



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 two gold development projects.

CORPORATE DIRECTORY

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QUARTERLY REPORT

FOR THE PERIOD ENDING 31 DECEMBER 2012

SIGNIFICANT EVENTS DURING THE QUARTER

CORPORATE

- Metals X completed the merger by scheme of arrangement with Westgold Resources Ltd on 17 October and the Westgold staff and assets were fully integrated into Metals X Ltd during the quarter.
- Metals X closed the quarter with cash and working capital of \$85 million and has no corporate debt.

TIN DIVISION

- Total operating performance from the 50% owned Renison JV continued to improve during the quarter.
- Key outputs for the project were:
 - ↑ Tonnes mined increased 4% to 162,820t @ 1.64% Sn
 - ↑ Tonnes processed increased 5% to 163,210t @ 1.63%Sn
 - ↑ Tin metal in concentrates produced increased 21% to 1,800t
 - ↓ Cash cost of sales (C2) decreased 20% to \$12,560/t Sn.
- Further significant exploration results were returned from drilling aimed at upgrading resource categories and extending the known resource. The highlight intercepts were:
 - 38.19m @ 2.61% Sn from 70m in hole U4748 from within the Area 4 Resource
 - 25.7m @ 1.72% Sn from 222m in hole U4732 located approximately 100m north of the current resource boundary in the North Renison area.
- Following a competitive tender process, a new three year underground mining contract was awarded to Barminto Pty Ltd, who will commence in mid-March 2013 replacing Macmahon Holdings Ltd.

GOLD DIVISION

- The Central Murchison Gold Project (CMGP) – definitive feasibility study was completed and concluded that a robust gold project development was achievable. The feasibility concluded with an increase in the overall Mineral Resource Estimate to 4.95 Moz and an initial Ore Reserve of 1.17 Moz. An initial 11-year mine life procuring approx. 100,000oz per annum at an estimated LOM average cash operating cost (C1) of A\$979/oz.
- The company continues to work on statutory approvals for an exploration decline at Rover (which would subsequently be used as the production decline) to enable more detailed drill evaluation of the upper parts of the mineralised system.

NICKEL DIVISION

- Metals X continued to work with Samsung C&T, under the previously signed and announced MOU, to advance the Wingellina Project toward production. Final tenders for the revised DFS were received and are being assessed.
- Water bore drilling and pump testing was completed confirming that sufficient water is available for the proposed initial 40 years of production.

ENQUIRIES

Peter Cook
Executive Director & CEO

Warren Hallam
Executive Director

Scott Huffadine
Executive Director

TIN DIVISION (MLX 50%)

Productivity and operational improvements continued to build on those achieved during the previous quarter.

The quarter on quarter improvements include:

- 4% increase (13% increase YTD) in mined tonnes to 162,820t @ 1.64%Sn
- 5% increase (7% increase YTD) in processed tonnes to 162,213t @ 1.63%Sn
- 21% increase (27.5% increase YTD) in tin production to 1,800 tonnes of tin in concentrate.
- 20% decrease (25% decrease YTD) in cash cost of sales (C2) to \$12,560/t Sn

Key operating statistics (100% basis) for the Renison Project for the quarter are summarised as below:

Renison Mine	October	November	December	Dec Qtr Total	Previous Qtr
Mine Production					
Ore Tonnes	57,440	52,672	52,708	162,820	155,866
ROM Grade (% Sn)	1.85	1.40	1.64	1.64	1.48
Tin Concentrator					
Tonnes Processed	57,769	54,084	51,360	163,213	154,879
Head Grade (% Sn)	1.84	1.42	1.61	1.63	1.48
Tail Grade (% Sn)	0.55	0.52	0.53	0.53	0.52
Tin Metal Produced (t)	750	490	560	1,800	1,485
Copper Metal Produced (t)	20	11	15	46	58

The Renison mine is in a strong position going forward with the full extents of the mine available for production and a growing Mineral Resource and Ore Reserve base. Over the past year a substantial investment in future capital mine development has been completed to enable sustainable higher production. Currently the mine has 590,000 tonnes of fully developed ore and 2,100,000 tonnes of capitally developed ore stocks.

The Renison Tin Concentrator throughput was generally constrained by mine output during the quarter. The plant throughput benefitted from the addition of ore from the northern area of the mine with the processing plant exceeding nameplate capacity on numerous occasions. Copper production was intermittent during the quarter due to high talc levels and utilisation of the copper circuit to improve tin recoveries.

During the quarter, and in-line with nearing end of the existing mine contract, a commercial tender process was undertaken to select the mining contractor for future works. Subsequent to the end of the quarter, and after detailed and competitive commercial negotiations, Barminco was selected as the successful contractor for the next three years underground mining work. Barminco will replace Macmahon's and although a change management process has been put in place, an effective loss in productivity will occur as a result of the changeover. In addition, a scheduled major shutdown (5 days) to replace the primary screen within the processing plant and unscheduled power outages experienced in January may also impact the next quarters result.

PRODUCTION GUIDANCE

Both of these one off events are such that the Renison Project will endure approximately two weeks (approximately 15%) production loss in the thirteen weeks of the next quarter.

Mine revenue for the quarter increased as a result of the increase in production coupled with a higher tin price. Accordingly the productivity increase resulted in a reduction in unit costs. The key fiscal outcomes attributable to Metals X's 50% ownership of the Renison Project for the quarter is summarised:

Fiscal Outcomes	December Qtr	Previous Qtr
Revenue (Imputed)	\$18.85M	\$14.0M
Tin Price Received \$/t Tin	\$20,960	\$18,880
Cash Operating Costs (C1) \$/t Tin	\$10,090	\$13,580
Cash Cost of Sales (C2) \$/t Tin	\$12,560	\$15,870
Depreciation & Amortisation \$/t Tin	\$3,620	\$3,430
Total Cost of Sales (C3) \$/t Tin (EBIT)	\$16,180	\$19,300

The spot tin price began to surge in early December 2012 and is now trading at approximately A\$23,500 per tonne compared to the average received price of A\$20960 for the December quarter.

The Renison JV partners continued to re-invest capital at levels greater than required for sustain production, including aggressive underground exploration. The capital re-investment expenditure attributable by Metals X into the project for the quarter is summarised as follows:

Capital Reinvestments (50%)	December Qtr	Previous Qtr
Capital Mine Development	\$1.63M	\$1.43M
Exploration	\$0.52 M	\$0.84M
Property, Plant & Equipment	\$0.55 M	\$0.41M

TIN EXPLORATION

Underground exploration at Renison continued to provide highly encouraging results during the quarter, with work focused on upgrading resource panels in the Federal, Central Federal Bassett and Deep Huon zones, and expanding the boundaries of the current resource in the Huon North and North King areas.

A highlight this quarter was the significant grades returned from the Area 4 Deep exploration hole U4748 of 38.19m @ 2.61% Sn from 70m. This hole was drilled with the aim of providing increased resolution around the location and orientation of the mine sequence dolomites as they progress past the limit of existing drilling. Significantly this hole passed through multiple zones of higher-grade tin mineralisation within the boundaries of the current resource as it progressed to depth and provided additional confidence around the continuity of mineralisation within this large and structurally complex ore zone. The main intercepts in the whole are:

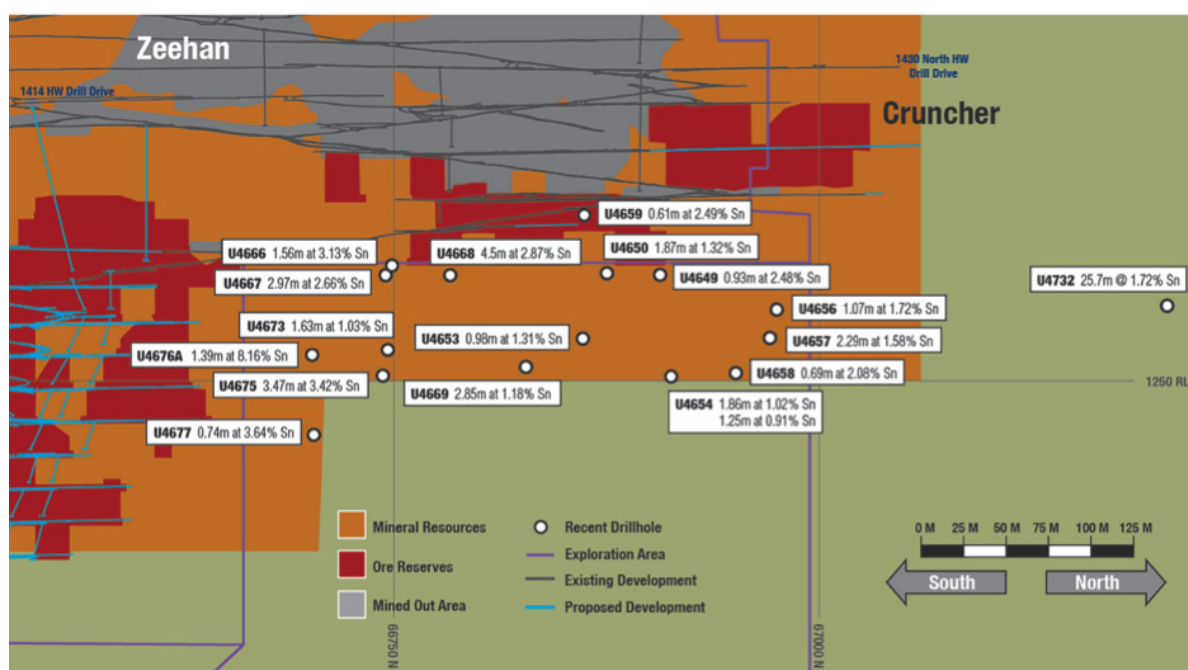
Lode	Hole	Intercept N	Intercept E	Intercept RL	Intercept (True Width)	From (m)
Area 4	U4748	66,581	44,464	1,305	4.21m @ 1.9% Sn	3.00
Area 4	U4748	66,551	44,478	1,285	1.54m @ 2.65% Sn	41.99
Area 4	U4748	66,529	44,488	1,270	38.19m @ 2.61% Sn	70.00
Area 4	U4748	66,486	44,507	1,241	0.94m @ 25.65% Sn	125.77
Area 4	U4748	66,461	44,518	1,224	5.4m @ 0.91% Sn	157.95
Area 4	U4748	66,441	44,526	1,210	2.11m @ 0.92% Sn	183.10
Area 4	U4748	66,427	44,533	1,200	2.05m @ 5.29% Sn	201.80

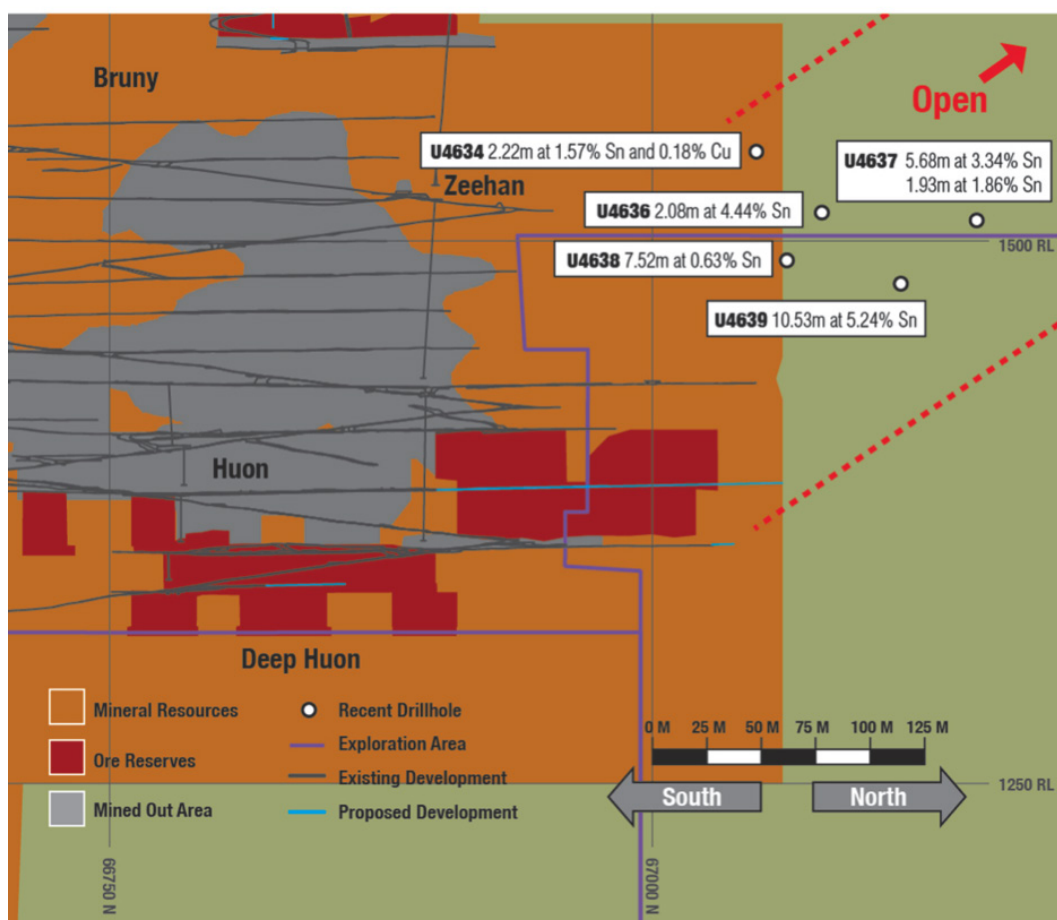
A number of strong results were also returned in the Huon Deeps zone with 4.5m @ 2.87% Sn in U4668 and 25.7m @ 1.72% Sn in U4732 amongst the most significant results. Success in recent Huon Deeps drilling has increased confidence that the current Huon ore reserve will have depth extensions beyond its current boundaries as shown in the figure below. Also in the North Renison area, an extensional program targeting additions to the Huon North zone has intercepted significant grades up to 90m along-strike from the current resource boundary, with a best result of 10.53m @ 5.24% Sn in U4639. Significantly Huon North remains open both along-strike and up-plunge, and has become a priority target for follow-up. The more significant results (true width x grade >3% Sn.m) include:

Lode	Hole	Intercept N	Intercept E	Intercept RL	Intercept (True Width)	From (m)
Huon North	U4636	67,078	44,395	1,513	2.08m @ 4.44% Sn	140.60
Huon North	U4637	67,142	44,394	1,510	5.67m @ 3.34% Sn	198.12
Huon North	U4637	67,149	44,397	1,509	1.93m @ 1.86% Sn	207.00
Huon North	U4639	67,114	44,408	1,480	10.53m @ 5.24% Sn	182.45
Deep Huon	U4657	66,971	44,515	1,275	2.29m @ 1.58% Sn	161.82
Deep Huon	U4666	66,749	44,499	1,318	1.56m @ 3.13% Sn	205.11
Deep Huon	U4667	66,746	44,520	1,312	2.97m @ 2.66% Sn	192.00
Deep Huon	U4668	66,784	44,523	1,312	4.5m @ 2.87% Sn	216.73
Deep Huon	U4675	66,744	44,524	1,253	3.47m @ 3.42% Sn	227.82
Deep Huon	U4676A	66,703	44,516	1,265	1.39m @ 8.16% Sn	204.81
Deep Huon	U4732	67,205	44,534	1,294	25.7m @ 1.72% Sn	222.00

Renison Bell

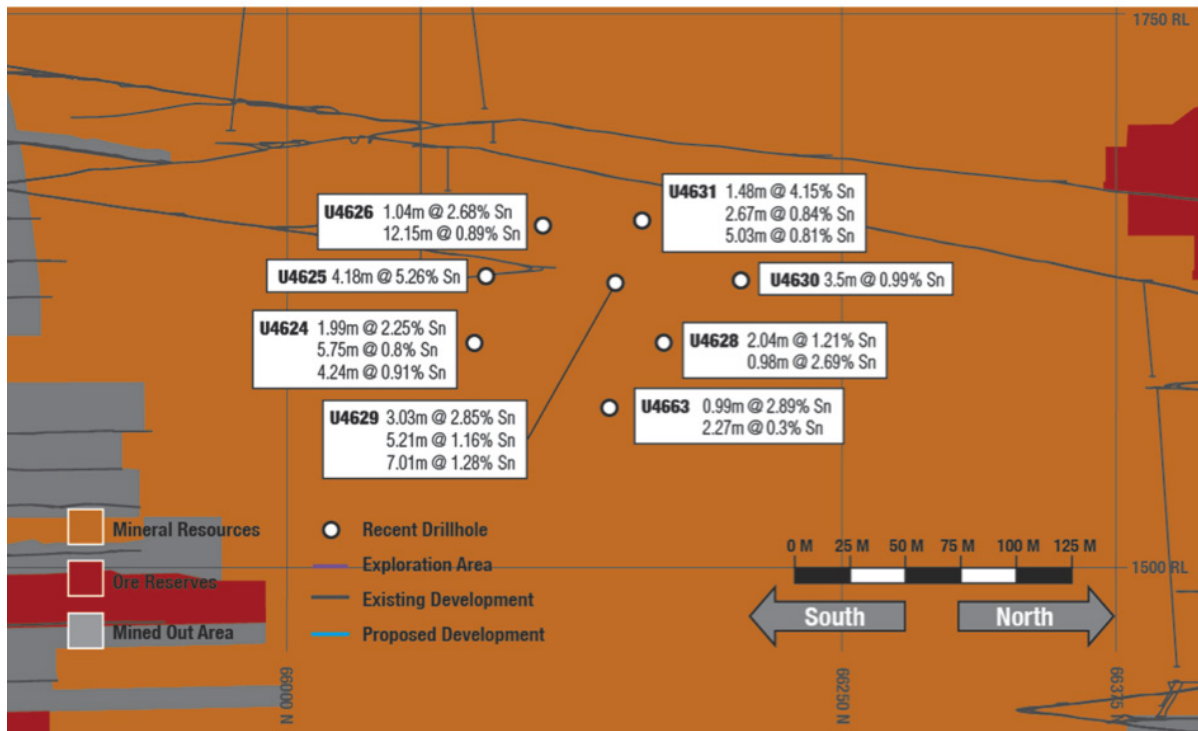
Huon Deeps - December 2012 Quarterly Drilling





The Central Federal Bassett (CFB) zone is located 20m from existing decline infrastructure. Its potential as a new, independent production area was identified by Renison geologists in early 2012 and since that time CFB has been the focus of a structured resource definition drilling campaign. During the quarter this campaign continued to return strong results including 4.18m @ 5.26% Sn in U4625. It is anticipated that a maiden reserve for the CFB area will be declared in the first quarter of 2013, which will provide opportunities to significantly increase operational flexibility. The more significant results (true width x grade >3%Sn.m) include:

Lode	Hole	Intercept N	Intercept E	Intercept RL	Intercept (True Width)	From (m)
CFB	U4624	66,095	44,468	1,614	1.99m @ 2.25% Sn	79.00
CFB	U4625	66,092	44,480	1,633	4.18m @ 5.26% Sn	87.74
CFB	U4626	66,118	44,456	1,656	12.15m @ 0.89% Sn	64.31
CFB	U4629	66,140	44,449	1,632	3.03m @ 2.85% Sn	59.00
CFB	U4629	66,147	44,468	1,631	5.21m @ 1.16% Sn	79.00
CFB	U4629	66,150	44,477	1,630	7.01m @ 1.28% Sn	88.70
CFB	U4631	66,141	44,427	1,648	1.48m @ 4.15% Sn	41.52
CFB	U4631	66,162	44,459	1,658	5.03m @ 0.81% Sn	81.59
CFB	U4663	66,140	44,436	1,590	0.99m @ 2.89% Sn	67.00
CFB	U4663	66,148	44,451	1,574	2.27m @ 0.3% Sn	90.19



Work also continued in the Lower Federal and North King zones during the quarter. The more significant results (true width x grade >3%Sn.m) include:

Lode	Hole	Intercept N	Intercept E	Intercept RL	Intercept (True Width)	From (m)
Lower Federal	U4601	65,943	44,572	1,273	3.68m @ 3.73% Sn	135.62
Lower Federal	U4603	65,986	44,562	1,275	4.06m @ 3.73% Sn	132.38
Lower Federal	U4603	65,999	44,600	1,247	0.41m @ 10.43% Sn	181.15
Lower Federal	U4604	66,005	44,553	1,282	2.24m @ 7.92% Sn	128.74
Lower Federal	U4604	66,012	44,564	1,273	0.73m @ 5.37% Sn	144.20
Lower Federal	U4605	65,929	44,579	1,246	2.63m @ 3.09% Sn	158.79
Lower Federal	U4606	65,968	44,583	1,240	1.51m @ 2% Sn	167.00
Lower Federal	U4606	65,969	44,591	1,233	1.11m @ 6.41% Sn	176.95
Lower Federal	U4606	65,970	44,597	1,228	2m @ 4.19% Sn	184.28
Lower Federal	U4607	65,995	44,566	1,250	9.79m @ 2.02% Sn	152.96
Lower Federal	U4608	66,045	44,571	1,236	4.58m @ 3.88% Sn	186.16
North King	U4696	67,092	44,244	1,777	4.54m @ 4.55% Sn	92.75
North King	U4698	67,026	44,242	1,759	1.3m @ 10.95% Sn	77.31
North King	U4699	67,076	44,265	1,742	0.32m @ 12.12% Sn	105.03

GOLD DIVISION

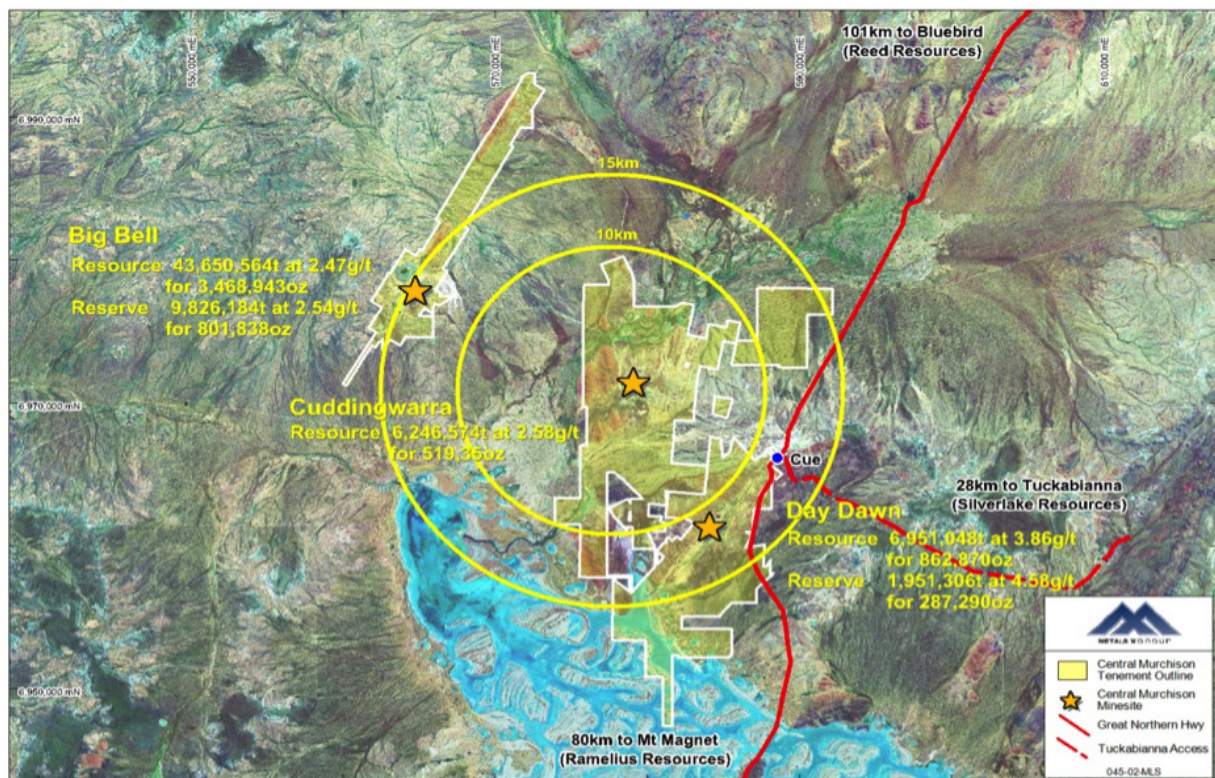
During the quarter Metals X completed all statutory processes required to enable the proposed merger by scheme of arrangement with Westgold Resources Limited ("Westgold") to proceed. Westgold shareholders overwhelmingly approved the merger and the scheme was officially implemented on 17 October 2012. Westgold became a wholly owned subsidiary of Metals X creating the cornerstone for Metals X's Gold Division.

The major gold assets of the gold division are two development ready projects:

- The Central Murchison Gold Project - Western Australia
- The Rover Project - Tennant Creek Region, Northern Territory

CENTRAL MURCHISON GOLD PROJECT (CMGP) – 100% MLX

The CMGP straddles the three historic goldfields of Big Bell, Cuddingwarra and Day Dawn which host an aggregate Total Identified Mineral Resource Estimate of 4.95M ounces of gold [61.2 Mt @ 2.52g/t Au] from a number of higher-grade underground, lower-grade open pit sources and stockpiles within the project area. Historical production from the Central Murchison area is in excess of 5M ounces of gold with Metals X's tenements covering some of the most prospective ground in the region and some of the largest historical producing assets.



A Definitive Feasibility Study (DFS) was completed on the Central Murchison Gold Project (CMGP), which concludes that a long-life gold project can be established, with key highlights including:

- An estimated pre-tax NPV8% of A\$141.9M.
- Average Life of Mine cash operating costs of A\$979 per ounce.
- Life of Mine Revenue of A\$1.76 billion and EBITDA of A\$692M.
- A pre-production Capital Cost estimate (including process plant contingency & EPCM) of A\$117.1M.
- Probable Mining Reserves of 1.17M ounces (15.46Mt @ 2.36g/t Au) allowing for an initial 11 year mine life.
- A Total Mineral Resource estimate of 4.95M ounces (61.2Mt @ 2.52 g/t Au).
- A combination of ore sources including stockpiles, lower-grade open pits and higher-grade sustainable underground mines with a three year ramp-up to steady state production.
- Significant scope for Ore Reserve increases from resource to reserve conversions of deeper resources in the underground mines (over time), the consideration for extraction of historic mine remnants (particularly Great Fingall) and evaluation of open pit and underground mining scenarios at Cuddingwarra, which are yet to be considered.
- Simple low risk Carbon in Leach ("CIL") processing plant of 1.2Mtpa capacity designed and costed by expert consultants, GR Engineering Services.

The company has also been advancing the environmental approvals to progress the project toward a development decision. Refer to the ASX announcement of 11 January 2013 for more detailed information.

THE ROVER GOLD PROJECT

The Rover Project consists of 1,172m² of contiguous granted tenements over stratigraphy considered to be an under-cover repetition of the rich Tennant Creek goldfield 80km to the north-east. Exploration to date has so far fully tested three blind targets within the project, each of which has defined significant mineralised IOCG (Iron Oxide Copper Gold) systems at Rover 1, Explorer 108 and Explorer 142 prospects. The key elements of the project are:

- A new gold province analogous to historic Tennant Creek goldfield which historically produced +5.5M ounces gold and 0.5Mt copper.
- Three successful discoveries in Rover 1 (Au-Cu), Explorer 108 (Pb-Zn-Ag) and Explorer 142 (Cu-Au).
- A 1.22M gold equivalent Total Identified Mineral Resource (JORC) at Rover 1.
- A Total Identified Mineral Resource at Explorer 108 of 490Kt Pb-Zn, 5.6M oz Ag and 71Koz Au.
- A commercially positive outcome from Rover 1 development studies.
- The project area is proximal to a major infrastructure corridor adjacent to Central Australian Railway, gas pipeline and Stuart Hwy.
- Exploration upside in multiple coincident geophysical anomalies considered as analogs to the Rover 1 anomaly.

The key focus has been on the Rover 1 Project and the completion of more definitive studies into its development and commercialisation.

The current proposal for Rover 1 is to develop an exploration decline (which would subsequently be used as the production decline) to enable more detailed drill evaluation of the upper parts of the mineralised system. A Mine Management Plan (MMP) has been submitted to the appropriate statutory authorities in the Northern Territory and is awaiting approval.

OTHER GOLD PROJECTS

In addition to the CMGP and Rover Projects Metals X also has exposure to other gold assets through its strategic investments. Metals X holds investments in:

- Reed Resources Limited (MLX 4.99%) which is located approximately 100km to the north of the CMGP. Reed has just re-commissioned the 3Mtpa (oxide) gold plant at its Meekatharra Gold Project and appears to have under-utilised plant capacity.
- Aziana Limited (MLX 25%) which holds gold, graphite and bauxite projects in Madagascar, and
- Mongolian Resource Corporation Limited (MLX 14.76%) which owns two high grade gold mines in Mongolia with production expected to commence from two small scale gold mines by year end.

NICKEL DIVISION

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

The key focus of the Nickel Division is to bring the Wingellina Nickel-Cobalt Project into production.

Metals X reached an agreement with Samsung in September 2012 to work together to bring the massive Wingellina Ni-Co Project into production. Under the MOU, Metals X will complete a new Definitive Feasibility Study ("DFS") with the assistance of Samsung C&T, updating and reviewing the previous development proposal study completed in 2008. Samsung C&T will provide its technical expertise in engineering, feasibility studies and construction and will use its financial reputation and capacity to assist Metals X with the financing and development proposals for the Project.

The objectives of the MOU are for Metals X to retain a 30% interest in the project free carried to production and that Samsung C&T will be awarded the Engineering, Procurement and Construction (EPC) contract for the project on normal and competitive commercial terms. Under the terms of the MOU, Samsung C&T can, depending on the outcomes of the DFS, purchase equity in the project and provide project delivery.

Formal submissions from a number of leading international engineering companies to complete the DFS have now been received subsequent to the end of quarter and are currently being reviewed by Metals X and Samsung. It is anticipated that the DFS will be awarded in February and will take approximately 12 months to complete.

Metals X together with Samsung are also continuing to discuss with various large international organisations a number of financing options for the project.

During the quarter Metals X successfully completed drilling and pump testing of the borefields for the supply of process water for the proposed 40 years of production from the Wingellina Nickel Cobalt Project. Testing was carried out within two areas previously identified and initially tested by RC drilling in 2010, being the:

Cobb Depression

The Cobb Depression consists of clastic sediments within the Cobb Embayment, which is a south-eastern extension of the Canning Basin, located approximately 100km NW of the Wingellina Project.

Exploration drilling, water bore establishment and pump testing by the Company's consultant hydrologists has concluded that the borefield is capable of providing the project's water needs for over 40 years. The water is of excellent quality, ranging between 1,000-3,100 milligrams per litre of total dissolved solids and the aquifer is shallow ranging from 30m to 130m in depth. The initial borefield design comprises of approximately 23 bores arranged in a 2.5km x 4.0km grid pattern.

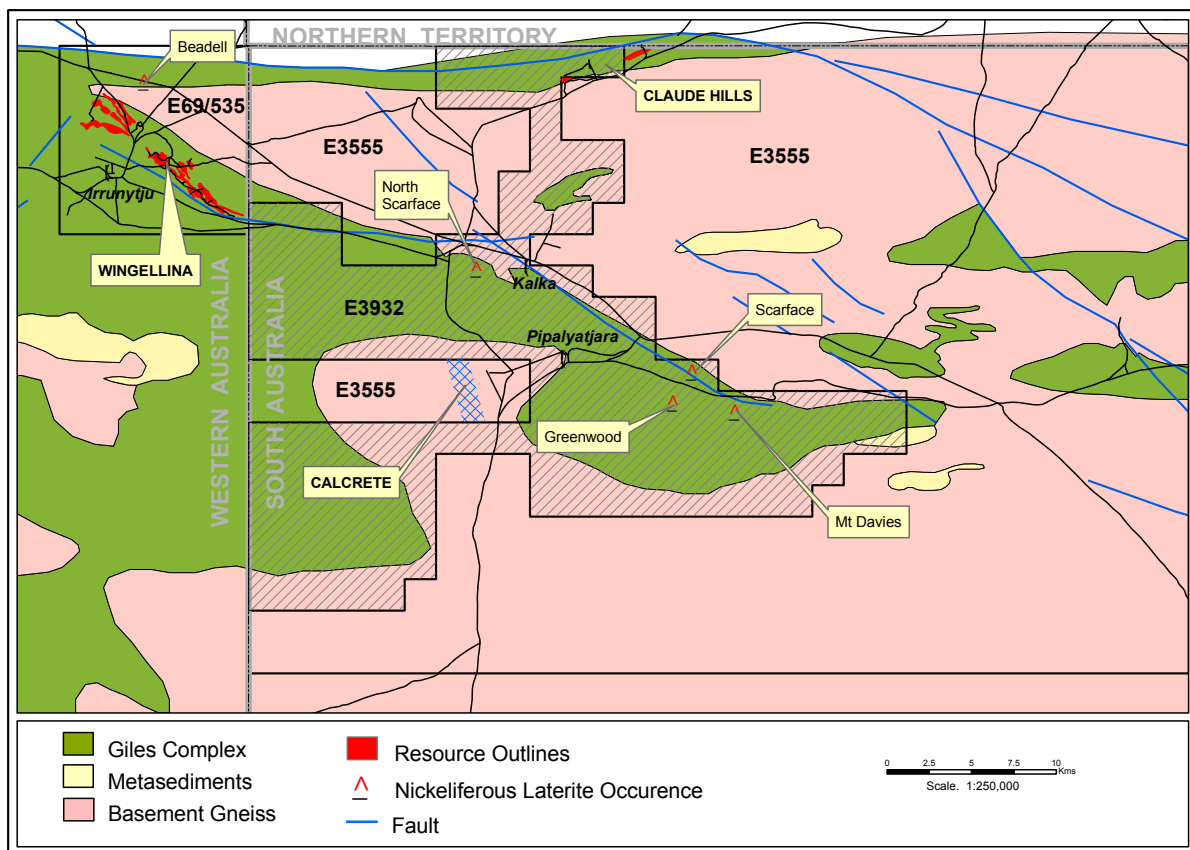
A final evaluation program to meet the required accuracy of the DFS will now be undertaken which will consist of a further three production bores being drilled and pump tested to confirm the initial modelling.

Central Officer Basin

Water exploration in the Central Officer Basin, approximately 100km southwest of the project was also completed to evaluate an alternative and/or supplementary water supply. Significant water in Officer Basin strata was discovered. The drilling, bore establishment, pump testing and aquifer modelling processes concluded that this area could provide the projects needs for an approximate 25 year period.

Mann Fault

In addition to the drilling of the main borefields a further test production bore was drilled in the Mann Fault approximately 30km to the ENE of Wingellina. Initial yields from the bore indicated flow rates of approximately seven litres per second of very high quality water. At present no modelling of this field has been conducted, however it is envisaged that sufficient water would be available for the construction phase of the project and potentially for the commencement of operations. The Mann Fault also extends for 20km to the west and could potentially host a further significant water source.



WINGELLINA NICKEL-COBALT PROJECT

Wingellina is a massive nickel-cobalt limonite deposit, which exhibits significantly different characteristics to the nickel laterite deposits that have been developed in the eastern goldfields of Western Australia. Wingellina has a resource of 1.8Mt of contained nickel and 139Kt of contained cobalt, and is classified as a Limonite or "Pure Oxide Tropical Laterite" deposit. The ore type is very similar to that of various successful nickel oxide developers which have used HPAL technology, including Moa Bay in Cuba, where Sherritt Gordon developed and has successfully operated High Pressure Acid Leach (HPAL) for over 50 years, the Coral Bay operations in the Philippines and the newly developed and world's largest nickel laterite project, Ambitovy in Madagascar.

Significantly, over 91% or 167Mt of Resource is defined as a Probable Mining Reserve in accordance with the JORC code.

Metals X engaged industry experts to complete a feasibility study (+/-25%) in 2008 that concluded a robust project development with a minimum 40 year mine life at an average annual production rate of 40,000t of nickel and 3,000t of cobalt at a production cost estimate of US\$3.34/lb after cobalt credits. The capital cost estimate for the project was \$2.3 billion.

Since the completion of the 2008 study, Metals X has focused on the delivery of approvals to enable the project to be developed. 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. All other environmental and baseline studies have been completed and with the conclusion of the borefield pump testing and modelling the Public Environmental Review ("PER") document will be submitted to the EPA shortly to enable project development.

MT DAVIES JOINT VENTURE (E3932) AND E3555 REGIONAL

Wingellina is only one of many areas where nickeliferous limonites exist within the CMP and is the only one to have been extensively drilled to date. In 2011 Metals X completed a drilling program at the Claude Hills Prospect, another known occurrence located approximately 25km to the East of Wingellina. This first reconnaissance program defined a further Inferred Resource (JORC) of 33M tonnes grading 0.81% Ni, 0.07% Co and 39% Fe₂O₃. Many other areas remain to be tested.

Metals X also believes the layered intrusives of the Wingellina complex are highly prospective for the discovery of nickel and copper sulphides. In this regard Metals X has stepped up its search for primary nickel and copper sulphide mineralisation and completed a powerful airborne electro-magnetic survey (Spectrum) covering 5,370 line kilometres in 2012. The survey has defined a number of priority targets considered to represent buried conductors that could potentially indicate nickel-copper sulphide bodies in the layered intrusive complex. Metals X has developed work programs for the highest priority targets and is waiting for clearance under the standard heritage protocols, after which the company intends to immediately commence work on the targets.

OTHER EXPLORATION ASSETS

WARUMPI JOINT VENTURE (EARNING 80%)

The Warumpi Province is a newly defined Proterozoic inlier adjacent to the Central Australian Suture, a major crustal feature and which is considered prospective for precious and base metal deposits. It represents a similar crustal boundary to the Fraser Albany province that hosts the Tropicana gold and recent Sirius nickel sulphide discovery located to the south in Western Australia. The area has seen limited historical exploration and the company has conducted the first ever serious systematic ground based exploration in the area with a coarse grid-based geochemical survey.

During the quarter, two field campaigns of regional lag-sampling and traverse/chip sampling were completed. A total of 1,131 Lag samples were collected on three different grid spacings: 1km x 1km, 500m x 500m, and 250m x 250m. In conjunction with the sampling from earlier campaigns wide spaced multi element geochemical has now been completed on all areas currently cleared for work. Additional site clearances are scheduled for early in 2013 and if successful will allow the granted tenements to be further infilled.

Results from assays and preliminary analysis have indicated a zone of significant gold anomalism over a strike length of 1.5km with a broad 25ppb contour relative to the background of 0.9ppb. Individual spot highs of 90 ppb and 300ppb also exist on the coarse sample grids.

In addition, and as previously advised strong nickel anomalism has been identified in a number of areas adjacent to geophysical features coincident with intrusive ultramafic units. Access to these areas is anticipated in the first half of 2013.

CORPORATE

Metals X ended the quarter with cash [\$73.35M] and working capital of \$85M excluding its marked to market investments of \$8.8M. The Group has no debt other than minor equipment leases.

INVESTMENTS

Metals X holds the following investments in other listed entities:

- Reed Resources Limited – 4.99% shareholding.
- Aziana Limited –25% shareholding.
- Mongolian Resource Corporation Limited –14.76% shareholding.

CAPITAL STRUCTURE

Metals X completed the implementation of the merger by scheme of arrangement with Westgold Resources on 17 October 2012 issuing 335,102,853 new fully paid ordinary shares and 32,615,000 new options with various exercise prices and expiry dates.

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

Fully Paid Ordinary Shares	1,651,766,110
Unlisted Options - various conversions and dates	39,090,000
Fully Diluted Equity	1,690,856,110

Metal X has initiated a process of reducing its shareholder numbers and shareholder administration costs through the sale of unmarketable parcels. Post the merger with Westgold, Metals X has approximately 1,200 shareholders who hold less than \$500 of shares totalling approximately 2.2M shares.

MAJOR SHAREHOLDERS

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

APAC Resources (HK:1104)	24.07 %
Jinchuan Group	10.66 %

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 a full-time employee of the company. 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 December 2012

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	16,199	30,325
1.2	Payments for (a) exploration & evaluation	(352)	(848)
	(b) development	(3,894)	(7,320)
	(c) production	(14,445)	(28,356)
	(d) administration	(1,290)	(2,084)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	106	1,266
1.5	Interest and other costs of finance paid	(73)	(158)
1.6	Income taxes paid	-	-
1.7	Other (other income)	219	436
1.7	Other (Westgold Resources Ltd merger costs)	(2,987)	(2,987)
Net Operating Cash Flows		(6,517)	(9,726)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	(350)	(902)
	(c) other fixed assets	(559)	(969)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	28,650	28,650
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (cash acquired on acquisition of subsidiary)	1,127	1,127
1.12	Other (restricted cash acquired on acquisition of subsidiary)	3,149	3,149
Net investing cash flows		32,017	31,055
1.13	Total operating and investing cash flows (carried forward)	25,500	21,329

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1.13	Total operating and investing cash flows (brought forward)	25,500	21,329
	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	(820)	(1,218)
1.18	Dividends paid	-	-
1.19	Other (share issue costs)	(65)	(65)
	Net financing cash flows	(885)	(1,283)
	Net increase (decrease) in cash held	24,615	20,046
1.20	Cash at beginning of quarter/year to date	49,730	54,299
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	74,345	74,345

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	380
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

On 17 October 2012 the Company completed the merger by scheme of arrangement with Westgold Resources Limited. As a result Metals X Limited issued 335,102,853 new shares and 32,615,000 new unlisted options with various exercise prices and expiry dates.

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

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Mining exploration entity quarterly report

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	4,928	4,928
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	3,000
4.3 Production	11,000
4.4 Administration	1,000
Total	16,000

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	6,593	9,200
5.2 Deposits at call	61,513	37,440
5.3 Bank overdraft	-	-
5.4 Other (restricted cash)	6,239	3,090
Total: cash at end of quarter (item 1.22)	74,345	49,730

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	As a result of the merger with Westgold Resources Limited, Metals X acquired a number of tenements as listed in Appendix A.	0%	100%

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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	1,651,766,110	1,651,766,110		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	335,102,853	335,102,853		
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)	2,800,000 1,000,000 4,800,000 715,000 1,100,000 550,000 19,250,000 1,127,500 440,000 2,007,500 3,300,000 1,100,000		Exercise price \$0.13 \$0.32 \$0.30 \$0.44 \$0.18 \$0.19 \$0.18 \$0.29 \$0.20 \$0.26 \$0.26 \$0.21	Expiry date 30/11/2013 30/11/2013 30/11/2014 25/03/2015 07/01/2013 30/11/2013 31/12/2013 11/01/2014 24/08/2014 03/07/2014 15/08/2014 01/11/2014
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	2,500,000 275,000 2,750,000		\$0.14 \$0.41 \$0.19	30/11/2012 08/11/2012 30/11/2012
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 5).
- 2 This statement does ~~/does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: **P G Cook** Date: 30 January 2013
(Director/~~Company secretary~~)

Print name: **PETER COOK**

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.

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METALS X LIMITED

31 DECEMBER 2012 QUARTERLY REPORT

APPENDIX A

LIST OF TENEMENTS ACQUIRED AS A RESULT OF THE MERGER WITH WESTGOLD RESOURCES LIMITED

Lease	Project	Status
EL24825	Warumpi	Application
EL25343	Rover	Application
EL25344	Rover	Application
EL25345	Rover	Application
EL25506	Rover	Application
EL25507	Rover	Application
EL25522	Rover	Application
EL25523	Rover	Application
EL25524	Rover	Application
EL25525	Rover	Application
EL26242	Rover	Application
EL26537	Rover	Application
EL26538	Rover	Application
M20/332	Cuddingwarra	Application
M20/333	Big Bell	Application
M20/351	Big Bell	Application
M20/418	Big Bell	Application
M20/435	Big Bell	Application
M20/436	Big Bell	Application
M20/456	Cuddingwarra	Application
M21/122	Golden Crown	Application
M21/123	Golden Crown	Application
M21/135	Golden Crown	Application
M21/141	Golden Crown	Application
M21/145	Lakeside	Application
M21/146	Lakeside	Application
M21/147	Lakeside	Application
M21/96	Golden Crown	Application
M21/97	Golden Crown	Application
P20/2210	Cuddingwarra	Application
E15/1152	Hogans	Granted
E15/905	Higginsville	Granted
E20/216	Big Bell	Granted
E20/505	Big Bell	Granted
E20/537	Golden Crown	Granted
E20/638	Cuddingwarra	Granted
E21/104	Cuddingwarra	Granted
E21/122	Cuddingwarra	Granted

Lease	Project	Status
E21/127	Cuddingwarra	Granted
E21/131	Golden Crown	Granted
E21/153	Cuddingwarra	Granted
E21/37	Golden Crown	Granted
E53/1202	Yandal	Granted
E53/1237	Yandal	Granted
E53/1355	Yandal	Granted
EL10379	Warumpi	Granted
EL24541	Rover	Granted
EL24989	Rover	Granted
EL25372	Tennant Creek (Westgold)	Granted
EL25427	Rover	Granted
EL25511	Rover	Granted
EL26028	McArthur Basin	Granted
EL26029	McArthur Basin	Granted
EL26030	McArthur Basin	Granted
EL26031	McArthur Basin	Granted
EL26033	Tennant Creek (Westgold)	Granted
EL26034	Tennant Creek (Westgold)	Granted
EL26183	McArthur Basin	Granted
EL26362	McArthur Basin	Granted
EL26363	McArthur Basin	Granted
EL26419	McArthur Basin	Granted
EL26527	Warumpi	Granted
EL26572	McArthur Basin	Granted
EL26579	McArthur Basin	Granted
EL26921	McArthur Basin	Granted
EL26922	McArthur Basin	Granted
EL26923	McArthur Basin	Granted
EL26949	McArthur Basin	Granted
EL27039	Rover	Granted
EL6732	Warumpi	Granted
EL6861	Warumpi	Granted
G20/1	Big Bell	Granted
G20/11	Big Bell	Granted
G20/2	Big Bell	Granted
G20/3	Big Bell	Granted
G20/4	Big Bell	Granted
L20/21	Big Bell	Granted

Lease	Project	Status
L20/29	Golden Crown	Granted
L20/38	Golden Crown	Granted
L20/39	Big Bell	Granted
L20/40	Cuddingwarra	Granted
L20/41	Cuddingwarra	Granted
L21/11	Golden Crown	Granted
L21/14	Cuddingwarra	Granted
M20/102	Cuddingwarra	Granted
M20/103	Cuddingwarra	Granted
M20/104	Cuddingwarra	Granted
M20/105	Cuddingwarra	Granted
M20/17	Big Bell	Granted
M20/171	Cuddingwarra	Granted
M20/192	Big Bell	Granted
M20/197	Big Bell	Granted
M20/202	Cuddingwarra	Granted
M20/21	Cuddingwarra	Granted
M20/218	Cuddingwarra	Granted
M20/22	Cuddingwarra	Granted
M20/252	Cuddingwarra	Granted
M20/256	Cuddingwarra	Granted
M20/293	Golden Crown	Granted
M20/297	Cuddingwarra	Granted
M20/298	Cuddingwarra	Granted
M20/299	Cuddingwarra	Granted
M20/300	Cuddingwarra	Granted
M20/301	Cuddingwarra	Granted
M20/307	Big Bell	Granted
M20/313	Cuddingwarra	Granted
M20/315	Cuddingwarra	Granted
M20/354	Cuddingwarra	Granted
M20/50	Big Bell	Granted
M20/78	Cuddingwarra	Granted
M20/98	Big Bell	Granted
M20/99	Big Bell	Granted
M21/10	Golden Crown	Granted
M21/102	Cuddingwarra	Granted
M21/103	Golden Crown	Granted
M21/104	Cuddingwarra	Granted
M21/105	Golden Crown	Granted
M21/110	Golden Crown	Granted
M21/14	Golden Crown	Granted
M21/24	Golden Crown	Granted
M21/44	Golden Crown	Granted
M21/49	Golden Crown	Granted
M21/55	Golden Crown	Granted
M21/56	Golden Crown	Granted

Lease	Project	Status
M21/65	Golden Crown	Granted
M21/69	Golden Crown	Granted
M21/7	Golden Crown	Granted
M21/74	Golden Crown	Granted
M21/75	Golden Crown	Granted
M21/83	Golden Crown	Granted
M21/89	Golden Crown	Granted
M21/93	Golden Crown	Granted
P20/1505	Cuddingwarra	Granted
P20/1506	Cuddingwarra	Granted
P20/1578	Big Bell	Granted
P20/1735	Cuddingwarra	Granted
P20/1737	Cuddingwarra	Granted
P20/1842	Cuddingwarra	Granted
P20/1951	Cuddingwarra	Granted
P20/1964	Cuddingwarra	Granted
P20/1965	Cuddingwarra	Granted
P20/1966	Cuddingwarra	Granted
P20/1967	Cuddingwarra	Granted
P20/1968	Cuddingwarra	Granted
P20/1969	Cuddingwarra	Granted
P20/1970	Cuddingwarra	Granted
P20/1976	Cuddingwarra	Granted
P20/1991	Cuddingwarra	Granted
P20/1992	Cuddingwarra	Granted
P20/1993	Cuddingwarra	Granted
P20/1994	Cuddingwarra	Granted
P20/1995	Cuddingwarra	Granted
P20/1996	Cuddingwarra	Granted
P20/1997	Cuddingwarra	Granted
P20/1998	Cuddingwarra	Granted
P20/1999	Cuddingwarra	Granted
P20/2000	Cuddingwarra	Granted
P20/2001	Cuddingwarra	Granted
P20/2011	Cuddingwarra	Granted
P20/2133	Cuddingwarra	Granted
P20/2158	Cuddingwarra	Granted
P21/458	Golden Crown	Granted
P21/459	Golden Crown	Granted
P21/543	Golden Crown	Granted
P21/544	Golden Crown	Granted
P21/546	Golden Crown	Granted
P21/575	Golden Crown	Granted
P21/584	Golden Crown	Granted
P21/649	Golden Crown	Granted
P21/668	Cuddingwarra	Granted
P21/669	Cuddingwarra	Granted

Lease	Project	Status
P21/670	Cuddingwarra	Granted
P21/671	Cuddingwarra	Granted
P21/672	Golden Crown	Granted
P21/673	Golden Crown	Granted
P21/674	Golden Crown	Granted
P21/675	Golden Crown	Granted
P21/676	Golden Crown	Granted
P21/677	Golden Crown	Granted
P21/678	Golden Crown	Granted
P21/679	Golden Crown	Granted
P21/680	Golden Crown	Granted
P21/681	Golden Crown	Granted
P21/682	Golden Crown	Granted
P21/683	Golden Crown	Granted
P21/684	Golden Crown	Granted
P21/685	Golden Crown	Granted
P21/686	Golden Crown	Granted
P21/687	Golden Crown	Granted
P21/688	Cuddingwarra	Granted
P21/689	Cuddingwarra	Granted
P21/695	Cuddingwarra	Granted
P21/714	Cuddingwarra	Granted
P53/1243	Yandal	Granted
P53/1244	Yandal	Granted
P53/1245	Yandal	Granted
P53/1247	Yandal	Granted
P53/1248	Yandal	Granted
P53/1250	Yandal	Granted
P53/1468	Yandal	Granted
P53/1469	Yandal	Granted