



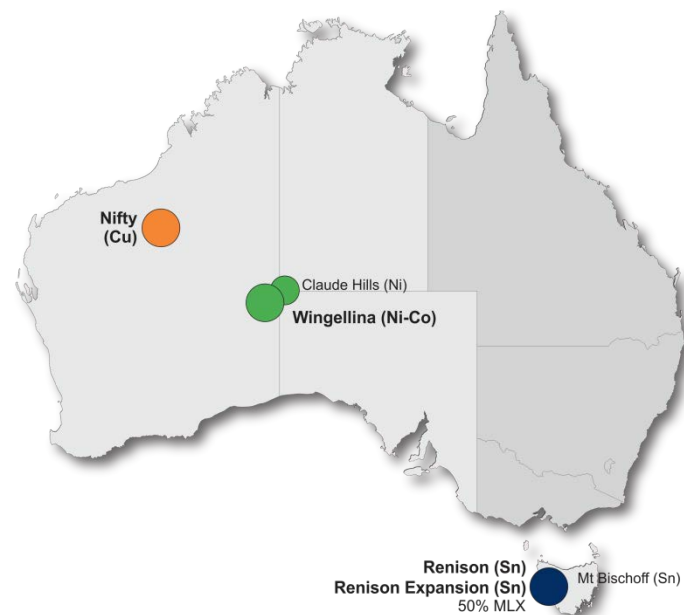
**METALS X LIMITED**





# METALS X LIMITED

*PROUDLY POSITIONED AS AN  
AUSTRALIAN MINER*



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## JORC Compliance Statement

### Competent Persons Statements – Tin, Nickel and Copper

The information in this report that relates to Exploration Results and Mineral Resources and Ore Reserves is based on information compiled Mr Peter Cook BSc (Appl. Geol) MSc (Min. Econ.) M.AusIMM, Mr Jake Russell B.Sc. (Hons) MAIG, Mr Michael Poepjes BEng (Mining Engineering), MSc (Min. Econ) M.AusIMM and Mr Paul Hucker B. Eng (Hons) MAIMM. All have sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which they are undertaking to qualify as a Competent Person as defined in the 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012)". All consent to the inclusion in this report of the matters based on his information in the form and context in which it appears. All are full time senior executives of the Company and are eligible to, and may participate in short-term and long-term incentive plans of the Company as disclosed in its annual reports and disclosure documents.

## Exploration and Production Target Statements

The information in this report that relates to exploration targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Production targets and mine designs are currently conceptual in nature.

# METALS X LIMITED



An Australian Diversified Base Metals Company

- Global top 10 primary Tin producer (AISC margins of +A\$10,000/t).
- Significant Copper producer (~30,000tpa Cu).
- Development ready - world class nickel-cobalt project (Australia's largest undeveloped Nickel and Cobalt Resource 1.9Mt contained Ni and 150Kt Co).
- Strong Balance Sheet & Fiscal Position ~A\$112M cash and working capital + \$15M investments with strong cashflow and no corporate debt.
- December quarter Operating EBITDA \$20.8M, EV \$335M.

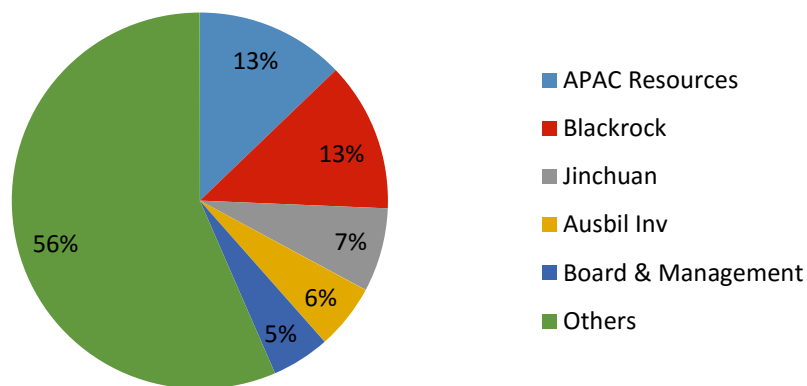
# CORPORATE OVERVIEW



| CORPORATE STRUCTURE (ASX: MLX) |                            |
|--------------------------------|----------------------------|
| Shares                         | 606M                       |
| Share price                    | A\$0.76                    |
| Market Cap                     | A\$460M                    |
| Major indices                  | MSCI Small cap, ASX 300    |
| Net Cash & Working Capital     | A\$112M                    |
| Investments                    | A\$15M                     |
| Debt                           | Nil                        |
| Enterprise Value               | A\$335M                    |
| Hedging Collar                 | 7,500tCu @ \$7,500-\$8,200 |

| BOARD & MANAGEMENT      |                  |
|-------------------------|------------------|
| Non-Executive Chairman  | Peter Newton     |
| Managing Director       | Warren Hallam    |
| Non-Exec Director       | Stephen Robinson |
| Non-Exec Director       | Simon Heggen     |
| Non-Exec Director       | Yimin Zhang      |
| Company Secretary & CFO | Fiona van Maanen |
| COO                     | Allan King       |

## Substantial Shareholders



**COPPER**

# Nifty Copper Operation



- Acquired September quarter 2016 by off-market takeover.
- A going concern copper producer (~30,000tpa @~ US\$2.15/lb AISC).
- Significant infrastructure - 2.5Mtpa concentrator, large u/g mine, camp, concentrate storage warehouse etc.
- Nifty Mine 539Kt Cu metal in resources at 1.73% Cu.
- Maroochydore Prospect 486Kt Cu metal @ 1% Cu and 19Kt Co metal @ 380ppm Co.
- December Quarter 7,909t copper @ AIC A\$6,272 or A\$2.84/lb (US\$2.15/lb). EBITDA \$10.1M; Net Cashflow \$7.2M.
- 12-18 Month Target US\$1.75/lb – Productivity improvements and increased tonnage. Process Plant – approx 40% spare capacity - no additional capital required. UG drilling recommenced and mine development being accelerated.
- Regional exploration commenced.

## Nifty Total Mineral Resources Estimates – JORC 2012

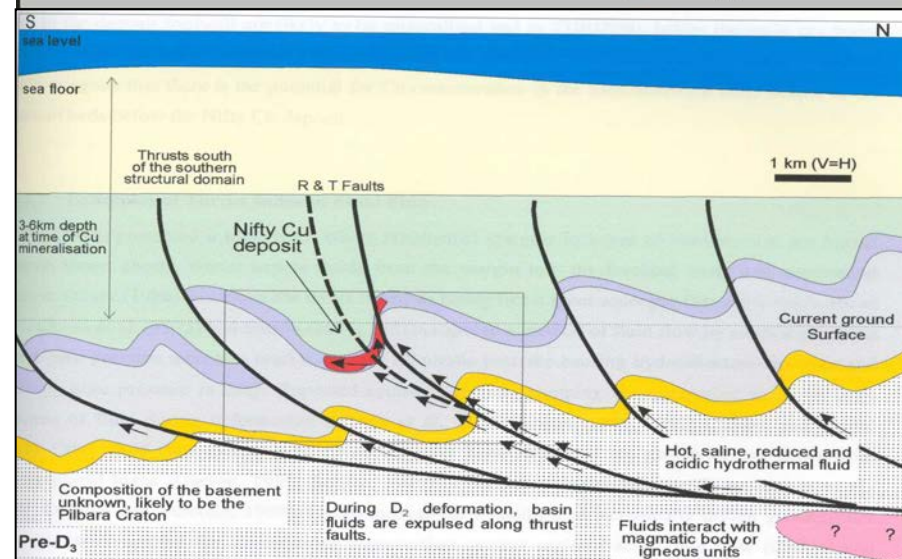
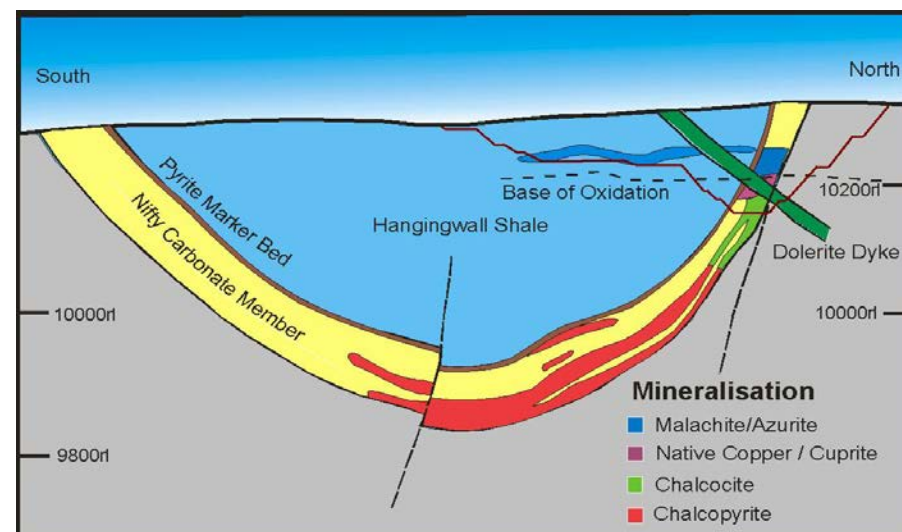
| Nifty Total  | Tonnes (Mt)  | Grade( %)   | Copper (Kt) |
|--------------|--------------|-------------|-------------|
| Measured     | 18.77        | 2.06        | 368         |
| Indicated    | 7.36         | 1.24        | 91          |
| Inferred     | 4.97         | 1.21        | 60          |
| <b>TOTAL</b> | <b>31.10</b> | <b>1.73</b> | <b>539</b>  |

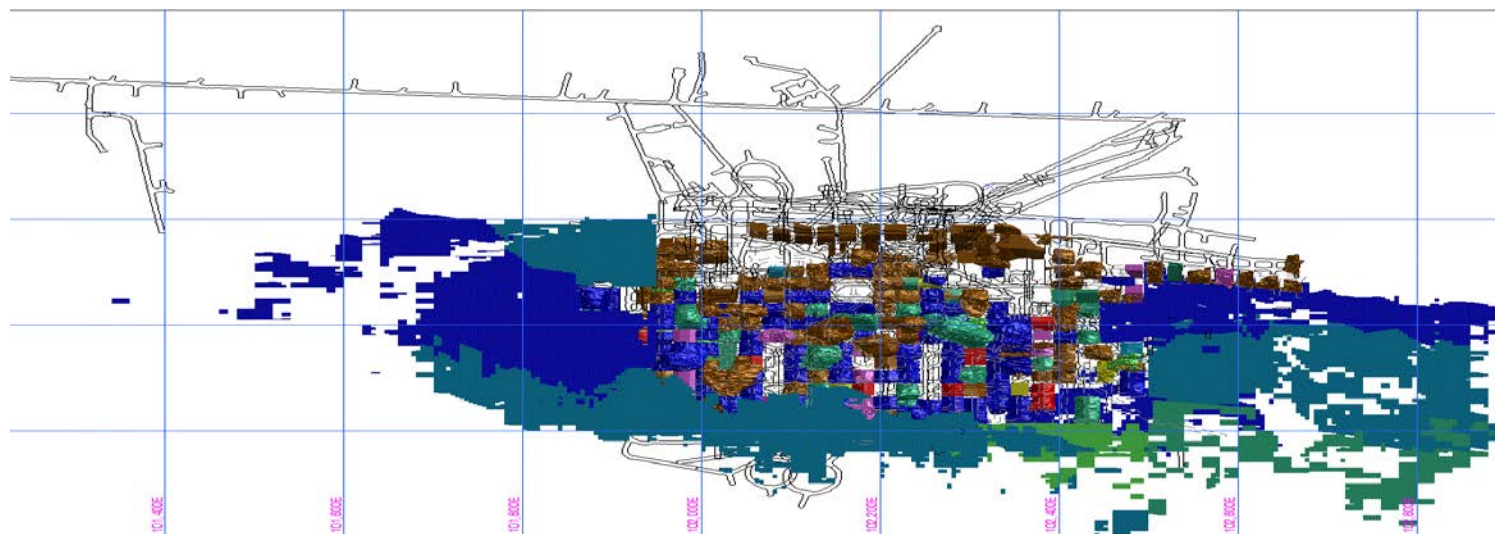
## Nifty Total Ore Reserves – JORC 2012

| Nifty Total  | Tonnes (Mt) | Grade (%)   | Copper (Kt) |
|--------------|-------------|-------------|-------------|
| Proved       | 3.63        | 1.88        | 68          |
| Probable     | 1.61        | 1.78        | 29          |
| <b>TOTAL</b> | <b>5.24</b> | <b>1.85</b> | <b>97</b>   |

## Maroochydore Total Mineral Resources Estimates – JORC 2012

| Maroochydore Total | Tonnes (Mt)  | Copper Grade (%) | Copper (Kt) | Cobalt Grade (ppm) | Cobalt (Kt) |
|--------------------|--------------|------------------|-------------|--------------------|-------------|
| Measured           |              |                  |             |                    |             |
| Indicated          | 40.8         | 0.92             | 375         | 391                | 15.9        |
| Inferred           | 7.83         | 1.40             | 110         | 292                | 2.9         |
| <b>TOTAL</b>       | <b>48.63</b> | <b>1.00</b>      | <b>486</b>  | <b>380</b>         | <b>18.8</b> |

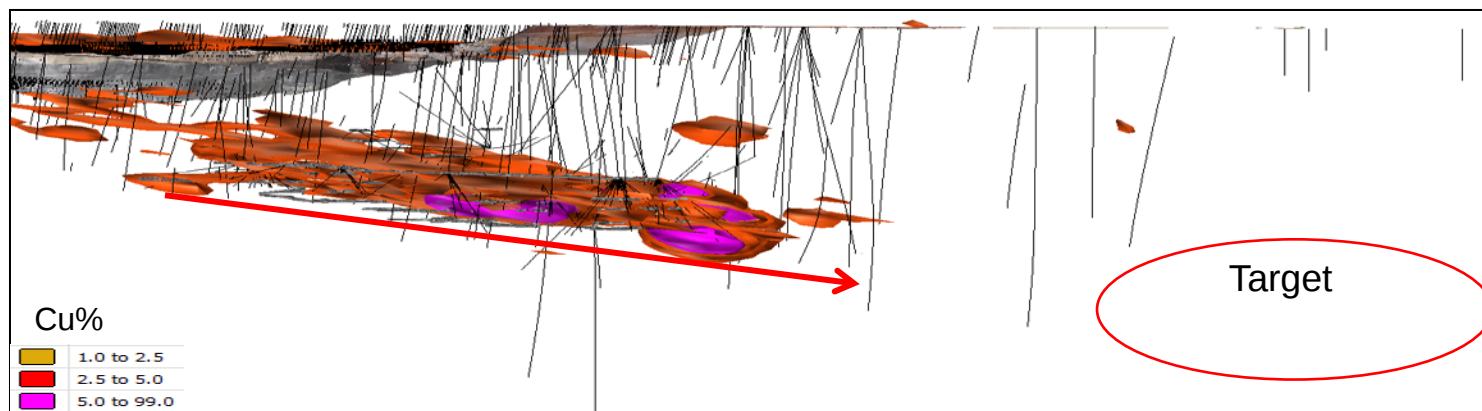


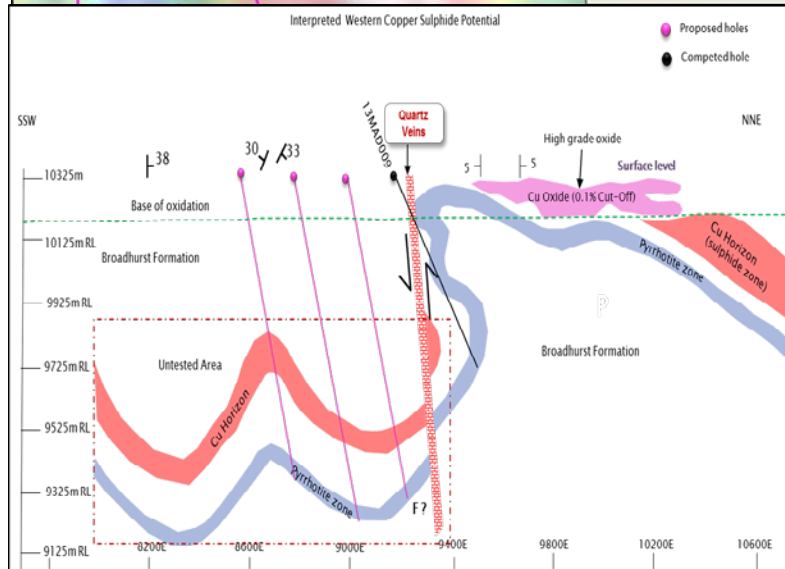
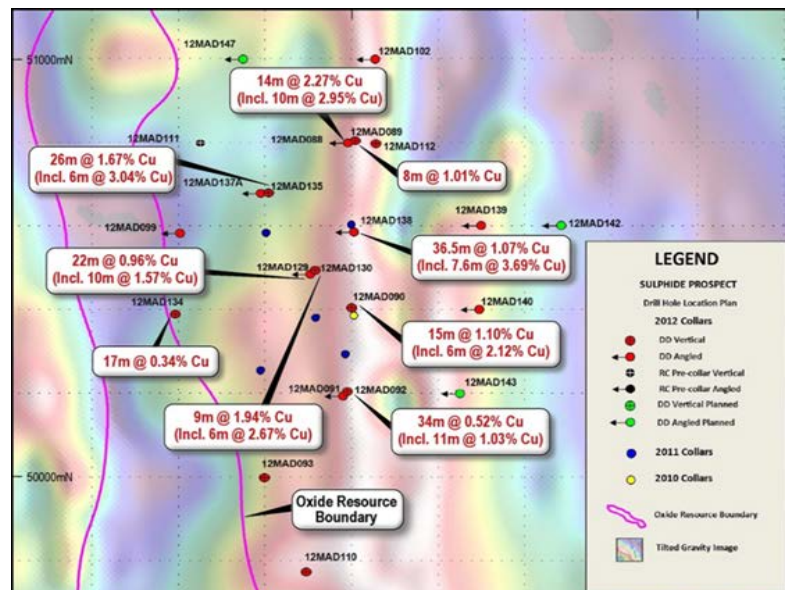


Current Mining Front last 10 yrs 600m

Defined mineralisation 1.2kms

2+kms





- Resource 486Kt Copper and 19Kt Co.
- Sulphide resource recent discovery and undefined.
- Significant Cobalt resource.

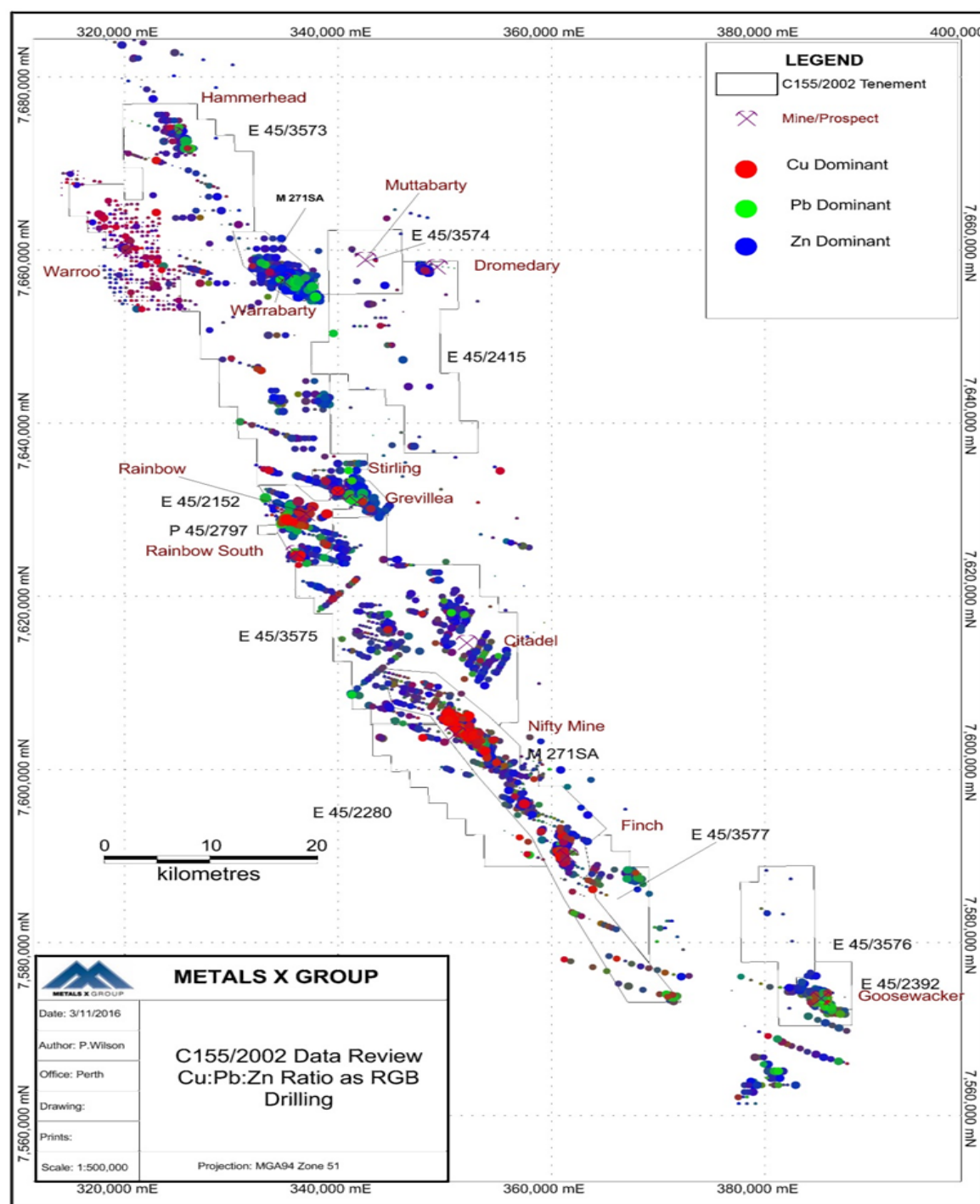


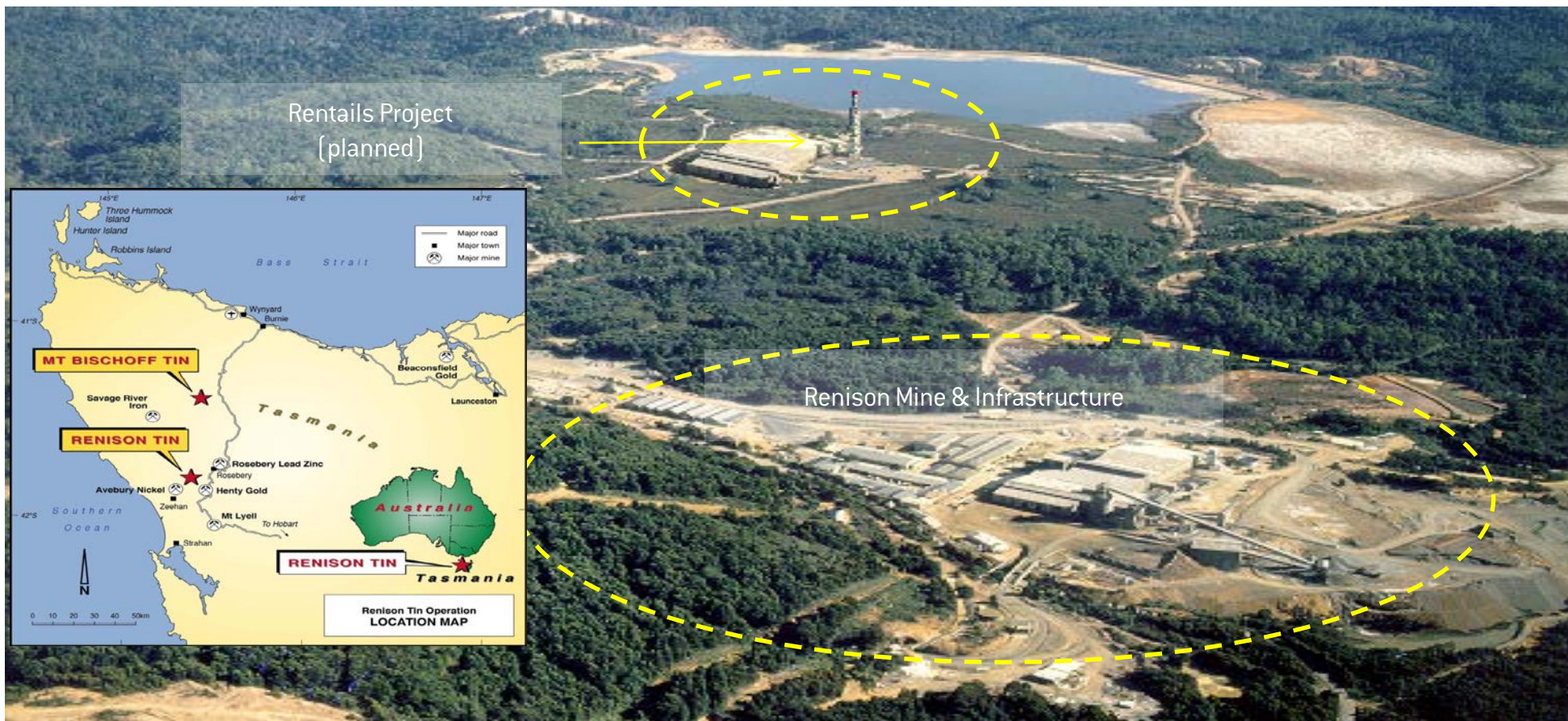
12MAD088: 10m @ 2.95% Cu, 5.5gpt Ag from 353m and 1m @ 9.40% Cu, 18.5gpt Ag from 357m

# COPPER

Large Land Holding  
with significant  
potential.

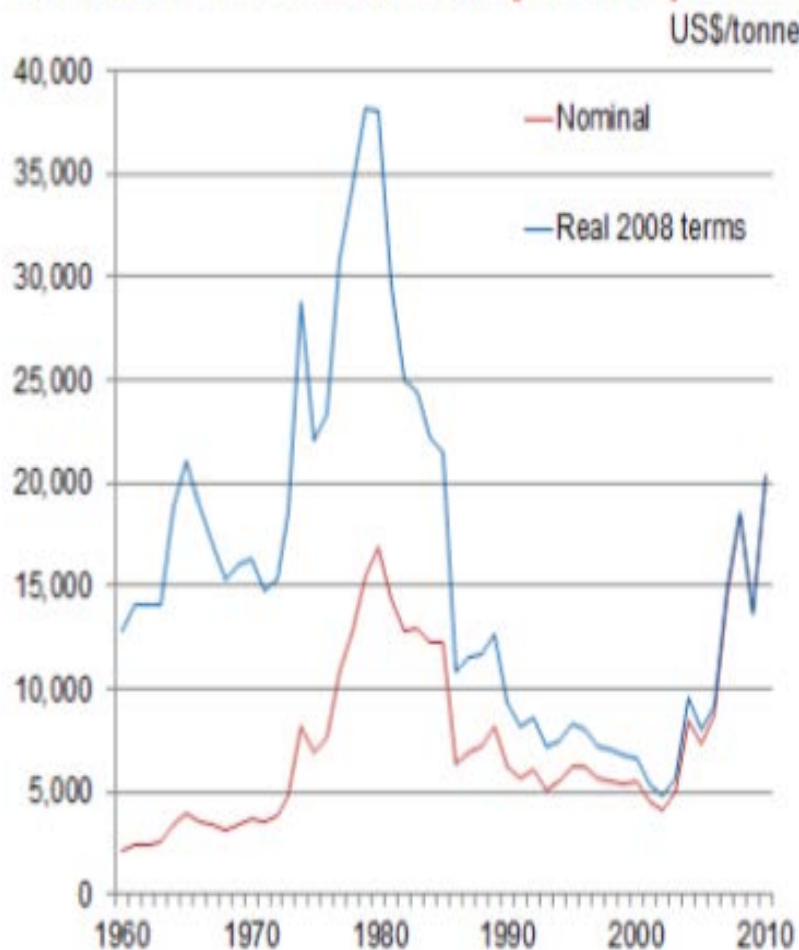
Previous Explorers  
have completed  
most of the  
background work  
and the opportunity  
lies with us.





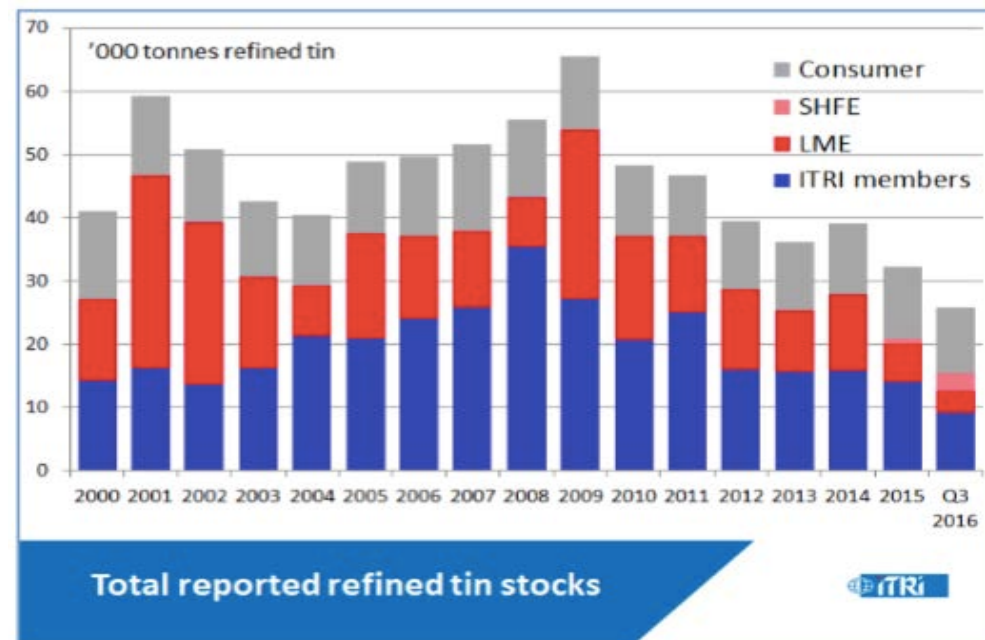
*Metals X is one of the very few, if not the only listed tin producer in the western-world.*

### Actual and inflation-adjusted prices

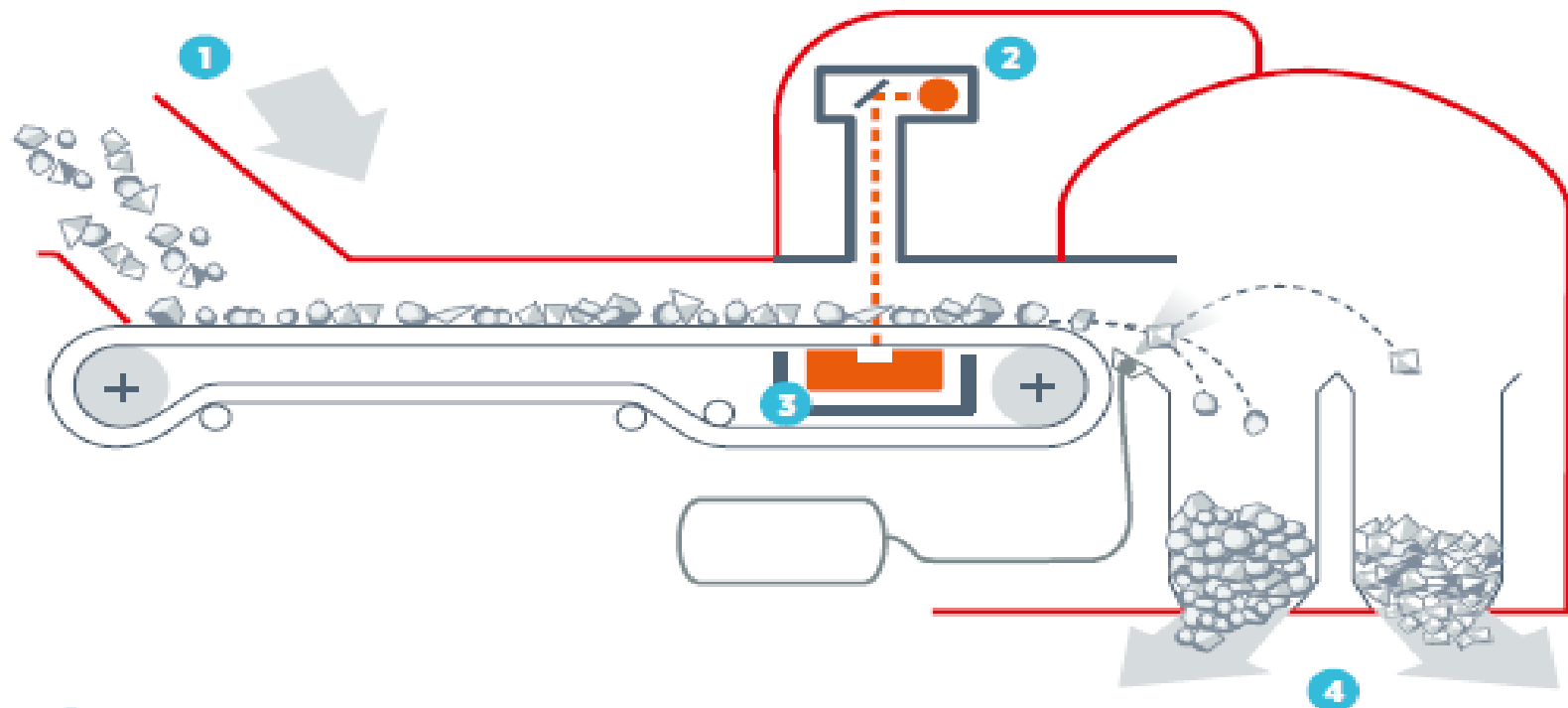


### RENISON TIN MINE

- Sn Reserves 5.7Mt @ 1.28% Sn (72Kt) ~ 8 yrs.
- Resources 11.5Mt @ 1.44% Sn (165Kt) ~16yrs.
- Production: 7 – 7,500tpa Sn @ A\$18,500/t AISC.
- Current tin price: A\$28,000/t (~\$10,000 margin per tonne).
- December quarter \$10.7M EBITDA .



## ORE SORTING – X-RAY TRANSMISSION (XRT)



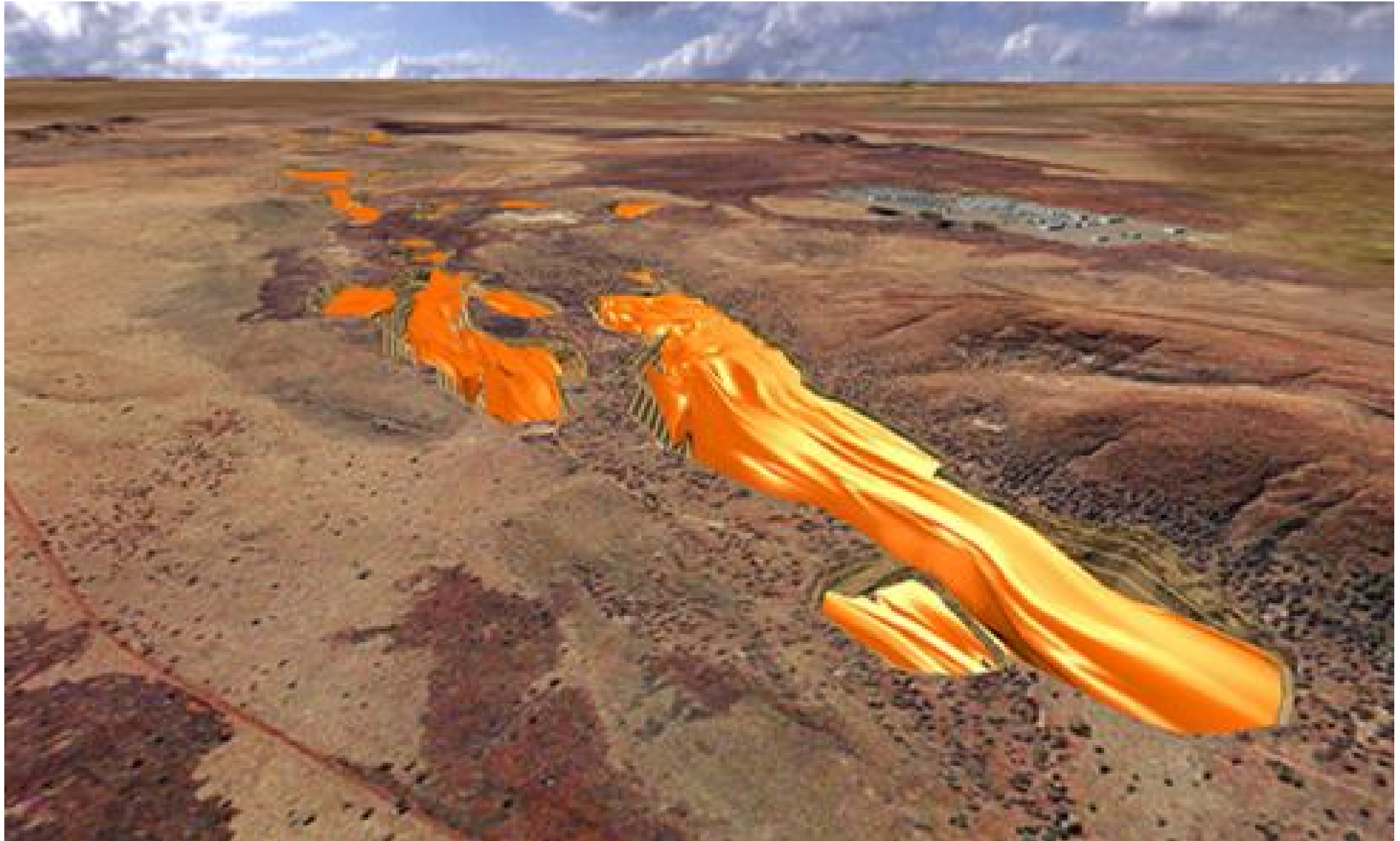
- 1 Feeding of unsorted material
- 2 X-ray source
- 3 X-ray camera
- 4 Separation chamber



- **Reserve:** 22.5Mt @ 0.45% Sn (100Kt tin) - 11 Years.
- **Project Capital Cost Estimate (Metals X 50% share):**
  - New Tin Concentrator 2Mtpa ~A\$40 million
  - Tin Fumer Plant 60ktpa ~A\$40 million
  - New Tailings Dam ~A\$10 million
- **Project Annual Production (100%):** 5,000tpa Sn metal, 2,000tpa Cu in high grade matte.
- **AISC:** ~A\$17,500/t Sn metal (after copper credits).

NICKEL

## Central Musgrave Project



- Over 40 years reserve at p.a. production rate of 40,000t Ni and 3,000t Co.
- Feasibility study ( $\pm 25\%$ ) was completed in 2008.
- 2010 Metals X signed a ground breaking Mining Agreement with the native title holders, the first ever negotiated in the region.
- Water testing and modeling completed in 2012.
- Environmental approval received Sept 2016.
- Discussion continue on financing and development.
- Continue to review alternative technologies to lower capital hurdle.

|                            |                                   |
|----------------------------|-----------------------------------|
| Ore Reserves               | 167.5M tonnes @ 1% Ni, 0.08% Co   |
| Annual Metal Production    | 40,000 tonnes Ni, 3,000 tonnes Co |
| Mine Life                  | 40+ Years                         |
| Metal Price Assumptions    | Ni US\$20,000/t, Co US\$45,000/t  |
| Exchange Rate Assumption   | AUD 0.85                          |
| Production Cost            | US\$3.34/lb (after Co credits)    |
| Est. Average Annual EBITDA | US\$483 Million                   |
| NPV <sub>(8%)</sub> BT     | A\$3.4 Billion                    |
| Capital Cost Estimate      | A\$2.5 Billion                    |



## ■ Prioritize New Growth Businesses

### Verified self-developed technologies for commercialization

#### Lithium

##### ■ Verified direct-extraction technology for commercialization

- Completed construction of pilot plant in Argentina to test its ability to mass-produce (Dec.)
- Registered for patent in major countries, such as the U.S. and Japan
- Reviewed objectively for further application



#### Nickel Extraction Process

##### ■ Completed pilot test to move towards demo plant for PosNEP\*

- Developed technology for PosNEP PP2 (Jun)
- Started test of adopting low-cost materials
- Proved applicability of PosNEP technology with Metal X, Australian miner, which has Limonite mines

\* POSCO Nickel Extraction Process



# SUMMARY



- Three World Class Ore Bodies – Nifty, Renison and Wingellina;
- Strong Cashflow from Tin and Copper;
- Development ready Nickel Project;
- Expansion projects in Tin and Copper;
- December quarter Op EBITA \$20M, EV A\$335
- No debt, \$112M Cash and working Capital, plus \$15M Investments.

# Thank You!

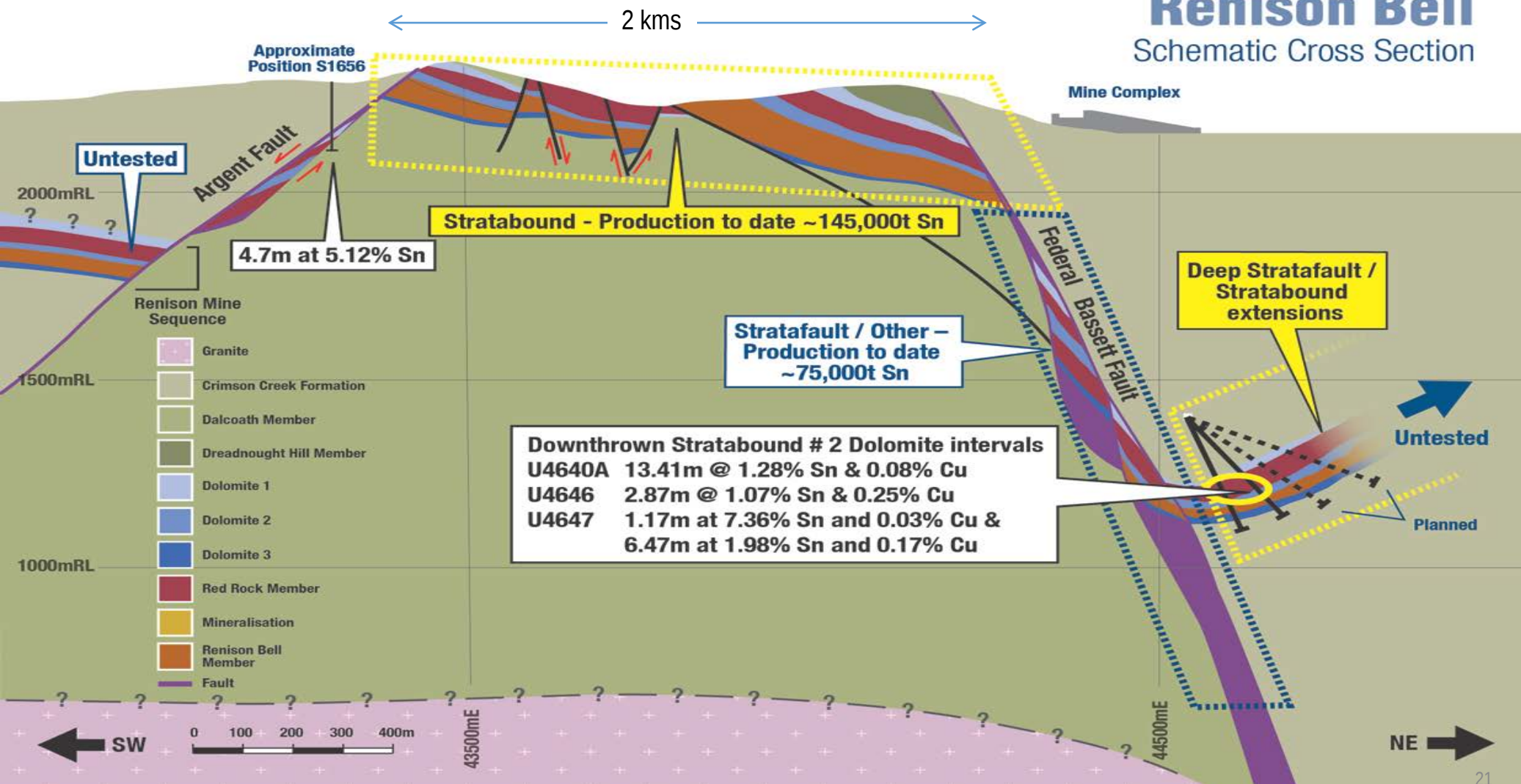


TIN

# Significant Expansion Potential

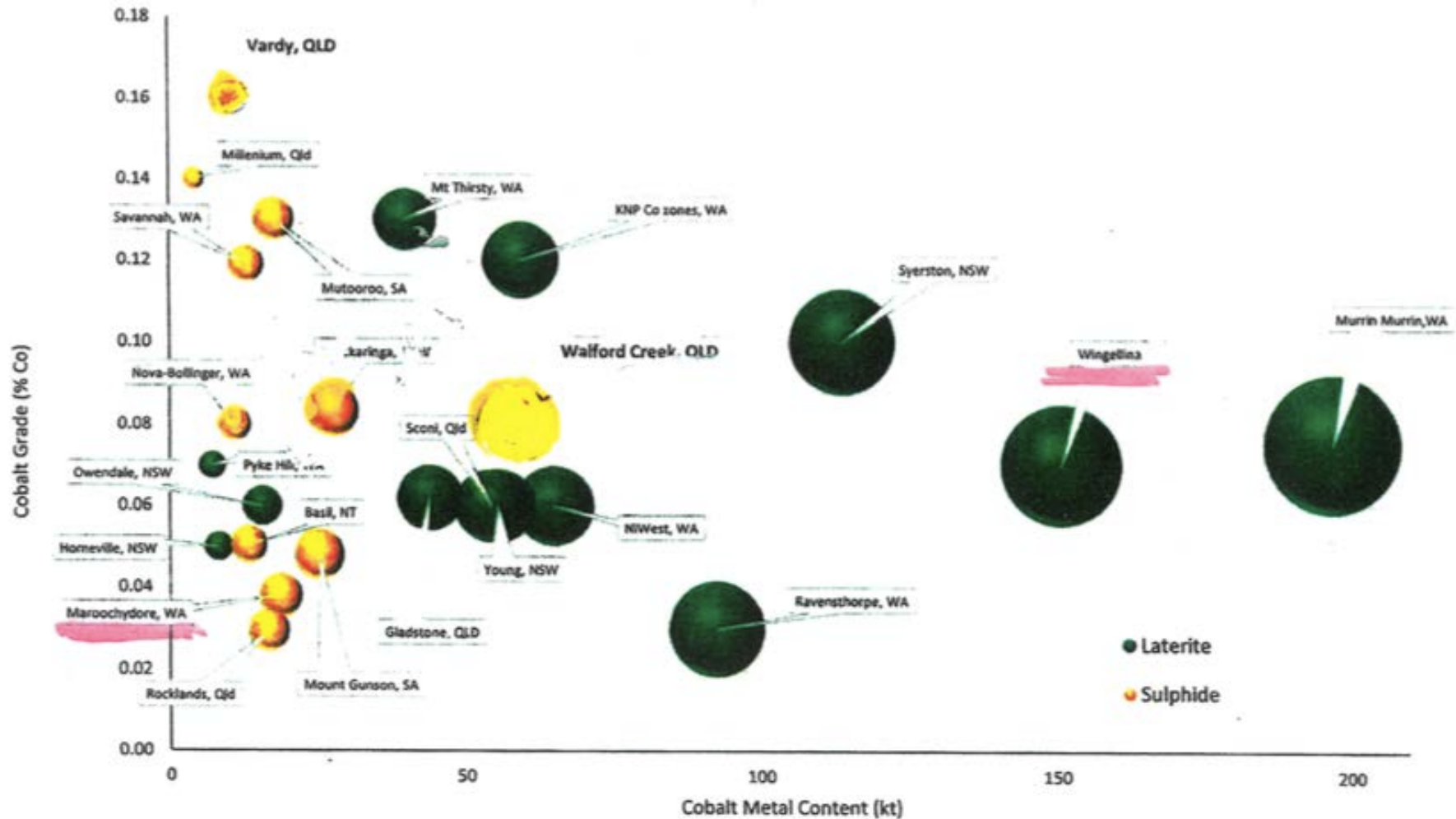


## Renison Bell Schematic Cross Section



# NICKEL

## Significant Cobalt Inventory



Source: Company announcements, Terra Studio. Bubble size relates to cobalt metal content