QUARTERLY REPORT
for the three months ending September 30, 2009

METALS X LIMITED

Significant Events During the Quarter

Agreement to form a JV with and to sell up to 60% of the Tasmanian Tin assets for $60 million in cash to the world's leading tin miner, Yunnan Tin Group (Holding) Company Limited ("YTG").

15% placement to APAC Resources Limited to raise $16.02M.

Agreement to sell the Mt Keith and Kingston royalties to Franco-Nevada Australia Pty Ltd for A$20M in cash announced on 20 October 2009. Attributable royalty income from Mt Keith for the quarter was $0.45M with total royalty receipts of $0.60M.

Formation of a farm-in and JV agreement with Rio Tinto Exploration Pty Ltd to earn an initial 51% interest in tenements juxtaposed with Metals X's massive Wingellina nickel and cobalt deposit and encapsulated within Metals X's South Australian tenement E3555.

Tasmanian tin assets continued to consolidate with production of 1,404 tonnes of tin contained in concentrates and generated an unaudited operating surplus (EBITDA) of $3.83M for the quarter.

Underground exploration and resource delineation at Renison again return excellent results, the better intercepts include:

Lode	Hole	N	E	Intercept	From
Federal	U4086	65,781	44,548	13.1m @ 3.45% Sn	20.9
Federal	U4087	65,780	44,551	11.53m @ 8.58% Sn	19.6
Federal	U4088	65,729	44,557	3.54m @ 8.20% Sn	12.1
Federal	U4048	65,634	44,588	2.65m @ 9.23% Sn	170
Federal	U4047	65,695	44,465	5.23m @ 4.69% Sn	158
Federal	U4050	65,597	44,588	5.0m @ 4.41% Sn	227

Westgold (Metals X 25.8% increasing to 29.6% pending placement) announced the discovery of a third high grade gold zone at the Rover 1 Gold-Copper Project in the NT which is expected to significantly enhance and expand the resource base.

Aragon (Metals X 11.4% direct and 48.4% voting) advised that it had entered into an agreement to acquire Hot Chili Limited which holds 641Km^2 of highly prospective acreage in Chile for uranium mineralisation and hosts several large tonnage Iron Ore Copper Gold (IOGC) deposits.

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Metals X Limited is a diversified group exploring and developing minerals and metals in Australia. It is Australia's largest tin producer and holds a pipeline of assets from exploration to development, including the world-class Wingellina Nickel Project and a strong portfolio of nickel production royalties.

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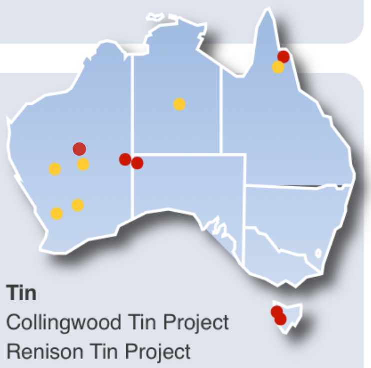


Tin
Collingwood Tin Project
Renison Tin Project
Mt Bischoff Tin Project
Rentails (Renison Expansion)

Nickel
Central Musgrave Project
Wingellina Prospect
Claude Hills Prospect

Investments & Royalties
Westgold Resources Ltd
Aragon Resources Ltd
Agaton Phosphate Pty Ltd
Mt Keith Royalty
Kambalda Royalty
Kingston Royalty
Gillian Royalty

Operations Report
Tin Division

JV and Sale Agreement with Yunnan Tin Group

Metals X announced on 24 July 2009 that it had signed a Heads of Agreement (HoA) with the world's largest tin producer YTG to sell up to 60% of its Tasmanian Tin Assets for AUD $60m and to form a Joint Venture to operate and advance the Tasmanian tin operations.

YTG is currently awaiting FIRB approval to be granted so the parties can proceed with the formation of the JV. Metals X and YTG have agreed to an extension of the acquisition agreement to 31 January 2010 to enable sufficient time to obtain FIRB approval. It is anticipated that approval may be obtained earlier and the JV will be completed shortly thereafter. YTG have reaffirmed their commitment to proceed with the addition of a break fee of $2.5M should the agreement fail for any reason other than Governmental approvals.

The sale and JV will be a two stage process:

1. The sale of a 50% interest in all assets and rights of Bluestone Mines Tasmania Pty Ltd ("BMT") for AUD $50m.
2. The conditional sale of a further 10% interest for a further AUD $10m.

At the outset, MLX will form an unincorporated joint venture with YTG to continue to develop and advance the Tasmanian Tin Assets.

The agreement is subject to FIRB and Chinese Government approvals.

YTG is the world's largest tin producer, producing approximately 60,000 tpa of refined tin metal which is approximately 20% of the global market. The company operates advanced tin smelting and refining technology, including Ausmelt furnaces, and is recognised for its highly developed processing skills and equipment in mineral processing especially for tin processing. YTG has also recently announced that it has undertaken recent hydrometallurgical testing of its low grade tailings.

The assets include the Renison Bell Underground mine, the Mt Bischoff open pit mine, the Renison Tin Concentrator Plant, the Rentails Tailings Re-treatment Project and, related infrastructure and rights.

Tasmanian Tin Operations

The project continued to be cashflow positive generating an unaudited cash operating surplus of $3.83 million for the quarter. Tin production from the Tasmanian tin operations was slightly higher than the previous quarter at 1,404t of tin metal contained in concentrates as a result of higher feed grades and improved recovery in the concentrator.

Ore production from the Mt Bischoff open pit mine was again in line with expectations with slightly higher productivity than the previous quarter. This was mainly attributable to the reduction in the strip ratio (ore to waste). The mine reverted back to a single-shift 5 day operating regime to optimise the mining cycle as work areas in the pit become constrained with depth. Contained tin metal continued to reconcile above expectations.

The Renison underground mine development tonnes were in line with forecast, however overall production was lower as a result of the time to bring on additional planned stopes related to the timing and interaction between stoping fronts on adjacent levels.

During the quarter in-fill drilling and an overall review of the Mid Federal, King and Zeehan orebodies resulted in an upgrade of the resources into a minable reserve, increasing the Probable ore reserves by 85Kt @ 1.37% Sn for 1,165t tin Metal. A short term contract to develop the King ore body will be awarded shortly which will increase the number of available production areas creating additional flexibility. In addition the continued development of the lower Federal orebodies and rehabilitation of the North Renison decline will provide access to further production areas.

Plant recoveries continued to improve with specific optimisation projects continuing to improve tail grades. Plant throughput was hampered by crushing and materials handling issues encountered over the period with unseasonably wet weather and record rainfall levels recorded in September. The plant also underwent a scheduled 48 hour major maintenance shutdown to reline the Rod Mill and overhaul other operating components in the plant.

Both operating and capital expenditure was lower than budgeted for the quarter related to lower than budgeted capital mine development and the deferment of surface exploration programs related to access issues as a result of unseasonal weather.

Major projects during the quarter included drilling of a raise bore to install access to the lowest level of the mine to facilitate stoping and major pumping upgrades in the North Renison decline. This has seen a significant increase in pumping capacity which will allow for campaigned rehabilitation of the North Renison area which will open up production areas in the Zeehan ore bodies. This will enable scheduled production early next year from the North side of the mine to commence, complementing the existing production from the Lower Federal. Drill platforms will also be establishment for first pass infill drilling of the Area 4 resource.

	July 2009	Aug 2009	Sep 2009	Quarter Total
Mining - Renison Bell				
Total Tonnes Hoist	33,232	31,794	25,161	**90,187**
Mined Head Grade (% Sn)	1.72%	1.78%	1.56%	**1.69%**
Mining - Mt Bischoff				
Ore Tonnes Mined	37,877	25,580	16,387	**79,844**
Ore Grade Mined (% Sn)	1.05%	1.40%	1.20%	**1.19%**
Total Mine Production				
Ore Tonnes	71,109	57,374	41,548	**170,031**
ROM Grade (% Sn)	1.36%	1.61%	1.42%	**1.46%**
Tin Concentrator				
Tonnes treated	48,252	43,723	42,232	**134,207**
Head Grade (% Sn)	1.54%	1.63%	1.48%	**1.55%**
Tail Grade (% Sn)	0.54%	0.51%	0.50%	**0.52%**
Tin Metal Produced	482	500	422	**1,404**
Tin Concentrate Grade	53.7%	54.6%	53.0%	**53.8%**

Exploration

Underground drilling included infilled drilling of existing Resources and definition drilling outside of the current resource. The drilling resulted in additional Probable mining Reserves being added to the Mid Federal, Federal 1700 and North King orebodies during the quarter.

4,582 meters of underground diamond drilling was completed during the quarter with significant results tabulated below:

Lode	Hole	N	E	Intercept	From
King	U4030	66,880	44,300	6.22m @ 1.36% Sn	88.78
Federal	U4093	65,755	44,552	1.94m @ 4.69% Sn	6.06
Federal	U4094	65,746	44,551	2m @ 3.75% Sn	0.0
Federal	U4086	65,768	44,567	4.25m @ 1.66% Sn	0.0
Federal	U4086	65,781	44,548	13.1m @ 3.45% Sn	20.9
Federal	U4087	65,765	44,567	3m @ 5.52% Sn	5
Federal	U4087	65,780	44,551	11.53m @ 8.58% Sn	19.55
Federal	U4099	65,664	44,550	2.9m @ 2.49% Sn	0.0
Federal	U4088	65,729	44,557	3.54m @ 8.2% Sn	12.1
Federal	U4088	65,729	44,557	7.82m @ 1.71% Sn	23.0
Federal	U4089	65,717	44,577	2.16m @ 3.72% Sn	64.0
Federal	U4048	65,634	44,588	2.65m @ 9.23% Sn	170
Federal	U4047	65,695	44,465	5.23m @ 4.69% Sn	158
Federal	U4050	65,597	44,588	5m @ 4.41% Sn	227
Federal	U4091	65,465	44,355	2.51m @ 5.42% Sn	70
Federal	U4092	65,465	44,355	8.56m @ 1.39% Sn	115.44

Surface exploration drilling will commence during the December quarter at both Mt Bischoff and Renison to coincide with the summer period.

Renison Open Pit Exploration

A short diamond drill program in the Dalcoath quarry was undertaken during the quarter. The results indicate the presence of a remnant resource and additional exploration in the December quarter is expected to outline an open pitable resource.

There also remains significant opportunity to further extend the amount of open pitable resources. This is because the mine sequence dolomite host is located at and near the surface above the Renison underground mine. In addition as with Dalcoath there are a number of structurally hosted historical workings which lie outside this main mine sequence which could lead to additional resources. It is also recognised that the presence of mineralisation within the Dalcoath structure at depth indicates continuity of these mineralised structures and represents additional potential resource targets where they intersect the mine sequence dolomites. These targets are outside of the current underground development and further extend the potential for previously untested resources.

Initial results are as follows:

<table>
<tr><th>Lode</th><th>Hole</th><th>N</th><th>E</th><th>Intercept</th><th>From</th></tr>
<tr><td rowspan="6">Dalcoath</td><td rowspan="2">SDALNQ006</td><td rowspan="2">64,856</td><td rowspan="2">43,373</td><td>8.00m @ 2.18% Sn and 0.11% Cu</td><td>1</td></tr>
<tr><td>10.90m @ 1.81% Sn and 0.14% Cu</td><td>14</td></tr>
<tr><td>SDALNQ007</td><td>64,856</td><td>43,373</td><td>20.00m @ 2.26% Sn and 0.10% Cu</td><td>0</td></tr>
<tr><td>SDALNQ007</td><td>64,856</td><td>43,373</td><td>20.00m @ 2.26% Sn and 0.10% Cu</td><td>0</td></tr>
<tr><td rowspan="2">SDALNQ008</td><td rowspan="2">64,856</td><td rowspan="2">43,373</td><td>5.00m @ 2.03% Sn and 0.16% Cu</td><td>0</td></tr>
<tr><td>2.00m @ 2.29% Sn and 0.12% Cu</td><td>8</td></tr>
</table>

Mt Bischoff Exploration

During the quarter a RAB drill program was conducted at slaughteryard which is located adjacent to the main pit and is characterised as a near surface skarn orebody. It is anticipated that the slaughteryard orebody will generate additional tonnage from the Mt Bischoff tin field and an application has been lodged to amend the current permit conditions.

Additional reconnaissance work was also completed on the North Face prospect with rock chip samples indicating economic mineralization in altered skarn at surface which is being followed up with RAB drilling. A surface program has been designed and approved and is awaiting the mobilisation of a diamond drill rig to test for potential open pitable and underground extensions to the large ore system which lies beyond the current open pit. The Mt Bischoff tin field has produced in excess of 55Kt of tin historically.

Renison Expansion Project (Rentails)

The Rentails project holds a resource of over 75,000 tonnes of tin and 36,000 tonnes of Copper. The project objective is the re-processing and recovery of tin and copper from an estimated 18.2 million tonnes of tailings from the historical processing of tin ores from the Renison Bell mine at an average grade of 0.42% Tin and 0.20% Copper.

Metals X completed a Feasibility Study into its Renison Expansion (Rentails) Project which shows it is cash positive at recent commodity and exchange rates with capital costs in the order of AUD$ 194 million +/- 15%.

The current uncertainty in world financial markets and the resultant metal market suggest that whilst the Rentails Project is a large project with positive economic outcomes, its current magnitude of capital and operating cost, coupled with the current volatility of tin prices and exchange rates are such that the Board of Metals X believe the project will be difficult to finance in the current environment. However Metals X considers that with further tin price recovery in response to the significantly deteriorating supply-side scenario for world tin supply in the medium to long term will see a development decision for this project in the future.

Metals X is continuing to investigate alternative scales and development concepts which it believes can reduce the capital and operating costs compared to this benchmark feasibility study. In addition, Metals X is continuing to review options for the funding the project development as the project economics improve with the global economy.

Operations Report
Nickel Division

The average Nickel price during the quarter increased by approximately 36% in AUD terms compared to the previous quarter averaging US$17,700 (AUD$21,245).

The nickel price continues to show signs of recovery, although consumer demand remains weak on fundamentals and the LME nickel inventories have continued to rise throughout the quarter. However, global nickel supply has also been significantly reduced over the past 12 months as operations have been closed. The nickel price is well placed to continue to increase in the medium term as the global financial recovery continues.

Nickel Royalty Portfolio

Royalty income for the quarter was A$0.60 million compared to A$0.83 million in the previous quarter as a result of the expiry of the Kambalda royalty on 31 August 2009 and as a result of the sale of the Mt Keith Royalty.

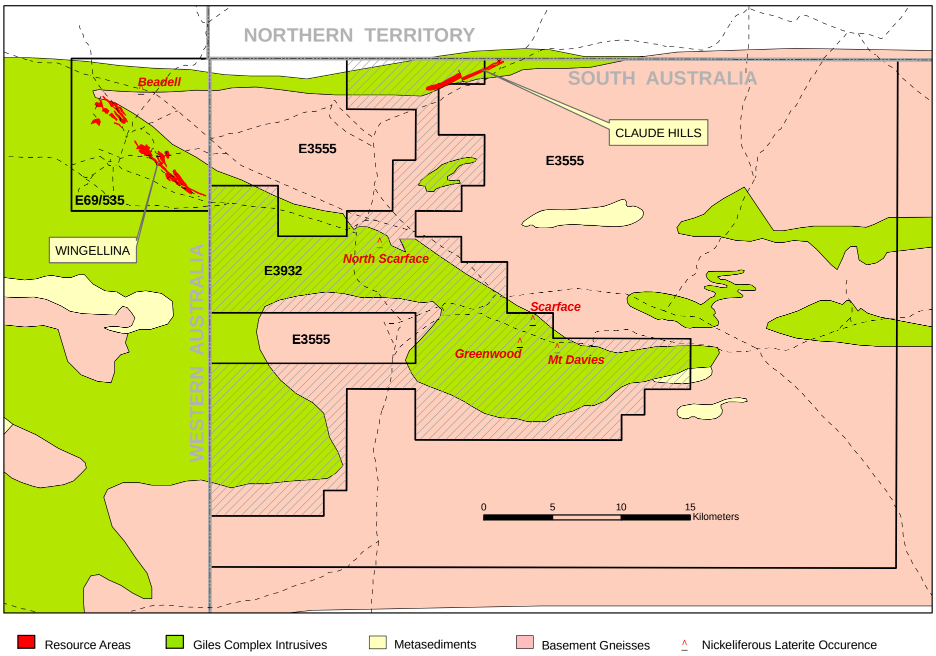
Subsequent to the quarter, Metals X announced the sale of the Mt Keith and Kingston royalties for a consideration of A$20 million. Metals X's has embarked on a strategy to crystallise the value of its existing assets where the Company believes the value of specific assets are not appropriately recognised. The book value of the Mt Keith and Kingston royalties was $14.4M as of the 30 September 2009 and for the 12 months to 30 June 2009 returned $1.7M.

Central Musgrave Project

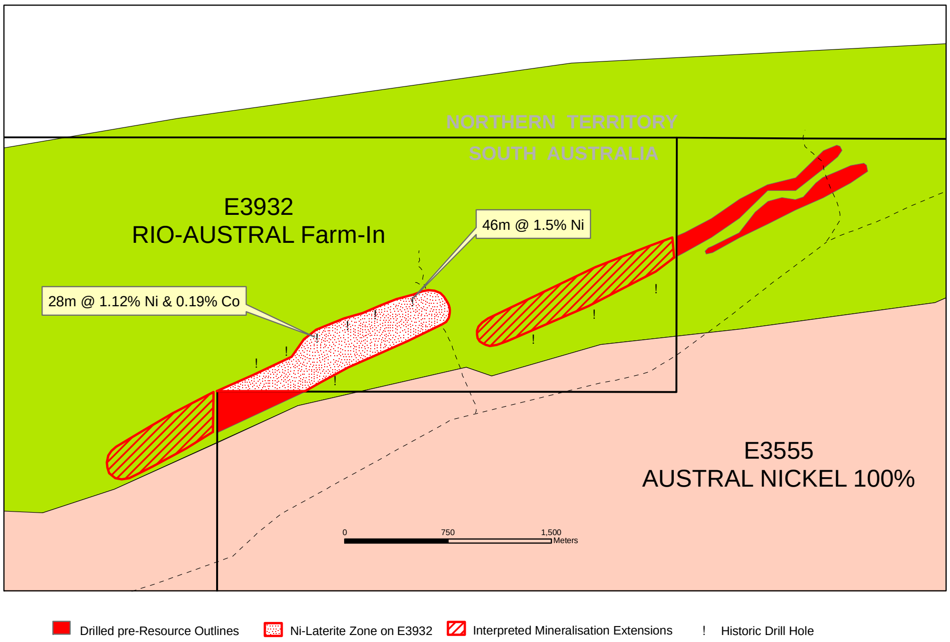
During the quarter Metals X entered into a Farm-in and Joint Venture agreement with Rio Tinto Exploration over the Mt Davies Tenement (E3932) in the Central Musgrave region of South Australia.

The agreement is subject to conditions precedent, which include ministerial and other consents, and execution of associated royalty and access deeds by all interested parties. A number of the conditions have already been met, and Metals X is not aware of any issues which would result in any of the conditions not being met within the specified time frame.

The tenement is juxtaposed with the wholly owned Wingellina deposit and is encapsulated within the wholly owned subsidiary Austral Nickel Pty Ltd's ("Austral") 100% owned tenement E3555. All field exploration activities within the tenement will be able to be based out of the established Wingellina exploration camp, providing a significant operating advantage to the project.



The Mt Davies tenement hosts extensions to the Claude Hills prospect, already drilled on the 100% owned E3555. While a JORC compliant resource has not yet been calculated, Claude Hills drilling has identified significant mineralisation with similar nickel and cobalt tenor as that seen at Wingellina. Drilling by previous owners of the Mt Davies tenement has confirmed the continuation of mineralisation at Claude Hills as shown below.



The agreement requires a minimum expenditure of A$500,000 within the first two years, and A$2,000,000 within four years, to earn a 51% interest in the Mt Davies exploration licence. Austral will retain management of the expenditure program during the earn-in period.

Austral can increase its interest to 70% ownership by sole funding exploration and development expenditure to the completion of a pre-feasibility study. Rio Tinto can elect to contribute following the earn-in phase to retain a 49% interest and can elect to earn-back up to 70% ownership within 60 business days after the delivery by Austral of the pre-feasibility study, through the sole funding of a bankable feasibility study.

Metals X will continue to pursue other opportunities in the region and aims to define and develop multiple deposits to establish a new Australian mining province.

The Wingellina Project

Metals X is continuing with field activities in preparation for the future development of the Wingellina Project. These activities include field environmental, socio-political and logistics assessment studies.

Wingellina is a major project and exists as one of the largest undeveloped nickeliferous limonite accumulations in the world consisting of 180Mt of ore at 1% Nickel and 0.08% Cobalt. Importantly, the JORC compliant resource is 38% measured, and 53% indicated demonstrating the advanced geological knowledge of the deposit.

Metals X completed the first phase of the feasibility study in 2008 and confirmed a robust project concept for the construction of a nickel and cobalt operation producing approximately 40,000tpa of nickel and 3,500tpa of Cobalt with an initial mine life of 40 years at an operating costs of less than US$3.50 per pound of Nickel after cobalt credits. The estimated after tax NPV based on a Nickel price of US$20,000, Cobalt price of $45,000 and a US$ exchange rate of 0.85 was $A3.4 Billion. The current Nickel and Cobalt prices are approximately US$19,500 and US$40,700 respectively and exchange rate of 0.93.

Metals X is proceeding with obtaining environmental and mining approvals while seeking funding opportunities for the development of the Wingellina project and continues to consult with its major shareholders, Jinchuan Group Limited (China's largest nickel producer) and APAC Resources Limited (HK1104).

Strategic Investments

Westgold Resources Limited (25.8% MLX, 29.6% pending placement)

Westgold is targeting high grade gold and copper deposits similar to the historical mines of the Tennant Creek Goldfield renowned for its exceptional high grade gold and copper mines which produced over 5M ounces of gold and around 0.5Mt of copper metal between the 1930's to late 1990's. Drilling at Rover 1 commenced in March 2008 and in June the first drill results of 65m @ 11g/t Au were received. Since then drilling has produced further exciting gold and copper intercepts including gold intercepts of 28m @ 11g/t Au, 21m @ 33g/t Au and 32m @ 20g/t Au and copper intercepts of 65m @ 2.6% Cu, 13m @ 2.9% Cu and 27m @ 4.8% Cu along with extensive zones of lower gold and copper mineralisation.

This first high grade zone at Rover 1 was named the Jupiter Zone and a new "Western Zone" of copper and gold mineralisation located some 250m to the west of Jupiter zone was discovered in the June 2009 quarter with the latest drill hole WGR1D043-2 returning intercepts of 2m @ 26.1g/t Au, 0.28% Cu, 23m @ 0.93% Cu, 3.04g/t Au and 33m @ 1.69% Cu, 0.18g/t Au.

During the September quarter, Westgold also announced the discovery of an unexpected third zone of mineralisation 100m to the South of the Jupiter Zone named the "Southern Zone" which includes the following results:

WGR1D043-2

84m @ 0.64%Cu, 1.73 g/t Au (incl 2m @ 9.77g/t Au and 6m@ 9.60g/t Au) and

34m @ 0.34%Cu, 2.21g/t Au (including 9m @ 6.04g/t Au).

Both of these intercepts also finished in mineralisation and a final infill sampling program was underway during the quarter.

These three zones continue to add an exciting dimension to the scale of this large "Tennant Creek Style" system with strong Copper-Gold-Cobalt Bismuth mineralisation now defined over a 500m strike length within an 800m long magnetic and gravity anomaly.

Subsequent to the end of the quarter Westgold announced that it would place 55 million shares to institutional and sophisticated investors at an issue price of $0.40 to raise $22 million before costs in two tranches primarily to further advance the exploration work being conducted at the Rover Project. Tranche 1 of the placement occurred on 15 October 2009 decreasing Metals X's interest from 29.6% to 25.8%. Metals X has confirmed that it will take part in Tranche 2 of the placement to maintain its shareholding position at 29.6% which will be subject to Westgold shareholder approval.

Aragon Resources Ltd (11.35% direct & 48.37% voting MLX)

Subsequent to the end of the quarter Aragon advised that it had entered into an agreement to acquire Hot Chili Limited, subject to due diligence and Aragon shareholders approval, and acceptance by 100% of Hot Chili shareholders. Hot Chili holds 641Km^2 of acreage in Chile which is highly prospective for uranium mineralisation and hosts several significant Iron Ore Copper Gold (IOGC) deposits

The Chilean Commission of Nuclear Energy has recognised major areas within the province as highly prospective for significant uranium mineralisation. The Hot Chili portfolio also hosts advanced exploration projects within the area which includes the Productora Project which is rated by the Chilean Nuclear Commission as the Country's largest identified uranium project.

The coastal Cordillera of Chile also represents on of the worlds best IOGC provinces which has several large tonnage IOGC deposits including Candelaria, Mantos Blancos, Manto Verde and El Solado.

Aragon has agreed subject to securing all of the required approvals to issue Hot Chili shareholders one fully paid ordinary share in Aragon for every one fully paid ordinary share in Hot Chili and to Hot Chili option holders one option to acquire one fully paid ordinary share in Aragon at an exercise price of 20 cents, expiring on 20 September 2012. Hot Chili has 88,000,000 shares and 40,200,000 options on issue. The acquisition will result in the number of fully paid ordinary shares in Argon increasing from 67.5 million to 155.5 million.

Aragon also holds a 13% shareholding position in Vital Metals Ltd ("Vital") and holds a $500,000 convertible note in Vital convertible at 4cps or 80% of the one-month VWAP of Vital shares prior to conversion. Vital is an aspiring Tungsten Producer with a large high-grade tungsten resource at its Watershed Project located in the Mt Carbine region of Far North Queensland considered to be one of the more superior and higher grade Tungsten deposits in Australia and the World.

Aragon is also exploring for gold at its Mission and Cables prospects in the Yilgarn and for Nickel at Lake Lefroy in Western Australia. Follow-up drilling is also being carried out to follow up the excellent Phosphate results from its first phase drilling at Ammaroo in the Northern Territory obtained in the previous quarter which confirms the presence of significant phosphate mineralisation at shallow depths.

Agaton Phosphate Pty Ltd (75% MLX)

Agaton Phosphate has previously drilled and identified a large area of shallow, flat-lying, unconsolidated, medium grade Phosphate mineralisation within of the Cretaceous Dandaragan Embayment around 250km north of Perth. Phosphate-mineralised Poison Hill Greensands (PHG) is continuous within 3 prospect areas of a total surface area of around 5.25km^2. Drilling to date has demonstrated that the PHG unit within these prospects has an average thickness of approximately 20 metres and an average grade of approximately 4.5% P_2O_5.

Metallurgical test work with the objective of producing an industry standard 30% P_2O_5 concentrate from PHG drill samples has been unsuccessful using traditional beneficiation technologies due to the fact that the hydroxyapatite Phosphate ore and glauconite gangue minerals of the PHG are fine grained and partly intergrown.

To address this issue Agaton devised and conducted laboratory-scale tests on a novel "PHG Process" for use on these ores. The critical leach phase of the PHG Process was computer modelled by consultants in USA, to confirm the theoretical assumptions and to refine the test conditions prior to physical testing. A prototype test rig was constructed and commissioned using raw drill samples of PHG ore. Preliminary testwork demonstrated that the PHG Process is able to solubilise a high proportion of valuable minerals. Agaton Phosphate has lodged an Australian Provisional Patent Application over the process.

Conceptual studies suggest that a significantly lower cost processing technique applied to phosphatic sands could lead to the establishment of a significant market share in Western Australia as an interim. Agaton is continuing to seek investment from established fertiliser industry players to advance the technology and resource towards production.

Icon Resources Limited

Metals X remains a significant shareholder in Icon Resources Limited. Metals X is continuing to assess its Far North Queensland Tungsten strategy over the coming quarter.

Corporate

Metals X announced on 31 August 2009 that it had agreed to an interim funding proposal from its largest shareholder APAC Resources Ltd (HK1104) ("APAC") whereby MLX will make a 15% placement to APAC subject to shareholders and FIRB approval to raise $16.02M. Subsequent to the end of the quarter Shareholders have approved the placement of these shares and FIRB approval is anticipated to be obtained shortly.

Metals X also announced subsequent to the end of the quarter that it had agreed to sell its Mt Keith and Kingston Royalties to Franco-Nevada for the sum of $20M which was significantly higher than the book value of $14.4M.

Metals X is now well positioned to continue its growth strategy with a strong portfolio of assets and a strong balance sheet.

Metals X ended the quarter with around $9.6 million in cash. The Group has no debt other than trade creditors (including concentrate prepayments), equipment leases and security bonds.

Capital Structure

The Company has the following equities on issue as of 30 September 2009.

Fully Paid Ordinary Shares	1,187,661,782
Unlisted Options convertible at $0.20 on or before 12/02/10	5,900,000
Unlisted Options convertible at $0.46 on or before 30/11/10	1,000,000
Unlisted Employee Options - various conversions and dates	12,950,000
Fully Diluted Equity	**1,207,511,782**

Major Shareholders

The major shareholders of the Company as of 30 September 2009 are:

APAC Resources (HK:1104)	18.45 %
Jinchuan Group	14.82 %
Sabatica Pty Ltd (GPG)	7.56 %
JP Morgan Chase & Co. and its affiliates	6.46 %
Peter Cook Group	5.67 %
All States Finance	5.31 %

End

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based upon information compiled by Mr Scott Huffadine B.Sc.(Hons), MAusIMM. Mr Huffadine is a full-time employee of the company. Mr Huffadine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Metals X Limited

ABN	Quarter ended ("current quarter")
25 110 150 055	30 September 2009

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date $A'000
1.1	Receipts from product sales and related debtors	25,901	25,901
1.2	Payments for (a) exploration and evaluation	(860)	(860)
	(b) development	(1,709)	(1,709)
	(c) production	(22,015)	(22,015)
	(d) administration	(807)	(807)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	51	51
1.5	Interest and other costs of finance paid	(224)	(224)
1.6	Income taxes paid		
1.7	Other (sale of scrap/assets)	140	140
	Net Operating Cash Flows	477	477
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects		
	(b) equity investments		
	(c) other fixed assets	(928)	(928)
1.9	Proceeds from sale of:		
	(a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (cash acquired on purchase of controlled entity)		
	Net investing cash flows	(928)	(928)
1.13	Total operating and investing cash flows (carried forward)	(451)	(451)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(451)	(451)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings	(1,109)	(1,109)
1.18	Dividends paid		
1.19	Other – (capital raising costs)		
	Net financing cash flows	(1,109)	(1,109)
	Net increase (decrease) in cash held	(1,560)	(1,560)
1.20	Cash at beginning of quarter/year to date	11,205	11,205
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	9,645	9,645

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	202
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	8,945	8,945
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	200
4.2	Development	2,000
4.3	Production	20,000
4.4	Administration	800
	Total	**23,000**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	5,390	6,950
5.2	Deposits at call	4,255	4,255
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	9,645	11,205

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	1,187,661,782	1,187,661,782		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**+Convertible debt securities** *(description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*			*Exercise price*	*Expiry date*
		700,000		*28 cents*	*31/01/2010*
		5,900,000		*20 cents*	*12/02/2010*
		400,000		*34 cents*	*30/04/2010*
		1,025,000		*22 cents*	*31/01/2010*
		2,800,000		*40 cents*	*30/06/2011*
		1,700,000		*35 cents*	*31/08/2011*
		4,000,000		*46 cents*	*30/11/2010*
		825,000		*36 cents*	*31/03/2012*
		1,000,000		*45 cents*	*31/07/2012*
		1,000,000		*46 cents*	*30/11/2010*
		500,000		*13 cents*	*30/06/2012*
7.8	Issued during quarter				

+ See chapter 19 for defined terms.

7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does /~~does not~~* give a true and fair view of the matters disclosed.

Sign here: W S Hallam Date: 30 October 2009
(Director)

Print name: WARREN HALLAM

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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