
Other accruals	4,763	6,082	-	-
Capital raising costs	253,478	97,891	-	-
Provision for doubtful debts	1,566,807	1,436,240	-	-
Provision for discount of receivables	157,668	173,400	-	-
Tax losses	1,221,194	650,253	-	-
Deferred tax assets/(liabilities)	**3,239,680**	**2,368,661**	**-**	**-**
Set off of deferred tax liabilities	-	-	-	-
Net deferred tax assets	**3,239,680**	**2,368,661**	**-**	**-**
Net deferred tax assets not recognised	3,239,680	2,368,661	-	-
Net deferred tax assets	**-**	**-**	**-**	**-**

Notes

The Company and its wholly-owned Australian resident entities have formed a tax consolidated group from 1 February 2018 and are therefore taxed as a single entity from that date. The head entity within the tax consolidated group is Myanmar Metals Limited.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

(d) *Carry forward tax losses*

	2019 $	2018 $
Unused tax losses for which no deferred tax asset has been recognised	4,070,646	2,364,558
Potential tax benefit @ 30% (2018: 27.5%)	1,221,194	650,253

Notes

The benefit of deferred tax assets not brought to account will only be brought to account if:

(a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;

(b) the conditions for deductibility imposed by tax legislation continue to be complied with; and

(c) no changes in tax legislation adversely affect the Group in realising the benefit.

6. *Trade and Other Receivables - Current*

	2019 $	2018 $
Receivables due from participants to the Bawdwin Project	-	1,637,754
Prepayments and statutory receivables	68,056	121,711
Deposits	65,515	190,247
Total trade and other receivables - current	**133,571**	**1,949,712**

Notes

Due to the short term nature of the current receivables the carrying value is considered to be the same as their fair value.

7. *Trade and Other Receivables – Non-Current*

	2019 $	2018 $
Loan receivable[1]	5,222,690	5,222,690
Provision for impairment of loan receivable[1]	(5,222,690)	(5,222,690)
Receivables due to the Group from participants to the Bawdwin Project[2]	3,104,645	1,362,388
Total trade and other receivables – non-current	**3,104,645**	**1,362,388**

Notes

[1] This loan is not yet due and continues to be fully provided for as at 30 June 2019.

[2] These amounts are due to the Group from the participants of the Bawdwin project for reimbursement of their share of costs incurred that have been paid by the Group and are repayable from future dividends from the Bawdwin project (except on the occurrence of certain specified events at which time they become immediately repayable). The carrying value of these receivables has been calculated based on cash flows discounted using a current lending rate of 8% (2018: 10%).

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

8. Plant and Equipment

	2019 $	2018 $
Equipment		
Cost	118,273	15,859
Accumulated depreciation	(22,981)	(1,802)
Net carrying value	**95,292**	**14,057**
Reconciliation		
Opening net carrying value	14,057	-
Additions	102,414	15,859
Foreign currency gains/losses	(288)	-
Depreciation	(20,891)	(1,802)
Closing net carrying value	**95,292**	**14,057**

9. Exploration and Evaluation Assets

The balance of exploration and evaluation assets relates to the Company's cost of acquisition of a 51% participating interest in the Bawdwin polymetallic project, in Shan State, Myanmar.

	2019 $	2018 $
Bawdwin Project, Shan State, Myanmar		
Exploration and evaluation asset	19,579,997	19,579,997
Total exploration and evaluation assets[1]	**19,579,997**	**19,579,997**

Notes:

[1] The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

10. Trade and Other Payables

	2019 $	2018 $
Trade and other payables	2,418,227	695,027
Total trade and other payables	**2,418,227**	**695,027**

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

11. Share Capital

(a) Ordinary Shares

	2019 No. Shares	2018 No. Shares	2019 $	2018 $
Balance at the beginning of the year	1,247,181,166	370,136,229	65,075,576	17,513,827
Issued in settlement of fees at $0.04 per share	-	8,000,000	-	320,000
Capital raising at $0.04 per share	-	75,000,000	-	3,000,000
Conversion of loans and notes	-	82,505,328	-	5,444,045
Capital raising at $0.07 per share	-	100,000,000	-	7,000,000
Conversion of performance rights	28,000,000	14,000,000	2,240,000	1,120,000
Exercise of listed options	8,327,616	14,206,276	249,828	426,188
Capital raising at $0.06 per share	-	583,333,333	-	35,000,000
Capital raising at $0.065 per share	319,877,148	-	20,792,015	-
Transaction costs on share issues	-	-	(889,951)	(4,748,484)
Balance at the end of the year	**1,603,385,930**	**1,247,181,166**	**87,467,468**	**65,075,576**

Notes:
Holders of ordinary shares are entitled to one vote per share at shareholder meetings. In the event of winding up of the Company, ordinary shareholders are fully entitled to any proceeds of liquidation subject to prior entitlement.

12. Other Equity and Reserves

	2019 $	2018 $
Share based payments reserve	2,253,060	3,930,786
Foreign currency translation reserve	129,088	(2,684)
Total equity reserves	**2,382,148**	**3,928,102**
Other contributed equity	**777,194**	**777,194**

(a) Nature and purpose of other equity and reserves

- Other contributed equity

  Other contributed equity relates to the equity component recognised on initial recognition of convertible notes settled in the prior year.

- Share based payments reserve

  The share based payments reserve is used to recognise the grant date fair value of securities issued to directors, employees and consultants; and the value of option premiums received.

- Foreign currency translation reserve

  Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in Note 1(e) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

(b) Balances of options and rights

	2019 Number	2018 Number	2019 $	2018 $
Options - Listed	175,324,232	183,651,848	194,000	194,000
Performance Rights - B	-	14,000,000	-	1,120,000
Performance Rights - C	-	14,000,000	-	767,123
Unlisted Options 7.8c, 15 June 2022	40,000,000	35,000,000	1,725,213	1,581,328
Unlisted Options 7c, 30 November 2020	7,000,000	7,000,000	268,335	268,335
Unlisted Options 6c, 30 June 2021	1,500,000	-	65,512	-
	223,824,232	**253,651,848**	**2,253,060**	**3,930,786**

(c) Movements in the number and value of options and rights

	2019 Number	2018 Number	2019 $	2018 $
Balance at the beginning of the year	253,651,848	191,358,124	3,930,786	64,000
Options granted to consultants[1]	5,000,000	48,500,000	143,835	1,979,313
Options granted to employees[2]	1,500,000	-	65,512	-
Option premium received	-	-	50	350
Options exercised	(8,327,616)	(14,206,276)	-	-
Performance Rights granted to directors	-	42,000,000	352,877	3,007,123
Performance Rights converted to Shares	(28,000,000)	(14,000,000)	(2,240,000)	(1,120,000)
Balance at the end of the year	**223,824,232**	**253,651,848**	**2,253,060**	**3,930,786**

Notes:

Options granted during the year are subject to vesting conditions and have the following terms:

[1] Exercisable at 7.8 cents each and expiring on 15 June 2022; and

[2] Exercisable at 6 cents each and expiring on 30 June 2021.

13. Reconciliation of Cash Flows

(a) Reconciliation of cash

	2019 $	2018 $
Cash at bank and on hand	20,720,496	16,580,163
Share of BJV cash (refer Note 18)	2,160,508	-
Deposits at call	-	-
Cash and cash equivalents	**22,881,004**	**16,580,163**

(b) Non-cash financing and investing activities

During the years ended 30 June 2018 and 2019, the Company settled share issue transaction costs and loan establishment fees with the issue of shares and the grant of options. Additionally, outstanding convertible notes and loans were converted into 82,505,328 ordinary fully paid shares during the year ended 30 June 2018.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

(c) Reconciliation of cash flows from operating activities

	2019 $	2018 $
Loss for the year	(16,362,744)	(11,691,251)
Adjustments for		
Depreciation	20,891	1,802
Securities issued for services rendered	418,389	3,127,123
Finance (income)/expenses	(104,986)	569,275
Foreign currency loss/(gain)	235,746	(240,163)
Loss from change in fair value of derivative financial instruments	-	2,698,832
Changes in operating assets and liabilities		
Change in trade and other receivables	(43,956)	(824,354)
Change in trade and other payables	1,982,948	(112,775)
Net cash used in operating activities	**(13,853,712)**	**(6,471,511)**

14. Fair Value Measurement of Financial Instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability.

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair value determined in accordance with the accounting policies referred to in note 1.

15. Financial Risk Management

The Company's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects of the financial performance of the entity.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange risk, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is not exposed to equity security price risk and holds no equity investments. The Company is exposed to foreign exchange risk as a result of activities overseas.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

(b) Foreign exchange risk

The Group's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income can be affected by movements in exchange rates. The Group also has transactional currency exposures. Such exposure arises from transactions denominated in currencies other than the functional currency of a group entity. The Group's exposure to foreign currency risk throughout the current year primarily arose from entities included in the consolidated results whose functional currency is US Dollars ("USD") and Company transactions and balances denominated in USD. Additional exposure arises from transactions and balances in Myanmar Kyat ("MMK").

Foreign currency risk also arises on translation of the net assets of companies included in the Group's consolidated balances to Australian dollars. In the Group accounts, the foreign currency gains or losses arising from this risk are recorded through the foreign currency translation reserve.

During the year ended 30 June 2019, it was not the Group's policy to enter into any hedging or derivative transactions to manage foreign currency risk. Subsequent to year end, the Group has entered into option contracts to buy USD over the next twelve months to manage its foreign currency exposure.

At the reporting date, the AUD equivalent of the Group's exposure to financial instruments denominated in USD was:

	2019 AUD equivalent	2018 AUD equivalent
Cash and cash equivalents	5,870,724	133,236
Trade and other receivables - non-current	3,104,645	3,000,142
Trade and other payables	(1,575,373)	(251,805)
	7,399,996	**2,881,573**

Sensitivity to movements in the AUD USD exchange rate is shown below:

	Profit or loss		Other equity	
	10% increase	10% decrease	10% increase	10% decrease
2019	(519,366)	634,781	(153,361)	187,441
2018	(237,501)	290,278	(23,598)	28,842

(c) Interest rate risk

Interest rate risk arises from investment of cash at variable rates. Any excess funds are kept in a cash on deposit account and transferred to the operating account as required. The Company's income and operating cash flows are not materially exposed to changes in market interest rates.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	2019 $	2018 $
Cash at bank and on hand – interest bearing	16,430,901	16,580,163
Cash at bank and on hand – non-interest bearing	6,450,103	-
Cash and cash equivalents	**22,881,004**	**16,580,163**

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

An increase of 100 basis points (decrease of 100 basis points) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as the prior year. The following table summarises the sensitivity of the Company's financial assets (cash) to interest rate risk:

		Profit or loss		Equity	
	Carrying amount $	100bp increase $	100bp decrease $	100bp increase $	100bp decrease $
2019					
Variable rate instruments					
Cash and cash equivalents	16,430,901	164,309	(164,309)	164,309	(164,309)
2018					
Variable rate instruments					
Cash and cash equivalents	16,580,163	165,802	(165,802)	165,802	(165,802)

(d) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company has no significant concentration of credit risk. Credit risk arises from cash and cash equivalents held with the bank and financial institutions, deposits and receivables due from other entities. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The maximum exposure to credit risk is the carrying amount of the financial asset.

The maximum exposure to credit risk at the reporting date was:

	2019 $	2018 $
Cash at bank and on hand	22,881,004	16,580,163
Deposits	65,515	190,247
Other receivables	3,104,645	3,000,142
	26,051,164	**19,770,552**

At 30 June 2019 and 30 June 2018 there were no financial assets that were past due. A provision for impairment of $5,222,690 was raised in the year ended 30 June 2017 in respect of a loan from AXIS Consultants Pty Ltd and this loan remains fully impaired though not due until June 2020.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's liquidity risk arises from operational commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Management aims at maintaining flexibility in funding by regularly reviewing cash requirements and monitoring forecast cash flows.

The following are the contractual maturities of financial liabilities:

	Carrying amount $	Total contractual cashflows $	6 months or less $	6 – 12 months $	1 – 5 years $
2019					
Financial liabilities					
Trade and other payables	2,418,227	2,418,227	2,418,227		
2018					
Financial liabilities					
Trade and other payables	695,027	695,027	695,027	-	-

16. Capital Management

The Company's policy in relation to capital management is for management to regularly and consistently monitor future cash flows against expected expenditures for a rolling period of up to 12 months in advance. The Board determines the Company's need for additional funding by way of either share placements or loan funds depending on market conditions at the time. Management defines working capital in such circumstances as its excess liquid funds over liabilities and defines capital as being the ordinary share capital of the Company. There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

17. Group Structure

(a) Subsidiaries

	Country of incorporation	2019 $	2018 $
Bright Mountain Pty Ltd	Australia	100%	100%
Bright Mountain Resources Myanmar Ltd	Myanmar	100%	100%

All transactions with subsidiaries are eliminated in the consolidated entity financial statements.

18. Interests in Other Entities

During the year ended 30 June 2018, the Group acquired a 51% participating interest in the Bawdwin polymetallic project, in Shan State, Myanmar. The cost of acquisition of the rights to the Bawdwin project of $19,579,997 have been capitalised as exploration and evaluation assets. All subsequent expenditure on the project is being expensed until completion of a bankable feasibility study.

During the year ended 30 June 2019, BJV Service Company Limited ("BJV") was incorporated in Myanmar to undertake the activities of the Bawdwin project.

The Group holds a 69.375% interest in BJV, reflective of its funding interest in the project during the feasibility study stages. Due to the nature of the voting arrangements of BJV, the Group does not control, nor have joint control of, BJV.

The Group has recognised its share of the assets and liabilities of BJV as at 30 June 2019 and has expensed its share of the costs of BJV for the year ended 30 June 2019 in accordance with the Group's accounting policy for exploration and evaluation expenditure.

As required by Myanmar legislation, BJV has a financial year end of 31 March.

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

At 30 June 2019, the Group's share of the assets and liabilities of BJV included in the consolidated statement of financial position are as set out below:

	2019 $
Cash and cash equivalents	2,160,508
Other current assets	33,980
Plant and equipment	80,573
Current liabilities	(2,165,640)

19. Contingencies

The Company and Group have no contingent liabilities as at 30 June 2019 (30 June 2018: nil).

20. Commitments

(a) Operating Leases

Entities within the Group lease office premises and equipment under non-cancellable operating leases expiring within two years. Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2019 $	2018 $
Due within one year	117,231	105,928
Due later than one year and not later than five years	460	95,403
Due later than five years	-	-
Total commitments	**117,691**	**201,331**

The Group does not have any other significant capital expenditure commitments at 30 June 2019 (2018: nil)

21. Subsequent Events

As at the date of this report, since 30 June 2019, no events have arisen that have materially affected the operations of the consolidated entity, the results of the consolidated entity or the state of affairs of the consolidated entity.

22. Related Party Disclosures

(a) Key management personnel

Disclosures relating to key management personnel are set out in the Remuneration Report of the Directors' Report. A summary of these transactions is as follows:

	2019 $	2018 $
Primary benefits	1,271,486	613,131
Post-employment benefits	47,511	34,057
Share based payments	352,877	3,007,123
Total	**1,671,874**	**3,654,311**

(b) Transactions with related parties

There were no transactions with related parties during the year ended 30 June 2019 (2018: nil).

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

23. Share Based Payments

During the past two years, the following equity-settled share-based payments have been made:

	2019 $	2018 $
Grant of performance rights as remuneration	352,877	3,007,123
Issue of shares to consultants	-	120,000
Grant of options to employees	65,512	-
Included in share based payments expense	418,389	3,127,123
Grant of options to consultants included in capital raising costs	143,835	1,929,313
Grant of options for establishment fees included in financing expenses	-	50,000
Total share based payments during the year	**562,224**	**5,106,436**

The outstanding balance of options granted as share based payments on issue as at 30 June 2019 is represented by:

- 8,500,000 Listed Options exercisable at 3 cents each and expiring on 31 December 2019;
- 1,500,000 Unlisted Options exercisable at 6 cents each and expiring on 30 June 2021;
- 7,000,000 Unlisted Options exercisable at 7 cents each and expiring on 30 November 2020; and
- 40,000,000 Unlisted Options exercisable at 7.8 cents each and expiring on 15 June 2022.

In addition to the 8,500,000 listed options granted as share based payments, the Company had 166,824,232 listed options on issue at 30 June 2019 that were granted as bonus options in connection with a share placement in the year ended 30 June 2017 and were not considered share based payments.

The following table illustrates the number and weighted average exercise prices (WAEP) of share options at the beginning and end of the financial year:

	2019 Number	2019 WAEP ($)	2018 Number	2018 WAEP ($)
Outstanding at beginning of year	50,500,000	$ 0.07	2,000,000	$ 0.03
Granted by the Company during the year	6,500,000	$ 0.07	48,500,000	$ 0.07
Outstanding at end of year	57,000,000	$ 0.07	50,500,000	$ 0.07
Exercisable at end of year	56,750,000	$ 0.07	50,500,000	$ 0.07

(a) Weighted Average Remaining Contractual Life

The weighted average remaining contractual life for share based payment options outstanding as at 30 June 2019 was 2.38 years (2018: 3.41 years).

(b) Range of Exercise Prices

The range of exercise prices for share options outstanding as at 30 June 2019 was $0.03 to $0.078 (2018: $0.03 to $0.078).

(c) Weighted Average Fair Value

The weighted average fair value of share options granted during the year was $0.040 (2018: $0.041).

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

(d) *Share Based Payment Pricing Models*

The fair value of the unlisted equity-settled share options granted is estimated as at the date of grant using the Black Scholes option valuation model taking into account the terms and conditions upon which the options were granted. The fair value of the listed equity-settled share options granted is estimated as at the date of grant using the volume weighted average listed option price on the date of grant. The fair value of the performance rights granted and shares issued is estimated as at the date of grant using the volume weighted average share price on the date of grant or issue.

No performance rights or listed options were granted during the year ended 30 June 2019. During the year ended 30 June 2018, 42,000,000 performance rights were granted at a fair value of $0.08 each and 6,500,000 listed options were granted at a fair value of $0.02 each.

The following table lists the inputs to the valuation model used for unlisted share options granted by the Group during the years ended 30 June 2019 and 30 June 2018:

	Series 1	Series 2	Series 3	Series 4
Exercise price ($)	0.078	0.070	0.060	0.078
Grant date share price ($)	0.069	0.069	0.074	0.051
Dividend yield[1]	-	-	-	-
Volatility[2]	95%	95%	95%	95%
Risk free interest rate	2.31%	2.19%	2.08%	2.15%
Grant date	5-Jun-18	5-Jun-18	1-Jul-18	21-Nov-18
Expiry date	15-Jun-22	30-Nov-20	30-Jun-21	15-Jun-22
Expected life of option (years)[3]	3.96	2.42	3.0	3.57
Fair value at grant date ($)	0.045	0.038	0.048	0.029

Notes:

1 The dividend yield reflects the assumption that the current dividend payout will remain unchanged.

2 The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

3 The expected life of the options is based on the expiry date of the options as there is limited track record of the early exercise of options.

24. *Remuneration of Auditors*

	2019 $	2018 $
Auditor of the parent entity - Grant Thornton Audit Pty Ltd		
Audit services		
Audit and review of financial reports	32,750	22,115
Other services	-	-
	32,750	**22,115**
Audit of other consolidated entities – other audit firms		
Audit services		
Audit and review of financial reports	4,116	-
	4,116	**-**

Notes to the Financial Statements (Continued)

For the year ended 30 June 2019

25. Loss Per Share

	2019 Cents	2018 Cents
Basic and diluted loss per share	(1.27)	(1.97)

The loss used for the purposes of calculating basic and diluted loss per share is as follows:

	2019 $	2018 $
Loss attributable to ordinary shareholders (basic and diluted)	(16,362,744)	(11,691,251)

The weighted average number of shares used for the purposes of calculating diluted loss per share reconciles to the number used to calculate basic loss per share as follows:

	2019 Shares	2018 Shares
Basic loss per ordinary share denominator	1,290,420,026	593,699,866
Effect of dilutive securities on issue[1]	-	-
Diluted loss per ordinary share denominator	1,290,420,026	593,699,866

Notes:

1 At 30 June 2019, 175,324,232 listed options and 48,500,000 unlisted options (2018: 183,651,848 listed options, 42,000,000 unlisted options and 28,000,000 performance rights) which together represent 223,824,232 potential Shares (2018: 253,651,848) were considered non-dilutive as they would decrease the loss per share

26. Parent Entity Financial Information

The individual financial statements for the parent entity show the following aggregate amounts:

	2019 $	2018 $
Balance sheet		
Current assets	20,752,903	19,349,135
Non-current assets	22,872,911	19,171,419
Total assets	**43,625,814**	**38,520,554**
Current liabilities	368,765	428,916
Total liabilities	**368,765**	**428,916**
Shareholders' equity		
Issued capital	87,467,468	65,075,576
Share based payment reserve	2,253,060	3,930,786
Other equity	777,194	777,194
Accumulated losses	(47,240,673)	(31,691,918)
Profit or loss for the year	(15,548,755)	(12,376,152)
Total comprehensive income	(15,548,755)	(12,376,152)

The parent entity has not provided any guarantees in respect of subsidiaries. Details of commitments and contingent liabilities of the parent entity are included in Notes 19 and 20.

Directors' Declaration

In accordance with a resolution of the directors of Myanmar Metals Limited:

1. In the opinion of the directors:

   (a) the attached financial statements, notes and the additional disclosures included in the directors' report designated as audited, are in accordance with the Corporations Act 2001, including:

      i. section 296 (compliance with accounting standards and Corporations Regulations 2001); and

      ii. section 297 (gives a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Group); and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements.

3. The Directors have been given a declaration required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2019.

Rowan Caren
Director

29 August 2019

Grant Thornton

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Independent Auditor's Report

To the Members of Myanmar Metals Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Myanmar Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Evaluation of exploration and evaluation assets (Note 9)	
At 30 June 2019 the carrying value of Exploration and Evaluation Assets was $19,579,997. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value. The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement. This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.	Our procedures included, amongst others: • reviewing the operating agreement for the Bawdwin Project and consider whether the accounting treatment is in accordance with applicable accounting standards; • obtaining management's reconciliation of capitalised exploration and evaluation expenditure and tying against the general ledger; • reviewing management's area of interest considerations against AASB 6; • conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including: o tracing the project to a third party signed agreement to ensure whether the right to tenement existed; o enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's cash-flow forecast models and budgeted expenditure; o understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale; and • reviewing the appropriateness of the related disclosures within the financial statements.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Grant Thornton

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 17 to 22 of the Directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Myanmar Metals Ltd, for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

L A Stella
Partner – Audit & Assurance

Perth, 29 August 2019

MYANMAR METALS LTD

Shareholder Information

As at 13 August 2019

A. Distribution of Equity Securities

Holding			Number of security holders by size of holding		
			Shares	Listed Options	Unlisted Options
1	to	1,000	61	33	-
1,001	to	5,000	31	274	-
5,001	to	10,000	287	124	-
10,001	to	100,000	1,232	236	-
100,001		and over	1,031	187	10
Totals			**2,642**	**854**	**10**

There were 225 holders of less than a marketable parcel of ordinary shares.

B. Top 20 Shareholders

Position	Holder Name	Holding	% IC
1	PERILYA LIMITED	319,717,209	19.94%
2	YANDAL INVESTMENTS PTY LIMITED	200,582,251	12.51%
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	71,567,534	4.46%
4	CITICORP NOMINEES PTY LIMITED	39,296,475	2.45%
5	MARFORD GROUP PTY LTD	36,479,572	2.28%
6	CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	20,751,285	1.29%
7	BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	18,745,476	1.17%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	18,570,542	1.16%
9	JOHN STEPHEN LAMB	18,500,000	1.15%
10	UBS NOMINEES PTY LTD	16,016,072	1.00%
11	AUSTRALIAN INVESTORS PTY LTD	15,687,500	0.98%
12	S A COUPE PTY LIMITED <THE COUPE SUPER FUND A/C>	13,000,000	0.81%
13	JEFFREY JOHN MOORE	12,375,000	0.77%
14	ROWAN ST JOHN CAREN	12,250,000	0.76%
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	12,000,000	0.75%
16	WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	11,876,837	0.74%
17	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	11,287,104	0.70%
18	MR ANTHONY VIOLI	11,100,000	0.69%
19	MR BRETT DAVID SELLARS & MRS JANELLE MARIE SELLARS <B & J SELLARS FAMILY A/C>	10,100,000	0.63%
20	ASSOCIATED METAL CRAFT PTY LTD	9,000,000	0.56%
	Total	**878,902,857**	**54.82%**
	Total issued capital	**1,603,385,930**	**100.00%**

MYANMAR METALS LTD

C. Top 20 Optionholders

Position	Holder Name	Holding	% Listed Options
1	CITICORP NOMINEES PTY LIMITED	9,086,018	5.18%
2	INTERNATIONAL BUSINESS NETWORK (SERVICES) PTY LTD	6,300,000	3.59%
3	MR DARREN SCOTT BARKAS & MRS STACEY LEE MAGREE <BIJOU SUPERFUND A/C>	5,719,400	3.26%
4	MR BENJAMIN WILLIAM JARVIS	5,078,363	2.90%
5	THIRD REEF PTY LTD	5,000,000	2.85%
5	MARFORD GROUP PTY LTD	5,000,000	2.85%
6	SANSAR PTY LTD <SINCOR SUPER FUND A/C>	4,640,910	2.65%
7	BUCKLAND CAPITAL PTY LTD <D MILLAR S/F A/C>	4,000,000	2.28%
8	BANNABY INVESTMENTS PTY LTD <BANNABY SUPER FUND A/C>	3,571,432	2.04%
9	MR PETER DAVID SHEPPEARD <SHEPPEARD FAMILY A/C>	3,093,079	1.76%
10	MR PETER DAVID SHEPPEARD & MRS SHARON FAY SHEPPEARD <SHEPPEARD FAMILY S/F A/C>	3,000,000	1.71%
11	GAMESFEST PTY LTD <KA DISCRETIONARY A/C>	2,990,150	1.71%
12	PASSIO PTY LTD <G WESTON & ASSOC S/F A/C>	2,970,000	1.69%
13	PARADISE BAY INTERNATIONAL PTY LTD <THE PARADISE A/C>	2,550,000	1.45%
14	YANDAL INVESTMENTS PTY LIMITED	2,500,000	1.43%
15	COSMOS NOMINEES PTY LTD <THE PLASTICS CENTRE S/F A/C>	2,400,000	1.37%
16	MR MATTHEW JAMES SACHR	2,380,000	1.36%
17	MR EVAN FLETCHER	2,241,914	1.28%
18	RUCKING INVESTMENTS PTY LTD <RUMBLE ROAR A/C>	2,200,000	1.25%
19	J DUGAS PTY LTD <DUGAS SUPERFUND A/C>	2,150,000	1.23%
20	MR DAVID MICHAEL CHARNOCK	2,112,129	1.20%
	Total	**78,983,395**	**45.05%**
	Total listed options	**175,324,232**	**100.00%**

D. Unquoted Equity Securities

	Number on issue	Number of holders
Unlisted Options 7.8c, 15 June 2022. Held by Argonaut Investments Pty Ltd	40,000,000	1
Unlisted Options 7c, 30 November 2020. 48.57% held by Oska Nominees Pty Ltd	7,000,000	7
Unlisted Employee Incentive Options 6c, 30 June 2021	1,500,000	2

E. Substantial Shareholders

Perilya Limited	19.94%
Yandal Investments Pty Ltd	12.51%

F. Restricted or Escrowed Securities

42,000,000 ordinary shares which were issued upon conversion of performance rights are restricted pursuant to the terms of the Company's Performance Rights Plan.

G. Voting Rights

Under the Company's constitution, all ordinary shares carry one vote per share without restriction.

H. ASX Waiver

The ASX has granted Myanmar Metals a waiver from listing rule 6.18 to the extent necessary to permit Perilya Limited to maintain, by way of a right to participate in any offer of securities by the Company such that Perilya's percentage holding immediately before the completion of the offer of equity securities remains the same as immediately following the equity offer (the "Anti-Dilution Right"), on the following conditions:

1) The Anti-Dilution Right lapses on the earlier of:
   (a) Perilya's relevant interest in the Company falling below 10% on an undiluted basis (other than as result of the issue of shares to which the Anti-Dilution Right applies and Perilya still being entitled to exercise its rights under the Anti-Dilution Right);
   (b) Perilya's relevant interest in the Company's securities increasing to above 25% on an undiluted basis; or
   (c) the strategic relationship between the Company and Perilya ceasing or changing in such a way that it effectively ceases.
2) The Anti-Dilution Right may only be transferred to an entity in the wholly owned group of Perilya.
3) Any securities issued under the Anti-Dilution Right are offered to Perilya for cash consideration that is:
   (a) no more favourable than cash consideration paid by third parties (in the case of issues of securities to third parties for cash consideration); or
   (b) 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).
4) The number of securities that may be issued to Perilya under the Anti-Dilution Right in the case of any diluting event must not be greater than the number required in order for Perilya to maintain its percentage holding in the issued share capital of the Company immediately before that diluting event.

Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2019 (which reports against the third edition of the ASX Corporate Governance Council's Principles and Recommendations) may be accessed from the Company's website at:

http://www.myanmarmetals.com.au/corporate-governance/

Statement of Mineral Resources and Ore Reserves

Oxidation	Class	Tonnage ('000t)	Pb (%)	Ag (Oz/t)	Zn (%)	Cu (%)
Domain 1: Mineral Resources above 750m RL > 0.5% Pb						
Oxide	Indicated	2,308	1.9	2.6	0.2	0.0
	Inferred	989	2.5	3.2	0.3	0.1
	Total	**3,297**	**2.1**	**2.8**	**0.2**	**0.1**
Transition	Indicated	3,116	3.0	2.2	0.8	0.1
	Inferred	4,582	2.6	1.7	0.5	0.1
	Total	**7,698**	**2.8**	**1.9**	**0.6**	**0.1**
Deep Transition	Indicated	1,542	3.4	3.1	2.0	0.1
	Inferred	177	1.5	0.7	0.2	0.0
	Total	**1,720**	**3.2**	**2.8**	**1.8**	**0.1**
Fresh	Indicated	33,566	4.3	3.2	2.2	0.1
	Inferred	38,738	3.4	2.7	1.6	0.1
	Total	**72,304**	**3.8**	**2.9**	**1.9**	**0.1**
Total	Indicated	40,532	4.0	3.1	1.9	0.1
	Inferred	44,486	3.3	2.6	1.5	0.1
	Total	**85,018**	**3.6**	**2.8**	**1.7**	**0.1**
Domain 2: Mineral Resources below 750m RL > 2% Pb						
Fresh	Inferred	9,683	7.8	5.2	2.8	0.1
Total		**9,683**	**7.8**	**5.2**	**2.8**	**0.1**
Domain 3: Copper Mineralisation within Pb Halo > 0.5% Cu						
Oxide	Indicated	2.7	5.5	6.6	0.8	1.7
	Total	**2.7**	**5.5**	**6.6**	**0.8**	**1.7**
Transition	Indicated	95	3.3	2.5	1.5	1.6
	Inferred	20	7.6	6.9	3.4	3.3
	Total	**115**	**4.0**	**3.3**	**1.8**	**1.9**
Deep Transition	Indicated	39	5.4	7.1	4.0	2.4
	Inferred	0.3	5.4	2.8	1.7	1.1
	Total	**39.6**	**5.4**	**7.1**	**4.0**	**2.4**
Fresh	Indicated	1,338	5.4	5.5	3.0	3.2
	Inferred	2,243	5.8	5.8	2.3	3.0
	Total	**3,581**	**5.6**	**5.7**	**2.6**	**3.1**
Total	Indicated	1,475	5.3	5.4	3.0	3.1
	Inferred	2,263	5.8	5.8	2.3	3.0
	Total	**3,738**	**5.6**	**5.6**	**2.6**	**3.0**
Domain 4: Copper Mineralisation outside of Pb Halo > 0.5% Cu						
Transition	Inferred	6	0.1	1.8	0.1	1.64
	Total	**6**	**0.1**	**1.8**	**0.1**	**1.64**
Deep Transition	Inferred	3	0.2	1.4	0.0	1.62
	Total	**3**	**0.2**	**1.4**	**0.0**	**1.62**
Fresh	Inferred	644	0.1	1.3	0.5	2.35
	Total	**644**	**0.1**	**1.3**	**0.5**	**2.35**
Total	Inferred	652	0.1	1.3	0.5	2.34
	Total	**652**	**0.1**	**1.3**	**0.5**	**2.34**
Domain 5: Zinc Mineralisation outside of Pb Halo and Cu Mineralisation > 1% Zn						
Oxide	Inferred	1	0.1	0.1	5.3	0.1
	Total	**1**	**0.1**	**0.1**	**5.3**	**0.1**
Transition	Indicated	4	1.4	0.5	1.8	0.0
	Inferred	320	0.0	0.7	17.0	0.0
	Total	**323**	**0.0**	**0.7**	**16.8**	**0.0**
Deep Transition	Indicated	0.4	0.7	0.3	7.0	0.0
	Total	**0.4**	**0.7**	**0.3**	**7.0**	**0.0**
Fresh	Indicated	345	0.4	0.6	4.7	0.0
	Inferred	814	0.3	0.4	2.8	0.0
	Total	**1,159**	**0.3**	**0.5**	**3.4**	**0.0**
Total	Indicated	349	0.4	0.6	4.7	0.0
	Inferred	1,134	0.2	0.5	6.8	0.0
	Total	**1,483**	**0.2**	**0.5**	**6.3**	**0.0**
Total						
Oxide	Indicated	2,310	1.9	2.6	0.2	0.05
	Inferred	990	2.5	3.2	0.3	0.08
	Total	**3,300**	**2.1**	**2.8**	**0.2**	**0.05**
Transition	Indicated	3,214	3.0	2.2	0.8	0.17
	Inferred	4,928	2.5	1.6	1.5	0.07
	Total	**8,142**	**2.7**	**1.9**	**1.3**	**0.11**
Deep Transition	Indicated	1,582	3.4	3.2	2.1	0.13
	Inferred	180	1.5	0.7	0.2	0.05
	Total	**1,762**	**3.2**	**2.9**	**1.9**	**0.12**
Fresh	Indicated	35,249	4.3	3.3	2.2	0.20
	Inferred	52,121	4.2	3.2	1.9	0.22
	Total	**87,370**	**4.3**	**3.2**	**2.0**	**0.21**
Total	Indicated	42,356	4.0	3.2	2.0	0.19
	Inferred	58,219	4.1	3.1	1.8	0.20
	Total	**100,575**	**4.0**	**3.1**	**1.9**	**0.20**

Bawdwin Global Indicated and Inferred Mineral Resource Estimate (refer to the Company's ASX announcement dated 8 August 2019).

Statement of Mineral Resources and Ore Reserves (Continued)

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 8 August 2019 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.

Competent Person Statements

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The Information contained in this report has been presented in accordance with the JORC Code.

The information in this report that relates to Geology and Exploration Results is based, and fairly reflects, information compiled by Mr Andrew Ford, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Ford is a full-time employee of Myanmar Metals Limited. Mr Ford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based, and fairly reflects, information compiled by Serikjan Urbisinov, who is a Member of the Australian Institute of Geoscientists. Mr Urbisinov is employed by CSA Global Pty Ltd, independent resource industry consultants. Mr Urbisinov has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Urbisinov consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based on, and fairly reflects, information compiled by Mr Daniel Grosso and reviewed by Mr Karl van Olden, both employees of CSA Global Pty Ltd. Mr van Olden takes overall responsibility for the Report as Competent Person. Mr van Olden is a Fellow of The Australasian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as Competent Person in terms of the JORC (2012 Edition). The Competent Person, Karl van Olden has reviewed the Ore Reserve statement and given permission for the publication of this information in the form and context within which it appears.

The Bawdwin Mining Lease of 38sq. km contains a Tier 1 polymetallic deposit with a JORC compliant Indicated and Inferred Mineral Resource of 100.6 Mt at 4.0% Pb, 3.1oz/t (97g/t) Ag, 1.9% Zn and 0.2% Cu (0.5% Pb cut-off above 750m RL, 2% Pb below 750m RL) including an Indicated Resource of 42.4 Mt at 4.0% Pb, 3.2oz/t Ag, 1.8% Zn and 0.2% Cu (0.5% Pb cut-off above 750m RL, 2% Pb below 750m RL) (refer to ASX announcement dated 8 August 2019). 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 8 August 2019 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.

Statement of Mineral Resources and Ore Reserves (Continued)

An Ore Reserve estimate of 18.4 Mt at 6.4% Pb, 169g/t Ag and 3.4% Zn has been reported in accordance with the JORC Code 2012 Edition as announced on 6 May 2019. The cut-off used for the determination of Ore Reserves is a net value per block of ore (net smelter return). Myanmar Metals Limited confirms that it is not aware of any new information or data that materially affects the Ore Reserve information included in the market announcement dated 6 May 2019 and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The PFS was announced on 6 May 2019. Myanmar Metals Limited confirms that it is not aware of any new information or data that materially affects the PFS information included in the market announcement dated 6 May 2019 and, in the case of the PFS, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Classification	Tonnage (Mt)	Pb (%)	Ag (g/t)	Zn (%)
Proved	-	-	-	-
Probable	18.4	6.4%	169	3.4%
Total	**18.4**	**6.4%**	**169**	**3.4%**

The Ore Reserve estimate allows for a mining loss of 10% and dilution of 16% (dilution inherent in the block model). Values may not add due to rounding.

Interest in Mining Tenements

Mineral Tenements

Title / Reference	Status	Party Name	MYL Interest
Myanmar			
Bawdwin	Production sharing contract	Win Myint Mo Industries	51% participating interest

Glossary

Term	Meaning
Ag	Silver
Bawdwin	Bawdwin Concession in Shan State, Myanmar. Also referred to as 'Bawdwin Project', 'Project' or 'Concession'
Cu	Copper
CSA Global	CSA Global Pty Ltd
DFS	Definitive Feasibility Study
EAP	EAP Global Mining Company Limited
FS	Feasibility Study
Indicated	Indicated Mineral Resource in accordance with the JORC 2012 edition
Inferred	Inferred Mineral Resource in accordance with the JORC 2012 edition
JV or BJV	Bawdwin Joint Venture comprised of MYL, WMM and EAP
m	Metres
Mt	Million tonnes. Also used as 'Mtpa' where referring to per annum metrics
MYL	Myanmar Metals Limited. Also referred to as the Company and Myanmar Metals
Oz	Troy Ounces
Pb	Lead
PFS	Pre-Feasibility Study
Reserve	Ore Reserve in accordance with the JORC 2012 edition
RL	Resource Line. Used to define the depth of a pit shell e.g. "750mRL"
Strip ratio	Ratio of waste to ore
t	Tonnes. Also used as 'tpa' or 't/a' where referring to per annum metrics
WMM	Win Myint Mo Industries Co., Ltd
Zn	Zinc


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