

Metals X Limited ACN 110 150 055

Notice of Extraordinary General Meeting and Explanatory Memorandum for the proposed Gold Demerger

Date of Meeting: Thursday, 24 November 2016

Time of Meeting: 10:00am (Perth time)

Place of Meeting: QV1 Conference Centre (Function Room), Level 2,
250 St Georges Terrace, Perth, Western Australia

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of shareholders of Metals X Limited ACN 110 150 055 (**Company** or **Metals X**) will be held at QV1 Conference Centre (Function Room), Level 2, 250 St Georges Terrace, Perth, Western Australia on Thursday, 24 November 2016 at 10:00am (Perth time).

Agenda

Ordinary business

1. Approval of Capital Reduction

To consider and, if thought fit, pass the following Ordinary Resolution:

"That, for the purposes of section 256B and section 256C(1) of the Corporations Act, article 32.4 of the Company's Constitution, on the basis set out in the Explanatory Memorandum and for all other purposes:

- (a) *the issued share capital of Metals X be reduced, without cancelling any shares, by an amount up to the market value (as assessed by the Directors of Metals X) of all the fully paid ordinary shares in the capital of Westgold Resources Pty Ltd ACN 009 260 306 (**Westgold**) less a demerger dividend (if any) with effect as at the Record Date set by the Directors of Metals X to determine entitlements to the distribution and transfer referred in paragraph (b) of this Resolution; and*
- (b) *the reduction, and demerger dividend (if any), be satisfied by the distribution and transfer of all fully paid ordinary shares in Westgold (**Westgold Shares**) to holders of fully paid ordinary shares in Metals X (**Metals X Shares**) registered as such on the Record Date in the ratio of 1 Westgold Share for every 2 Metals X Shares at the Record Date, to be effected in accordance with the Metals X Constitution, the ASX Listing Rules and as otherwise determined by the Directors of Metals X."*

General business

To consider any other business as may be lawfully put forward in accordance with the Constitution of Metals X.

By order of the board



Ms Fiona Van Maanen
Company Secretary
Metals X Limited

17 October 2016

Notice of Extraordinary General Meeting

17 October 2016

Dear Metals X Shareholder

Proposed Demerger

On behalf of the Board of Directors of Metals X Limited (**Metals X** or **Company**) I am pleased to present you with this Demerger Notice of Meeting.

On 4 August 2016 Metals X announced that it would examine a demerger of the Company's gold assets to provide our shareholders an opportunity to participate in the current buoyant market conditions for pure-play Australian gold producers. The proposed Demerger will see the Company's Gold Business Unit, held through its wholly owned subsidiary Westgold Resources Pty Ltd¹ (**Westgold**) separated and listed with existing shareholders of Metals X participating on an equal basis.

The Board believes this move creates great optionality for shareholders and will create two separate but exciting and well-funded companies; Westgold as pure-play gold and Metals X as a diversified base-metals company. A shareholder at the record date will retain their shares in Metals X as if nothing happened. They will also receive the same proportion of shares in Westgold which will trade under the ticker ASX:WGX.

Metals X will continue its operations as a diversified metals producer and explorer, with its copper and tin mines, its growth projects in copper, tin and nickel and its exploration portfolio.

The Demerger process is an in-specie distribution of all of the shares in Westgold to Metals X Shareholders. Whilst this process is forged to create value for shareholders, I urge you to fully understand the consideration to roll-over relief, taxation and re-setting the capital base for your shares as a consequence. We provide detail and some guidance, however individuals should seek their own advice.

Again I state that as a result of the Demerger, Metals X Shareholders will have direct ownership in Westgold, a dedicated gold producer and explorer, whilst retaining a holding in the remaining Metals X diversified metals producer and explorer.

Board recommendation for Demerger

The current state-of-play in the gold equities market has seen an insatiable appetite for Australian gold stocks, in particular those that are pure-play and those that can deliver immediate cash flow rewards. This has evolved quickly as the rapid devaluation of our exchange rate and a side-ways movement in the US gold price has given us a stronger domestic gold price, a better operating margin and has exposed the Australian gold sector as a beacon for international investment flows. The Metals X Board believes that its equities have not participated fully in this upsurge due to the complexity and cross pollination of its counteracting base metal and gold business units. Hence, the Board believes it is appropriate to expedite the realisation of value from the gold business by separating Westgold from the remaining Metals X business units.

The Independent Expert has concluded that the Demerger is fair and reasonable and is in the best interests of Metals X Shareholders, in the absence of a superior proposal. The Metals X Board unanimously recommend that you vote in favour of the Demerger resolution for a Capital Reduction, as detailed in this Notice of Meeting. Each Metals X Director intends to vote in favour of the Demerger in respect of the Metals X Shares they own or control.

Overview of Westgold

The Demerger will provide ownership to Metals X Shareholders in a 'pure-play' gold producer and explorer led by Mr Peter Cook, with an experienced board of directors and the operations team that currently manage these assets.

¹ To be converted to a public company limited by shares prior to listing on ASX

Notice of Extraordinary General Meeting

Westgold's portfolio has three operating gold projects with a fourth project under construction. These assets all are located in prolific historical gold production regions in Western Australia. With a combined 5.5 million tonnes per annum treatment capacity amongst the four projects, aggregated Mineral Resources of approximately 15.4 million ounces of gold and Ore Reserves totalling 2.89 million ounces of gold, the current Westgold operating strategy is to increase annual production to above 400,000 ounces of gold per annum in the ensuing years. The strategy is predicated on its steady state Higginsville Gold Operations and South Kalgoorlie Operations, with the Central Murchison Gold Project continuing to ramp-up production and the Fortnum Gold Project scheduled for start-up by the end of 2016.

In addition Westgold holds a significant gold-dominant polymetallic deposit at Rover 1 in the Northern Territory. Rover 1 is at feasibility stage and contains a significant resource of 6.8 million tonnes at 1.73g/t gold, 2.1g/t Silver, 1.2% Copper, 0.14% Bismuth and 0.06% Cobalt.

Shareholders are encouraged to read Annexure A which contains geological and other detailed information on Westgold's assets.

Mr Peter Cook, currently CEO and Executive Director of Metals X, will become Managing Director of Westgold. Mr Cook is a geologist and a mineral economist with over 30 years of experience in exploration, project development, operations and corporate management of mining companies. The Chairman of Westgold will be Peter Newton. Metals X's current CFO and Company Secretary, Fiona Van Maanen, as well as Mr Warren Hallam, will be Non-executive Directors of Westgold. Westgold will take with it the management and operations team of the current Metals X Gold Business Unit.

Overview of remaining Metals X

With the completion of the acquisition of Aditya Birla in August 2016, the Nifty copper mine was added to the Base Metals Business Unit further diversifying and expanding its revenue base.

After the Demerger of the Gold Business Unit, Metals X will continue to be a significant mining company with a focus on the base metals markets. It will continue in a unique position as the only significant publicly listed tin producer on the ASX, in fact it remains as one of very few if not the only publicly listed tin producer in the western world. It will be a significant copper producer from its newly acquired Nifty copper mine. Not only is there solid revenue and earnings from its producing mines but it will have growth projects in tin through the Rentails (tin tailings re-treatment project), a further potential copper development through the Maroochydore copper project and the development-ready Wingellina Nickel-Cobalt-Iron project.

In the last financial year output from mining operations were:

- Tin: 3,181 tonnes of tin metal (production for the year ended 30 June 2016) through Metals X 50% Joint Venture ownership of the Renison Tin Project in Tasmania; and
- Copper: 32,098 tonnes of copper in concentrate (production for the year ended 31 March 2016) from the Nifty Copper Operation in Western Australia.

Metals X's Wingellina Ni-Co-Fe Project is a world-class deposit. It has a Mineral Resource (0.5% Ni cut-off) of the nickeliferous limonite of 215.8 million tonnes at 0.9% nickel, 0.07% cobalt and 44.29% Fe₂O₃, containing 2.0 million tonnes of nickel metal. The most recent feasibility study showed this was sufficient for over 40 years of production at an annual rate of 40,000 tonnes of nickel and 3,000 tonnes of cobalt production per annum.

A key focus of Metals X in the ensuing years will be to find the funding and/or partners to bring the Wingellina Project into production. The initial feasibility study of Wingellina has been conducted and showed a robust outcome, albeit at higher nickel prices. Environmental approvals have been received and discussion with the NT Government is ongoing in regards to support for road and gas infrastructure. Given the current lower nickel price environment, a development of the project is not imminent, but it remains poised and ready for the next nickel price upturn.

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If the Demerger is not approved by Shareholders

The Demerger is subject to Metals X Shareholder approval, as detailed in this Notice of Meeting, and regulatory approval. It is the Board's intention to only proceed with the Demerger if the Demerger Conditions are satisfied. These include confirmation from the ATO in a form satisfactory to Metals X that demerger tax relief will be available and further, Westgold obtaining ASX approval to the listing of Westgold, including conditional ASX listing approval on terms which are acceptable to Metals X and Westgold acting reasonably. If Westgold does not obtain ASX listing approval, or the other Demerger Conditions are not satisfied, the Demerger will not proceed. There is no guarantee that Westgold will obtain approval to be admitted to the Official List or that the other Demerger Conditions will be satisfied; accordingly, the Demerger may not occur.

Extraordinary General Meeting of Shareholders to approve Demerger

An Extraordinary General Meeting of Shareholders of Metals X will be held at QV1 Conference Centre (Function Room), Level 2, 250 St Georges Terrace, Perth, Western Australia on 24 November 2016 at 10:00am (Perth time) for the purpose of putting the resolution for the Demerger, by way of capital reduction, to Metals X Shareholders. This Notice of Meeting sets out the effect of the Demerger, certain information required by law and all other information known to Metals X directors which is material to the decision of Metals X Shareholders whether or not to approve the Demerger (other than information previously disclosed).

Your vote is important for the Demerger to proceed

Your vote is important and I strongly encourage you to vote on this important proposal at the Demerger Extraordinary General Meeting.

For details of how you may vote at the Demerger Extraordinary General Meeting please refer to the attached Notice of Meeting, the Explanatory Memorandum and its Annexures.

I encourage you to read this Notice of Meeting carefully and in its entirety as it contains important information that will need to be considered before you vote on the Demerger.

If you have any questions about the Demerger please contact Metals X information line on 1300 659 000 (for callers within Australia) or +61 8 9215 6061 (for callers outside Australia) on weekdays between 8.30am and 5.00pm Perth time.

Yours sincerely



Peter Newton
Chairman
Metals X Limited

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Important Notices

General

Metals X Shareholders should read this Notice of Meeting and accompanying Explanatory Memorandum in full before making a decision as to how to vote on the resolution to be considered at the General Meeting.

Purpose of the Explanatory Memorandum

The Explanatory Memorandum sets out the effect of the Demerger, certain information required by law and all other information known to Metals X directors which is material to the decision of Metals X Shareholders whether or not to approve the Demerger (other than information previously disclosed to Metals X Shareholders) and is comprised of all information known to Metals X that is material to Metals X Shareholders on how to vote on Resolution 1, as required by section 256C(4) of the Corporations Act.

A copy of the Notice of Meeting and Explanatory Memorandum will be distributed to all Metals X Shareholders and is also available in electronic form on Metals X website at www.metalsx.com.au.

Responsibility Statement

The Explanatory Memorandum has been prepared by Metals X and the Metals X Board as at the date of the Explanatory Memorandum and Metals X and the Metals X Board are responsible for the Explanatory Memorandum.

Foreign Shareholders

The release, publication or distribution of the Notice of Meeting and Explanatory Memorandum in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions, and persons outside of Australia who come into possession of the Notice of Meeting and Explanatory Memorandum should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

The Notice of Meeting and Explanatory Memorandum have been prepared in accordance with Australian law and are subject to Australian disclosure requirements. The information contained in the Notice of Meeting and Explanatory Memorandum may not be the same as that which would have been disclosed if the Notice of Meeting and Explanatory Memorandum had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia. Financial information in this Explanatory Memorandum has been prepared in accordance with the classification and measurement principles of the Australian Accounting Standards and is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

China

The information in this Notice of Meeting does not constitute a public offer of the Westgold Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The Westgold Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors" or quasi sovereign wealth fund investors authorized by the Chinese central government.

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Hong Kong

WARNING: The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

New Zealand

This document and information contained in or accompanying this document:

- (1) are not, and are under no circumstances to be construed as, an offer of financial products for sale requiring disclosure to an investor under Part 3 of the Financial Markets Conduct Act 2013 (New Zealand) (the "**FMC Act**");
- (2) are not a disclosure document for the purposes of the FMC Act; and
- (3) do not contain all the information that a disclosure document is required to contain under New Zealand law.

MLX does not intend that the Westgold Shares be offered for sale in New Zealand in terms of the FMC Act. Accordingly:

- (1) this document and information contained in or accompanying this document have not been registered, filed with or reviewed or approved by any New Zealand regulatory authority under or in accordance with the FMC Act; and
- (2) the Westgold Shares have not been and may not be offered or sold to any person in New Zealand other than:
 - (A) in the event the Distribution is deemed to occur after 30 November 2016, to persons who are "wholesale investors" as defined in clause 3(2) of Schedule 1 to the FMC Act; and
 - (B) in other circumstances where there is no contravention of the FMC Act.

In acquiring Westgold Shares after 30 November 2016, each investor represents and agrees that it is a "wholesale investor" as defined in clause 3(2) of Schedule 1 to the FMC Act (or otherwise is being sold the Westgold Shares in circumstances where there is no contravention of the FMC Act) and that it is not acquiring those Westgold Shares with a view to dealing with them (as that term is defined in the FMC Act) and, accordingly:

- (1) it has not, and will not, directly or indirectly, sell or transfer the Westgold Shares, or grant, issue or transfer interests in, or options over, the Westgold Shares; and
- (2) it has not distributed and will not distribute, directly or indirectly, this document or the information contained in or accompanying this document,

in each case, in New Zealand within 12 months after the date on which the Westgold Shares were acquired under the Distribution, other than to persons who are "wholesale investors" as defined in clause 3(2) of Schedule 1 to the FMC Act or in other circumstances where there is no contravention of the FMC Act.

References to the FMC Act include any statutory modification or re-enactment of, or statutory substitution for, the FMC Act.

United Kingdom

Neither the information in this document nor any other document relating to the Distribution has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Westgold Shares.

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the Westgold Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the Westgold Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to MLX.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, or (ii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

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ASIC and ASX

A copy of the Notice of Meeting and Explanatory Memorandum has been lodged with ASIC in accordance with section 256C(5) of the Corporations Act. Neither ASIC nor its officers take any responsibility for the contents of the Notice of Meeting and Explanatory Memorandum.

A copy of the Notice of Meeting and Explanatory Memorandum, together with some further information, has been lodged with the ASX. Neither the ASX nor any of its officers take any responsibility for the contents of the Notice of Meeting and Explanatory Memorandum. The fact that the ASX may admit Westgold to the Official List is not to be taken in any way as an indication of the merits of an investment in Westgold.

Investment decisions

The Notice of Meeting and Explanatory Memorandum is important and requires your immediate attention. It should be read in its entirety before making a decision on whether or not to vote in favour of the Resolution. The Notice of Meeting and Explanatory Memorandum are intended for all Eligible Shareholders collectively and does not take into account the investment objectives, financial situation and particular needs of each individual Eligible Shareholder or any other particular person. This Notice of Meeting and Explanatory Memorandum should not be relied upon as the sole basis for any investment decision in relation to Demerger. Before making any investment decision in relation to these matters you should consider, preferably with the assistance of a professional adviser, whether that decision is appropriate in the light of your particular investment needs, objectives and financial circumstances. If you are in any doubt about what you should do you should seek independent financial and taxation advice before making any investment decision in relation to the Demerger.

Forward looking statements

Certain statements in the Notice of Meeting and Explanatory Memorandum relate to the future, including forward looking statements relating to Metals X's and Westgold's financial position and strategy. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of Metals X or Westgold to be materially different from future results, performance or achievements expressed or implied by such statements. Such risks, uncertainties, assumptions and other important factors include, among other things, the risks and consideration described in section 11 of the Explanatory Memorandum. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected.

Other than required by law, neither Metals X nor Westgold, their officers nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements will actually occur. You are cautioned not to place undue reliance on those statements.

Subject to any continuing obligations under applicable law or the Listing Rules, Metals X and Westgold expressly disclaim any obligation to give any updates or revisions to any forward looking statements to reflect any change in events, conditions or circumstances on which any such statement is based.

The forward looking statements in the Explanatory Memorandum reflect views held only immediately before the date of the Explanatory Memorandum.

Estimates

All references to, and derivations of, estimates are references to estimates and derivations by Metals X management, unless otherwise indicated. Management estimates and derivations are based on views at the date of this Explanatory Memorandum, and actual facts or outcomes may be materially different from those estimates.

Any discrepancies between totals in tables and sums of components contained in the Explanatory Memorandum and between those figures and other figures referred to in other parts of this Explanatory Memorandum are due to rounding.

Privacy

Metals X may collect personal information in the process of implementing the Demerger. This information may include the names, contact details and security holdings of Eligible Shareholders and the names of persons appointed by Eligible Shareholders to act as proxy, corporate representative or attorney at the General meeting. The primary purpose of collecting this information is to assist Metals X in conducting the General Meeting and to enable the Demerger to be implemented by Metals X in the manner described in this Explanatory Memorandum. Personal information may be disclosed to Westgold, the Registry, print and mail service providers, authorised securities brokers, securities authorities and to Related Bodies Corporate of Metals X or Westgold. Eligible Shareholders have the right to access personal information that has been collected. An Eligible Shareholders who wishes to access personal information should contact the Registry.

Eligible Shareholders who appoint a named person to act as their proxy, corporate representative or attorney at a General Meeting should inform that person of the matters outlined above.

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to Shareholders of Metals X Limited ACN 110 150 055 (**Company** or **Metals X**) to explain the resolution to be put to Shareholders at the Extraordinary General Meeting to be held at QV1 Conference Centre (Function Room), Level 2, 250 St Georges Terrace, Perth, Western Australia on Thursday, 24 November 2016 commencing at 10:00am (Perth time).

Metals X engaged Stantons International Securities Pty Ltd to prepare an Independent Expert's Report commenting on whether the Demerger is in the best interests of, and fair and reasonable to, Metals X Shareholders.

Stantons International Securities Pty Ltd has concluded that the Demerger is in the best interests of and fair and reasonable to Metals X Shareholders.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolution.

Terms used in this Explanatory Memorandum are defined in Section 14.

2. Proposed Demerger

2.1 Overview of the proposal

Metals X is an Australian based diversified metals producer and explorer with a mixture of gold and base metal mines, development and exploration assets. The gold current market conditions, lead primarily by a rapid devaluation in the exchange rate and a sideways movement in US dollar gold price, have created much firmer economic outcomes for Australian domiciled gold stocks. Further, the weight of funds investing or looking to invest in this sector from international funds, gold funds and to a certain extent generalist funds has made the Australian gold sector appealing. In addition, stocks that have cross-mixed metal classes have underperformed pure-play gold stocks. The Board of Metals X have studied this situation and believed that its shareholders have not fully participated in such activity. Hence, the Board believes that it is best for its shareholders to be given such opportunity to participate and that it is appropriate to expedite the realisation of value from the Gold Business Unit for the benefit of the Company's shareholders.

Accordingly, on 4 August 2016 Metals X announced that it would examine the Demerger of the Company's gold assets. Under the proposed Demerger, the Company's Gold Business Unit, held through its wholly owned subsidiary Westgold Resources Pty Ltd ACN 009 260 306 (**Westgold**), will be transferred to Metals X shareholders and listed on ASX.

Metals X will continue its operations as a diversified metals producer and explorer, via its copper, tin and nickel assets.

2.2 Demerger process

The Demerger will involve the following stages:

- (a) Metals X Shareholders approve the Demerger.
- (b) Metals X will transfer \$110 million cash to Westgold by way of intercompany loan, such loan to be forgiven in connection with the Demerger.
- (c) Westgold consolidates its ordinary shares so as to be equal to half the number of shares on issue in Metals X at the time of the Demerger.
- (d) Metals X will distribute 100% of the ordinary Westgold Shares which Metals X holds to the Eligible Shareholders at no cost to shareholders, using the calculation of 1 Westgold Share for every 2 Metals X Shares held by Eligible Shareholders (with Ineligible Overseas Shareholders receiving cash proceeds for their entitlements).
- (e) Westgold will list on the ASX and Westgold Shares will be granted Official Quotation by the ASX.

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The Demerger will be governed by a Demerger Deed entered into between Metals X and Westgold.

The in-specie distribution of Westgold Shares by Metals X will only be available to Metals X Shareholders registered on the Record Date, and not to the public in general. Once the Westgold Shares have been distributed, those shares will be able to be traded on the ASX following an ASX compliance listing of Westgold. The Board believes that demerging through an ASX compliance listing of Westgold will deliver a better outcome to Metals X Shareholders as it minimises dilution. The Demerger will deliver to Metals X Shareholders direct ownership in a dedicated gold production and exploration company, whilst retaining a complementary holding in a diversified metals producer and explorer.

The Demerger is subject to the Demerger Conditions set out in Section 3.

The Demerger is proposed to be effected partly by way of capital reduction under section 256B of the Corporations Act and (if so determined) partly by way of dividend in-specie, which together will be satisfied by the in-specie distribution of Westgold Shares. Metals X Shareholders are not required to pay any consideration for the Westgold Shares received by them.

Shareholders should refer to the summary of taxation implications of the Demerger set out in Section 9. Metals X has sought a class ruling from the ATO on behalf of Metals X Shareholders to confirm the taxation outcomes of the Demerger for them. This has included seeking confirmation from the ATO as to what component of the distribution of Westgold Shares to Shareholders is to be treated as a demerger dividend (**Demerger Dividend**), and therefore not assessable income of Metals X Shareholders, and what component will be treated as a capital reduction, which will not constitute a taxable dividend to Metals X Shareholders.

The method to be applied by the Board to determine the Capital Reduction component of the distribution of the Westgold Shares will be in accordance with the ATO class ruling, which Metals X considers should be based on the market value of the Westgold Shares and the Metals X Share price shortly after Westgold Shares commence trading on the ASX. As those values are not able to be determined now it is not possible to specify in this Notice of Meeting the exact proportion of the distribution of Westgold Shares that will occur by way of Capital Reduction and what portion by Demerger Dividend, if any.

In any event, the Capital Reduction component cannot be more than 100% of the Westgold market value. Accordingly, under Resolution 1, approval of Metals X Shareholders is sought to reduce the Company's share capital by up to 100% of the market value of Westgold Shares, with that (or such lesser amount as is determined in accordance with the applicable ATO guidelines), to be the Capital Reduction component amount.

The Board will determine to reduce Metals X's share capital on the Demerger Effective Date by the Capital Reduction component. The dividend component will comprise the balancing amount making up the entire amount to be distributed in-specie to Metals X Shareholders, less the Capital Reduction component. Metals X Shareholder approval is not required for the purpose of determining the dividend component amount. Shareholders will be advised of the precise division of these amounts following implementation of the Demerger. Further information in this regard is set out in Section 8.

It is the Board's intention to only proceed with the Demerger if the Demerger Conditions are satisfied. These include Metals X receiving a draft class ruling from the ATO, to its satisfaction, confirming the availability of demerger relief and also Westgold obtaining ASX approval to the listing of Westgold, including conditional ASX listing approval on terms which are acceptable to Metals X and Westgold acting reasonably. If Westgold does not obtain ASX listing approval, or the other Demerger Conditions are not satisfied, the Demerger will not proceed. There is no guarantee that Westgold will obtain approval to be admitted to the Official List or that the other Demerger Conditions will be satisfied; accordingly, the Demerger may not occur.

Explanatory Memorandum

2.3 Indicative Timetable

If the Demerger Conditions are satisfied, the Demerger is expected to take place in accordance with the following timetable approved by ASX:

Indicative timetable*	
Extraordinary General Meeting to approve Capital Reduction	24 November 2016
Last day of trading in Metals X Shares on a "cum" basis	28 November 2016
Trading of Metals X Shares on an "ex" basis commences	29 November 2016
Record Date for Capital Reduction	30 November 2016
In Specie Distribution of Westgold Shares / Dispatch Date	1 December 2016
Anticipated commencement of normal trading of Westgold Shares	2 December 2016

* The above timetable is indicative only, and may be changed at the discretion of the Directors (subject to the ASX Listing Rules) or as may be required by ASX. The Metals X Board will make an actual determination of the Record Date at a later date and will provide a separate update to the market as to the detailed timetable for implementation of the Capital Reduction and expected listing date. Refer to Section 3 for further details.

3. Resolution 1 – Approval of in-specie pro rata Capital Reduction

The Demerger will take place via an in-specie distribution of all Westgold Shares to Metals X shareholders, and concurrent listing of Westgold on ASX. Accordingly, Shareholders are being asked to consider and, if thought fit, pass an ordinary resolution authorising Metals X to reduce its share capital by distributing in-specie to Metals X Shareholders all of the shares in Westgold in proportion to their Metals X Shareholding (**Capital Reduction**). In addition to the Capital Reduction, the Demerger may also consist of a dividend component by way of the Demerger Dividend (as detailed in Section 2.2).

The Demerger will only proceed if the following conditions are met (together, the **Demerger Conditions**):

- (a) Metals X obtains Shareholder approval for the Capital Reduction (the subject of Resolution 1);
- (b) Metals X receives a draft class ruling from the ATO, to its satisfaction, confirming the availability of demerger relief (refer to Section 9 below for further details);
- (c) Westgold receiving a letter confirming that the ASX will admit Westgold to the Official List of the ASX, subject to the satisfaction of certain conditions on terms acceptable to Westgold.

If the Demerger Conditions are satisfied, Metals X will conduct the Capital Reduction as an equal capital reduction of its share capital in accordance with sections 256B and 256C of the Corporations Act (as set out further in Section 8.3 below).

Each Eligible Shareholder will receive 1 Westgold Share for every 2 Metals X Shares held on the Record Date.

Under the Capital Reduction, Shareholders will not be required to pay any cash consideration for Westgold Shares and each Shareholder will equally receive the same Entitlement, subject only to Ineligible Overseas Shareholders.

Metals X has commenced the process of seeking a class ruling from the ATO to confirm the availability of demerger tax relief for income tax purposes. The Board recommends that each Shareholder seek their own specific tax advice in relation to the Capital Reduction. However, in order to assist Shareholders, the Board has included a general summary of the tax consequences of the Capital Reduction in Section 9 below.

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4. Profile of Westgold

Metals X holds its Gold Business Unit through its wholly owned subsidiary, Westgold. This section sets out information in relation to Westgold if the Demerger is implemented.

Westgold intends to apply for admission to the official list of ASX as soon as practicable after approval of Metals X Shareholders. Westgold has reserved the ticker “WGX” with ASX to use as its ASX ticker code.

4.1 Background of Westgold

Westgold was incorporated in Western Australia on 27 July 1987. Metals X initially invested in the gold sector through its 27% shareholding in Westgold in 2006 (with Westgold then being listed on ASX). That provided an indirect interest for Metals X in the Rover Project, a new mineral field hosting high grade iron oxide copper-gold (**IOCG**) and polymetallic base and precious metal styles of mineralisation approximately 75km south-west of Tennant Creek in the Northern Territory.

In May 2011, Westgold merged with Aragon Resources Limited which owned gold assets in the Murchison Goldfields which are now the southern portion of the enlarged Central Murchison Gold Project (**CMGP**). Although not operational at the time, the Aragon gold assets had a rich history of gold production with circa 5 million ounces of gold produced, predominantly from the Big Bell, Great Fingall and Golden Crown mines.

Metals X began the process of creating a gold division in October 2012 by consolidating its ownership of Westgold through a merger by scheme of arrangement. This gave Metals X full ownership of Westgold, and thereby the Rover Project and the initial components of its current CMGP, and Westgold was delisted from ASX.

In October 2013 Westgold began to expand its gold business unit with the acquisition of the Australian gold assets of Alacer Gold Corporation (**Alacer**), including the Higginsville Gold Operation (**HGO**) near Norseman and the South Kalgoorlie Operation (**SKO**), immediately elevating itself to producer status.

In June 2014 Westgold acquired the Meekatharra gold operations from the administrators of GMK Exploration Pty Ltd. This provided an expansion of the asset base and more importantly a processing facility to enable the implementation of plans for gold production at the CMGP. After consolidating the assets and completing development studies, mining commenced at the CMGP in June 2015 and the 2.0 million tonne-per-annum (tpa) gold processing was commissioned in late October 2015 and first gold production soon followed. The CMGP is a long-term project with a defined initial mine life of 12 years. It is the first aggregation of all the key historic gold mining centres in the Central Murchison goldfields. The project starts with a progressive build-up of production dominated by lower grade open pits but with a medium-term objective to transition the core production to be from the large, long-life underground mines that have historically been the key producers of the region. These mines take time and capital to be refurbished and re-established. With their progressive development, gold output from the CMGP continues to increase.

Metals X has continued its strategy of building on its Gold Business Unit over the past 2 years. The focus has again been on growth and opportunity to expand output without large capital risk. In October 2015, Westgold acquired the Fortnum Gold Project from RNI. This project was underfunded and the vendor company was not in a position to advance the project. Fortnum is a stand-alone gold project located approximately 170km northwest of the Meekatharra. It has a 1.0 million tpa gold plant and a well defined gold resource inventory. The project is under a refurbishment phase and the plant is expected to be recommissioned by the end of calendar 2016

Metals X has also made a number of other acquisitions, primarily related to expansion or leveraging off the key assets and infrastructure that it already has in place at its other gold operations. These include:

- A mining and profit share agreement entered into with Southern Gold Limited to enable Southern Gold’s Cannon gold resource to be mined and processed at Westgold’s SKO Jubilee mill (August 2014);

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- The purchase of the Georges Reward gold prospect at Bulong in Western Australia, as an additional feed source for the SKO, purchased from Northern Mining Limited and Balagundi Pty Ltd (settled July 2015);
- The Mt Henry Gold Project, located approximately 75km south of the HGO, as an additional ore feed for HGO, purchased from Panoramic Resources Limited and Matsa Resources Ltd (settled September 2015);
- The Comet Gold Project near Cue in Western Australia, as an additional ore source for the CMGP, purchased from Silver Lake Resources (settled February 2016);
- The Gunga West gold deposit, approximately 30km west of the South Kalgoorlie Operation, as supplementary feed for the operation, purchased from Kidman Resources Limited (settled June 2016);
- The Cue Village, which is a 250 person near-new workers camp which provides the key accommodation infrastructure for development of the southern part of the Central Murchison Gold Project.

On 4 August 2016, Metals X announced its intention to demerge its gold assets. Westgold will be the resulting de-merged entity. On or about 20 October 2016, and in any event at the Record Date, Westgold will be converted to a public company.

With three operating gold projects and a fourth project Fortnum under refurbishment, combined with a strong Australian dollar gold price, the gold assets provide a strong stand-alone business with significant upside.

4.2 Principal Effect of the Demerger on Westgold

The principal effect of the Demerger on Westgold will be that:

- (a) cash reserves of Westgold will increase by \$109.5 million from \$0.5 to \$110 million;
- (b) the number of fully paid Westgold Shares on issue will decrease to approximately 304,670,452 (so as to enable a distribution on the basis of 1 Westgold Share for every 2 Metals X Shares);
- (c) equity will increase by \$103.6 million; and
- (d) Westgold will become a public company, separate from Metals X, and listed on ASX.

4.3 Westgold Objectives, Funding and Strategy

The key objective of Westgold is to build itself as a major player in the Australian gold sector as a pure-play gold producer. The foundation to this objective is in place with steady-state production from the Higginsville and South Kalgoorlie Operations, the continued build-up of production at higher levels from the CMGP and the impending re-start of the Fortnum Gold Project.

The funding for Westgold was put in place contemporaneously with the announcement of the intent to demerge with Metals X completing a placement to raise a gross \$103 million plus and SPP which has subsequently added a further \$15 million in overall funding. Consequently no capital raising is contemplated as part of the Demerger and re-listing on the ASX. As previously disclosed, funds will be transferred from the parent (Metals X) to Westgold with the objective that both companies are well funded for their impending business and development plans.

At the conclusion of the Demerger, Westgold is expected to have cash reserves of approximately \$110 million. Over the 12 months following the Demerger the cash reserves of Westgold will be used:

- To refurbish, expedite and to further enhance the economics of the Fortnum gold project, including faster re-establishment of the Starlight underground mine and an expedited exploration and development drill; program at the nearby Peak Hill mining centre (approximately \$25 million);
- For the development of the Mt Henry gold project and any required plant modifications to Higginsville plant to optimise the processing of Mt Henry ores (approximately \$15 million);

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- As working capital for initial mine development and the establishment of steady state production at the Comet and Great Fingall underground mines within the Central Murchison Gold Project (approximately \$28 million);
- For the rehabilitation and pre-production costs at the Big Bell underground mine within the Central Murchison Gold Project (approximately \$35 million).

The ongoing strategy of Westgold will be to continue to build and create sustainability to its gold production through new acquisitions of projects, both stand-alone and also as supplementary ore feed sources to its existing infrastructure.

4.4 Operations of Westgold

Westgold currently owns three operating gold projects with a fourth under refurbishment. The four processing facilities have a combined 5.5 million tonnes per annum treatment capacity. All are located in the prolific gold production belts of Western Australia. The Total Mineral Resource Estimate of these four projects contain an aggregate 15.4 million ounces of gold. The Ore Reserve subset of these totals 2.89 million ounces of gold.

In addition the group holds a significant gold dominant polymetallic deposit at Rover 1 in the Northern Territory. Rover 1 is at feasibility stage and contains a significant resource of 6.8 million tonnes at 1.73g/t gold, 2.1g/t Silver, 1.2% Copper, 0.14% Bismuth and 0.06% Cobalt. (Refer to ASX:MLX announcements 18 August 2016 for detail on Mineral Resource and Ore Reserve Statements).

The current annualised gold production will continue to build as the CMGP continues to ramp up and the Fortnum Gold Project approaches start-up (by the end of 2016). Westgold's current operating strategy has this increasing to above 400,000oz per annum over the ensuing years.

Westgold's three operations currently in production are:

- Higginsville Gold Operation in the Norseman region of Western Australia;
- South Kalgoorlie Operations in the Kalgoorlie region of Western Australia; and
- Central Murchison Gold Project in the Murchison region of Western Australia.

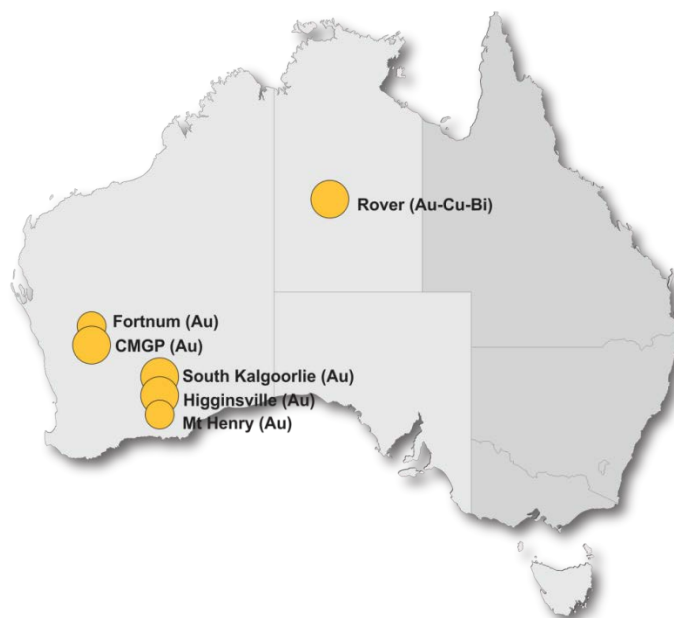


Figure 1 - Westgold Project Locations

During the financial year ended 30 June 2016, Westgold's operations included the commissioning and ramping up of the CMGP which entailed the development of the Paddy's Flats underground operation and various open pits, and the development of the Hampton Boulder Jubilee (HBJ) underground mine at SKO. Production for the past year, which doesn't

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fully reflect the momentum of the CMGP and SKO ramp-ups, totalled 173,956 ounces of gold at an All-in Sustaining Cost of A\$1,363 per ounce. With the CMGP and, to a certain extent, the SKO operations continuing to ramp up, production has been progressively increasing this calendar year on a quarterly basis.

In addition, Westgold completed and announced a development plan (refer ASX:MLX announcement on 15 July 2016) for its Fortnum Gold Project and has commenced refurbishment works with an aim for re-commissioning in late 2016.

4.5 Detailed information in relation to Westgold assets

Shareholders are encouraged to read Annexure A which contains geological and other detailed information on Westgold's assets and the Gold Business Unit.

4.6 Capital structure

At the date of this Notice of Meeting, Westgold has 417,178,651 shares on issue. Assuming no Metals X Shares are issued prior to the Record Date, other than the Metals X Shares issued on exercise of the Metals X Performance Rights, the Westgold Shares will be consolidated to approximately 304,670,452 (being half the number of Metals X Shares on issue, subject to any rounding that may be necessary to ensure a Metals X Shareholder receives their Entitlement).

The pro-forma capital structure of Westgold following the Demerger is as follows:

Table 1 - Westgold Capital Structure

Capital structure	Pre Demerger Number	Post Demerger Number
Shares	417,178,651	304,670,452
TOTAL	417,178,651	304,670,452

It is proposed that shortly after Listing, Westgold will issue a total of up to 12,150,000 Employee Options pursuant to the Company's Employee Share Option Plan (details of which are summarised in Section 12.5 below) to senior management of Westgold and the following to directors of Westgold:

Name	Position	Exercise Price	Number	Expiry Date	Vesting Conditions
Peter Cook	Managing Director	125% of the 20 day VWAP of Westgold Shares post ASX listing	2,250,000	3 years from vesting	1 year from grant date

4.7 Directors of Westgold

The current board of Westgold is comprised of Peter Newton (Director), Peter Cook (Director), Warren Hallam (Director) and Fiona Van Maanen (Director) and will remain following the Demerger, such that the board of Westgold will be represented as follows:

Peter Newton – Non-Executive Chairman

Mr Newton was a highly successful stockbroker for 25 years until 1994. Since then he has been a significant participant in the Australian resource industry as an investor and a director of a number of listed companies. In past years he has been the Chairman of both Hill 50 Limited and Abelle Limited.

Mr Newton has held no other public company directorships in the past three years, other than Metals X Limited (appointed 14 December 2012).

Peter Cook – Managing Director

Mr Cook is a Geologist (BSc (Applied Geology)) and a Mineral Economist (MSc (Min. Econ), MAusIMM with over 30 years of experience in the fields of exploration, project, operational and corporate management of mining companies.

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During the past three years he has served as a director of the following public listed mining companies:

- Metals X Limited (Appointed 23 July 2004);
- Pantoro Limited (Appointed 31 August 2009 – Resigned 5 October 2016);
- Mongolian Resource Corporation Limited (Appointed June 2013); and
- Aziana Limited (Appointed 30 May 2011 – Resigned 10 September 2015).

He is a past winner of the GMJ Mining Executive of the Year in 2001 and the Asian – Mining Executive of the Year in 2015, awarded at the Mines and Money Conference in Hong Kong in 2015.

Warren Hallam – Non Executive Director

Mr Hallam is a Metallurgist (B. App Sci (Metallurgy)), a Mineral Economist (MSc (Min. Econ)), holds a Graduate Diploma in finance and has over 30 years of technical and commercial experience across numerous commodities and businesses within the resources industry.

During the past three years he has served as a director of the following public listed mining companies:

- Metals X Limited (Appointed 1 March 2005);
- Aziana Limited (Appointed 30 May 2011 – Resigned 11 April 2014).

Fiona Van Maanen – Non Executive Director

Ms Van Maanen is a CPA, holds a Bachelor of Business (Accounting) degree and a Graduate Diploma in Company Secretarial Practice. Mrs Van Maanen has significant experience in accounting and financial management in the mining and resources industry.

Ms Van Maanen has held no other public company directorships in the past three years.

Board renewal

In the short to medium term after the implementation of the Demerger and Listing, it is anticipated that the board of Westgold will undergo a process of renewal.

4.8 Management of Westgold

Following the Demerger, the key management of Westgold is comprised of:

Scott Balloch – Chief Financial Officer

Mr Balloch is a CPA with approximately 20 years of experience in managing the full range of financial and company secretarial functions of publicly listed mining companies. Mr Balloch has managed the establishment of accounting systems and procedures for a large number of new mine start-ups and acquisitions.

David Okeby – Company Secretary

Mr Okeby has extensive legal, contractual, administrative and corporate experience in the mining industry. Mr Okeby brings skills in governance, stakeholder relations and corporate activities including mergers, acquisitions and disposals.

Paul Hucker – Chief Operating Officer – Kalgoorlie Region

Mr Hucker is a Mining Engineer with 20 years' experience in Australia and South Africa in a variety of Supervisory and Management roles. He has a Bachelor of Engineering (Mining) from Ballarat University and a Graduate Certificate in Mineral Economics from Curtin University.

For the last 6 years, Mr Hucker has been the Chief Operating Officer managing Metals X's gold projects. Before joining Metals X, Mr Hucker had been an Underground Manager and Resident Manager at gold mines near Kalgoorlie in Western Australia. His core skill set relates to underground mining and mine management but he also has experience in project evaluation and approvals.

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Grant Brock – Chief Operating Officer – Murchison Region

Mr Brock is a Mining Engineer with 37 years' experience in mining with a record of acquiring and successfully developing new mining projects in base metals and gold sectors in Australia and internationally.

He has extensive experience managing mining operations including the Chief Operating Officer of Apex Minerals NL, Executive Director and Chief Operating Officer of Allied Gold Limited and General Manager of Wodgina Operations, Southern Cross Gold Operations and Kemerton Silica Sand for Sons of Gwalia Ltd and at various times General Manager of the Hellyer, Que River and Cleveland Mines in Tasmania for Aberfoyle Limited.

4.9 Westgold Material Contracts

Set out below is a summary of the key terms of material contracts applicable to the Demerger.

Demerger Deed

The Demerger Deed was entered into on 17 October 2016 and deals with certain commercial, legal and transitional issues arising in connection with the legal separation of Westgold from Metals X.

The key terms of the Demerger Deed are as follows:

(a) Separation Principle

The fundamental Demerger principle of the separation of Westgold from Metals X is that, following the Demerger, as between Westgold, on the one hand, and Metals X on the other:

- Westgold will have:
 - the entire economic and commercial benefit (including all profits) of the Gold Business on and from the Restructure Date;
 - the entire economic and commercial risk and liabilities of the Gold Business as if Westgold had owned and operated the Gold Business as a standalone at all relevant times;
 - none of the economic or commercial benefit of the Base Metals Business Unit on and from the Restructure Date;
 - none of the economic or commercial risk or liabilities of the Base Metals Business Unit whenever arising; and
 - the cash amount of at least \$110 million, to be used for working capital purposes without any recourse to or repayment requirements to Metals X;
- Metals X will have:
 - the entire economic and commercial benefit (including all profits) of the Base Metals Business Unit on and from the Restructure Date;
 - the entire economic and commercial risk and liabilities of the Base Metals Business Unit;
 - none of the economic or commercial benefit of the Gold Business Unit on and from the Restructure Date;
 - none of the economic or commercial risk or liabilities of the Gold Business Unit whenever arising; and
 - the retained cash amount of approximately \$49.7 million.

Westgold will also be entitled to any cash which is received by Metals X which relates to the Gold Business, whether before or after the Restructure Date (subject to any agreed adjustment between Westgold and Metals X). Any intercompany loans made between Metals X and Westgold as at the Restructure Date shall be forgiven.

Metals X and Westgold indemnify each other for any claim or loss relating to the Separation Principle, the Gold Business (in the case of Westgold) and the Base Metals Business Unit (in the case of Metals X).

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(b) **No claims**

Consistent with the Demerger Separation Principle, Westgold and Metals X acknowledge that once the Demerger is complete, Westgold will not have any rights against Metals X, and Metals X will not have any rights against Westgold, except in specified circumstances.

Neither Westgold nor Metals X will have any right to make a claim for liability or loss arising directly or indirectly in relation to the Demerger, the Notice of Meeting or the operation of the Gold Business prior to the Restructure Date (in the case of Westgold) and the operation of the Base Metals Business Unit prior to the Restructure Date (in the case of Metals X).

(c) **Adjustments**

To the extent an asset which belongs to the Gold Business is not transferred to Westgold within 24 months of the Restructure Date, Metals X must transfer that asset for nominal consideration.

To the extent an asset which belongs to the Base Metals Business Unit is not transferred to Metals X within 24 months of the Restructure Date, Westgold must transfer that asset for nominal consideration.

(d) **Guarantees**

Westgold agrees to use its best endeavours to release any guarantees or financial support which is provided by Metals X in relation to the Gold Business.

Metals X agrees to use its best endeavours to release any guarantees or financial support which is provided by Westgold in relation to the Base Metals Business Unit.

(e) **Intellectual property**

Except as permitted under the Transition Services Agreement, Metals X must cease to use any intellectual property relating to the Gold Business and the name "Westgold" and Westgold must cease to use any intellectual property relating to the Base Metals Business Unit and the name "Metals X".

(f) **Contract novation and assignment**

Metals X agrees to use best endeavours to novate or assign any contract which relates to the Gold Business to Westgold (including the Southern Gold Financing and Management Agreement and other agreements with gold related rights, for nil consideration).

Westgold agrees to use best endeavours to novate or assign any contract which relates to the Base Metals Business Unit to Metals X.

(g) **Litigation management**

Westgold and Metals X will assist each other in relation to the management of any current and new litigation matters. Westgold indemnifies Metals X in respect of liability or loss suffered by Metals X in connection with a claim arising from such matters where that liability relates to the Gold Business. Metals X indemnifies Westgold in respect of a liability or loss suffered by Westgold in connection with a claim arising from such matters where that liability relates to the Base Metals Business Unit.

(h) **Employees**

Westgold must offer employment to, or accept a novation of the employment of, each specified Metals X employee prior to the Restructure Date. Metals X will terminate any specified employee who has not accepted employment with Westgold on the Restructure Date.

Metals X will remain liable for any liability arising from any Metals X's specified employees who do not accept employment with Westgold.

(i) **Access to records**

Under the Demerger Deed both Metals X and Westgold will have the right to hold, have copies of or access to all records that are connected with or relevant to its business.

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(j) **Insurance**

From the Restructure Date, Metals X is to maintain a directors' and officers' insurance policy for the Metals X Directors (as the date of the Notice of Meeting) for a period of seven years.

Metals X will assign the benefit (subject to the burden) of all or part of its insurance policies of Metals X to the extent they relate to the Gold Business to Westgold or Westgold may elect for these to be cancelled.

(k) **Tax assistance**

Westgold and Metals X will assist each other in relation to the preparation of their respective tax returns and in the event of any tax audit by a relevant authority. The Demerger Deed also contains provisions as to the handling of any tax claims.

(l) **Tax consolidation**

Westgold and Metals X will, prior to the Demerger Effective Date, do all things necessary to comply with the Metals X tax sharing agreements relating to the Metals X tax consolidated group in respect of their exit from that tax consolidated group. Upon making those payments, the Westgold group companies will be released from those tax sharing agreements and the Metals X group will have no right to make any claim against any Westgold group company in respect of a tax liability.

(m) **Confidentiality**

Westgold and Metals X must not use the other's confidential information for any purposes other than purposes permitted by the Demerger Deed or other agreements between them, must store the other's confidential information securely and must not allow any person access to the other's confidential information except to the extent that the disclosure is strictly necessary and is permitted under the Demerger Deed.

Transitional Services Agreement

On the Restructure Date, Metals X and Westgold will enter into an agreement pursuant to which Metals X will provide Westgold with certain services to facilitate the transfer and continued operation of their respective businesses following the Demerger. It is expected that the transitional period will be for a period of 24 months unless terminated by Westgold earlier.

The services to be provided include:

Service	Description
Accounting (including payroll function)	Monthly processing of invoices, preparation of monthly management accounts, and running monthly payroll services
Treasury	Banking and other treasury functions
Administration (including company secretarial)	General office administration and company secretarial duties including corporate governance
Management	Managing corporate transactions
Technical	Resources and reserves estimation and modelling, developing and overseeing drill programs, related database management
Tax support	Preparation of income tax return, BAS preparation and lodging, and PAYG lodgement
Investor relations	News and media support incorporating presentations and broker liaison as required
Information technology	Information technology hardware and software provision and on-going support
Human resources	HR, OH&S and information management including HR policies and procedures
Serviced office facilities	Provision and maintenance of serviced office facilities and related support

The services will be charged on a cost recovery basis.

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Except in the case of negligence or wilful acts or omissions, each party indemnifies the other party for any losses, costs or damages incurred by the other party. The maximum liability of each party under the Transitional Services Agreement is \$50,000. Each party is not liable for any loss of profits or indirect or consequential loss in relation to the provision of the services.

Either party may terminate the agreement for an unremedied breach by the other, if an insolvency event occurs in relation to the other party or by mutual agreement. Westgold may also terminate by giving twenty Business Days' notice to Metals X.

Set out in Annexure A is a non-exhaustive summary of the key terms of material contracts of Westgold. In addition, Westgold has numerous contracts in connection with the Gold Business (including supply of power, fuel, haulage, toll treatment, joint ventures and royalties) none of which are presently considered material and/or outside of the ordinary course of business.

5. Financial Information for Westgold

The financial information contained in this section has been prepared by Metals X in relation to Westgold Resources Pty Limited (Westgold) in connection with the Demerger. The financial information for Westgold includes:

- The historical balance sheet as at 30 June 2016 (Westgold Historical Balance Sheet); and
- The pro forma historical balance sheet as at 30 June 2016 (Westgold Pro Forma Historical Balance Sheet).

The Westgold Historical Balance Sheet and Westgold Pro Forma Historical Balance Sheet together form the "Westgold Financial Information".

The Westgold Financial Information presented in this section should be read in conjunction with the risk factors set out in Section 11 and other information in this Notice of Meeting. Investors should note that past results are not a guarantee of future performance.

All amounts disclosed in this section are presented in Australian dollars.

5.1 Basis of preparation and presentation of the Westgold Financial Information

The Metals X Directors are responsible for the preparation and presentation of the Westgold Financial Information. The Westgold Financial Information included in this Notice of Meeting is intended to present potential investors with information to assist them in understanding the historical financial position of Westgold Resources Pty Limited.

The Westgold Financial Information is presented in an abbreviated form and does not include all of the presentation, disclosures, statements and comparative information as required by Australian Accounting Standards ("AAS") applicable to general purpose financial reports prepared in accordance with the Corporations Act.

5.2 Westgold Historical Balance Sheet

The Westgold Historical Balance Sheet has been prepared in accordance with the recognition and measurement principles prescribed in AAS issued by the Australian Accounting Standards Board ("AASB"), which is consistent with International Financial Reporting Standards ("IFRS") and interpretations issued by the International Accounting Standards Board ("IASB").

In preparing the Westgold Historical Balance Sheet, the accounting policies of Westgold Resources Pty Limited have been applied².

The Historical Balance Sheet has been derived from general purpose financial statements of Westgold Resources Pty Limited as at 30 June 2016 which are unaudited as at the date of the Notice of Meeting.

² Such policies are materially consistent with the policies of Metals X (refer Metals X's most recent accounts lodged on ASX).

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5.3 Westgold Historical and Westgold Pro Forma Historical Balance Sheet as at 30 June 2016

	Historical Balance Sheet	Pro Forma Adjustments				Pro Forma Historical Balance Sheet
	Westgold Group 30 June 2016	Transfer of Assets ¹	Transaction Costs ²	Cash & Working Capital ³	Trade and Intercompany Payables ⁴	Westgold Group 30 June 2016
CURRENT ASSETS						
Cash and cash equivalents	478,316	-	(510,000)	110,000,000	-	109,968,316
Trade and other receivables	6,315,677	-	-	-	-	6,315,677
Inventories	35,881,732	-	-	-	-	35,881,732
Prepayments	309,817	-	-	-	-	309,817
Other financial assets	-	2,104,548	-	-	-	2,104,548
Total current assets	42,985,542	2,104,548	(510,000)	110,000,000	-	154,580,090
NON-CURRENT ASSETS						
Property, plant and equipment	59,494,359	-	-	-	-	59,494,359
Mine properties and development costs	87,891,163	-	-	-	-	87,891,163
Exploration and evaluation expenditure	164,583,986	-	-	-	-	164,583,986
Total non-current assets	311,969,507	-	-	-	-	311,969,507
TOTAL ASSETS	354,955,049	2,104,548	(510,000)	110,000,000	-	466,549,597
CURRENT LIABILITIES						
Trade payables and Intercompany payables	96,888,886	2,104,548	-	110,000,000	(171,579,007)	37,414,427
Provisions	2,135,089	-	-	-	-	2,135,089
Interest bearing loans and borrowings	3,609,778	-	-	-	-	3,609,778
Unearned income	22,493,125	-	-	-	-	22,493,125
Total current liabilities	125,126,878	2,104,548	-	110,000,000	(171,579,007)	65,652,419
NON-CURRENT LIABILITIES						
Provisions	83,430,643	-	-	-	-	83,430,643
Interest bearing loans and borrowings	4,325,307	-	-	-	-	4,325,307
Unearned income	5,812,500	-	-	-	-	5,812,500
Deferred Tax Liability	32,149,109	-	-	-	-	32,149,109
Total non-current liabilities	125,717,559	-	-	-	-	125,717,559
TOTAL LIABILITIES	250,844,436	2,104,548	-	110,000,000	(171,579,007)	191,369,978
NET ASSETS	104,110,613	-	(510,000)	-	171,579,007	275,179,620
TOTAL EQUITY	104,110,613	-	(510,000)	-	171,579,007	275,179,620

5.4 Westgold Pro Forma Historical Financial

(a) Basis of preparation

The Westgold Pro Forma Historical Balance sheet of the Westgold Group as at 30 June 2016 set out above is provided for illustrative purposes only and is prepared on the assumption that the Demerger was implemented on 30 June 2016. If approved, the transaction is expected to be implemented in December 2016. The Westgold Group comprises Westgold Resources Pty Limited and each of its subsidiaries. It does not illustrate the financial position that may be contained in future financial statements of Westgold Resources Pty Limited as a result of the Demerger.

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The Westgold Pro Forma Historical Balance Sheet has been prepared solely for inclusion in this Notice of Meeting and has been derived from the Westgold Historical Balance Sheet as at 30 June 2016, adjusted for the effects of the pro forma adjustments described below.

The Westgold Pro Forma Historical Balance Sheet has been prepared in accordance with the recognition and measurement, but not all of the disclosure requirements, of the AAS other than that it includes adjustments which have been prepared in a manner consistent with AAS that reflect the impact of certain transactions contemplated to occur as part of the Demerger and listing of Westgold on ASX as if they occurred as at 30 June 2016. The Westgold Financial Information has also been prepared on a historical cost basis.

In preparing the Westgold Pro Forma Historical Financial Information, no adjustments have been made for potential changes in cost or operating structure resulting from the demerger of Westgold Resources Pty Limited from Metals X Limited.

(b) **Pro forma Adjustments**

The pro forma adjustments are as follows:

(1) **Transfer of Assets**

In 2014, Metals X Limited entered into a mine financing and profit sharing agreement with Southern Gold Limited (SAU) for the development of the Cannon open pit mine. In addition, Metals X entered into a \$2,500,000 debt facility agreement with SAU to provide them with funding for regulatory approvals and other working capital requirements. As at 30 June 2016 SAU had drawn down \$2,000,000 under the debt facility and had accrued \$104,548 in interest (noting that as at the date of this Notice of Meeting the amount drawn has increased to \$2,500,000). As the mining financing and profit sharing agreement is operated and managed by HBJ Minerals Limited (a subsidiary of Westgold) with ore being processed at the SKO, the debt facility agreement and associated receivable has been assigned from Metals X to Westgold, and the associated receivable of \$2,104,548 will be recognised as an intercompany loan from Metals X (see pro-forma adjustment (4)).

(2) **Transaction Costs**

Estimated total demerger transaction costs of \$510,000 post-tax. The transaction costs have been expensed.

(3) **Cash and Working Capital**

As part of the demerger there is an agreement between Metals X and Westgold whereby Westgold will receive funding to the value of \$110,000,000 from Metals X for the development of the gold projects and to ensure Westgold's working capital requirements are met. The funding of \$110,000,000 is initially recognised as an intercompany loan from Metals X (see pro-forma adjustment (4)).

(4) **Intercompany Loan**

In accordance with the Demerger Deed all intercompany loans between Metals X and Westgold will be forgiven as part of the Demerger. The debt forgiveness will be credited to equity within the Statement of Financial Position of Westgold.

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6. Effect of the Demerger on Metals X

6.1 Principal Effect of the Demerger on Metals X

The principal effect of the Demerger on Metals X will be that:

- (a) cash reserves of Metals X will decrease by \$110 million from \$159.7 million to \$49.7 million;
- (b) change in net assets due to the deconsolidation of Westgold; and
- (c) Metals X share capital will reduce by an amount up to the market value of all the fully paid shares in Westgold, less a Demerger Dividend (if any).

6.2 Board Structure following Demerger

Following the Demerger, the board of Metals X will be represented as follows:

- Peter Newton - Chairman
- Warren Hallam – Managing Director
- Simon Heggen – Non-Executive Director
- Stephen Robinson – Non-Executive Director
- Xie Penggen – Non-Executive Director
- Fiona Van Maanen – Company Secretary

The composition of Westgold's Board is described in section 4.7 above.

6.3 Impact of the Demerger on Metals X capital structure

At the date of this notice of meeting, Metals X has 605,952,748 Metals X Shares on issue.

Metals X has 3,388,155 Performance Rights on issue which have not been exercised. Each Performance Right entitles the holder to subscribe for one share in Metals X on exercise of the Performance Right. The Board has determined that all Performance Rights will vest and be exercisable prior to the Demerger.

The capital structure of Metals X following the demerger, assuming exercise of the above Performance Rights, is as follows:

Table 2 – Capital structure of Metals X following Demerger

Capital structure	Pre Demerger Number	Post Demerger Number
Shares on issue	605,952,748	609,340,903
Performance Rights on Issue	3,388,155	-
TOTAL	609,340,903	609,340,903

6.4 Metals X post Demerger Objectives, Funding and Strategy

Following the Demerger, the diversified base metals focus of Metals X will remain and continue to function. This was significantly enhanced with the completion of the takeover of Aditya Birla Minerals Ltd and consolidation of the Nifty Copper mine into the Base Metals Business Unit of Metals X.

Metals X is a well-funded and secure fully funded diversified base metals company having enough cash to continue with its existing mining operations and develop development strategies for its growth projects.

The Company has production and revenue across both tin and copper from its 50% in the Renison mine and Nifty Copper mine respectively.

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Strategically, Metals X will continue to focus on its immediate growth projects and expansion opportunity in tin through the Rentails (tin tailings re-treatment) Project and in copper through the Maroochydore Copper Project approximately 90km east of Nifty. In addition Metals X wholly owns one of the largest undeveloped nickel projects in the world with the Wingellina Ni-Co-Fe deposit which is environmentally approved and development ready. An upturn in the nickel market is expected to see this project re-emerge to prominence.

6.5 Assets and Operation of Metals X post Demerger

Metals X completed its acquisition of Aditya Birla in August 2016, adding the Nifty Copper Mine to the current nickel and tin Base Metals Business Unit. With the proposed Demerger of the Gold Business Unit, Metals X will continue as a diversified base metals miner with the following assets:

- **Tin:** through its 50% joint ownership of the operating Renison Tin Mine, the Rentails Project and Mt Bischoff Project on the west coast of Tasmania (collectively the **Renison Tin Project**);
- **Copper:** the operating Nifty Copper Operation at the western margin of the Great Sandy Desert in Western Australia and the Maroochydore Project located 90 km from Nifty; and
- **Nickel:** the Wingellina Nickel Project located on the triple-point borders of Western Australia, Northern Territory and South Australia.

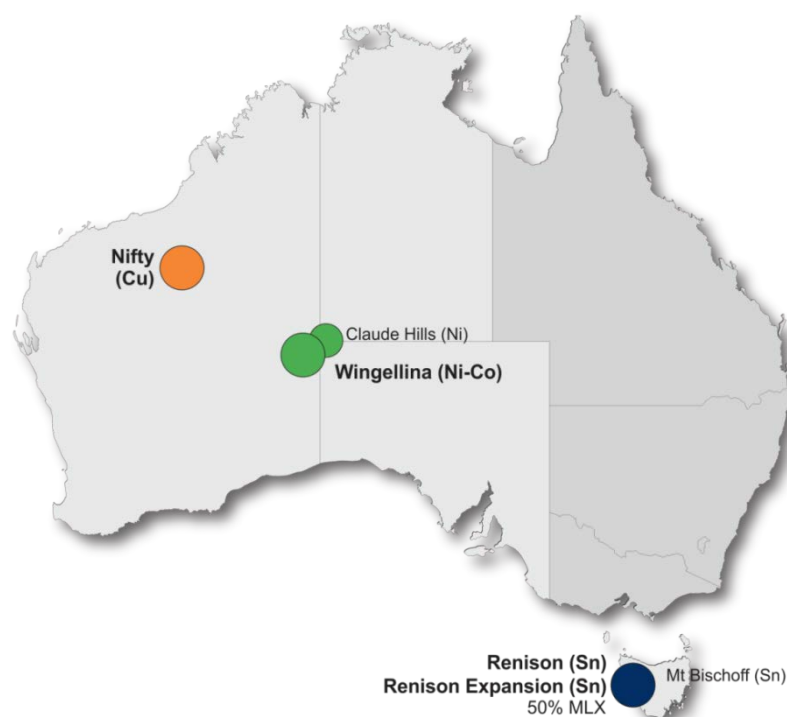


Figure 2 - Location map of Metals X Base Metals Assets

For the financial year ended 30 June 2016 the Metals X share of the Renison Tin Project production was 3,181 tonnes of tin at an All-in Sustaining Cost of A\$19,952 per tonne of tin produced.

For the year ended 31 March 2016 (Aditya Birla reports to a financial year end of 31 March), the Nifty Copper Operation produced 32,098 tonnes of copper in concentrate at a C1 cost of A\$2.62 per pound of contained copper (see Table 8).

Metals X also holds some smaller legacy investments, the only significant one being Brainchip Holdings Limited (formerly Aziana Limited) (ASX:BRN) 7.10%.

Shareholders are encouraged to read Annexure B which contains an overview of Metals X assets post Demerger and the Base Metals Business Unit.

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7. Financial Information for Metals X Post Demerger

The financial information contained in this section has been prepared by Metals X in connection with the Demerger.

The financial information for the Company includes:

- The historical balance sheet for the Company as at 30 June 2016 (Metals X Historical Balance Sheet); and
- The pro forma historical balance sheet for the Company as at 30 June 2016 (Metals X Pro Forma Historical Balance Sheet).

The Metals X Historical Balance Sheet and Metals X Pro Forma Historical Balance Sheet together form the "Metals X Financial Information".

The Metals X Financial Information presented in this section should be read in conjunction with the risk factors set out in Section 11 and other information in this Notice of Meeting. Investors should note that past results are not a guarantee of future performance.

All amounts disclosed in this section are presented in Australian dollars.

7.1 Basis of preparation and presentation of the Metals X Financial Information

The Directors are responsible for the preparation and presentation of the Metals X Financial Information. The Metals X Financial Information included in this Notice of Meeting is intended to present potential investors with information to assist them in understanding the historical financial position of Metals X Limited.

The Metals X Financial Information is presented in an abbreviated form and does not include all of the presentation, disclosures, statements and comparative information as required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the Corporations Act.

7.2 Preparation of Historical Balance Sheet

The Metals X Historical Balance Sheet has been prepared in accordance with the recognition and measurement principles prescribed in AAS issued by the AASB, which is consistent with IFRS and interpretations issued by the IASB.

In preparing the Metals X Historical Balance Sheet, the accounting policies of Metals X Limited have been applied. The Metals X Historical Balance Sheet has been derived from audited general purpose financial statements of Metals X Limited for the year ended 30 June 2016. These general purpose financial statements of Metals X Limited were audited by Ernst & Young in accordance with Australian Auditing Standards. Ernst & Young issued an unqualified audit opinion on these financial statements.

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7.3 Metals X Historical and Metals X Pro Forma Historical Balance Sheet as at 30 June 2016

	Historical Balance Sheet	Pro Forma Adjustments					Metals X Group prior to Demerger	Pro Forma Adjustments		Pro Forma Historical Balance Sheet
	Metals X Group 30 June 2016	Placement & SPP ¹	Transaction Costs ²	Payment of 30 June 2016 Creditors ³	Aditya Birla Acquisition ⁴	Aditya Birla Consolidation ⁴		Deconsolidate Westgold ⁵	Derecognition of Deferred Tax Asset ⁶	Metals X Group 30 June 2016
CURRENT ASSETS										
Cash and cash equivalents	39,184,787	110,513,000	(520,000)	(25,199,850)	(28,419,804)	64,106,998	159,665,131	(109,968,316)	-	49,696,815
Trade and other receivables	15,799,458	-	-	-	-	12,486,538	28,285,996	(6,315,677)	-	21,970,319
Inventories	52,173,412	-	-	-	-	28,338,924	80,512,336	(35,881,732)	-	44,630,604
Prepayments	528,564	-	-	-	-	1,444,469	1,973,033	(309,817)	-	1,663,215
Other financial assets	5,802,625	-	-	-	-	8,112,281	13,914,906	(2,104,548)	-	11,810,358
Total current assets	113,488,846	110,513,000	(520,000)	(25,199,850)	(28,419,804)	114,489,209	284,351,401	(154,580,090)	-	129,771,311
NON-CURRENT ASSETS										
Investment in controlled entity	-	-	-	-	135,923,473	(135,923,473)	-	-	-	-
Available-for-sale financial assets	43,238,834	-	-	-	(35,752,267)	-	7,486,567	-	-	7,486,567
Property, plant and equipment	79,343,202	-	-	-	-	24,474,940	103,818,142	(59,494,359)	-	44,323,784
Mine properties and development costs	197,832,376	-	-	-	-	54,647,701	252,480,077	(87,891,163)	-	164,588,914
Exploration and evaluation expenditure	165,083,986	-	-	-	-	2,000,000	167,083,986	(164,583,986)	-	2,500,000
Deferred tax assets	-	-	-	-	-	-	-	32,149,109	(32,149,109)	-
Total non-current assets	485,498,398	-	-	-	100,171,206	(54,800,831)	530,868,772	(279,820,398)	(32,149,109)	218,899,265
TOTAL ASSETS	598,987,244	110,513,000	(520,000)	(25,199,850)	71,751,402	59,688,377	815,220,173	(434,400,488)	(32,149,109)	348,670,576
CURRENT LIABILITIES										
Trade and other payables	68,289,529	-	-	(25,199,850)	-	17,532,772	60,622,451	(37,414,427)	-	23,208,024
Provisions	5,347,668	-	-	-	-	5,408,549	10,756,217	(2,135,089)	-	8,621,128
Interest bearing loans and borrowings	5,201,279	-	-	-	-	-	5,201,279	(3,609,778)	-	1,591,501
Unearned income	22,493,125	-	-	-	-	-	22,493,125	(22,493,125)	-	-
Total current liabilities	101,331,601	-	-	(25,199,850)	-	22,941,322	99,073,073	(65,652,419)	-	33,420,654
NON-CURRENT LIABILITIES										
Provisions	86,692,744	-	-	-	-	36,747,056	123,439,800	(83,430,643)	-	40,009,157
Interest bearing loans and borrowings	10,242,066	-	-	-	-	-	10,242,066	(4,325,307)	-	5,916,759
Unearned income	5,812,500	-	-	-	-	-	5,812,500	(5,812,500)	-	-
Total non-current liabilities	102,747,310	-	-	-	-	36,747,056	139,494,366	(93,568,450)	-	45,925,916
TOTAL LIABILITIES	204,078,911	-	-	(25,199,850)	-	59,688,377	238,567,438	(159,220,869)	-	79,346,570
NET ASSETS	394,908,333	110,513,000	(520,000)	-	71,751,402	-	576,652,735	(275,179,620)	(32,149,109)	269,324,006
TOTAL EQUITY	394,908,333	110,513,000	(520,000)	-	71,751,402	-	576,652,735	(275,179,620)	(32,149,109)	269,324,006

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7.4 Pro Forma Historical Financial Information for Metals X Limited

(a) Basis for preparation

The Pro Forma Historical Balance Sheet of the Metals X Group as at 30 June 2016 set out above is provided for illustrative purposes only and is prepared on the assumption that the transaction was implemented as at 30 June 2016. If approved, the Demerger is expected to be implemented in December 2016. The Metals X Group comprises Metals X Limited and each of its subsidiaries. The Pro Forma Historical Balance Sheet does not illustrate the financial position that may be contained in future financial statements of Metals X Limited following the Demerger.

The Metals X Pro Forma Historical Financial Information has been prepared solely for inclusion in this Notice of Meeting and has been derived from the Historical Balance Sheet of Metals X Limited as at 30 June 2016, adjusted for the effects of the pro forma adjustments described below.

The Metals X Pro Forma Historical Balance Sheet has been prepared in accordance with the recognition and measurement, but not all of the disclosure requirements, of the AAS other than that it includes adjustments which have been prepared in a manner consistent with AAS that reflect the impact of certain transactions contemplated to occur as part of the Demerger of Westgold from the Company as if they occurred as at 30 June 2016. The Metals X Financial Information has also been prepared on a historical cost basis.

In preparing the Metals X Pro Forma Historical Financial Information, no adjustments have been made for potential changes in cost or operating structure resulting from the Demerger of Westgold from Metals X. However, adjustments have been made for capital restructures that will take place as a result of the Demerger.

Impact of the Demerger on accounting

Accounting for demerger transactions is addressed in the Australian Accounting Standards Board Interpretation 17 'Distributions of Non-cash Assets to Owners'. That interpretation requires that any obligations for distributions made by a company to its shareholders should be recognised once declared and, where required, approved by the shareholders. Furthermore, the distribution payable must be measured at the fair value of the assets to be distributed.

The distribution payable is charged to equity. In this regard, the fair value of the distribution payable will be allocated between share capital (Capital Reduction) and accumulated losses (demerger dividend). The value of the Capital Reduction will be determined by reference to the tax allocation which is expected to be supported by an ATO ruling. The amount recorded in accumulated losses, the Demerger Dividend, will be the difference between the distribution payable and the Capital Reduction amount.

On the Record Date, Metals X will recognise a distribution payable based on the fair value of Westgold Shares, which is expected to exceed the carrying value of Westgold's assets and liabilities. This liability will be settled through the transfer of the Westgold Shares. At that time, the difference between the historic cost of the net assets distributed and the fair value of the distribution payable will be recognised in Metals X's income statement.

(b) Pro forma Adjustments

The pro forma adjustments are as follows:

(1) Placement and Share Purchase Plan

In August and September 2016 Metals X undertook a capital raising comprised of an institutional placement and a Share Purchase Plan ("SPP") to raise \$115,640,000 (before capital raising costs of \$5,127,000) to provide funding for development of certain gold projects and additional working capital. Metals X issued 78,134,315 new fully paid ordinary shares at \$1.48.

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(2) **Transaction costs**

Estimated total demerger transaction costs of \$520,000. These costs will be expensed on a post-tax basis by Metals X for the year ending 30 June 2017.

(3) **30 June 2016 Trade and Other Payables**

Trade and other payables that were due for payment on behalf of Westgold on 30 June 2016 were paid on 1 July 2016. An adjustment has been made to reflect the settlement of trade and other payables amounting to \$25,199,850 due as at 30 June 2016.

(4) **Aditya Birla Minerals Limited Acquisition and Consolidation**

On 29 August 2016 Metals X completed the off-market takeover to acquire 100% of the issued capital in Aditya Birla Minerals Limited ("Aditya Birla") for consideration transferred of 1 Metals X share for every 4.5 Aditya Birla shares and \$0.08 for every Aditya Birla share. Prior to the completion of this acquisition, Metals X held an available for sale investment in Aditya Birla with a fair value of \$35,752,267 at 30 June 2016 and \$43,923,135 at 22 July 2016, being the date Metals X gained control of Aditya Birla. The acquisition accounting for the acquisition has been determined on a provisional basis as reflected in subsequent event disclosures in Note 39 of the Consolidated Financial Statements of Metals X for the year ended 30 June 2016. Metals X incurred additional cash costs of \$8,171,746 post 30 June 2016 relating to the acquisition of 1,119,757 Aditya Birla shares. This amount was paid to Aditya Birla shareholders who had accepted the offer prior to the final increase in consideration on 22 July 2016. Subsequent to the acquisition, Aditya Birla was changed from a public company limited by shares to a proprietary company limited by shares and its name was changed to Cupric Pty Ltd.

(5) **Westgold Demerger**

In accordance with the Notice of Meeting, accounting entries arising from the Demerger and associated Capital Reduction will be implemented the Restructure Date. The Capital Reduction and Demerger Dividend will be recognised as part of the implementation of the Demerger. The principal assets to be distributed in accordance with the Notice of Meeting include the HGO, SKO, the Central Murchison Gold Operations and the Rover Exploration Project. The pro forma adjustment for the Westgold Demerger is based on the Westgold Pro Forma Balance Sheet as at 30 June 2016 as set out in Section 5 of this Explanatory Memorandum. The actual measurement of the distribution payable will be based on the fair value as at the date of settlement. As described further in Section 2.2, Metals X has agreed to provide cash of \$110,000,000 to Westgold to assist in funding Westgold's ongoing operations.

(6) **Derecognition of Deferred Tax Asset**

Following the Demerger, a deferred tax asset amounting to \$32,149,109 will not qualify for recognition as it is not probable that future taxable profit will be available against which the deferred tax asset can be utilised.

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8. Demerger

8.1 Reasons for the Demerger

The Demerger is considered the best opportunity for Shareholders to realise maximum value from both of the Gold Business Unit and the other base metals assets of Metals X. The Capital Reduction and Demerger Dividend (if any) will distribute to Shareholders that part of Metals X capital that represents the value of the Gold Business Unit and Westgold, as determined by the Directors.

The Capital Reduction and demerger dividend is considered by the Board to be the most effective means of:

- distributing the surplus capital of Metals X to Shareholders;
- providing Shareholders with a greater choice of investment through a direct investment in the Gold Business Unit through Westgold; and
- maximising Shareholder value.

Westgold will have a separate management team which will allow it to focus solely on the realisation of value from the Gold Business Unit. Following the Demerger and proposed restructure of Metals X, Westgold will seek a separate ASX listing.

The Demerger of Westgold and its subsequent listing on the ASX makes strategic sense, as it will allow Metals X to focus on its tin, copper and nickel Business Units, and for Westgold to focus purely on the Gold Business Unit.

The Demerger will result in:

- each operation and entity being able to be valued separately and appropriately as opposed to the value of Metals X as a whole;
- transparency for investors (as the gold and other assets have different risk profiles, different funding requirements and are in disparate geographical locations);
- more efficient and focused operating and capital structures for each asset;
- equity and debt financing able to be developed for each asset without any impact from the other asset; and
- investors being able to match their equity risk to the corresponding geography and commodity.

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8.2 Change of structure of Metals X Group Companies

(a) Current Structure of Metals X Group Companies

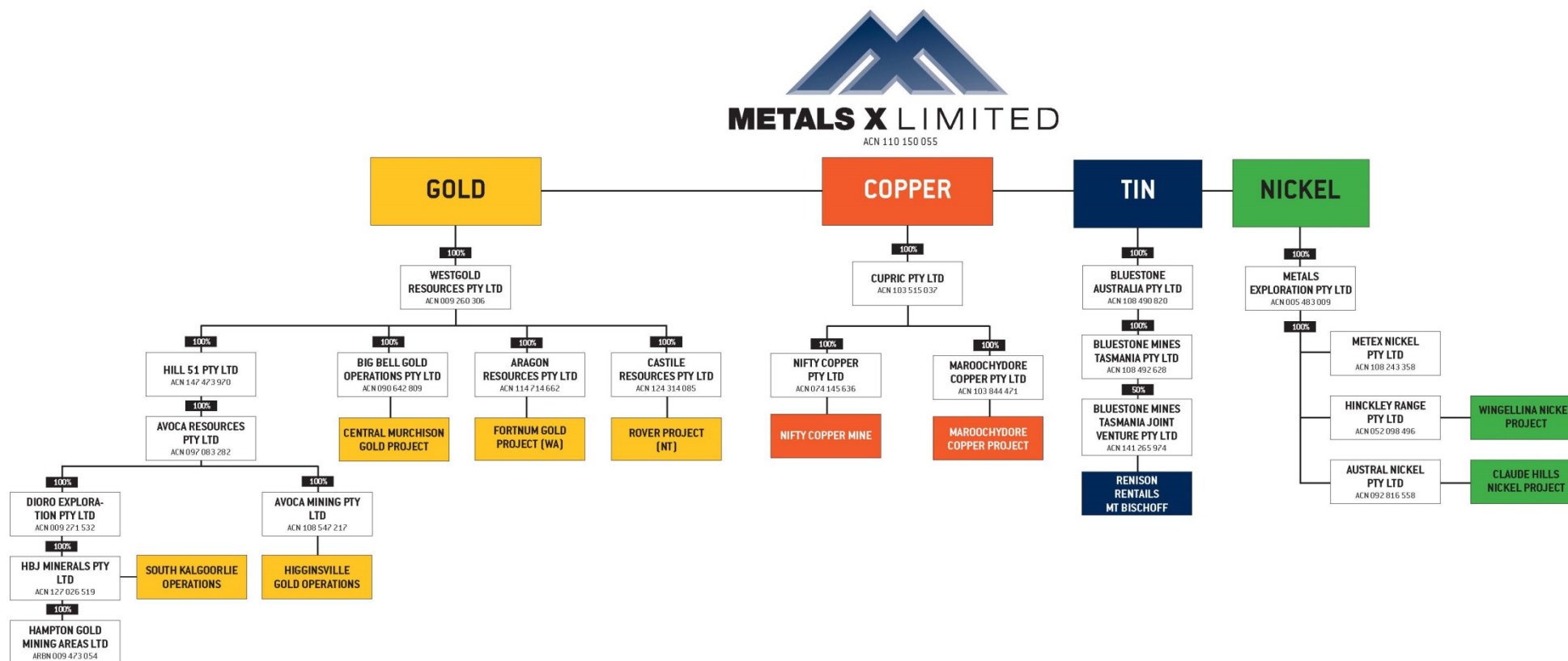


Figure 3 - Current company structure of the Metals X Group Companies

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(b) Structure of Metals X and Westgold following the Demerger

The company structure of Metals X and Westgold following the Demerger will be as follows:

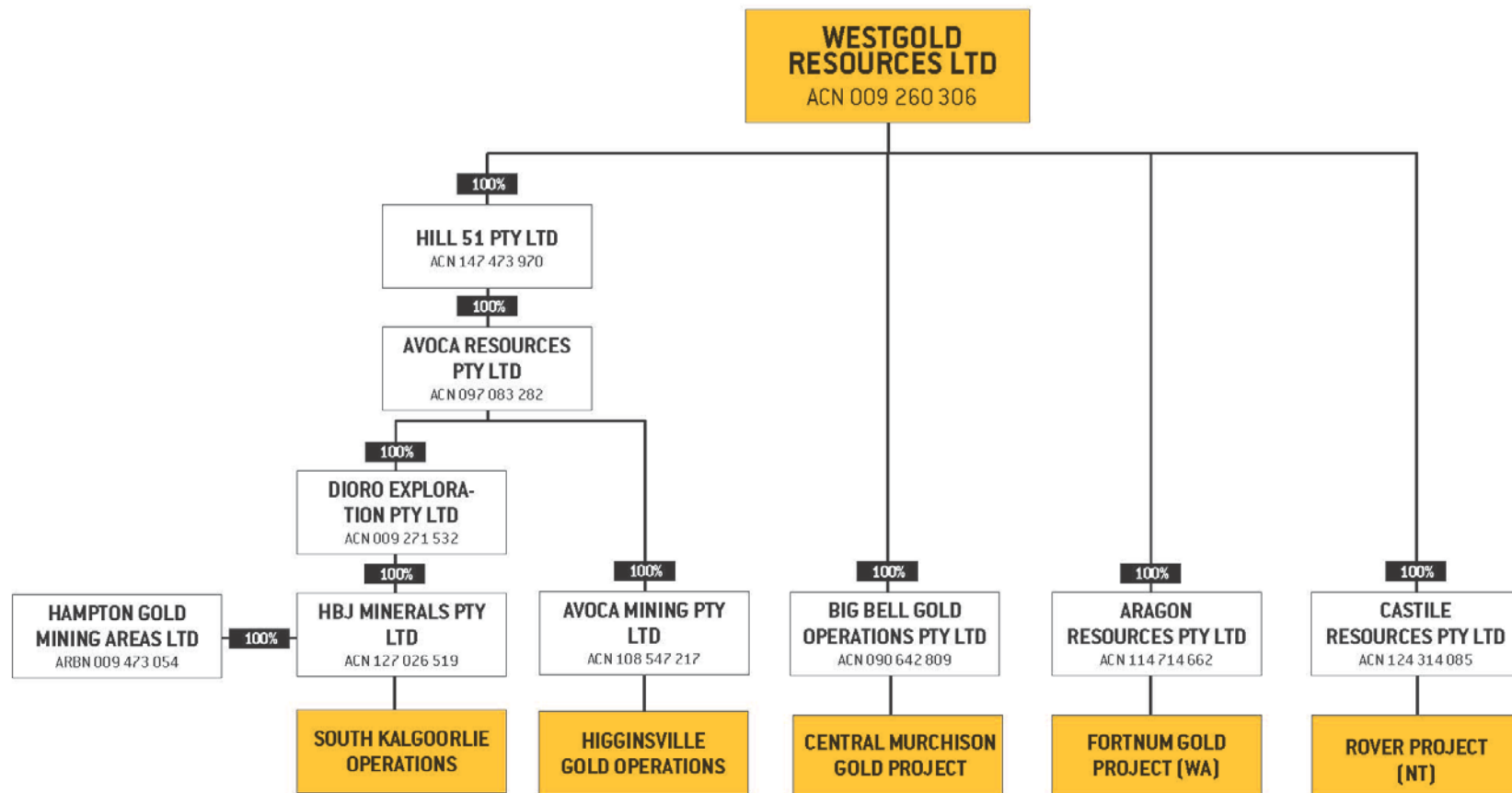


Figure 4 – Company Structure of Westgold following Demerger

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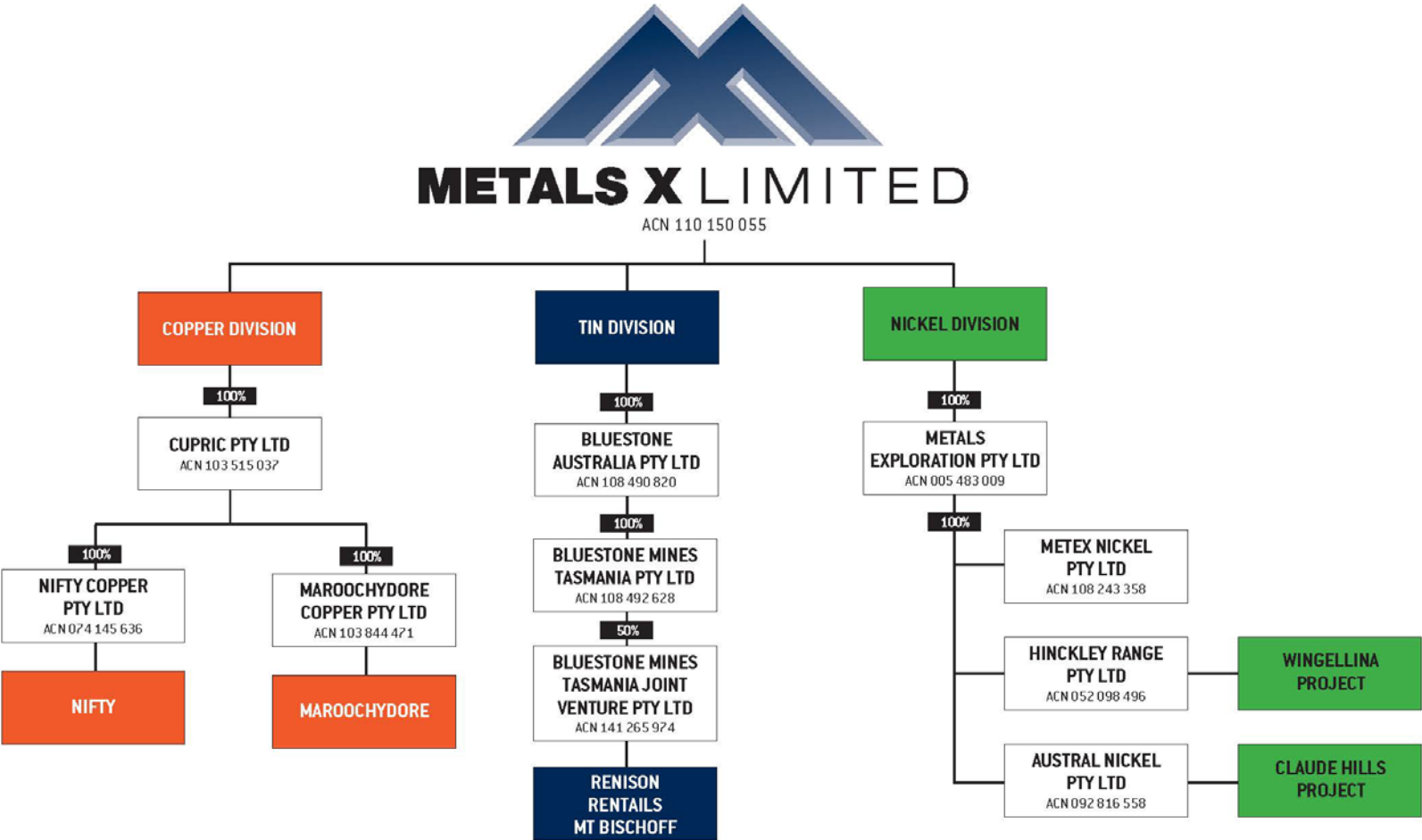


Figure 5 – Company Structure of Metals X following Demerger

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(c) **Shareholder Approval and transaction mechanism**

Subject to satisfaction of the Demerger Conditions, Metals X will distribute all Westgold Shares by effecting an equal pro-rata reduction of the share capital of Metals X on the basis of 1 Westgold Share for every 2 Metals X Shares held. Each Metals X Shareholder will receive:

- (1) an in-specie return of capital by way of the distribution of Westgold Shares in proportion to the number of Metals X Shares held by that Shareholder as at the Record Date; and
- (2) subject to the determination by the Board of the value of the Westgold Shares, a dividend in an amount equal to the difference between the Westgold market value and the capital reduction amount.

As a result of this, Metals X Shareholders will retain direct ownership of Metals X and will convert their indirect ownership of Westgold into a direct ownership by way of holding Westgold Shares.

(d) **Board retains ultimate discretion whether to proceed with Demerger**

The Board retains discretion whether to proceed with the proposed Demerger. Even if Shareholders approve Resolution 1, the Board may still resolve not to proceed with the Demerger should market conditions and other factors impacting on the Demerger cause the Directors to believe that proceeding with the Demerger would not be in the best interests of Shareholders.

8.3 **Requirements under section 256B and section 256C of the Corporations Act**

Metals X is authorised by its Constitution to reduce its share capital in accordance with Division 1 of Part 2J.1, which contains section 256B and Section 256C, of the Corporations Act.

(a) **Capital Reduction**

The proposed Capital Reduction to Eligible Shareholders is an equal capital reduction under the Corporations Act, as each Shareholder will receive either Shares in Westgold, or if they are an Ineligible Overseas Shareholder, the cash value of their entitlement to Shares in Westgold (less any costs to Metals X) (**Entitlement**). As such, even though Ineligible Overseas Shareholders may never physically receive shares in Westgold, they will still receive the same Entitlement as Eligible Shareholders.

(b) **Section 256B of the Corporations Act**

Section 256B of the Corporations Act relevantly provides that a company may only reduce its share capital if the reduction:

- (1) is fair and reasonable to shareholders as a whole;
- (2) does not materially prejudice the company's ability to pay its creditors; and
- (3) is approved by shareholders under section 256C of the Corporations Act.

Fair and Reasonable to Shareholders as a whole

The Board considers that the proposed Capital Reduction is fair and reasonable to Metals X Shareholders as a whole. This is because each Metals X Shareholder is treated equally and in the same manner since the terms of the reduction of capital are the same for each Metals X Shareholder (regardless of whether a Metals X Shareholder receives Westgold Shares or funds in lieu of those Westgold Shares, as will occur in the case of Ineligible Overseas Shareholders) and the distribution is on a pro-rata basis.

The Board commissioned Stantons International Securities Pty Ltd to prepare a report on the question of whether the Demerger is in the best interests of and fair and reasonable to Metals X Shareholders.

Shareholders should read the Independent Expert's Report at Annexure C in full.

The Independent Expert has concluded that the Demerger, including the Capital Reduction, is in the best interests of and fair and reasonable to Metals X Shareholders.

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Does not materially prejudice the Company's ability to pay its Creditors

The Board has determined that although the Capital Reduction will reduce the total equity of Metals X, it will not materially prejudice the ability of Metals X to pay its creditors.

Shareholder Approval under section 256C of the Corporations Act

Under section 256C(1) of the Corporations Act, an equal reduction of capital must be approved by an ordinary resolution passed at a general meeting of the company. Resolution 1 of this Extraordinary General Meeting seeks such approval and must be passed by a majority of validly cast votes of those present in person or by proxy, attorney or representative at the Meeting.

8.4 Requirements under section 254T(1) of the Corporations Act

The Board will determine the demerger dividend as an amount equal to the difference between the Westgold market value and the Capital Reduction amount. This will be effected by the in-specie distribution of Westgold Shares, to Metals X Shareholders out of the "demerger reserve" created in the Company's equity account in its balance sheet as at the Record Date.

In summary, under section 254T(1) of the Corporations Act, the Company must not pay a dividend (in cash or in-specie) unless:

- (a) the Company's assets exceed its liabilities immediately before the dividend is paid and the excess is sufficient for the satisfaction of the dividend amount;
- (b) the payment of the dividend amount is fair and reasonable to Metals X Shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the Company's ability to pay its creditors.

Under the Corporations Act, Metals X Shareholder approval is not a pre-requisite to the determination of the dividend. However, the dividend will only be determined if Resolution 1 is passed. After having carefully considered all of the circumstances, the Directors consider that:

- (d) the Company's assets are expected to exceed its liabilities immediately before the dividend is paid and the excess is sufficient for the payment of the dividend, having regard to the Company's assets and liabilities as at the date of this Notice of Meeting (including the "demerger reserve" established by the Company), and the Director's expectations in relation to the Company's trading in the period up to the declaration of the dividend;
- (e) in their opinion, the dividend is fair and reasonable to all Metals X Shareholders, as it applies to all Metals X Shareholders fairly as between them having regard to the number of Metals X Shares held by each of them; and
- (f) the Company has sufficient reserves to satisfy the proposed dividend without materially prejudicing the Company's ability to pay its creditors.

8.5 Advantages and Disadvantages of the Capital Reduction and Demerger

The advantages and disadvantages to Shareholders of the Capital Reduction and Demerger are as follows:

(a) Advantages

- (1) Metals X Shareholders will retain their current percentage ownership interest in Metals X share capital;
- (2) Westgold may add portfolio value because the demand for a gold only company may exceed demand for a company with diversified mineral assets that include gold;
- (3) Westgold and Metals X will be able to focus on developing assets with similar properties and as a result, each company may progress or improve projects quicker;
- (4) The Demerger will create a transparent valuation and immediate value recognition for the Gold Business Unit;

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- (5) Flexibility to allow investors to be able to pursue their specific investment preferences separately;
- (6) The clear separation of the distinctive businesses will allow each entity to separately access capital markets for their respective projects;
- (7) Both companies will have sufficient working capital funding in the short to medium term;
- (8) Separation of Westgold provides an opportunity for potential acquirers to access Westgold as a stand-alone entity;
- (9) Separate management teams will allow a greater focus on each individual project;
- (10) Enables Eligible Shareholders to retain a direct and ongoing interest in the Gold Business Unit through their pro-rata shareholding in Westgold;
- (11) Westgold Shares will be quoted on the ASX and transferable; and
- (12) Enables Metals X to return value to Metals X Shareholders without selling its Gold Business Unit on market, which could cause a decrease in the value of Metals X Shares generally.

(b) **Disadvantages**

- (1) ASIC has provided technical relief to allow secondary sales to occur before Westgold is listed on ASX, however, unless and until Westgold becomes listed on ASX, the shares in Westgold will not have a liquid market and may be difficult to sell. Although Westgold intends to seek listing on ASX, there can be no assurance that Westgold will be listed or will trade at a particular price;
- (2) Westgold and its subsidiaries will have a different tax profile to Metals X and immediately after the Demerger will have no carried forward tax losses to offset against their future taxable profits. By way of background, the Metals X tax consolidated group has estimated available carried forward tax losses of \$150,104,338 as at 30 June 2016. All historical tax losses incurred and carried forward by the Metals X tax consolidated group, up to the time of the Demerger, will remain with Metals X following the Demerger. This includes all tax losses generated by Westgold and its subsidiaries whilst they are members of that tax group;
- (3) It cannot be predicted how the market will react to the Demerger and accordingly, a fundamental change in the structure of Metals X could have adverse effects on the share prices of Metals X and Westgold;
- (4) The liquidity of Westgold may be less than that currently exhibited by Metals X due to the reduction in size of the entity and focus on gold assets;
- (5) Reduction in scale of Westgold means the company may not be an attractive investment to some institutional investors who follow indices and it may be more difficult for Westgold to access debt or equity funding;
- (6) Metals X and Westgold will incur Demerger expenses of approximately \$520,000 to list Westgold on the ASX (whether or not the Demerger is approved) and a further approximately \$510,000 will be incurred if approved in connection with listing Westgold on ASX. Metals X will incur costs for legal, advisory and listing expenses in conducting the Demerger;
- (7) There are costs associated with the restructure which will be incurred by Metals X;
- (8) There may be tax consequences for Metals X Shareholders (refer to Section 9 below for additional information);
- (9) Additional costs will be incurred by Westgold as a result of the need to maintain its own board of directors, share register, corporate and administrative functions; and
- (10) Metals X and Westgold Shareholders who chose to subsequently dispose of their Metals X and Westgold Shares may incur transaction and brokerage costs associated with selling shares in two different companies instead of one.

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8.6 General

The Corporations Act and the ASX Listing Rules set out the procedure and timing for a capital reduction. Refer to Section 2.3 for an indicative timetable in respect of the Demerger. The Capital Reduction will become effective from the Record Date provided that after the Record Date has been set, the Directors have not provided a notice to ASX stating that the Company does not intend to proceed with the reduction of capital contemplated by Resolution 1.

Generally, the standard record date for a reorganisation of capital of an ASX listed company is the third business day after shareholders approve the reorganisation. However, in relation to the Capital Reduction, the Company has provided for flexibility in the setting of the Record Date, such that the Directors may elect to defer the implementation of the Capital Reduction depending on the timing of satisfaction of the Demerger Conditions.

As a result, the Record Date to determine entitlements of Shareholders to participate in the Capital Reduction is to be set by the Directors after the date Resolution 1 is passed, such that the Record Date will be not less than three business days after the date on which Resolution 1 is passed and not later than six months after the date on which Resolution 1 is passed.

9. Australian Income Tax Implications

Metals X considers the proposed Demerger should qualify for demerger tax relief. However, Metals X has applied to the Commissioner of Taxation (**Commissioner**) for a class ruling in connection with the Demerger. Metals X considers that a decision from ATO not to grant demerger tax relief would make the Demerger unviable from a value perspective. Accordingly, one of the Demerger Conditions is that Metals X obtains a draft class ruling from the ATO confirming the availability of demerger relief.

On the assumption that a favourable class ruling is obtained from the ATO, the following is a general summary of the Australian taxation consequences for Australian resident Metals X Shareholders who receive Westgold Shares in respect of the Capital Reduction. The taxation information below is applicable to Australian residents who hold their Metals X shares on capital account and are not subject to the taxation of financial arrangement provisions contained in Division 230 of the Income Tax Assessment Act (1997) (**ITAA 1997**).

The information below is not a complete analysis of all taxation implications relevant to the proposed Demerger and all Metals X shareholders should obtain independent tax advice regarding the income tax and capital gains tax implications specific to their circumstances. Specifically, Metals X shareholders who hold their Metals X shares on revenue account (for example, Metals X shareholders who are share traders and certain institutional investors), and Metals X shareholders who are not residents of Australia for income tax purposes, should all seek independent taxation advice. The information below does not consider the future tax implications associated with holding or selling the Metals X shares or Westgold shares following implementation of the Demerger.

The information below has been prepared based on the taxation laws, regulations, rulings and administrative guidance and judicial interpretations as at 22 September 2016. It is important to note the ultimate interpretation of taxation law rests with the courts and that the law, and the way the revenue authorities seek to administer the law, may change over time. Accordingly, information below represents an interpretation of existing law based upon generally accepted interpretations of that law.

Australian Tax laws are complicated and subject to legislative and interpretive change both prospectively and (occasionally) retrospectively. Changes in the tax law or interpretation of the tax law subsequent to the date of this Explanatory Memorandum may alter the tax treatment of the Demerger.

There could also be implications for Metals X shareholders in addition to those described above. The information provided below is general in nature and the individual circumstances of each shareholder may affect the tax implications of the Demerger for that shareholder. Metals X shareholders should seek appropriate independent professional advice that considers the tax implications in respect of their own specific circumstances.

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(a) **Demerger tax relief**

The information below has been prepared on the basis that shareholders who are residents of Australia and who hold their Metals X Shares on capital account for tax purposes should be eligible to choose Demerger Relief. Broadly, Demerger Relief ensures that any CGT consequences from the transaction may be deferred, and that the dividend component (if any) of a distribution is not taxed in the hands of the Metals X Shareholders.

(b) **CGT Consequences**

The Capital Reduction will give rise to a CGT event for Metals X shareholders representing the distribution of Westgold shares. The CGT event will happen at the time Metals X completes the Demerger.

Metals X shareholders can choose whether or not to obtain demerger roll-over relief.

(1) **Where demerger roll-over relief is chosen**

(A) **Capital gain is disregarded**

If Demerger Relief is available, for Metals X shareholders who choose demerger roll-over relief, any capital gain made arising from the CGT event happening to their Metals X shares under the Demerger will be disregarded.

(B) **CGT cost base in Metals X shares and Westgold shares**

Metals X shareholders will need to apportion the CGT cost base of their original Metals X shares between their original Metals X shares and new Westgold shares in accordance with the market values of the Metals X shares and Westgold shares (or a reasonable approximation of these market values) just after the Demerger.

Further information in relation to the apportionment of costs bases will be provided by Metals X subsequent to the Demerger being implemented.

(C) **Time of acquisition of Westgold shares**

For Metals X shareholders who choose demerger roll-over relief, their Westgold shares will have the same CGT characteristics as the underlying Metals X shares. For the purposes of determining the availability of the CGT discount on a subsequent sale of Westgold shares, Westgold shares should be taken to have been acquired at the time the shareholder acquired their original Metals X shares. Metals X shareholders should seek appropriate tax advice to determine the application of the CGT discount in their specific circumstances.

(2) **Where demerger roll-over relief is not chosen**

(A) **Capital gain is not disregarded**

If Demerger Relief is available, for Metals X shareholders who do not choose to obtain demerger roll-over relief, any capital gain made arising from the Capital Reduction under the Demerger will not be disregarded.

Metals X shareholders may be entitled to discount CGT treatment. Metals X shareholders should seek appropriate tax advice to determine the application of the CGT discount in their specific circumstances.

If the capital component of the Capital Reduction does not exceed the CGT cost base in the Metals X shares, no capital gain should be made. Metals X shareholders will not make a capital loss as a result of the return of capital under the Demerger.

(B) **CGT cost base in Metals X shares and Westgold shares**

Metals X shareholders who do not choose to obtain demerger roll-over relief should apportion the first element of the CGT cost base in their Metals X shares between those Metals X shares and Westgold shares received under the Demerger. The method of apportionment is the same as the method for Metals X shareholders who choose to obtain demerger roll-over relief as discussed above.

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(C) Time of acquisition of Westgold shares

Where demerger roll-over relief is not chosen, all of the Westgold shares transferred to Metals X shareholders will be treated as having been acquired at the time they are transferred to the Metals X shareholders. This will be relevant to Metals X shareholders in determining the availability of the CGT discount on a subsequent sale of Westgold shares. Metals X shareholders should seek appropriate tax advice to determine the application of the CGT discount in their specific circumstances.

(c) Application of demerger tax integrity measures

In certain circumstances part of an in-specie distribution can be treated as a dividend for Australian tax purposes. The dividend component would be that amount of the in-specie distribution by which Metals X does not reduce share capital. Metals X expects to determine the Capital Reduction amount by reference to the allocation required by the ATO class ruling. The dividend component should therefore be that amount by which the market value of the in-specie distribution exceeds the Capital Reduction amount. Where Demerger Relief is available, this dividend would not be assessable to Metals X shareholders.

However, the Commissioner may make a determination under Section 45B of the Income Tax Assessment Act 1936 (**ITAA 1936**) to deem certain payments to be treated as taxable dividends for taxation purposes. Having regard to the circumstances of the Demerger, Metals X does not consider the Commissioner should apply Section 45B to the proposed Demerger. For completeness, the following is an outline of the potential Australian income tax implications for Australian resident Metals X shareholders who hold their shares on capital account should the Commissioner make a determination under Section 45B in respect of the Demerger:

- All or part of the Capital Reduction may be treated as an unfranked dividend. This amount would be assessable income for Australian resident Shareholders.
- The CGT cost base in the Metals X shares would not change as a result of the Demerger.
- The CGT cost base in Westgold shares would be equal to the Demerger Entitlement.
- Westgold shares would be treated as having been acquired at the time they are transferred to Metals X shareholders.

10. Ineligible Overseas Shareholders

Distribution of Westgold Shares to overseas Shareholders under the Capital Reduction will be subject to the legal and regulatory requirements in their relevant overseas jurisdictions. Metals X has decided that it is unreasonable to distribute Westgold Shares to Ineligible Overseas Shareholders (those overseas Shareholders with a registered address outside of the Eligible Countries), due to the substantial costs of complying with the legal and regulatory requirements in the various overseas jurisdictions.

As such, Westgold Shares to which Ineligible Overseas Shareholders in certain circumstances would otherwise be entitled will be sold by Metals X on their behalf within one month of the date that Westgold becomes listed on the ASX.

If Metals X elects to sell Westgold Shares on a relevant Westgold Shareholder's behalf, Metals X will then account to those Westgold Shareholders for the net proceeds of such a sale (less any costs or expenses in relation to the sale incurred by Metals X). The capital reduction is being satisfied by the pro-rata in-specie distribution of Westgold Shares. As the share price of Westgold once (and if) it becomes listed may be subject to fluctuation (assuming a liquid market exists), the net proceeds of the sale of those Westgold Shares to Westgold Shareholders may be more or less than the notional dollar value placed on the reduction of capital.

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11. Risk Factors

11.1 Risk Factors common to Westgold and Metals X

Both Metals X and Westgold are subject to risks relating to the exploration, development and production of mineral properties. Many of the circumstances giving rise to these risks are beyond the control of Metals X and Westgold and their respective directors and management. The following list of risks should be considered as a guide only and is not intended to be exhaustive in any way:

(a) **Division of assets**

Under the Demerger, Metals X will cease to hold an interest in the gold assets held by Westgold, and Westgold will no longer be part of the Metals X group holding the base metals assets. Accordingly, Shareholders need to be aware that any investment made in Metals X should be undertaken in the knowledge that Metals X (or its subsidiaries) will not be holding those gold assets. However, investors in Metals X who hold Metals X Shares on the Record Date will receive Westgold Shares and so will continue to have an ownership interest in the gold assets for so long as they retain those Westgold Shares.

(b) **Environment**

Metals X's and Westgold's projects are subject to laws and regulations in relation to environmental matters. As a result, there is the risk that Metals X or Westgold may incur liability under these laws and regulations. Metals X and Westgold proposes to comply with applicable laws and regulations and conduct its programs in a responsible manner with regard to the environment.

(c) **Additional Requirements for Capital**

Metals X's and Westgold's activities will require substantial expenditure. There can be no guarantees that the funds held by Metals X or Westgold will be sufficient to successfully achieve all of the objectives of Metals X or Westgold's business strategy. Any equity financing will dilute shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If Metals X or Westgold is unable to obtain additional financing as needed, it may be required to reduce the scope of its production operations and scale back its additional exploration programs. In addition, Metals X's or Westgold's ability to continue as a going concern may be diminished. There is no guarantee that Metals X or Westgold will be able to secure any additional funding or be able to secure funding on terms favourable to Metals X or Westgold. Such circumstances would adversely affect Metals X or Westgold and their activities.

(d) **Reliance on Key Personnel**

Metals X and Westgold will be dependent on their directors', managers' and consultants' abilities to implement its business strategy. A number of factors, including the departure of senior management of Metals X or Westgold or a failure to attract or retain suitably qualified key employees, could adversely affect Metals X's or Westgold's business strategy.

(e) **Insurance**

Metals X and Westgold intend to adequately insure its operations in accordance with industry practice and applicable laws in the jurisdiction(s) where it operates. However, in certain circumstances Metals X or Westgold may not be able to obtain insurance or the insurance that it can obtain may not be of a nature or level to provide adequate insurance cover. As such, the occurrence of an event that is not covered by insurance could have a material adverse effect on Metals X or Westgold.

(f) **Economic**

Factors such as inflation, currency fluctuations, interest rates, supply and demand, industrial disruption, government policy and legislation have an impact on operating costs, commodity prices, and the parameters in which Metals X or Westgold operates.

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(g) **Industrial**

Industrial disruptions, work stoppages and accidents in the course of Metals X's or Westgold's operations could result in losses and delays, which may adversely affect profitability.

(h) **Management Actions**

The Directors of Metals X and Westgold will, to the best of their knowledge, experience and ability (in conjunction with management) endeavour to anticipate, identify and manage the risks inherent in the activities of Metals X or Westgold, but without assuming any personal liability for same, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of Metals X or Westgold and its securities.

(i) **Government Policy and Legislative Change**

Capacity to explore and mine, as well as industry profitability generally, can be affected by changes in government policy that are beyond the control of Metals X and Westgold and which may materially adversely affect Metals X or Westgold and the value of their securities. Both Metals X and Westgold's activities in the mining industry are subject to various legislation, regulation and approvals. The introduction of any new legislation, be it amendments, the application of developments in existing common law or policies or the interpretation of those laws or policies could have a material adverse effect on both Metals X and Westgold. Changes in government regulations may adversely affect the financial performance or the current and proposed operations generally of Metals X and Westgold and the value of their securities.

In addition, Metals X and Westgold's projects may require from time to time various licences, regulatory renewals or approvals by government for their operations and accordingly must comply with those approvals, applicable laws, regulations, guidelines and policies.

Specifically, Metals X and Westgold may require licenses, renewals and approvals in relation to environmental matters, exploration, development and production of gold. There is a risk that Metals X and Westgold may not obtain, or may be delayed in obtaining the necessary licenses, renewals and approvals in relation to their operations. This may affect the timing and scope of Metals X and Westgold's operations. The loss of granted tenements or the delay in obtaining lease renewals may have a material adverse effect on Metals X and Westgold.

(j) **Taxation**

In all places where Metals X and Westgold has operations, in addition to the normal level of income tax imposed on all industries, Metals X or Westgold may be required to pay government royalties, indirect taxes, goods and services tax and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

(k) **Foreign Exchange**

Foreign exchange rates fluctuate over time. Fluctuating exchange rates have a direct effect on Metals X's and Westgold's operating costs and cash flows expressed in Australian dollars.

(l) **Commodity Price**

Metals X's and Westgold's prospects and Share prices will be influenced by the price obtained from time to time for gold and any other commodities produced and targeted in its exploration programs. Commodity prices fluctuate and are affected by factors including the relationship between global supply and demand for minerals, forward selling by producers, costs of production and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand factors. These factors may have an adverse effect on Metals X's or Westgold's production and exploration activities and any subsequent development and production activities, as well as its ability to fund its future activities.

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(m) **Contractual arrangements**

Metals X and Westgold are parties to a number of material contracts and may be advanced in the finalisation of other contracts. Failure by any other party to a contract with Metals X or Westgold to comply with their obligations could have a material adverse effect on Metals X or Westgold. Additionally, the failure by Metals X or Westgold to finalise and execute contracts presently under negotiation or to finalise conditions arising under existing conditional material contracts could have a material adverse effect on Metals X or Westgold.

(n) **Joint venture partners**

Financial failure or default by any participant in a joint venture to which Metals X or Westgold is a party may have a material adverse effect on Metals X or Westgold insofar as it may have to bear that share of the joint venture costs which would otherwise have been borne by the relevant participant in the joint venture.

(o) **Tenure and native title risks**

Interests in exploration and mining tenements in Australia are governed by State legislation and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it annual expenditure and reporting conditions as well as other conditions requiring compliance. These conditions include the requirement, for exploration licences, for reduction in the area held under licence from time to time unless it is considered that special circumstances apply. Consequently Metals X or Westgold could lose title to, or its interest in, its tenements if licence conditions are not met or if expenditure commitments are not met.

It is possible that, in relation to tenements in which Metals X or Westgold has an interest or may acquire such an interest, there may be areas over which legitimate native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of Metals X or Westgold to obtain the consent of any relevant land owner, or to progress from the exploration phase to the development and mining phases of the operation, may be adversely affected.

It is possible that there will exist on Metals X's or Westgold's mining tenements, areas containing sacred sites or sites of significance to Aboriginal people subject to the provisions of the Aboriginal Heritage Act 1972 (WA), or areas subject to the Native Title Act 1993 (Cth) in Australia. As a result land within the tenements may be subject to exploration, mining or other restrictions as a result of claims of Aboriginal heritage sites or native title.

(p) **Land access risk**

Land access is critical for Metals X's and Westgold's exploration and production programs to succeed. In all cases the acquisition of prospective tenements is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

Access to land for exploration purposes can be affected by land ownership, including private (freehold) land, pastoral lease and native title land or claims under the Native Title Act 1993 (Cth) (NTA).

In addition, rights to mineral tenements carry with them various obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area.

(q) **Exploration and development**

There can be no assurance that any exploration or development activity in regard to Metals X's or Westgold's properties, or any properties that may be acquired in the future, will result in the discovery or exploitation of an economic resource.

Mineral exploration, development and mining/extraction may be hampered by circumstances beyond the control of Metals X or Westgold.

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(r) **Exploration risks**

Exploration is a high risk activity that requires large amounts of expenditure over extended periods of time. Metals X or Westgold's exploration activities will be subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during exploration and development are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

(s) **Resource estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates may change. Accordingly, the actual resources may materially differ from these estimates and assumptions and no assurances can be given that the resource estimates and the underlying assumptions will be realised. This could result in alterations to development and mining/extraction plans, which may, in turn, affect Metals X's or Westgold's operations and ultimately Metals X's or Westgold's financial performance and value.

11.2 Risk Factors specific to Westgold

Although no consideration is payable for Westgold Shares, there are further specific risks associated with Westgold. Shareholders should consider that an investment in Westgold Shares is speculative and they should consult their professional advisers when deciding how to vote on the Resolution.

(a) **Liquidity**

There may be relatively few buyers or sellers of Westgold securities on ASX at any given time. This may affect the volatility of the market price of the securities and the prevailing market price at which Westgold Shareholders hold their Westgold Shares. This may result in Westgold Shareholders receiving a market price for their Westgold Shares that is less or more than the value attributed to them on the Demerger Effective Date.

12. Additional Information

12.1 Additional Corporations Act and ASX Listing Rule Requirements

(a) **Corporations Act**

Pursuant to section 256C(4) of the Corporations Act, this Explanatory Memorandum sets out all information known to Metals X that is material to the decision on how to vote on this Resolution 1 (except where it would be unreasonable to do so because Metals X has previously disclosed the information to its Shareholders). Metals X has also lodged with ASIC a copy of this Notice of Meeting and accompanying documentation prior to sending them to Metals X Shareholders in accordance with section 256C(5) of the Corporations Act.

(b) **ASIC Relief**

The Corporations Act restricts:

- (1) Metals X from transferring Westgold Shares to Eligible Shareholders within 12 months of their issue, by way of the proposed Demerger, without Metals X issuing a Prospectus (under section 707(2) of the Corporations Act); and
- (2) Westgold Shareholders from on-selling Westgold Shares which are transferred by Metals X to the Eligible Shareholders under the proposed Demerger, within the first 12 months after receiving them from Metals X (under section 707(5) of the Corporation Act).

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As a result, a compliance prospectus would be required to be sent to all Shareholders with this Notice of Meeting in order to comply with the disclosure obligations of Chapter 6D of the Corporations Act.

The Board is of the view that the disproportionately high costs involved in preparing a compliance prospectus to accompany this Notice of Meeting for the Demerger approval are not justified, and consider that the costs outweigh any benefit to Metals X Shareholders in receiving a compliance prospectus. No application form is necessary to effect the transfer of Westgold Shares from Metals X to Metals X Shareholders.

As a result of this, the Board submitted an application to ASIC for relief from the requirement to issue a compliance prospectus, in accordance with ASIC Regulatory Guide 188 which provides that relief is possible where the proposed distribution in-specie involves a capital reduction where there is no significant change to the Shareholders' overall investment, and no change to the underlying business or assets.

ASIC has granted the relief, allowing Metals X to provide all information required by the Corporations Act in relation to the Capital Reduction (and subsequent Demerger), in this Notice of Meeting, without the need to also issue and dispatch a compliance prospectus. This has avoided the unnecessary expenditure by Metals X on fees to produce, print and post a compliance prospectus.

(c) **ASX Listing Rules**

Metals X has applied for and obtained confirmations and waivers (as applicable) from ASX regarding the operation of the following Listing Rules in relation to the Capital Reduction including Listing Rule 1.1, Listing Rule 2.1, Listing Rule 7.17, Listing Rule 10.1, Listing Rule 10.14, Listing Rule 11.1, Listing Rule 11.2 and Listing Rule 11.4.

12.2 **Entitlement to Westgold Shares**

If the Demerger Conditions are satisfied, Metals X Shareholders (as at the Record Date) will receive a pro-rata beneficial entitlement to Westgold Shares (of 1 Westgold Share for every 2 Metals X Shares held). The reduction in the Metals X's share capital and the distribution of Westgold Shares will become effective from the Effective Date. Any fractional entitlement to a part of a Westgold Share will be rounded up or down to the nearest whole number of a Westgold Share (and if the fractional entitlement would include one half of a Westgold Share, the entitlement will be rounded up to the nearest whole number of Westgold Shares). Shares in Westgold are to be held subject to its Constitution which is in a standard form and which has been approved by ASX as complying with the ASX Listing Rules and is further summarised in Section 12.3.

12.3 **Rights of Westgold Shares**

(a) **Constitution and Rights Attaching to Shares**

On or about 20 October 2016, and in any event by the Record Date, Westgold will be converted to a public company and from that date the Company's constitution (the **Constitution**) is of the kind usually adopted by a public company, with certain provisions taking effect once (and for so long as) the Company is listed on the ASX. A summary of the rights attaching to Shares under the Constitution is set out below. The summary is qualified by the full terms of the Constitution (copies of the Constitution may be inspected at the registered office of the Company during normal business hours by appointment with the Company secretary). These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory, ASX Listing Rules and common law requirements. This summary is not intended to be exhaustive.

(b) **Rights Attaching to Shares in the Company**

(1) **Voting**

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

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(2) **Meeting of members**

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, Corporations Act, Listing Rules and ASX Settlement Operating Rules.

(3) **Dividends**

The Shares will rank equally with all other issued Shares in the capital of the Company and will participate in dividends out of profits earned by the Company from time to time. Subject to the rights of holders of Shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the Shares held by them and in proportion to the amounts paid up on such Shares as at the date of declaration of the dividend. The Directors may from time to time pay to Shareholders such interim dividends as in their judgement the position of the Company justifies.

(4) **Dividend reinvestment plan**

The Constitution authorises Directors, at their discretion, establish a dividend reinvestment plan (under which shareholders are given the option to elect that the dividend payable by the Company being reinvested by a subscription of securities). The Company currently has a dividend reinvestment plan.

(5) **Winding Up**

Upon paying the Application moneys, Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the *Corporations Act*.

(6) **Transfer of Securities**

Generally, the Shares in the Company will be freely transferable, subject to satisfying the usual requirements of security transfers on the ASX. The Directors may decline to register any transfer of Shares but only where permitted to do so under its Constitution or the ASX Listing Rules.

(7) **Issue of further Shares**

Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules and any rights and restrictions attached to a class of shares, the company may issue, or grant options in respect of further share on such terms and conditions as the Directors resolve.

(8) **Sale of Non-Marketable Holdings**

- (A) The Company may take steps in respect of non-marketable holdings of Shares in the Company to effect an orderly sale of those Shares in the event that holders do not take steps to retain their holdings.
- (B) The Company may only take steps to eliminate non-marketable holdings in accordance with the Constitution and the ASX Listing Rules.
- (C) For more particular details of the rights attaching to Shares in the Company, investors should refer to the Constitution of the Company.

(9) **Share buy-back**

Subject to the Corporations Act and Listing Rules, the Company may buy back shares in itself and is entitled to give financial assistance to an entity for the purpose of the same.

(10) **Variation of class rights**

At present, the Company's only class of shares on issue are ordinary shares. Subject to the Corporations Act and the terms of issue of a class of shares, the rights attaching to any class of shares may be varied or cancelled:

- (A) with the consent in writing of holders of 75% of the issued shares included in that class; or
- (B) by a special resolution passed at a separate meeting of holders of those shares.

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(11) **Directors – appointment and removal**

At the first annual general meeting, all directors shall retire from office, and at subsequent annual general meetings, one third of the directors, or if their number is not a multiple of three, then the greater of one or the number nearest to but not exceeding one-third, shall retire.

A retiring director is eligible for re-election. The directors may appoint a director either in addition to existing directors or to fill a casual vacancy, who then holds office until the next annual general meeting. The Company may elect a person as a Director by resolution passed at a general meeting.

(12) **Directors – fees and remuneration**

The remuneration of the Directors is determined by the Board and must not include a commission on or percentage of operating revenue. The total amount of Director's fees payable by the Company to non-executive Directors must not exceed the maximum amount determined by shareholders at a general meeting.

(13) **Alteration of Constitution**

The Constitution may only be amended by special resolution passed by at least 75% of the Company's members present and voting at a general meeting.

12.4 **Consent to be member of Westgold**

For the avoidance of any uncertainty, should Resolution 1 be approved at the Meeting, all Metals X Shareholders (including those who did not vote or who did not vote in favour of Resolution 1) will be taken to have implicitly consented to becoming a member of Westgold and to being bound by its Constitution.

12.5 **Employee Share Option Plan**

Westgold has adopted an employee share and option plan (**ESOP**) pursuant to which issued capital of Westgold may be made available to directors, senior management and staff as a form of longer term equity incentive. The key terms of the ESOP are summarised below:

- (a) The ESOP is to extend to eligible persons or eligible associate (as the case may be) of Westgold or an associated body corporate of Westgold as the board of Westgold may in its discretion determine.
- (b) The total number of securities which may be offered by Westgold under the ESOP shall not at any time exceed 5% of Westgold's total issued shares when aggregated with the number of securities issued or that may be issued as a result of offers made at any time during the previous 3 year period under:
 - (1) an employee incentive scheme covered by ASIC CO 14/1000; or
 - (2) an ASIC exempt arrangement of a similar kind to an employee incentive scheme.
- (c) The shares are to be issued at a price determined by the Westgold board.
- (d) The options are to be issued for no consideration and may be issued subject to such Performance Hurdle (if any) as determined by the Westgold board at its sole discretion.
- (e) The exercise price of an option is to be determined by the Westgold board at its sole discretion.
- (f) The option commencement date will be any such date or dates with respect to the options or tranches of options (as the case may be) as may be determined by the Westgold board prior to the issuance of the relevant options.
- (g) The option period commences on the option commencement date and ends on the earlier of:
 - (1) the expiration of such period nominated by the Westgold board at its sole discretion at the time of the grant of the option but being not less than two years;
 - (2) if an eligible person's employment or engagement with Westgold or an associated body corporate ceases because of an Uncontrollable Event, the earlier of:
 - (A) the expiry of the option period; or

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- (B) six months (or such other period as the Westgold board shall, in its absolute discretion, determine) from the date on which the eligible person ceased that employment or engagement;
 - (3) if an eligible person's employment or engagement with Westgold or an associated body corporate ceases because of a Controllable Event:
 - (A) the expiry of the option period; or
 - (B) three months (or such other period as the Westgold board shall, in its absolute discretion, determine) from the date on which the eligible person ceased that employment or engagement; or
 - (4) the Westgold board determining in its absolute discretion that the eligible person ceased to be employed or engaged by Westgold or an associated body corporate of Westgold due to fraud, dishonesty or being in material breach of their obligations to Westgold or an associated body corporate.
- (h) If an eligible person's employment or engagement with the Company ceases because of an Uncontrollable Event the Westgold Board in its absolute discretion may determine to reduce, vary or waive any Performance Hurdle that has not been satisfied as at the date of the Uncontrollable Event so that the options subject to the Performance Hurdle may be exercised and, unless so determined by the Westgold Board in its absolute discretion, if an eligible person's employment or engagement with Westgold or an associated body corporate ceases because of a Controllable Event, options the subject of any unsatisfied Performance Hurdle shall lapse as at the date of the Controllable Event.
 - (i) Eligibility to participate is determined by the Westgold board. Eligibility is restricted to eligible persons (or their eligible associates where applicable) of Westgold or an associated body corporate of Westgold. The Westgold board is entitled to determine:
 - (1) subject to paragraph (b) above, the total number of shares and options to be offered in any one year to eligible persons or eligible associates;
 - (2) the eligible persons to whom offers will be made; and
 - (3) the terms and conditions of any shares and options granted, subject to the ESOP.
 - (j) In respect of options, option holders do not participate in dividends or in bonus issues unless the options are exercised.
 - (k) Option holders do not have any right to participate in new issues of securities in Westgold made to shareholders generally. Westgold will, where required pursuant to the ASX Listing Rules, provide option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the options, in accordance with the requirements of the ASX Listing Rules.
 - (l) In the event of a pro rata issue (except a bonus issue) made by Westgold during the term of the options Westgold may adjust the exercise price for the options in accordance with the formula in the terms of the ESOP.
 - (m) The Westgold board has the right to vary the entitlements of participants to take account of the effect of capital reorganisations, bonus issues or rights issues.
 - (n) The terms of the options shall only be changed if holders (whose votes are not to be disregarded) of shares in Westgold approve of such a change. However, the terms of the options shall not be changed to reduce the exercise price, increase the number of options or change any period for exercise of the options, unless so permitted by ASX.
 - (o) The Westgold board may impose as a condition of any offer of shares and options under the ESOP any restrictions on the transfer or encumbrance of such shares and options as it determines.
 - (p) The Westgold board may vary the ESOP.
 - (q) The ESOP is separate to and does not in any way form part of, vary or otherwise affect the rights and obligations of an eligible person under the terms of his or her employment or arrangement.
 - (r) At any time from the date of an offer until the acceptance date of that offer, the board undertakes that it shall provide information as to:

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- (1) the current market price of the shares; and
- (2) the acquisition price of the shares or options offered where this is calculated by reference to a formula, as at the date of the offer,

to any participant within 3 Business Days of a written request to Westgold from that participant to do so.

- (s) Any offer made pursuant to this ESOP will specify whether subdivision 83A-C of the applicable Tax Laws applies to that offer such that any tax payable by a participant under the offer will be deferred to the applicable deferred taxing point described in that subdivision.

In the ESOP:

Controllable Event means cessation of employment or engagement other than by an Uncontrollable Event.

Performance Hurdle means criterion, condition or other requirement that must be satisfied.

Uncontrollable Event means:

- (1) death, serious injury, disability or illness which renders the Eligible Person incapable of continuing their employment or engagement (or providing the services the subject of the engagement) with the Company or Associated Body Corporate;
- (2) forced early retirement, retrenchment or redundancy; or
- (3) such other circumstances which results in an Eligible Person leaving the employment of or ceasing their engagement with the Company or Associated Body Corporate and which the Board determines is an Uncontrollable Event.

12.6 Dividend Policy

Westgold aims to establish and maintain a minimum dividend payment payout ratio of up to 30% net profit after tax.

Westgold will also have a dividend reinvestment plan (**DRP**) which provides eligible Westgold shareholders with the option to elect to reinvest all or part of any dividends payable on their Westgold Shares to acquire further Westgold Shares.

Under the DRP, Shares allotted in respect of a dividend may be issued at a discount of up to 5% of the daily VWAP for the 5 business days from the commencement of the second trading day after the record date. Eligible shareholder who elects to participate in the DRP will not pay brokerage or commission.

12.7 Directors' Interest in Demerger

The Directors who are Metals X shareholders will receive Westgold Shares as part of the Demerger. The Directors' shareholdings in Metals X prior to the Demerger and the number of Westgold Shares they are likely to have an interest in if the Demerger is implemented is set out below.

Director	Number of Metals X Shares (fully diluted)	Number of Westgold Shares each Director will receive
Peter Gerard Cook	19,078,943	9,539,472
Warren Shaye Hallam	2,121,209	1,060,605
Xie Penggen ¹	44,000,000	22,000,000
Simon David Heggen	6,689	3,345
Peter John Newton	13,883,311	6,941,656

Note 1: this is an indirect holding through Jinchuan Group Limited

Note 2: Mr Cook will also receive options in Westgold after listing on ASX (refer section 4.6)

The additional Director of Westgold will receive Westgold Shares as part of the Demerger as set out below:

Director	Number of Metals X Shares (fully diluted)	Number of Westgold Shares each Director will receive
Fiona Van Maanen	871,041	435,521

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12.8 Disclosure of interests of certain persons

Except as set out in this Notice of Meeting, no:

- (a) director or proposed director of Metals X or Westgold;
- (b) person named in this Notice of Meeting as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Notice of Meeting;
- (c) promoter of Metals X or Westgold; or
- (d) underwriter to the transfer of Westgold Shares or financial services licensee named in this Notice of Meeting as being involved in the transfer of Westgold Shares or,

(together, the **Interested Persons**) holds at the date of this Notice of Meeting or held at any time during the last two years, any interest in:

- (e) the formation or promotion of Metals X or Westgold;
- (f) property acquired or proposed to be acquired by Metals X or Westgold in connection with its formation or promotion of the Capital Reduction and listing of Westgold; or
- (g) the transfer of Westgold Shares.

12.9 Disclosure of fees or benefits received by certain persons

Other than as set out below or elsewhere in this Notice of Meeting, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (a) to a director or proposed director of Westgold to induce them to become, or to qualify as, a director of Westgold; or
- (b) for services provided by an Interested Person in connection with the formation or promotion of Westgold or the offer by transfer of Westgold Shares under the Demerger.

HopgoodGanim Lawyers has acted as legal advisor to Metals X in relation to the Capital Reduction. HopgoodGanim Lawyers are entitled to professional fees in accordance with its time-based charges.

12.10 Competent Person statement

The information in this Notice of Meeting that relates to Mineral Resources (excluding the Nifty and Maroochydore projects) was compiled by Metals X technical employees under the supervision of Mr Jake Russell B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a fulltime employee of Metals X, and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Russell is eligible to participate in short and long term incentive plans and holds performance rights in Metals X Ltd as has been previously disclosed.

The information in this report that relate to Ore Reserves (excluding the Nifty and Maroochydore projects) has been compiled by Metals X Ltd technical employees under the supervision of Mr Michael Poepjes BEng (Mining Engineering).MSc (Min. Econ) MAusIMM. Mr Poepjes is a full-time employee of Metals X Ltd. Mr Poepjes has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Poepjes consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Poepjes is eligible to participate in short and long term incentive plans and holds performance rights in Metals X Limited as has been previously disclosed by MLX.

The information in this Notice of Meeting that relates to Mineral Resources for Nifty and Maroochydore has been extracted from Aditya Birla Minerals Limited's Mineral Resource Estimate Update, released on 16 May 2016 and is available to view at <http://www.asx.com.au>. Metals X confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant

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market announcement continue to apply and have not materially changed. Metals X confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

The information in this Notice of Meeting that relates to Ore Reserves at Nifty has been extracted from Aditya Birla Minerals Limited's Nifty Underground Ore Reserves Estimate, released on 23 May 2016 and is available to view at <http://www.asx.com.au>. Metals X confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Metals X confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

12.11 Consents

This Notice of Meeting contains statements made by or statements based on statements made by Metals X, Westgold and its directors. Metals X, Westgold and its directors have consented to the inclusion of:

- (a) each statement made by Metals X, Westgold or its Directors; and
- (b) each statement which is based on a statement made by Metals X, Westgold or its directors,

in the form and context in which the statement appears, and have not withdrawn their consent.

Stantons International Securities Pty Ltd has given, and has not withdrawn, its written consent to be named as the Independent Expert, and to the inclusion of its Independent Expert's Report at Annexure C. To the maximum extent permitted by law, Stantons International Securities Pty Ltd expressly disclaims and takes no responsibility for any part of this Notice of Meeting, other than its Independent Expert's Report.

HopgoodGanim Lawyers has given, and has not withdrawn, its written consent to be named as the Australian Legal Adviser of Metals X in the form and context in which it is named in this Notice of Meeting. To the maximum extent permitted by law, HopgoodGanim Lawyers expressly disclaims and takes no responsibility for any part of this Notice of Meeting, other than a reference to its name.

Ernst & Young has given, and has not withdrawn, its written consent to be named as the Auditor and Tax Adviser for Metals X in the form and context in which it is named. To the maximum extent permitted by law, Ernst & Young expressly disclaims and takes no responsibility for any part of this Notice of Meeting, other than a reference to its name.

Security Transfer Australia Pty Ltd has given, and has not withdrawn, its written consent to be named as the Share Registry of Metals X and Westgold in the form and context in which it is named in this Notice of Meeting. To the maximum extent permitted by law, Security Transfer Australia Pty Ltd expressly disclaims and takes no responsibility for any part of this Notice of Meeting, other than a reference to its name.

Other than as specifically outlined above, each of HopgoodGanim, Ernst & Young and Security Transfer Australia has not caused or authorised the issue of this Notice of Meeting and does not make or purport to make any statement in this Notice of Meeting or any statement on which a statement in this Notice of Meeting is based.

12.12 Continuous Disclosure

As a company listed on ASX and a disclosing entity under the Corporations Act, Metals X is subject to regular reporting and disclosure obligations. Broadly, these require Metals X to announce price sensitive information as soon as it becomes aware of the information, subject to exceptions for certain confidential information.

Metals X's recent announcements are available from www.asx.com.au. Further announcements concerning developments at Metals X will continue to be made available on that website after the date of this Notice of Meeting and Explanatory Memorandum.

Metals X is required to prepare and lodge with ASIC and ASX both annual and half yearly financial statement accompanied by a statement and report from Metals X Directors and an audit or review report. Metals X also lodges quarterly activity reports with ASX.

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Copies of these and other documents lodged with ASIC and ASX may be retained from an ASIC office and are accessible from ASX's website at www.asx.com.au. Copies of these documents will also be made available free of charge on a request be made at any time before the Demerger Effective Date or to Metals X's Company Secretary at Metals X Limited, Level 3, 18-32 Parliament Place, West Perth, Western Australia.

12.13 Other material information

Except as disclosed in this Notice of Meeting, and having regard to the information already disclosed to Metals X Shareholders, there is no other material information known to Metals X which is material to the making of the decision by a Metals X Shareholder as to whether to vote in favour of Resolution 1.

12.14 Directors' Recommendation

The Board of Metals X unanimously recommends that Metals X Shareholders vote in favour of Resolution 1.

13. Voting Entitlement and Action to be Taken by Shareholders

For the purposes of determining voting entitlements at the Meeting, Metals X Shares will be taken to be held by the persons who are registered as holding the Metals X Shares at 5:00pm (Perth time) on Tuesday, 22 November 2016. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Extraordinary General Meeting.

Shareholders should read the Explanatory Memorandum carefully before voting on the Resolution.

A Proxy Form is attached to this Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, to sign and return the Proxy Form to the Company in accordance with the instructions set out on the Proxy Form so that they are received by the Company by no later than 10:00am (Perth time) on Tuesday, 22 November 2016.

To vote by attorney, the attorney must have a duly executed power of attorney, specifying the name of the Metals X Shareholders, the attorney, the meeting at which the appointment may be used and that the power of attorney applies in relation to Metals X. The appointment may be a standing one and the attorney need not be a Metals X Shareholder.

For a body corporate to vote by corporate representative, the representative must have a duly executed appointment which complies with the requirements of Section 250D of the Corporations Act. The representative should bring the appointment to the meeting. The appointment may set out the restrictions on the representatives powers.

14. Interpretation

ASIC means the Australian Securities and Investments Commission;

ASX means ASX Limited;

ASX Listing Rules or **Listing Rules** means the official Listing Rules of the ASX;

Board means the board of directors of Metals X;

Capital Reduction has the meaning in Section 3;

Company or **Metals X** means Metals X Limited ACN 110 150 055;

Constitution or **Metals X Constitution** means the Constitution of Metals X;

Corporations Act means the Corporations Act 2001 (Cth);

Demerger means the proposed demerger of Westgold from Metals X by way of the Capital Reduction, referred to in Section 2;

Demerger Conditions has the meaning in Section 3;

Demerger Dividend has the meaning in Section 2.2;

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Demerger Effective Date means the date the distribution of Westgold Shares to Eligible Shareholders is effected;

Directors means the of directors of Metals X;

Entitlement means the entitlement to receive Westgold Shares (which applies regardless of whether Metals X Shareholders actually receive Westgold Shares or, in the case of Ineligible Overseas Shareholders, cash in lieu of said Shares);

Eligible Countries means Australia, New Zealand, China, United Kingdom and Hong Kong or such other jurisdictions as the Directors consider reasonable to extend the distribution of Westgold Shares to;

Eligible Shareholder means a person register as the holder of Metals X Shares on the Record Date and a registered address in the Eligible Countries;

Explanatory Memorandum means the Explanatory Memorandum accompanying this Notice;

Gold Business Unit has the meaning given in Section 4.4;

Independent Expert means Stantons International Securities Pty Ltd;

Independent Expert's Report means the report prepared by Stantons International Securities Pty Ltd attached to this Explanatory Memorandum as Annexure C;

Ineligible Overseas Shareholder means a Shareholder with a registered address outside of the Eligible Countries on the Record Date;

JORC Code 2012 means the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves";

Meeting or **EGM** means the Extraordinary General Meeting to be held on 24 November 2016 as convened by the accompanying Notice of Meeting;

Metals X Group Companies means any subsidiary company of Metals X;

Metals X Shareholder or **Shareholders** means holders of Shares in Metals X;

Metals X Share means a fully paid ordinary share in the capital of Metals X;

Mineral Resources has the meaning as defined in the JORC Code 2012;

Notice of Meeting or **Notice** means the notice of meeting giving notice to Shareholders of the Meeting, accompanying this Explanatory Memorandum;

Option means an option to subscribe for Shares;

Ore Reserves has the meaning as defined in the JORC Code 2012;

Performance Right means a performance right in Metals X issued pursuant to the Company's Long Term Incentive Plan;

Record Date means the record date for the Capital Reduction;

Resolution means Resolution 1 as set out in the Notice of Meeting;

Restructure Date means the business day immediately prior to the Record Date;

Westgold means Westgold Resources Pty Ltd ACN 009 260 306 (to become Westgold Resources Limited on or about 20 October 2016 and in any event prior to official quotation on ASX of Westgold Shares);

Westgold Share means a fully paid ordinary share in the capital of Westgold;

Westgold Shareholders means holders of Shares in Westgold; and

VWAP means the volume weighted average market price.

Any inquiries in relation to the Resolution or the Explanatory Memorandum should be directed to Metals X Limited, Fiona Van Maanen (Company Secretary):

PO Box 1959, West Perth WA 6872

Telephone: +61 8 9220 5700

Fax: +61 8 9220 5757

Email: fiona.vanmaanen@metalsx.com.au

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Annexure A - Westgold Assets, Geological Information on the Gold Business Unit

An overview of Westgold's assets and the Gold Business Unit is provided in Section 4.4 of the Explanatory Memorandum. This Annexure provides further geological and detailed information in relation to the Westgold group's assets post Demerger.

DESCRIPTION

Westgold currently owns three operating gold projects, with a fourth under refurbishment, with a combined 5.5 million tonnes per annum processing capacity. Total production for the financial year ended 30 June 2016 was 173,956 ounces of gold at an All-in Sustaining Cost of A\$1,363 per ounce. The full year result did not fully reflect the ramp-up of the Central Murchison Gold Project and the South Kalgoorlie Operations. Westgold's current operating strategy is to build production to more than 400,000 ounces of gold per annum over the ensuing years.

In addition Westgold holds a significant gold dominant polymetallic deposit at Rover 1 in the Northern Territory.

OPERATIONAL PERFORMANCE

Westgold's production and unit cost performance for the financial year ended 30 June 2016 is summarised in (Table 3).

Table 3 - Westgold Production and Unit Costs for Financial Year ended 30 June 2016

		HGO	SKO	CMGP	Group
Physical Summary	Units				
UG Ore Mined	t	672,732	427,136	203,815	1,303,682
UG Grade Mined	g/t	3.35	2.35	2.25	2.85
OP BCM Mined	BCM	1,409,986	1,437,269	5,909,584	8,756,839
OP Ore Mined	t	342,727	261,072	892,848	1,496,648
OP Grade Mined	g/t	1.78	1.98	1.26	1.50
Ore Processed	t	1,114,145	884,854	925,069	2,924,068
Head Grade	g/t	2.78	1.76	1.36	2.02
Recovery	%	91.07%	90.49%	91.94%	91.17%
Gold Produced	oz	91,371	45,403	37,182	173,956
Gold Sold	oz	95,461	44,520	33,757	173,738
Achieved Gold Price	A\$/oz	1,614	1,614	1,614	1,614
Cost Summary					
Mining	A\$/oz	700	877	746	756
Processing	A\$/oz	310	288	390	322
Admin	A\$/oz	114	57	187	114
Stockpile Adj	A\$/oz	30	(73)	(68)	(18)
C1 Cash Cost (produced oz) *	A\$/oz	1,154	1,149	1,255	1,174
Royalties	A\$/oz	146	34	60	98
Marketing/Cost of sales	A\$/oz	2	2	0	2
Sustaining Capital	A\$/oz	53	98	109	77
Corporate Costs	A\$/oz	8	18	12	12
All-in Sustaining Costs **	A\$/oz	1,363	1,301	1,436	1,363
Project Startup Capital	A\$/oz	109	436	1,394	469
Exploration Holding Cost	A\$/oz	42	105	324	119
All-in Cost **	A\$/oz	1,514	1,842	3,154	1,951

* C1 Cash Cost ("C1"): represents the cost for mining, processing and administration after accounting for movements in inventory (predominantly ore stockpiles). It includes net proceeds from by-product credits, but excludes the cost of royalties and capital costs for exploration, mine development and plant and equipment.

** All-in Sustaining Cost ("AISC"): is made up of the C1 cash cost plus royalty expense, sustaining capital expense and general corporate and administration expenses.

*** All-in Cost ("AIC"): is made up of the AISC plus growth (major project) capital and discovery expenditure.

C1, AISC and AIC are non-IFRS financial information and are not subject to audit or review.

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The operational performance for the year represents a year of significant expansion and growth for Metals X with its CMGP and SKO in development phases. CMGP was commissioned during October 2015 and therefore represents only three quarters of production during the period.

HIGGINSVILLE GOLD OPERATION

Overview

The HGO comprises an operating underground and open pit gold operation in the Norseman region of Western Australia.



HGO Processing Plant

HGO has a modern 1.3 million tonne-per-annum Carbon-in-Pulp (CIP) gold processing plant, a 300-person village, the Trident underground mine (multiple open-pit mines and requisite mine and process infrastructure). Mining at HGO currently is focused on the Mt Henry Gold Project replacing the Trident underground mine as the key long-term source of gold production. Ore is also supplied from some short-term open pits at Lake Cowan and HGO.

Mineral Resources and Ore Reserves

At 30 June 2016 HGO had the following Mineral Resources and Ore Reserves:

- A Measured, Indicated and Inferred Resource of 33.6 million tonnes at 2.04 g/t gold, containing 2.2 million ounces of gold (*Table 4*); and
- A Proved and Probable Reserve of 7.6 million tonnes at 1.78 g/t gold, containing 433,000 ounces of gold (*Table 6*).

Production and Mine Plan

The Mt Henry Gold Project, located approximately 70km south of HGO, was acquired by Westgold in September 2015. Mt Henry consists of three main deposits: Mt Henry, Selene and North Scotia, all of which are conventional open pit mining propositions.

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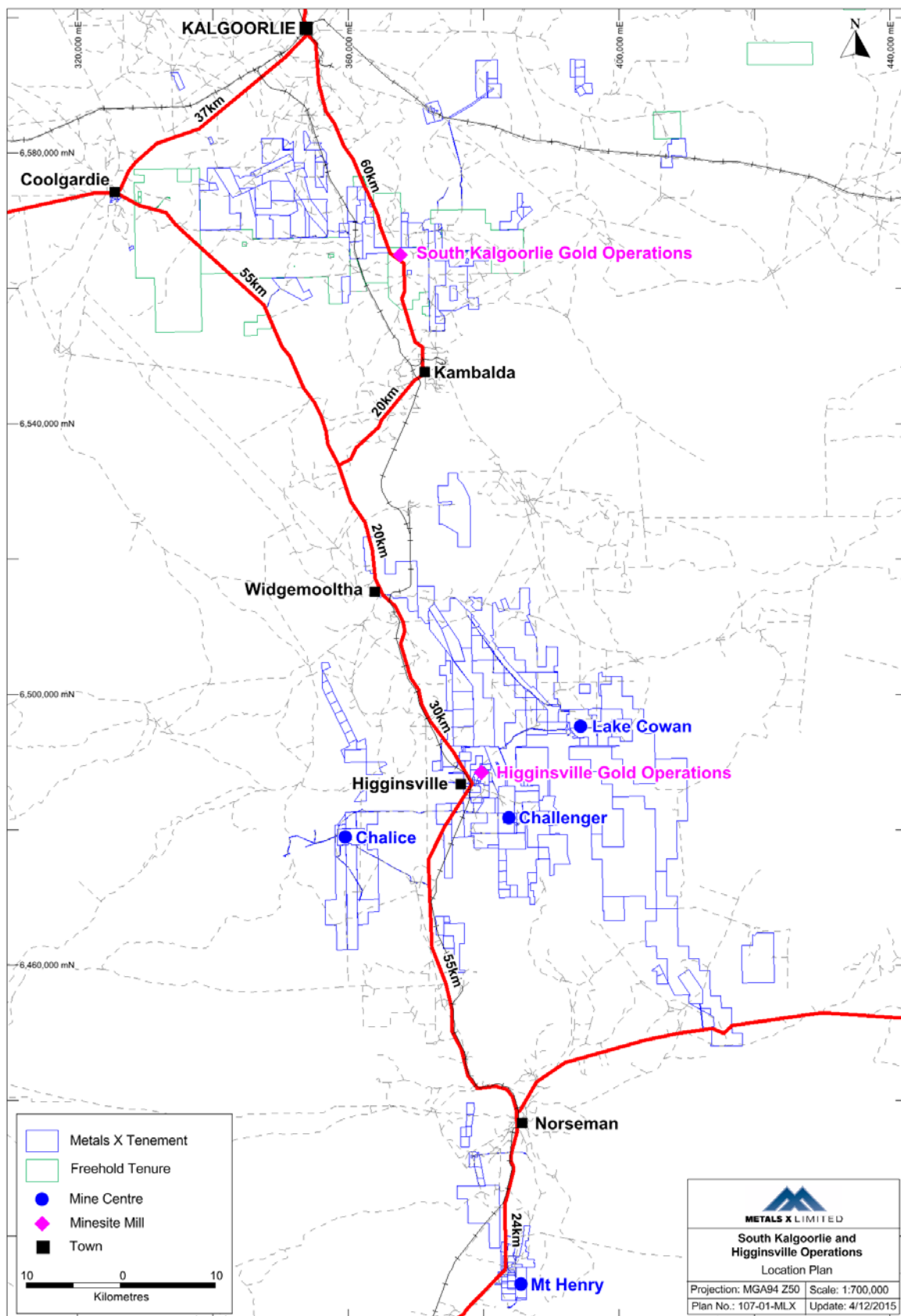


Figure 6 – Plan View of Higginsville

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Figure 7 – Location of infrastructure and key deposits at Higginsville

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Mining at Mt Henry commenced in late August 2016 and is currently being integrated into HGO. Ore is carted approximately 80km's north to the HGO processing plant. The acquisition of Mt Henry has added an immediate 5 years of mine life to the current HGO plan. Significant potential to further expand this life exists from the known resource base at Mt Henry. Mining is currently dominated by production from the last stages of the Trident underground mine. This ore is blended with feeds from the Lake Cowan group of open pits and also from the Fairplay open pit at HGO.

Exploration

With the long-term future of the HGO enhanced by the recent acquisition of the Mt Henry Project, there has been a renewed focus on grassroots exploration in the heavily endowed region. Strong anomalies have already been defined along and / or adjacent to the prospective Speedway shear system (the control on the Invincible deposit at the St Ives gold mining operation further north) in both the Republican and Implausible areas. In addition to aggressive follow-up of these targets and continued evaluation of other open pit and underground resource opportunities, it is intended to test the highly prospective Igloo target with a lake diamond rig.

SOUTH KALGOORLIE OPERATION

Overview

The SKO comprises the HBJ underground mine, a number of open pits and the Jubilee Mill, a 1.2 million tonne-per-annum CIP gold processing plant and associated infrastructure. Numerous open pits and underground options previously have been mined within the project area since the late 1980s.



SKO Processing Plant

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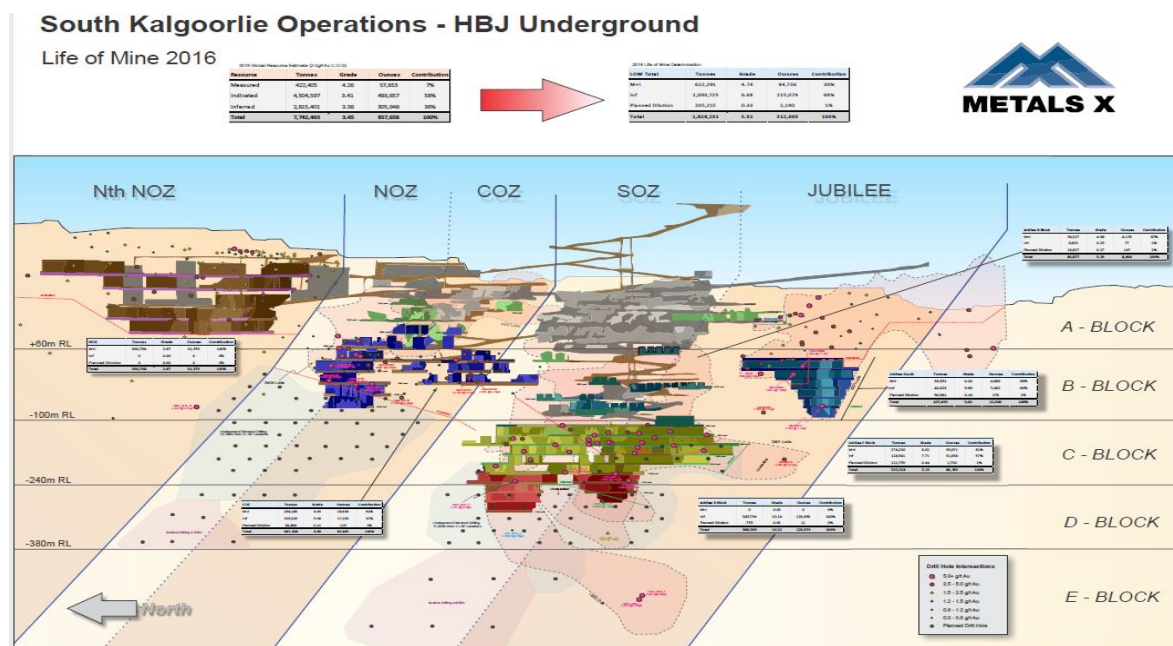
Mineral Resources and Ore Reserves

At 30 June 2016 SKO had the following Mineral Resources and Ore Reserves:

- A Measured, Indicated and Inferred Resource of 50.9 million tonnes at 2.27 g/t gold, containing 3.7 million ounces of gold (*Table 4*); and
- A Proved and Probable Reserve of 2.3 million tonnes of ore at 2.60 g/t gold, containing 192,000 ounces of gold (*Table 6*).

Production and Mine Plan

Since the acquisition of SKO from Alacer in 2013, Westgold has moved the project from one of imminent closure to a steady state operation. The early phases of this transition was primarily the processing of existing low-grade ore stocks in combination with small-scale open pits and toll processing (the latter comprising one third of ore feed for the June 2016 quarter). The focus on future and the key to the re-invigoration of the project has been the re-development of the HBJ underground mine. Initial refurbishment works including the reclamation of the old decline, its extension and the mining of remnant ore positions (with some extensions) has been completed and ore stoping commenced in early 2016. The decline has approached the bottom of the old workings and ore development on the higher grade and virgin primary lodes is about to recommence. Production from the HBJ mine is expected to be approximately 500,000 tonnes per annum, providing a steady and consistent base load of higher grade ore to the SKO processing plant.



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In July 2015, SKO acquired the George's Reward Project which has an adjoining lease boundary with the Cannon open pit. The existing agreement with SAU was modified to allow the mining of a larger open pit combining the Cannon (50% profit share) with George's Reward (100%-owned by Westgold). Mining of the larger open pit commenced in November 2015.

The Cannon-Georges Reward ore system has potential for an underground mine when the opens pits are complete.

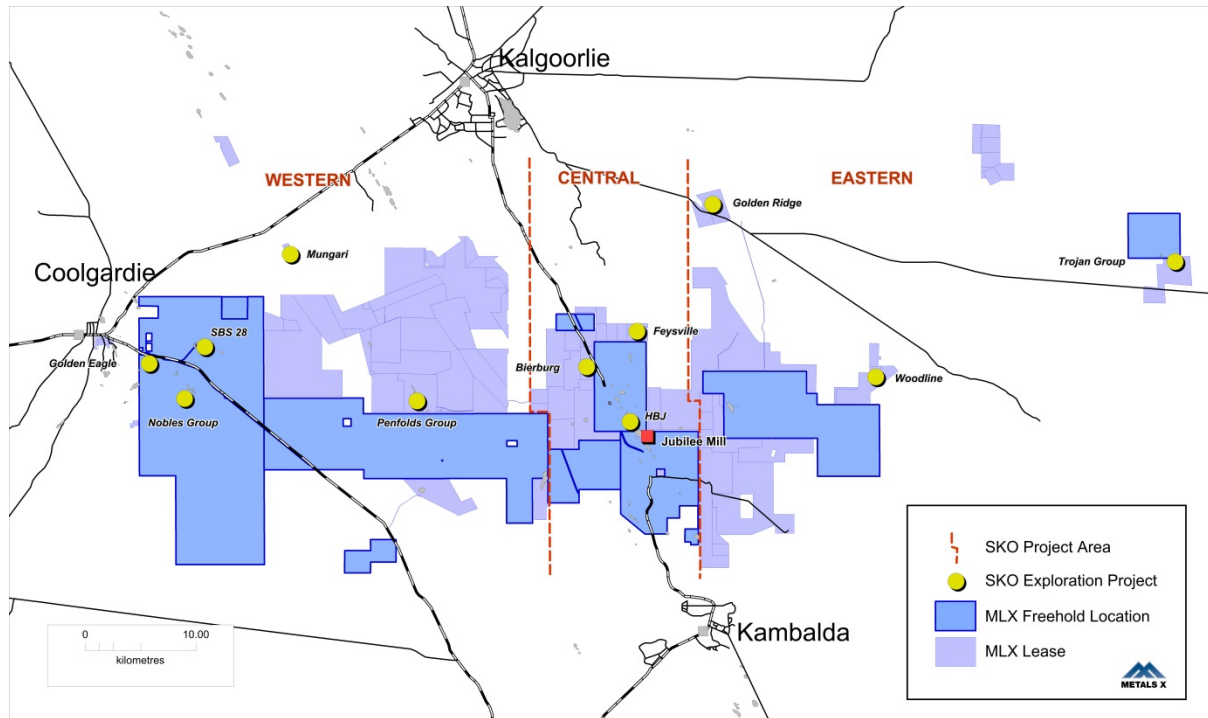


Figure 9 – South Kalgoorlie Tenure Map

In June 2016, SKO acquired the Gunga Project, 30km west of the processing facility with the objective of having an addition blended feed source with HBJ when the Cannon and Georges Reward mines are mined out. Gunga has a current Mineral Resource of 1.33 million tonnes at 1.7 g/t gold, for contained gold of approximately 73,000 ounces. Gunga is proposed to provide a blended feed for South Kalgoorlie, commencing in the 2017 and 2018 years.

Exploration

The HBJ underground mine is comparatively shallow and the ore system remains open. As underground drill platforms become available from the refurbished mine and new development, diamond drilling is occurring with an objective to expand and enhance the operation. So far, good results have been returned from drilling below the central ore zone and southern ore zone areas of the mine as development approaches the upper limits of the virgin section of the orebody. Recent drill hole results reported (ASX:MLX June 2016 Quarterly) included 7.66m at 10.08 g/t Au from 67.3m in HBJUG0174, 5.83m at 23.5 g/t Au from 103.4m in HBJUG0198 and 29.87m at 2.37 g/t Au from 18.0m in HBJUG0200.

Exploration drilling for extensions to open pit targets is continuing at both the recently acquired Gunga West deposit (19m at 5.65 g/t Au from 64.0m in GURC008) and at the Company's existing Hansel Munday project (21m at 2.21 g/t Au from 3.0m in HMRC0029 and 20m at 2.12 g/t Au from 11.0m in HMRC0043) (ASX: MLX June 2016 Quarterly).

Grassroots exploration has also recommenced at SKO with drilling along the Wildcatter Shear and on the Zuleika shear zone covering the southern and sometimes undercover extensions of the prolific and new Kundana gold camp.

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THE CENTRAL MURCHISON GOLD PROJECT

Overview

The CMGP is located in the Murchison Goldfields of Western Australia around the regional towns of Cue and Meekatharra. The CMGP project strategy has a number of current and proposed underground mines and open pits being developed over time. After a refurbishment, integration of assets and completion of an initial development strategy the project started in the second half of 2015 with the plant commissioned in October 2015.



Central Murchison Gold Processing Plant

CMGP has a nominal 2.0 million tonne-per-annum CIP gold processing plant and associated infrastructure, with a significant number of historical open pit and underground mines. The consolidation of the Meekatharra Gold Operation the Nannine Project tenements and recently the Comet Project increased Westgold's Mineral Resource base in the district to its current level of 7.7 million ounces. The acquisition of the Meekatharra assets provided the opportunity for an expanded CMGP to commence production in October 2015 with an initial 12-year mine plan.

Mineral Resources and Ore Reserves

At 30 June 2016 the CMGP had the following Mineral Resources and Ore Reserves:

- A Measured, Indicated and Inferred Resource of 108.7 million tonnes at 2.21 g/t gold, containing 7.7 million ounces of gold (*Table 4*); and
- A Proved and Probable Reserve of 22.8 million tonnes at 2.63 g/t gold, containing 1.9 million ounces of gold (*Table 6*).

Project development

The overall CMGP has for the first time consolidated all the major historic gold mining centres in the Central Murchison region. These have an aggregated gold production history of approximately 10 million ounces. These include the Day Dawn, Cuddingwarra, Big Bell, Reedy, Nannine, Yaloginda, Paddy's Flat and Meekatharra North gold mining centres. Within these the dominant historic production was sourced from a handful of larger underground mines, namely the Big Bell Mine, the Great Fingall and Golden Crown Mines (at Day-Dawn), the Triton Mine at Reedy's, and the Fenians Mine at Paddy's Flat. With the exception of Big Bell and Golden Crown, none of these have been subject to modern mining and the re-invigoration of all these mines to again become long-term and sustainable gold producers is a key objective of the CMGP's long-term strategy.

Explanatory Memorandum

A revised Feasibility Study and Development Plan for the expanded CMGP was completed in January 2015. The feasibility study showed a robust project producing approximately 200,000 ounces of gold per annum at an all-in-sustaining cost of A\$1,180 per ounce over an initial 13 year mine life. The fundamental approach taken in the development is the progressive (over time) re-start of the larger historic underground mines, primarily funded by internal cash flow. With the pre-demerger capital raisings, Westgold intends to more aggressively bring production from these operations forward.

As part of its positioning to enable this growth, Westgold also acquired a near-new 260 person village at Cue in January 2016 to serve the southern operations and give it large accommodation capacity in the north and south of its overall CMGP footprint.

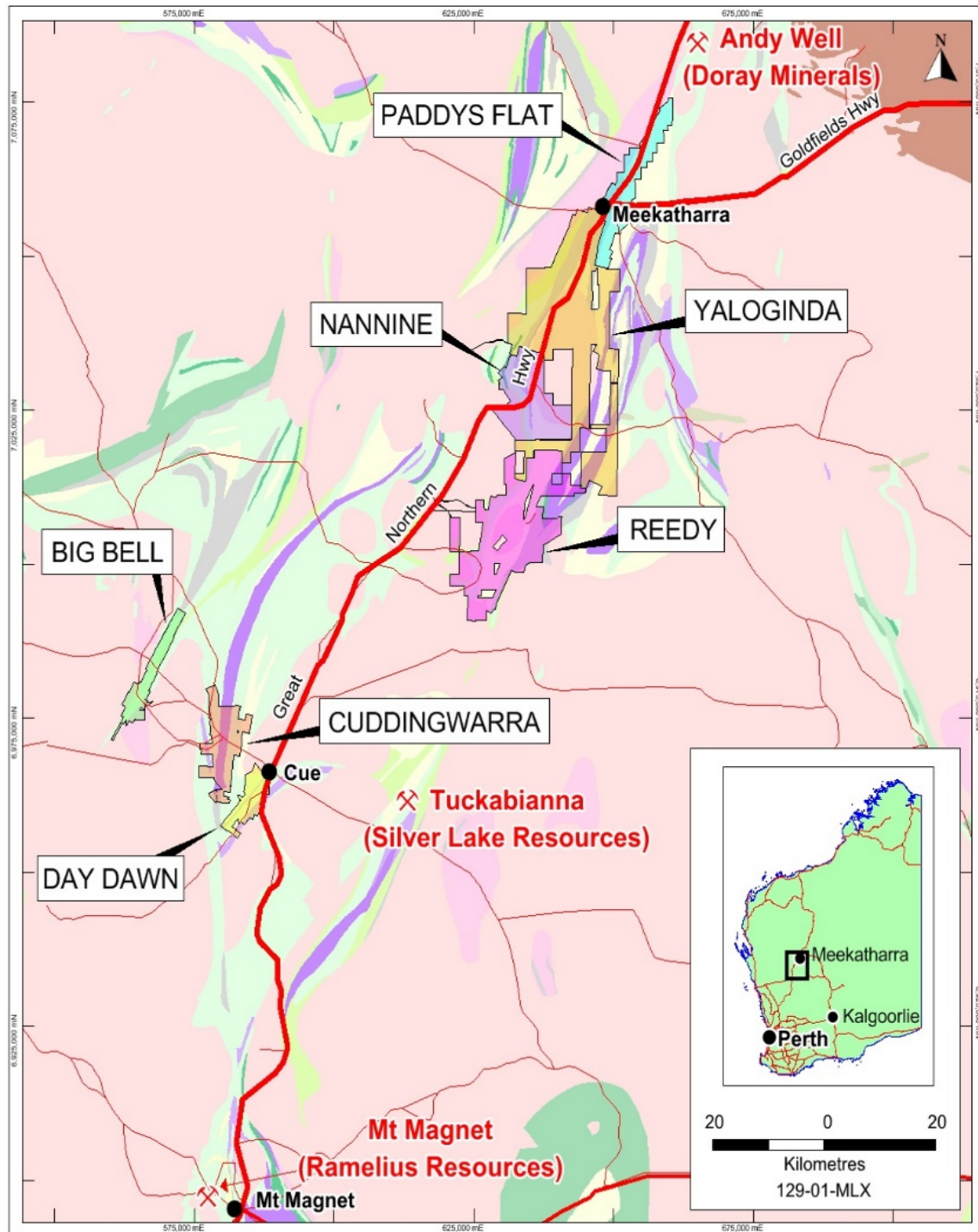


Figure 10 – CMGP Project Map

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Production and Mine Plan

Open pit mining at the CMGP commenced in June 2015 with a number of mines operated during the financial year ended 30 June 2016 including Whangamata, Batavia, Jack Ryan, Callisto, Bluebird and Surprise West. Underground mining at Paddy's Flat commenced in mid-October 2015.

The Bluebird process plant was commissioned on a campaign basis in October 2015 on open pit and low grade stockpile ore. Successful optimisation of the process plant continued during 2015/16. Ore stope production from Paddy's Flat underground commenced in the June quarter, 2016. The Paddy's Flat decline is now well established and stoping is being carried out on both the Prohibition and the Vivien-Consols lodes. Monthly ore production is now at steady state levels with stope grades reporting positive reconciliations against pre-mine estimates. The CMGP transitioned to net cash-generating by the end of the June 2016 quarter.

Open pit mining for the 2016/17 financial year will primarily be from the following open pits: Jack Ryan, Callisto, Surprise with additional feeds from Anarchist, Rhens Hope, Mickey Doolan, Gibraltar, Aladdin and Culiculli and Turn of the Tide open pits under evaluation.

The major uplift in steady state production for the CMGP comes from the re-establishment of production from the Big Bell underground mine. Dewatering activities at the Big Bell underground mine have been underway for over 6 months and exposure of the old mine portal is imminent and refurbishment works of the decline are expected to commence in the first half of 2017 as dewatering of the old cave advances sufficiently. A revised development plan for Big Bell using a higher cut-off grade for the resource estimate has been completed and will be initiated. When operational, Big Bell is expected to become the mainstay of production feed for the CMGP, providing up to 50% of long-term ore to Bluebird Mill and approximately 100,000 ounces per annum in overall output.

A development plan to commence underground mining at the Comet mine near Cue has commenced and submissions for statutory approvals have been lodged. Comet is expected to provide a bridge in production feed whilst Big Bell is re-established and ramped up to full production.

Planning works to speed up access to the Golden Crown and Great Fingall mines utilising the same capital development are underway as part of the plan to bring forward the uplifts in outputs for Westgold.

Exploration

As mining progresses at the Paddy's Flat underground mine, the focus for the site geology team has been on defining the orebody in advance of development. Completion of the first program of drilling within both the Prohibition and Vivian-Consol's areas of the mine demonstrated the potential of this significant historical producer.

Resource definition of the proposed open pit developments is continuing in the area immediately to the north of Paddy's Flat, and at Reedys where Westgold is currently undertaking open pit mining.

Explanatory Memorandum

THE FORTNUM GOLD PROJECT

Overview



Fortnum Gold Process Plant and Infrastructure

In October 2015 Westgold acquired the Fortnum Gold Project (**FGP**) from RNI NL.

The FGP is located in the western Bryah Basin approximately 150km northwest of Meekatharra. The FGP encapsulates the historic mining centres of Labouchere, Fortnum, Horseshoe and Peak Hill. A 1.0 million tonne-per-annum carbon-in-leach (CIL) plant, a 100-person village and all the plant and infrastructure required to operate the project is in place but hasn't operated for nearly 10 years. Refurbishment of the plant has commenced and re-commissioning and hence gold production is expected late in calendar 2016.

Mineral Resources and Ore Reserves

Fortnum has the following Mineral Resources and Ore Reserves as at 30 June 2016:

- A Measured, Indicated and Inferred Resource of 29.7 million tonnes at 1.84 g/t gold, containing 1.75 million ounces of gold (*Table 4*); and
- A Proved and Probable Reserve of 5.4 million tonnes at 1.95 g/t gold, containing 339,000 ounces of gold (*Table 6*).

Project Development

A re-start plan for the gold operations at the FGP with an initial five year development plan was released in July 2016 (ASX:MLX 15 July 2016). This plan was formulated around the strategy of commissioning and operating the plant on existing low-grade stocks, progressively replacing low-grade stock with new open-pit ore and progressively re-accessing and progressing the Starlight underground mine.

This plan concluded a robust and low-capital risk start-up plan for the project.

There is the opportunity to accelerate project ramp-up, and increase the scale of the proposed operation. This will involve a more capital intensive start-up but will bring on the higher-grade Starlight underground mine earlier and speed up payback. In addition, there is significant opportunity for longer mine life, beyond the initial five year plan, from known resources which require further validation and drilling. In particular, the Peak Hill region which is yet to be considered in the development strategy.

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Exploration

A maiden drilling campaign was conducted during the June 2016 quarter at Yarlarweelor, the resource which will be the first open pit mined during the restart of operations. Best results from the limited campaign of confirmatory drilling included 13m at 4.65g/t Au from 31.0m in MXC0387, 7m at 33.06g/t Au from 51.0m in MXC0392 and 0.54m at 120g/t Au from 124.7m in MXC0405 (ASX:MLX June 2016 Quarterly).

Initial exploration drilling has commenced at the Peak Hill district where significant validation and data-integrity checks are required before it can be brought into the development plan.

THE ROVER PROJECT

Overview

The Rover Project is a postulated undercover repetition of the prolific Tennant Creek goldfield located 80km to the north-east. The project area is proximal to a major infrastructure corridor adjacent to Central Australian Railway, gas pipeline and Stuart Highway.

Exploration to date has tested a small number of anomalies and significant mineralised IOCG (iron oxide copper-gold) systems have been discovered at the Rover 1 and Explorer 142 prospects. In addition, significant lead-zinc-silver discoveries have been made at Explorer 108 and recently at the Curiosity Prospect to the south.

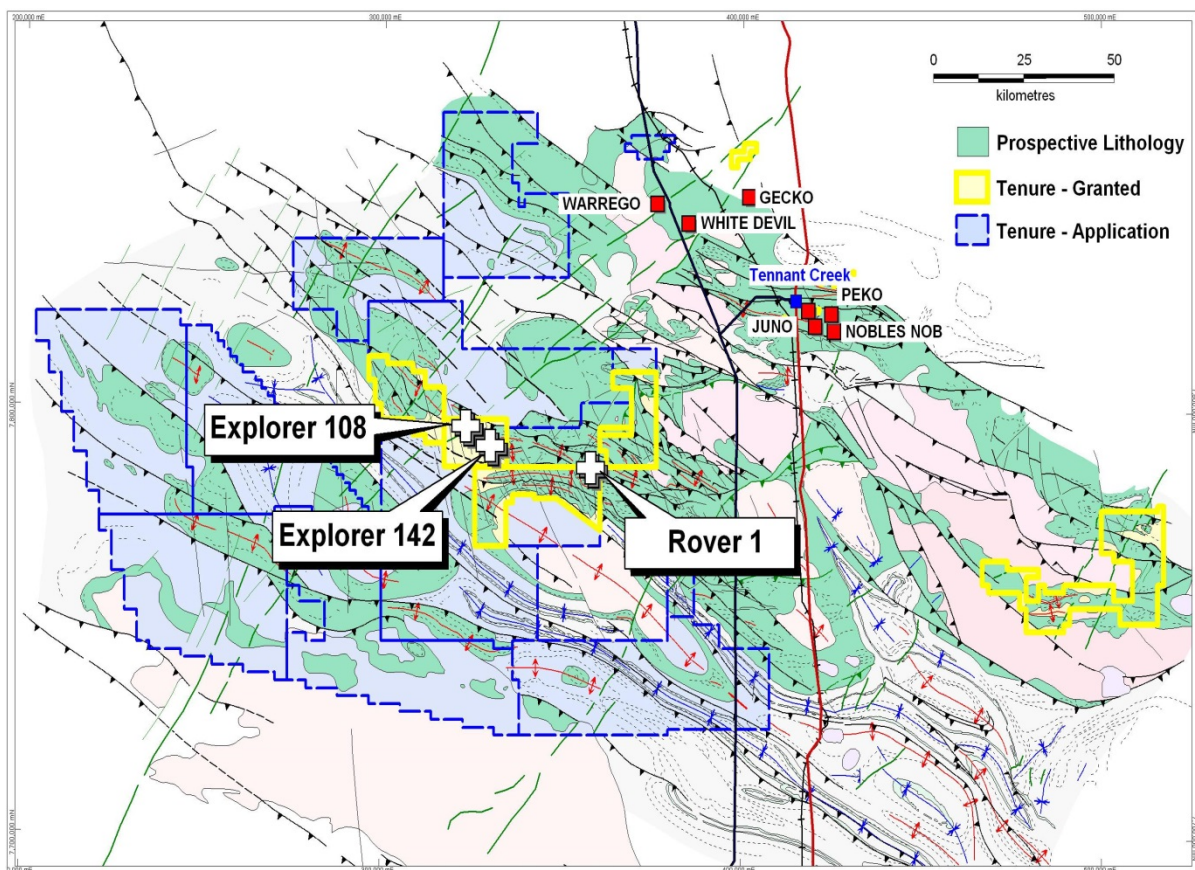


Figure 11 – Rover Location Map

Mineral Resources and Ore Reserves

Rover has the following Mineral Resource as at 30 June 2016:

- Rover 1: Indicated and Inferred Resource of 6.81 million tonnes at 1.73g/t gold, 1.2% copper, 0.14% bismuth, 0.06% cobalt and 2.07 g/t silver (*Table 5*);
- Explorer 108 prospect: Indicated and Inferred Resource estimate of 11.87 million tonnes at 3.24% zinc, 2.0% lead, 0.36% copper and 11.1g/t silver (*Table 5*).

Explanatory Memorandum

Exploration

Work in the Tennant Creek district continues to be focused on defining the optimal development pathway for the Rover 1 deposit including additional drilling into a postulated second bonanza gold and copper zone located between a vertical depth of 600m to 800m. Drilling during 2015/16 successfully outlined this zone with excellent results, as summarised in *Figure 12* below:

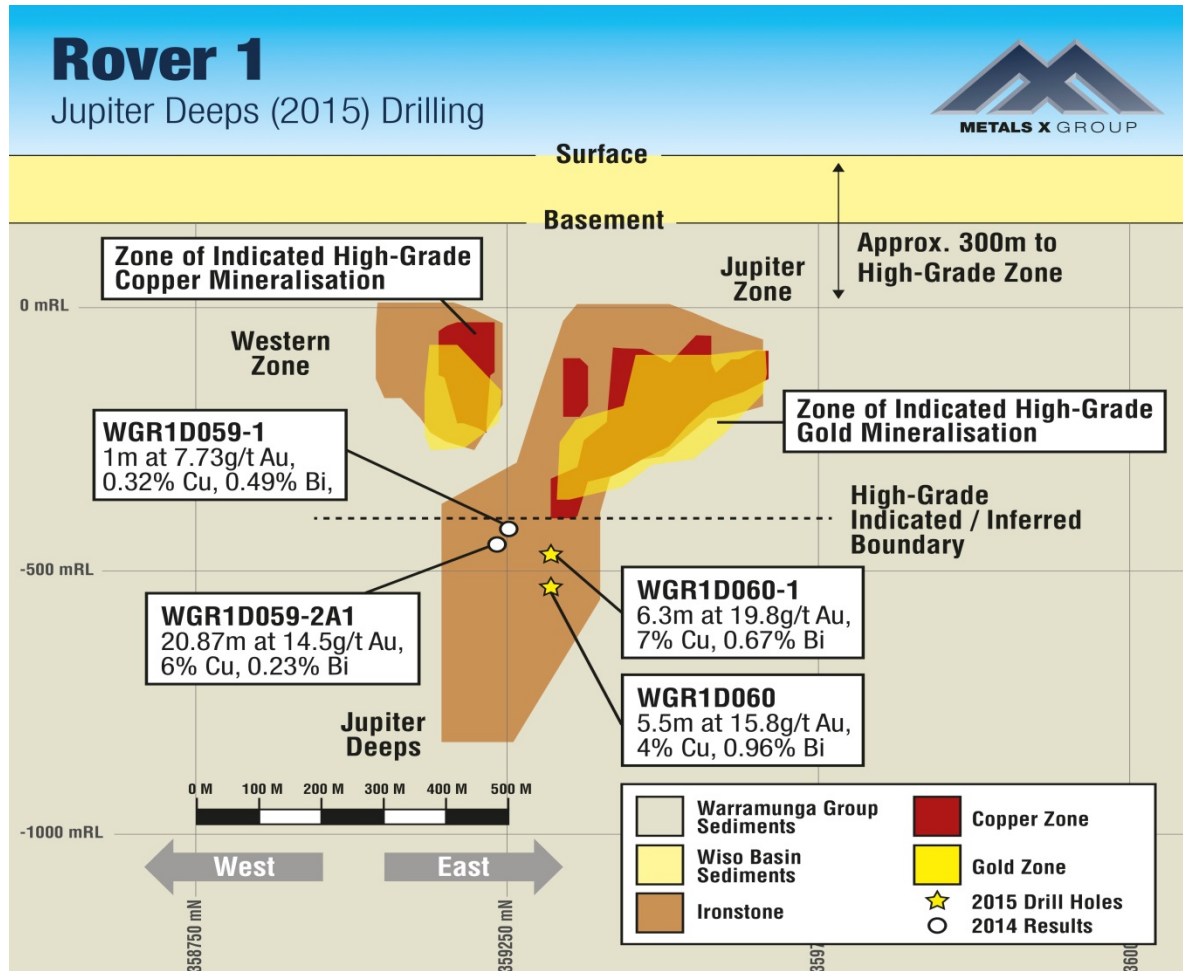


Figure 12 – Rover 1 Long Section

OTHER EXPLORATION ASSETS

Warumpi

Warumpi is a significant grass roots exploration project, 100%-owned by Westgold, within the prolific basement rocks of the West-Arunta province in the Northern Territory. These rocks, which have recently been identified as being geologically, tectono-thermally and temporally similar to Proterozoic basins in Eastern Australia that host five of the world's ten largest stratabound Pb-Zn deposits (Broken Hill, Hilton-George Fisher, Mount Isa, MacArthur River and Century). Westgold is undertaking the first modern exploration program in this highly underexplored region.

During 2014, on-ground reconnaissance discovered an outcropping gossan at the Huron Prospect with rock chip results at surface returning results up to 120g/t Ag, 9.89% Cu and 4.73% Zn (WR0343). Further reconnaissance revealed a cluster of gossanous outcrops with highly anomalous base and precious metal results (silver, copper and zinc). Infill sampling surrounding this zone was completed during the last financial year with results returning up to 182g/t Ag (WR0381), 7.72% Cu (WR0373) and 8.55% Zn (WR0351) (ASX:MLX 22 December 2014). Access arrangements for further exploration are currently being negotiated.

Explanatory Memorandum

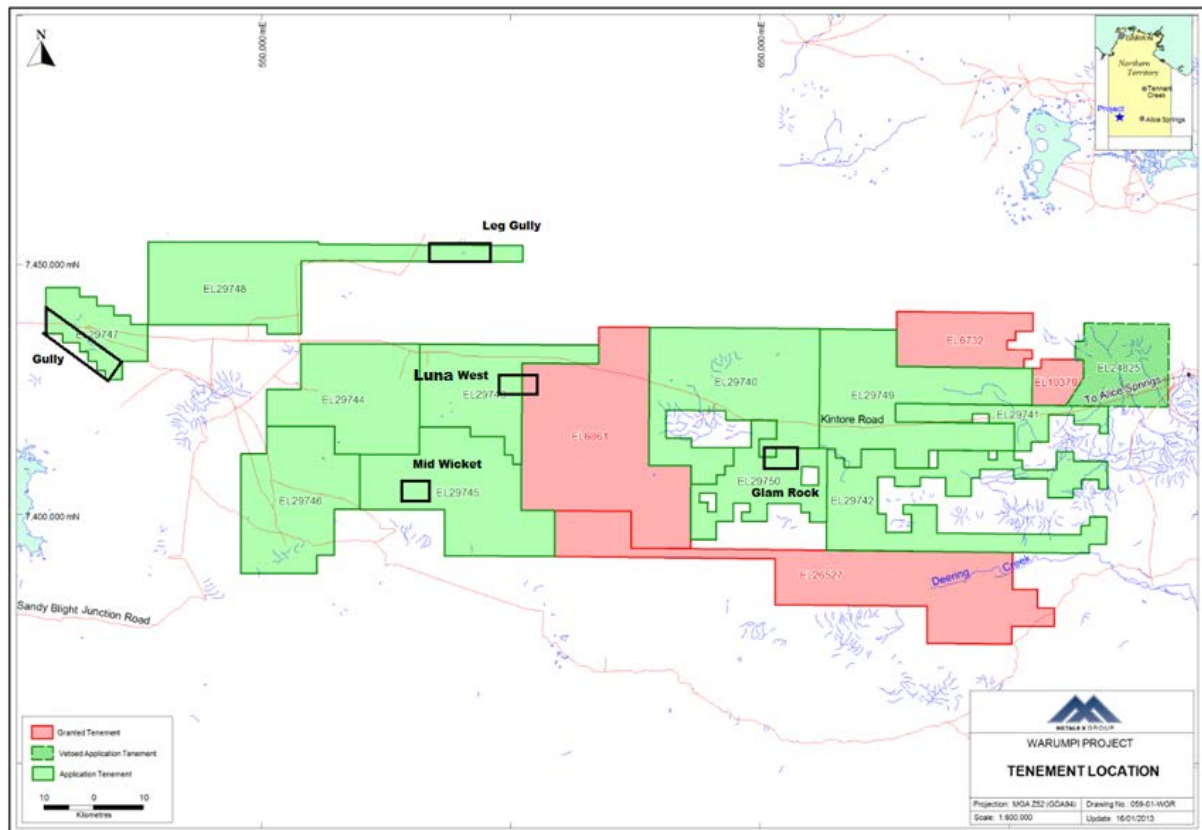


Figure 13 – Warumpi Location Map

Independence Group (ASX: IGO) also has a joint operation with Metals X on one of the 14 (12 application) Warumpi Tenements EL29748, where they are currently farming in through the management and exploration on the tenement.

Explanatory Memorandum

MINERAL RESOURCE ESTIMATE

The Westgold Mineral Resource statement, published on 18 August 2016, is as of 30 June 2016 and is in compliance with the JORC Code (2012 Edition). The Company is of the opinion that there have been no material changes to the Mineral Resource estimates since the date of publication. The Measured and Indicated Mineral Resources tabled are inclusive of those Mineral Resources modified to produce the Ore Reserve.

Table 4 - Westgold Mineral Resource Statement – Gold (at 30.6.2016)

Deposit	Category	Tonnes	Au (g/t)	Au (oz)
Higginsville Gold Operation	<i>Measured</i>	1,508,100	3.62	175,313
	<i>Indicated</i>	21,810,140	2.00	1,401,131
	<i>Inferred</i>	10,282,569	1.90	627,493
	Total	33,600,809	2.04	2,203,938
South Kalgoorlie Operation	<i>Measured</i>	1,162,181	3.33	124,461
	<i>Indicated</i>	25,825,675	2.35	1,953,937
	<i>Inferred</i>	23,893,647	2.13	1,636,630
	Total	50,881,503	2.27	3,715,028
Central Murchison Gold Project	<i>Measured</i>	292,290	1.74	16,346
	<i>Indicated</i>	60,722,469	2.37	4,623,392
	<i>Inferred</i>	47,711,475	2.02	3,101,959
	Total	108,726,234	2.21	7,741,697
Fortnum Gold Project	<i>Measured</i>	9,032	2.22	644
	<i>Indicated</i>	21,776,976	1.77	1,237,999
	<i>Inferred</i>	7,909,252	2.03	515,019
	Total	29,695,260	1.84	1,753,662
Total Westgold (Gold Projects)	<i>Measured</i>	2,971,603	3.32	316,764
	<i>Indicated</i>	130,135,260	2.20	9,216,459
	<i>Inferred</i>	89,796,943	2.04	5,881,101
	Total	222,903,806	2.15	15,414,325

Competent Person Statement

The information in this report that relates to Mineral Resources was compiled by Metals X Ltd technical employees under the supervision of Mr Jake Russell B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a fulltime employee of Metals X Ltd, and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Russell is eligible to participate in short and long term incentive plans and holds performance rights in Metals X Ltd as has been previously disclosed.

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Table 5 - Westgold Mineral Resource Statement – Rover Polymetallic Projects (at 30.6.2016)

		Tonnage	Gold		Copper		Bismuth		Silver		Cobalt	
Project	Category	Kt	Au (g/t)	Au (koz)	Cu (%)	Cu (kt)	Bi (%)	Bi (kt)	Ag (g/t)	Ag (koz)	Co (%)	Co (kt)
Rover 1 Project	Measured	-	-	-	-	-	-	-	-	-	-	-
	Indicated	2,741	2.42	213	1.42	59	0.18	5	2.33	205	0.04	1
	Inferred	4,073	1.27	168	1.06	52	0.11	4	1.90	249	0.08	3
	Total	6,841	1.73	381	1.20	112	0.14	9	2.07	454	0.06	4

		Tonnage	Zinc		Lead		Silver		Copper		
Project	Category	Kt	Zn (%)	Zn (kt)	Pb (%)	Pb (kt)	Ag (g/t)	Ag (koz)	Kt	Cu (%)	Cu (kt)
Explorer 108 Project	Measured	-	-	-	-	-	-	-	-	-	-
	Indicated	8,438	3.41	288	2.05	173	14.32	3,886	5,689	0.36	20
	Inferred	3,429	2.81	96	1.88	64	3.32	366	-	-	-
	Total	11,868	3.24	384	2.00	237	11.14	4,252	5,689	0.36	20

		Tonnage	Gold		Copper	
Project	Category	Kt	Au (g/t)	Au (koz)	Cu (%)	Cu (kt)
Explorer 142 Project	Measured	-	-	-	-	-
	Indicated	-	-	-	-	-
	Inferred	176	0.21	1	5.21	9
	Total	176	0.21	1	5.21	9

Note: numbers may not add up due to rounding.

Explanatory Memorandum

ORE RESERVE ESTIMATE

The Westgold Ore Reserve estimate, published on 18 August 2016, is as of 30 June 2016 and is in compliance with the JORC Code (2012 Edition). The Company is of the opinion that there have been no material changes to the Ore Reserve estimates since the date of publication.

Table 6 - Westgold Ore Reserve Estimate (at 30.6.2016)

Deposit	Reserve Category	Ore Tonnes	Au (g/t)	Au (oz)
Higginsville Gold Operation	<i>Proved</i>	568,739	3.58	65,514
	<i>Probable</i>	7,000,169	1.63	367,381
	Total	7,568,908	1.78	432,895
South Kalgoorlie Operation	<i>Proved</i>	434,871	2.71	37,946
	<i>Probable</i>	1,858,750	2.58	154,123
	Total	2,293,621	2.60	192,068
Central Murchison Gold Project	<i>Proved</i>	141,099	1.70	7,694
	<i>Probable</i>	22,667,457	2.64	1,921,295
	Total	22,808,556	2.63	1,928,989
Fortnum Gold Project	<i>Proved</i>	-	-	-
	<i>Probable</i>	5,391,588	1.95	338,779
	Total	5,391,588	1.95	338,779
Total Westgold	<i>Proved</i>	1,144,709	3.02	111,154
	<i>Probable</i>	36,917,964	2.34	2,781,578
	Total	38,062,673	2.36	2,892,731

Note: numbers may not add up due to rounding.

Competent Person Statement

The information in this report that relate to Ore Reserves has been compiled by Metals X Ltd technical employees under the super vision of Mr Michael Poepjes BEng (Mining Engineering).MSc (Min. Econ) MAusIMM. Mr Poepjes is a full-time employee of Metals X Ltd. Mr Poepjes has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Poepjes consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Poepjes is eligible to participate in short and long term incentive plans and holds performance rights in Metals X Limited as has been previously disclosed.

Explanatory Memorandum

WESTGOLD MATERIAL CONTRACTS

The material contracts pertaining to the Demerger are set out in Section 4.9 above. Set out below is a non-exhaustive summary of the key terms of material contracts of Westgold. In addition, Westgold has numerous contracts in connection with the Gold Business Unit (including supply of power, fuel, haulage, toll treatment, joint ventures and royalties) none of which are presently considered material and/or outside of the ordinary course of business.

Managing Director Employment Agreement

Executive Director, Peter Cook is employed under an annual salary employment contract. The current employment contract with Metals X commenced on 1 January 2013 and new employment will commence with Westgold with effect from the Demerger on the same terms. Under the terms of the present contract:

- Mr Cook receives a fixed remuneration of \$635,100 (including superannuation) per annum.
- Mr Cook may resign from his position and thus terminate his contract by giving three months written notice. On resignation any unvested options and performance rights will be forfeited.
- The employer may terminate the employment agreement by providing three months written notice or providing payment in lieu of notice period (based on the fixed component of Mr Cook's remuneration). On termination on notice by the employer Mr Cook will still be entitled to any options and performance rights that have vested or that will vest during the notice period. Options and performance rights that have not yet vested will be forfeited.
- The employer may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the CEO is only entitled to that portion of remuneration that is fixed, and only up to the date of termination. On termination with cause by the employer Mr Cook will still be entitled to any options and performance rights that have vested. Options and performance rights that have not yet vested will be forfeited.

Hedging Agreement

Westgold has entered into a hedging agreement with Citibank N.A. (**Citi**). At the end of September 2016 Westgold had hedging contracts for 176,000oz at A\$1634/oz).

Royalty Obligations

At HGO, Morgan Stanley Australia Finance Limited, Morgan Stanley Capital Group Inc hold a royalty pursuant to an Amending Agreement between Morgan Stanley Australia Finance Pty Ltd, Morgan Stanley Capital Group and Avoca Mining Limited dated 17 April 2014. The royalty is 1.75% net smelter return of gold produced with additional gold price participation of:

- < A\$1340 – Nil.
- A\$1340 > A\$1500 – 12.5% of the difference between A\$1340 and the quarterly average gold price.
- A\$1500 > A\$1600 – 15% of the difference between A\$1340 and the quarterly average gold price.
- A\$1600 > A\$1700 – 20% of the difference between A\$1340 and the quarterly average gold price.
- A\$1700 > A\$1800 – 27.5% of the difference between A\$1340 and the quarterly average gold price.
- A\$1800 > A\$1900 – 37.50% of the difference between A\$1340 and the quarterly average gold price.
- > A\$1900 - 50% of the difference between A\$1340 and the quarterly average gold price.

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Encumbered tenements (including replacements and conversions) are:

E15/828	M15/348	M15/616	M15/685	P15/5418	P15/5432
E15/838	M15/351	M15/620	M15/748	P15/5419	P15/5433
E63/1071	M15/352	M15/629	M15/757	P15/5420	P15/5434
M15/1132	M15/375	M15/639	M15/758	P15/5421	P15/5435
M15/1790	M15/506	M15/640	M15/786	P15/5422	P15/5437
M15/1792	M15/507	M15/642	M15/815	P15/5423	P15/5438
M15/225	M15/512	M15/665	M15/817	P15/5424	P15/5439
M15/231	M15/528	M15/680	M15/820	P15/5425	P15/5441
M15/289	M15/580	M15/681	M15/1790	P15/5426	P15/5534
M15/31	M15/581	M15/682	M63/647	P15/5429	
M15/325	M15/597	M15/683	P15/5414	P15/5430	
M15/338	M15/610	M15/684	P15/5415	P15/5431	

At SKO, Franco-Nevada Australia Pty holds a royalty pursuant to a New Celebration Royalty Deed between Newcrest Operations Limited, Newcrest Mining Limited and HTA Limited dated 11 February 1998 (as amended and assigned). The royalty is 1.75% net smelter return of precious metals produced and 1% NSR of other minerals produced. Encumbered tenements include:

E15/985	M15/663	M15/747	M26/224	M26/493	P26/3500
E26/122	M15/717	M15/753	M26/245	M26/567	P26/3527
East Location 48	M15/721	M15/937	M26/328	P15/5049	P26/3528
East Location 50	M15/722	M15/938	M26/441	P15/5050	P26/3531
L26/122	M15/723	M26/118	M26/452	P15/5130	P26/3532
L26/123	M15/724	M26/143	M26/458	P15/5131	P26/3533
M15/469	M15/740	M26/204	M26/482	P15/5132	

At SKO, Newcrest Operations Limited holds a royalty pursuant to a Royalty Deed between Newcrest Operations Limited and South Kal Mines Pty Ltd dated 26 July 2001 (as amended and assigned). The royalty is \$10 per ounce and discovery royalty of \$1M payable for each new orebody discovered exceeding 250,000 ounces. Encumbered tenements include:

E15/985	M15/469	M15/726	M26/143	M26/482	P15/5050
E26/122	M15/663	M15/740	M26/204	M26/493	P15/5130
East Location 48	M15/717	M15/747	M26/224	M26/567	P15/5131
East Location 50	M15/721	M15/753	M26/245	P15/3529	P15/5132
L15/221	M15/722	M15/937	M26/328	P15/3532	P26/3500
L26/122	M15/723	M15/938	M26/441	P15/3533	P26/3527
L26/123	M15/724	M26/118	M26/458	P15/5049	P26/3528

At CMGP, International Royalty Corporation Inc holds a royalty pursuant to a Royalty Deed between St Barbara Mines Limited and Resource Capital Fund III L.P. dated 29 March 2005 (as amended and assigned). The royalty is generally 1.5% of the proceeds of sale, however is reduced down to 0.45% on some tenements. Encumbered tenements (including replacements and conversions) are:

G51/13	L51/18	L51/55	M20/107	M20/438	M20/70
G51/14	L51/29	L51/56	M20/12	M20/443	M20/71
G51/15	L51/30	L51/67	M20/212	M20/444	M20/73
G51/17	L51/31	L51/71	M20/214	M20/445	M20/77
G51/26	L51/33	L51/72	M20/219	M20/45	M51/12
G51/9	L51/34	L51/73	M20/249	M20/476	M51/132
L20/10	L51/35	L51/77	M20/309	M20/477	M51/161
L20/17	L51/41	L51/78	M20/420	M20/496	M51/180
L20/18	L51/43	L51/79	M20/421	M20/68	M51/187
L20/8	L51/51	L51/81	M20/437	M20/69	M51/190

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M51/199	M51/409	M51/483	M51/557	M51/666	M51/79
M51/200	M51/418	M51/484	M51/560	M51/667	M51/793
M51/203	M51/419	M51/485	M51/561	M51/668	M51/794
M51/209	M51/422	M51/486	M51/568	M51/669	M51/795
M51/211	M51/423	M51/487	M51/569	M51/670	M51/796
M51/233	M51/424	M51/488	M51/570	M51/671	M51/798
M51/235	M51/427	M51/489	M51/571	M51/672	M51/799
M51/236	M51/433	M51/490	M51/572	M51/673	M51/800
M51/237	M51/437	M51/491	M51/573	M51/674	M51/801
M51/254	M51/438	M51/492	M51/575	M51/675	M51/803
M51/256	M51/439	M51/493	M51/576	M51/678	M51/805
M51/257	M51/440	M51/494	M51/581	M51/679	M51/807
M51/27	M51/441	M51/495	M51/582	M51/680	M51/809
M51/28	M51/445	M51/496	M51/586	M51/688	M51/810
M51/280	M51/446	M51/500	M51/587	M51/718	M51/811
M51/281	M51/447	M51/501	M51/6	M51/737	M51/819
M51/31	M51/454	M51/502	M51/613	M51/738	M51/820
M51/320	M51/455	M51/503	M51/62	M51/740	M51/822
M51/321	M51/456	M51/504	M51/628	M51/741	M51/823
M51/325	M51/459	M51/51	M51/637	M51/746	M51/824
M51/33	M51/462	M51/516	M51/638	M51/75	M51/825
M51/334	M51/463	M51/521	M51/639	M51/757	M51/830
M51/35	M51/465	M51/523	M51/640	M51/758	M51/834
M51/374	M51/468	M51/524	M51/643	M51/762	M51/849
M51/381	M51/469	M51/525	M51/644	M51/778	M51/91
M51/385	M51/471	M51/526	M51/645	M51/781	M51/92
M51/386	M51/472	M51/528	M51/649	M51/782	M51/96
M51/39	M51/477	M51/53	M51/653	M51/783	
M51/393	M51/482	M51/539	M51/654	M51/788	

At CMGP, International Royalty Corporation Inc holds a royalty pursuant to a Royalty Deed dated 29 March 2005 between Zygot Limited and Resources Capital Fund III L.P. (as amended and assigned). The royalty is generally 1.5% of the proceeds of sale, however is reduced to 0.45% on some tenements. Encumbered tenements (including replacements and conversions) are:

M51/584	M51/611	M51/652	M51/717	M51/784
M51/605	M51/612	M51/677	M51/780	

At CMGP, Royal Gold Inc. holds a royalty pursuant to a Deed of Settlement between Homestake Australia Limited and Metana Minerals NL dated 4 November 1991 (as amended and assigned). The royalty rate varies between 1% and 2.5% of gold produced depending on the area and production history. Encumbered tenements (including replacements and conversions) are:

M20/107	M20/219	M20/68	M20/71	M51/233	M51/237
M20/12	M20/249	M20/69	M20/73	M51/235	M51/254
M20/214	M20/45	M20/70	M20/77	M51/236	

At CMPG, Royal Gold holds a royalty pursuant to a Deed of Sale - Meekatharra Gold Project between Plutonic Operations Limited and St Barbara Mines Limited dated 8 October 2002 (as amended and assigned). The royalty is \$10 per ounce on all gold produced from the tenement area. Encumbered tenements (including replacements and conversions) are:

M51/199	M51/437	M51/653	M51/439	M51/667	M51/504	M51/669	M51/688	M51/671	M51/673
M51/200	M51/438	M51/654	M51/440	M51/668	M51/521	M51/670		M51/672	

Explanatory Memorandum

Fortnum Acquisition Agreement

Metals X, Aragon Resources Pty Ltd (**Aragon**), RNI NL (**RNI**), Peak Hill Metals Pty Ltd (**Peak Hill**) and Grosvenor Gold Pty Limited (**Grosvenor**) entered into a Sale of Mining Interests Agreement (**Fortnum Agreement**) on 6 October 2015.

Under the terms of the Fortnum Agreement, Aragon (a wholly owned subsidiary of Westgold) acquired specified tenements together with associated assets collectively comprising the Fortnum Gold Project. Certain of these tenements were acquired subject to specified third party interests, including royalty obligations, joint venture interests and pre-emptive rights.

In addition, under the Fortnum Agreement, Aragon was granted a right of first refusal in relation to a number of other tenements held by RNI, Peak Hill and Grosvenor. This right of first refusal is exercisable by Aragon in the event that the holder of a relevant tenement wishes to transfer its interest in that tenement to a third party.

By a separate gold rights letter agreement dated 13 October 2015 between Metals X, RNI, Grosvenor and Jackson Minerals Pty Ltd, Metals X (to be assigned to Westgold) was granted gold rights in relation to three of the additional tenements (comprising two exploration licences and a prospecting licence), as well the right to have the relevant tenements transferred to it in the event the holder wished to relinquish them.

Southern Gold Financing and Management Agreement

An agreement for financing and management of Cannon Mine was entered into between Southern Gold Limited, Metals X and HBJ Minerals Pty Ltd dated 7 November 2014. HBJ Minerals Pty Ltd manages and operates the Cannon Mine for and on behalf of Southern Gold. All mining, ore cartage and processing is completed on an agreed cost basis. All revenue from production is applied first to repay costs and then profits are split on a 50:50 basis. The agreement is secured via a mortgage over the Cannon Mine tenement. The agreement expires on the completion of the material obligations under the agreement unless terminated earlier. As part of the package of agreements, Metals X (to be assigned to Westgold) also provided a financing facility of \$2.5M to Southern Gold which has been fully drawn).

Acquisition agreement with GMK Exploration

On 27 June 2014 Big Bell Gold Operations Pty Ltd (a wholly owned subsidiary of Westgold) completed the acquisition of the assets of GMK Exploration Pty Ltd (GMKE) from GMKE's Administrator. The assets comprised the fully refurbished processing plant, other supporting infrastructure and tenements of the Meekatharra Gold Operation, forming part of the CMGP. The consideration for the acquisition was \$9,400,000 and 24,000,000 Reed Resources Limited shares.

Acquisition agreement with Alacer Gold Corporation

On 29 October 2013, Metals X entered into an agreement to acquire the Australian gold portfolio of Alacer via the acquisition of all of the shares in the entity now named Hill 51 Pty Ltd, which owns the HGO and the SKO. The final purchase consideration was \$44,000,000.

Explanatory Memorandum

WESTGOLD TENEMENT SCHEDULE

Below is a listing of the tenements owned or controlled by the Westgold Group, or over which it has material rights, as at 15 September 2016:

Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
FORTNUM GOLD PROJECT									
E52/1832	Aragon (100%)	Aragon (100%)	\$70,000.00	Exploration Licence WA	10 BL	Granted	16/03/2009	\$5,006.00	\$596.16
E52/2059	Aragon (100%)	Aragon (100%)	\$30,000.00	Exploration Licence WA	2 BL	Granted	17/02/2010	\$528.70	\$350.00
E52/2237	Aragon (100%)	Aragon (100%)	\$50,000.00	Exploration Licence WA	4 BL	Granted	24/02/2009	\$2,002.40	\$350.00
E52/3165	Aragon (100%)	Aragon (100%)	\$20,000.00	Exploration Licence WA	8 BL	Granted	5/12/2014	\$1,036.00	\$476.92
E52/3257	Aragon (100%)	Aragon (100%)	\$15,000.00	Exploration Licence WA	4 BL	Granted	28/04/2015	\$501.00	\$350.00
L52/0002	Aragon (100%)	Aragon (100%)		Miscellaneous Licence	3.68 HA	Granted	27/04/1983	\$58.40	N/A
L52/0019	Aragon (100%)	Aragon (100%)		Miscellaneous Licence	16.18 HA	Granted	25/08/1988	\$256.70	N/A
L52/0020	Aragon (100%)	Aragon (100%)		Miscellaneous Licence	56 HA	Granted	26/02/1988	\$817.60	N/A
L52/0039	Aragon (100%)	Aragon (100%)		Miscellaneous Licence	36.5 HA	Granted	24/05/1990	\$540.20	N/A
L52/0062	Aragon (100%)	Aragon (100%)		Miscellaneous Licence	14 HA	Granted	10/06/1993	\$204.40	N/A
L52/0063	Aragon (100%)	Aragon (100%)		Miscellaneous Licence	24 HA	Granted	10/06/1993	\$350.40	N/A
L52/0102	Aragon (100%)	Aragon (100%)		Miscellaneous Licence	9 HA	Granted	11/11/2008	\$135.90	N/A
M52/0005	Aragon (100%)	Aragon (100%)	\$46,500.00	Mining Lease	464.85 HA	Granted	20/04/1983	\$7,672.50	\$7,374.80
M52/0006	Aragon (100%)	Aragon (100%)	\$48,000.00	Mining Lease	479.6 HA	Granted	20/04/1983	\$7,920.00	\$7,610.40
M52/0035	Aragon (100%)	Aragon (100%)	\$91,800.00	Mining Lease	917.15 HA	Granted	16/01/1985	\$15,147.00	\$14,490.11
M52/0056	Aragon (100%)	Aragon (100%)	\$11,500.00	Mining Lease	114.05 HA	Granted	19/11/1986	\$1,960.75	\$1,937.53
M52/0093	Aragon (100%)	Aragon (100%)	\$79,600.00	Mining Lease	795.65 HA	Granted	8/02/1988	\$13,134.00	\$12,573.85
M52/0095	Aragon (100%)	Aragon (100%)	\$65,000.00	Mining Lease	649.3 HA	Granted	8/02/1988	\$10,725.00	\$10,280.61
M52/0096	Aragon (100%)	Aragon (100%)	\$68,300.00	Mining Lease	682.7 HA	Granted	8/02/1988	\$11,269.50	\$10,798.94
M52/0098	Aragon (100%)	Aragon (100%)	\$91,100.00	Mining Lease	910.6 HA	Granted	8/02/1988	\$15,031.50	\$14,380.16
M52/0099	Aragon (100%)	Aragon (100%)	\$48,700.00	Mining Lease	486.15 HA	Granted	8/02/1988	\$8,035.50	\$7,720.35
M52/0125	Aragon (100%)	Aragon (100%)	\$31,000.00	Mining Lease	309.8 HA	Granted	30/12/1988	\$5,285.50	\$5,102.51
M52/0132	Aragon (100%)	Aragon (100%)	\$69,900.00	Mining Lease	698.2 HA	Granted	11/05/1989	\$11,533.50	\$11,050.26
M52/0133	Aragon (100%)	Aragon (100%)	\$88,000.00	Mining Lease	879.7 HA	Granted	11/05/1989	\$14,520.00	\$13,893.24
M52/0297	Aragon (100%)	Aragon (100%)	\$96,200.00	Mining Lease	961.55 HA	Granted	4/02/1992	\$15,873.00	\$15,181.22
M52/0338	Aragon (100%)	Aragon (100%)	\$68,500.00	Mining Lease	684.35 HA	Granted	28/10/1992	\$11,679.25	\$11,189.00

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
M52/0474	Aragon (100%)	Aragon (100%)	\$10,000.00	Mining Lease	18.625 HA	Granted	8/03/1994	\$313.50	\$421.00
M52/0801	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	\$98,100.00	Mining Lease	981 HA	Granted	19/05/2003	\$16,186.50	\$15,479.66
P52/1189	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	\$7,440.00	Prospecting Licence	186 HA	Granted	14/01/2009	\$446.40	\$424.95
P52/1190	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%),	\$7,520.00	Prospecting Licence	188 HA	Granted	14/01/2009	\$451.20	\$429.52
P52/1191	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	\$7,560.00	Prospecting Licence	189 HA	Granted	14/01/2009	\$453.60	\$431.80
P52/1192	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	\$7,640.00	Prospecting Licence	191 HA	Granted	14/01/2009	\$458.40	\$436.37
P52/1193	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	Aragon (85%), Horseshoe Gold Mine Pty Ltd (15%)	\$6,200.00	Prospecting Licence	155 HA	Granted	14/01/2009	\$372.00	\$354.12
E52/2471	Aragon (85%), Walter Scott Wilson (15%)	Aragon (85%), Walter Scott WILSON (15%)	\$58,000.00	Exploration Licence WA	29 BL	Granted	16/10/2009	\$15,010.40	\$1,728.85
P52/1344	Aragon (85%), Walter Scott Wilson (15%)	Aragon (85%), Walter Scott WILSON (15%)	\$7,560.00	Prospecting Licence	189 HA	Granted	20/01/2010	\$453.60	\$431.80
E52/3328	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$20,000.00	Exploration Licence WA	8 BL	Granted	15/10/2015	\$1,036.00	\$476.92
P52/1498	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$7,680.00	Prospecting Licence	191.8917 HA	Granted	6/03/2015	\$460.80	\$438.66
P52/1499	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$6,280.00	Prospecting Licence	156.8202 HA	Granted	6/03/2015	\$376.80	\$358.69
P52/1500	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$4,400.00	Prospecting Licence	109.1518 HA	Granted	6/03/2015	\$264.00	\$350.00
P52/1501	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$4,000.00	Prospecting Licence	99.0895 HA	Granted	6/03/2015	\$240.00	\$350.00
P52/1502	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$7,640.00	Prospecting Licence	190.7545 HA	Granted	6/03/2015	\$458.40	\$436.37
P52/1505	OMNI Projects Pty Ltd (100%,	Aragon (100%)	\$7,800.00	Prospecting Licence	194.1182 HA	Granted	6/03/2015	\$468.00	\$445.51
P52/1506	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$7,560.00	Prospecting Licence	188.0714 HA	Granted	6/03/2015	\$453.60	\$431.80
P52/1507	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$7,600.00	Prospecting Licence	189.75 HA	Granted	6/03/2015	\$456.00	\$434.09
P52/1508	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$6,600.00	Prospecting Licence	164.8312 HA	Granted	6/03/2015	\$396.00	\$376.97
P52/1509	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$7,000.00	Prospecting Licence	174.7392 HA	Granted	6/03/2015	\$420.00	\$399.82
P52/1510	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$6,560.00	Prospecting Licence	163.9124 HA	Granted	6/03/2015	\$393.60	\$374.69
P52/1511	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$8,000.00	Prospecting Licence	200 HA	Granted	6/03/2015	\$480.00	\$456.93
P52/1512	OMNI Projects Pty Ltd (100%)	Aragon (100%)	\$4,200.00	Prospecting Licence	104.2116 HA	Granted	6/03/2015	\$252.00	\$350.00
P52/1493	Grosvenor Gold Pty Limited (100%)	Aragon	\$7,680.00	Prospecting Licence	191.66 HA	Granted	6/03/2015	\$460.80	\$438.66
E52/1659	Grosvenor Gold Pty Limited (80%), Jackson Minerals Pty Ltd (20%)	Aragon	\$70,000.00	Exploration Licence WA	13 BL	Granted	27/01/2004	\$6,507.80	\$775.00

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
E52/1671	Grosvenor Gold Pty Limited (80%), Jackson Minerals Pty Ltd (20%)	Aragon	\$183,000.00	Exploration Licence WA	61 BL	Granted	23/11/2004	\$31,573.60	\$3,636.55
M52/1048	Horseshoe Manganese Pty Ltd (100%)	Aragon	\$79,700.00	Mining Lease	797 HA	Granted	22/02/2011	\$13,150.50	\$12,589.55
HIGGINSVILLE GOLD OPERATION									
L63/0065	Australian Strategic and Precious Metals Investment Pty Ltd (100%)	Avoca (100%)		Miscellaneous Licence	10.78 HA	Application			N/A
L63/0071	Australian Strategic and Precious Metals Investment Pty Ltd (30%), Mt Henry Gold Pty Ltd (70%)	Avoca (100%)		Miscellaneous Licence	58.66 HA	Application			N/A
E15/1512	Avoca (100%)	Avoca (100%)		Exploration Licence WA	2 BL	Application			N/A
E63/1763	Avoca (100%)	Avoca (100%)		Exploration Licence WA	12 BL	Application			N/A
G15/0026	Avoca (100%)	Avoca (100%)		General Purpose Lease	93.7528 HA	Application			N/A
G15/0027	Avoca (100%)	Avoca (100%)		General Purpose Lease	148.5222 HA	Application			N/A
P63/2011	Avoca (100%)	Avoca (100%)		Prospecting Licence	169.745 HA	Application			N/A
P63/2012	Avoca (100%)	Avoca (100%)		Prospecting Licence	163.6279 HA	Application			N/A
P63/2013	Avoca (100%)	Avoca (100%)		Prospecting Licence	180.7167 HA	Application			N/A
P63/2014	Avoca (100%)	Avoca (100%)		Prospecting Licence	146.5004 HA	Application			N/A
P63/2015	Avoca (100%)	Avoca (100%)		Prospecting Licence	117.0852 HA	Application			N/A
P63/2021	Avoca (100%)	Avoca (100%)		Prospecting Licence	198.2025 HA	Application			N/A
P63/2022	Avoca (100%)	Avoca (100%)		Prospecting Licence	197.8809 HA	Application			N/A
P63/2023	Avoca (100%)	Avoca (100%)		Prospecting Licence	147.5176 HA	Application			N/A
P63/2024	Avoca (100%)	Avoca (100%)		Prospecting Licence	176.6979 HA	Application			N/A
P63/2025	Avoca (100%)	Avoca (100%)		Prospecting Licence	143.8339 HA	Application			N/A
P63/2050	Avoca (100%)	Avoca (100%)		Prospecting Licence	182.0207 HA	Application			N/A
P63/2051	Avoca (100%)	Avoca (100%)		Prospecting Licence	150.96 HA	Application			N/A
P63/2064	Avoca (100%)	Avoca (100%)		Prospecting Licence	20.8466 HA	Application			N/A
P63/2065	Avoca (100%)	Avoca (100%)		Prospecting Licence	69.0621 HA	Application			N/A
P63/2067	Avoca (100%)	Avoca (100%)		Prospecting Licence	171.7013 HA	Application			N/A
E15/0828	Avoca (100%)	Avoca (100%)	\$75,334.00	Exploration Licence WA	20 BL	Granted	17/11/2004	\$10,352.00	\$1,352.88
E15/0838	Avoca (100%)	Avoca (100%)	\$70,000.00	Exploration Licence WA	7 BL	Granted	28/09/2004	\$3,623.20	\$450.65
E15/1402	Avoca (100%)	Avoca (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	8/04/2014	\$301.35	\$415.00
E63/1071	Avoca (100%)	Avoca (100%)	\$72,000.00	Exploration Licence WA	24 BL	Granted	4/02/2008	\$12,014.40	\$1,283.52

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
G15/0019	Avoca (100%)	Avoca (100%)		General Purpose Lease	65.82 HA	Granted	3/10/2007	\$996.60	\$1,024.50
G15/0023	Avoca (100%)	Avoca (100%)		General Purpose Lease	3.1637 HA	Granted	2/06/2015	\$58.40	\$415.00
G63/0006	Avoca (100%)	Avoca (100%)		General Purpose Lease	281 HA	Granted	28/08/2015	\$4,243.10	\$2,860.60
G63/0007	Avoca (100%)	Avoca (100%)		General Purpose Lease	182.8984 HA	Granted	27/04/2016	\$2,671.80	\$1,887.72
L15/0259	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	28 HA	Granted	2/06/2006	\$408.80	N/A
L15/0261	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	3 HA	Granted	2/06/2006	\$43.80	N/A
L15/0272	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	12 HA	Granted	9/08/2006	\$181.20	N/A
L15/0282	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	73.39 HA	Granted	13/03/2008	\$1,080.40	N/A
L15/0288	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	34.86 HA	Granted	27/11/2008	\$528.50	N/A
L15/0298	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	51.4 HA	Granted	24/06/2009	\$759.20	N/A
L15/0302	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	8.1 HA	Granted	17/12/2010	\$135.90	N/A
L15/0308	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	44.19 HA	Granted	17/12/2010	\$679.50	N/A
L15/0322	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	25.84 HA	Granted	6/10/2011	\$392.60	N/A
L15/0346	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	33.2399 HA	Granted	13/05/2014	\$496.40	N/A
L15/0347	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	11.8219 HA	Granted	25/07/2014	\$181.20	N/A
L63/0058	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	32 HA	Granted	19/07/2007	\$483.20	N/A
L63/0064	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	6.62 HA	Granted	29/04/2010	\$102.20	N/A
L63/0072	Avoca (100%)	Avoca (100%)		Miscellaneous Licence	2.7 HA	Granted	7/10/2015	\$45.30	N/A
M15/0031	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	9.7125 HA	Granted	24/08/1983	\$170.50	\$486.00
M15/0225	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	17.04 HA	Granted	28/01/1987	\$297.00	\$486.00
M15/0231	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	19.42 HA	Granted	3/11/1987	\$341.00	\$486.00
M15/0289	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	9.656 HA	Granted	3/11/1987	\$170.50	\$486.00
M15/0325	Avoca (100%)	Avoca (100%)	\$5,000.00	Mining Lease	2.103 HA	Granted	9/03/1988	\$49.50	\$486.00
M15/0338	Avoca (100%)	Avoca (100%)	\$13,000.00	Mining Lease	129.45 HA	Granted	14/03/1988	\$2,145.00	\$2,276.06
M15/0348	Avoca (100%)	Avoca (100%)	\$49,500.00	Mining Lease	494.75 HA	Granted	25/03/1988	\$8,167.50	\$8,467.19
M15/0351	Avoca (100%)	Avoca (100%)	\$34,300.00	Mining Lease	342.55 HA	Granted	2/05/1988	\$5,659.50	\$5,888.97
M15/0352	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	23.3 HA	Granted	2/05/1988	\$396.00	\$486.00
M15/0375	Avoca (100%)	Avoca (100%)	\$39,800.00	Mining Lease	397.4 HA	Granted	22/04/1988	\$6,567.00	\$6,821.88
M15/0506	Avoca (100%)	Avoca (100%)	\$77,900.00	Mining Lease	778.95 HA	Granted	7/05/1990	\$12,853.50	\$13,284.40
M15/0507	Avoca (100%)	Avoca (100%)	\$36,000.00	Mining Lease	360 HA	Granted	7/05/1990	\$5,940.00	\$6,177.32

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
M15/0528	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	10.395 HA	Granted	21/03/1991	\$181.50	\$486.00
M15/0580	Avoca (100%)	Avoca (100%)	\$96,200.00	Mining Lease	961.65 HA	Granted	1/08/1991	\$16,402.10	\$16,932.36
M15/0581	Avoca (100%)	Avoca (100%)	\$48,100.00	Mining Lease	480.1 HA	Granted	1/08/1991	\$8,201.05	\$8,501.68
M15/0597	Avoca (100%)	Avoca (100%)	\$59,400.00	Mining Lease	594 HA	Granted	6/01/1992	\$9,801.00	\$10,146.43
M15/0610	Avoca (100%)	Avoca (100%)	\$17,400.00	Mining Lease	173.65 HA	Granted	10/12/1991	\$2,966.70	\$3,120.77
M15/0616	Avoca (100%)	Avoca (100%)	\$69,600.00	Mining Lease	696 HA	Granted	18/11/1992	\$11,866.80	\$12,270.07
M15/0620	Avoca (100%)	Avoca (100%)	\$12,000.00	Mining Lease	120 HA	Granted	20/10/1992	\$2,046.00	\$2,174.29
M15/0629	Avoca (100%)	Avoca (100%)	\$12,100.00	Mining Lease	120.1 HA	Granted	20/10/1992	\$2,063.05	\$2,191.82
M15/0639	Avoca (100%)	Avoca (100%)	\$84,700.00	Mining Lease	847 HA	Granted	25/01/1993	\$13,975.50	\$14,437.81
M15/0640	Avoca (100%)	Avoca (100%)	\$72,700.00	Mining Lease	726.1 HA	Granted	25/01/1993	\$11,995.50	\$12,402.37
M15/0642	Avoca (100%)	Avoca (100%)	\$93,500.00	Mining Lease	934.4 HA	Granted	25/01/1993	\$15,427.50	\$15,930.47
M15/0665	Avoca (100%)	Avoca (100%)	\$100,000.00	Mining Lease	1000 HA	Granted	14/10/1993	\$17,050.00	\$17,598.40
M15/0680	Avoca (100%)	Avoca (100%)	\$68,600.00	Mining Lease	685.85 HA	Granted	1/03/1994	\$11,319.00	\$11,706.93
M15/0681	Avoca (100%)	Avoca (100%)	\$94,400.00	Mining Lease	943.35 HA	Granted	1/03/1994	\$15,576.00	\$7,780.45
M15/0682	Avoca (100%)	Avoca (100%)	\$87,700.00	Mining Lease	876.3 HA	Granted	30/03/1994	\$14,470.50	\$14,946.67
M15/0683	Avoca (100%)	Avoca (100%)	\$81,500.00	Mining Lease	815 HA	Granted	1/03/1994	\$13,447.50	\$13,895.03
M15/0684	Avoca (100%)	Avoca (100%)	\$81,500.00	Mining Lease	815 HA	Granted	1/03/1994	\$13,447.50	\$13,895.03
M15/0685	Avoca (100%)	Avoca (100%)	\$83,700.00	Mining Lease	837 HA	Granted	1/03/1994	\$13,810.50	\$14,268.19
M15/0748	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	11 HA	Granted	8/02/1995	\$181.50	\$486.00
M15/0757	Avoca (100%)	Avoca (100%)	\$41,800.00	Mining Lease	417.7 HA	Granted	3/03/1995	\$6,897.00	\$7,161.12
M15/0758	Avoca (100%)	Avoca (100%)	\$90,200.00	Mining Lease	901.01 HA	Granted	3/03/1995	\$14,883.00	\$15,370.72
M15/0786	Avoca (100%)	Avoca (100%)	\$95,500.00	Mining Lease	954.15 HA	Granted	27/04/1995	\$15,757.50	\$16,269.71
M15/0815	Avoca (100%)	Avoca (100%)	\$94,800.00	Mining Lease	948 HA	Granted	8/01/1997	\$15,642.00	\$16,150.98
M15/0817	Avoca (100%)	Avoca (100%)	\$91,900.00	Mining Lease	918.65 HA	Granted	23/09/1996	\$15,668.95	\$16,178.68
M15/0820	Avoca (100%)	Avoca (100%)	\$96,800.00	Mining Lease	967.95 HA	Granted	19/08/1996	\$16,504.40	\$17,037.52
M15/1132	Avoca (100%)	Avoca (100%)	\$92,000.00	Mining Lease	919.35 HA	Granted	2/10/2002	\$15,686.00	\$16,196.21
M15/1790	Avoca (100%)	Avoca (100%)	\$62,300.00	Mining Lease	622.95 HA	Granted	8/07/2013	\$10,622.15	\$10,990.57
M63/0165	Avoca (100%)	Avoca (100%)	\$20,200.00	Mining Lease	201.75 HA	Granted	16/02/1988	\$3,333.00	\$2,337.31
M63/0236	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	9.099 HA	Granted	9/08/1991	\$170.50	\$413.00
M63/0366	Avoca (100%)	Avoca (100%)	\$10,000.00	Mining Lease	55 HA	Granted	30/07/2010	\$937.75	\$688.00

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M63/0515	Avoca (100%)	Avoca (100%)	\$70,900.00	Mining Lease	708.9 HA	Granted	29/08/2007	\$12,088.45	\$8,025.44
M63/0516	Avoca (100%)	Avoca (100%)	\$71,100.00	Mining Lease	710.1 HA	Granted	29/08/2007	\$12,122.55	\$8,047.88
P15/5414	Avoca (100%)	Avoca (100%)	\$8,000.00	Prospecting Licence	200 HA	Granted	28/04/2010	\$480.00	\$493.44
P15/5415	Avoca (100%)	Avoca (100%)	\$3,920.00	Prospecting Licence	97.8 HA	Granted	15/07/2010	\$245.00	\$415.00
P15/5418	Avoca (100%)	Avoca (100%)	\$7,720.00	Prospecting Licence	192.5 HA	Granted	28/04/2010	\$463.20	\$476.17
P15/5419	Avoca (100%)	Avoca (100%)	\$7,880.00	Prospecting Licence	196.2 HA	Granted	28/04/2010	\$472.80	\$486.04
P15/5420	Avoca (100%)	Avoca (100%)	\$7,880.00	Prospecting Licence	196.2 HA	Granted	28/04/2010	\$472.80	\$486.04
P15/5421	Avoca (100%)	Avoca (100%)	\$7,960.00	Prospecting Licence	199 HA	Granted	28/04/2010	\$477.60	\$490.97
P15/5422	Avoca (100%)	Avoca (100%)	\$7,960.00	Prospecting Licence	199 HA	Granted	28/04/2010	\$477.60	\$490.97
P15/5423	Avoca (100%)	Avoca (100%)	\$7,960.00	Prospecting Licence	199 HA	Granted	28/04/2010	\$477.60	\$490.97
P15/5424	Avoca (100%)	Avoca (100%)	\$7,880.00	Prospecting Licence	196.9 HA	Granted	28/04/2010	\$472.80	\$486.04
P15/5425	Avoca (100%)	Avoca (100%)	\$7,880.00	Prospecting Licence	196.1 HA	Granted	28/04/2010	\$472.80	\$486.04
P15/5426	Avoca (100%)	Avoca (100%)	\$7,960.00	Prospecting Licence	199 HA	Granted	28/04/2010	\$477.60	\$490.97
P15/5429	Avoca (100%)	Avoca (100%)	\$5,880.00	Prospecting Licence	146.7 HA	Granted	28/04/2010	\$352.80	\$415.00
P15/5430	Avoca (100%)	Avoca (100%)	\$7,200.00	Prospecting Licence	179.1 HA	Granted	28/04/2010	\$432.00	\$444.10
P15/5431	Avoca (100%)	Avoca (100%)	\$2,320.00	Prospecting Licence	57.7 HA	Granted	28/04/2010	\$139.20	\$415.00
P15/5432	Avoca (100%)	Avoca (100%)	\$2,000.00	Prospecting Licence	30.2 HA	Granted	28/04/2010	\$74.40	\$415.00
P15/5433	Avoca (100%)	Avoca (100%)	\$7,880.00	Prospecting Licence	196.2 HA	Granted	15/07/2010	\$492.50	\$506.29
P15/5434	Avoca (100%)	Avoca (100%)	\$2,000.00	Prospecting Licence	32.9 HA	Granted	15/07/2010	\$82.50	\$415.00
P15/5435	Avoca (100%)	Avoca (100%)	\$2,000.00	Prospecting Licence	9 HA	Granted	28/04/2010	\$24.00	\$415.00
P15/5437	Avoca (100%)	Avoca (100%)	\$2,000.00	Prospecting Licence	46.3 HA	Granted	15/07/2010	\$117.50	\$415.00
P15/5438	Avoca (100%)	Avoca (100%)	\$4,400.00	Prospecting Licence	109.2 HA	Granted	15/07/2010	\$275.00	\$415.00
P15/5439	Avoca (100%)	Avoca (100%)	\$4,280.00	Prospecting Licence	106.8 HA	Granted	15/07/2010	\$267.50	\$415.00
P15/5441	Avoca (100%)	Avoca (100%)	\$7,800.00	Prospecting Licence	194.1 HA	Granted	15/07/2010	\$487.50	\$501.15
P15/5534	Avoca (100%)	Avoca (100%)	\$2,000.00	Prospecting Licence	7.5 HA	Granted	7/01/2011	\$24.00	\$415.00
M15/0512	Avoca (90%), Noel Arthur Paynter (10%)	Avoca (90%), Noel Arthur Paynter (10%)	\$10,000.00	Mining Lease	19.135 HA	Granted	2/04/1990	\$330.00	\$486.00
E15/1533	Avoca Resources (100%)	Avoca Resources (100%)		Exploration Licence WA	5 BL	Application			N/A
E15/0949	Avoca Resources (100%)	Avoca Resources (100%)	\$50,000.00	Exploration Licence WA	3 BL	Granted	17/03/2008	\$1,501.80	\$415.00
L63/0073	Avoca Resources (100%)	Avoca Resources (100%)		Miscellaneous Licence	38.1462 HA	Granted	1/09/2015	\$588.90	N/A
E15/0786	Avoca Resources (100%)	Avoca Resources (100%)	\$70,000.00	Exploration Licence WA	14 BL	Granted	28/10/2005	\$7,246.40	\$901.30

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E15/0808	Avoca Resources (100%)	Avoca Resources (100%)	\$70,000.00	Exploration Licence WA	9 BL	Granted	5/07/2006	\$8,799.20	\$579.41
E15/0810	Avoca Resources (100%)	Avoca Resources (100%)	\$111,000.00	Exploration Licence WA	37 BL	Granted	4/08/2004	\$19,151.20	\$2,382.00
E15/0951	Avoca Resources (100%)	Avoca Resources (100%)	\$20,000.00	Exploration Licence WA	1 BL	Granted	17/03/2008	\$301.35	\$415.00
E15/1037	Avoca Resources (100%)	Avoca Resources (100%)	\$105,000.00	Exploration Licence WA	35 BL	Granted	30/09/2008	\$18,116.00	\$2,508.58
E15/1094	Avoca Resources (100%)	Avoca Resources (100%)	\$70,000.00	Exploration Licence WA	8 BL	Granted	13/08/2009	\$4,140.80	\$515.03
E15/1117	Avoca Resources (100%)	Avoca Resources (100%)	\$50,000.00	Exploration Licence WA	4 BL	Granted	13/08/2009	\$2,070.40	\$415.00
E15/1197	Avoca Resources (100%)	Avoca Resources (100%)	\$50,000.00	Exploration Licence WA	16 BL	Granted	7/02/2011	\$4,229.60	\$1,030.06
E15/1199	Avoca Resources (100%)	Avoca Resources (100%)	\$30,000.00	Exploration Licence WA	2 BL	Granted	10/11/2010	\$546.70	\$415.00
E15/1203	Avoca Resources (100%)	Avoca Resources (100%)	\$54,000.00	Exploration Licence WA	27 BL	Granted	17/12/2010	\$7,380.45	\$1,738.22
E15/1223	Avoca Resources (100%)	Avoca Resources (100%)	\$52,000.00	Exploration Licence WA	26 BL	Granted	8/09/2011	\$7,107.10	\$1,673.84
E15/1260	Avoca Resources (100%)	Avoca Resources (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	12/10/2011	\$311.60	\$415.00
E15/1304	Avoca Resources (100%)	Avoca Resources (100%)	\$20,000.00	Exploration Licence WA	3 BL	Granted	12/06/2012	\$584.55	\$415.00
E15/1355	Avoca Resources (100%)	Avoca Resources (100%)	\$20,000.00	Exploration Licence WA	3 BL	Granted	29/07/2013	\$604.35	\$415.00
E15/1356	Avoca Resources (100%)	Avoca Resources (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	29/07/2013	\$311.60	\$415.00
E15/1357	Avoca Resources (100%)	Avoca Resources (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	29/07/2013	\$311.60	\$415.00
E15/1358	Avoca Resources (100%)	Avoca Resources (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	29/07/2013	\$311.60	\$415.00
E15/1359	Avoca Resources (100%)	Avoca Resources (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	29/07/2013	\$311.60	\$415.00
E15/1370	Avoca Resources (100%)	Avoca Resources (100%)	\$30,000.00	Exploration Licence WA	8 BL	Granted	28/08/2013	\$1,611.60	\$515.03
E15/1376	Avoca Resources (100%)	Avoca Resources (100%)	\$20,000.00	Exploration Licence WA	3 BL	Granted	10/09/2013	\$604.35	\$415.00
E15/1439	Avoca Resources (100%)	Avoca Resources (100%)	\$15,000.00	Exploration Licence WA	4 BL	Granted	7/04/2015	\$501.00	\$415.00
E15/1448	Avoca Resources (100%)	Avoca Resources (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	6/05/2015	\$301.35	\$415.00
E15/1462	Avoca Resources (100%)	Avoca Resources (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	22/09/2015	\$311.60	\$415.00
E63/0856	Avoca Resources (100%)	Avoca Resources (100%)	\$96,000.00	Exploration Licence WA	32 BL	Granted	6/09/2004	\$16,563.20	\$5,308.04
E63/1051	Avoca Resources (100%)	Avoca Resources (100%)	\$50,000.00	Exploration Licence WA	4 BL	Granted	3/07/2007	\$2,070.40	\$350.32
E63/1064	Avoca Resources (100%)	Avoca Resources (100%)	\$50,000.00	Exploration Licence WA	3 BL	Granted	6/09/2007	\$1,552.80	\$153.39
E63/1165	Avoca Resources (100%)	Avoca Resources (100%)	\$70,000.00	Exploration Licence WA	11 BL	Granted	15/04/2008	\$5,506.60	\$963.50
E63/1724	Avoca Resources (100%)	Avoca Resources (100%)	\$10,000.00	Exploration Licence WA	1 BL	Granted	1/09/2015	\$311.60	\$342.00
M15/1792	Avoca Resources (100%)	Avoca Resources (100%)	\$108,800.00	Mining Lease	1087.5 HA	Granted	25/07/2013	\$18,550.40	\$19,140.81
M63/0647	Avoca Resources (100%)	Avoca Resources (100%)	\$99,800.00	Mining Lease	998 HA	Granted	6/08/2013	\$17,015.90	\$11,267.90
P15/5375	Avoca Resources (100%)	Avoca Resources (100%)	\$2,000.00	Prospecting Licence	18.44 HA	Granted	15/07/2010	\$47.50	\$415.00

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P15/5376	Avoca Resources (100%)	Avoca Resources (100%)	\$2,000.00	Prospecting Licence	41.02 HA	Granted	15/07/2010	\$105.00	\$415.00
P15/5634	Avoca Resources (100%)	Avoca Resources (100%)	\$4,160.00	Prospecting Licence	104 HA	Granted	21/10/2011	\$260.00	\$415.00
P15/5960	Avoca Resources (100%)	Avoca Resources (100%)	\$5,280.00	Prospecting Licence	131.0781 HA	Granted	24/08/2015	\$330.00	\$415.00
P15/5961	Avoca Resources (100%)	Avoca Resources (100%)	\$7,520.00	Prospecting Licence	187.3175 HA	Granted	24/08/2015	\$470.00	\$483.16
P63/1732	Avoca Resources (100%)	Avoca Resources (100%)	\$8,000.00	Prospecting Licence	199.35 HA	Granted	2/10/2009	\$0.00	\$326.38
P63/1733	Avoca Resources (100%)	Avoca Resources (100%)	\$7,720.00	Prospecting Licence	192.37 HA	Granted	2/10/2009	\$0.00	\$308.29
P63/1977	Avoca Resources (100%)	Avoca Resources (100%)	\$3,520.00	Prospecting Licence	87.5836 HA	Granted	3/03/2015	\$211.20	\$342.00
P63/2006	Avoca Resources (100%)	Avoca Resources (100%)	\$7,400.00	Prospecting Licence	184.2994 HA	Granted	25/11/2015	\$462.50	\$301.90
P63/2007	Avoca Resources (100%)	Avoca Resources (100%)	\$5,120.00	Prospecting Licence	127.9935 HA	Granted	25/11/2015	\$320.00	\$284.00
E63/1117	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	\$50,000.00	Exploration Licence WA	5 BL	Granted	7/10/2008	\$2,588.00	\$437.89
M63/0329	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	\$10,000.00	Mining Lease	67.51 HA	Granted	23/07/2001	\$1,159.40	\$833.92
M63/0368	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	\$38,300.00	Mining Lease	383 HA	Granted	23/07/2001	\$6,530.15	\$4,367.94
P63/1468	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	\$2,000.00	Prospecting Licence	13 HA	Granted	3/06/2008	\$31.20	\$284.00
M63/0660	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)	Avoca Resources (93.33%), Trent Paterson Stehn (6.66%)		Mining Lease	276.9007 HA	Application			N/A
E39/1299	Hawthorn Resources Ltd (100%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$20,000.00	Exploration Licence WA	1 BL	Granted	24/10/2008	\$311.60	\$270.00
E39/1301	Hawthorn Resources Ltd (100%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$50,000.00	Exploration Licence WA	2 BL	Granted	24/10/2008	\$1,035.20	\$270.00
P39/4704	Hawthorn Resources Ltd (100%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$2,000.00	Prospecting Licence	47 HA	Granted	24/10/2008	\$117.50	\$240.00
E31/0789	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$20,000.00	Exploration Licence WA	1 BL	Granted	13/03/2009	\$301.35	\$270.00
E39/1294	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$50,000.00	Exploration Licence WA	5 BL	Granted	22/08/2008	\$2,503.00	\$304.00
E39/1295	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$70,000.00	Exploration Licence WA	10 BL	Granted	22/08/2008	\$5,006.00	\$458.07
E39/1298	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$20,000.00	Exploration Licence WA	1 BL	Granted	22/08/2008	\$301.35	\$270.00
P39/4695	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$2,000.00	Prospecting Licence	22 HA	Granted	9/12/2008	\$55.00	\$304.00
P39/4698	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$3,800.00	Prospecting Licence	95 HA	Granted	24/10/2008	\$237.50	\$304.00

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P39/4699	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	Hawthorn Resources Ltd (80%), Avoca Resources (20%)	\$5,880.00	Prospecting Licence	147 HA	Granted	24/10/2008	\$367.50	\$262.03
P39/4703	Hawthorn Resources Ltd (80%), Avoca (20%)	Hawthorn Resources Ltd (80%), Avoca (20%)	\$2,000.00	Prospecting Licence	47 HA	Granted	24/10/2008	\$117.50	\$240.00
CENTRAL MURCHISON GOLD PROJECT									
L20/0008	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	33.3 HA	Granted	24/03/1987	\$496.40	N/A
L20/0010	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	135 HA	Granted	23/02/1988	\$1,971.00	N/A
L51/0030	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	1.65 HA	Granted	26/02/1987	\$29.20	N/A
M51/0679	Big Bell Gold (100%)	Big Bell Gold (100%)	\$11,900.00	Mining Lease	118.3 HA	Granted	31/08/2012	\$2,028.95	\$2,002.45
G20/0021	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	161.1415 HA	Application			N/A
G20/0022	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	41.8009 HA	Application			N/A
G20/0023	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	0.994 HA	Application			N/A
E51/1484	Big Bell Gold (100%)	Big Bell Gold (100%)	\$29,167.00	Exploration Licence WA	3 BL	Granted	13/10/2011	\$820.05	\$350.00
E51/1487	Big Bell Gold (100%)	Big Bell Gold (100%)	\$20,000.00	Exploration Licence WA	2 BL	Granted	14/12/2011	\$546.70	\$440.00
E51/1496	Big Bell Gold (100%)	Big Bell Gold (100%)	\$30,000.00	Exploration Licence WA	6 BL	Granted	31/07/2012	\$1,208.70	\$357.69
G20/0001	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	241.35 HA	Granted	3/04/1986	\$3,533.20	\$5,515.33
G20/0002	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	203.4 HA	Granted	3/04/1986	\$2,978.40	\$4,649.28
G20/0003	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	33.5748 HA	Granted	3/04/1986	\$496.40	\$774.88
G20/0011	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	1.2135 HA	Granted	19/05/1999	\$29.20	\$440.00
G51/0009	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	33.64 HA	Granted	10/04/1986	\$496.40	\$472.55
G51/0013	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	9.1118 HA	Granted	10/04/1987	\$146.00	\$440.00
G51/0014	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	9.255 HA	Granted	10/04/1987	\$146.00	\$440.00
G51/0015	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	8.2105 HA	Granted	10/04/1987	\$131.40	\$440.00
G51/0017	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	9.105 HA	Granted	10/04/1987	\$146.00	\$440.00
G51/0026	Big Bell Gold (100%)	Big Bell Gold (100%)		General Purpose Lease	9.8965 HA	Granted	15/11/1990	\$151.00	\$440.00
L20/0017	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	44.8 HA	Granted	26/07/1988	\$679.50	N/A
L20/0018	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	50 HA	Granted	28/06/1988	\$730.00	N/A
L20/0021	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	158.22 HA	Granted	18/04/1989	\$2,321.40	N/A
L20/0029	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	3 HA	Granted	29/01/1991	\$43.80	N/A
L20/0038	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	9.97 HA	Granted	23/11/1995	\$151.00	N/A
L20/0039	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	51.43 HA	Granted	27/12/1996	\$785.20	N/A

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L20/0040	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	139.2 HA	Granted	27/10/1998	\$2,114.00	N/A
L20/0041	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	9.43 HA	Granted	27/10/1998	\$151.00	N/A
L20/0052	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	25 HA	Granted	17/04/2007	\$365.00	N/A
L21/0011	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	0.935 HA	Granted	27/02/1990	\$14.60	N/A
L21/0014	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	6 HA	Granted	31/07/2012	\$90.60	N/A
L21/0016	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	20 HA	Granted	23/01/2012	\$292.00	N/A
L21/0017	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	65.3 HA	Granted	23/01/2012	\$963.60	N/A
L21/0019	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	2.3355 HA	Granted	4/12/2015	\$45.30	N/A
L51/0018	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	0.8355 HA	Granted	26/02/1985	\$14.60	N/A
L51/0029	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	18.2 HA	Granted	26/02/1987	\$277.40	N/A
L51/0031	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	13.5 HA	Granted	26/02/1987	\$204.40	N/A
L51/0033	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	0.33 HA	Granted	25/03/1987	\$14.60	N/A
L51/0034	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	0.19 HA	Granted	25/03/1987	\$14.60	N/A
L51/0035	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	45.5 HA	Granted	25/03/1987	\$671.60	N/A
L51/0041	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	154.5 HA	Granted	23/03/1988	\$2,263.00	N/A
L51/0043	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	19 HA	Granted	23/12/1987	\$286.90	N/A
L51/0051	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	16.3 HA	Granted	21/11/1988	\$256.70	N/A
L51/0055	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	20.55 HA	Granted	28/06/1989	\$306.60	N/A
L51/0056	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	0.04 HA	Granted	28/03/1990	\$14.60	N/A
L51/0067	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	18 HA	Granted	12/05/1993	\$262.80	N/A
L51/0071	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	27 HA	Granted	8/08/1994	\$407.70	N/A
L51/0072	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	200 HA	Granted	8/08/1994	\$3,020.00	N/A
L51/0073	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	310 HA	Granted	25/10/1995	\$4,681.00	N/A
L51/0077	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	118 HA	Granted	27/01/2000	\$1,722.80	N/A
L51/0078	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	75 HA	Granted	24/02/2000	\$1,095.00	N/A
L51/0079	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	19 HA	Granted	15/03/2001	\$277.40	N/A
L51/0081	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	4 HA	Granted	26/07/2001	\$60.40	N/A
L51/0091	Big Bell Gold (100%)	Big Bell Gold (100%)		Miscellaneous Licence	3.9 HA	Granted	19/06/2013	\$58.40	N/A
M20/0012	Big Bell Gold (100%)	Big Bell Gold (100%)	\$97,000.00	Mining Lease	969.8 HA	Granted	18/04/1984	\$16,005.00	\$25,054.81
M20/0017	Big Bell Gold (100%)	Big Bell Gold (100%)	\$53,500.00	Mining Lease	534.5 HA	Granted	5/11/1984	\$9,121.75	\$14,310.05

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M20/0021	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,100.00	Mining Lease	100.8 HA	Granted	29/08/1985	\$1,722.05	\$2,759.12
M20/0022	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	8.4 HA	Granted	29/08/1985	\$153.45	\$511.00
M20/0045	Big Bell Gold (100%)	Big Bell Gold (100%)	\$98,900.00	Mining Lease	988.8 HA	Granted	26/08/1986	\$16,862.45	\$26,393.28
M20/0050	Big Bell Gold (100%)	Big Bell Gold (100%)	\$15,500.00	Mining Lease	154.0934 HA	Granted	25/02/1987	-\$1,060.00	\$511.00
M20/0068	Big Bell Gold (100%)	Big Bell Gold (100%)	\$71,800.00	Mining Lease	717.25 HA	Granted	18/07/1988	\$12,241.90	\$19,180.61
M20/0069	Big Bell Gold (100%)	Big Bell Gold (100%)	\$61,300.00	Mining Lease	612.3 HA	Granted	18/07/1988	\$10,451.65	\$16,386.03
M20/0070	Big Bell Gold (100%)	Big Bell Gold (100%)	\$79,000.00	Mining Lease	789.5 HA	Granted	18/07/1988	\$13,469.50	\$21,096.89
M20/0071	Big Bell Gold (100%)	Big Bell Gold (100%)	\$99,700.00	Mining Lease	996.6 HA	Granted	18/07/1988	\$16,998.85	\$26,606.20
M20/0073	Big Bell Gold (100%)	Big Bell Gold (100%)	\$69,400.00	Mining Lease	693.45 HA	Granted	18/07/1988	\$11,832.70	\$18,541.84
M20/0077	Big Bell Gold (100%)	Big Bell Gold (100%)	\$77,100.00	Mining Lease	770.2 HA	Granted	8/02/1988	\$12,721.50	\$19,929.26
M20/0078	Big Bell Gold (100%)	Big Bell Gold (100%)	\$15,200.00	Mining Lease	151.9 HA	Granted	14/01/1988	\$2,508.00	\$3,985.99
M20/0098	Big Bell Gold (100%)	Big Bell Gold (100%)	\$26,800.00	Mining Lease	267.1241 HA	Granted	19/02/1988	\$4,422.00	\$6,973.74
M20/0099	Big Bell Gold (100%)	Big Bell Gold (100%)	\$24,600.00	Mining Lease	245.9 HA	Granted	19/02/1988	\$4,059.00	\$6,407.10
M20/0102	Big Bell Gold (100%)	Big Bell Gold (100%)	\$58,500.00	Mining Lease	584.05 HA	Granted	27/07/1988	\$9,974.25	\$15,640.80
M20/0103	Big Bell Gold (100%)	Big Bell Gold (100%)	\$56,900.00	Mining Lease	569 HA	Granted	19/05/1988	\$9,388.50	\$14,726.45
M20/0104	Big Bell Gold (100%)	Big Bell Gold (100%)	\$35,300.00	Mining Lease	352.25 HA	Granted	19/05/1988	\$5,824.50	\$9,163.04
M20/0105	Big Bell Gold (100%)	Big Bell Gold (100%)	\$86,600.00	Mining Lease	865.4 HA	Granted	19/05/1988	\$14,289.00	\$22,376.13
M20/0107	Big Bell Gold (100%)	Big Bell Gold (100%)	\$71,000.00	Mining Lease	709.1 HA	Granted	10/10/1988	\$12,105.50	\$18,967.69
M20/0171	Big Bell Gold (100%)	Big Bell Gold (100%)	\$19,800.00	Mining Lease	197.55 HA	Granted	29/06/1989	\$3,267.00	\$5,170.79
M20/0192	Big Bell Gold (100%)	Big Bell Gold (100%)	\$16,200.00	Mining Lease	161.4741 HA	Granted	11/09/1990	\$2,762.10	\$4,382.64
M20/0197	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	96.6181 HA	Granted	14/06/1990	\$1,600.50	\$2,569.38
M20/0202	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	41.695 HA	Granted	24/10/1991	\$716.10	\$1,188.83
M20/0212	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	94.96 HA	Granted	11/07/1991	\$1,619.75	\$2,599.43
M20/0214	Big Bell Gold (100%)	Big Bell Gold (100%)	\$46,900.00	Mining Lease	468.7 HA	Granted	2/09/1991	\$7,996.45	\$12,553.46
M20/0218	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	76.625 HA	Granted	2/04/1992	\$1,270.50	\$2,054.25
M20/0219	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	8.9425 HA	Granted	2/09/1991	\$153.45	\$511.00
M20/0249	Big Bell Gold (100%)	Big Bell Gold (100%)	\$91,600.00	Mining Lease	916 HA	Granted	2/02/1993	\$15,114.00	\$23,663.95
M20/0252	Big Bell Gold (100%)	Big Bell Gold (100%)	\$80,000.00	Mining Lease	799.5 HA	Granted	16/12/1992	\$13,640.00	\$21,363.04
M20/0256	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	87.985 HA	Granted	18/05/1993	\$1,452.00	\$2,337.57
M20/0293	Big Bell Gold (100%)	Big Bell Gold (100%)	\$84,800.00	Mining Lease	847.15 HA	Granted	28/11/1995	\$14,458.40	\$22,640.56

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M20/0297	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,900.00	Mining Lease	108.8 HA	Granted	17/05/1999	\$1,798.50	\$2,878.46
M20/0299	Big Bell Gold (100%)	Big Bell Gold (100%)	\$13,500.00	Mining Lease	135 HA	Granted	27/02/1996	\$2,227.50	\$3,548.13
M20/0301	Big Bell Gold (100%)	Big Bell Gold (100%)	\$17,000.00	Mining Lease	169.5 HA	Granted	27/02/1996	\$2,805.00	\$4,449.61
M20/0307	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	41.7987 HA	Granted	3/04/1996	\$693.00	\$1,152.77
M20/0309	Big Bell Gold (100%)	Big Bell Gold (100%)	\$56,200.00	Mining Lease	561.25 HA	Granted	31/05/1996	\$9,273.00	\$14,546.15
M20/0332	Big Bell Gold (100%)	Big Bell Gold (100%)	\$21,200.00	Mining Lease	212 HA	Granted	13/03/2015	\$3,498.00	\$5,531.38
M20/0333	Big Bell Gold (100%)	Big Bell Gold (100%)	\$12,200.00	Mining Lease	121.25 HA	Granted	13/03/2015	\$2,013.00	\$3,213.29
M20/0354	Big Bell Gold (100%)	Big Bell Gold (100%)	\$42,200.00	Mining Lease	421.45 HA	Granted	16/06/1999	\$6,963.00	\$10,940.24
M20/0418	Big Bell Gold (100%)	Big Bell Gold (100%)	\$40,600.00	Mining Lease	405.7 HA	Granted	13/03/2015	\$6,699.00	\$10,528.14
M20/0420	Big Bell Gold (100%)	Big Bell Gold (100%)	\$49,000.00	Mining Lease	489.3 HA	Granted	22/11/2012	\$8,354.50	\$13,112.37
M20/0421	Big Bell Gold (100%)	Big Bell Gold (100%)	\$69,300.00	Mining Lease	692.2 HA	Granted	22/11/2012	\$11,815.65	\$18,515.23
M20/0435	Big Bell Gold (100%)	Big Bell Gold (100%)	\$13,600.00	Mining Lease	135.9 HA	Granted	13/03/2015	\$2,244.00	\$3,573.88
M20/0437	Big Bell Gold (100%)	Big Bell Gold (100%)	\$78,600.00	Mining Lease	786 HA	Granted	5/06/2013	\$12,969.00	\$20,315.61
M20/0438	Big Bell Gold (100%)	Big Bell Gold (100%)	\$15,500.00	Mining Lease	155 HA	Granted	5/06/2013	\$2,557.50	\$4,063.26
M20/0443	Big Bell Gold (100%)	Big Bell Gold (100%)	\$48,800.00	Mining Lease	488 HA	Granted	21/09/2010	\$8,320.40	\$13,059.14
M20/0444	Big Bell Gold (100%)	Big Bell Gold (100%)	\$62,100.00	Mining Lease	621 HA	Granted	21/09/2010	\$10,588.05	\$16,598.95
M20/0445	Big Bell Gold (100%)	Big Bell Gold (100%)	\$91,300.00	Mining Lease	913 HA	Granted	21/09/2010	\$15,566.65	\$24,370.54
M20/0456	Big Bell Gold (100%)	Big Bell Gold (100%)	\$23,700.00	Mining Lease	236.8237 HA	Granted	13/03/2015	\$3,910.50	\$6,175.29
M20/0476	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	19.86 HA	Granted	5/06/2013	\$330.00	\$586.13
M20/0477	Big Bell Gold (100%)	Big Bell Gold (100%)	\$82,700.00	Mining Lease	826.4 HA	Granted	5/06/2013	\$13,645.50	\$21,371.63
M20/0496	Big Bell Gold (100%)	Big Bell Gold (100%)	\$11,500.00	Mining Lease	115 HA	Granted	21/09/2010	\$1,960.75	\$3,131.73
M21/0007	Big Bell Gold (100%)	Big Bell Gold (100%)	\$100,000.00	Mining Lease	999.9 HA	Granted	1/10/1985	\$17,050.00	\$26,686.05
M21/0008	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	47.68 HA	Granted	16/05/1986	\$792.00	\$1,307.31
M21/0010	Big Bell Gold (100%)	Big Bell Gold (100%)	\$13,600.00	Mining Lease	135.55 HA	Granted	29/04/1986	\$2,244.00	\$3,573.88
M21/0014	Big Bell Gold (100%)	Big Bell Gold (100%)	\$13,100.00	Mining Lease	130.55 HA	Granted	6/06/1986	\$2,161.50	\$3,445.10
M21/0024	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	18.005 HA	Granted	20/04/1989	\$313.50	\$560.37
M21/0044	Big Bell Gold (100%)	Big Bell Gold (100%)	\$21,800.00	Mining Lease	217.1 HA	Granted	3/08/1989	\$3,716.90	\$5,873.08
M21/0049	Big Bell Gold (100%)	Big Bell Gold (100%)	\$11,800.00	Mining Lease	117.6 HA	Granted	3/03/1989	\$1,947.00	\$3,110.27
M21/0055	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	2.639 HA	Granted	14/10/1991	\$51.15	\$511.00
M21/0056	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	9.2865 HA	Granted	14/10/1991	\$170.50	\$511.00

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M21/0065	Big Bell Gold (100%)	Big Bell Gold (100%)	\$64,500.00	Mining Lease	644.8 HA	Granted	25/10/1991	\$10,997.25	\$17,237.71
M21/0069	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	78.23 HA	Granted	7/07/1992	\$1,346.95	\$2,173.59
M21/0072	Big Bell Gold (100%)	Big Bell Gold (100%)	\$74,600.00	Mining Lease	745.3 HA	Granted	2/09/1991	\$12,719.30	\$19,925.83
M21/0074	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	83.62 HA	Granted	2/04/1992	\$1,386.00	\$2,234.55
M21/0075	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	5.0585 HA	Granted	2/09/1991	\$102.30	\$511.00
M21/0083	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	58.425 HA	Granted	22/09/1993	\$1,005.95	\$1,641.29
M21/0089	Big Bell Gold (100%)	Big Bell Gold (100%)	\$20,400.00	Mining Lease	203.25 HA	Granted	29/09/1995	\$3,478.20	\$5,500.47
M21/0093	Big Bell Gold (100%)	Big Bell Gold (100%)	\$14,800.00	Mining Lease	147.4 HA	Granted	14/12/1995	\$2,523.40	\$4,010.03
M21/0096	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	41 HA	Granted	17/09/2014	\$699.05	\$1,162.22
M21/0097	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	8.285 HA	Granted	17/09/2014	\$153.45	\$511.00
M21/0102	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	80.37 HA	Granted	22/03/1999	\$1,336.50	\$2,157.28
M21/0105	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	19.415 HA	Granted	15/07/1996	\$341.00	\$603.30
M21/0122	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	2.6465 HA	Granted	17/09/2014	\$51.15	\$511.00
M21/0123	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	50.18 HA	Granted	17/09/2014	\$869.55	\$1,428.37
M21/0141	Big Bell Gold (100%)	Big Bell Gold (100%)	\$12,200.00	Mining Lease	121.2 HA	Granted	17/09/2014	\$2,080.10	\$3,318.04
M51/0006	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	40.4 HA	Granted	29/12/1982	\$699.05	\$736.46
M51/0012	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	8.45 HA	Granted	29/03/1983	\$148.50	\$421.00
M51/0027	Big Bell Gold (100%)	Big Bell Gold (100%)	\$19,700.00	Mining Lease	196.2 HA	Granted	9/05/1984	\$3,250.50	\$3,165.30
M51/0028	Big Bell Gold (100%)	Big Bell Gold (100%)	\$17,500.00	Mining Lease	174.55 HA	Granted	9/05/1984	\$2,887.50	\$2,819.74
M51/0031	Big Bell Gold (100%)	Big Bell Gold (100%)	\$26,300.00	Mining Lease	262.8 HA	Granted	26/07/1984	\$4,484.15	\$4,339.66
M51/0033	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	25.025 HA	Granted	5/09/1984	\$443.30	\$493.00
M51/0035	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	8.9035 HA	Granted	7/09/1984	\$153.45	\$421.00
M51/0039	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	15.81 HA	Granted	23/10/1984	\$272.80	\$421.00
M51/0051	Big Bell Gold (100%)	Big Bell Gold (100%)	\$13,300.00	Mining Lease	132.7 HA	Granted	3/04/1986	\$2,194.50	\$2,160.04
M51/0053	Big Bell Gold (100%)	Big Bell Gold (100%)	\$19,800.00	Mining Lease	197.4 HA	Granted	19/08/1985	\$3,375.90	\$3,284.67
M51/0062	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	14.665 HA	Granted	23/09/1985	\$255.75	\$421.00
M51/0075	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	55.315 HA	Granted	18/03/1986	\$924.00	\$950.60
M51/0079	Big Bell Gold (100%)	Big Bell Gold (100%)	\$24,100.00	Mining Lease	240.05 HA	Granted	26/06/1986	\$3,976.50	\$3,856.41
M51/0091	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4.856 HA	Granted	10/12/1986	\$85.25	\$421.00
M51/0092	Big Bell Gold (100%)	Big Bell Gold (100%)	\$34,400.00	Mining Lease	343.55 HA	Granted	25/07/1986	\$5,865.20	\$9,226.58

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M51/0096	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	9.7145 HA	Granted	19/12/1986	\$170.50	\$421.00
M51/0132	Big Bell Gold (100%)	Big Bell Gold (100%)	\$86,800.00	Mining Lease	867.55 HA	Granted	25/09/1987	\$14,799.40	\$14,159.21
M51/0161	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4.861 HA	Granted	8/02/1988	\$82.50	\$421.00
M51/0180	Big Bell Gold (100%)	Big Bell Gold (100%)	\$22,900.00	Mining Lease	228.6 HA	Granted	29/03/1988	\$3,778.50	\$3,667.92
M51/0187	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	71.62 HA	Granted	19/05/1988	\$1,188.00	\$1,201.91
M51/0190	Big Bell Gold (100%)	Big Bell Gold (100%)	\$49,200.00	Mining Lease	491.15 HA	Granted	6/05/1988	\$8,118.00	\$7,798.89
M51/0199	Big Bell Gold (100%)	Big Bell Gold (100%)	\$20,400.00	Mining Lease	203.05 HA	Granted	19/05/1988	\$3,366.00	\$3,275.25
M51/0200	Big Bell Gold (100%)	Big Bell Gold (100%)	\$81,800.00	Mining Lease	817.7 HA	Granted	19/05/1988	\$13,497.00	\$12,919.40
M51/0203	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	87.565 HA	Granted	12/07/1988	\$1,500.40	\$1,499.30
M51/0209	Big Bell Gold (100%)	Big Bell Gold (100%)	\$11,800.00	Mining Lease	117.4 HA	Granted	8/08/1988	\$2,011.90	\$1,986.22
M51/0211	Big Bell Gold (100%)	Big Bell Gold (100%)	\$78,300.00	Mining Lease	782.05 HA	Granted	30/08/1988	\$13,350.15	\$12,779.61
M51/0233	Big Bell Gold (100%)	Big Bell Gold (100%)	\$84,200.00	Mining Lease	841.85 HA	Granted	22/09/1988	\$14,356.10	\$22,480.87
M51/0235	Big Bell Gold (100%)	Big Bell Gold (100%)	\$14,900.00	Mining Lease	148.65 HA	Granted	22/09/1988	\$2,540.45	\$4,036.64
M51/0236	Big Bell Gold (100%)	Big Bell Gold (100%)	\$99,200.00	Mining Lease	991.85 HA	Granted	22/09/1988	\$16,913.60	\$26,473.13
M51/0237	Big Bell Gold (100%)	Big Bell Gold (100%)	\$99,800.00	Mining Lease	998 HA	Granted	22/09/1988	\$17,015.90	\$18,338.77
M51/0254	Big Bell Gold (100%)	Big Bell Gold (100%)	\$92,500.00	Mining Lease	924.35 HA	Granted	17/01/1989	\$15,262.50	\$23,895.76
M51/0256	Big Bell Gold (100%)	Big Bell Gold (100%)	\$74,200.00	Mining Lease	741.75 HA	Granted	23/09/1988	\$12,651.10	\$12,114.15
M51/0257	Big Bell Gold (100%)	Big Bell Gold (100%)	\$85,000.00	Mining Lease	849.5 HA	Granted	23/09/1988	\$14,492.50	\$13,867.06
M51/0280	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	99.435 HA	Granted	14/07/1989	\$1,705.00	\$1,694.07
M51/0281	Big Bell Gold (100%)	Big Bell Gold (100%)	\$48,200.00	Mining Lease	482 HA	Granted	22/03/1990	\$7,953.00	\$7,641.82
M51/0320	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	7.7085 HA	Granted	3/08/1989	\$136.40	\$421.00
M51/0321	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	3.045 HA	Granted	25/08/1989	\$68.20	\$421.00
M51/0322	Big Bell Gold (100%)	Big Bell Gold (100%)	\$12,000.00	Mining Lease	120 HA	Granted	25/08/1989	\$2,046.00	\$2,018.68
M51/0325	Big Bell Gold (100%)	Big Bell Gold (100%)	\$63,400.00	Mining Lease	633.5 HA	Granted	4/12/1989	\$10,809.70	\$10,361.24
M51/0334	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,500.00	Mining Lease	104.85 HA	Granted	5/10/1989	\$1,790.25	\$1,775.22
M51/0374	Big Bell Gold (100%)	Big Bell Gold (100%)	\$20,300.00	Mining Lease	202.6 HA	Granted	11/09/1990	\$3,461.15	\$3,365.82
M51/0381	Big Bell Gold (100%)	Big Bell Gold (100%)	\$13,100.00	Mining Lease	130.4 HA	Granted	20/03/1991	\$2,161.50	\$3,445.10
M51/0385	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	27.905 HA	Granted	27/11/1991	\$477.40	\$525.46
M51/0386	Big Bell Gold (100%)	Big Bell Gold (100%)	\$11,400.00	Mining Lease	113.4 HA	Granted	11/03/1992	\$1,881.00	\$1,861.61
M51/0393	Big Bell Gold (100%)	Big Bell Gold (100%)	\$70,400.00	Mining Lease	703.95 HA	Granted	4/11/1991	\$12,003.20	\$11,497.39

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
M51/0409	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	54.84 HA	Granted	4/11/1991	\$937.75	\$963.69
M51/0418	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4.8565 HA	Granted	2/04/1992	\$82.50	\$421.00
M51/0419	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4.5025 HA	Granted	21/05/1992	\$82.50	\$421.00
M51/0422	Big Bell Gold (100%)	Big Bell Gold (100%)	\$98,800.00	Mining Lease	988 HA	Granted	8/07/1992	\$16,845.40	\$18,603.78
M51/0423	Big Bell Gold (100%)	Big Bell Gold (100%)	\$94,500.00	Mining Lease	945 HA	Granted	8/07/1992	\$16,112.25	\$15,408.98
M51/0424	Big Bell Gold (100%)	Big Bell Gold (100%)	\$96,000.00	Mining Lease	960 HA	Granted	8/07/1992	\$16,368.00	\$15,652.44
M51/0427	Big Bell Gold (100%)	Big Bell Gold (100%)	\$92,500.00	Mining Lease	925 HA	Granted	8/07/1992	\$15,771.25	\$15,084.36
M51/0433	Big Bell Gold (100%)	Big Bell Gold (100%)	\$27,800.00	Mining Lease	277.55 HA	Granted	3/09/1992	\$4,739.90	\$4,583.12
M51/0437	Big Bell Gold (100%)	Big Bell Gold (100%)	\$93,700.00	Mining Lease	936.675 HA	Granted	10/08/1993	\$15,975.85	\$15,279.13
M51/0438	Big Bell Gold (100%)	Big Bell Gold (100%)	\$79,500.00	Mining Lease	794.35 HA	Granted	10/08/1993	\$13,554.75	\$12,974.38
M51/0439	Big Bell Gold (100%)	Big Bell Gold (100%)	\$75,100.00	Mining Lease	750.25 HA	Granted	10/08/1993	\$12,804.55	\$12,260.23
M51/0440	Big Bell Gold (100%)	Big Bell Gold (100%)	\$82,400.00	Mining Lease	823.3 HA	Granted	10/08/1993	\$14,049.20	\$13,445.07
M51/0441	Big Bell Gold (100%)	Big Bell Gold (100%)	\$24,500.00	Mining Lease	245 HA	Granted	6/10/1992	\$4,177.25	\$4,047.51
M51/0445	Big Bell Gold (100%)	Big Bell Gold (100%)	\$80,000.00	Mining Lease	800 HA	Granted	20/01/1993	\$13,200.00	\$12,636.67
M51/0446	Big Bell Gold (100%)	Big Bell Gold (100%)	\$59,700.00	Mining Lease	597 HA	Granted	20/01/1993	\$9,850.50	\$9,448.13
M51/0447	Big Bell Gold (100%)	Big Bell Gold (100%)	\$20,000.00	Mining Lease	200 HA	Granted	14/01/1993	\$3,300.00	\$3,212.42
M51/0455	Big Bell Gold (100%)	Big Bell Gold (100%)	\$33,500.00	Mining Lease	335 HA	Granted	15/01/1993	\$5,527.50	\$5,332.88
M51/0456	Big Bell Gold (100%)	Big Bell Gold (100%)	\$60,000.00	Mining Lease	600 HA	Granted	15/01/1993	\$9,900.00	\$14,247.97
M51/0459	Big Bell Gold (100%)	Big Bell Gold (100%)	\$93,600.00	Mining Lease	935.2 HA	Granted	5/02/1993	\$15,444.00	\$14,772.84
M51/0462	Big Bell Gold (100%)	Big Bell Gold (100%)	\$76,900.00	Mining Lease	769 HA	Granted	13/05/1993	\$12,688.50	\$12,149.75
M51/0463	Big Bell Gold (100%)	Big Bell Gold (100%)	\$80,000.00	Mining Lease	800 HA	Granted	13/05/1993	\$13,200.00	\$12,636.67
M51/0465	Big Bell Gold (100%)	Big Bell Gold (100%)	\$92,000.00	Mining Lease	920 HA	Granted	3/06/1993	\$15,180.00	\$14,521.53
M51/0468	Big Bell Gold (100%)	Big Bell Gold (100%)	\$90,300.00	Mining Lease	903 HA	Granted	3/06/1993	\$14,899.50	\$14,254.50
M51/0469	Big Bell Gold (100%)	Big Bell Gold (100%)	\$72,300.00	Mining Lease	723 HA	Granted	3/06/1993	\$11,929.50	\$12,059.69
M51/0471	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	6.9 HA	Granted	24/05/1993	\$115.50	\$421.00
M51/0472	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	7.9245 HA	Granted	10/06/1993	\$132.00	\$421.00
M51/0477	Big Bell Gold (100%)	Big Bell Gold (100%)	\$50,000.00	Mining Lease	500 HA	Granted	12/08/1993	\$8,525.00	\$8,186.33
M51/0482	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	9 HA	Granted	27/10/1993	\$153.45	\$421.00
M51/0483	Big Bell Gold (100%)	Big Bell Gold (100%)	\$87,900.00	Mining Lease	878.1 HA	Granted	19/02/2013	\$14,503.50	\$13,877.53
M51/0484	Big Bell Gold (100%)	Big Bell Gold (100%)	\$92,900.00	Mining Lease	928.6 HA	Granted	31/07/2007	\$15,839.45	\$15,149.29

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M51/0485	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	9.6 HA	Granted	3/11/1993	\$170.50	\$421.00
M51/0486	Big Bell Gold (100%)	Big Bell Gold (100%)	\$66,400.00	Mining Lease	663.3 HA	Granted	9/11/1993	\$11,321.20	\$10,848.16
M51/0487	Big Bell Gold (100%)	Big Bell Gold (100%)	\$65,900.00	Mining Lease	659 HA	Granted	11/11/1993	\$11,235.95	\$10,767.01
M51/0488	Big Bell Gold (100%)	Big Bell Gold (100%)	\$41,700.00	Mining Lease	417 HA	Granted	11/11/1993	\$7,109.85	\$6,839.19
M51/0489	Big Bell Gold (100%)	Big Bell Gold (100%)	\$23,800.00	Mining Lease	238 HA	Granted	9/11/1993	\$4,057.90	\$3,933.90
M51/0490	Big Bell Gold (100%)	Big Bell Gold (100%)	\$24,000.00	Mining Lease	240 HA	Granted	13/12/1993	\$4,092.00	\$3,966.36
M51/0491	Big Bell Gold (100%)	Big Bell Gold (100%)	\$75,000.00	Mining Lease	749.55 HA	Granted	8/03/1994	\$12,375.00	\$11,851.32
M51/0492	Big Bell Gold (100%)	Big Bell Gold (100%)	\$100,000.00	Mining Lease	1000 HA	Granted	2/02/1994	\$16,500.00	\$15,778.09
M51/0493	Big Bell Gold (100%)	Big Bell Gold (100%)	\$94,700.00	Mining Lease	947 HA	Granted	2/02/1994	\$15,625.50	\$14,945.62
M51/0494	Big Bell Gold (100%)	Big Bell Gold (100%)	\$98,900.00	Mining Lease	989 HA	Granted	2/02/1994	\$16,318.50	\$15,605.31
M51/0495	Big Bell Gold (100%)	Big Bell Gold (100%)	\$74,900.00	Mining Lease	749 HA	Granted	2/02/1994	\$12,358.50	\$11,835.61
M51/0496	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4 HA	Granted	11/01/1994	\$66.00	\$421.00
M51/0500	Big Bell Gold (100%)	Big Bell Gold (100%)	\$26,900.00	Mining Lease	269 HA	Granted	23/05/1994	\$4,438.50	\$4,296.21
M51/0501	Big Bell Gold (100%)	Big Bell Gold (100%)	\$15,500.00	Mining Lease	155 HA	Granted	18/07/1994	\$2,642.75	\$2,586.75
M51/0502	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	18.68 HA	Granted	7/12/1994	\$323.95	\$421.00
M51/0503	Big Bell Gold (100%)	Big Bell Gold (100%)	\$20,000.00	Mining Lease	200 HA	Granted	2/08/1994	\$3,410.00	\$3,317.13
M51/0504	Big Bell Gold (100%)	Big Bell Gold (100%)	\$18,200.00	Mining Lease	181.9 HA	Granted	1/09/1994	\$3,103.10	\$3,024.98
M51/0516	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	61.38 HA	Granted	8/11/1994	\$1,057.10	\$1,077.30
M51/0521	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4.36 HA	Granted	6/12/1994	\$85.25	\$421.00
M51/0523	Big Bell Gold (100%)	Big Bell Gold (100%)	\$51,500.00	Mining Lease	515 HA	Granted	23/12/1994	\$8,780.75	\$8,429.79
M51/0524	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	84 HA	Granted	23/12/1994	\$1,432.20	\$1,434.38
M51/0525	Big Bell Gold (100%)	Big Bell Gold (100%)	\$33,000.00	Mining Lease	330 HA	Granted	23/12/1994	\$5,626.50	\$5,427.12
M51/0526	Big Bell Gold (100%)	Big Bell Gold (100%)	\$18,000.00	Mining Lease	180 HA	Granted	23/12/1994	\$3,069.00	\$2,992.52
M51/0528	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	54 HA	Granted	21/12/1994	\$920.70	\$947.46
M51/0539	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	5 HA	Granted	26/07/1995	\$85.25	\$421.00
M51/0557	Big Bell Gold (100%)	Big Bell Gold (100%)	\$24,100.00	Mining Lease	241 HA	Granted	17/10/2012	\$4,109.05	\$3,982.59
M51/0560	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	11 HA	Granted	28/02/1996	\$181.50	\$421.00
M51/0561	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	19 HA	Granted	31/08/2012	\$323.95	\$421.00
M51/0568	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	2.5 HA	Granted	17/10/2012	\$51.15	\$421.00
M51/0569	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	8.946 HA	Granted	17/10/2012	\$153.45	\$421.00

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M51/0570	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	10.5 HA	Granted	17/10/2012	\$187.55	\$421.00
M51/0571	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	9.8 HA	Granted	17/10/2012	\$170.50	\$421.00
M51/0572	Big Bell Gold (100%)	Big Bell Gold (100%)	\$85,200.00	Mining Lease	852 HA	Granted	5/06/2013	\$14,058.00	\$13,453.44
M51/0573	Big Bell Gold (100%)	Big Bell Gold (100%)	\$12,000.00	Mining Lease	120 HA	Granted	17/10/2012	\$2,046.00	\$2,018.68
M51/0575	Big Bell Gold (100%)	Big Bell Gold (100%)	\$78,700.00	Mining Lease	787 HA	Granted	17/10/2012	\$13,418.35	\$12,844.53
M51/0576	Big Bell Gold (100%)	Big Bell Gold (100%)	\$11,700.00	Mining Lease	117 HA	Granted	17/10/2012	\$1,994.85	\$1,969.99
M51/0581	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	6 HA	Granted	17/10/2012	\$102.30	\$421.00
M51/0582	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	2.7855 HA	Granted	17/10/2012	\$51.15	\$421.00
M51/0584	Big Bell Gold (100%)	Big Bell Gold (100%)	\$97,100.00	Mining Lease	971 HA	Granted	18/10/2012	\$16,555.55	\$15,830.97
M51/0586	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	7 HA	Granted	18/10/2012	\$119.35	\$421.00
M51/0587	Big Bell Gold (100%)	Big Bell Gold (100%)	\$19,800.00	Mining Lease	198 HA	Granted	18/10/2012	\$3,375.90	\$3,284.67
M51/0605	Big Bell Gold (100%)	Big Bell Gold (100%)	\$15,400.00	Mining Lease	154 HA	Granted	30/08/2010	\$2,625.70	\$2,570.52
M51/0611	Big Bell Gold (100%)	Big Bell Gold (100%)	\$77,700.00	Mining Lease	777 HA	Granted	30/08/2010	\$13,247.85	\$12,682.22
M51/0612	Big Bell Gold (100%)	Big Bell Gold (100%)	\$56,000.00	Mining Lease	560 HA	Granted	30/08/2010	\$9,548.00	\$9,160.17
M51/0613	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	9 HA	Granted	18/10/2012	\$153.45	\$421.00
M51/0628	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	52 HA	Granted	18/10/2012	\$886.60	\$914.99
M51/0637	Big Bell Gold (100%)	Big Bell Gold (100%)	\$98,600.00	Mining Lease	986 HA	Granted	18/10/2012	\$16,811.30	\$16,074.43
M51/0638	Big Bell Gold (100%)	Big Bell Gold (100%)	\$22,200.00	Mining Lease	222 HA	Granted	25/10/2012	\$3,785.10	\$3,674.21
M51/0639	Big Bell Gold (100%)	Big Bell Gold (100%)	\$92,800.00	Mining Lease	928 HA	Granted	25/10/2012	\$15,822.40	\$15,133.05
M51/0640	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	26 HA	Granted	18/10/2012	\$443.30	\$493.00
M51/0643	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	90 HA	Granted	1/10/1997	\$1,534.50	\$1,531.76
M51/0644	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	68 HA	Granted	18/10/2012	\$1,159.40	\$1,174.69
M51/0645	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	76 HA	Granted	18/10/2012	\$1,295.80	\$1,304.53
M51/0649	Big Bell Gold (100%)	Big Bell Gold (100%)	\$43,600.00	Mining Lease	436 HA	Granted	28/09/2010	\$7,433.80	\$11,675.16
M51/0652	Big Bell Gold (100%)	Big Bell Gold (100%)	\$71,400.00	Mining Lease	714 HA	Granted	5/06/2013	\$11,781.00	\$11,285.86
M51/0653	Big Bell Gold (100%)	Big Bell Gold (100%)	\$11,500.00	Mining Lease	115 HA	Granted	5/06/2013	\$1,897.50	\$1,877.32
M51/0654	Big Bell Gold (100%)	Big Bell Gold (100%)	\$17,200.00	Mining Lease	172 HA	Granted	5/06/2013	\$2,838.00	\$2,772.62
M51/0666	Big Bell Gold (100%)	Big Bell Gold (100%)	\$58,400.00	Mining Lease	583.875 HA	Granted	5/06/2013	\$9,636.00	\$9,243.94
M51/0667	Big Bell Gold (100%)	Big Bell Gold (100%)	\$60,600.00	Mining Lease	606 HA	Granted	5/06/2013	\$9,999.00	\$9,589.50
M51/0668	Big Bell Gold (100%)	Big Bell Gold (100%)	\$69,500.00	Mining Lease	695 HA	Granted	5/06/2013	\$11,467.50	\$10,987.43

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M51/0669	Big Bell Gold (100%)	Big Bell Gold (100%)	\$86,900.00	Mining Lease	869 HA	Granted	5/06/2013	\$14,338.50	\$13,720.46
M51/0670	Big Bell Gold (100%)	Big Bell Gold (100%)	\$86,000.00	Mining Lease	860 HA	Granted	5/06/2013	\$14,190.00	\$13,579.10
M51/0671	Big Bell Gold (100%)	Big Bell Gold (100%)	\$79,400.00	Mining Lease	794 HA	Granted	5/06/2013	\$13,101.00	\$12,542.43
M51/0672	Big Bell Gold (100%)	Big Bell Gold (100%)	\$82,500.00	Mining Lease	825 HA	Granted	5/06/2013	\$13,612.50	\$13,029.35
M51/0673	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	88 HA	Granted	5/06/2013	\$1,452.00	\$1,453.22
M51/0674	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	14.565 HA	Granted	18/10/2012	\$255.75	\$421.00
M51/0675	Big Bell Gold (100%)	Big Bell Gold (100%)	\$21,700.00	Mining Lease	216.3558 HA	Granted	22/11/2012	\$3,699.85	\$5,846.47
M51/0677	Big Bell Gold (100%)	Big Bell Gold (100%)	\$13,400.00	Mining Lease	133.03 HA	Granted	18/10/2012	\$2,284.70	\$2,245.91
M51/0678	Big Bell Gold (100%)	Big Bell Gold (100%)	\$59,700.00	Mining Lease	596.37 HA	Granted	19/10/2012	\$10,178.85	\$9,760.71
M51/0680	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	10 HA	Granted	19/10/2012	\$170.50	\$421.00
M51/0688	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	46 HA	Granted	19/10/2012	\$784.30	\$817.61
M51/0717	Big Bell Gold (100%)	Big Bell Gold (100%)	\$87,600.00	Mining Lease	875.5 HA	Granted	30/08/2010	\$14,935.80	\$14,289.06
M51/0718	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	6.59 HA	Granted	19/10/2012	\$119.35	\$421.00
M51/0737	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	5 HA	Granted	19/10/2012	\$85.25	\$421.00
M51/0738	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	8.2995 HA	Granted	3/09/2008	\$153.45	\$421.00
M51/0740	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4.6982 HA	Granted	19/10/2012	\$85.25	\$421.00
M51/0741	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	41 HA	Granted	5/06/2013	\$676.50	\$714.99
M51/0746	Big Bell Gold (100%)	Big Bell Gold (100%)	\$38,100.00	Mining Lease	380.7072 HA	Granted	22/11/2012	\$6,496.05	\$10,211.33
M51/0757	Big Bell Gold (100%)	Big Bell Gold (100%)	\$56,900.00	Mining Lease	568.4 HA	Granted	22/11/2012	\$9,701.45	\$11,783.96
M51/0758	Big Bell Gold (100%)	Big Bell Gold (100%)	\$12,300.00	Mining Lease	123 HA	Granted	19/10/2012	\$2,097.15	\$2,067.37
M51/0762	Big Bell Gold (100%)	Big Bell Gold (100%)	\$84,600.00	Mining Lease	845.1 HA	Granted	28/09/2010	\$14,424.30	\$22,587.33
M51/0778	Big Bell Gold (100%)	Big Bell Gold (100%)	\$69,000.00	Mining Lease	690 HA	Granted	5/06/2013	\$11,385.00	\$17,842.99
M51/0780	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	10 HA	Granted	19/10/2012	\$170.50	\$421.00
M51/0781	Big Bell Gold (100%)	Big Bell Gold (100%)	\$70,000.00	Mining Lease	700 HA	Granted	5/06/2013	\$11,550.00	\$12,173.76
M51/0782	Big Bell Gold (100%)	Big Bell Gold (100%)	\$37,600.00	Mining Lease	376 HA	Granted	19/10/2012	\$6,410.80	\$6,173.73
M51/0783	Big Bell Gold (100%)	Big Bell Gold (100%)	\$41,400.00	Mining Lease	414 HA	Granted	19/10/2012	\$7,058.70	\$6,790.49
M51/0784	Big Bell Gold (100%)	Big Bell Gold (100%)	\$22,800.00	Mining Lease	228 HA	Granted	19/10/2012	\$3,887.40	\$3,771.59
M51/0788	Big Bell Gold (100%)	Big Bell Gold (100%)	\$83,600.00	Mining Lease	836 HA	Granted	5/06/2013	\$13,794.00	\$13,202.13
M51/0793	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4.857 HA	Granted	11/12/2000	\$85.25	\$421.00
M51/0794	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	18.65 HA	Granted	11/12/2000	\$323.95	\$421.00

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M51/0795	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	9.7064 HA	Granted	11/12/2000	\$170.50	\$421.00
M51/0796	Big Bell Gold (100%)	Big Bell Gold (100%)	\$72,800.00	Mining Lease	728 HA	Granted	5/06/2013	\$12,012.00	\$11,505.76
M51/0798	Big Bell Gold (100%)	Big Bell Gold (100%)	\$91,700.00	Mining Lease	917 HA	Granted	5/06/2013	\$15,130.50	\$14,474.40
M51/0799	Big Bell Gold (100%)	Big Bell Gold (100%)	\$91,700.00	Mining Lease	917 HA	Granted	5/06/2013	\$15,130.50	\$14,474.40
M51/0800	Big Bell Gold (100%)	Big Bell Gold (100%)	\$91,700.00	Mining Lease	917 HA	Granted	5/06/2013	\$15,130.50	\$14,474.40
M51/0801	Big Bell Gold (100%)	Big Bell Gold (100%)	\$91,700.00	Mining Lease	917 HA	Granted	5/06/2013	\$15,130.50	\$14,474.40
M51/0803	Big Bell Gold (100%)	Big Bell Gold (100%)	\$30,600.00	Mining Lease	306 HA	Granted	8/02/2001	\$5,049.00	\$4,877.37
M51/0805	Big Bell Gold (100%)	Big Bell Gold (100%)	\$47,400.00	Mining Lease	473.55 HA	Granted	3/09/2008	\$8,081.70	\$7,764.33
M51/0807	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	4 HA	Granted	5/06/2013	\$66.00	\$421.00
M51/0809	Big Bell Gold (100%)	Big Bell Gold (100%)	\$94,200.00	Mining Lease	942 HA	Granted	5/06/2013	\$15,543.00	\$24,032.49
M51/0810	Big Bell Gold (100%)	Big Bell Gold (100%)	\$30,600.00	Mining Lease	306 HA	Granted	5/06/2013	\$5,049.00	\$4,877.37
M51/0811	Big Bell Gold (100%)	Big Bell Gold (100%)	\$29,800.00	Mining Lease	298 HA	Granted	19/10/2012	\$5,080.90	\$4,907.74
M51/0819	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	1.5006 HA	Granted	17/06/2002	\$33.00	\$421.00
M51/0820	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	9.7059 HA	Granted	17/06/2002	\$165.00	\$421.00
M51/0822	Big Bell Gold (100%)	Big Bell Gold (100%)	\$91,800.00	Mining Lease	917.6628 HA	Granted	5/06/2013	\$15,147.00	\$14,490.11
M51/0823	Big Bell Gold (100%)	Big Bell Gold (100%)	\$91,900.00	Mining Lease	918.0606 HA	Granted	5/06/2013	\$15,163.50	\$14,505.82
M51/0824	Big Bell Gold (100%)	Big Bell Gold (100%)	\$22,900.00	Mining Lease	228.4087 HA	Granted	5/06/2013	\$3,778.50	\$3,667.92
M51/0825	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	49 HA	Granted	5/06/2013	\$808.50	\$840.65
M51/0830	Big Bell Gold (100%)	Big Bell Gold (100%)	\$19,900.00	Mining Lease	199 HA	Granted	5/06/2013	\$3,283.50	\$3,196.71
M51/0834	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	93.105 HA	Granted	19/10/2012	\$1,602.70	\$1,596.68
M51/0849	Big Bell Gold (100%)	Big Bell Gold (100%)	\$10,000.00	Mining Lease	52 HA	Granted	5/06/2013	\$858.00	\$887.77
M51/0871	Big Bell Gold (100%)	Big Bell Gold (100%)	\$5,000.00	Mining Lease	2.4 HA	Granted	24/12/2012	\$51.15	\$421.00
P20/2011	Big Bell Gold (100%)	Big Bell Gold (100%)	\$2,000.00	Prospecting Licence	16.35 HA	Granted	15/07/2009	\$42.50	\$440.00
P20/2243	Big Bell Gold (100%)	Big Bell Gold (100%)	\$2,000.00	Prospecting Licence	2.425 HA	Granted	27/08/2015	\$25.00	\$440.00
P21/0681	Big Bell Gold (100%)	Big Bell Gold (100%)	\$2,000.00	Prospecting Licence	0.063 HA	Granted	8/12/2010	\$25.00	\$440.00
P21/0684	Big Bell Gold (100%)	Big Bell Gold (100%)	\$8,000.00	Prospecting Licence	199.86 HA	Granted	9/06/2009	\$480.00	\$749.28

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
SOUTH KALGOORLIE OPERATION									
M27/0181-c	Cove Mining Pty Ltd (90%), Dioro Exploration (10%)	Perilya Limited (25.64%), Cove Mining Pty Ltd (7.95%), Dioro Exploration (3.73%), Northern Star (Kanowna) Pty Ltd (62.68%)	\$24,300.00	Mining Lease	242.6 HA	Granted	7/04/1994	\$4,009.50	\$3,615.82
E15/0985	Dioro Exploration (100%)	Dioro Exploration (100%)	\$70,000.00	Exploration Licence WA	23 BL	Granted	2/07/2009	\$11,904.80	\$1,480.71
E15/1211	Dioro Exploration (100%)	Dioro Exploration (100%)	\$50,000.00	Exploration Licence WA	17 BL	Granted	7/02/2011	\$4,493.95	\$1,094.43
M15/0456	Dioro Exploration (100%)	Dioro Exploration (100%)	\$43,400.00	Mining Lease	433.25 HA	Granted	3/08/1990	\$7,399.70	\$7,677.89
M15/0469	Dioro Exploration (100%)	Dioro Exploration (100%)	\$90,100.00	Mining Lease	900.8 HA	Granted	28/11/1989	\$15,362.05	\$15,863.19
M15/0533	Dioro Exploration (100%)	Dioro Exploration (100%)	\$10,000.00	Mining Lease	50.215 HA	Granted	21/09/1990	\$869.55	\$964.90
M15/0652	Dioro Exploration (100%)	Dioro Exploration (100%)	\$10,000.00	Mining Lease	5.26 HA	Granted	2/02/1993	\$99.00	\$486.00
M15/0663	Dioro Exploration (100%)	Dioro Exploration (100%)	\$57,300.00	Mining Lease	572.7 HA	Granted	8/06/1993	\$9,454.50	\$9,790.23
M15/0721	Dioro Exploration (100%)	Dioro Exploration (100%)	\$99,400.00	Mining Lease	994 HA	Granted	19/09/1994	\$16,947.70	\$8,888.19
M15/0722	Dioro Exploration (100%)	Dioro Exploration (100%)	\$76,600.00	Mining Lease	766 HA	Granted	19/09/1994	\$13,060.30	\$13,496.99
M15/0723	Dioro Exploration (100%)	Dioro Exploration (100%)	\$35,900.00	Mining Lease	359 HA	Granted	19/09/1994	\$6,120.95	\$3,298.62
M15/0724	Dioro Exploration (100%)	Dioro Exploration (100%)	\$21,300.00	Mining Lease	212.7 HA	Granted	10/02/1995	\$3,514.50	\$3,683.91
M15/0726	Dioro Exploration (100%)	Dioro Exploration (100%)	\$84,100.00	Mining Lease	840.25 HA	Granted	21/09/1994	\$14,339.05	\$14,811.54
M15/0740	Dioro Exploration (100%)	Dioro Exploration (100%)	\$86,700.00	Mining Lease	866.3 HA	Granted	21/11/1994	\$14,782.35	\$15,267.26
M15/0747	Dioro Exploration (100%)	Dioro Exploration (100%)	\$47,700.00	Mining Lease	476.45 HA	Granted	21/12/1994	\$8,132.85	\$8,431.57
M15/0753	Dioro Exploration (100%)	Dioro Exploration (100%)	\$85,700.00	Mining Lease	856.9 HA	Granted	31/01/1995	\$14,140.50	\$14,607.43
M15/0937	Dioro Exploration (100%)	Dioro Exploration (100%)	\$83,600.00	Mining Lease	835.65 HA	Granted	7/05/2003	\$13,794.00	\$14,251.23
M15/0938	Dioro Exploration (100%)	Dioro Exploration (100%)	\$99,700.00	Mining Lease	996.5 HA	Granted	8/05/2003	\$16,450.50	\$16,982.11
M15/1204	Dioro Exploration (100%)	Dioro Exploration (100%)	\$10,000.00	Mining Lease	15.95 HA	Granted	2/06/1998	\$264.00	\$486.00
M15/1306	Dioro Exploration (100%)	Dioro Exploration (100%)	\$24,400.00	Mining Lease	244 HA	Granted	6/09/2012	\$4,160.20	\$4,347.69
M26/0204	Dioro Exploration (100%)	Dioro Exploration (100%)	\$95,700.00	Mining Lease	956.6 HA	Granted	22/04/1988	\$15,790.50	\$14,031.37
M26/0245	Dioro Exploration (100%)	Dioro Exploration (100%)	\$24,000.00	Mining Lease	239.15 HA	Granted	29/03/1989	\$3,960.00	\$3,572.05
M26/0328	Dioro Exploration (100%)	Dioro Exploration (100%)	\$12,800.00	Mining Lease	127.1 HA	Granted	14/05/1991	\$2,112.00	\$1,938.23
M26/0441	Dioro Exploration (100%)	Dioro Exploration (100%)	\$23,800.00	Mining Lease	237.543 HA	Granted	21/09/1994	\$4,057.90	\$3,542.88
M26/0452	Dioro Exploration (100%)	Dioro Exploration (100%)	\$40,000.00	Mining Lease	399.2 HA	Granted	14/12/1994	\$6,820.00	\$5,906.09
M26/0458	Dioro Exploration (100%)	Dioro Exploration (100%)	\$56,100.00	Mining Lease	560.45 HA	Granted	21/08/1996	\$9,565.05	\$8,655.66
M26/0482	Dioro Exploration (100%)	Dioro Exploration (100%)	\$76,300.00	Mining Lease	762.4 HA	Granted	21/08/1996	\$13,009.15	\$11,201.35
M26/0567	Dioro Exploration (100%)	Dioro Exploration (100%)	\$49,200.00	Mining Lease	491.65 HA	Granted	7/05/2003	\$8,118.00	\$7,248.16

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
P15/4979	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	9.71 HA	Granted	2/09/2010	\$25.00	\$415.00
P15/4980	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	13.3 HA	Granted	2/09/2010	\$35.00	\$415.00
P15/4981	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	20.3 HA	Granted	2/09/2010	\$52.50	\$415.00
P15/4982	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	16.14 HA	Granted	2/09/2010	\$42.50	\$415.00
P15/4983	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	24 HA	Granted	2/09/2010	\$60.00	\$415.00
P15/4984	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	0.17 HA	Granted	14/07/2010	\$25.00	\$415.00
P15/5049	Dioro Exploration (100%)	Dioro Exploration (100%)	\$7,880.00	Prospecting Licence	196.7 HA	Granted	31/12/2009	\$492.50	\$506.29
P15/5050	Dioro Exploration (100%)	Dioro Exploration (100%)	\$4,840.00	Prospecting Licence	121 HA	Granted	31/12/2009	\$302.50	\$415.00
P15/5130	Dioro Exploration (100%)	Dioro Exploration (100%)	\$3,000.00	Prospecting Licence	74.77 HA	Granted	22/07/2009	\$187.50	\$415.00
P15/5131	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	28.72 HA	Granted	22/07/2009	\$72.50	\$415.00
P15/5132	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	20.11 HA	Granted	22/07/2009	\$52.50	\$415.00
P26/3500	Dioro Exploration (100%)	Dioro Exploration (100%)	\$2,000.00	Prospecting Licence	44.98 HA	Granted	2/07/2009	\$112.50	\$686.00
P26/3529	Dioro Exploration (100%)	Dioro Exploration (100%)	\$6,280.00	Prospecting Licence	156.25 HA	Granted	2/07/2009	\$392.50	\$350.72
P26/3531	Dioro Exploration (100%)	Dioro Exploration (100%)	\$7,880.00	Prospecting Licence	196.23 HA	Granted	2/07/2009	\$492.50	\$440.08
P26/3532	Dioro Exploration (100%)	Dioro Exploration (100%)	\$4,520.00	Prospecting Licence	112.01 HA	Granted	2/07/2009	\$282.50	\$271.00
P26/3533	Dioro Exploration (100%)	Dioro Exploration (100%)	\$7,920.00	Prospecting Licence	197.82 HA	Granted	2/07/2009	\$495.00	\$442.31
East Location 32	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	85.38 Km2	Granted	18/06/1890		\$944.00
East Location 35	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	10.18 Km2	Granted	18/06/1890		\$944.00
East Location 36	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	25.92 Km2	Granted	18/06/1890		\$944.00
East Location 37	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	12.15 Km2	Granted	18/06/1890		\$944.00
East Location 39	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	7.77 Km2	Granted	18/06/1890		\$944.00
East Location 40	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	31.12 Km2	Granted	18/06/1890		\$944.00
East Location 41	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	16.22 Km2	Granted	18/06/1890		\$944.00
East Location 48	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	50.19 Km2	Granted	18/06/1890		\$18,117.17
East Location 53	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	141.3 Km2	Granted	18/06/1890		
East Location 55	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	8.1 Km2	Granted	18/06/1890		
East Location 59	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	206.7 Km2	Granted	18/06/1890		
East Location 61	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	4 Km2	Granted	18/06/1890		
East Location 62	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	4.12 Km2	Granted	18/06/1890		\$944.00
East Location 51	Hampton Gold (100%)	Hampton Gold (100%)		Freehold Land	25.91 Km2	Granted	18/06/1890		\$944.00

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
M26/0534	Haoma Mining NL (100%)	HBJ Minerals (100%)	\$41,800.00	Mining Lease	417.75 HA	Granted	3/10/1997	\$7,126.90	\$6,168.67
E25/0543	HBJ Minerals (100%)	HBJ Minerals (100%)		Exploration Licence WA	5 BL	Application			N/A
L26/0276	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	142.0469 HA	Application			N/A
E25/0268	HBJ Minerals (100%)	HBJ Minerals (100%)	\$50,000.00	Exploration Licence WA	5 BL	Granted	23/03/2006	\$2,503.00	\$24.34
E26/0122	HBJ Minerals (100%)	HBJ Minerals (100%)	\$70,000.00	Exploration Licence WA	10 BL	Granted	31/01/2008	\$5,006.00	\$582.86
E26/0139	HBJ Minerals (100%)	HBJ Minerals (100%)	\$30,000.00	Exploration Licence WA	5 BL	Granted	30/11/2010	\$1,366.75	\$291.34
E26/0148	HBJ Minerals (100%)	HBJ Minerals (100%)	\$50,000.00	Exploration Licence WA	11 BL	Granted	17/05/2011	\$2,907.85	\$600.74
L15/0221	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	22 HA	Granted	2/05/2000	\$321.20	N/A
L15/0233	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	89 HA	Granted	16/09/2002	\$1,343.90	N/A
L15/0356	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	11.4837 HA	Granted	9/09/2016	\$175.20	N/A
L25/0048	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	159.51 HA	Granted	21/07/2015	\$2,416.00	N/A
L26/0122	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	4 HA	Granted	20/01/1989	\$58.40	N/A
L26/0123	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	11 HA	Granted	20/01/1989	\$160.60	N/A
L26/0233	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	54.6 HA	Granted	22/11/2004	\$830.50	N/A
L26/0260	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	5.3 HA	Granted	17/08/2012	\$90.60	N/A
L26/0273	HBJ Minerals (100%)	HBJ Minerals (100%)		Miscellaneous Licence	5.0589 HA	Granted	9/07/2015	\$90.60	N/A
M15/0026	HBJ Minerals (100%)	HBJ Minerals (100%)	\$13,300.00	Mining Lease	132.8 HA	Granted	21/03/1983	\$2,194.50	\$2,326.95
M15/0518	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	8.804 HA	Granted	17/09/1990	\$153.45	\$486.00
M15/0637	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	11.445 HA	Granted	15/12/1992	\$204.60	\$486.00
M15/1133	HBJ Minerals (100%)	HBJ Minerals (100%)	\$79,300.00	Mining Lease	792.1 HA	Granted	2/10/2002	\$13,520.65	\$13,970.23
M15/1134	HBJ Minerals (100%)	HBJ Minerals (100%)	\$60,000.00	Mining Lease	599.166 HA	Granted	2/10/2002	\$10,230.00	\$10,587.44
M15/1135	HBJ Minerals (100%)	HBJ Minerals (100%)	\$90,600.00	Mining Lease	905.002 HA	Granted	2/10/2002	\$15,447.30	\$15,950.82
M15/1272	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	9.3005 HA	Granted	8/06/1999	\$165.00	\$486.00
M15/1361	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	9 HA	Granted	8/05/2001	\$148.50	\$486.00
M25/0104	HBJ Minerals (100%)	HBJ Minerals (100%)	\$87,200.00	Mining Lease	872 HA	Granted	18/11/1992	\$14,867.60	\$12,791.50
M25/0357	HBJ Minerals (100%)	HBJ Minerals (100%)	\$11,700.00	Mining Lease	117 HA	Granted	18/08/2015	\$1,994.85	\$1,777.68
M26/0041	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	32.14 HA	Granted	4/01/1984	\$544.50	\$552.31
M26/0118	HBJ Minerals (100%)	HBJ Minerals (100%)	\$38,000.00	Mining Lease	379.8 HA	Granted	16/12/1986	\$6,479.00	\$5,614.34
M26/0132	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	65.505 HA	Granted	17/03/1987	\$1,089.00	\$1,033.79
M26/0143	HBJ Minerals (100%)	HBJ Minerals (100%)	\$100,000.00	Mining Lease	1000 HA	Granted	7/08/1987	\$17,050.00	\$14,658.73

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M26/0224	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	40.55 HA	Granted	31/05/1988	\$676.50	\$669.01
M26/0433	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	5.675 HA	Granted	14/12/1993	\$102.30	\$449.00
M26/0493	HBJ Minerals (100%)	HBJ Minerals (100%)	\$10,000.00	Mining Lease	9.71 HA	Granted	21/08/1996	\$170.50	\$449.00
M26/0494	HBJ Minerals (100%)	HBJ Minerals (100%)	\$20,000.00	Mining Lease	200 HA	Granted	3/10/1997	\$3,410.00	\$2,988.55
M26/0782	HBJ Minerals (100%)	HBJ Minerals (100%)	\$50,700.00	Mining Lease	506.9 HA	Granted	24/11/2006	\$8,644.35	\$7,466.89
P15/4848	HBJ Minerals (100%)	HBJ Minerals (100%)	\$6,840.00	Prospecting Licence	171 HA	Granted	21/11/2008	\$427.50	\$439.47
P15/4849	HBJ Minerals (100%)	HBJ Minerals (100%)	\$5,280.00	Prospecting Licence	132 HA	Granted	21/11/2008	\$330.00	\$415.00
P15/4851	HBJ Minerals (100%)	HBJ Minerals (100%)	\$5,600.00	Prospecting Licence	140 HA	Granted	21/11/2008	\$350.00	\$415.00
P15/4852	HBJ Minerals (100%)	HBJ Minerals (100%)	\$4,000.00	Prospecting Licence	100 HA	Granted	21/11/2008	\$250.00	\$415.00
P15/5234	HBJ Minerals (100%)	HBJ Minerals (100%)	\$6,200.00	Prospecting Licence	155 HA	Granted	29/01/2010	\$372.00	\$415.00
P15/5235	HBJ Minerals (100%)	HBJ Minerals (100%)	\$2,000.00	Prospecting Licence	9 HA	Granted	29/01/2010	\$24.00	\$415.00
P15/5910	HBJ Minerals (100%)	HBJ Minerals (100%)	\$2,000.00	Prospecting Licence	29 HA	Granted	16/11/2015	\$72.50	\$415.00
P26/3527	HBJ Minerals (100%)	HBJ Minerals (100%)	\$6,880.00	Prospecting Licence	171.83 HA	Granted	10/10/2008	\$430.00	\$384.23
P26/3528	HBJ Minerals (100%)	HBJ Minerals (100%)	\$5,360.00	Prospecting Licence	133.86 HA	Granted	10/10/2008	\$335.00	\$299.34
P26/4019	HBJ Minerals (100%)	HBJ Minerals (100%)	\$5,280.00	Prospecting Licence	131.63HA	Granted	28/05/2015	\$316.80	\$270.61
East Location 45	Pacific-Nevada Mining Pty Ltd (100%)	HBJ Minerals (100%)		Freehold Land	76.45 Km2	Granted	18/06/1890		\$944.00
East Location 50	Pacific-Nevada Mining Pty Ltd (100%)	HBJ Minerals (100%)		Freehold Land	32.42 Km2	Granted	18/06/1890		\$3,042.47
M15/0717	Reed Industrial Minerals Pty Ltd (100%)	HBJ Minerals	\$98,100.00	Mining Lease	980.6 HA	Granted	19/09/1994	\$16,726.05	\$17,265.38
ROVER									
EL24541	Castile (100%)	Castile (100%)	\$10,000.00	Exploration Licence	128 Blocks	Granted	30/12/2004	\$26,015.00	N/A
EL25345	Aragon (100%)	Castile (100%)	\$65,000.00	Exploration Licence	373 Blocks	Application	4/05/2006	\$0.00	N/A
EL25506	Aragon (100%)	Castile (100%)	\$52,000.00	Exploration Licence	224 Blocks	Application	26/07/2006	\$0.00	N/A
EL25507	Aragon (100%)	Castile (100%)	\$65,000.00	Exploration Licence	345 Blocks	Application	26/07/2006	\$0.00	N/A
EL25511	Castile (100%)	Castile (100%)	\$10,000.00	Exploration Licence	38 Blocks	Granted	27/07/2006	\$7,925.00	N/A
EL26537	AngloGold Ashanti Australia Ltd (100%)	Castile (100%)	\$35,500.00	Exploration Licence	85 Blocks	Application	30/12/2004	\$0.00	N/A
EL26538	Aragon (100%)	Castile (100%)	\$45,000.00	Exploration Licence	21 Blocks	Application	27/07/2006	\$0.00	N/A
EL27039	Castile (100%)	Castile (100%)	\$10,000.00	Exploration Licence	77 Blocks	Granted	23/10/2008	\$15,764.00	N/A
ELR29957	Castile (100%)	Castile (100%)	\$40,000.00	Exploration Licence in Retention	771.8 HA	Granted	26/04/2013	\$15,670.00	N/A
ELR29958	Castile (100%)	Castile (100%)	\$10,000.00	Exploration Licence in Retention	3 HA	Granted	26/04/2013	\$290.00	N/A

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Tenement	Registered Holder	Beneficial Holder	Commitment	Tenement Type	Area	Status	Grant Date	Rent	Shire Rates
WARUMPI									
EL10379	Castile (100%)	Castile (100%)	\$66,000.00	Exploration Licence	28 Blocks	Granted	14/08/1989	\$5,915.00	N/A
EL24825	Castile (100 %)	Castile (100%)	\$0.00	Exploration Licence	97 Blocks	Application	14/08/1989	\$0.00	N/A
EL29740	Castile (100%)	Castile (100%)	\$147,000.00	Exploration Licence	248 Blocks	Application	22/10/2012	\$0.00	N/A
EL29741	Castile (100%)	Castile (100%)	\$123,000.00	Exploration Licence	56 Blocks	Application	22/10/2012	\$0.00	N/A
EL29742	Castile (100%)	Castile (100%)	\$123,000.00	Exploration Licence	200 Blocks	Application	22/10/2012	\$0.00	N/A
EL29743	Castile (100%)	Castile (100%)	\$12,300.00	Exploration Licence	137 Blocks	Application	22/10/2012	\$0.00	N/A
EL29744	Castile (100%)	Castile (100%)	\$123,000.00	Exploration Licence	172 Blocks	Application	22/10/2012	\$0.00	N/A
EL29745	Castile (100%)	Castile (100%)	\$137,000.00	Exploration Licence	204 Blocks	Application	22/10/2012	\$0.00	N/A
EL29746	Castile (100%)	Castile (100%)	\$137,000.00	Exploration Licence	181 Blocks	Application	22/10/2012	\$0.00	N/A
EL29747	Castile (100%)	Castile (100%)	\$51,000.00	Exploration Licence	70 Blocks	Application	22/10/2012	\$0.00	N/A
EL29748	Castile (100%)	Castile (100%)	\$137,000.00	Exploration Licence	218 Blocks	Application	22/10/2012	\$0.00	N/A
EL29749	Castile (100%)	Castile (100%)	\$133,000.00	Exploration Licence	236 Blocks	Application	22/10/2012	\$0.00	N/A
EL29750	Castile (100%)	Castile (100%)	\$81,000.00	Exploration Licence	103 Blocks	Application	22/10/2012	\$0.00	N/A
EL6861	Castile (100%)	Castile (100%)	\$493,250.00	Exploration Licence	246 Blocks	Granted	13/11/1989	\$49,733.00	N/A

Key:

Aragon Resources Pty Ltd – Aragon
 Avoca Resources Pty Ltd - Avoca Resources
 Castile Resources Pty Ltd – Castile
 Hampton Gold Mining Areas Ltd – Hampton Gold

Avoca Mining Pty Ltd – Avoca
 Big Bell Gold Operations Pty Ltd - Big Bell Gold
 Dioro Exploration Pty Ltd – Dioro Exploration
 HBJ Minerals Pty Ltd – HBJ Minerals

Explanatory Memorandum

Annexure B - Information on Metals X's Base Metals Post Demerger

An overview of Metals X's assets and the Base Metals Business Units comprised of tin, copper and nickel is provided in Section 6.5 of the Explanatory Memorandum. This Annexure provides further geological and detailed information in relation to the Metals X group's assets post Demerger.

TIN BUSINESS UNIT

Renison Tin Project (MLX 50%)

Metals X is a globally significant tin producer through its 50% ownership of the Renison Tin Project in Tasmania, consisting of the following three key assets:

- the world class Renison Tin Mine which is located approximately 15km north-east of Zeehan on Tasmania's west coast and has operated for over 50 years;
- the Renison Expansion Project (Rentails Project) which is a planned tailings re-treatment project and located at the Renison Tin Mine; and
- the Mount Bischoff Project (currently idle) located approximately 80km north of the Renison Tin Mine.

Renison Tin Mine

Metals X is the only significant tin producer in Australia and has the largest Mineral Resources and Ore Reserves of tin in the country. The Renison Tin Mine has a 700,000 tonnes-per-annum tin concentrator, a fully developed underground mine, site infrastructure and a 100 person camp. An owner-operator mining fleet provides competitive performance and productivity. The mine produces a tin concentrate which is exported to 3rd party smelters in Asia for refining to LME grade ingot. Outputs for Metals X' 50% share of the mine for the year ended 30 June 2016, is summarised below.

Table 7 - Renison (50%) Production and Unit Costs for Financial Year ended 30 June 2016

Physical Summary	Units	30 June 2016
UG Ore Mined	t	342,138
UG Grade Mined	% Sn	1.29%
Ore Processed	t	344,759
Head Grade	g/t	1.29%
Recovery	% Sn	71.22%
Tin Produced	t	3,181
Tin Sold	t	3,236
Achieved Tin Price	A\$/t	21,316
Cost Summary		
Mining	A\$/t	9,112
Processing	A\$/t	4,424
Admin	A\$/t	952
Stockpile Adjustment	A\$/t	174
C1 Cash Cost (produced t) *	A\$/t	14,662
Royalties	A\$/t	570
Marketing/Cost of sales	A\$/t	2,170
Sustaining Capital	A\$/t	2,482
Reclamation & other adj.	A\$/t	42
Corporate Costs	A\$/t	25
All-in Sustaining Costs **	A\$/t	19,952
Project Startup Capital	A\$/t	741
Exploration Holding Cost	A\$/t	-
All-in Cost ***	A\$/t	20,693

* C1 Cash Cost ("C1"): represents the cost for mining, processing and administration after accounting for movements in inventory (predominantly ore stockpiles). It includes net proceeds from by-product credits, but excludes the cost of royalties and capital costs for exploration, mine development and plant and equipment.

** All-in Sustaining Cost ("AISC"): is made up of the C1 cash cost plus royalty expense, sustaining capital expense and general corporate and administration expenses.

*** All-in Cost ("AIC"): is made up of the AISC plus growth (major project) capital and discovery expenditure.

C1, AISC and AIC are non-IFRS financial information and are not subject to audit or review.

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Metals X is on a drive to lower overall costs at the operation with the first step being a shift to owner operator mining where higher productivity and lower unit costs have already been achieved. Metals X is investigating options to further optimise the tin concentrator circuit and its overall head-grade by applying modern ore sorting technology to remove intercalated gangue and ore dilution from the mill feed.

The Renison Tin Mine has a Mineral Resource estimate of 11.5 million tonnes at 1.44% tin containing 166,000 tonnes of tin metal with an Ore Reserve estimate of 5.69 million ore tonnes at 1.28% tin containing 73,000 tonnes of tin metal providing for a long-life project.

Rentails Project

In the past three decades when concentrator tailings have been stored in engineered ponds, a significant quantity of lower grade tailings have accumulated. As the economic driver has been producing a tin of concentrate grade above 55% as opposed to metallurgical recovery, the grade of this material remains fairly high (0.45% Sn). In addition, no copper recovery was in place for majority of the ore so a significant copper co-product also exists. The Rentails Project aims to re-process and recover tin and copper from the tailings by the application of modern processing technology in flotation, gravity and tin-fuming methods. A Definitive Feasibility Study ("DFS") of the mining and re-processing of the tailings for the project was completed in 2009 and is in the process of being re-worked with the objective of lowering the capital cost and increasing the efficiency of the process.

The DFS concluded that a 10-year project could be established using an integrated 2 million tonne-per-annum tin concentrator and tin-fumer plant that could be constructed to produce approximately 5,300 tonnes of tin and 2,000 tonnes of copper in concentrate per annum.

The economics of the project are improving with rising tin prices and the project partners continue to review development options for the Rentails Project. The Rentails Project has a Mineral Resource estimate of 22.5 million tonnes at 0.45% tin containing 100,000 tonnes of tin metal with an Ore Reserve estimate of 21.6 million tonnes at 0.45% tin containing 97,000 tonnes of tin metal. This increases on a daily basis as the Renison mine continues.

Mt Bischoff

The Mt Bischoff Project is located approximately 80km north of the Renison mine. Mt Bischoff was a significant historical tin operation, producing some 60,000 tonnes of tin metal since the late 1800's. Open pit mining by Metals X between 2009 and 2011 produced a further 5,000 tonnes of tin metal before the initial open pit mine was depleted. Whilst the mine remains on care and maintenance, significant resources remain at depth and numerous historically mined areas remain underexplored and offer future development opportunity at higher tin prices.

The Mt Bischoff Project has a total Mineral Resource estimate of 1.7 million tonnes at 0.54% tin, containing 9,000 tonnes of tin metal.

COPPER BUSINESS UNIT

Nifty Copper Operation

The Nifty Copper Operation ("Nifty") produces a clean copper concentrate which is shipped to the Hindalco copper smelter in India for refining. There is currently an agreement to sell the concentrates to Hindalco Industries Limited.

The Nifty operation is an underground copper sulphide mine with an associated 2.5Mtpa copper concentrator. Site infrastructure is extensive, including a powerhouse, camp and airfield. Processing of sulphide copper ore is by conventional comminution, grinding and flotation to produce a copper concentrate. A concentrate storage facility is located at Port Hedland where concentrate is accumulated before shipping.

The historic open pit operation mined oxide, transitional and chalcocite (a secondary sulphide) copper ores from which copper cathode was recovered by SXEW methods. Open pit mining operations ceased in June 2006 and heap leach operations ceased in January 2009. The underground mining operation, to exploit the primary chalcopyrite rich ores, commenced in December 2005 with the 2.5Mt processing facility being commissioned in March 2006.

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Table 8 - Nifty Copper Operation Production and Unit Costs for Financial Year ended 31 March 2016

Measure	Unit	FY to 31 March 2016
Concentrate Operations:		
Mining		
Ore Mined	Tonnes	1,582,452
Grade	%	2.10%
Contained copper	Tonnes	33,272
Processing:		
Ore Processed	Tonnes	1,601,110
Grade	%	2.10%
Copper Contained in Ore Processed	Tonnes	33,576
Recovery	%	95.60%
Concentrate produced	Dry Tonnes	137,311
Concentrate grade	% Cu	23.38%
Copper in Concentrate Produced	Tonnes Cu	32,098
Total Copper Sales	Tonnes	36,826
Nifty C1 cost (excl. suspension period cost)	A\$/lb Cu	2.62

Note: as reported by Aditya Birla in their Annual Report for the Year Ended 31 March 2016

At 31 March 2015 Nifty had a Mineral Resource estimate of 31.1 million tonnes at 1.73% copper containing 539,000 tonnes of copper metal. The Ore Reserve subset of this resource is estimated at 5.24 million ore tonnes grading 1.85% copper and containing 97,000 tonnes of copper metal.

Maroochydore Project

The Maroochydore Project is located 110 km from the Nifty Copper Operations and manifests as a large copper oxide and secondary chalcocite blanket of mineralisation. Drilling defined a small amount of copper sulphide mineralisation at depth, although this is sparsely drilled and inadequately defined. The oxide and secondary sulphide (chalcocite) blanket has an estimated total mineral resource estimate (0.5% cut-off) of 43.2 million tonnes at 0.91% copper and 391ppm cobalt. The deeper copper sulphide zone is categorised as an Inferred Mineral Resource of 5.43 million tonnes at 1.66% copper and 292ppm cobalt above a cut-off of 1.1% copper, containing approximately 90,000 tonnes of copper (ASX:ABY 30 April 2014). Geophysical modelling of high resolution aeromagnetic data suggests that the Maroochydore deposit lies within a north-trending structural corridor and that a possibility exists for a structural repetition of the mineralised horizon to occur to the west of the resource area. Primary copper sulphide mineralisation remains open along-strike and down-dip.

NICKEL BUSINESS UNIT

Central Musgrave Project (Wingellina)

Metals X's nickel strategy remains focused on 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-Fe rich Limonite deposit, the similar Claude Hills deposit and the Mt Davies exploration prospects. The project encompasses a large tract of prospective exploration tenure encompassing the whole of the Wingellina layered intrusive sub-set of the Giles Complex rocks in Western and Southern Australia.

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

The Board had previously reached a decision to defer the expenditure on the updated feasibility due to the continuum of a depressed nickel market.

Whilst the engineering works for an updated feasibility study by HPAL (high pressure acid leach) technology has been halted, Metals X continues to use its internal resources to complete other long lead-time studies required for the DFS, including infrastructure, roads, rail and ports studies.

The final Public Environmental Review ("PER") document was completed and approved by the Environmental Protection Authority ("EPA") for release to the public for an 8-week review period in September 2015 and ended in November 2015 and the final EPA approval (subject to the general conditions) was received on 1 September 2016.

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Interaction with the State and Federal Governments in relation to infrastructure requirements within Central Australia continues. An application was made to the Northern Territory ("NT") Government to obtain "Significant Project Status" for the road and gas infrastructure, which was recommended and presented to the NT Cabinet. Although Major Project Status was not obtained, the potential benefits that the project brings to the NT were recognised and as such the NT Government has agreed to work with Metals X towards the realising these benefits and in particular the logistic opportunities. Strong support from the other states and Commonwealth is ongoing.

Metals X also continues to discuss development options using alternate technology and scales which have significantly changed as a result of the lower nickel price environment.

Within the CMP, the total Mineral Resource Estimate (0.5% cut-off) of the nickeliferous limonite is 215.8 million tonnes at 0.9% nickel, 0.07% cobalt and 44.29% Fe₂O₃, containing 2.0 million tonnes of nickel metal.

MINERAL RESOURCE ESTIMATE

The Metals X Mineral Resource statements, published on 18 August 2016, are as of 30 June 2016 and are in compliance with the JORC Code (2012 Edition). The Company is of the opinion that there have been no material changes to the Mineral Resource estimates since the date of publication.

Table 9 - Renison Tin Project Mineral Resource Statement (at 30.6.2016)

MLX equity share is 50% of the Mineral Resource Estimate shown below

Project	Category	Tin			Copper		
		Kt	Sn (%)	Sn (kt)	Kt	Cu (%)	Cu (kt)
Renison Tin Project	Measured	23,940	0.54	130.0	23,863	0.24	56.6
	Indicated	7,706	1.22	93.9	6,303	0.32	20.2
	Inferred	4,055	1.26	51.0	3,057	0.22	6.8
	Total	35,701	0.77	275.0	33,224	0.25	83.6

Note: numbers may not add up due to rounding.

Table 10 - Wingellina Mineral Resource Statement (at 30.6.2016)

Project	Category	Tonnage	Nickel		Cobalt		Fe ₂ O ₃	
		Kt	Ni (%)	Ni (kt)	Co (%)	Co (kt)	Fe ₂ O ₃ (%)	Fe ₂ O ₃ (kt)
Wingellina Project	Measured	37,567	0.98	368	0.07	28.0	45.94	17,259
	Indicated	130,855	0.91	1,193	0.07	94.6	45.55	59,611
	Inferred	47,415	0.83	392	0.07	31.8	39.48	18,721
	Total	215,838	0.91	1,953	0.07	154.4	44.29	95,590

Note: numbers may not add up due to rounding.

Competent Person Statement

The information in this Notice of Meeting that relates to Mineral Resources for the Renison Tin Project and Wingellina Project has been extracted from Metals X's Annual Mineral Resources and Ore Reserves Statements released on 18 August 2016 and is available to view at <http://www.metalsx.com.au>. Metals X confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Metals X confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

The Nifty and Maroochydore Mineral Resources statements are as reported by Aditya Birla Minerals Limited (ASX:ABY) on 16 May 2016. The Mineral Resource estimates are at 31 March 2016 and were reported in accordance with JORC Code 2012 guidelines.

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Table 11 - Nifty Mineral Resource Statement (at 31.3.2016)

Mineral Type	Category	Cut-off Cu (%)	Ore Mt	Grade Cu (%)	Metal Cu (kt)
Chalcocite and Chalcopyrite	Measured	1.2	17.34	2.16	375
	Indicated		3.29	1.80	59
	Inferred		2.83	1.52	43
	Total		23.46	2.03	477
Oxide	Measured	0.4	1.43	0.91	13
	Indicated		1.22	0.86	10
	Inferred		1.68	0.83	14
	Total		4.33	0.86	37
Heap Leach Pad	Measured	0.5	-	-	-
	Indicated		2.85	0.75	21
	Inferred		0.46	0.66	3
	Total		3.31	0.74	24
Total Nifty	Measured		18.77	2.06	368
	Indicated		7.36	1.24	91
	Inferred		4.97	1.21	60
	Total		31.10	1.73	539

Note: numbers may not add up due to rounding.

Table 12 - Maroochydore Mineral Resource Statement (at 31.3.2016)

Mineral Type	Category	Cut-off Cu (%)	Ore Mt	Grade Cu (%)	Metal Cu (kt)	Grade Co (ppm)	Metal Co (kt)
Oxide	Measured	0.5	-	-	-	-	-
	Indicated		40.80	0.92	375	388	15.8
	Inferred		2.40	0.81	19	451	1.1
	Total		43.20	0.91	394	391	16.9
Sulphide	Measured	1.1	-	-	-	-	-
	Indicated		-	-	-	-	-
	Inferred		5.43	1.66	90	292	1.6
	Total		5.43	1.66	90	292	1.6
Total Maroochydore	Measured		-	-	-	-	-
	Indicated		40.80	0.92	375	388	15.8
	Inferred		7.83	1.40	110	341	2.7
	Total		48.63	1.00	486	380	18.5

Note: numbers may not add up due to rounding.

Competent Person Statement

The information in this Notice of Meeting that relates to Mineral Resources for Nifty and Maroochydore has been extracted from Aditya Birla Minerals Limited's Mineral Resource Estimate Update, released on 16 May 2016 and is available to view at <http://www.asx.com.au>. Metals X confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Metals X confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement. The Measured and Indicated Mineral Resources tabled above are inclusive of those Mineral Resources modified to produce the Ore Reserve. In all Resources tables, significant figures do not imply precision. Figures are rounded according to JORC Code guidelines.

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ORE RESERVE ESTIMATE

Table 13 - Renison Tin Project Ore Reserve Statement (at 30.6.2016)

MLX equity share is 50% of the Ore Reserve Estimate shown below

Project	Category	Tin			Copper		
		Kt ore	Sn (%)	Sn (t)	Kt ore	Cu (%)	Cu (t)
Renison Tin Project	Proved	1,105	1.29	14,251	1,077	0.43	4,599
	Probable	26,214	0.59	155,252	25,947	0.23	59,331
	Total	27,319	0.62	169,502	27,024	0.24	63,930

Note: numbers may not add up due to rounding.

Competent Person Statement

The information in this Notice of Meeting relating to the Renison Tin Project and Wingellina Project has been extracted from Metals X's Annual Mineral Resources and Ore Reserves Statements released on 18 August 2016 and is available to view at <http://www.metalsx.com.au>. Metals X confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Metals X confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

Table 14 - Wingellina Ore Reserve Statement (at 30.6.2016)

Project	Category	Tonnage	Nickel		Cobalt		Fe ₂ O ₃	
		Kt ore	Ni (%)	Ni (kt)	Co (%)	Co (kt)	Fe ₂ O ₃ (%)	Fe ₂ O ₃ (kt)
Wingellina Project	Proved	-	-	-	-	-	-	-
	Probable	168,422	0.93	1,561	0.07	122.6	45.64	76,870
	Total	168,422	0.93	1,561	0.07	122.6	45.64	76,870

Note: numbers may not add up due to rounding.

The Nifty Sulphide Ore Reserve estimate is as reported by Aditya Birla Minerals Limited (ABY) on 23 May 2016. The Ore Reserve estimate is as at 31 March 2016 (2016 Ore Reserve) and was reported in accordance with JORC Code 2012 guidelines.

Table 15 - Nifty Sulphide Ore Reserve Estimate

	Reserve Category	Ore Tonnes (Mt)	Grade (% Cu)	Metal (kt Cu)
Nifty Sulphide Ore Reserve	Proved	3.63	1.88	68
	Probable	1.61	1.78	29
	Total	5.24	1.85	97

Note: numbers may not add up due to rounding.

Note: the Ore Reserve was estimated at a 1.5% Cu cut-off grade.

Competent Person Statement:

The information in this Notice of Meeting that relates to Ore Reserves at Nifty has been extracted from Aditya Birla Minerals Limited's Nifty Underground Ore Reserve Estimate, released on 23 May 2016 and is available to view at <http://www.asx.com.au>. Metals X confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Metals X confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

Explanatory Memorandum

Annexure C - Independent Expert's Report - Stantons International Securities Pty Ltd

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12 October 2016

The Directors
Metals X Limited
Level 3, 18-31 Parliament Place
WEST PERTH WA 6005

Dear Sirs

RE: METALS X LIMITED ("MLX") PLANNED SPIN OFF OF THE GOLD ASSETS OF MLX BY DISTRUBUTIING ALL OF THE SHARES OWNED BY MLX IN WESTGOLD RESOURCES LIMITED ("WESTGOLD") BY WAY OF AN IN-SPECIE DISTRIBTION ("DEMERGER") UNDER SECTION 256 C OF THE CORPORATIONS ACT 2001 TO THE SHAREHOLDERS OF MLX. REPORT TO SHAREHOLDERS OF MLX ON WHETHER THE ADVANTAGES OF AN IN SPECIE DISTRIBUTION OF SHARES IN WESTGOLD TO THE MLX SHAREHOLDERS IS MORE ADVANTAGEOUS THAN THE POSITION IF THE DEMERGER IS NOT APPROVED AND THUS FAIR AND REASONABLE AND IN THE BEST INTERESTS TO THE MLX SHAREHOLDERS.

1. Introduction

- 1.1 MLX has engaged Stantons International Securities Pty Ltd (trading as Stantons International Securities) ("SIS") to prepare an Independent Experts Report to determine whether it is fair and reasonable and in the best interests for MLX shareholders to allow the "spin off" of MLX's gold assets (via MLX's current wholly owned subsidiary, Westgold Resources Pty Ltd to be renamed Westgold Resources Limited ("Westgold")) so that the MLX shareholders will own an equal number of shares in MLX and Westgold. The "spin-off" is in effect a capital reduction by MLX and a demerger and we refer to the spin-off in this report as the Gold Demerger (but also refer to spin-off).

Westgold owns the shares in various wholly owned subsidiaries that own three operating gold projects, four processing plants with 5mta combined capacity and has gold resources of approximately 15.4 million ounces and ore reserves of approximately 2.89 million ounces. The Westgold Group currently produces at a run rate of 250,000 ounces pa and has plans to double this over the next few years.

- 1.2 The "spin off" of the gold assets is proposed to be undertaken via an in-specie distribution of 100% of the shares in Westgold owned by MLX to the shareholders of MLX and approval from the MLX Shareholders is being sought under Section 256 C (1) of the Corporations Act 2001 ("TCA") for a capital reduction and demerger dividend. It is our understanding that MLX will place cash funds into Westgold and all costs relating to employees that work on the gold business will be assumed by Westgold from MLX.

In addition, a Transitional Services Agreement will be entered into between both companies that will deal with various operational matters such as rental of premises and use of computer systems to name several. A draft of such agreement has been prepared but not finalised and executed.

- 1.3 In effect, the MLX shareholders will own 100% of MLX that will retain all assets and liabilities that relate to the non gold business and the MLX shareholders will own 100% of Westgold that will own and operate the gold business previously owned by MLX (via its then 100% shareholding in Westgold). In effect from a MLX shareholder point of view there is no underlying change in value.
- 1.4 A Notice of Meeting ("Notice") and Explanatory Memorandum ("EM") to be attached to the Notice will outline the resolution on the in specie distribution (in effect the demerger of the gold assets) pursuant to Section 256 C of TCA and the Notice is planned to be mailed to shareholders in October 2016, for a shareholders meeting in November 2016 (Resolution 1 in the Notice).

Section 256 C (1) of TCA states that "A company may reduce its share capital in a way that is not otherwise authorised by law if the reduction:

- (a) is fair and reasonable to the company's shareholders as a whole; and
- (b) does not materially prejudice the company's ability to pay its creditors; and
- (c) is approved by shareholders under section 256C".

"The reduction is either an equal reduction or a selective reduction. The reduction is an equal reduction if:

- (a) it relates only to ordinary shares; and
- (b) it applies to each holder of ordinary shares in proportion to the number of ordinary shares they hold; and
- (c) the terms of the reduction are the same for each holder of ordinary shares. Otherwise, the reduction is a selective reduction".

Section 256 C (1) - Ordinary resolution required for equal reduction.

If the reduction is an equal reduction, it must be approved by a resolution passed at a general meeting of the company.

The proposed in-specie distribution of all of the shares in Westgold to the Shareholders of MLX is in effect a capital reduction and is an equal reduction in terms of TCA.

- 1.5 To assist shareholders in making a decision as to whether or not to approve the resolution (Resolution 1) relating to the in-specie distribution of shares in Westgold (the Gold Demerger) to the MLX shareholders, the directors have requested that Stantons International Securities Pty Ltd prepare an Independent Expert's Report, which must state whether, in the opinion of SIS, the position of the MLX Shareholders if the Gold Demerger is approved is more advantageous than the position if the Gold Demerger is not approved and thus conclude whether the Gold Demerger is fair and reasonable to the MLX Shareholders and in the best interests of MLX Shareholders.
- 1.6 Our report will comply with the requirements of Regulatory Guides 60 (Schemes of Arrangement), 111 (Content of Expert's Reports) and 112 (Independence of Expert's) of the Australian Securities and Investments Commission ("ASIC"). Our general approach is to assess;
- (a) the advantage, disadvantages of the Gold Demerger proposal;
 - (b) other factors which we consider to be relevant to the Shareholders in their assessment of the Gold Demerger proposal; and
 - (c) the position of Shareholders should the Gold Demerger not proceed.

1.7 In general terms our report includes:

- An Introduction
- Summary of opinion
- Implementation of the proposals and background information
- Conclusion on the Fairness of the Gold Demerger
- Pro-forma statement of assets and liabilities
- Consideration of advantages
- Consideration of disadvantages
- Consideration of other matters
- Conclusion as to the Gold Demerger proposal
- Sources of information
- Authors Independent and Indemnity Appendix

1.8 **Summary of Opinion**

In determining the fairness and reasonableness of the Gold Demerger, we have had regard for the definitions set out by ASIC in its Regulatory Guide 111, "Content of Expert Reports". Regulatory Guide 111 states that an opinion as to whether an offer is fair and/or reasonable shall entail a comparison between the offer price and the value that may be attributed to the securities under offer (fairness) and an examination to determine whether there is justification for the offer price on objective grounds after reference to that value (reasonableness). The concept of "fairness" is taken to be the value of the offer price, or the consideration, being equal to or greater than the value of the securities in the above mentioned offer.

An offer is "reasonable" if it is fair. An offer may also be reasonable, if despite not being "fair", there are sufficient grounds for security holders to accept the offer in the absence of any higher bid before the close of the offer. In this case, there is no offer bid but we have considered other factors in determining whether the proposal (Gold Demerger) is reasonable and these are set out in section of this report.

Fairness

The value of MLX and Westgold post the Gold Demerger and the value of MLX before the Gold Demerger will remain at least the same. Therefore the Gold Demerger and the proposals outlined in the Resolution 1 are fair.

Reasonableness

We have considered the advantages and disadvantages and other factors pertaining to the Gold Demerger and the proposals outlined in Resolution 1 and conclude that in our opinion, in the absence of a superior proposal, the Gold Demerger proposal is reasonable to the Shareholders of MLX.

Best Interests

Taking into account all factors noted in this report, we are of the opinion that the Gold Demerger and the proposals outlined in Resolution 1 are, in the absence of a superior proposal, in the best interests of Shareholders at the date of this report.

2. Scope of the Report

2.1 The Gold Demerger is to be implemented pursuant to an in-specie distribution under section 265 C of the Corporations Act. If this Gold Demerger was to be implemented as a scheme under section 411 of TCA, Part 3 of Schedule 8 to the Corporations Act Regulations 2001 (Cth) (Regulations) would prescribe the information to be sent to shareholders in relation to a scheme of arrangement pursuant to section 411 of TCA. Schedule 8 of the Corporations Regulations requires an independent expert's report if:

- the corporation that is the other party to the scheme has a common director or directors with the company which is the subject of the scheme; or
- the corporation that is the other party is entitled to more than 30% of the voting shares in the subject company.

The expert must be independent and must state whether or not, in his or her opinion, the proposed scheme is in the best interests of the members of the company the subject of the scheme and setting out his or her reasons for that opinion.

There is no requirement for our Report pursuant to section 411 of TCA or pursuant to section 256C of TCA.

Notwithstanding the fact that there is no legal requirement to engage an independent expert to report on the Gold Demerger, the directors of MLX have requested that SIS prepare this report as if it were an independent expert's report pursuant to Section 411, and to provide an opinion as to whether the directors of MLX are justified in recommending the Gold Demerger in the absence of a superior proposal.

2.2 Regulatory Guidance

In determining the basis of our evaluation and opinion, we have had regard to the views expressed by ASIC in RG 111, RG 111.35 and RG 111.36 suggests that, in the case of a demerger, if there is not:

- a change in underlying economic interests of security holders;
- a change of control; or
- selective treatment of different security holders

then the issue of 'value' may be of secondary importance.

2.3 Advantages and Disadvantages

An expert should provide an opinion as to whether the advantages of the demerger outweigh the disadvantages. An expert may choose to consider whether the value of the demerged entities is greater than or less than the value of the original entity.

RG 111.37 suggests that if the demerger involves a scheme of arrangement then the expert should comment on whether or not the demerger is in the best interest of security holders.

RG 111.38 states that in a demerger, security holders will typically have to balance issues such as the benefits of a greater focus afforded to the demerged entities against increased costs and reduction in diversified earnings streams.

In determining whether the advantages of the Gold Demerger outweigh the disadvantages, we have had regard to the views expressed by ASIC in RG 111. This Regulatory Guide suggests that an opinion as to whether the advantages of a transaction outweigh the disadvantages should focus on the purpose and outcome of the transaction, that is, the substance of the transaction rather than the legal mechanism to affect it.

RG 111 sets out that the expert should inquire whether further transactions are planned between the entity, the vendor or their associates and if any are contemplated determine if these are at arm's length. RG 111 also suggests that an expert should consider whether the transaction will deter the making of a takeover bid.

2.4 Adopted basis of evaluation

RG 111 suggests that the main purpose of an independent expert's report is to adequately deal with the concerns that could reasonably be anticipated of those persons affected by the transaction. Having regard to RG 111, we have completed our Report as follows:

- an investigation into the advantages and disadvantages of the Gold Demerger (Section 5); and
- an analysis of any other issues that could be reasonably anticipated to concern Shareholders as a result of the Gold Demerger (Section 6).

3. Implications of the Gold Demerger and background Information

3.1 Currently, MLX is a company that operates in tin mining and exploration, gold mining and exploration, copper mining and exploration and exploration of other minerals such as nickel.

The Company's major divisions/projects are as noted below. We have not verified the accuracy of the information but note that most of the information was provided by MLX via Annual Reports, ASX announcements and from information contained in the EM and Annexures A and B attached to the Notice and EM.

TIN DIVISION

The Renison Tin Joint Venture

The Renison Tin project (50%) held by a subsidiary Bluestone Mines Tasmania Pty Ltd is in Tasmania ("BMT").

The other 50% interest in the Renison Tin Project is owned by YTPAH and the project is effectively run as a joint venture. Tin is produced from the Renison Tin Joint Venture and to 30 June 2016 the Renison Tin mine is cash flow positive. The Renison Tin Project is comprised of the Renison Tin Mine, the Renison Expansion Project and the Mt Bischoff Project.

As at 30 June 2016, the announced (in August 2016) tin resources (MLX share) was 137,520 tonnes of tin metal and the mineral reserves (MLX share) is 84,751 tonnes of tin metal. It has a copper by-product mineral resource of 31,965 tonnes of copper.

The JV is currently profitable and to 30 June 2016, MLX's share of the profits totalled approximately \$8.255 million (year ended 30 June 2015 approximately \$9.866 million). The JV has recently transitioned from contract mining to owner operated mining that had an initial impact on production but production is planned to increase in 2016/17 with lower operating costs.

The JV has a tin concentrator plant that to date has showed excellent availabilities and utilisation. The JV is looking to improve overall head grade and tin metal entering the tin concentrator circuit by applying modern ore sorting technology to remove intercalated gangue and ore dilution from the mill feed.

The Renison Tin Mine has a Total Mineral Resource Estimate of 11.5Mt at 1.44% tin, containing 166Ktn of tin metal with a Total Ore Reserve Estimate of 5.7Mt at 1.28% tin, containing 73Ktn of tin metal.

Renison Expansion Project (“Rentails Project”)

The Renison tin concentrator has generated a significant quantity of process tailings accumulated over its lifetime of operation. The Rentails Project aims to re-process and recover tin and copper from the tailings by the application of modern processing technology in flotation, gravity and tin-fuming methods. A Definitive Feasibility Study (“DFS”) of the mining and re-processing of the tailings for the project was completed in 2009. The DFS concluded that a 10-year project could be established using an integrated 2mtpa tin concentrator and tin-fumer plant could be constructed to produce approximately 5,300 tonnes of tin and 2,000 tonnes of copper contained in concentrate per annum.

The Project partners continued to review the development options for the Rentails Project including the re-assessment of the technical and construction parameters of the tin fumer plant with a view to lowering the capital cost and efficiency of the process.

The Rentails Project has a Total Mineral Resource Estimate of 22.5Mt at 0.45% tin containing 100Kt of tin metal with a Total Ore Reserve Estimate of 21.6Mt at 0.455 tin containing 97Kt tin metal.

Mt Bischoff Project

The Mt Bischoff Project is located approximately 80km north of the Renison mine. Mt Bischoff was a significant historical tin operation, producing some 60,000 tonnes of tin metal since the late 1800’s. Open pit mining by Metals X between 2009 and 2011 produced a further 5,000 tonnes of tin metal before the initial open pit mine was depleted. Whilst the mine remains on care and maintenance, significant resources remain at depth and numerous historically mined areas remain underexplored and offer future development opportunity at higher tin prices.

The Mt Bischoff Project has a Total Mineral Resource Estimate of 1.7Mt at 0.54% tin, containing 9 Ktn of tin metal.

NICKEL DIVISION

The Wingellina Project (100%)

Not yet in production. This project could also produce cobalt and ferrous oxide. Probably a joint venture partner will be required due the estimated high capital costs. Total mineral reserves are estimated at 215.8 million tonnes at 0.91% nickel, 0.7% cobalt and 44.3% ferrous oxide. The total reserve is 168.4 million tonnes at 0.93% nickel, 0.07% cobalt and 45.6% ferrous oxide.

Metals X’s nickel strategy remains focused on 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-Fe rich limonite deposit, the similar Claude Hills deposit and the Mt Davies exploration prospects. The project encompasses a large tract of prospective exploration tenure encompassing the whole of the Wingellina layered intrusive sub-set of the Giles Complex rocks in Western and Southern Australia. The key focus of the Nickel division is to bring the Wingellina Nickel-Cobalt Project into production.

The Board had previously reached a decision to defer the expenditure on the updated feasibility due to the continuum of a depressed nickel market.

Whilst the engineering works for an updated feasibility study by HPAL (high pressure acid leach) technology has been halted, Metals X continues to use its internal resources to complete other long lead-times studies required for the DFS, including infrastructure, roads, rail and ports studies.

The final the Public Environmental Review ("PER") document was completed and approved by the Environmental Protection Authority ("EPA") for release to the public for an 8-week review period in September 2015 and ended in November 2015. The final EPA report and recommendations were published in late June 2016 for a 14 days public review process. Metal X has been advised that there were no appeals received and that the general conditions of the approval have been finalised. Final approval by the Environmental minister (subject to general conditions) was received on 1 September 2016.

Interaction with the State and Federal Governments in relation to infrastructure requirements within Central Australia continued during the period. An application has been submitted to the Northern Territory ("NT") Government to obtain "Significant Project Status" for the road and gas infrastructure, which will result in further cooperation by the territory. The NT major Project Group sub-committee recommended that the project be presented to NT cabinet and although major project status was not received, the significant economic benefits to NT were recognised and as such the Government has assigned resources to the project to help realise these benefits. Strong support from the other states and Commonwealth is ongoing.

Metals X continues to discuss development options using alternate technology and scales which have significantly changed the game in this lower nickel price environment.

Within the CMP, Total Mineral Resource Estimates (0.5% cut-off) of the nickeliferous limonite are 215.8 Mt at 0.9% Ni, 0.07% Co and 44.29% Fe₂O₃ containing 2.0Mt nickel metal.

The Claude Hills Project

Not yet in production. This project is adjacent to the Wingellina project and has a Total Mineral Resource Estimate (0.5% cut-off) of 33.3Mt at 0.81% Ni, 0.07% Co and 39% Fe₂O₃.

COPPER DIVISION

Nifty Copper Operations

MLX acquired the Nifty Copper Operations via the takeover offer for all of the shares in Aditya Birla Mineral Limited ("ABY") and completion of 100% of the shares in ABY occurred in late August 2016.

The Nifty Copper Operation ("Nifty") produces a clean copper concentrate which is shipped to the Hindalco copper smelter in India for refining. There is currently an agreement to sell the concentrates to Hindalco Industries Limited.

The Nifty operation is an underground copper sulphide mine with an associated 2.5Mtpa copper concentrator. Site infrastructure is extensive, including a powerhouse, camp and airfield. Processing of sulphide copper ore is by conventional comminution, grinding and flotation to produce a copper concentrate. A concentrate storage facility is located at Port Hedland where concentrate is accumulated before shipping.

The historic open pit operation mined oxide, transitional and chalcocite (a secondary sulphide) copper ores from which copper cathode was recovered by heap leaching and SXEW methods. Open pit mining operations ceased in June 2006 and heap leach operations ceased in January 2009. The underground mining operation, to exploit the primary chalcopyrite rich ores, commenced in December 2005 with the 2.5Mt processing facility being commissioned in March 2006.

Nifty Copper Operation Production and Unit Costs for Financial Year ended 31 March 2016 as reported by Aditya Birla in their Annual Report for the Year Ended 31 March 2016

Measure	Unit	FY to 31 March 2016
Concentrate Operations:		
Mining		
Ore Mined	Tonnes	1,582,452
Grade	%	2.10%
Contained copper	Tonnes	33,272
Processing:		
Ore Processed	Tonnes	1,601,110
Grade	%	2.10%
Copper Contained in Ore Processed	Tonnes	33,576
Recovery	%	95.60%
Concentrate produced	Dry Tonnes	137,311
Concentrate grade	% Cu	23.38%
Copper in Concentrate Produced	Tonnes Cu	32,098
Total Copper Sales	Tonnes	36,826
Nifty C1 cost (excl. suspension period)	A\$/lb Cu	2.62

At 31 March 2016 Nifty had a Mineral Resource estimate of 31.1 million tonnes at 1.73% copper containing 539,000 tonnes of copper metal. The Ore Reserve subset of this resource is estimated at 5.24 million ore tonnes grading 1.85% copper and containing 97,000 tonnes of copper metal.

Maroochydhore Project

The Maroochydhore Project is located 90 km from the Nifty Copper Operations and manifests as a large copper oxide and secondary chalcocite blanket of mineralisation. Drilling defined a small amount of copper sulphide mineralisation at depth, although this is sparsely drilled and inadequately defined. The oxide and secondary sulphide (chalcocite) blanket has an estimated total mineral resource estimate (0.5% cut-off) of 43.2 million tonnes at 0.91% copper and 391ppm cobalt. The deeper copper sulphide zone is categorised as an Inferred Mineral Resource of 5.43 million tonnes at 1.66% copper and 292ppm cobalt above a cut-off of 1.1% copper, containing approximately 90,000 tonnes of copper (ASX:ABY 30 April 2014). Geophysical modelling of high resolution aeromagnetic data suggests that the Maroochydhore deposit lies within a north-trending structural corridor and that a possibility exists for a structural repetition of the mineralised horizon to occur to the west of the resource area. Primary copper sulphide mineralisation remains open along-strike and down-dip.

INVESTMENTS

MLX as at 30 June 2016 has the following share investments:

Loan to Southern Gold Limited, an ASX listed company of \$2,104,458 and the interest chargeable is 8% pa;

Loan to Mongolian Resource Corporation Limited ("MRC") an ASX listed company of \$392,758 and the interest chargeable is 10% pa. In addition, MLX owns 14.76% of MRC but MRC is currently suspended from trading on ASX and thus the carrying value of the share investment in MRC has been reduced to \$nil;

MLX owns 1.22% of RNI NL ("RNI") an ASX listed company. The 30 June 2016 carrying value of the share investment in RNI has been reduced to \$195,000 and as 30 September 2016 has a value of approximately \$175,000; and

MLX owns 7.10% (now approximately 7.00%) of Brainchip Holdings Limited ("Brainchip") an ASX listed company. The 30 June 2016 carrying value of the share investment in Brainchip was \$7,292,444 based on a Brainchip share price of 14 cents (the 30 September 2016 share price is 22.0 cents for a value of approximately \$11,459,000).

GOLD DIVISION (the division the subject of the Gold Demerger)

The chief entity of the gold division is Westgold (100% owned by MLX) and Westgold via various subsidiaries and joint ventures owns the following gold projects:

- Higginsville Gold Operations and exploration (100%);
- South Kalgoorlie Gold Operations and exploration (100%);
- The Central Murchison Gold Project and exploration;
- Cannon Gold Mine (50% profit share) - via a financing and profit sharing agreement with Southern Gold Limited;
- Fortnum Gold Project (100%) (not yet in operation) and exploration; and
- The Rover Project. The Rover Project - an exploration asset in the Northern Territory (100%) – this is a potential project that has resources of gold, copper, cobalt, silver and bismuth.
- Other Exploration Assets in the Northern Territory.

Westgold owns the shares in various wholly owned subsidiaries that own three operating gold projects, four processing plants with 5 Mtpa combined capacity and has gold resources of approximately 15.4 million ounces and ore reserves of approximately 2.89 million ounces as at 30 June 2016. This excludes the 381,000 ounces of gold resources at the Rover 1 Project (as a co-product as the primary metals are copper and cobalt). The Westgold Group currently produces at a run rate of 250,000 ounces pa and has plans to double this over the next few years.

The Higginsville Gold Operation ("HGO")

HGO is centred around the main infrastructure of a modern 1.3Mtpa CIP plant and its infrastructure, and a 300 person village. During the period the Company acquired the Mt Henry Gold Project south of Norseman which will be integrated with HGO.

Mining at HGO during the period was from the Trident underground mine and a group of open pits.

Production from the Trident underground mine during the period was from lower ore zones in the pinch-out of the Artemis Helios lodes. The lower grades and some challenging mining and paste filling aspects impacted productivity and costs for the Trident underground mine. Exploration has successfully delivered extensions to the Trident ore system, however, increasing depth, erratic grade distribution, increasing ventilation and royalty imposts have created a situation where the group is reviewing the timing of future capital development in the mine.

Open pit mining progresses as planned with the deeper parts of Napoleon giving way to slower ore production. During the period mining at the Fairplay open pit also commenced. In September 2015 HGO acquired the Mt Henry Gold Project which is located approximately 70 km south of HGO. The Mt Henry Gold Project consists of three main deposits, namely Mt Henry, Selene and North Scotia, all of which are simple open pit mining propositions. Work has commenced to integrate this project into HGO. Mining commenced in August 2016 with bulk- tonnage lower grade open pit ores being carted 70 km to HGO for processing.

HGO has a Total Mineral Resource Estimate of 33.6Mt at 2.04 g/t Au, containing 2.2Moz of gold with a Total Ore Reserve Estimate of 7.6Mt at 1.78 g/t, containing 433Koz of gold.

The South Kalgoorlie Operation (“SKO”)

The SKO operations are centred upon an older 1.2 Mtpa CIP plant and infrastructure. Numerous open pits underground deposits have previously been mined within the tenement area since the late 1980’s.

The main focus of SKO during the period continued to be the HBJ underground mine which remained in a capital development phase for half of the period. HBJ underground mine transitioned to a production phase which significantly improved its physical and financial outputs. The smaller amounts of development ore from HBJ underground mine was blended with existing low-grade stocks and ores from small low grade open pits.

Mining commenced in 2015 at the Stage 1 Cannon open pit mine which is subject to a mine financing and profit sharing agreement with Southern Gold Limited (“SAU”) for the development of the Cannon open pit mine and potential underground mine at Bulong. Under the agreement, SKO operates and manages the mine. Ore is batch processed in parcels of approximately 40,000 tonnes through the SKO process plant. The first batch of ore was successfully processed through the SKO process plant in November 2015. All proceeds from the sale of the Cannon production goes first to repay all costs incurred by the project and SKO has the right to a 50% share of all surplus profits. During the period to 30 June 2016 163,827 tonnes were processed at a grade of 2.50 g/t to produce 12,074 ounces.

In July 2015 SKO acquired the George’s Reward Project which has an adjoining lease boundary with the cannon open pit. The existing agreement with SAU was extended to allow the mining of a larger open pit across combining the cannon (50% profit share) with George’s Reward (100% MLX owned). Mining of the larger open pit commenced in November 2015.

In June 2016 SKO acquired the Gunga Project which will provide an alternate ore source at the end of the cannon campaigns.

SKO has a Total Mineral Resource Estimate of 50.9Mt at 2.27 g/t, containing 3.7Moz gold with a Total Ore Reserve Estimate of 2.3Mt at 2.60 g/t, containing 192Koz of gold.

The Central Murchison Gold Project (“CMGP”)

The CMGP is centred upon the refurbished 2.0 Mtpa process CIP plant (Bluebird process plant) and associated infrastructure. The project has numerous open pit and underground production options.

The overall consolidated CMGP project area has a number of historic gold mining centres and an aggregated gold production of nearly 10 million ounces. These include the Day Dawn, Cuddingwarra, Bog Bell, Reedy, Nannine, Yaloginda, paddy’s Flat and Meekatharra North gold mining centres with the bulk of historic production being sourced from a handful of larger underground mines.

The Bluebird process plant was commissioned on a campaign basis in October 2015 on open pit and low grade stockpile ores. Successful optimisation of the process plant continued during the period.

The Company acquired a new 260 person village at Cue to serve the southern operations and re-work the large Big Bell mineral resource at a higher cut –off grade to enable a better financial outcome for the planned underground mine.

Open pit mining commenced in June 2015. Open pit mining during the period was at Whangamata, Batavia, Jack Ryan, Callisto, Bluebird and Surprise West. Open pit mining in the ensuing period will be at Jack Ryan, Callisto, Bluebird, Surprise, Anarchist, Rhens Hope, Mickey Doolan, Gibraltar, Aladdin and Culiculli.

Underground mining at Paddy's Flat commenced in mid-October 2015 with the decline now being well established. The Company has completed the transition to stopping on both the Prohibition and the Vivien-Consols lodes and monthly production is now at steady state levels with both lots of stope grades reporting positive reconciliations against pre-mined estimates.

Dewatering at Big Bell underground commenced with re-access to the old portal expected late in the 2016 calendar year. A revised development plan using the higher cut-off resource estimate was completed. When operational, Big Bell will become the cornerstone production feed for the CMGP providing approximately 50% of long-term mill feed and over 80,000-100,000 ounces per annum to overall output.

A development plan to commence underground mining at the Comet mine near Cue commenced and submissions for statutory approvals have been lodged. Comet is expected to provide a bridge production feed whilst Big Bell is re-established and builds its production rates.

The CMGP has a Total Mineral Resource Estimate of 108.7Mt at 2.21 g/t, containing 7.7Moz of gold with a Total Ore Reserve Estimate of 22.8Mt at 2.63 g/t, containing 1.9Moz of gold.

The Fortnum Project

In October 2015 the Company acquired the Fortnum Gold Project ("FGP") (previously referred to as Grosvenor) from RNI NL. The FGP is centred upon the historic mining centres of Labouchere, Fortnum, Horseshoe and Peak Hill. A 1.0M tpa CIL plant, a 100 person village and all the plant and infrastructure required to operate the project is in place but in need of re-permitting and refurbishment before production can recommence.

Metals X has taken over the operations and significant progress toward a re-start of gold operations at FGP was made during the period with the release of the initial five year development plan (refer ASX announcement 15 July 2016).

This plan concluded a robust and low-capital risk start-up plan for the project. The key outputs of the initial five year plan are summarised:

Capital and infrastructure refurbishment cost	A \$15 million (incl. contingency)
Refurbishment time-frame	16 weeks

Initial Ore Feeds	
Existing Low Grade Stocks	1.1 million tonnes @ 1.1g/t
Planned Open Pits	4.4 million tonnes @ 1.9 g/t
Planned Underground Mining	560,000 tonnes @ 4.1 g/t
Sub-total	5.4 million tonnes @ 2.2 g/t (338,500 oz)

Average Cash Operating Cost	A\$ 66 per tonne or A\$1150 / ounce
All in Cost	A\$ 76 per tonne or A\$1280 / ounce
Estimate NPV 8%	A\$ 180m
Estimated IRR	90%
Simple payback (including acquisition)	2 years

There remains significant opportunity to upscale and accelerate the project ramp-up by taking a more aggressive development approach, however this would require higher upfront capital development. Significantly, longer mine life exists beyond this initial five year plan from known resources which require more validation and drilling, especially the Peak Hill region which is yet to be considered in the development strategy.

The FGP has a Total Mineral resource estimate of 29.7 Mt at 1.84 g/t, containing 1.75 Moz of gold with a Total Ore Reserve Estimate of 5.4Mt at 1.95 g/t, containing 339Koz of gold.

The Rover Project

The Rover Project is a postulated undercover repetition of the rich Tennant Creek goldfield 80km to the north-east. Exploration to date has so far fully tested a small number of anomalies and significant mineralised IOCG ("Iron Oxide Copper Gold"). systems have been discovered at the Rover 1 and Explorer 142 prospects. In addition significant lead-zinc-silver discovered have been made at explorer 108 and recently at the Curiosity Prospect its south.

The Rover 1 Prospect is a virgin IOCG discovery and has a Total Mineral resource Estimate of 6.8 Mt at 1.73g/t Au, 1.2% Cu, 0.14% Bi and 0.06% Co although drilling is continuing. The Explorer 108 prospect has a Total Mineral Resource Estimate of 11.9Mt at 3.24% Zn, 2.00pb and 11.14g/t Ag.

The project area is proximal to a major infrastructure corridor adjacent to Central Australian Railway, gas pipeline and Stuart Highway.

Work in the Tennant Creek district continues to be focused on defining the optimal development pathway for the Rover 1 deposit including the additional drilling into a postulated second bonanza gold and copper zone sitting between the 600m and 800m vertical depth. Drilling during the period successfully outlined this zone with spectacular results.

Exploration Assets (owned by Castile Resources Pty Ltd, a subsidiary of Westgold)

- The Explorer 108 Project – has a small resource of lead, zinc, copper and silver;
- The Explorer 142 Project – has a small resource of copper and silver;
- Interest in a potential lithium royalty at Mt Marion (from Neometals Limited);
- The Warumpi Joint Operation.

Warumpi Joint Operation

Warupmi is a significant grass roots exploration play within the prolific basement rocks of the West-Arunta province in the Northern Territory. These rocks have recently been identified as being geologically, tectono-thermally and temporally similar to Proterozoic basins in Eastern Australia that host five of the world's ten largest stratabound Pb-Zn deposits (Broken Hill, Hilton-George Fisher, Mount Isa, MacArthur River and Century). Metals X is undertaking the first modern exploration program in this highly underexplored region.

In the previous period on ground reconnaissance discovered an outcropping gossan at the Huron Prospect with rock chip results at surface returning results up to 120g/t Ag, 9.89% Cu and 4.73% Zn (WR0343). Further reconnaissance revealed a cluster of gossanous outcrops with high anomalous base and precious metal results (silver, copper and zinc). Infill sampling surrounding this zone was completed with results returning up to 182g/t Ag (WR0373), 7.72%Cu (WR0373) and 8.55% Zn (WR0351) (announcement ASX:MLX 22 December 2014). Metals X has been negotiating access arrangements for further exploration.

In addition Metals X acquired all residual interests in the project during the period to 30 June 2016 and now owns the prospects outright.

Summary

Further details on the operations and assets of the MLX Group pre Gold Demerger are summarised in the EM and Annexures A and B attached to the Notice and in

announcements made by MLX to the ASX over the past six months and to the date of this report. In particular Section 4 and Annexure A outlines further information on the Westgold Group.

The Structures of the MLX Group (without the Westgold Group) and a summary of the Westgold Group post Gold Demerger is outlined in Section 8 of the EM.

In addition, Section 5.3 of the EM outlines a pro-forma statement of financial position of Westgold post the Gold Demerger (Section 5.5 outlines the adjustments made to arrive at the pro-forma statement of financial position).

Furthermore, Section 7.3 of the EM outlines a pro-forma statement of financial position of the MLX Group post the Gold Demerger (without the Westgold Group) (Section 7.4 outlines the adjustments made to arrive at the pro-forma statement of financial position).

- 3.2 As at 28 August 2016 there were 592,164,090 ordinary shares on issue (after the issue of 68,000,000 shares at \$1.48 to raise a gross \$100,640,000 and a net approximate \$95.514 million). In addition, on 29 August 2016, 3,654,343 shares in the Company were issued to complete the compulsory acquisition of ABY. The Company has completed a Share Purchase Plan to raise a gross \$14,998,862 at \$1.48 per share (a further maximum 10,134,315 shares were issued on 8 September 2016) to take the shares on issue to 605,952,748.

Furthermore, there are 1,637,020 Performance Rights expiring 1 July 2017 and 1,751,135 Performance Rights expiring 1 July 2018. We have been advised that the Company will allow the Performance Rights to vest as a result of and subject to shareholders approving the capital reduction and thus a further 3,388,155 ordinary shares are proposed to be issued prior to the Gold Demerger.

Thus, the maximum number of shares that may be on issue in MLX immediately prior to the Gold Demerger may be 609,340,903.

It is proposed that approximately 304,670,452 shares that MLX will own in Westgold will be distributed to the shareholders of MLX via, the in-specie distribution and thus the MLX shareholder will own approximately 304,670,452 shares in Westgold that will represent 100% of the issued capital of Westgold.

- 3.3 Under the Gold Demerger, the Company proposes to advance approximately \$110,000,000 to Westgold as a loan but as part of the Gold Demerger the loan and all other loans due by the Westgold Group to MLX will be forgiven and/ or capitalised by MLX so that immediately prior to and immediately after the Gold Demerger:
- MLX will own 100% of Westgold but would reduce to nil post implementation of the Gold Demerger;
 - Westgold will owe no loans to MLX;
 - Westgold will have cash funds of approximately \$110,000,000;
 - Westgold will assume all employee and various consultant liabilities along with provisions for rehabilitation relating to the gold mining tenements;
 - Westgold will have entered into a Transitional Services Agreement whereby Westgold agrees to pay MLX fees in relation to various services as noted elsewhere in this report.
- 3.4 Post the Gold Demerger, MLX will still be a public listed company and will operate the tin, nickel and copper operations and exploration activities. The reduced MLX Group will have cash funds of approximately \$50,000,000 (using 30 June 2016 figures adjusted for the net capital raising in August 2016, including the SPP and allowing for the cash reserves of ABY) and only be responsible for employees and consultants that are involved in the tin, nickel and copper operations (plus a head office staff).

MLX is entering into a Transitional Services Agreement with Westgold for an initial period of 1 year (may vary by agreement). MLX will receive fees from Westgold in relation to:

- Accounting function (including payroll)
- Treasury management
- Administration (including company secretarial)
- Management (ad hoc on particular Westgold transactions)
- Tax support (various tax returns)
- Technical support
- Investor relations
- Information technology and
- Serviced office facilities.

3.5 On completion of the Gold Demerger, Westgold will, subject to meeting ASX Listing Rules, become a listed company. The shareholders of MLX will also become the shareholders of Westgold. Westgold will retain the Gold Division and MLX will retain all base metal projects and other investments.

3.6 In effect, in theory there is no change in value to a current MLX Shareholder as collectively they will own 100% of MLX (with all metal divisions except the gold division) and will own 100% of the shares in Westgold (that will continue to own and operate the Gold Division).

3.7 The structure of the Gold Demerger is such that a portion of the cash funds raised from the recent capital raising of \$106.4 million and SPP (approximately \$15 million) is transferred to Westgold (approximately \$110 million is to be transferred to Westgold) and MLX will transfer all of the shares in Westgold to the shareholders of MLX via an in-specie distribution of capital and thus the MLX shareholders will also be Westgold shareholders in equal proportions. Thus, the value of MLX before the Gold Demerger should be the same as the value of MLX and Westgold combined after the Gold Demerger. The only differences are Gold Demerger costs totalling approximately \$1,030,000 as noted below.

Some Gold Demerger costs will be incurred that would not normally be incurred if the Gold Demerger did not take place. Any costs incurred as a result of the Gold Demerger can reasonably expected to be compensated by an increase in the value of Westgold shares due to the appetite the market currently shows for pure gold play companies.

The estimated costs of the Gold Demerger are estimated at \$520,000 to be incurred by MLX and a further \$510,000 to be incurred by Westgold (including ASX listing fees).

3.8 A comparison was made with 13 other gold producing and exploration companies listed on the ASX and share prices were noted at 1 March 2016 and 22 August 2016. All companies had significant share price increases with a low of 13.36% and a high of 211.2% with an average increase during the period of approximately 47.34% (39.92% removing two high increases over 150% and 28.89% removing increases over 65%). The increases to a large extent follow the increase in gold price as noted in the charts below (AUS and US dollar prices of gold) as sourced from Gold Bullion Australia.



Source: Gold Price Org on 4 September 2016

As can be seen the values of gold focused companies listed on ASX have increased over the past 6 months (following increase in gold prices).

It should be noted that there is no guarantee as to the market capitalisation of Westgold (and MLX) post Gold Demerger.

4 **Conclusion on fairness of the Gold Demerger**

4.1 The MLX Shareholders collective interest in MLX will still be the same (estimated at up to 609,340,903 shares and the MLX Shareholders will post Gold Demerger own approximately 304,670,452 shares in Westgold. The ratio under the in-specie distribution is one new Westgold Share for every 2 MLX Shares. In effect, all MLX Shareholders will still own the same percentage in Westgold as they do in MLX and as noted above the combined value of MLX and Westgold post the Gold Demerger is the same as the value of MLX pre the Gold Demerger.

4.2 **On such a basis, the Gold Demerger would be fair to the shareholders of MLX.**

5. Advantages and disadvantages of the Gold Demerger

In accordance with our evaluation, we have investigated other significant factors to which MLX Shareholders might give consideration to prior to approving the Gold Demerger. The matters we have considered are outlined below.

Advantages of the Gold Demerger

- 5.1 The Gold Demerger is fair. As noted above, we have assessed the Gold Demerger proposal to be fair to the MLX Shareholders. ASIC Regulatory Guide 111 states that "an offer is reasonable if it is fair".

5.2 Dedicated Gold Producer and Explorer

The exploration and development of gold is currently in favour with investors. By demerging, Westgold may add portfolio value because the demand for a gold only company may exceed the demand for a company with diversified mineral assets that includes gold.

This means that the Westgold shares that MLX Shareholders receive as a result of the Gold Demerger could increase in value beyond that ascribed by the ASX as the initial listing price. However, MLX Shareholders would only realise this potential increase in value if they sold their Westgold shares.

We note several research papers of 9 August 2016 by independent research houses that cover MLX and they noted that in their opinion, MLX is undervalued and effectively compared with "pure gold based companies", MLX ascribes little value to the non-gold assets and believe that on a post Gold Merger basis, investors will re-rate both MLX (as a base metal company) and Westgold (assumes listing on ASX of Westgold) as a gold production and gold exploration company. The research houses consider that MLX is currently undervalued by the market and part of the reason is due to the diversified nature of MLX's portfolio whereby it has not attracted the "gold premium" seen elsewhere with gold producers. The estimated price/net asset backing of MLX post the August capital raising and SPP and allowing for the completion of the acquisition of all of the shares in ABY approximates 94 cents (approximately 83 cents before consolidating ABY). Post the Gold Demerger, the book net asset backing of the Westgold Group will approximate 45.16 cents (net book value approximately \$275,179,000) whilst the median price/net asset backing for a basket of Australian gold producers approximates 97 cents with a number over \$1. Pre the Gold Demerger, the net book assets of the Westgold Group approximated \$104,111,000.

The book net asset backing of the MLX Group post the Gold Demerger will approximate 44.20 cents and the net assets will approximate \$269,324,000 (pre Gold Demerger, approximately \$576,653,000).

5.3 Less complexity

Currently MLX maintains a diversified portfolio of mineral assets (refer above under section 2). Each of these assets are at different stages of development and require different strategies for future exploration or increase in output.

By separating the gold assets (Gold Division) from the other mineral assets (mainly tin, copper and nickel) via the Gold Demerger, MLX and Westgold will be able to concentrate on developing assets with similar properties (MLX would not need to spend time on the Gold Division and can concentrate on tin, nickel and copper projects).

This means that the resources of each company can be better concentrated on assets of similar properties or in the case of MLX resources not diverted to gold assets. As a result, it may be possible for each company to progress or improve projects quicker than if they operated as a single entity.

5.4 Choice of investment/ Shareholder flexibility

By demerging the gold assets of MLX and providing shareholders with direct ownership of shares in Westgold, shareholders have been provided with an opportunity to realise part of their investment if they only invest in gold or other mineral assets of MLX.

Shareholders can decide as to whether they wish to be exposed to base metal projects (excluding gold) some of which are in production (tin and copper) or choose to only invest in a gold focused company (some projects in production and others planned for production). Alternatively they can choose to keep both investments and retain exposure to gold via Westgold and other base metals via MLX. This provides shareholders with the flexibility to structure their portfolios as they see fit.

5.5 Suitable and focused management teams

Westgold will be led by Peter Cook a current executive director of MLX. Peter is a qualified geologist with over 30 years experience in the fields of exploration, project, operational and corporate management of mining companies and has served on other public listed and unlisted companies some of which were gold focused (including Westgold since March 2007 and Pacific Niugini Limited since August 2009).

A separate Board of Directors will steer Westgold and MLX will have its own Board, including Warren Hallam who is currently an executive director and a qualified metallurgist. The new Board members for Westgold as noted in the EM bring to Westgold years of mining and corporate experience.

In addition, the current management team that has run the Gold Division and all current employees on gold operations will continue to work in the Gold Division and thus there is no loss of experience. The current management team and employees of MLX who work on non gold projects will continue to be employed by MLX.

5.6 Dedicated funding

As part of the Gold Demerger, Westgold will be funded by way of a transfer of cash funds recently raised by MLX in August 2016. Approximately \$110 million will be provided to Westgold. In a document released to the ASX on August 2016, MLX noted the following:

	\$MIL
Cash funds as at 30 June 2016 (estimated)	73.0
Proceeds from Placement	100.6
Pro-forma	173.6
Potential additional funds from SPP	15.0
Potential cash funds post SPP	188.6
Fortnum Gold Project and Peak Hill evaluations (gold)	(25.0)
Mt Henry and Higginsville Plant modifications (gold)	(15.0)
Comet Underground Mine (pre-production) (gold)	(8.0)
Great Fingall- Stage 1 (pre-production) (gold)	(20.0)
Big Bell Rehabilitation and Pre Production (gold)	(35.0)
Nifty Capital Mine Development (copper)	(10.0)
Nifty Exploration Drilling (copper)	(5.0)
Cash Reserves	70.6

By taking control of ABY in August 2016, the Company gained cash of approximately \$50 million (based on unaudited consolidated statement of financial position of ABY as at 30 June 2016). This figure is included in the estimated opening cash funds as at 30 June 2016.

The preliminary cash flow forecasts for 2016/17 indicate that capital expenditure relating to the Westgold Group may approximate \$96.5 million and approximately \$36.5 million for the MLX Group without the Westgold Group.

\$110 million has been allocated to the Gold Division and the balance of cash funds will remain in MLX. Both companies in the short to medium term should have sufficient working capital. If a development of a new gold mine (by Westgold) or a new base metal mine (by MLX) is to proceed to completion of construction, further capital may need to be raised by either or both companies.

To illustrate the importance of funding, we have set out the cash/gold position of various gold focused companies and the market capitalisation as at 30 June 2016:

Company	Cash \$m	Market capitalisation
Regis Resources	123.3	\$1.709 B
Evolution Mining	17.3	\$3.421 B
Northern Star	315.3	\$2.966 B
Ocean Gold	103.8	\$3.112 B
Perseus Mining	166.0	\$522.4 M
Ramellius	49.7	\$206.7 M
Troy Resources	12.5	\$181.8 M
Silverlake Resources	42.6	\$259.4 M
Millenium Mining	20.8	\$113.50 M
St Barbara	137.0	\$1.460 B
Beadell Resources	30.9	\$400.9 M
Resolute Mining	102.0	\$824.5 M

Source: ASX and announcements by various companies and SIS.

As can be seen from the above table, the level of funds available covers a wide range of companies with different market capitalisations, which is a product of company specific factors.

The exploration budget for the Westgold Group based on the cash available extends to 30 June 2017. This will enable Westgold to potentially enhance the value of the gold assets prior to undertaking any further capital raisings or debt raisings. This insulates the shareholders from potential dilution in the short term.

It is noted that based on the estimated cash on hand (refer above), the market capitalisation of MLX approximates \$819 million using a share price of \$1.345 as at 12 September 2016 and approximately \$917 million as at 30 September 2016. As at 11 October 2016, based on a share price of \$1.325, the market capitalisation approximated \$807 million. It is indeterminable as to what the share price and market capitalisation of MLX and Westgold will initially be immediately post the Gold Demerger.

5.7 Potential takeover target

If the Gold Demerger is implemented, the separation of Westgold from MLX may create an opportunity for potential acquirers to access Westgold as a stand-alone entity, which would not otherwise be available.

In addition, newly demerged entities are often identified by the market as potential takeover targets. Any takeover of Westgold would likely involve an acquirer paying a premium for control of the Westgold assets, which may not be factored in to any takeover of the entire of MLX alone (and which may even be factored in as a discount to the offer price by an acquirer, if the Westgold gold assets are unwanted).

Disadvantages of the Gold Demerger

5.8 Market unpredictability

It cannot be predicted how the market will react to the Gold Demerger. A fundamental change in the structure of MLX could have adverse effects on the share prices of MLX and Westgold.

When valuing a company, an assumption is that the market and market participants value that company similarly. In reality market participants use different methods and different reasons for valuing shares in a company. This means that when a company undergoes significant changes its shareholders and potential shareholders will assess individually the effect this change will have on the value or potential value of their shares. Therefore, the value one shareholder places on an MLX share will be different to the value another shareholder places on an MLX or Westgold share.

This means that the share price for MLX and Westgold following the Gold Demerger may fall if shareholders or potential shareholders conclude that one or both of these companies is overvalued. There is also an inherent risk that market factors outside the control of MLX or Westgold may affect the share prices of MLX and Westgold.

5.9 Increased transaction costs

Following the Gold Demerger and based on the theory for the issue of shares discussed in this report, a shareholder will need to sell 1 MLX share and 1 Westgold share in order to realise the same value that could have been achieved through the sale of 1 MLX share before the Gold Demerger. This means that shareholders may be required to pay the transaction costs associated with selling shares in two different companies instead of one.

5.10 Loss of synergies/increased on-going costs

The Gold Demerger will result in the creation of a new ASX listed entity with its own separate management structure. It is likely that some additional costs will be incurred by Westgold, as a result of the need to maintain its own board of directors, share register, and corporate and administrative functions. We note that if the Gold Demerger proposal was not available there would not be substantial reductions in overheads as the exploration staff would be still working on the various metal projects.

Westgold will also incur one-off listing expenses and adviser fees of approximately \$510,000 to list on the ASX in addition to those incurred in undertaking the Gold Demerger.

5.11 Reduced liquidity

MLX's shares display a high level of liquidity, with over 100% of the issued capital trading in the 12 months prior to the announcement of the Gold Demerger proposal. It is likely that due to the reduction in size of the entity, and the focus on gold assets by Westgold that the liquidity of Westgold may be less than that currently exhibited by MLX.

5.12 Reduction in size

MLX as at 11 October 2016 has a market capitalisation of approximately \$807 million. MLX is also a member of the ASX 300 index which means that there is a degree of institutional shareholder support for the Company. Westgold will be significantly smaller than MLX as it now stands and as such, may not be as attractive an investment to some institutional investors who follow indices as MLX prior to the Gold Demerger. The reduced scale may also make it more difficult for Westgold to access debt or equity funding in comparison to MLX, but, as noted above Westgold will have adequate funding with approximately \$110 million for working capital purposes. Offset against this is that equity and debt raisings for gold focussed companies is generally less complex than cash raisings for non gold mineral projects. Furthermore, as noted elsewhere in this report, many investors prefer to have investments in pure gold play companies (yet at the same time MLX Shareholders will still own MLX with the non-gold assets and own Westgold with all the gold assets).

6. Other Considerations

6.1 Alternative Proposal

We are not aware of any alternative proposal that might offer shareholders of MLX a premium over the value ascribed to that resulting from the Gold Demerger.

6.2 Consequences of not approving the Gold Demerger

If the Gold Demerger is not approved, the directors of MLX will continue to develop a large spread of mineral assets, rather than concentrating on mineral specific assets. This may cause delays in the development of assets.

6.3 Tax implications of the Gold Demerger

The tax implications for MLX Shareholders as a result of completing the Gold Demerger is set out in Section 9 of the EM attached to the Notice and should be considered by MLX Shareholders in making their assessment in light of personal circumstances.

All tax losses of the MLX Group remain with MLX. Currently, MLX is in a tax consolidation regime but once the Westgold Group leaves the MLX tax consolidation group, all losses that individual companies in the Westgold Group had would be lost. Currently some losses were utilised by MLX to reduce tax payable. This may result in tax being paid earlier than normal as tax losses of the Westfield Group (at least to 30 June 2016) are not available to be used by the Westgold Group in future years. It is expected that the Westgold Group of companies will enter into their own tax consolidation group.

The pro-forma statement of consolidation of the Westgold Group has noted a non-current deferred tax liability of \$32,149,109.

6.4 Value created by demergers

We have considered analysis of the value created by demergers historically. The general rationale of a demerger is based on the theory that the market does not attribute value to the diversification of assets held within a corporate portfolio unless there is a clear strategic purpose or substantial synergies that can be illustrated are available. In our view the data set is limited and the conclusions that can be drawn are not definitive. However, several research analysts covering MLX consider the Gold Demerger an advantage to MLX Shareholders.

6.5 Ineligible overseas shareholders

Any shareholders that are ineligible overseas shareholders will not receive Westgold shares under the Demerger Scheme. In those instances, a nominee will be appointed and will be issued the shares that would have otherwise been issued to the ineligible overseas shareholders. The nominee will then be required to sell those shares, and remit the proceeds (less any costs, brokerage etc.) to the ineligible overseas shareholders.

MLX Shareholders expected to be affected by this represents approximately 0.15% of MLX's issued capital.

7. Conclusions

7.1 We have considered the terms of the Gold Demerger as outlined in the body of this report and in the EM attached to the Notice and conclude that the Gold Demerger in addition to being fair is also reasonable and also in the best interests of MLX Shareholders.

8. Shareholder Decision

8.1 Stantons International Securities Pty Ltd has been engaged to prepare an independent expert's report setting out whether, the Gold Demerger is fair and reasonable and in the best interests of shareholders. Stantons International Securities Pty Ltd has not been engaged to provide a recommendation to shareholders in relation to the proposals under Resolution 1 (and any other Resolution as outlined in the Notice) but we have been requested to determine whether the proposals pursuant to Resolution 1 are fair and/or reasonable to the MLX Shareholders. The responsibility for such a voting recommendation lies with the directors of MLX.

8.2 In any event, the decision whether to accept or reject Resolution 1 is a matter for individual shareholders based on each shareholder's views as to value, their expectations about future market conditions and their particular circumstances, including risk profile, liquidity preference, investment strategy, portfolio structure and tax position. If in any doubt as to the action they should take in relation to the proposals under Resolution 1, shareholders should consult their own professional adviser.

8.3 Similarly, it is a matter for individual shareholders as to whether to buy, hold or sell shares in MLX. This is an investment decision upon which Stantons International Securities Pty Ltd does not offer an opinion and is independent on whether to accept the proposals under Resolution 1. Shareholders should consult their own professional adviser in this regard.

9. Sources of Information

9.1 In making our assessment as to whether the proposals pursuant to Resolution 1 are fair and reasonable, we have reviewed relevant published available information and other unpublished information of the Company that is relevant to the current circumstances. In addition, we have held discussions with the management of MLX about the present and future operations of the MLX Group. Statements and opinions contained in this report are given in good faith, but in the preparation of this report, we have relied in part on information provided by the directors and management of MLX.

9.2 Information we have received, includes but is not limited to:

- Drafts of the Notice of General Meeting of Shareholders and EM of MLX to 11 October 2016;
- Discussions with management of MLX;
- Shareholding details of MLX as at 4 August 2016 and 13 September 2016;
- Share issue prices relating to MLX shares from 1 July 2015 to 11 October 2016 as traded on ASX;
- Annual report of MLX for the years ended 30 June 2015 and 2016;
- Announcements by MLX to its shareholders from 1 January 2015 to 11 October 2016;
- The cash flow forecasts for the MLX Group for 2016/17 split between metal divisions;
- The tax implications of the Gold Demerger as noted in the EM;
- Various Broker Reports on MLX in 2015 and 2016;
- Consolidated pro-forma statement of financial position of MLX and Westgold immediately following the Gold Demerger using audited 30 June 2016 financial information as a base;
- The Transitional Services Agreement; and
- ABY unaudited financials for the three months ended 30 June 2016 and the audited accounts for the year ended 31 March 2016.

Our report includes Appendix A and our Financial Services Guide.

Yours faithfully

STANTONS INTERNATIONAL SECURITIES PTY LTD
(Trading as Stantons International Securities)



John Van Dieren - FCA
Director

AUTHOR INDEPENDENCE AND INDEMNITY

This annexure forms part of and should be read in conjunction with the report of Stantons International Securities Pty Ltd trading as Stantons International Securities dated 12 October 2016, relating to the proposals as referred to in Resolution 1 in the Notice.

At the date of this report, Stantons International Securities Pty Ltd does not have any interest in the outcome of the proposal. There are no relationships with MLX or Westgold other than acting as an independent expert for the purposes of this report. There are no existing relationships between Stantons International Securities Pty Ltd and the parties participating in the transactions detailed in this report which would affect our ability to provide an independent opinion. The fee (excluding disbursements) to be received for the preparation of this report is based on the time spent at normal professional rates plus out of pocket expenses and is estimated not to exceed \$28,000. The fee is payable regardless of the outcome. With the exception of that fee, neither Stantons International Securities nor John Van Dieren or Martin Michalik have received, nor will or may they receive any pecuniary or other benefits, whether directly or indirectly for or in connection with the making of this report.

Stantons International Securities does not hold any securities in MLX or Westgold. There are no pecuniary or other assets of Stantons International Securities that could be reasonably argued as affecting its ability to give an unbiased and independent opinion in relation to the proposal. Stantons International Securities Pty Ltd, Mr John Van Dieren and Martin Michalik have consented to the inclusion of this report in the form and context in which it is included as an annexure to the Notice.

QUALIFICATIONS

We advise Stantons International Securities Pty Ltd is the holder of an Australian Financial Services Licence (No 448697) under the Corporations Act 2001 relating to advice and reporting on mergers, takeovers and acquisitions involving securities. A number of the directors of Stantons International Audit and Consulting Pty Ltd who owns 100% of the shares in Stantons International Securities Pty Ltd are the directors and authorised representatives of Stantons International Securities Pty Ltd. Stantons International Securities Pty Ltd and Stantons International Audit and Consulting Pty Ltd (trading as Stantons International) have extensive experience in providing advice pertaining to mergers, acquisitions and strategic for both listed and unlisted companies and businesses.

John Van Dieren (FCA) and Martin Michalik (ACA), the persons responsible for the preparation of this report, have extensive experience in the preparation of valuations for companies and in advising corporations on takeovers generally and in particular on the valuation and financial aspects thereof, including the fairness and reasonableness of the consideration offered.

The professionals employed in the research, analysis and evaluation leading to the formulation of opinions contained in this report, have qualifications and experience appropriate to the task they have performed.

DECLARATION

This report has been prepared at the request of the Directors of MLX in order to assist the shareholders of MLX to assess the merits of the proposals (Resolution 1) to which this report relates. This report has been prepared for the benefit of MLX and those persons only who are entitled to receive a copy for the purposes of section 265C of the Corporations Act 2001 and does not provide a general expression of Stantons International Securities Pty Ltd's opinion as to the longer term values of MLX and its subsidiaries and assets (including the MLX Group and Westgold Group post Gold Demerger). Stantons International Securities Pty Ltd does not imply, and it should not be construed, that it has carried out any form of audit on the accounting or other records MLX or its subsidiaries, businesses, other assets and liabilities. Neither the whole, nor any part of this report, nor any reference thereto may be included in or with or attached to any document, circular, resolution, letter or statement, without the prior written consent of Stantons International Securities to the form and context in which it appears.

DUE CARE AND DILIGENCE

This report has been prepared by Stantons International Securities with due care and diligence. The report is to assist shareholders in determining the fairness and reasonableness of the proposal set out in Resolution 1 to the Notice and each individual shareholder may make up their own opinion as to whether to vote for or against Resolution 1.

DECLARATION AND INDEMNITY

Recognising that Stantons International Securities may rely on information provided by MLX and its officers (save whether it would not be reasonable to rely on the information having regard to Stantons International Securities Pty Ltd's experience and qualifications), MLX has agreed:

- (a) to make no claim by it or its officers against Stantons International Securities Pty Ltd (and Stantons International Audit and Consulting) to recover any loss or damage which MLX may suffer as a result of reasonable reliance by Stantons International Securities Pty Ltd on the information provided by MLX; and
- (b) to indemnify Stantons International Securities Pty Ltd (and its parent entity) against any claim arising (wholly or in part) from MLX or any of its officers providing Stantons International Securities Pty Ltd any false or misleading information or in the failure of MLX or its officers in providing material information, except where the claim has arisen as a result of wilful misconduct or negligence by Stantons International Securities Pty Ltd.

A draft of this report was presented to MLX directors for a review of factual information contained in the report. Comments received relating to factual matters were taken into account, however the valuation methodologies and conclusions did not alter.

**FINANCIAL SERVICES GUIDE
FOR STANTONS INTERNATIONAL SECURITIES PTY LTD
(Trading as Stantons International Securities)
Dated 12 October 2016**

1. Stantons International Securities Pty Ltd (Trading as Stantons International Securities) ABN 42 128 908 289 and Financial Services Licence 448697 ("SIS" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

2. **Financial Services Guide**

In the above circumstances we are required to issue to you, as a retail client a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No: 448697;
- remuneration that we and/or our staff and any associated receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

3. **Financial services we are licensed to provide**

We hold an Australian Financial Services Licence which authorises us to provide financial product advice in relation to:

- Securities (such as shares, options and notes)

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

4. **General Financial Product Advice**

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

5. **Benefits that we may receive**

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis.

Except for the fees referred to above, neither SIS, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

6. Remuneration or other benefits received by our employees

SIS has no employees and Stantons International Audit and Consulting Pty Ltd charges a fee to SIS. All Stantons International Audit and Consulting Pty Ltd employees receive a salary. Stantons International Audit and Consulting Pty Ltd employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report.

7. Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

8. Associations and relationships

SIS is ultimately a wholly subsidiary of Stantons International Audit and Consulting Pty Ltd a professional advisory and accounting practice. Stantons International Audit and Consulting Pty Ltd trades as Stantons International that provides audit, corporate services, internal audit, probity, management consulting, accounting and IT audits.

From time to time, SIS and Stantons International Audit and Consulting Pty Ltd and/or their related entities may provide professional services, including audit, accounting and financial advisory services, to financial product issuers in the ordinary course of its business.

9. Complaints resolution

9.1 Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to:

The Complaints Officer
Stantons International Securities
Level 2
1 Walker Avenue
WEST PERTH WA 6005

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaints within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

9.2 Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service Limited ("FOSL"). FOSL is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOSL are available at the FOSL website www.fos.org.au or by contacting them directly via the details set out below.

Financial Ombudsman Service Limited
PO Box 3
MELBOURNE VIC 8007
Toll Free: 1300 78 08 08
Facsimile: (03) 9613 6399

10. Contact details

You may contact us using the details set out above.

Telephone 08 9481 3188
Fax 08 9321 1204
Email jvdieren@stantons.com.au

+

«EFT_REFERENCE_NUMBER»

«Holder_name»

«Address_line_1»

«Address_line_2»

«Address_line_3»

«Address_line_4»

«Address_line_5»

«Company_code» «Sequence_number»

REGISTERED OFFICE:

LEVEL 3

18-32 PARLIAMENT PLACE

WEST PERTH WA 6872

SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

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155 King Street

Sydney NSW 2000 AUSTRALIA

T: +61 3 9628 2200 F: +61 8 9315 2233

E: registrar@securitytransfer.com.au

W: www.securitytransfer.com.au

Code:

MLX

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

VOTE
ONLINE

Lodge your proxy vote securely at www.securitytransfer.com.au
1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

☐ The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the General Meeting of the Company to be held at 10:00am WST on Thursday 24 November 2016 at QV1 Conference Centre, (Function Room), Level 2, 250 St Georges Terrace, Perth WA 6000 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*
1. Approval of Capital Reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10:00am WST on Tuesday 22 November 2016.

My/Our contact details in case of enquiries are:

Name:

Number:

()

1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

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Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.