

9 November 2009

Jinchuan Update and Director Changes

New Director Appointment

Metals X Limited ("Metals X" or the "Company") is pleased to announce the appointment of Mr Sanlin Zhang as a Director of the Company, representing Jinchuan Group Limited ("Jinchuan"). Mr Zhang will replace Mr Wang Wei who has resigned from Jinchuan to take up a senior position within the private sector in Beijing. Mr Yimin Zhang will remain as an alternate Director. Mr Sanlin Zhang is Vice President for Jinchuan and is responsible for International investments, legal council and community infrastructure.

Jinchuan and Wingellina

Jinchuan has formally advised Metals X that they have not been offered by BHP Billiton to participate in the next stage of the asset sale process for the Ravensthorpe assets. Jinchuan considers that Metals X's Wingellina Nickel Limonite Project represents a much better opportunity to grow its global business with a superior uncomplicated orebody with simple metallurgy. Although remote, Jinchuan believes the world-class size and quality of Wingellina will overcome the isolation impediment. Jinchuan is a 14.8% shareholder in Metals X and has a co-operation agreement with the Company to assist with the project studies, development and potential off-take of concentrates.

Metals X completed its first phase feasibility study on Wingellina in mid 2008 which showed a robust project for the construction of a nickel and cobalt operation to produce 40,000tpa of nickel and 3,500tpa of cobalt with an initial mine life of 40 years at an operating cost of less than US\$3.50 per pound of Nickel after cobalt credits. The after tax NPV of the project based on the feasibility study assumptions of a nickel price of US\$20,000/t, cobalt price of US\$45,000/t and a USD exchange rate of 0.85 was A\$3.4 billion.

Metals X is continuing to consult with its major shareholders, Jinchuan Group Limited and APAC Resources Ltd (HK1104) and is seeking funding opportunities for the development of the Wingellina project.

Metals X has also recently announced that it has entered into a Farm-in and Joint Venture agreement with Rio Tinto Exploration Pty Ltd over the Mt Davies Tenement (E3932) in the Central Musgrave region of South Australia. The tenement is juxtaposed with the wholly owned Wingellina deposit and is encapsulated within the wholly owned subsidiary Austral Nickel Pty Ltd's 100% owned tenement E3555. The Mt Davies tenement hosts significant prospectivity for oxide and sulphide nickel and PGE deposits. The tenement also hosts extensions to the Claude Hills prospect already drilled on Metals X's 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 also confirmed the continuation of mineralisation at Claude Hills.

Enquiries:

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