

PRESS RELEASE

22 APRIL 2014

ROYALTY RESTRUCTURE AT HIGGINSVILLE GOLD OPERATIONS

The Board of Metals X Limited ("Metals X") advises that it has reached agreement with Morgan Stanley Commodities ("Morgan Stanley") to restructure the royalty it holds over the Higginsville Gold Operations ("HGO").

The restructured royalty agreement has been agreed by both parties with the shared primary aims of extending the mine life, encouraging new investment and creating the best conditions for the ongoing employment of HGO's workforce.

The previous royalty structure was put in place in 1991 as part of the sale of the St. Ives Gold Operations by WMC Limited, and was acquired by Morgan Stanley in July 2002. The royalty applied after production of 3.3 million ounces from that operation and its tenure. The royalty struck at that time was unindexed and struck at a 4% Net Smelter Return (NSR) with an additional price participation of 10% of the difference between the average spot gold price for each production quarter and A\$600 per ounce.

Metals X acquired the HGO as part of a package whereby it acquired the whole Australian Business unit of Alacer Gold Corporation for A\$44 million effective October 1, 2013.

The new royalty structure agreed between the parties is:

- The NSR has been lowered from 4% to 1.75% and its footprint has been expanded to all current tenements at the HGO.
- The starting level for price participation has been lifted from A\$600 per ounce to A\$1340 per ounce with an initial level of 12.5%, with an escalating participation from A\$1500 to A\$1900 per ounce.

Metals X's CEO, Peter Cook said:

"We're pleased to have concluded this agreement with Morgan Stanley. The new and varied royalty structure establishes a sound platform for capital reinvestment within the projects at current prices. Further, Metals X looks forward to getting the most out of the project and will now commit to significant reinvestment at HGO, a restructuring of the operations to maximize efficiency and significant investment in exploration to extend project life."

ENQUIRIES

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METALS X LIMITED

Metals X Limited is a diversified group exploring and developing minerals and metals in Australia. It is Australia's largest tin producer, a top 10 gold producer and holds a pipeline of assets from exploration to development including the world class Wingellina Nickel Project.

CORPORATE DIRECTORY

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