



ASX Announcement

1 March 2016

UPDATE ON PROPOSED BRIGHTSTAR GOLD PROJECT JOINT VENTURE

MHM Metals Limited (ASX: MHM) provides the following update further to the ASX announcements released on 11 January 2016 and 24 February 2016 with respect to the Binding Heads of Agreement entered into with Stone Resources Australia Limited (SHK) to develop the Brightstar Gold Project located in the Laverton region of Western Australia (Transaction).

MHM has been advised by ASX that to implement the Transaction it is required to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules in accordance with Listing Rule 11.1.3.

The Transaction remains subject to execution of formal documentation and is conditional upon MHM completing due diligence to its satisfaction and obtaining all necessary shareholder and regulatory approvals (as noted above).

MHM will continue to keep the market informed in relation to the Transaction.

-ENDS

For more information:

MHM Metals Limited
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Company Snapshot

Capital Structure

Ordinary shares on issue:	141,119,156
Market Cap (at 3c):	\$4,233,575
Cash (29 Feb 2016):	c\$8,000,000

Directors

Joseph van den Elsen (Managing Director)
Paul Kopejtka (Non - Executive Chairman)
Chris Goodman (Non - Executive Director)

Company Secretary

Justin Mouchacca