



## ASX Announcement

21 December 2016

### SHAREHOLDER UPDATE AND BOARD CHANGES

MHM Metals Limited (**MHM** or the **Company**) as previously advised has been in the process of realising surplus assets and discharging liabilities, related to the discontinued salt slag processing business of its subsidiary Alreco. Following the closure of the Alcoa smelter as announced to the market on 20 February 2014 the board of MHM have been reviewing and assessing a number of corporate opportunities to re-invigorate the Company.

As a result of the discontinuance of the Company's previous main undertaking the ASX has confirmed the Company will remain suspended from trading until it re-complies with Chapters 1 and 2 of the ASX listing rules.

The Company has recently been in discussions with Otsana Capital to assist the Company identify and acquire a suitable business to facilitate the reinstatement of the Company's shares to trading on the ASX.

Otsana Capital is a Western Australian based corporate advisory firm, who specialise in restructuring and recapitalising ASX listed entities, as well as identifying and facilitating reverse takeovers and IPO's. In conjunction with the Company, it has been agreed that Otsana Capital will continue to work with the Company and they have proposed 3 new directors be appointed to the board, Mr Faldi Ismail, Mr Bryn Hardcastle and Mr Nicholas Young. Mr Ismail has also been appointed Chairman of the Board. A brief biography on each of the directors is set out at the end of this announcement. The existing directors, Mr Joseph van den Elsen, Mr Francis de Souza and Mr Paul Harley have resigned from the board, effective immediately. Former Managing Director, Mr Joseph van den Elsen will continue to assist the Company in the near future.

In addition to identifying new opportunities to grow shareholder value the new Board will review the proposed takeover offer from Mercantile Investment Company Limited.

Shareholders are currently advised to take no action in the relation to the proposed takeover offer from Mercantile Investment Company Limited.

#### Capital Structure

Ordinary shares on issue:	136,228,616
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## ***Director Biographies***

### ***Faldi Ismail - Chairman***

Mr Ismail has significant experience working as a corporate advisor specialising in the restructure and recapitalisation of a wide range of ASX-listed companies having many years of investment banking experience covering a wide range of sectors. He has significant cross-border experience, having advised on numerous overseas transactions including capital raisings, structuring of acquisitions and joint ventures in numerous countries.

Mr Ismail is the founder and operator of Otsana Capital, a boutique advisory firm specialising in mergers and acquisitions, reverse takeovers, capital raisings and initial public offerings. Mr Ismail is currently a non-executive director of dual listed Asiamet Limited (previously Kalimantan Gold Corporation Limited) (TSXV/AIM listed – Ticker Code "ARS"), Dotz Nano Ltd (ASX:DTZ), WHL Energy Limited (ASX:WHN), Cre8tek Limited (ASX:CR8) and Ookami Limited (ASX:OOK).

### ***Bryn Hardcastle***

Mr Hardcastle is an experienced corporate lawyer specialising in corporate, commercial and securities law. He is the managing director of Bellanhouse Legal which predominantly advises on equity capital markets, re-compliance transactions and takeovers across a variety of industries. Mr Hardcastle has extensive international legal experience and has advised on numerous cross border transactions. He also has experience acting as a non-executive director of ASX-listed companies.

Mr Hardcastle is also a non-executive director of Attila Resources Limited (ASX: AYA), Cre8tek Limited (ASX: CR8) and ServTech Global Holdings Ltd (ASX: SVT, to be listed).

### ***Nicholas Young***

Mr Young holds a Bachelor of Commerce, majoring in Accounting and Finance, is a Chartered Accountant and has completed the Insolvency Education Program at the Australian Restructuring Insolvency and Turnaround Association.

Nicholas commenced his career in the Corporate Restructuring division of an accounting firm and has gained valuable experience in Australia and Southern Africa, across a wide range of industries, including mining and exploration, mining services, renewable energy, professional services, manufacturing and transport. Mr Young has been involved in the recapitalisation of various ASX-listed companies.

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### **For more information:**

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