

FY2019 FULL YEAR RESULTS

30 AUGUST 2019



Metals X Limited (the **Company**) is pleased to report its financial results for the year ended 30 June 2019.

The 2019 financial year was a period of significant transformation for Metals X. While the Renison Tin Operations continued to perform strongly the Nifty Copper Operations has been undergoing significant change in order to deliver a long-term profitable mining operation over a 12-24 month period.

Key financial details and comparison to the previous year:

Summary (\$M)	30 June 2019	30 June 2018	Variance
EBITDA ¹	(5.7)	12.7	(18.4)
Depreciation and amortisation	(35.1)	(25.6)	(9.4)
Impairments and other losses	(75.6)	(12.5)	(63.1)
Net profit after tax	(117.0)	(26.3)	(90.7)
Cashflow from operating activities	(15.2)	27.3	(42.5)
Capital re-investment	(46.3)	(38.9)	(7.4)
Cash flows from financing activities	41.6	(7.3)	48.9

Earnings before Interest Tax Depreciation and Amortisation (**EBITDA**) for the Renison Tin Operations (**Renison**) was \$21.5M (2018: \$36.5M). Revenue was higher than the previous year due an increase in production and the tin price, however this was offset by increased operating costs associated with the new crushing plant and ore sorter, drawdown of the large low grade ore stockpile developed in the previous period as feed for the ore sorter and inventory write-downs to net realisable value.

EBITDA for the Nifty Copper Operations (**Nifty**) was (\$20.0M) (2018: (\$18.7M)), which is lower than the previous year as lower copper prices impacted revenue.

EBITDA for corporate activities was (\$7.1M) (2018: (\$5.1M)), which was lower in the current period due to costs associated with a re-organisation of the Company's executive management team.

Capital re-investment was higher than the previous period mainly due to expenditure on upgrading and refurbishing infrastructure and additional capital development being undertaken to develop new mining areas outside of the Central Zone at Nifty.

The Company recognised impairments and other losses of \$75.6M (2018: \$12.5M) during the year. This resulted in a write down at Nifty of \$64.2M (refer to note 39 of the 2019 Annual Report). There were further write-offs on exploration and evaluation expenditure of \$6.6M and losses on share investments of \$4.4M.

Further details on the results of the Company's operations are included on page 13 of the Annual Report.

¹ EBITDA stands for Earnings Before Interest, Tax, Depreciation and Amortisation and is non-IFRS financial information and is not subject to audit. This is a widely used "industry standard" term that certain investors use to evaluate company performance.

Managing Director Mr Damien Marantelli said, “We continue strongly toward our goal of turning around the financial performance of Metals X. Renison continues to perform well. With the investment in the new crushing circuit completed, continued outstanding geological drilling results in Area 5, Leatherwood and Bell 50 and increased overall Ore Reserves, the future of the operation is looking extremely positive.”

“As a team we are now deep into executing the Nifty Reset Plan. While not necessarily reflected in the financial results, we have made significant progress in reducing costs, improving efficiency and resolving a number of legacy issues.. Progress against the key activities in the Reset Plan is on track, including targeting the introduction of new mining areas into the schedule to provide the basis for increasing output. Most importantly, geological drilling continues to highlight opportunities to extend the new mining areas and development rates into the new mining areas are above the targets established in the Plan.”