

QUARTERLY REPORT

FOR THE QUARTER ENDING
30 SEPTEMBER 2024



Metals X Limited (**Metals X** or the **Company**) presents its activities report for the quarter ended 30 September 2024.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

- The Bluestone Mines Tasmania JV Renison Tin Operation (**Renison**) reported three (3) Recordable Injuries during the quarter (Q2 CY2024: 1).
- The overall Renison site safety performance saw the LTIFR¹ rise to 2.8 (Q2 CY2024: 0.9) while the 12-month rolling TRIFR² increased to 8.5 (Q2 CY2024: 5.7).
- Safety initiatives undertaken at Renison during the quarter include:
 - Continuing preparation for the installation of dashcams in all mobile equipment;
 - Redevelopment of the site Traffic Management Plan; and
 - Review and update of Life Saving Rules.
- The Mt Bischoff Closure 90% design plan is entering a review phase and continues to be on track for submission to the Environment Protection Authority (EPA) in Q4 CY2024.

QUARTERLY HIGHLIGHTS

- Renison achieved another historic milestone in July 2024, producing an all-time monthly record of 1,141 tonnes of tin-in-concentrate production. This exceptional performance contributed to the quarter becoming the highest production period on record.
- Renison produced 2,899 tonnes of tin-in-concentrate during the quarter (Q2 CY2024: 2,506 tonnes of tin-in-concentrate) of which Metals X 50% share is 1,449 tonnes of tin-in-concentrate (Q2 CY2024: 1,253 tonnes of tin-in-concentrate).
- Renison shipped 3,127 tonnes of tin-in-concentrate for the quarter (Q2 CY2024: 2,202 tonnes of tin-in-concentrate). Metals X received 49.38% of tin-in-concentrate tonnes shipped (Q2 CY2024: 54.40%).
- Metals X 50% share of imputed revenue is \$68.44 million.³ At quarter end, \$26.64 million of the imputed revenue was unpaid and classified by Metals X as inventory (Q2 CY2024: \$25.83 million) and \$12.47 million unpaid and recognised as tin receivables (Q2 CY2024: \$10.22 million) for a combined total of \$39.11 million (Q2 CY2024: \$36.05 million). Following quarter end, Metals X has received \$27.54 million relating to the realisation of these balances.
- Metals X received \$2.50 million from Cyprium Metals Limited (**Cyprium**) (**ASX: CYM**) for the convertible note extension fee.⁴ A further \$2.50 million is receivable at the earlier of Cyprium's next capital raise or before 31 December 2024.
- Metals X repurchased 9.58 million shares for \$3.80 million during the quarter (before expenses) as part of the on-market share buy-back⁵. Refer to the Corporate Review for further information.
- Closing cash for the quarter increased by \$15.89 million to \$197.54 million (Q2 CY2024: increase of \$14.16 million to \$181.65 million).
- The LME tin spot price closed at US\$33,305 per tonne of tin at quarter end (Q2 CY2024: US\$33,200).

¹ Lost Time Incident Frequency Rate.

² Total Recordable Injury Frequency Rate.

³ Metals X 50% share of imputed revenue is calculated using the imputed tin price of A\$47,219 x 1,449 tonnes of tin-in-concentrate produced.

⁴ Refer ASX Announcement 22 August 2024: Update on Cyprium Convertible Notes.

⁵ Refer ASX Announcement 1 March 2024: On-Market Share Buy-Back.

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- Metals X acquired a total of 73.5 million ordinary shares in First Tin Plc (**First Tin**) (**LSE:1SN**) for a total investment of \$5.76 million representing approximately 23.07% of the outstanding shares in First Tin. Refer to the Corporate Review for further details.

OPERATIONS REVIEW

RENISON TIN OPERATION

Metals X owns a 50% equity interest in Renison through its 50% stake in the Bluestone Mines Tasmania Joint Venture (**BMTJV**). All data in this report is 100% of Renison unless stated as 'MLX 50% share'.

Renison achieved a total tin production of 2,899 tonnes of tin-in-concentrate for the quarter resulting in the highest tin production quarter on record (Q2 CY2024: 2,506 tonnes of tin-in-concentrate). The improvement in ore grades processed and mill recovery during the quarter contributed to the record tin production. The quarter saw increased mill and overall recoveries, with investigations into further improvements ongoing. Early indications show improved gravity recoveries significantly impacting performance following the August mill shutdown. Completed works include installation of new table distributors and commissioning of several VSD pump controls.

TABLE 1 – RENISON TIN OPERATION PERFORMANCE (100% BASIS)

Physicals and Imputed Financials		Q3 CY2024	Q2 CY2024	Rolling 12-months
Ore mined	t ore	196,999	200,269	773,427
Grade of ore mined	% Sn	1.91	2.06	1.84
Ore milled (after sorter upgrade)	t ore	155,562	160,983	644,648
Grade of ore processed	% Sn	2.36	2.11	2.09
Mill recovery	%	78.96	73.65	77.04
Tin-in-concentrate produced	t Sn	2,899	2,506	10,391
Imputed tin price ⁽¹⁾	A\$/t Sn	\$47,219	\$49,042	\$43,473
Imputed sales and marketing costs	A\$/t Sn	\$6,499	\$7,029	\$6,336
C1 cash production costs ⁽²⁾	A\$/t Sn	\$16,192	\$18,901	\$17,296
Imputed EBITDA	A\$/t Sn	\$24,528	\$23,112	\$19,841
All-in sustaining costs (AISC) ⁽³⁾	A\$/t Sn	\$27,011	\$33,230	\$29,081
All-in cost (AIC) ⁽⁴⁾	A\$/t Sn	\$30,332	\$33,769	\$31,396
Imputed net cash inflow	A\$/t Sn	\$16,886	\$15,273	\$12,077
Imputed revenue⁽⁵⁾	A\$M	\$136.88	\$122.91	\$451.72
Imputed sales and marketing costs	A\$M	\$18.84	\$17.62	\$65.84
C1 cash production costs	A\$M	\$46.94	\$47.37	\$179.72
Imputed EBITDA	A\$M	\$71.10	\$57.92	\$206.17
AISC	A\$M	\$78.30	\$83.28	\$302.18
AIC	A\$M	\$87.93	\$84.63	\$326.23
Imputed net cash flow⁽⁵⁾	A\$M	\$48.95	\$38.28	\$125.49

⁽¹⁾ Source: LME tin cash bid average for the quarter.

⁽²⁾ C1 cash production costs include mining, processing, maintenance, health safety, environmental, RDP (Resource Development and Planning) and commercial costs incurred during the quarter.

⁽³⁾ AISC includes C1 cash production costs, imputed sales and marketing costs, sustaining capital and exploration costs.

⁽⁴⁾ AIC includes AISC plus project capital costs and financing costs.

⁽⁵⁾ Imputed revenue and imputed net cash flow assume 100% of tin-in-concentrate produced during the quarter is sold.

QUARTERLY HIGHLIGHTS

- The quarterly production of 2,899 tonnes represents a 15.70% increase compared to Q2 CY2024 (2,506t). This achievement is particularly noteworthy given that Q2 CY2024 was already the third-largest production quarter on record. The month of July also achieved the highest single month production record of 1,141 tonnes.
- Renison continued its production streak set last quarter of over 10,000 tonnes of tin-in-concentrate produced on a 12-month rolling basis.

Despite the record production for the quarter, the operation encountered several challenges during August and September 2024, including:

- Reduced mill throughput leading up to the planned shutdown.
- Significant rainfall and damaging winds and power loss resulting in unplanned downtime.

PRODUCTION AND COSTS (100% BASIS)

During the quarter, mining focussed on developing Area 5, CFB and Leatherwoods for a total of 1,467 metres of development (Q2 CY2024: 1,474 metres). Development of the Leatherwood and Area 5 declines progressed 233 metres during the quarter (Q2 CY2024: 198 metres). Stope production came from Area 5, CFB and Leatherwoods, with 165,235 tonnes of ore coming from ore stopes (Q2 CY2024: 158,866 tonnes) and the remaining 31,764 tonnes of ore coming from ore development (Q2 CY2024: 41,403 tonnes).

The C1 cash production costs of \$46.94 million remained comparable to the prior quarter (Q2 CY2024: \$47.37 million) which were primarily driven by a decrease in the mining costs offset by an increase in Resource Development and Planning (**RDP**) and commercial costs. The decrease mining costs relate to lower tonnes mined combined with lower CRF and paste placement requirements, and increased RDP costs is associated with increased drilling activities in difficult ground conditions, and deeper holes.

The 15.70% increase in tin production led to a decrease in C1 cash production unit cost to \$16,192/t (Q2 CY2024: \$18,901/t) and a reduction in AIC costs to \$30,332/t (Q2 CY2024: \$33,769/t). Combined with the continued strength in tin prices, this increased production resulted in an EBITDA of \$71.10 million for the quarter, a significant rise of 22.80% compared to the previous quarter (Q2 CY2024: \$57.92 million) to deliver an Imputed Net Cashflow for the quarter of \$48.95 million (Q2 CY2024: \$38.28 million).

CAPITAL PROJECT UPDATE

Total capital expenditure for the quarter was \$22.15 million (Q2 CY2024: \$19.65 million). Key activities during the quarter included:

- Ventilation upgrade
 - The reaming of the Leatherwoods Return Air Raise (**RAR**) has been completed successfully, ahead of schedule and on budget.
 - The raise bore contractor has demobilised from site.
 - Preparations are underway for the design and procurement of the new ventilation fans for the Leatherwood return airway. These works are currently scheduled for completion in CY2025.
- Mine dewatering
 - Fabrication of the new pumps is ongoing, with contract milestones #3 and #4 reached in September.
 - Mining works have finished in the new 1087 and 1525 pump stations and ground support renewal is underway in the 1900 pump station. Civil works commenced in the 1087 and 1525 pump stations, with slab and plinth designs being finalised.
 - Rising main contractors are onsite and have started drilling the service hole, drainage hole and rising mains package of works.
 - The scope for the underground fibre optic communications system upgrade has been finalised and supply tendering underway.

- Surface projects
 - Construction of the tailings dam overhead powerline is ongoing, with the final sections of powerline installed. The installation and powering of the transformers and ring main is planned for completion in October 2024.
 - The Isaacsons Creek Dam (ICD) and crusher dam pump back project is fully operational with water now being returned to the contaminated water treatment plant.
 - The first stage of the processing plant Variable Speed Pump Control project has been successfully completed. The new acid storage tanks are now completed and in service.
 - Sitewide improvement projects are continuing with progress made on the fire water tank, mill ponds repairs, vehicle wash bay and site road improvements ongoing.

RENTAILS PROJECT

During the quarter, the primary areas of focus of the Rentails study were:

- Completion of a strategic review of the Rentails project aimed at accelerating its development timeline and optimising its economic potential was completed. The key focus of this review was to assess the potential to export low-grade tin concentrate, as an alternative to sale of high-grade tin concentrate produced from a Thermal Upgrade Plant (**TUP**) constructed on site. This revised approach offers several significant advantages:
 - Reduced Capital Expenditure: By elimination of the TUP, capital requirements are substantially lower than the original full-scale project.
 - Reduced Project Complexity: both in terms of project execution and operational complexity.
 - Faster Time to Market: The simplified project scope allows for a quicker transition from planning to production, potentially generating cash flow sooner.
 - Flexibility for Future Expansion: This approach does not preclude future development of more advanced processing capabilities, allowing for adaptive decision-making based on market conditions and technological advancements.
- Update of draft notice of intent (**NOI**) and EPBC referral to reflect the preferred go forward project configuration, for submission early in Q4 CY2024.
- Preparation of the updated Rentails feasibility study update report focused on this configuration.

Based on encouraging financial indicators, the BMTJV committee has resolved to carry forward the Low-Grade Concentrate Export option of the Rentails project (Project) to a pre-execution front-end engineering and definition (**FEED**) stage, for completion in parallel with environmental approvals in late 2026 leading to a final investment decision (**FID**).

Over the coming quarter the primary focus will be on:

- Submission of NOI and EPBC referral.
- Ongoing community and stakeholder engagement activities.
- Detailed scoping of the FEED to allow tender documentation to be produced.
- Progression of various field work.

MINERAL RESOURCE UPDATE AND DRILLING PROGRAM

During the quarter 17,268 metres of underground drilling was completed with three diamond drill rigs. Drilling included grade control from A5 1036 4540 DSP, LD 1250 4653 DDN Site1, WA 1414 4636 DDD, A5 1036 4589 DFN and LD 1250 DDN; and resource definition drilling from the HN 1450 HWDD NTH, SB 1810 4586 DDS and WA 1414 HWDD NTH.

For Q4 CY2024, underground drilling is planned from the A5 1140 HWDD STH, A5 1140 HWDD NTH, A5 1035 4707 DON, SB 1810 4586 DDS, HN 1450 HWDD NTH and the LD 1250 4653 DDN. Planned programs will focus on both resource definition and grade control drilling.

NEAR MINE EXPLORATION

A total of 2,575 metres of exploration drilling was completed, of which 885 metres were targeting Down Hole Electro-magnetic (**DHEM**) conductors from the 2023 EM survey, 564m were testing a Government Exploration Drilling Grant Initiative (**EDGI**) target at Tunnel Hill, and 1,125m metres was infill and extensional drilling at Ringrose.

Mineralisation at Ringrose is located about 750 metres south of existing development and occurs over approximately 250 metres down dip and 300 metres strike length. Mineralisation is open in all directions. All holes drilled at Ringrose continued to intersect significant sulphide mineralisation⁶, with drilling to continue in Q4 CY2024. There is one hole for 250m remaining in the current Ringrose infill program. This will be followed up with an additional new Ringrose infill program of eleven holes for 3,235m, commencing in Q4 CY2024, expected to be completed by Q2 CY2025.

The Ringrose northern extension program commenced in Q3 CY2024 with 99m completed on the first of four holes for 1,550m. This program, testing the interpreted northern extension of the Ringrose trend is expected to be completed in Q1 CY2025.

Loop cutting and wire laying for a fourteen-hole DHEM survey commenced in Q3 CY2024, with the surveying planned to be completed in Q4 CY2024. Line and loop cutting for the Dunkley fixed loop EM (**FLEM**) survey commenced with this survey to commence by the end of Q4 CY2024, following access road upgrades.

Two additional EDGI grant applications were submitted to the Tasmanian Government with one grant successfully awarded to drill test a coinciding magnetic, geochemical target at Argent Dam. This target is expected to be drill tested in Q2 CY2025.

An application for a new exploration lease (EL) was submitted to MRT, with grant decision expected by Q3 CY2025. The application area covers 33km² of prospective ground immediately adjacent to the eastern boundary of the existing Renison mining lease. The area covers similar geological units to Renison and contains a number of historic tin prospects.

CORPORATE REVIEW

BUSINESS STRATEGY, PROSPECTS AND CAPITAL ALLOCATION

Metals X continues to evaluate potential acquisitions both domestically and internationally. The principal focus of the Company is tin; however, the Board has reviewed and will continue to review analogous base metal and gold opportunities that possess geological similarities or geographical synergies.

Refer to the investments section below for details on First Tin Plc acquisition during the quarter.

⁶ Refer ASX Announcement 24 June 2024: Ringrose Exploration Update.

CASH MANAGEMENT

Metals X continues to maintain a healthy cash balance that will allow it to pursue a growth by acquisition strategy and commitment to supporting the BMTJV's progress on Rentals. Metals X continues to build its cash reserves to allow a commitment to fund its share of the project to be made.

At quarter end, Metals X has invested \$145 million, representing 73% of its cash balance, into (4) 90-day term deposits earning an average interest rate of approximately 5.0% per annum.

The remaining cash balance is held on current account earning an interest rate of 4.2% per annum.

ON-MARKET SHARE BUY-BACK

On 1 March 2024, the Company announced its intention to undertake an on-market share buy-back (**Share Buy-back**) for up to 10% of the Company's issued capital over a 12-month period commencing 19 March 2024, as part of the Company's capital management strategy.⁷

During the quarter, Metals X repurchased 9,580,255 shares. All repurchased Company shares have been cancelled.

Quarter	No of Shares Repurchased	Purchase price per Share		Aggregate Consideration Paid (before expenses) (\$)
		Highest	Lowest	
		(\$ per share)	(\$ per share)	
Q1 CY2024	1,050,000	0.370	0.345	374,198
Q2 CY2024	-	-	-	-
Q3 CY2024	9,580,255	0.400	0.388	3,795,664
Total	10,630,255	0.400	0.345	4,169,862

INVESTMENTS – CONVERTIBLE NOTES, SHARES AND OPTIONS

At quarter end, Metals X continues to hold the following investments:

Cyprium Metals Limited

On 22 August 2024 MLX announced that the terms of the \$36.00 million in convertible notes been amended and agreed with Cyprium.⁸

The key revised terms of the convertible notes are as follows:

- a three-year maturity extension to the quarter ending December 2028;
- \$5 million amendment fee payable in two equal instalments of \$2.50 million each. First instalment payable immediately, and the second at the earlier of Cyprium's next capital raise or 31 December 2024;
- conversion price will be amended to a 25% premium to the share price at which Cyprium next raises equity capital;
- convertible notes can be redeemed early at the Cyprium's option through payment of 115% of face value. In the event of an early redemption, Metals X can at its sole option select to take repayment by being issued Cyprium shares at the Conversion Price rather than receiving cash repayment. The amended terms of the convertible notes have been set such that upon an early redemption, Metals X will be able to elect to take consideration of a maximum of 200 million shares, with the balance to be paid in cash. Cyprium will seek shareholder approval at the next meeting of shareholders for additional conditional shares to be issued to support the amended terms of the convertible notes; and
- annual coupon of 6% per annum to be capitalised and paid in cash semi-annually; and
- Cyprium will issue Metals X an additional 40.6 million options, with a two-year expiry and an exercise price set at 25% premium to next capital raise, subject to Cyprium shareholder approval at the next meeting of shareholders (if shareholder approval is not granted the note becomes immediately payable).

Further details on the activities of CYM are available from their ASX releases.

⁷ Refer ASX Announcement 1 March 2024: On-Market Share Buy-Back.

⁸ Refer ASX Announcement 22 August 2024: Update on Cyprium Convertible Notes

NICO Resources Limited

Following completion of the sale of the Company's Nickel Asset portfolio to Nico Resources Limited (**NICO**) (**ASX: NC1**) and subsequent IPO, Metals X held 21,100,000 fully paid ordinary shares and 25,000,000 options in NICO.

Metals X continues to hold:

- 9,240,000 NICO shares.
- 25,000,000 NICO options, exercisable at \$0.25 each, expiring 3 years after grant, and exercisable after 19 January 2024 and on, or before, 3 November 2024.
- Metals X retains an 8.46% interest in NICO.

Further details on the activities of NICO are available from their ASX releases.

Tanami Gold NL

- 34,400,000 shares in Tanami Gold NL (ASX: TAM) acquired at an average price of approximately \$0.03 cents per share for a cost of \$1.17 million (net of transaction costs).

Further details on the activities of TAM are available from their ASX releases.

First Tin Plc

Metals X Limited acquired a strategic 23.07% stake in First Tin Plc (**LSE:1SN**)(**First Tin**), totalling 73.50 million shares. This includes:

- 60.00 million shares initially purchased on-market;
- 11.50 million new shares subscribed for; and
- 2.00 million additional shares purchased on-market.

Total Metals X investment in First Tin to date is \$5.76 million. The acquisition provides exposure to First Tin's advanced-permitting, low-risk Australian tin project. Metals X nominated Peter Gunzburg and Brett Smith to First Tin's board.

Further details on the activities of First Tin are available from their website www.firsttin.com.

CASH GENERATION AND RECONCILIATION

At quarter end, Metals X closing cash at bank increased by \$15.89 million to \$197.54 million (Q2 CY2024: increased by \$14.16 million to \$181.65 million). Metals X has tin receivables of \$12.47 million after treatment costs (Q2 CY2024: \$10.22 million), inventory at cost of \$14.90 million (Q2 CY2024: \$16.22 million), trade and other payables of \$18.36 million (Q2 CY2024: \$13.91 million) and unearned revenue of \$9.24 million for tin shipments still on water at quarter end (Q2 CY2024: \$12.36 million).

TABLE 2 – CASH MOVEMENT RECONCILIATION Q3 CY2024

	A\$(m)	A\$(m)
Imputed cash flows from operating activities		
Add MLX 49.38% share of imputed revenue ⁽¹⁾	67.60	
Less cash calls paid to Renison	(33.50)	
Net imputed cash flow from operating activities		34.10
<i>Adjustments to net imputed cash flow</i>		
Less increase in tin metal inventory ⁽²⁾⁽⁴⁾	(4.56)	
Less increase in tin receivables ⁽²⁾⁽⁴⁾	(2.25)	
Selling costs (not included in imputed revenue) ⁽³⁾	(2.33)	
<i>Adjustments to imputed cash flow</i>		(9.14)
Add interest income	2.04	
Royalty and freight payments	(2.93)	
Corporate costs	(0.76)	
Other	(0.57)	
<i>Other cash flows from operating activities</i>		(2.22)
Cash flows from operating activities		22.74
Cash flows from financing activities		
Share buyback payments ⁽⁵⁾	(3.82)	
Payments for First Tin shares	(5.76)	
Cyprium convertible note extension fee ⁽⁶⁾	2.50	
Principal and interest loan repayments from BMTJV ⁽⁷⁾	0.23	
Net cash flows used in financing activities		(6.85)
Net increase in cash and cash equivalents		15.89
Cash at the beginning of the quarter		181.65
Cash and cash equivalents at the end of the quarter		197.54

- (1) Metals X 49.38% share of imputed revenue is calculated using the imputed tin price of A\$49,042 x 2,899 tonnes of tin-in-concentrate x 49.38% share received.
- (2) Imputed revenue assumes 100% of tin produced is sold and cash received by quarter end. Metals X adjusts imputed revenue for tin inventory and receivables at quarter end.
- (3) Selling costs include treatment costs for Q2 CY2024 tin produced and sold during the quarter, actual vs imputed pricing differences and USD to AUD forex conversion costs.
- (4) During the quarter, Metals X received \$29.98 million relating to tin produced during Q2 CY2024. At quarter end, Metals X has unpaid tin inventory with an imputed value of \$26.64 million and receivables of \$12.47 million after treatment costs. At the date of this report, Metals X has received \$27.54 million relating to the realisation of these balances since quarter end.
- (5) Share buyback cashflows include commissions.
- (6) During the quarter, Metals X and Cyprium Metals reached an agreement to amend the terms of the convertible notes. As part of this arrangement, Metals X secured a \$5.00 million amendment fee, payable in two equal instalments of \$2.50 million each. The first instalment was received during the current quarter, with the second instalment due at the earlier of Cyprium's next capital raise or 31 December 2024.
- (7) Metals X provided a mutually beneficial loan of \$1.93 million to BMTJV to finance the purchase of a new EPIROC MT65 underground mine truck. The loan is repayable over 36-months at an interest rate of 6.0% per annum.

This quarterly report has been authorised by the board of directors of Metals X Limited.

ENQUIRIES

Mr Brett Smith - Executive Director
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Competent Person Statement

The information in this report that relates to Exploration Results has been compiled by Bluestone Mines Tasmania Joint Venture Pty Ltd technical employees under the supervision of Mr Colin Carter B.Sc. (Hons), M.Sc. (Econ. Geol), AusIMM. Mr Carter is a full-time employee of the Bluestone Mines Tasmania Joint Venture Pty Ltd and has sufficient experience which is relevant to the style 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”. The Company confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcement.

The information in this report that relates to Mineral Resources has been compiled by Bluestone Mines Tasmania Joint Venture Pty Ltd technical employees under the supervision of Mr Colin Carter B.Sc. (Hons), M.Sc. (Econ. Geol), AusIMM. Mr Carter is a full-time employee of the Bluestone Mines Tasmania Joint Venture Pty Ltd and has sufficient experience which is relevant to the style 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”. The Company confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcement.