

ASX Announcement

SALE OF UNMARKETABLE PARCELS – SECOND NOTICE

29 January 2013 (Perth, WA)

Metals X Limited wishes to advise that it has sent a second letter to shareholders of unmarketable share parcels. The return date for the Notice of Retention of Shares has been extended to 19 February 2013.

A reminder letter and retention notice to shareholders of unmarketable parcels of shares who have not responded to the original Sale Notice will be dispatched as soon as possible.

29 January 2013

Dear Shareholder

2nd Notice - Holders of Unmarketable Parcel of Shares - Sale Facility

The Company's Constitution states that prior to the sale of unmarketable parcels of shares the Company is required to provide all eligible shareholders with two notices of the Company's intention to sell all unmarketable parcels. This notice serves as the 2nd Notice.

The ASX Listing Rules and the Company's Constitution empowers the directors of Metals X Limited (**Metals X or the Company**) to sell the security holdings of any member who holds an unmarketable parcel of shares. Metals X would like to sell on your behalf, your unmarketable parcel of shares in the Company.

As at 30 November 2012 (**Notice Date**) an unmarketable parcel was 3,846 shares (representing \$500 in value based upon \$0.13 per share). Your shareholding (which is set out on the Notice of Retention of Shares accompanying this notice) was an unmarketable parcel at the Notice Date.

Metals X has approximately 1,200 shareholders with an unmarketable parcel of shares. Due to the higher brokerage costs that you face in selling this number of shares and the expense to the Company associated with maintaining small shareholdings (e.g. printing and mailing costs of distributing Annual Reports and Notices of Meeting together with share registry costs), Metals X would like to take this opportunity to encourage you to sell your existing holding. Ultimately, it is your choice and you may elect to maintain your shareholding.

This notice is to inform you, and all other holders of unmarketable parcels of shares, that the Company intends to sell your unmarketable parcel of shares. All brokerage costs will be met by the Company.

If you wish to sell your shares, you need take no action.

If you wish to retain your shares you must complete and return the enclosed form.

Enclosed with this letter is a Notice of Retention of Shares which you **MUST** complete and return by no later than 19 February 2013 if you wish to retain your Metals X shares.

As soon as is practical after 19 February 2013 the Company will endeavour to arrange the sale at the prevailing market price and the proceeds from that sale will be remitted to you.

If you have any questions concerning the contents of this letter, please contact our office by telephone on +61 8 9220 5700 or facsimile +61 8 9220 5757.

Sincerely,



Fiona Van Maanen
Company Secretary

METALS X LIMITED

ABN 110 150 055

NOTICE OF RETENTION OF SHARES

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

Date: 29 January 2013

HIN/SRN: «HIN»
Unmarketable Holding:
Please forward Beneficial Holding List.

The Directors

I/we wish to retain my/our shareholding in the Company and hereby advise the Company that the provisions of Rule 31 of the Constitution are not to apply to my/our shares.

Signatures(s)

Individual/Security holder 1

Security holder 2

Security holder 3

Sole Director & Sole Company Secretary

Director/Company Secretary

Director

Dated: / /

Daytime Telephone Number

PLEASE RETURN THIS NOTICE TO THE COMPANY'S SHARE REGISTRY:

SECURITY TRANSFER REGISTRARS PTY LTD

Delivery:

770 Canning Highway
APPLECROSS WA 6153

Post:

PO BOX 535
APPLECROSS WA 6953

Facsimile: (08) 9315 2233
Telephone: (08) 9315 2333

Notes:

1. For full details, please read the Elimination Notice accompanying this notice.
2. If you wish to retain your shareholding in the Company, please sign this notice in the space provided and return it to the Company's share registry **by 5:00pm WST 19 February 2013.**
3. Notice in respect of a corporation must be executed in accordance with the constitution of that corporation.
4. Notices signed under power of attorney or by the executor of an estate must be accompanied by a copy of that power or letters of administration, as the case may be, unless previously lodged for noting.
5. In the case of holdings held by two or more persons, all holders must sign.
6. Please provide your daytime telephone number so we can contact you if there are any problems with your Notice of Retention.

**THIS NOTICE OF RETENTION MUST BE RECEIVED BY THE COMPANY'S SHARE REGISTRY
BY NO LATER THAN 5.00PM WST ON 19 FEBRUARY 2013.**

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