



ASX Announcement

21 March 2016

Termination of Brightstar Gold Project Agreement

MHM Metals Limited (ASX:MHM) advises that it has terminated the Binding Heads of Agreement (**HOA**) to form a Joint Venture to develop the Brightstar Gold Project between itself and Stone Resources Australia Limited (ASX:SHK) which both parties announced to the market on January 11, 2016.

Stone have committed various breaches of the covenants, warranties and representations it made in the Binding Heads of Agreement.

MHM intends to vigorously pursue the payment of the break fee contained in the Binding Heads of Agreement as well as recovery of costs, damages and losses.

ENDS

For more information:

MHM Metals Limited
Paul Kopejtka
Non-executive Chairman

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Company Snapshot

Capital Structure

Ordinary shares on issue:	141,119,156
Market Cap (at 3.5c):	\$4,939,170
Cash (21 March 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