



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.

CORPORATE DIRECTORY

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QUARTERLY REPORT

FOR THE PERIOD ENDING 31 MARCH 2012

SIGNIFICANT EVENTS DURING THE QUARTER

TASMANIAN TIN PROJECT (50% MLX)

- Mine production of 133,893 tonnes @ 1.45% Sn.
- The Tin Concentrator processed 132,797 tonnes at 1.42% Sn, producing 1,168 tonnes of tin in concentrates and 126 tonnes of copper in concentrates as a co-product.
- Project unaudited EBITDA of \$4.2M (\$2.1M MLX 50% share).
- Substantial upgrade and replacement of the underground mining fleet completed, commissioned and operating.
- Development completed to the high grade Area 4 ore zone and ore development is expected to commence towards the end of the ensuing quarter.
- Exploration continues to return exceptional results extending the Lower Federal, Huon and Northern King ore zones along with further defining the new mineralised area discovered between the Northern and Southern Renison access declines, known as the Central Federal Basset Zone.

CENTRAL MUSGRAVE (INCLUDING WINGELLINA) PROJECTS

- Spectrum electro-magnetic geophysics survey completed covering 5,370 line kilometres. Review of survey data is continuing with 15 preliminary anomalous zones having been identified, five of which are high priority targets.
- Drilling to complete bore field water studies in order to satisfy new guidelines in completing the submission for environmental approval to begin in May.
- Discussions continued with several international entities on funding and development of the project.

STRATEGIC INVESTMENTS

- Independence Group NL (ASX:IGO) (2.81% MLX): mark to market value \$28.5M (23/04/12).
- Westgold Resources Limited (ASX:WGR) (27.17% MLX): mark to market value \$19.1M (23/04/12).
- Mongolian Resource Corporation Ltd (ASX:MUB) (16.97% MLX): mark to market value \$1.6M (23/04/12).
- Aziana Limited (ASX:AZK) (25.0% MLX): mark to market value \$5.3M (23/04/12).

CORPORATE

- Closing cash and working capital of \$71M and no corporate debt.

ENQUIRIES

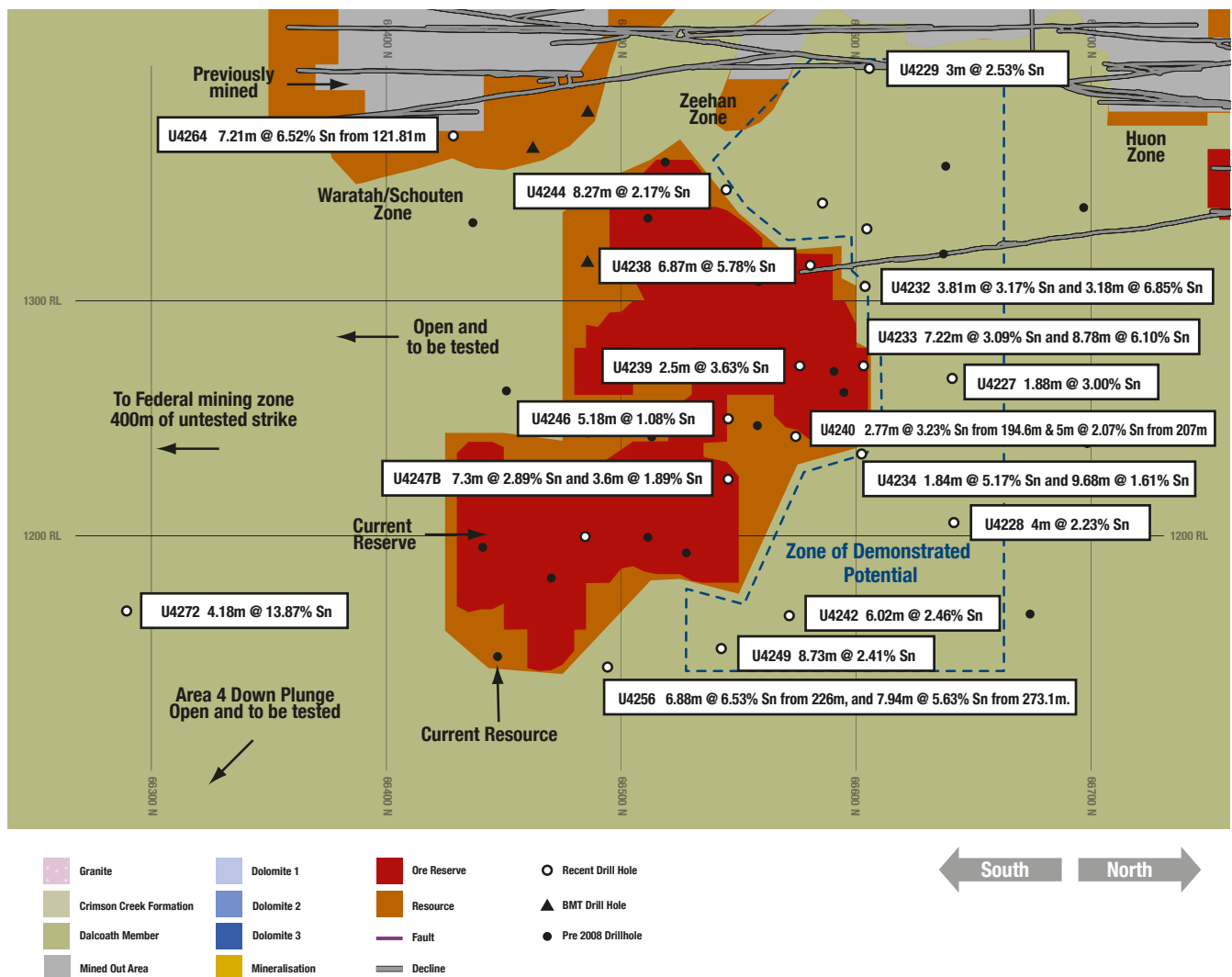
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TASMANIAN TIN OPERATIONS (MLX 50%)

Overall productivity was in line with the December 2011 quarter. Mined tonnes and grade were slightly higher (5% and 13% higher respectively) and tonnes processed were slightly lower (4.5%) off-set by higher processed grades (6% higher). Overall tin production was 1,168 tonnes of tin metal in concentrates compared to 1,186 tonnes in the previous quarter.

The mined grade was slightly higher than the December quarter as a result of access to the Upper Federal, Huon Extension and Mawson. However, a significant amount of remnant ore was mined and will continue to be mined while additional high grade areas are being developed. Mine decline development has continued to access new ore drives in the Lower Federal and first access to the high-grade Area 4 lodes was achieved during the quarter. Ore development from Area 4 is expected to commence later in the next quarter. The current resource in Area 4 including the Area 4 extension is 1.33 million tonnes @ 1.94% Sn, and the initial Mining Reserve estimate from the upper sections is 306,000 tonnes @ 2.46% Sn.



[Diagram: Area 4 Recent Results]

During the quarter, the replacement and upgrade of the mining fleet was completed and the new fleet is now fully commissioned. The upgrade included replacement of all loaders, the entire trucking fleet, an additional Jumbo and charge-up machine. The full impact of the fleet upgrade is expected to be observed during the next quarter with the expectation that it will result in an increase in mine stope performance, improved rates of development and the creation of additional scheduling flexibility in the mine.

During the March quarter, mine productivity, although higher than the previous period was under expectations primarily due to contractor under performance and the consequential delays in bringing high grade stoping areas on line. Joint Venture management is continuing to work closely with the mining contractor with the focus on improving productivity in the underground mine.

The unaudited cash operating surplus (EBITDA) from the Tasmanian Tin operations for the quarter was \$4.2M (\$2.1M - MLX 50% share) which was higher than the previous quarter mainly due to a slightly higher tin price and the slightly lower production costs. Total capital investment for the project during the quarter was \$6.96M (\$3.5M MLX 50% share) of which capital re-investment on mine development and exploration was \$5.7M (\$2.86M MLX 50% share) which was again in line with the previous quarter as the focus continues on the accelerated refurbishment and development of the North Renison decline to access the northern lodes, that will bring forward additional high grade production capacity and flexibility.

Operating performance for the quarter is summarised as follows:

	January	February	March	Qtr Total	Previous Qtr
Total Mine Production					
Ore Tonnes	48,383	43,735	41,775	133,893	127,481
ROM Grade (% Sn)	1.30	1.32	1.76	1.45	1.28
Tin Concentrator					
Tonnes treated	49,037	40,981	42,779	132,797	139,002
Head Grade (% Sn)	1.29	1.28	1.70	1.42	1.34
Tail Grade (% Sn)	0.47	0.55	0.61	0.54	0.49
Tin Metal Produced (t)	402	301	465	1,168	1,186
Copper Metal Produced (t)	49	38	39	126	147

The Renison Tin Concentrator performance was again generally dictated by the mine performance. However some harder ore zones mined from the Lower Federal lodes resulted in lower mill throughputs. A review of the grinding circuit is ongoing with a primary focus of optimising the mill throughput rate by improving the crushing, milling and classification circuits, and optimising preprocess ore blends. Several projects aimed at improving overall plant recoveries were commenced and are expected to positively impact performance in the future.

During the quarter the tin price continued to recover from its mid December low of US\$18,610 reaching a high of US\$25,650 in early February before closing the quarter at the end of March at US\$23,200. The average LME official cash tin price for the quarter was A\$21,718 compared to average price of A\$20,852 for the previous quarter and much lower than the A\$27,047 observed in the March quarter of 2011. The LME tin stockpiles remain low at approximately 13,500 tonnes equivalent to less than two weeks of global supply.

The cash operating cost for the quarter was \$19,066 per tonne of tin metal which was slightly lower than the previous quarter, however remains significantly higher than future expectations and reflects the inability to mitigate higher fixed costs over lower than expected productivity (lower mined tonnes and grades and consequential lower tin production as a result of the mining of remnant ore, while the higher grade ore zones are being developed).

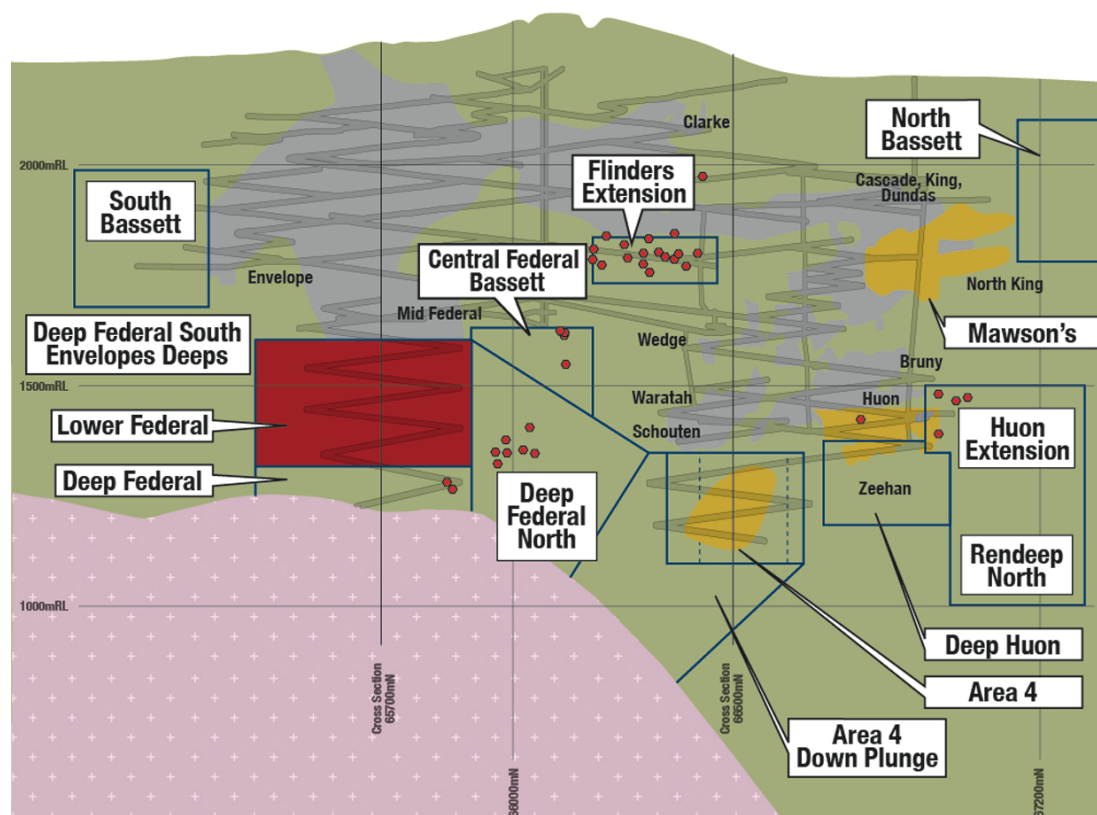
The following table summarises the financial performance from Metals X's 50% share of the Renison Project for the quarter.

	March Qtr Total	Previous Qtr
Revenue (Imputed)	\$13.2M	\$12.4M
EBITDA	\$2.1M	\$1.1M
Capital Re-investment	\$3.5M	\$8.3M
Net Cashflow	\$(1.4)M	\$(2.5)M
Operating Costs	A\$19,066	A\$19,541
Tin Price Received	A\$21,651	A\$20,826
Cash Operating Margin	A\$2,585/t	A\$1,285/t

EXPLORATION

Underground and Surface exploration continued to focus on the upgrading and extension of the Resources and Reserves of the Renison mine and on exploration of near surface targets within the Renison Mining Lease.

The main areas of focus were extensions to the Federal lode to the north of the current mining area, expanding the defined extents of the high-grade Huon and Northern King ore bodies and further drilling of the Central Federal Basset zone which is located within 50 metres of existing development.



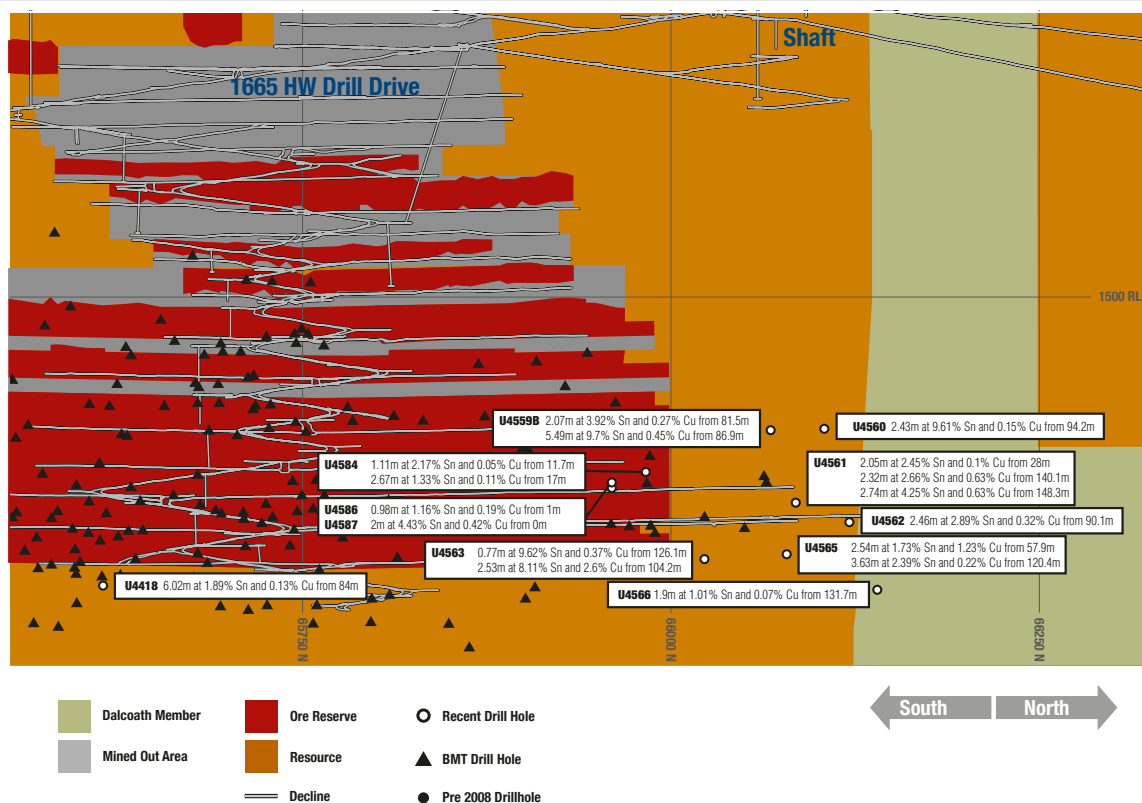
[Diagram: Renison mine development schematic longitudinal projection]

Drilling of the Northern extent of the Federal Zone continued to return exceptional results, confirming the continuity of the Federal system and its economic potential both along-strike from, and below the current mining area. This extension to the main ore system will provide access to additional metal for little or no capital development outside of the existing mine plan.

Over the past few years the JV has invested considerable capital into the exploration and increase of the overall resource base at Renison. The Company believes that the mine is in its best shape in many years and the potential for long term sustainable production is greatly enhanced.

The most significant drill results (true width x tin grade of >5) returned for the quarter from the Federal system include:

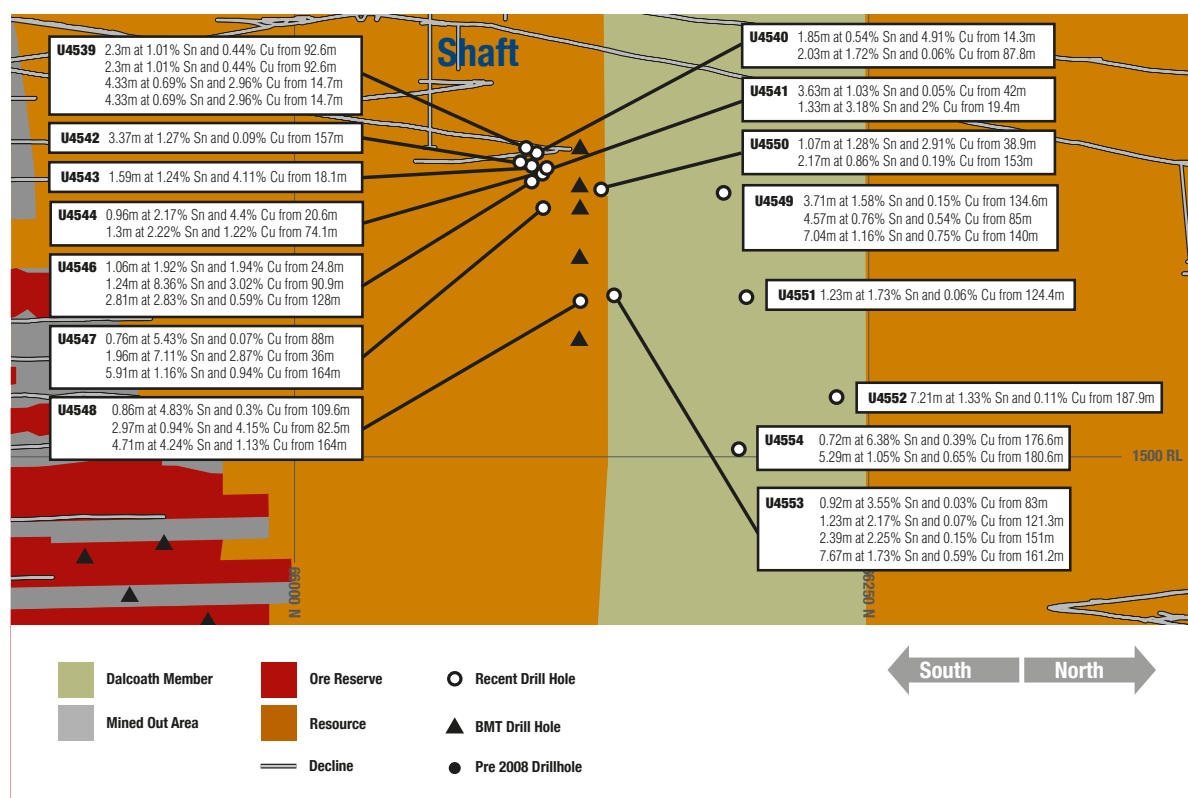
Lode	Hole	N	E	Intercept	From
Lwr Federal	U4560	66,105	44,510	2.43 m @ 9.61% Sn & 0.15% Cu	94.2
	U4563	66,023	44,534	2.53 m @ 8.11% Sn & 2.6% Cu	104.2
	U4563	66,015	44,553	0.77 m @ 9.62% Sn & 0.37% Cu	126.1
	U4561	66,058	44,465	2.05 m @ 2.45% Sn & 0.1% Cu	28.0
	U4561	66,149	44,551	2.32 m @ 2.66% Sn & 0.63% Cu	140.1
	U4561	66,153	44,558	2.74 m @ 4.25% Sn & 0.63% Cu	148.3
	U4559B	66,069	44,503	2.07 m @ 3.92% Sn & 0.27% Cu	81.5
	U4559B	65,069	44,508	5.49 m @ 9.70% Sn & 0.45% Cu	86.9
	U4562	66,122	44,515	2.46 m @ 2.89% Sn & 0.32% Cu	90.1
	U4565	65,093	44,549	3.63 m @ 2.39% Sn & 0.22% Cu	120.4
Fed Hw Splay	U4418	65,615	44,641	6.02 m @ 1.89% Sn & 0.13% Cu	84.0
	U4587	65,961	44,538	2.0 m @ 4.43% Sn & 0.42% Cu	0.0



[Diagram: Recent Federal Results]

As discussed in the previous quarterly report, minimal drilling has been completed under the internal shaft area and between the North Renison and South Renison decline access. This area, known as the Central Federal Bassett (“CFB”) is located within close proximity of the current development and mine infrastructure and is readily accessible from the Shaft Spillage Decline. The continued development and appraisal of the Renison Global Resource Model has highlighted a zone within the CFB area with a structural architecture that presented a favourable setting for tin mineralisation. Testing of this conceptual target during the past two quarters has returned excellent results, providing significant encouragement to fast-track evaluation work in this area. The most significant results for the quarter (true width x tin grade of >5) returned are as follows:

Lode	Hole	N	E	Intercept	From
CFB	U4552	66,237	44,488	7.21 m @ 1.33% Sn & 0.11% Cu	187.9
	U4547	66,109	44,418	1.96 m @ 7.11% Sn & 2.87% Cu	36.0
	U4548	66,134	44,488	4.71 m @ 4.24% Sn & 1.13% Cu	164.0
	U4553	66,158	44,480	2.39 m @ 2.25% Sn & 0.15% Cu	151.0
	U4553	66,160	44,485	7.67 m @ 1.73% Sn & 0.59% Cu	161.2
	U4554	66,196	44,487	5.29 m @ 1.05% Sn & 0.65% Cu	180.6
	U4546	66,076	44,452	4.43 m @ 2.34% Sn & 0.85% Cu	90.9
	U4546	66,059	44,475	2.81 m @ 2.83% Sn & 0.59% Cu	128.0
	U4549	66,227	44,467	3.71 m @ 1.58% Sn & 0.15% Cu	134.6
	U4549	66,232	44,470	7.04 m @ 1.16% Sn & 0.75% Cu	140.0



[Diagram: Central Federal Bassett Recent Results]

Further drilling to test extensions of the previously mined Huon Lodes was enabled following the recent completion of dewatering and refurbishment of old access drives to this area. The Huon lode was the main production source of the Renison underground mine prior to being flooded and abandoned in 2003 when tin prices were approximately US\$4,000 per tonne.

The Most significant results for the quarter (true width x tin grade of >5) returned from the Huon area are as follows:

Lode	Hole	N	E	Intercept	From
Huon	U4223A	66,991	44,463	5.21 m @ 1.77% Sn & 0.18% Cu	200.0
	U4221	67,038	44,391	5.95 m @ 2.08% Sn & 0.14% Cu	105.0
	U4221	67,044	44,396	2.59 m @ 2.81% Sn & 0.39% Cu	111.1
	U4224	67,039	44,464	5.14 m @ 2.70% Sn & 0.08% Cu	210.0

A continual review of the historical mining areas has identified numerous areas of potential mineralisation located within close proximity to existing underground infrastructure. During the March quarter drilling was conducted within another identified zone, Northern King that also return several significant results.

The most significant results (true width x tin grade of >5) returned from Northern King are as follows:

Lode	Hole	N	E	Intercept	From
North King	U4386	67,052	44,199	7.16 m @ 2.61% Sn & 0.4% Cu	105.2
	U4386	67,060	44,206	3.15 m @ 2.25% Sn & 0.19% Cu	118.5
	U4388	66,987	44,182	3.11 m @ 2.48% Sn & 0.06% Cu	53.8

The success of both the Northern King and previous Flinders programs continues to provide encouragement to continue the systematic identification and evaluation of remnant opportunities in the underground mine environment.

SURFACE EXPLORATION

The ongoing surface diamond drill program to date has successfully delineated near-surface mineralisation that will be exploitable via open pit mining methods at Dalcoath and Federal, and during the quarter work was carried out on defining the southern extensions to the Sligo orebody.

The most significant results (true width x tin grade of >3) returned from Sligo during the quarter are as follows:

Lode	Hole	N	E	Intercept	From
Sligo	SSLIHQ033	66,226	43,570	8.34 m @ 0.96% Sn & 0.08% Cu	36.13
	SSLIHQ024	66,201	43,551	2.95 m @ 1.31% Sn & 0.02% Cu	34.92
	SSLIHQ025	66,188	43,560	3.25 m @ 1.1% Sn & 0.04% Cu	39.95
	SSLIHQ027	66,180	43,552	2.68 m @ 1.27% Sn & 0.04% Cu	43.0
	SSLIHQ028	66,170	43,555	3.20 m @ 2.50% Sn & 0.04% Cu	45.79
	SSLIHQ030	66,195	43,563	4.14 m @ 1.39% Sn & 0.05% Cu	34.1
	SSLIHQ031	66,209	43,559	7.81 m @ 0.69% Sn & 0.11% Cu	40.41
	SSLIHQ034	66,179	43,586	4.63 m @ 0.88% Sn & 0.02% Cu	57.3
	SSLIHQ017	66,283	43,488	4.14 m @ 1.3% Sn & 0.09% Cu	24.64

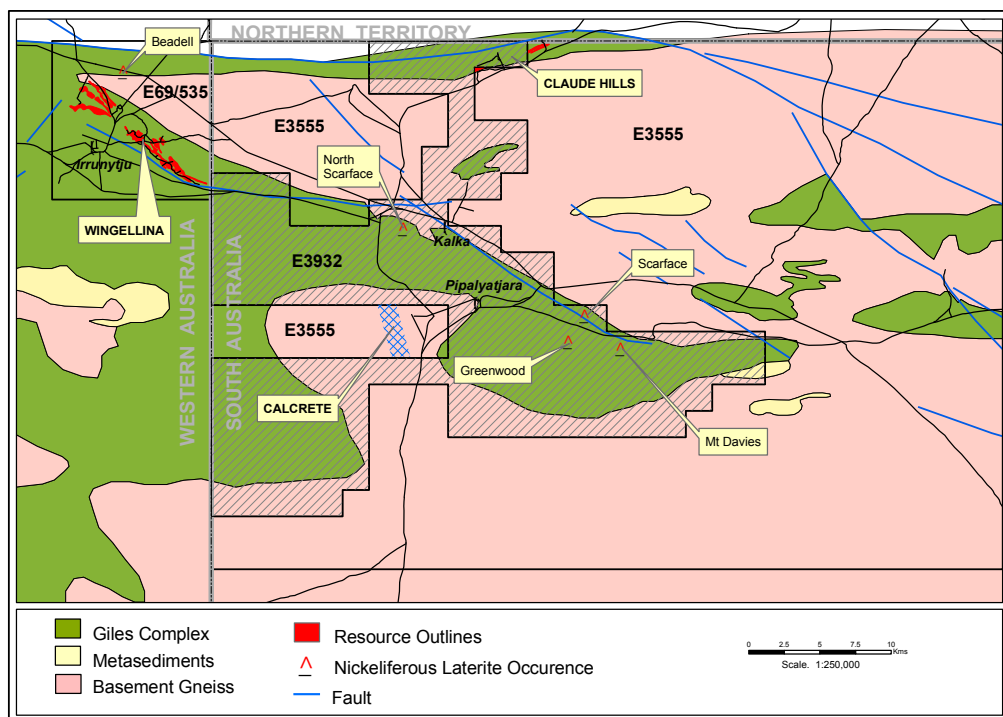
These results are in the process of being incorporated into an updated resource model for the Sligo area that will subsequently undergo economic analysis.

The surface drilling program has also been successful in intersecting carbonate replacement-hosted tin mineralisation in mine sequence dolomite units abutting the Argent Fault structure to the southwest of the Federal - Bassett Fault. This is highly significant and may represent a previously undiscovered and faulted-off position of the historical Renison skarn mineralisation. This early success with a near-surface, conceptual, structural target provides significant encouragement that there exists the potential for economic tin mineralisation to occur outside of the existing Renison mine "footprint".

Work is also being carried out on defining the second tranche of conceptual targets for testing, via the integration of the results of a recently completed geophysical review of the Renison area and aeromagnetic survey data acquired in March over both the Renison and Mt Bischoff licenses which are currently being interpreted.

NICKEL DIVISION

Metals X's nickel strategy is built around the Central Musgrave Project ("CMP") located in the Central Musgrave Ranges, and straddles the triple-point of the WA/NT/SA borders. The project represents the Company's key nickel assets and comprises the globally significant Wingellina deposit, the Claude Hills Nickel prospect and the Mt Davies exploration prospect. The project encompasses 1,957 km² of prospective exploration tenure encompassing the whole of the Wingellina layered intrusive sub-set of the Giles Complex.



[Diagram: Regional Geography and Nickeliferous Laterite Zones]

WINGELLINA NICKEL COBALT PROJECT

The Wingellina Nickel and Cobalt project is a massive nickel limonite deposit, which exhibits significantly different characteristics to the nickel laterite deposits that have been developed in the eastern goldfields of Australia. Wingellina hosts a resource of 1.8 Mt of contained nickel and 140 Kt of contained cobalt, and is classified as a Limonite or "Pure Oxide Tropical Laterite" deposit, very similar in style to Ambatovy in Madagascar and Moa Bay in Cuba, the latter where Sherritt Gordon developed and have successfully operated High Pressure Acid Leach (HPAL) for over 50 years.

The Wingellina Identified Mineral Resource estimate defines an ore body containing approximately 1.8 Mt of contained nickel metal, 139 Kt of Cobalt metal. Significantly, over 92% of the resource is defined as a Probable Mining Reserve in accordance with the JORC code, and resource confidence is high.

Total Identified Mineral Resource Estimate as at 30 June 2010 0.5% Ni (cut-off)

Class	Tonnes (Kt)	Ni %	Co %	Fe ₂ O ₃ %
Measured	68,847	1.00	0.08	48.71
Indicated	98,623	0.97	0.08	46.39
Inferred	15,727	0.97	0.07	42.73
Total	183,197	0.98	0.08	46.95

**Mining Reserve Estimate
as at 30 June 2010**

Class	Tonnes (Kt)	Ni %	Co %	Fe₂O₃ %
Proven	-	-	-	-
Probable	167,470	0.98	0.08	47.34
Total	167,470	0.98	0.08	47.34

Wingellina is only one of many known nickeliferous limonites areas within the Central Musgrave Project and is the only one to date to have been extensively drilled out. In 2010 Metals X completed a drilling program at it's Claude Hill Prospect located approximately 25 km to the East of Wingellina where it defined a further JORC compliant inferred resource of 33 million tonnes grading 0.81%Ni, 0.07% Co and 39% Fe₂O₃.

Currently only around 25% of the 120 km geological strike has been explored where other known mineralised areas are known to exist.

Wingellina will be a simple mining operation with free-digging limonite ore existing in a number of pits over a strike length of approximately 10 km and widths of up to 500 m. Average waste: ore strip ratios over the mine life are 1.1:1 and 0.50:1 for the first 20 years. Mine sequencing in early years will take advantage of the favourable orebody geometry, which allows mining to progress with a strategy to mine higher grade ores early in the project life to maximize early cash flow. Average mined grades for the first 20 years are approximately 1.1% Ni and 0.09% Co. The favourable mining conditions result in very low mining costs with low risk. Mining represents less than 5% of the overall operating cost for the project.

Metals X has completed its Phase 1 Feasibility Study (+/- 25%) which defined a robust project with a minimum 40 year mine life at an average annual production rate of 40,000 tonnes of nickel and 3,000 tonnes of cobalt. The Feasibility Study assumed a nickel price of US\$20,000 per tonne nickel, US\$40,000 per tonne cobalt and an A\$/US\$ exchange rate of 0.85, resulting in an estimated NPV(8%) of \$3.4 Billion at a production cost of US\$3.34/lb after cobalt credits.

In July 2010 the company entered into an agreement with the Native Title Holders and their representative bodies allowing Metals X to develop a mining operation at Wingellina.

Metals X continuing with getting the project development ready including its environmental approvals. All works required for submission of the Public Environmental Review ("PER") document have been complete except for detailed definition of the proposed water source which is now a requirement for the PER submission and is the focus of current activities.

Metals X has successfully tested the known aquifer in L69/12, approximately 100 km South West of Wingellina in the June 2011 quarter, with two holes intersected a significant aquifer at approximately 140 m below surface. Having now obtained all of the regulatory approvals and secured a drill rig, drilling will commence in the first week of May to fully delineate the potential borefield which will enable the submission of the PER. It is expected that the final PER documentation for the project will be submitted September quarter 2012.

Metals X has been and remains in detailed discussions with several international entities regarding the development and funding of the project.

MT DAVIES (E3932) AND E3555 REGIONAL

During the quarter a Spectrum electro-magnetic airborne geophysical survey was conducted which incorporated 5,370 line kilometres. Preliminary analysis is currently being undertaken which has currently identified fifteen anomalous zones, five of which are considered to be high priority. Once the interpretation is completed Metals X will set its forward exploration program in South Australia as a matter of priority.

STRATEGIC INVESTMENTS

Metals X operates a strategy of project gestation where it invests and actively supports exploration and development projects by investment in other companies with specialist teams. The objective is to allow the exploration and scientific application required for exploration to run its course and be funded by a dedicated budget that does not compete with other projects in the group for capital.

The experienced team of mining professionals at Metals X carefully evaluates and actively supports its investments both technically and fiscally. The key strategic holdings of Metals X are:

WESTGOLD RESOURCES LIMITED (27.17% MLX)

Westgold boasts a resource of over 3.9M ounces of gold equivalent and is endeavouring to become Australia's next mid-tier gold producer with targeted production of 200,000 ounce per annum from two development ready projects:

1. The Central Murchison Gold Project ("CMGP") – Western Australia
2. The Rover Project – Tennant Creek Region, Northern Territory

The CMGP straddles the three historic goldfields of Big Bell, Cuddingwarra and Day Dawn which hosts a total Identified Mineral Resource Estimate of 2.7M ounces of gold from a number of high-grade underground and lower grade open pitable sources within the project area. Westgold's strategy is to build a centralized processing plant to re-commence mining and production from as early as 2012 from underground and open pit mines within its Central Murchison Project.

At its Rover Project near Tennant Creek in the Northern Territory Westgold is also targeting production from its Rover 1 Prospect where it has defined a virgin deposit of +1.22M ounce gold equivalent resource.

During the quarter Westgold announced that it had significantly increased the Mineral Resource at its CMGP by 29% to 2.7M ounces. Westgold is currently completing a Definitive Feasibility ("DFS") at the CMGP that contemplates a 1.2M tonne per annum conventional gold processing plant that will produce an average of 100,000 ounces over an initial mine life of 8 years at a cost estimate of \$700-\$800 per ounce.

Westgold also announced a significant milestone in the development of the CMGP obtaining a conditional agreement with Credit Suisse AG to provide a project secured loan facility of A\$80M to assist with the development of the CMGP.

At Rover, Westgold announced that it had also completed a significant step in advancing the development of the Rover 1 gold and copper project with the submission of a Mine Management Plan for the Rover 1 Decline to the NT Department of Resources with approvals anticipated to be received by the end of June 2012.

Metals X's holding in Westgold was valued at \$19.1M on 23/04/2012. For detailed information please refer to ASX Announcements by Westgold Resources Limited (ASX: WGR).

INDEPENDENCE GROUP NL (2.81% MLX)

During the quarter Independence announced that it had raised \$115.5M through a equity placement and share purchase plan which was completed in January 2012 to add to the cash reserves for the funding of its share of the construction of the Tropicana gold project (IGO 30%). The Tropicana resource hosts a resource of 6.41M ounces with first gold production anticipated in the 2013 December quarter at an estimated cash cost of \$580-\$600/oz for the first three years and \$710-\$730/oz over the estimated 10 year life. IGO's estimated share of capital is \$220M and it held Cash and equivalents of \$262.2M as of 31 December 2011.

Independence announced that it is anticipating to achieve previous forecast production from its Long Nickel Operation of approximately 8,800-9,200 tonnes of nickel for the 2011/12 financial year. Production from the Jaguar/Bentley operation for zinc and silver also remains on target, while copper production estimates have been reduced by approximately 1,000 tonnes to 7,500-8,500 tonnes. In addition production at the Jaguar/Bentley complex is expected to increase to 250,000 for the second half (200,000 first half) due to the commencement of long hole stoping at the Bentley mine and the ramping up of the new Heavy Media Separation (HMS) plant to full production improving future milling rates.

Independence during the quarter announced a two cent interim dividend, Metals X receiving a total dividend of \$131,171.

Metals X's holding in Independence was valued at \$28.5M on 23/04/2012. For detailed information please refer to ASX Announcements by Independence Group NL (ASX: IGO).

MONGOLIAN RESOURCES CORPORATION LTD (16.97% MLX)

MRC is an Australian listed Mongolian resource company. MRC's main two gold projects are the high-grade Kargana (Blue Eyes) Gold Project (85%) and the Sujigtei Gold Project (90%) that are located 7 km apart within the North Kentai gold belt of Mongolia. The North Khentoi gold belt of Mongolia is host to several historical mines and deposits including the Boroo and Gatsuurt gold mines, Bumbat, Erren, Khargant and Sujigetei gold deposits. Development studies have commenced on the development of both of these high-grade gold deposits.

MRC announced during the quarter that the stage 1,100 tonne per day flotation gold plant was permitted for production of concentrate with production of concentrates expected to commence in early 2012. The company has more than 4,500 t of ROM stockpiles ready for treatment. Changes in the Government Ministers has delayed the Company obtaining approval a cyanide permit and the company will therefore sell concentrates into China until a cyanide permit is obtained.

The front end engineering and design for a 400 tonne per annum CIP gold plant at the Blue Eyes project has also been completed and the company is focusing on the completion of a turnkey construction of Stage II plant expected to be completed in Q3 2012.

Mining of alluvial gold at the Berleg project is anticipated to continue in 2012 where testwork resulted in the washing of 7,155 m³ of material yielding production of 2.6 kg of refined gold, showing the area was economical for alluvial operations. The Mongolian government has announced a proposed new law to protect rivers and trees in the Northern part of Mongolia, which impacts two of the Company's alluvial licenses including Berleg, however at this stage no progress has been made on the implementation of the proposal.

The Blue Eyes mine has been refurbished and the ore block designs have been completed for operation of shrinkage stope operations. A new portal at Sudjigtei is being installed at seven level as well as the commencement of rail installation, ventilation and the electrical fit out.

MRC also holds exploration permits covering the Barglit Iron Ore Prospect (100%), the Doshin Thermal Coal Prospect (100%) and various alluvial gold projects at Berleg, Selenge, Ovorangeay, Omnogovi and Bulgan.

Metals X's holding in MRC was valued at \$1.6M on 23/04/2012. For detailed information please refer to ASX Announcements by Mongolian Resource Corporation Ltd (ASX: MUB).

AZIANA LIMITED (25.0% MLX)

Aziana is an Australian listed explorer in Madagascar with highly promising gold and bauxite projects.

Aziana (ASX: AZK) was admitted to the official list of the ASX on the 7 November 2011 having completed its IPO oversubscribed raising \$12.5M and commenced trading on the 9 November 2011.

Aziana has been active in Madagascar since 2006 and has first-mover and first choice status over the countries exciting gold prospects and holds six key gold project areas all of which have been subjective to substantive artisanal gold mining. In addition Aziana holds a number of Bauxite exploration prospects within the Manantenina Bauxite Province in coastal South-east Madagascar. Aziana is actively working these prospects and has discovered large areas of high grade bauxite developed within its titles.

At Alakamisy, one of Aziana's priority gold projects, Aziana has identified from geochemical analysis an initial anomalous (>20 ppb Au) area of over 1.5 km^2 which also contains multiple higher grade zones of >100 ppb Au. The initial program only focused on an initial target area of $3 \text{ km} \times 3 \text{ km}$ and subsequently a larger auger geochemical program that encapsulate the entire 112.5 km^2 of licenses has now been completed. The results from this auger program will be returned during the June quarter. These results, together with an airborne geophysical survey planned to be conducted over the ensuing quarter, will be used to identify various drill targets. The program is targeting the potential for a large bulk open pit mine within the deep surface weathering profile (40-50 m) while undertaking the evaluation of the underlying bedrock.

At the Grigri Gold and Silver project historical mining has been based on thick quartz veins bearing visible gold, which has also been defined by stream sampling over a 15 km strike. Channel sampling previously returned assays of up to 6.3 g/t (best assay) with trenching demonstrated the continuity of the gold vein system, bearing visible gold, 300 m to the north. An initial 2,000 diamond drilling program at Grigri commenced during the quarter to test the historical mine area and strike extensions. The initial drilling program will be completed during the following quarter. A geochemical program has also been undertaken over a 44 km^2 area of the tenement holdings with results to be returned in the June quarter.

Geological mapping and sampling has also commenced and is well advanced within the other gold projects.

At the high grade Manantenina bauxite project assay results have shown widespread high quality bauxite at its Soavary and Esama Permit areas. At Soavary 392 exploration shafts on $300 \text{ m} \times 300 \text{ m}$ grid have been completed and 160 shafts on a closer $150 \text{ m} \times 150 \text{ m}$ grid within the 40 km^2 prospective area. Results from 198 of the 206 shafts so far received covering 13.4 km^2 show an average thickness of Gibbsite of approximately 6 m with a weighted average assay of 40% Al_2O_3 and 2.56% RX SiO_2 at a cut off of $>25\% \text{ Al}_2\text{O}_3$. At Esama 57 out of 68 shafts over 4.1 km^2 have intercepted high quality bauxite typically 5.6 m thick with a weighted average assay of 37.3% Al_2O_3 and 2.2% RX SiO_2 at a cut off of $>25\% \text{ Al}_2\text{O}_3$. The most significant bauxite intercepts include:

10.9 m @ 51.8 % $\text{Avl Al}_2\text{O}_3$, 0.5 % RX SiO_2 (MTP-249)

9.3 m @ 53.2 % $\text{Avl Al}_2\text{O}_3$, 1.9 % RX SiO_2 (MTP-118)

9.6 m @ 51.7% $\text{Avl Al}_2\text{O}_3$, 0.9% RX SiO_2 (MTP-215)

10.5 m @ 49.2% $\text{Avl Al}_2\text{O}_3$, 0.9% RX SiO_2 (MTP-204).

Aziana is continuing to work towards quantifying the deposit size and nature and believes it to be globally significant.

Metals X's holding in Aziana was valued at \$5.3M on 23/04/2012. For detailed information please refer to ASX Announcements by Aziana Limited (ASX: AZK).

CORPORATE

Metals X ended the quarter with cash and working capital of \$71M excluding its investments. The Group has no debt other than minor equipment leases.

As previously announced Metals X announced a share buy back of up to 10% of the issued capital of the company with a commencement date at the start of July 2011. Metals X brought back 5,130,705 shares during the quarter, with a total of 47,121,773 shares having now been purchased as of 31 March 2012, at an average price of approximately \$0.23.

CAPITAL STRUCTURE

The Company has the following equities on issue as of 31 March 2012.

Fully Paid Ordinary Shares	1,320,540,009
Unlisted Options convertible at \$0.32 on or before 30/11/13	1,000,000
Unlisted Employee Options - various conversions and dates	11,150,000
Fully Diluted Equity	1,332,690,009

MAJOR SHAREHOLDERS

The major shareholders of the Company as of 31 March 2012 are:

APAC Resources (HK:1104)	30.07 %
Jinchuan Group	13.33 %
Sabatica Pty Ltd (GPG)	6.79 %
Blackrock Investment Management (Aust)	5.45%
Peter Cook & Related Entities	5.18%

End

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is compiled by Metals X technical employees under the supervision of Mr Peter Cook (BSc (Applied Geology) (MSc (Min. Econ) MAusIMM). Mr Cook is not a full-time employee of the company. Mr Cook is an advisor to Metals X and the Non-Executive Chairman of Metals X. Mr Cook has sufficient experience which is relevant to the styles of mineralisation and types 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". Mr Cook consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Metals X Limited

ABN

25 110 150 055

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	11,538	37,060
1.2	Payments for (a) exploration & evaluation	(1,415)	(3,379)
	(b) development	(2,208)	(7,923)
	(c) production	(10,101)	(31,813)
	(d) administration	(719)	(2,671)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1,472	4,562
1.5	Interest and other costs of finance paid	(69)	(181)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	346	1,003
	Net Operating Cash Flows	(1,156)	(3,342)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	(1,917)	(5,042)
	(c) other fixed assets	(627)	(6,565)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	302	433
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(2,242)	(11,174)
1.13	Total operating and investing cash flows (carried forward)	(3,398)	(14,516)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(3,398)	(14,516)
	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	-	5,218
1.17	Repayment of borrowings	(570)	(1,525)
1.18	Dividends paid	-	-
1.19	Other (on market share buy-back)	(986)	(10,288)
	Net financing cash flows	(1,556)	(6,595)
	Net increase (decrease) in cash held	(4,954)	(21,111)
1.20	Cash at beginning of quarter/year to date	70,693	86,850
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	65,739	65,739

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	246
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	4,852	4,852
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	2,000
4.3 Production	11,000
4.4 Administration	1,000
Total	15,000

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	13,839	11,300
5.2 Deposits at call	51,900	59,393
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	65,739	70,693

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	E69/0013	Direct	100%	Nil
6.2 Interests in mining tenements acquired or increased				

Appendix 5B

Mining exploration entity quarterly report

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	1,320,540,009	1,320,540,009		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	- 5,130,705	- 5,130,705		
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)	1,000,000 2,800,000 2,500,000 1,000,000 4,850,000		Exercise price 45 cents 13 cents 14 cents 32 cents 30 Cents	Expiry date 31/07/2012 30/11/2013 30/11/2012 30/11/2013 30/11/2014
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	225,000 50,000		36 cents 13 cents	31/03/2012 30/11/2013
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Mining exploration entity quarterly report

- ## Compliance statement

Sign here:

W S Hallam

Date: 27 APRIL 2012

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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

- 5 Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.

Year	1999	2000	2001	2002	2003
1999	100	100	100	100	100
2000	100	100	100	100	100
2001	100	100	100	100	100
2002	100	100	100	100	100
2003	100	100	100	100	100