METALS X LIMITED

Westgold Resources Limited

JOINT ANNOUNCEMENT

WESTGOLD TO MERGE WITH METALS X AT SUBSTANTIAL PREMIUM

PERTH, 14 MAY 2012

Westgold and Metals X have today agreed to merge by way of scheme of arrangement

Westgold shareholders to receive 11 Metals X shares for every 10 Westgold shares held

Based on the closing price of Metals X shares on 9 May 2012, the merger implies an offer price of $0.22 per Westgold share, representing a premium of 33.3% to the closing price of Westgold shares on 9 May 2012, and a substantial premium over the past 6 months.

The combined Westgold and Metals X companies will include:

- **A strong and more diversified portfolio of growth assets including the producing Renison Tin Project (Metals X share 50%) and the Rentails Tin Project in Tasmania, the massive Wingellina Nickel Project and Central Murchison Project in WA and the Rover 1 Copper-gold Project in NT**
- **An experienced evaluation and development team comprising members of both companies capable of rapidly progressing the combined assets of the two groups**
- **Cash and listed investments in excess of A$100 million**
- **A market capitalisation in excess of A$330 million with the potential for a marketing re-rating**

The non-conflicted directors of Westgold intend to recommend that Westgold shareholders vote in favour of the merger in the absence of a superior proposal and subject to an independent expert concluding that the Scheme is in the best interests of Westgold shareholders,.

Westgold Resources Limited ("Westgold") and Metals X Limited ("Metals X") are pleased to announce that they have executed a Merger Implementation Agreement ("MIA") pursuant to which Metals X proposes to acquire all of the issued shares in Westgold that it does not already own by way of Scheme of Arrangement ("Scheme").

Under the proposal Westgold shareholders will receive 11 Metals X shares for every 10 Westgold shares held at the record date for the merger. This will result in Metals X acquiring 304,638,921 Westgold shares, being the number of shares it does not already own or control.

Westgold's Chairman Michael Atkins said today:

> "Westgold's Board has held the view for some time that the Company's projects are not receiving appropriate recognition in the equity market and that there are significant funds required to bring both the Central Murchison Gold Project and the Rover 1 Project into development and subsequently production. This is an attractive proposal from Metals X, which brings the financial strength to rapidly progress these assets and expose Westgold shareholders to a diversified range of commodities as part of a larger, well-funded mining house."

Metals's X Managing Director Warren Hallam said

> "Metals X has been an active supporter and major shareholder of Westgold for a number of years and the merger is in-line with the company's strategy of supporting its strategic investments through to production. The merger provides continued diversification and growth to our current portfolio and presents an excellent opportunity to leverage of Metals X's financial and balance sheet strength to develop the Central Murchison gold project to the benefit of both companies shareholders."

Metals X is currently the largest shareholder of Westgold with a shareholding interest of 26.98% and has been Westgold's largest shareholder since 2007. Metals X currently holds two nominee director positions on the board of Westgold, being Mr Peter Cook and Mr Warren Hallam.

In Westold's deliberation and subsequent voting on the Scheme, the Board of Westgold excluded Messrs Cook and Hallam due to their potential or perceived conflict of interest because of their positions on both Boards.

The Directors of both Metals X and Westgold believe that the proposed merger provides Westgold shareholders with an attractive premium for its shares (in the absence of a superior proposal).

The Directors, other than Messrs Cook and Hallam, have given full consideration to the Scheme Proposal and intend to recommend that Westgold shareholders vote in favour of the proposed Scheme, and each of those Directors intends to vote all of the Westgold shares they own or control in favour of the Scheme, in the absence of a superior proposal and subject to an independent expert concluding that the Scheme is in the best interests of Westgold shareholders.

Benefits to shareholders

The proposed merger offers shareholders:

- A material premium to Westgold Shareholders to the current market prices of Westgold shares;
- The opportunity to develop the Central Murchison Gold Project and Rover 1 Copper-Gold Project through the strong balance sheet and substantial cash reserves of Metals X, rather than through dilutive equity capital raisings in what is currently a very difficult market for junior and emerging mining companies;
- A strong and more diversified portfolio of growth assets that includes the producing Renison Tin project (Metals X share 50%) and the Rentails Tin project in Tasmania, the massive Wingellina Nickel Project and Central Murchison Project in WA and the Rover 1 Copper-gold Project in NT, along with Metals X's current investments in Madagascar and Mongolia ;
- A larger, well-funded and technically capable mining house with exposure and interests across a number of commodities and countries
- An experienced evaluation and development team comprising members of both companies capable of rapidly progressing the combined assets of the two groups; and
- Financial strength, with the merged group having a pro forma market capitalisation in excess of A$330 million including cash and listed investments in excess of A$100 million.

Westgold share premium

The transaction values Westgold at approximately $91.5 million, or A$0.22 per share based on the closing price of Metals X shares on 9 May 2012.

The offer represents the following premium to volume-weighted average prices ("VWAP"):

- 33.3% premium over the last closing price of Westgold shares on 9 May 2012
- 34.6% premium on comparative 1 month VWAP of Westgold shares.
- 28.2% premium on comparative 6 month VWAP of Westgold shares.

Merger implementation agreement

Under the MIA, each party has agreed to take the steps necessary to implement the Scheme.

The Scheme is subject to a number of conditions, which are customary for a transaction of this type, including the following:

- The directors of Westgold, other than Messrs Cook and Hallam, recommending to Westgold shareholders to vote in favour of the Scheme, in the absence of a superior proposal and subject to the independent expert concluding that the Scheme is in the best interests of Westgold shareholders;
- The independent expert concluding that the Scheme is in the best interests of Westgold shareholders, and does not change or withdraw its report;
- A resolution in favour of the Scheme being passed by the requisite majorities of Westgold shareholders;
- Court approval of the Scheme;
- Obtaining relevant regulatory approvals;
- There being no material adverse change to the business, financial condition, results or operations of either Westgold or Metals X;
- No prescribed occurrences (such as insolvency) in relation to either Westgold or Metals X; and
- Obtaining any relevant approval of the Foreign Investment Review Board by reason of Metals X's majority foreign ownership.

A full copy of the executed MIA is set out at Annexure A to this announcement.

Treatment of Westgold options and performance rights

Westgold currently has 29,650,000 unlisted options and 3,050,000 performance rights on issue.

Westgold and Metals X will cooperate with each other to ensure that all Westgold options and performance rights are either acquired by Metals X, vest and are converted into Westgold shares before the merger is effected or are otherwise dealt with to Metals X's satisfaction.

Board, management and workforce

It is intended that Westgold management and workforce will be integrated into the existing Metals X structure.

It is proposed that Mr Scott Huffadine, the current Managing Director of Westgold, will join the Metals X Board.

Indicative timetable

A Scheme Booklet will be provided to Westgold shareholders in connection with the proposed merger. This booklet will include full details of the Scheme, transaction terms and an independent expert's report assessing whether the merger is in the Westgold shareholders' best interests.

It is expected that a meeting of Westgold shareholders will be held in August 2012 to vote on the merger. If the Scheme is approved, final implementation is likely to occur in late August or early September 2012.

Advisers and contacts

Westgold is being advised on legal matters by Jackson McDonald. Metals X is being advised on legal matters by Q Legal.

Westgold Resources Ltd Shareholders should contact Scott Huffadine (Managing Director) or Andrew Chapman (Company Secretary) on (08) 9326 5700 to obtain further information. All Westgold Resources media enquiries should be directed to John Gardner at Magnus Investor Relations and Corporate Communications on (08) 9212 0101

Metals X Limited shareholders and media enquiries should be directed to Warren Hallam (Managing Director) or Dean Will (Executive Director) on (08) 9220 5700.

About Metals X

Metals X is a diversified explorer and producer with a considerable portfolio of growth projects across various commodities and countries. The portfolio consists the 50% owned Renison tin joint Venture in Tasmania and one of the World's largest undeveloped nickel and cobalt deposits, Wingellina, located in Western Australia. Metals X also holds over $55M of strategic investments in other listed Australian entities and cash and working capital of approximately $70M.

About Westgold

Westgold Resources Limited is focussed on the development of its Central Murchison Gold Project in Western Australia's Murchison region, where a Definitive Feasibility Study is currently underway, and the Rover 1 project in the Northern Territory, where a Mine Management Plan has been submitted to gain approval for the development of an exploration decline to delineate the existing resource and further define the deeper portions of the ore system. The company's assets host a total identified mineral resource inventory of 3.9 million ounces primarily of gold and minor gold equivalence. Both projects hold significant underlying exploration potential which will build a project pipeline supporting the future growth of the production base.

Yours faithfully,

Metals X Limited
Warren Hallam
Managing Director

Westgold Resources Limited
Scott Huffadine
Managing Director

ANNEXURE A

MERGER IMPLEMENTATION AGREEMENT

Jackson McDonald
lawyers

Merger Implementation Agreement

Metals X Limited
ACN 110 150 055
Metals X

and

Westgold Resources Limited
ACN 009 260 306
Westgold

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Date: 2012

Parties

Metals X Limited ACN 110 150 055 of Level 3, 123 Adelaide Terrace, East Perth, Western Australia (**Metals X**)

Westgold Resources Limited ACN 009 260 306 of Level 3, 123 Adelaide Terrace, East Perth, Western Australia (**Westgold**)

Background

A. Westgold and Metals X have agreed to effect a transaction by means of a scheme of arrangement under Part 5.1 of the Corporations Act between Westgold and Westgold Shareholders, other than Metals X, pursuant to which Metals X will acquire all of the Scheme Shares and Westgold will become a wholly-owned subsidiary of Metals X, in accordance with this Agreement.

B. Westgold intends to propose the Scheme to Westgold Shareholders and issue the Scheme Booklet.

C. Westgold and Metals X have agreed in good faith to implement the Scheme on the terms and conditions of this Agreement.

Agreement

1. Definitions and interpretation

1.1 Definitions

In this Agreement, unless the context otherwise requires:

Agreement means this Merger Implementation Agreement.

Alternative Proposal means, in relation to Westgold:

(a) any bona fide, funded proposal or offer by any person (other than Metals X) made in writing to Westgold to evaluate or enter into any transaction which is similar to the Transaction (whether a scheme of arrangement, a takeover bid or otherwise) or under which other than as required or contemplated by the Scheme:

(i) that person (together with its associates) may acquire a relevant interest in 100% of the Westgold Shares;

(ii) that person (together with its associates) may acquire a relevant interest in 100% of the Westgold Options;

(iii) that person may acquire, directly or indirectly (including by way of joint venture, dual listed company structure, strategic alliance or otherwise), any interest in all or a substantial part of the Business or assets of Westgold; or

(iv) that person may otherwise acquire control of or merge or amalgamate with Westgold;

(b) any acquisition of, or agreement to acquire, a relevant interest in 100% of the Westgold Shares by any person (other than Metals X); or

(c) any acquisition of, or agreement to acquire, a relevant interest in 100% of the Westgold Options by any person (other than Metals X).

Announcement means a press release, announcement or other public statement other than an explanatory statement or supplementary explanatory statement required by the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 or the stock market operated by it, as the context requires.

Authorisation means

(a) an approval, authorisation, consent, declaration, exemption, licence, notarisation, permit or waiver, however it is described, including any renewal or amendment and any condition attaching to it, from or by a Government Agency; and

(b) in relation to anything that could be prohibited or restricted by law, if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken.

Business means:

(a) in relation to Westgold and its Subsidiaries, the business presently carried on by Westgold and its Subsidiaries; and

(b) in relation to Metals X and its Subsidiaries, the business presently carried on by Metals X and its Subsidiaries.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

Claim means a claim, action, proceeding or demand made against the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Condition means a condition precedent to completion of the Scheme in clause 2.2.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Court means a court in Western Australia of competent jurisdiction under the Corporations Act.

Deed Poll means a deed poll to be executed by Metals X in the form of Schedule 1 (or such other form as is agreed between Metals X and Westgold, each acting reasonably).

Effective means, when used in relation to the Share Scheme, the coming into effect, pursuant to section 411(10) of the Corporations Act of the order of the Court made under sections 411(4)(b) of the Corporations Act (and if applicable, section 411(6) of the Corporations Act) in relation to the Share Scheme.

Effective Date means the date on which the Share Scheme becomes Effective.

Excluded Shares means any Westgold Shares held by, on behalf of or for the benefit of, Metals X or its Subsidiaries.

First Court Date means the first day of the hearing by the Court of an application for an order under section 411(1) of the Corporations Act convening the Scheme Meeting or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Government Agency means a government, government department or a governmental, semi-governmental, administrative, statutory or judicial entity, agency, authority, commission, department, tribunal, or person charged with the administration of a law or agency, whether in Australia or elsewhere, including ASIC, the Takeovers Panel, and any self-regulatory organisation established under statute or by ASX.

GST means the same as in the GST Law.

GST Law means the same as "GST law" means in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Implementation means, in relation to the Share Scheme, the implementation of the Share Scheme, on the Share Scheme becoming Effective.

Implementation Date means the third Business Day immediately following the Record Date.

Independent Expert means an independent, reputable and qualified expert nominated by Westgold.

Independent Expert's Report means the report prepared by the Independent Expert stating whether or not, in its opinion, the Share Scheme is in the best interests of the Westgold Shareholders, and setting out the reasons for that opinion.

Ineligible Foreign Holder means a Scheme Shareholder whose address in the register of Westgold Shareholders is in a jurisdiction outside Australia and its external territories, except where Metals X in its sole discretion is satisfied that the issue of New Metals X Shares in that jurisdiction under the Share Scheme would be neither prohibited by law nor unduly onerous.

Insolvency Event means, in relation to an entity:

(a) the entity resolving to be wound up or liquidated;

(b) the appointment of a liquidator, provisional liquidator or administrator of the entity;

(c) the making of an order by a court for the winding up of the entity;

(d) the entity executing a deed of company arrangement; or

(e) the appointment of a receiver or a receiver and manager, in relation to the whole, or a substantial part, of the property of the entity.

Listing Rule means a listing rule of ASX.

Loss means a damage, loss, cost, expense or liability incurred by the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Material Adverse Change means any change, effect, event, occurrence, state of facts or developments that is materially adverse to the business, financial condition, results or operations, provided that:

(a) any change in the market price or trading volume of shares after the date of this Agreement; and

(b) any change as regards to one party (the first party) (which change is otherwise caught by the terms of this definition) that has been fully and fairly disclosed either to the market generally or otherwise to the other party (the second party) in writing under this proviso immediately prior to the execution of this Agreement and the change occurs as regards the first party substantially in accordance with those terms,

will not be taken into account in determining whether there has been a Material Adverse Change.

Material Contract means any contract which is or may reasonably be expected to be material to the assets, liabilities, financial position, profits, losses or operation of the entity which is party to it.

Meeting Date means 5.00pm on the date on which Westgold Shareholders vote on a resolution to approve the Share Scheme under section 411(4)(a) of the Corporations Act.

Metals X Material means the information provided by Metals X to Westgold in accordance with clause 8(b) for inclusion in the Scheme Booklet, other than information:

(a) relating to the financial or trading position of Metals X following Implementation to the extent that such information has been prepared by Metals X in reliance on information provided by Westgold; and

(b) for which Metals X disclaims responsibility under clause 7(f)(ii).

Metals X Option means an option to subscribe for a Metals X Share.

Metals X Prescribed Event means, except as required by this Agreement or by the Share Scheme (or with the prior written consent of Westgold) the occurrence of any of the following:

(a) (**convert shares**) Metals X or a Subsidiary of Metals X converts all or any of its shares into a larger or smaller number of shares;

(b) (**reduce share capital**) Metals X or a Subsidiary of Metals X resolves to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;

(c) (**buy-back**) Metals X or a Subsidiary of Metals X:

(i) enters into a buy-back agreement; or

(ii) resolves to approve the repurchase of any of its issued capital,

other than pursuant to the buy-back announced by Metals X on 16 June 2011;

(d) (**declare dividend**) other than any dividend paid, declared or announced by Metals X on or before the date of this Agreement in accordance with its ordinary dividend policy, Metals X declares any dividend or pays, makes or incurs any liability to pay or make any distribution whether by way of dividend, capital distribution, bonus or other share of its profits or assets;

(e) (**Insolvency Event**) an Insolvency Event occurring in relation to Metals X;

(f) (**change to constitution**) Metals X makes any material change or amendment to its constitution;

(g) (**change to accounting practice or policies**) Metals X making any change to its accounting practices or policies, other than to comply with generally accepted Australian accounting standards and any domestically accepted international accounting standards or electing to form a consolidated group for the purposes of the *Income Tax Assessment Act 1997* (Cth);

(h) (**debentures**) Metals X or a Subsidiary of Metals X issues, agrees to issue or grants an option to subscribe for debentures (as defined in section 9 of the Corporations Act);

(i) (**disposal**) Metals X or a Subsidiary of Metals X disposes, or agrees to dispose, of the whole, or a substantial part, of its Business or property;

(j) (**security**) Metals X or a Subsidiary of Metals X charges, or agrees to charge, the whole or a substantial part, of its Business or property, or creates or alters, or agrees to create or alter, any mortgage, charge lien, security interest or other encumbrance over the whole or a substantial part of its Business or property;

(k) (**share disposal**) Metals X or a Subsidiary of Metals X disposes, or agrees to dispose, of shares in a Subsidiary of that party;

(l) (**litigation**) Metals X or a Subsidiary of Metals X becomes a party to any material litigation;

(m) (**financial indebtedness**) Metals X or a Subsidiary of Metals X incurs any financial indebtedness or issues any debt securities of in aggregate more than $1,000,000 other than advances under credit facilities in existence as at the date of this Agreement and fully and fairly disclosed in the Metals X Material;

(n) (**Material Contracts**) Metals X or a Subsidiary of Metals X:

(i) changes the terms of any Material Contract to the material detriment of Metals X or a Subsidiary of Metals X;

(ii) terminates any Material Contract;

(iii) pays, discharges or satisfies any claims, liabilities or obligations under any Material Contract other than in accordance with past practice and consistent with the contract terms; or

(iv) waives any material claims or rights under or waives the benefit of any provisions of any Material Contract;

(o) (**commitments**) Metals X or a Subsidiary of Metals X enters into:

(i) any onerous contract or commitment; or

(ii) any long term contract or commitment (including any joint venture or partnership agreement) except in the ordinary course of Business; or

(p) (**renewing or extending agreements**) except in the ordinary course of its Business, Metals X or a Subsidiary of Metals X exercises any material contractual right or other option to renew or extend an existing agreement (including under any lease),

provided that (if otherwise caught by the terms of this definition) an acquisition of any business, assets (or interest in such assets), entity or undertaking by Metals X or a Subsidiary of Metals X, or a contract or commitment of the kind referred to in clause (o) above, will not be a Metals X Prescribed Event if the terms of that acquisition, or potential contract or commitment, as the case may be, have been fully and fairly disclosed either to the market generally or to Westgold in writing under this proviso immediately prior to the execution of this Agreement and the acquisition, contract or commitment as the case may be, proceeds substantially in accordance with those terms.

Metals X Share means a fully paid ordinary share in Metals X.

New Metals X Shares means those Metals X Shares to be issued to Scheme Shareholders in consideration for their Westgold Shares pursuant to the Share Scheme.

Non-conflicted Directors means the directors of Westgold other than Peter Cook and Warren Hallam.

Record Date means the day which is 5 Business Days after the Effective Date, or any other date agreed by the parties in writing.

Register means:

(a) in respect of the Westgold Shareholders, the register of members of Westgold;

(b) in respect of the Westgold Optionholders, the register of optionholders of Westgold; and

(c) in respect of Westgold Performance Rights holders, the register of holders of performance rights in Westgold.

Regulatory Approvals means the consents, approvals, clearances, decisions, determinations or other acts by a Government Agency necessary to effect Implementation (if any).

Relevant Date means, in relation to a Condition, the date or time specified in this Agreement for its fulfilment or, if no date or time is specified, 8.00am on the Second Court Date, subject, in either case, to extension under clause 2.6.

Scheme Booklet means the information memorandum in respect of the Scheme to be approved by the Court and dispatched to Westgold Shareholders, and includes the Scheme, the Deed Poll, an explanatory statement complying with the requirements of the Corporations Act and the Corporations Regulations, the Independent Expert's Report and the notice of meeting and proxy form.

Scheme Consideration means the consideration Metals X is to provide to Westgold Shareholders under clause 3.2.

Scheme Meeting means the meeting of Westgold Shareholders, to be convened by the Court, to consider the Share Scheme.

Scheme Shareholders means each Westgold Shareholder, other than Metals X (if it holds Westgold Shares), as at 5.00pm on the Record Date (taking into account registration of all registrable transfers and transmission applications received at Westgold's share registry by the Record Date).

Scheme Share means a Westgold Share on issue at the Record Date, other than Excluded Shares.

Second Court Date means, in respect of the Share Scheme, the first day on which the Court hears the application for an order under section 411(4)(b) of the Corporations Act approving the Share Scheme or, if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application is heard.

Share Scheme or **Scheme** means a scheme of arrangement under Part 5.1 of the Corporations Act to be proposed between Westgold and Westgold Shareholders as described in clause 3, or in such other form as agreed between Metals X and Westgold, including any alterations made with approval or at the discretion of the Court which are agreed by Metals X and Westgold (each acting reasonably).

Subsidiary of an entity means another entity which is a subsidiary of the first within the meaning of Part 1.2, Division 6 of the Corporations Act, or is a subsidiary or otherwise controlled by the first within the meaning of any approved accounting standard.

Sunset Date means, subject to any extension under clause 2.6, 31 December 2012.

Superior Proposal means an Alternative Proposal in relation to Westgold that:

(a) in the determination of the Westgold Board acting in good faith, is reasonably capable of being valued and completed, taking into account both the nature of the Alternative Proposal and the person or persons making it; and

(b) in the determination of the Westgold Board acting in good faith and in order to satisfy what that board considers to be its fiduciary or statutory duties, would, if completed substantially in accordance with its terms, result in a transaction more favourable to Westgold Shareholders than the Transaction.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Third Party Consent means any consent, agreement, waiver, licence or approval from or by a party in respect of a contract involving Westgold or a Subsidiary or Westgold or Metals X or a Subsidiary of Metals X, which the parties have agreed, or subsequently agree, in writing is required for Implementation of the Share Scheme.

Transaction means:

(a) the proposed acquisition of all the issued Westgold Shares by Metals X (other than those Westgold Shares already held by Metals X);

(b) the proposed cancellation or acquisition of all the issued Westgold Options; and

(c) the proposed cancellation or acquisition of all Westgold Performance Rights,

on the terms set out in this Agreement.

Westgold Board means the board of directors of Westgold.

Westgold Group means Westgold and its related bodies corporate.

Westgold Option means an option to subscribe for an Westgold Share.

Westgold Optionholders means each person entered in the Register as a holder of Westgold Options.

Westgold Performance Rights means performance rights granted pursuant to the Westgold Resources Limited Long Term Incentive Plan.

Westgold Prescribed Event means, except as required by this Agreement or by the Share Scheme (or with the prior written consent of Metals X) the occurrence of any of the following:

(a) (**convert shares**) Westgold converts all or any of its Shares into a larger or smaller number of Shares;

(b) (**reduce share capital**) Westgold or a subsidiary of Westgold resolves to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;

(c) (**buy-back**) Westgold or a subsidiary of Westgold:

  (i) enters into a buy-back agreement; or

  (ii) resolves to approve the terms of a buy-back agreement under the Corporations Act;

(d) (**issue shares or options**) Westgold or a subsidiary of Westgold issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option or right to a Westgold Share, excluding:

  (i) any issue or grant contemplated by the Share Scheme; and

  (ii) any Westgold Shares issued by Westgold as a result of the exercise of existing Westgold Options or Westgold Performance Rights;

(e) (**change to terms of Westgold Options**) Westgold (or the Westgold board of directors) makes any amendment to the terms of issue of any Westgold Option, where, as a consequence, any one or more of the following occurs:

(i) the period for exercise of any Westgold Option is extended;

(ii) the number of Westgold Options that are exercisable at any time is increased;

(iii) the earliest date for exercise of any Westgold Option is brought forward;

(iv) the exercise price of any Westgold Option is reduced; or

(v) the number of Westgold Shares to be issued on exercise of any Westgold Option;

(f) (**issue convertible securities**) Westgold or a subsidiary of Westgold issues, or agrees to issue, securities or other instruments convertible into shares;

(g) (**declare dividend**) other than any dividend paid, declared or announced by Westgold on or before the date of this Agreement in accordance with its ordinary dividend policy, Westgold declares any dividend or pays, makes or incurs any liability to pay or make any distribution whether by way of dividend, capital distribution, bonus or other share of its profits or assets;

(h) (**Insolvency Event**) an Insolvency Event occurring in relation to Westgold;

(i) (**change to constitution**) Westgold makes any change or amendment to its constitution;

(j) (**change to accounting practice or policies**) Westgold making any change to its accounting practices or policies, other than to comply with generally accepted Australian accounting standards and any domestically accepted international accounting standards or electing to form a consolidated group for the purposes of the *Income Tax Assessment Act 1997* (Cth);

(k) (**debentures**) Westgold or a Subsidiary of Westgold issues, agrees to issue or grants an option to subscribe for debentures (as defined in section 9 of the Corporations Act);

(l) (**disposal**) Westgold or a Subsidiary of Westgold disposes, or agrees to dispose, of the whole, or a substantial part, of its Business or property;

(m) (**security**) Westgold or a Subsidiary of Westgold charges, or agrees to charge, the whole or a substantial part, of its Business or property, or creates or alters, or agrees to create or alter, any mortgage, charge lien, security interest or other encumbrance over the whole or a substantial part of its Business or property;

(n) (**share disposal**) Westgold or a Subsidiary of Westgold disposes, or agrees to dispose, of shares in a Subsidiary of that party;

(o) (**litigation**) Westgold or a Subsidiary of Westgold becomes a party to any material litigation;

(p) (**financial indebtedness**) Westgold or a Subsidiary of Westgold incurs any financial indebtedness or issues any debt securities of in aggregate more than $1,000,000 other than advances under credit facilities in existence as at the date of this Agreement or advances from Metals X (at Metals X's sole discretion);

(q) (**benefits to officers and employees**) other than in accordance with an existing contract in place at the date of this Agreement or with the consent of Metals X (such consent not to be unreasonably withheld), Westgold:

(i) increasing the remuneration of, or otherwise varying, the employment arrangements with any of its directors or employees;

(ii) accelerating the rights of any of its directors or employees to compensation or benefits of any kind (including under any executive or employee share plans); or

(iii) paying any of its directors or officers a termination or retention payment;

(r) (**Material Contracts**) Westgold or a Subsidiary of Westgold:

(i) changes the terms of any Material Contract to the material detriment of Westgold or a Subsidiary of Westgold;

(ii) terminates any Material Contract;

(iii) pays, discharges or satisfies any claims, liabilities or obligations under any Material Contract other than in accordance with past practice and consistent with the contract terms; or

(iv) waives any material claims or rights under or waives the benefit of any provisions of any Material Contract;

(s) (**commitments**) Westgold or a Subsidiary of Westgold enters into:

(i) any onerous contract or commitment; or

(ii) any long term contract or commitment (including any joint venture or partnership agreement) except in the ordinary course of Business; or

(t) (**renewing or extending agreements**) except in the ordinary course of its Business, Westgold or a Subsidiary of Westgold exercises any material contractual right or other option to renew or extend an existing agreement (including under any lease),

provided that an acquisition of any business, assets (or interest in such assets), entity or undertaking by Westgold or a Subsidiary of Westgold will not be a Westgold Prescribed Event if the terms of that acquisition have been fully and fairly disclosed to Metals X in a document signed by Westgold and Metals X for the purposes of identification under this proviso immediately prior to the execution of this Agreement and the acquisition proceeds substantially in accordance with those terms.

Westgold Share means each fully paid ordinary share in Westgold.

Westgold Shareholder means each person entered in the Register as a holder of Westgold Shares, other than any Excluded Shares.

Westgold Shareholder Approval means a resolution in favour of the Share Scheme passed by the required majorities of Westgold Shareholders under section 411(4)(a)(ii) of the Corporations Act.

1.2 Interpretation

In this Agreement:

(a) headings are for convenience only and do not affect interpretation; and

unless the context indicates otherwise:

(b) a word or phrase in the singular number includes the plural, a word or phrase in the plural number includes the singular, and a word indicating a gender includes every other gender;

(c) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;

(d) a reference to:

(i) a clause or schedule is a reference to a clause or schedule of this Agreement;

(ii) a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation;

(iii) a document in writing includes a document produced by means of typewriting, printing, lithography, photography and other modes of representing or reproducing words in a visible form, recorded by any electronic, magnetic, photographic or other medium by which information may be stored or reproduced;

(iv) a document (including this Agreement) includes a reference to all schedules, exhibits, attachments and annexures to it, and is to that document as varied, novated, ratified or replaced from time to time;

(v) legislation or to a provision of legislation includes any consolidation, amendment, re-enactment, substitute or replacement of or for it, and refers also to any regulation or statutory instrument issued or delegated legislation made under it;

(vi) a person includes an individual, the estate of an individual, a corporation, an authority, an unincorporated body, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;

(e) a reference to a day is to a period of time commencing at midnight and ending twenty four (24) hours later;

(f) a reference to a Chapter, Part, Division or section is a reference to a Chapter, Part, Division or section of the Corporations Act;

(g) the word "**includes**" in any form is not a word of limitation;

(h) the word "**applicable**" when used of a law is used to refer to any relevant law (including any subordinate or delegated legislation or statutory instrument of

any kind) of a jurisdiction in or out of Australia, and also to any relevant judgment, order, policy, guideline, official directive or request (even if it does not have the force of law) of any Government Agency within or outside Australia;

(i) a reference to "**information**" is to information of any kind in any form or medium, whether formal or informal, written or unwritten, for example, computer software or programmes, concepts, data, drawings, ideas, knowledge, procedures, source codes or object codes, technology or trade secrets;

(j) the words "**associate**", "**controller**", "**entity**", "**officer**", "**related body corporate**", "**relevant interest**" and "**subsidiary**" have the same meaning as in section 9 of the Corporations Act, and "**control**" has the same meaning as in section 50AA of the Corporations Act;

(k) time is a reference to time in Perth, Western Australia;

(l) a reference to "**$**" or "**dollar**" is to Australian currency;

(m) a contravention of or a breach of any of the representations and warranties includes any of the representations and warranties not being complete, true and correct;

(n) each representation and warranty is a separate representation and warranty, and its meaning is not affected by any other representation or warranty;

(o) a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day; and

(p) when a day on or by which anything to be done is not a Business Day, that thing may be done on or by the next Business Day.

2. Conditions

2.1 Obligations to complete not binding until Conditions satisfied

Subject to this clause 2, the Share Scheme will not become Effective unless each of the Conditions in clause 2.2 is satisfied or waived to the extent and in the manner set out in this clause 2.

2.2 Conditions to the Share Scheme

The Conditions to the Share Scheme are:

	Condition	**Party entitled to benefit**
(a)	(**Board recommendation**) between the date of this Agreement and the date on which the Share Scheme is approved by Westgold Shareholders, the Non-conflicted Directors do not change or withdraw their recommendation to Westgold Shareholders to vote in favour of the Share Scheme and all resolutions (if any) incidental to the Share Scheme;	Metals X

	Condition	Party entitled to benefit
(b)	(**orders convening the Scheme Meeting**) the Court orders the convening of the Scheme Meeting;	Both
(c)	(**Independent Expert's Report**) the Independent Expert's Report concludes that the Share Scheme is in the best interests of Westgold Shareholders and, upon consideration of all available relevant information from time to time, the Independent Expert does not change that conclusion or withdraw its report prior to 8am on the Second Court Date;	Westgold
(d)	(**Westgold Shareholder approval**) a resolution in favour of the Share Scheme is passed by the required majorities of Westgold Shareholders under section 411(4)(a)(ii) of the Corporations Act is obtained;	Both
(e)	(**Court approval of the Share Scheme**) the Court makes orders under section 411(4)(b) of the Corporations Act approving the Share Scheme;	Both
(f)	(**orders lodged with ASIC**) an office copy of the Court orders approving the Share Scheme is lodged with ASIC under section 411(10) of the Corporations Act;	Both
(g)	(**orders and injunctions**) no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of Implementation is in effect at 8.00am on the Second Court Date;	Both
(h)	(**Regulatory Approvals**) the Regulatory Approvals are obtained prior to 8.00am on the Second Court Date;	Both
(i)	(**no Material Adverse Change**) from the date of this Agreement until 8.00am on the Second Court Date, no Material Adverse Change occurs, is announced or otherwise is disclosed or becomes public;	Both
(j)	(**Westgold representations and warranties**) the representations and warranties of Westgold set out in clauses 11.1 and 11.2 being true and correct as at the date of this Agreement and as at 8.00am on the Second Court Date;	Metals X

	Condition	Party entitled to benefit
(k)	(**no Westgold Prescribed Event**) from the date of this Agreement until 8.00am on the Second Court Date, no Westgold Prescribed Event occurs;	Metals X
(l)	(**no Metals X Prescribed Event**) from the date of this Agreement until 8.00am on the Second Court Date, no Metals X Prescribed Event occurs;	Westgold
(m)	(**Metals X representations and warranties**) the representations and warranties of Metals X set out in clauses 11.1 and 11.3 being true and correct as of the date of this Agreement and as at 8.00am on the Second Court Date;	Westgold
(n)	(**Third Party Consents**) all Third Party Consents are granted or obtained in respect of Implementation and those consents, agreements, waivers, licences or approvals are not withdrawn, cancelled or revoked;	Both
(o)	(**termination of Agreement**) this Agreement has not been terminated before 8.00am on the Second Court Date;	Both
(p)	(**ASX quotation of the shares**) the New Metals X Shares to be issued as the Scheme Consideration pursuant to the terms of the Share Scheme are approved for official quotation by ASX (conditional only on the issue of those shares and on Metals X providing ASX with a completed Appendix 3B as required by the Listing Rules) prior to 5.00pm on the day before the Second Court Date;	Both
(q)	(**no prohibitive action**) no Government Agency or judicial entity or authority taking any action or making any order or decree which action, order or decree restrains or prohibits the Implementation of the Share Scheme or any transaction contemplated by this Agreement;	Both
(r)	(**Westgold Options**) before 8.00am on the Second Court Date, binding agreements have been entered into for all outstanding Westgold Options in accordance with clause 5.2 or otherwise dealt with to Metals X's satisfaction, acting reasonably;	Metals X

	Condition	Party entitled to benefit
(s)	(**Westgold Performance Rights**) before 8.00am on the Second Court Date, binding agreements have been entered into for all outstanding Westgold Performance Rights in accordance with clause 5.4 or otherwise dealt with to Metals X's satisfaction, acting reasonably;	Metals X
(t)	(**FIRB approval**) if required, the Treasurer of the Commonwealth of Australia has either: (i) provided written notice which is unconditional or subject only to conditions reasonably acceptable to both Westgold and Metals X that there is no objection under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) or Australian foreign investment policy to the Scheme; or (ii) become precluded from exercising any power to make an order under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) in relation to the Scheme.	Both

2.3 Waiver of a Condition

(a) (**If only one party benefiting, that party only may waive**) If a Condition has been included for the benefit of one party only (as specified in relation to a Condition in the third column of the table in clause 2.2), only that party may, in its sole and absolute discretion, waive the breach or non fulfilment of the Condition.

(b) (**If both parties benefiting, both must waive**) If a Condition has been included for the benefit of both parties (as specified in relation to a Condition in the third column of the table in clause 2.2), the breach or non fulfilment of the Condition may be waived only by the consent of both parties.

(c) (**Conditional waiver**) If a waiver by a party of a Condition is itself made subject to a condition and the other party accepts that condition, the terms of that condition apply accordingly. If the other party does not accept a conditional waiver of a Condition, that Condition has not been waived.

(d) (**Waiver precludes litigation**) If a party waives the breach or non fulfilment of a Condition, that waiver precludes the party from suing another party for any breach of this Agreement that resulted in the breach or non fulfilment of the Condition.

(e) (**Waiver restricted**) Unless specified in the waiver, a waiver of the breach or non-fulfilment of any Condition will not constitute:

(i) a waiver of breach or non-fulfilment of any other Condition resulting from events or circumstances giving rise to the breach or non-fulfilment of the first Condition; or

(ii) a waiver of breach or non-fulfilment of that Condition resulting from any other event or circumstance.

(f) (**Waiver in writing**) Any waiver must be in writing.

2.4 Fulfilment of each Condition

Each party must:

(a) (**procure satisfaction of Condition**) use its reasonable endeavours to procure that each Condition is satisfied as soon as practicable after the date of this Agreement, including providing all reasonable assistance to the other party as is necessary to satisfy each Condition; this obligation does not require any party to pay any money (other than nominal amounts) to or for a person from whom a Third Party Consent is sought to secure fulfilment of the Condition in clause 2.2(n);

(b) (**not prevent satisfaction of Condition**) not take any action (except as required by law including, for the avoidance of doubt, an action taken to avoid a potential breach of directors' fiduciary duties or statutory obligations) which is designed or is likely to prevent the Conditions being satisfied, without the prior consent of the other party; and

(c) (**promptly notify**) promptly notify the other party of the fulfilment or waiver of a Condition and must keep the other party informed of any material developments of which it becomes aware in relation to a Condition.

2.5 When a Condition is fulfilled

Each Condition is deemed to be fulfilled on the Relevant Date unless the party for whose benefit the Condition has been included (or, in the case of a Condition included for the benefit of all those parties, either party) gives notice to the other party on or before the Relevant Date of the non-fulfilment of the Condition.

2.6 If a Condition is not fulfilled or waived

If a Condition to the Share Scheme has not been fulfilled or waived by the Relevant Date, or the Effective Date has not occurred or is incapable of occurring by the Sunset Date, the parties:

(a) will consult in good faith to determine whether the Share Scheme may proceed by way of alternative means or methods; and

(b) may agree to extend the Relevant Date or the Sunset Date, or both.

2.7 Certificate

Westgold and, if necessary for the Share Scheme to proceed, Metals X must provide the Court at the hearing on the Second Court Date with a certificate confirming that all of the Conditions (other than clauses 2.2(e) and (f)) have been satisfied or waived in accordance with the terms of this Agreement.

3. Share Scheme

3.1 Share Scheme

Westgold agrees to propose the Share Scheme upon and subject to the terms of this Agreement, under which, subject to the Share Scheme becoming Effective:

(a) all of the Scheme Shares held by the Scheme Shareholders will be transferred to Metals X; and

(b) Scheme Shareholders will be entitled to receive the Scheme Consideration for each Scheme Share held on the Record Date.

3.2 Scheme Consideration

(a) Subject to clause 3.2(c), the parties will procure that each Scheme Shareholder receives 11 New Metals X Shares for every 10 Scheme Shares held as at 5.00pm on the Record Date in accordance with the terms of this Agreement.

(b) The parties will procure that the New Metals X Shares to be issued as Scheme Consideration will be validly issued, fully paid, and rank equally with Metals X's other issued fully paid ordinary shares from their date of issue and that application will be made to ASX for quotation of the New Metals X Shares.

(c) Any fractional entitlement of a Scheme Shareholder to New Metals X Shares will be rounded up or down to the nearest whole number with fractions of 0.5 rounded up to the nearest whole number of New Metals X Shares.

3.3 No amendments to Share Scheme without consent

Westgold must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Share Scheme without the prior consent of Metals X, such consent not to be unreasonably withheld.

3.4 Ineligible Foreign Holders

Where a Scheme Shareholder is an Ineligible Foreign Holder, the number of New Metals X Shares to which the Scheme Shareholder would otherwise be entitled, will be allotted to a nominee approved by Metals X, Westgold and (if necessary) ASIC, who will sell those New Metals X Shares as soon as practicable (at the risk of that Ineligible Foreign Holder) and pay the proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, and selling costs, to that Ineligible Foreign Holder in full satisfaction of that Ineligible Foreign Holder's rights under this Agreement to Scheme Consideration.

3.5 Unmarketable parcels

If the New Metals X Shares which would be issued as Scheme Consideration to any particular Scheme Shareholder would not constitute a marketable parcel within the meaning of the Listing Rules (calculated having regard to the closing price of Metals X Shares on the ASX on the Record Date), then, in respect of the number of New Metals X Shares to which the Scheme Shareholder would otherwise be entitled, the Scheme Shareholder will be given the option to have those New Metals X Shares allotted to a nominee approved by Westgold who will sell those New Metals X Shares as soon as practicable (at the risk of the Scheme Shareholder) and pay the proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to that Scheme Shareholder in full satisfaction of that Scheme Shareholder's rights under this Agreement to Scheme Consideration.

4. Conduct of business

4.1 Conduct of Westgold's business

From the date of this Agreement up to and including the Implementation Date, Westgold must, and Westgold must ensure that each of its Subsidiaries, conduct the Business in the ordinary course, in substantially the same manner and at the same locations as previously conducted and, to the extent consistent, use reasonable efforts to:

(a) preserve intact its current business organisation;

(b) keep available the services of its current officers and employees;

(c) preserve its relationship with customers, suppliers, licensors, licensees and others having business dealings with it; and

(d) maintain the Business and its assets and keep its assets in good working order, including maintaining at least its current level of insurance.

4.2 Conduct of Metals X's business

From the date of this Agreement up to and including the Implementation Date, Metals X must, and Metals X must ensure that each of its Subsidiaries, conduct the Business in the ordinary course, in substantially the same manner and at the same locations as previously conducted and, to the extent consistent, use reasonable efforts to:

(a) preserve intact its current business organisation;

(b) keep available the services of its current officers and employees;

(c) preserve its relationship with customers, suppliers, licensors, licensees and others having business dealings with it; and

(d) maintain the Business and its assets and keep its assets in good working order, including maintaining at least its current level of insurance.

5. Westgold Options and Westgold Performance Rights

5.1 Treatment of Westgold Options

The parties must discuss in good faith and cooperate with each other to ensure that all outstanding Westgold Options are either acquired by Metals X, vest and are converted into Westgold Shares or are otherwise dealt with to Metals X's satisfaction, before the Second Court Date.

5.2 Transfer or cancellation of Westgold Options

(a) If the parties agree under clause 5.1 that Metals X will pay consideration for the Westgold Options to be transferred, cancelled, waived or allowed to lapse (**Transfer**), Westgold agrees to cooperate with Metals X to facilitate the Transfer (including, if required the Westgold Board making any necessary lawful amendment, consent or determination for the purposes of the relevant terms and conditions upon which the Westgold Option was issued).

(b) If Metals X elects to pay consideration for Westgold Options to be transferred in accordance with clause 5.2(a), Metals X will offer the Westgold Optionholders consideration which generally accords with the value of the Scheme Consideration, with appropriate adjustment for certain factors, including relevant exercise prices and the time value of money.

5.3 Treatment of Westgold Performance Rights

The parties must discuss in good faith and cooperate with each other to ensure that all outstanding Westgold Performance Rights are either cancelled, acquired by Metals X, vest and are converted into Westgold Shares or are otherwise dealt with to Metals X's satisfaction (which may include the issue of generally equivalent rights in Metals X), before the Second Court Date.

5.4 Transfer or cancellation of Westgold Performance Rights

(a) If the parties agree under clause 5.3 that Metals X will pay consideration for the Westgold Performance Rights to be transferred, cancelled, waived or allowed to lapse (**PR Transfer**), Westgold agrees to cooperate with Metals X to facilitate the PR Transfer (including, if required the Westgold Board making any necessary lawful amendment, consent or determination for the purposes of the relevant terms and conditions upon which the Westgold Performance Right was issued).

(b) If Metals X elects to pay consideration for Westgold Performance Rights to be transferred in accordance with clause 5.4(a), Metals X will offer the Westgold Performance Rights holders consideration or rights which generally accords with the value of the Scheme Consideration, with appropriate adjustment for certain factors, including relevant performance hurdles, performance periods, exercise prices (if any) and the time value of money.

(c) Westgold (or the Westgold board of directors) shall not after the date of this Agreement exercise any discretion to allow for the exercise of Westgold Performance Rights as a result of, or in contemplation of, the Transaction, without the prior written consent of Metals X.

6. Obligations of both parties in relation to the Share Scheme

(a) Each party must use its reasonable endeavours to give effect to the Share Scheme, subject to this Agreement and compliance with their respective obligations, powers and duties under this Agreement, their constituent documents and all applicable law and the proper performance by the directors of Westgold and Metals X of their fiduciary duties and statutory obligations.

(b) Each party agrees to use its best endeavours to complete its obligations in this Agreement.

7. Westgold obligations

Westgold must:

(a) (**commission Independent Expert's Report**) appoint the Independent Expert and commission the preparation of the Independent Expert's Report and provide all assistance and information reasonably requested by the Independent Expert to enable the preparation or updating of the Independent Expert's Report;

(b) (**prepare Scheme Booklet**) prepare a Scheme Booklet in accordance with all applicable law (including the Corporations Act and Corporations Regulations, the Listing Rules and applicable ASIC regulatory guides);

(c) (**Scheme Booklet to contain statement**) ensure the Scheme Booklet includes a statement that, subject to the Independent Expert concluding that the Scheme is in the best interests of Westgold Shareholders that:

(i) the Non-conflicted Directors recommend the approval of the Share Scheme; and

(ii) the Non-conflicted Directors intend to vote or cause the voting of any Shares in which they have a relevant interest in favour of the Share Scheme,

in each case in the absence of a Superior Proposal;

(d) (**apply for ASX and ASIC relief**) use its reasonable endeavours to obtain all waivers, exemptions and modifications from ASX and ASIC as may be required to facilitate Implementation of the Share Scheme, including (if applicable) applying to ASX for a waiver of Listing Rule 6.23 to obtain the approval of Westgold Shareholders for the cancellation of the Westgold Options pursuant to clause 5.2.

(e) (**Westgold information**) prepare and provide to Metals X such information as Metals X reasonably requires to prepare the Metals X Information for inclusion in the Scheme Booklet;

(f) (**consult with Metals X on form of Scheme Booklet**) consult with Metals X in good faith in relation to the form and content of the Scheme Booklet, including taking into account its reasonable comments and incorporating the Metals X Material, if:

(i) after a reasonable period of consultation, the parties are unable to agree on the form or content of the Scheme Booklet, Westgold must make the final determination as to the form and content of the Scheme Booklet; and

(ii) Metals X disagrees with the final form and content, Westgold must include a statement to that effect in the Scheme Booklet and, if it relates to the Metals X Material, Westgold must include a statement that Metals X takes no responsibility for the relevant form or content;

(g) (**lodge draft**) as soon as practicable after the preparation of an advanced draft of the Scheme Booklet suitable for review by ASIC, lodging a draft Scheme Booklet with ASIC in accordance with section 411(2) of the Corporations Act;

(h) (**prepare Court documents**) prepare all documents necessary for the Court proceedings relating to the Share Scheme:

(i) in accordance with all applicable law; and

(ii) in consultation with Metals X as to the form and content of the Court documents, including making whatever amendments to the documents Metals X reasonably requires;

(i) (**seek Court order to convene Scheme Meeting**) apply to the Court under section 411(1) of the Corporations Act for an order directing Westgold to convene the Scheme Meeting;

(j) (**convene Scheme Meeting**) convene the Scheme Meeting, in accordance with the order made by the Court under section 411(1) of the Corporations Act;

(k) (**register explanatory statement**) take all reasonable measures necessary to cause ASIC to register the explanatory statement relating to the Share Scheme in accordance with section 412(6) of the Corporations Act;

(l) (**ASIC review**) keep Metals X informed at all times of any matters raised by ASIC in relation to the Scheme Booklet, and use all reasonable endeavours, in co-operation with Metals X, to resolve any such matters;

(m) (**dispatch Scheme Booklet**) dispatch a copy of the Scheme Booklet to each Westgold Shareholder and to all other persons entitled to receive notice of the Scheme Meeting in accordance with the order made by the Court under section 411(1) of the Corporations Act;

(n) (**inform shareholders of relevant post-Scheme Booklet information**) if it becomes aware of any further or new information after the date of dispatch of the Scheme Booklet, which is material for disclosure to Westgold Shareholders in deciding whether to approve the Share Scheme, inform shareholders of the information in an appropriate and timely manner, provided that Westgold must consult with Metals X and reasonably consider Metals X's views on the form and content of any correspondence with Westgold Shareholders in relation to such matters;

(o) (**section 411(17)(b) statement**) if a resolution in favour of the Share Scheme is passed by the required majorities of Westgold Shareholders under section 411(4)(a)(ii) of the Corporations Act is obtained, apply to ASIC for the production of a statement under section 411(17)(b) of the Corporations Act in relation to the Share Scheme;

(p) (**apply for Court approval**) subject to satisfaction or waiver of all Conditions in clause 2, apply to the Court for orders approving the Share Scheme under section 411(4) of the Corporations Act;

(q) (**Implementation of Share Scheme**) if the Court approves the Share Scheme:

(i) immediately notify ASX of the Court order approving the Share Scheme;

(ii) promptly lodge an office copy of the Court order with ASIC in accordance with section 411(10) of the Corporations Act;

(iii) determine who are the Scheme Shareholders and their entitlements to the Scheme Consideration as at 5.00pm on the Record Date in accordance with the Share Scheme;

(iv) in accordance with section 672A of the Corporations Act, direct those of the Westgold Shareholders notified to Westgold by Metals X (acting reasonably) in writing to make the disclosures required by section

672B of the Corporations Act and provide the resulting information to Metals X within 5 days of its receipt; and

(v) register all transfers of Westgold Shares to Metals X on the Implementation Date;

(r) (**Register information**) give to Metals X (or as it directs) details of the names, registered addresses and holdings of:

(i) Westgold Shares of every Westgold Shareholder as shown in the Register as at 5.00pm on the Record Date and as at any other time reasonably requested by Metals X;

(ii) Westgold Options of every Westgold Optionholder as at any other time reasonably requested by Metals X; and

(iii) Westgold Performance Rights of every Westgold Performance Right holder as at any other time reasonably requested by Metals X,

in such form as Metals X may reasonably require;

(s) (**communications with Westgold Shareholders**): participate in, and ensure the Westgold Board participates in, all communications, presentations and other measures reasonably requested by Metals X to promote the merits of the Transaction; and

(t) (**post Implementation board**): on the Effective Date, Westgold will use its best endeavours to ensure that all directors of Westgold resign save only for (unless otherwise determined by Metals X) Scott Huffadine, Peter Cook and Warren Hallam.

8. Metals X obligations

Metals X must:

(a) (**assist preparation of Independent Expert's Report**) as expeditiously as practicable, provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation or updating of the Independent Expert's Report;

(b) (**supply information for Scheme Booklet**) as expeditiously as practicable, supply to Westgold for inclusion in the Scheme Booklet such information regarding Metals X which is reasonably required under all applicable law, including all relevant ASIC regulatory guides, to be included in the Scheme Booklet;

(c) (**supply any further information required**) as expeditiously as practicable, supply to Westgold any further information reasonably required by Westgold before the Meeting Date to ensure that the Metals X Material is not misleading or deceptive and contains no material omissions and to enable Westgold to inform Westgold Shareholders of any further or new information after the date of dispatch of the Scheme Booklet, which is material for disclosure to Westgold Shareholders in deciding whether to approve the Share Scheme;

(d) (**verify Metals X Material**): subject to clause 7(f), verify to Westgold the accuracy of the Metals X Material in the Scheme Booklet and consent to the inclusion of that information in the form and context in which it appears;

(e) (**Deed Poll**) before the First Court Date, enter into the Deed Poll;

(f) (**representation**) ensure that, if requested by Westgold, Metals X is represented at Court hearings convened for the purpose of section 411(4)(b) of the Corporations Act, and, through counsel, undertakes, if requested by the Court, to do all things and take all steps within its power necessary to fulfil its obligations under this Agreement;

(g) (**not act inconsistently**) not act in a manner inconsistent with obtaining Court approval for the Share Scheme;

(h) (**maintain ASX listing**) take all reasonable and appropriate steps to maintain Metals X's listing on ASX, notwithstanding any suspension of the quotation of Metals X Shares, up to and including the Effective Date; and

(i) (**communications with Westgold Shareholders**): participate in, and ensure the appropriate members of Metals X senior management participate in, all communications, presentations and other measures reasonably requested by Westgold to promote the merits of the Transaction.

9. Announcement

9.1 Announcement of Share Scheme

Immediately after the execution of this Agreement, Westgold and Metals X must issue either a joint or separate public announcements in agreed terms, including a statement by the Non-conflicted Directors of Westgold that, subject to the Independent Expert concluding that the Scheme is in the best interests of Westgold Shareholders, they intend to recommend that Westgold Shareholders vote in favour of the Scheme subject to no Superior Proposal being made for all Westgold Shares.

9.2 No Announcement

Neither party may make an Announcement relating to the subject matter of this Agreement or its termination or make public this Agreement (or any of its terms) unless the Announcement or publication:

(a) is required by clause 9.1 or any other provision of this Agreement;

(b) has the prior approval of the other party, such approval not to be unreasonably withheld; or

(c) is required to be made by any applicable law.

9.3 Notice of Announcement

If a party is required to make an Announcement under clause 9.2(c), it must, to the extent practicable without that party breaching any applicable law, give to the other party:

(a) such notice as is reasonable in the circumstances of its intention to make the Announcement; and

(b) a draft of the Announcement and an opportunity, which is reasonable in the circumstances, to comment on the contents of the draft Announcement.

10. Termination

10.1 When a party may terminate

Without limiting clause 2, this Agreement may be terminated:

(a) (**before Relevant Date if Condition cannot be satisfied**) by either party, if, before the Relevant Date, a Condition solely or jointly for its benefit cannot be satisfied and is not waived by the time required in this Agreement for it to be satisfied or waived;

(b) (**after Relevant Date if Condition has not been satisfied**) by either party, if, after the Relevant Date applicable to a Condition solely or jointly for its benefit, that Condition has not been satisfied or waived at that time;

(c) (**after Sunset Date**) subject to clause 2.6, by either party, if the Effective Date has not occurred by the Sunset Date;

(d) (**termination for breach**) before the Second Court Date:

(i) by Metals X – if Westgold is in breach of this Agreement (including a breach of a representation or warranty under clause 11) and that breach is material and is not remedied by Westgold within 5 Business Days (or such shorter period ending on the Second Court Date) of Westgold receiving notice from Metals X of the details of the breach and its intention to terminate; and

(ii) by Westgold – if Metals X is in breach of this Agreement (including a representation or warranty under clause 11) and that breach is material and is not remedied by Metals X within 5 Business Days (or such shorter period ending on the Second Court Date) of Metals X receiving notice from Westgold of the details of the breach and its intention to terminate,

by giving notice in writing to the other party.

10.2 Obligations on termination

(a) If a party terminates this Agreement, all obligations of the parties under this Agreement, other than under this clause 10, clause 9 (**Announcement**), clause 11 (**Representations and Warranties**), clause 12 (**Indemnities**), clause 13 (**Release**), clause 14 (**GST**), clause 15 (**Notices**), clause 16 (**Amendment and Assignment**) and clause 17 (**General**), immediately cease to be of further force or effect.

(b) The termination of this Agreement does not affect any Claim arising before this Agreement is terminated, that a party may have against another party.

11. Representation and warranties

11.1 Mutual representations and warranties

Each party represents and warrants to the other party that:

(a) (**status**) it is a company limited by shares and is validly existing under the Corporations Act;

(b) (**power**) it has full legal capacity and power to:

(i) own its property and to carry on its business; and

(ii) enter into this Agreement and to carry out the transactions that this Agreement contemplates;

(c) (**corporate authority**) it has taken all corporate action that is necessary or desirable to authorise its entry into this Agreement and its carrying out the transactions that this Agreement contemplates;

(d) (**Authorisations**) subject to obtaining those Authorisations contemplated under clauses 2.2(e), 2.2(h) and 2.2(p), it holds each Authorisation that is necessary or desirable to:

(i) enable it to execute this Agreement properly and to carry out the transactions that this Agreement contemplates;

(ii) ensure that this Agreement is legal, valid, binding and admissible in evidence; and

(iii) enable it to carry on its business properly,

and it is complying in all material respects with any conditions to which any Authorisation is subject;

(e) (**Agreement effective**) this Agreement constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;

(f) (**no contravention**) neither its execution of this Agreement nor the carrying out by it of the transactions that this Agreement contemplates, does or will contravene:

(i) any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) any material Authorisation;

(iii) any undertaking or instrument binding on it or any of its property; or

(iv) its constitution;

(g) (**no litigation**) no litigation, arbitration, mediation, conciliation or administrative proceedings are taking place, pending or to its knowledge, threatened which, if adversely decided, could have a material adverse effect on it;

(h) (**no Insolvency Event**) it is not affected by an Insolvency Event; and

(i) (**not representative**) it is not entering into this Agreement in a representative capacity.

11.2 Westgold representations and warranties

Westgold represents and warrants to Metals X that:

(a) (**exchanged information not false or misleading**) the information relating to the Business, assets, liabilities, operations, profits and losses, financial position and performance and prospects of Westgold, provided by Westgold to Metals X prior to the date of this Agreement in connection with this Transaction, is true and accurate in all material respects as at the date at which it was provided to Metals X, and Westgold has not knowingly or recklessly:

(i) omitted to disclose information to Metals X, the disclosure of which might reasonably be expected to have resulted in Metals X not entering into this Agreement, or entering into it on materially different terms;

(ii) omitted anything such as to make any part of the information provided to Metals X materially false or misleading;

(iii) included anything materially false or misleading; or

(iv) denied access to requested information with the intention of misleading Metals X;

(b) (**Scheme Booklet not false or misleading**) as at the date of dispatch of the Scheme Booklet, the Scheme Booklet (other than the Metals X Material) will not contain any material statement which is false or misleading (including because of any material omission);

(c) (**complied with applicable law**) Westgold has complied with all applicable laws, to the extent that any instance of non-compliance, individually or in aggregate, could not reasonably be expected to be a Material Adverse Change in relation to Westgold;

(d) (**continuous disclosure**) Westgold has complied in all material respects with the continuous disclosure obligations under the Listing Rules and is not withholding any information pursuant to an exception in Listing Rule 3.1A (save in respect of the Share Scheme);

(e) (**no other approvals necessary**) it is not aware of any consents, approvals or other acts by a Government Agency that are necessary to effect Implementation;

(f) (**no default**) Westgold is not in default under any document or agreement binding on it or its assets and nothing has occurred which is, or would, with the giving of notice or lapse of time or both, constitute, an event of default, prepayment event or similar event under any such document or agreement, which individually or in aggregate could reasonably be expected to be a Material Adverse Change in relation to Westgold;

(g) (**termination events**) Westgold is not a party to a material contract under which any of the other parties may take a step unfavourable to Westgold (such as to terminate or suspend the agreement or arrangement or to require

a payment or the adoption of less favourable terms) because of any change in the control of Westgold, any transaction contemplated by this Agreement or compliance with any provision of this Agreement;

(h) (**Third Party Consents**) so far as the Westgold Board is aware, having made all reasonable enquiry, no Third Party Consents are required in order to implement the Share Scheme; and

(i) (**Schedule 2 accurately details Westgold capital**) Schedule 2 accurately records the total number and details of Westgold Shares, Westgold Options and Westgold Performance Rights.

11.3 Metals X representations and warranties

Metals X represents and warrants to Westgold that:

(a) (**exchanged information not false or misleading**) the information relating to the business, assets, liabilities, operations, profits and losses, financial position and performance and prospects of Metals X, provided by Metals X to Westgold prior to the date of this Agreement in connection with this Transaction, is true and accurate in all material respects as at the date at which it was provided to Westgold, and Metals X has not knowingly or recklessly:

(i) omitted to disclose information to Westgold, the disclosure of which might reasonably be expected to have resulted in Westgold not entering into this Agreement, or entering into it on materially different terms;

(ii) omitted anything such as to make any part of the information provided to Westgold materially false or misleading;

(iii) included anything materially false or misleading; or

(iv) denied access to requested information with the intention of misleading Westgold;

(b) (**Metals X Material not false or misleading**) the Metals X Material as at the date of dispatch of the Scheme Booklet will not contain any material statement which is false or misleading (including because of any material omission);

(c) (**complied with applicable law**) Metals X has complied with all applicable laws to the extent that any instance of non-compliance individually or in aggregate, could not reasonably be expected to be a Metals X Material Adverse Change in relation to Metals X;

(d) (**continuous disclosure**) Metals X has complied in all material respects with the continuous disclosure obligations under the Listing Rules and is not withholding any information pursuant to an exception in Listing Rule 3.1A (save in respect of the Share Scheme);

(e) (**no other approvals necessary**) it is not aware of any consents, approvals or other acts by a Government Agency that are necessary to effect Implementation;

(f) (**no default**) Metals X is not in default under any document or agreement binding on it or its assets and nothing has occurred which is or would, with the giving of notice or lapse of time or both, constitute an event of default, prepayment event or similar event under any such document or agreement, which individually or in aggregate could reasonably be expected to be a Material Adverse Change in relation to Metals X;

(g) (**termination events**) Metals X is not a party to a material contract under which any of the other parties may take a step unfavourable to Metals X (such as to terminate or suspend the agreement or arrangement or to require a payment or the adoption of less favourable terms) because of any change in the control of Metals X, any transaction contemplated by this Agreement or compliance with any provision of this Agreement;

(h) (**Third Party Consents**) so far as the Metals X Board is aware, having made all reasonable enquiry, no Third Party Consents are required in order to implement the Share Scheme; and

(i) (**Schedule 3 accurately details Metals X capital**) Schedule 3 accurately records the total number and details of Metals X Shares and Metals X Options.

11.4 No representations made on economic or future matters

Neither Westgold nor Metals X makes any representation or warranty in relation to the achievability of:

(a) any economic, fiscal or other interpretations or evaluations by Westgold or Metals X; or

(b) future matters, including future or forecast costs, prices, revenues or profits.

11.5 Reliance on representations and warranties

Each party acknowledges that the other party has executed this Agreement and agreed to take part in the transactions that this Agreement contemplates in reliance on the representations and warranties that are made in clauses 11.1, 11.2 and11.3.

11.6 When warranties are given

Each representation and warranty given or made under clauses 11.1, 11.2 and 11.3 is given:

(a) as at the date of this Agreement; and

(b) as at 8.00am on the Second Court Date; and

(c) at any other date at which the representation or warranty is expressed to be given.

12. Indemnities

12.1 Indemnity by Westgold

Westgold indemnifies Metals X, its directors, officers and employees against any Loss or Claim arising from or in connection with a breach of the representations and warranties given by Westgold in clauses 11.1 and 11.2.

12.2 Indemnity by Metals X

Metals X indemnifies Westgold, its directors, officers and employees against any Loss or Claim arising from or in connection with a breach of the representations and warranties given by Metals X in clause 11.1 and 11.3.

12.3 Survival

Each representation, warranty and indemnity in clause 11 and this clause 12:

(a) is severable; and

(b) will survive termination of this Agreement.

13. Release

(a) (**Officers not liable**) Subject to section 199A of the Corporations Act and clause 13(b), no officer or employee of a party is liable for anything done or purported to be done in connection with Implementation.

(b) (**Except wilful misconduct**) Clause 13(a) does not exclude an officer or employee from any liability which may arise from wilful misconduct or a grossly negligent act or omission on the part of the person.

(c) (**Benefit held for officers and employees**) Each party receives and holds the benefit of this release, to the extent that it relates to its officers and employees as agent for them.

14. GST

14.1 GST interpretation

In this Agreement:

(a) any reference in this clause 14 to a term defined or used in the GST Law is, unless the context indicates otherwise, a reference to that term as defined or used in that Act;

(b) if a person is a member of a GST group, references to GST for which the person is liable and to input tax credits to which the person is entitled include GST for which the representative member of the GST group is liable and input tax credits to which the representative member is entitled; and

(c) references to GST extend to any notional liability of any person for GST and to any amount which is treated as GST under the GST Law, and references to an input tax credit extend to any notional input tax credit to which any person is entitled.

14.2 GST payable in addition to consideration for taxable supplies

A recipient of a taxable supply made under or in connection with this Agreement must:

(a) pay to the supplier, in addition to the consideration for the taxable supply, an amount equal to any GST paid or payable by the supplier in respect of the taxable supply, without deduction or set-off of any other amount; and

(b) make the payment either when the consideration for the taxable supply is payable, or upon demand.

14.3 Tax invoice

The supplier must issue a tax invoice to the recipient for any supply for which the supplier may recover GST from the recipient under or in connection with this Agreement.

14.4 Consideration exclusive of GST

Any consideration or payment obligation in this Agreement is exclusive of GST unless stated otherwise.

15. Notices

Each communication (including each notice, consent, approval, request and demand) under or in connection with this Agreement:

(a) must be in writing;

(b) must be addressed to the address notified by the recipient to the other party from time to time. As at the date of this Agreement, the parties' respective addresses are the addresses as set out at page 1 of this Agreement;

(c) must be signed by the party making it or (on that party's behalf) by the solicitor for or any attorney, director, secretary or authorised agent of that party;

(d) must be delivered by hand or posted by prepaid post to the address, or sent by fax to the number, of the addressee in accordance with clause (c); and

(e) is taken to be received by the addressee:

(i) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;

(ii) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting;

(iii) (in the case of facsimile) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the facsimile machine from which it was sent or other verification from the time of sending; and

(iv) (in the case of delivery by hand) on delivery,

but if the communication would, on the application of clauses (i) to (iv), be taken to be received on a day that is not a Business Day or after 5.00pm on a Business Day, it is taken to be received at 9.00am on the next Business Day.

16. Amendment and assignment

16.1 Amendment

This Agreement can only be amended, supplemented, replaced or novated by another document signed by the parties.

16.2 Assignment

A party cannot:

(a) assign, novate or otherwise deal with any of its rights or obligations under this Agreement; or

(b) dispose of, declare a trust over or otherwise create an interest in its rights under this Agreement,

without the prior written consent of the other party.

17. General

17.1 Governing law

This Agreement is governed by and must be construed according to the law applying in Western Australia.

17.2 Jurisdiction

Each party irrevocably:

(a) submits to the non-exclusive jurisdiction of the courts of Western Australia, and any courts competent to determine appeals from any of those courts, with respect to any proceedings that may be brought at any time relating to or in connection with this Agreement; and

(b) waives any objection that it may now or in the future have to the venue of any proceedings, and any claim that it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 17.2(a).

17.3 Liability for expenses

(a) Metals X must pay for all stamp duty payable on this Agreement or any instrument or transaction contemplated in or necessary to give effect to this Agreement.

(b) Each party must pay its own expenses incurred in negotiating, preparing, executing and performing this Agreement and the proposed, attempted or actual implementation of this Agreement, the Scheme, the Scheme Booklet and this Agreement except in the event that the condition in clause 2.2(r) is not satisfied or waived and the Scheme is unable to proceed as proposed or in an amended form acceptable to Westgold and Metals X, then Metals X must meet the expenses that Westgold has incurred to that point in time.

17.4 Further acts and documents

Each party must promptly do all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by the other party to give full effect to this Agreement and the transactions contemplated by this Agreement.

17.5 Continuing obligations

Any provision of this Agreement remaining to be performed or observed by the parties or having effect after the termination, completion or expiration of this Agreement remains in full force and effect and is binding on the parties and their personal representatives.

17.6 Waiver of rights

(a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement, of a right provided by law or under this Agreement by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right provided by law or under this Agreement.

(b) A waiver or consent given by a party under this Agreement is only effective and binding on that party if it is given or confirmed in writing by that party.

(c) No waiver of a breach of a term of this Agreement operates as a waiver of another breach of that term or of a breach of any other term of this Agreement.

17.7 No partnership or agency

Nothing in this Agreement is to be treated as creating a partnership and, except as specifically provided in this Agreement, no party may act as agent of or in any way bind another party to any obligation.

17.8 Indemnities

(a) Each indemnity in this Agreement is a continuing obligation, separate and independent from the other obligations of the parties, and survives termination, completion or expiration of this Agreement.

(b) It is not necessary for a party to incur expense or to make any payment before enforcing a right of indemnity conferred by this Agreement.

(c) A party must pay on demand any amount it must pay under an indemnity in this Agreement.

17.9 Consents

Where this Agreement contemplates that a party may agree or consent to something (however it is described), the party may:

(a) agree or consent, or not agree or consent, in its sole and absolute discretion; and

(b) agree or consent subject to conditions,

unless this Agreement expressly contemplates otherwise.

17.10 Severance and enforceability

Any provision, or the application of any provision, of this Agreement that is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions of this Agreement in that or any other jurisdiction.

17.11 No merger

The rights and obligations of the parties under this Agreement do not merge on completion of any transaction under this Agreement, and survive the execution and delivery of any assignment or other document entered into for the purpose of implementing any transaction under this Agreement.

17.12 Entire agreement

To the extent permitted by law, in relation to its subject matter this Agreement:

(a) embodies the entire understanding of the parties, and constitutes the entire terms agreed by the parties; and

(b) supersedes any prior written or other agreement of the parties.

17.13 Counterparts

This Agreement may be executed in any number of counterparts and by the parties on separate counterparts, including by facsimile. Each counterpart constitutes an original of this Agreement and all together constitute one agreement.

17.14 Attorneys

Each person who executes this Agreement on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

Schedule 1 – Share Scheme Deed Poll

Deed dated **2012**

Parties

Metals X Limited ACN 110 150 055 of Level 3, 123 Adelaide Terrace, East Perth, Western Australia (**Metals X**)

In favour of each holder of fully paid ordinary shares in the capital of Westgold Limited ACN 009 260 306 (**Westgold**) (other than Metals X) on issue as at 5.00pm on the Record Date (each a **Scheme Shareholder**)

Recitals

A. On 13 May 2012, Metals X and Westgold entered into a Merger Implementation Agreement (**Implementation Agreement**).

B. Westgold has agreed in the Implementation Agreement to propose the Share Scheme.

C. Under the Share Scheme, all Westgold Shares held by Scheme Shareholders will be transferred to Metals X for the Scheme Consideration.

D. In accordance with the Implementation Agreement, Metals X is entering into this Deed to covenant in favour of the Scheme Shareholders to perform its obligations under the Share Scheme.

Operative Provisions

1. Definitions and interpretation

1.1 Definitions

Deed means this Share Scheme Deed Poll.

Terms that are not defined in this Deed and that are defined in the Implementation Agreement have the same meaning in this Deed as given to the term in the Implementation Agreement, unless the context makes it clear that a definition is not intended to apply.

1.2 Interpretation

The rules specified in clause 1.2 of the Implementation Agreement apply in interpreting this Deed, unless the context makes it clear that a rule is not intended to apply.

1.3 Nature of Deed Poll

Metals X acknowledges that this Deed may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it.

2. Condition precedent and termination

2.1 Condition

Metals X's obligations under clause 3 are subject to the Share Scheme becoming Effective.

2.2 Termination

If the Share Scheme does not become Effective on or before the Sunset Date, or the Implementation Agreement is terminated, Metals X's obligations under this Deed will automatically terminate and the terms of this Deed will be of no further force or effect, unless Metals X and Westgold otherwise agree in writing.

2.3 Consequences of termination

If this Deed is terminated under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to it:

(a) Metals X is released from its obligations to further perform this Deed except those obligations contained in clause 8.3; and

(b) each Scheme Shareholder retains any rights it has against Metals X in respect of any breach of this Deed which occurred before it is terminated.

3. Payment of Scheme Consideration

3.1 Undertaking to pay Scheme Consideration

Subject to clauses 2, 3.3 and 3.4, in consideration of the transfer of each Westgold Share to Metals X, Metals X must:

(a) acquire all Westgold Shares on issue at the Record Date from Scheme Shareholders, in accordance with the provisions of the Share Scheme;

(b) issue and allot the Scheme Consideration to each Scheme Shareholder (other than to Ineligible Foreign Holders who will be dealt with in accordance with clause 3.3); and

(c) otherwise do all things necessary or expedient on its part to implement the Share Scheme.

3.2 Satisfaction of obligation to provide Scheme Consideration

The obligation of Metals X to provide the Scheme Consideration referred to in clause 3.1(b) will be satisfied by Metals X:

(a) on the Implementation Date, entering in the register of members of Metals X the name of each Scheme Shareholder, in relation to all the New Metals X Shares issued to each Scheme Shareholder as Scheme Consideration in accordance with the Share Scheme; and

(b) within 10 Business Days after the Implementation Date, dispatching to each Scheme Shareholder, if their New Metals X Shares are held on the issuer sponsored subregister of Metals X, by pre-paid post to his or her address as recorded in Westgold's share register at the Record Date, an uncertificated

holding statement in the name of that Scheme Shareholder representing the number of New Metals X Shares issued to that Scheme Shareholder.

3.3 Ineligible Foreign Holders

Metals X will be under no obligation under the Share Scheme to issue, and will not issue, any New Metals X Shares to an Ineligible Foreign Holder, and instead where a Scheme Shareholder is an Ineligible Foreign Holder, the number of New Metals X Shares to which the Scheme Shareholder would otherwise be entitled, will be allotted to a nominee approved by Westgold and ASIC who will sell those New Metals X Shares as soon as practicable (at the risk of that Ineligible Foreign Holder) and pay the proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to that Ineligible Foreign Holder in full satisfaction of that Ineligible Foreign Holder's rights under the Share Scheme to Scheme Consideration.

3.4 Unmarketable Parcels

Where the New Metals X Shares which would otherwise be issued as Scheme Consideration to any particular Scheme Shareholder would not constitute a marketable parcel within the meaning of the Market Rules Procedures of ASX (calculated having regard to the closing price of Metals X Shares on the ASX on the Record Date), then, in respect of the number of New Metals X Shares to which the Scheme Shareholder would otherwise be entitled, the Scheme Shareholder will be given the option to have those New Metals X Shares allotted to a nominee approved by Westgold who will sell those New Metals X Shares as soon as practicable (at the risk of the Scheme Shareholder) and pay the proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to that Scheme Shareholder in full satisfaction of that Scheme Shareholder's rights under the Share Scheme to Scheme Consideration.

3.5 Joint holders

In the case of Westgold Shares held by Scheme Shareholders in joint names:

(a) any entry in the register of members of Metals X required to be made must record the names and registered addresses of the joint holders; and

(b) any uncertificated holding statement for New Metals X Shares must be issued to Scheme Shareholders in the names of the joint holders and must be forwarded to the holder whose name first appears in Westgold's share register at the Record Date.

4. Representations and warranties

Metals X represents and warrants that:

(a) (**status**) it is a company limited by shares and validly existing under the Corporations Act;

(b) (**power**) it has full legal capacity and power to enter into this Deed and to carry out the transactions that this Deed contemplates;

(c) (**corporate authority**) it has taken all corporate action that is necessary or desirable to authorise its entry into this Deed and its carrying out the transactions this Deed contemplates; and

(d) (**Deed effective**) this Deed constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping.

5. Continuing obligations

This Deed is irrevocable and, subject to clause 2, remains in full force and effect until Metals X has completely performed its obligations under this Deed or the earlier termination of this Deed under clause 2.

6. Notices

Each communication (including each notice, consent, approval, request and demand) under or in connection with this Deed:

(a) must be in writing;

(b) must be addressed to the address notified by the recipient to the other party from time to time. As at the date of this Deed, the Metals X's address is the address as set out at the start of this Deed;

(c) must be signed by the party making it or (on that party's behalf) by the solicitor for or any attorney, director, secretary or authorised agent of that party;

(d) must be delivered by hand or posted by prepaid post to the address, or sent by fax to the number, of the addressee in accordance with clause (c); and

(e) is taken to be received by the addressee:

(i) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;

(ii) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting;

(iii) (in the case of facsimile) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the facsimile machine from which it was sent or other verification from the time of sending; and

(iv) (in the case of delivery by hand) on delivery,

but if the communication would, on the application of clauses (i) to (iv), be taken to be received on a day that is not a Business Day or after 5.00pm on a Business Day, it is taken to be received at 9.00am on the next Business Day.

7. Amendment and assignment

7.1 Amendment

This Deed may not be varied unless:

(a) before the Second Court Date, the variation is agreed to in writing by Westgold; or

(b) on or after the Second Court Date, the variation is agreed to in writing by Westgold and is approved by the Court,

and, in which case, Metals X will enter into a further deed poll in favour of Scheme Shareholders giving effect to that amendment.

7.2 Assignment

The rights and obligations of a person under this Deed are personal. They cannot be assigned, novated, encumbered, charged or otherwise dealt with, and no person shall attempt or purport to do so.

8. General

8.1 Governing law

This Deed is governed by and must be construed according to the law applying in Western Australia.

8.2 Jurisdiction

Each party irrevocably:

(a) submits to the non-exclusive jurisdiction of the courts of Western Australia, and any courts competent to determine appeals from any of those courts, with respect to any proceedings that may be brought at any time relating to or in connection with this Deed; and

(b) waives any objection that it may now or in the future have to the venue of any proceedings, and any claim that it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 8.2(a).

8.3 Liability for expenses

Metals X is solely responsible for, and must indemnify each Scheme Shareholder against, and must pay each other party on demand the amount of, any duty that is payable on or in relation to this Deed and the transactions that this Deed contemplates.

8.4 Waiver of rights

(a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement, of a right provided by law or under this Deed by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right provided by law or under this Deed.

(b) A waiver or consent given by a party under this Deed is only effective and binding on that party if it is given or confirmed in writing by that party.

(c) No waiver of a breach of a term of this Deed operates as a waiver of another breach of that term or of a breach of any other term of this Deed.

8.5 Consent

Metals X consents to Westgold producing this Deed to the Court.

8.6 Further acts and documents

Metals X must promptly do all further acts and execute and deliver all further documents (in such form and content reasonably satisfactory to Westgold) required by law or reasonably requested by Westgold to give full effect to this Deed and the transactions contemplated by this Deed.

8.7 Severance and enforceability

Any provision, or the application of any provision, of this Deed that is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions of this Deed in that or any other jurisdiction.

Executed as a deed.

Executed by
Metals X Limited
ACN 110 150 055
pursuant to Section 127
of the Corporations Act

.....	.....
Director	~~Director~~/Secretary
WARREN HALLAM	FIONA VAN MAANEN
Full Name (please print)	Full Name (please print)

Schedule 2 – Westgold's capital

1. Shares

Westgold has 417,178,651 fully paid ordinary shares on issue.

2. Options

Westgold has on issue the following options to subscribe for fully paid shares:

Tranche	Expiry Date	Exercise Price	Balance
1.	8 November 2012	$0.45	250,000
2.	25 March 2015	$0.48	650,000
3.	30 November 2012	$0.21	2,500,000
4.	7 January 2013	$0.20	1,000,000
5.	30 November 2013	$0.21	500,000
6.	31 December 2013	$0.20	17,500,000
7.	11 January 2014	$0.32	1,025,000
8.	24 August 2014	$0.22	400,000
9.	4 July 2014	$0.29	1,825,000
10.	15 August 2014	$0.29	3,000,000
11.	1 November 2014	$0.23	1,000,000
		Total	**29,650,000**

3. Performance Rights

Westgold has on issue the following performance rights each having the conditional right to subscribe for one fully paid share:

Tranche	Grant Date	Performance Hurdles	Expiry Date	Balance
1.	2 November 2011	Various	2 November 2014	300,000
2.	15 August 2011	Various	15 August 2014	2,750,000
			Total	**3,050,000**

Schedule 3 – Metals X's capital

1. Shares

Metals X has 1,319,136,941 fully paid ordinary shares on issue.

2. Options

Metals X has on issue the following options to subscribe for fully paid shares:

Tranche	Expiry Date	Exercise Price	Balance
1.	31 July 2012	$0.45	1,000,000
2.	30 November 2013	$0.13	2,800,000
3.	30 November 2012	$0.14	2,500,000
4.	30 November 2013	$0.32	1,000,000
5.	30 November 2014	$0.30	4,850,000
		Total	**12,150,000**

Executed by the parties as an agreement.

Executed by
Metals X Limited
ACN 110 150 055
pursuant to Section 127
of the Corporations Act

.....
Director

WARREN HALLAM
.....
Full Name (please print)

.....
~~Director~~/Secretary

FIONA VAN MAANEN
.....
Full Name (please print)

Executed by
Westgold Resources Limited
ACN 009 260 306
pursuant to Section 127
of the Corporations Act

.....
Director

SCOTT JAMES HUFFADINE
.....
Full Name (please print)

.....
~~Director~~/Secretary

ANDREW DAVID CHAPMAN
.....
Full Name (please print)