

**14 JANUARY 2016**

# **METALS X EXTENDS ABY TAKEOVER OFFER**

Metals X Limited ACN 110 150 055 (**Metals X**) has today extended its off-market takeover bid for all of the fully paid ordinary shares in Aditya Birla Minerals Limited ACN 103 515 037 (**ABY**) (**Offer**) to 24 February 2016. Yesterday, Metals X waived the 90% minimum acceptance condition, effectively giving all shareholders of ABY an opportunity to switch their shareholding in ABY to a shareholding in Metals X at the ratio of 1 Metals X share for every 4.75 ABY shares.

Details of the Offer are set out in the bidder's statement dated 15 October 2015 and first supplementary bidder's statement dated 7 December 2015, as varied by notices dated 20 November 2015, 7 December 2015 and 23 December 2015.

The Metals X offer has received substantial support from minority shareholders with some 396 acceptances and an acceptance level equivalent to 39.36% of the minority shareholding in ABY (19.29% in total). The Offer remains at a premium to where ABY shares have traded during the Offer period.

Metals X CEO Peter Cook said:

“In our view the ABY board must now fully inform its shareholders as to the full financial position and prospects of the company and the outcomes of the strategic review process it has chosen to undertake, so that shareholders can make an appropriate and informed decision on whether to accept or reject Metals X's Offer.”

It is disappointing to note that in the ABY Quarterly Report released today ABY has mined at grades significantly above its published JORC Resource and Reserve grades in what appears to be a process of high grading to temporarily increase cashflow. Whilst this brought cash flow into the past Quarter, high grading inevitably diminishes the value of the remaining Reserves and can cause serious future mine planning issues. And despite this increased cash flow, overall the total cash balance of ABY decreased by \$4.26M at the end of the Quarter.

Also, ABY has only presented operating costs for the Nifty mine. Metals X believes that in the background of a takeover offer and in the interests of enabling its shareholders to make informed decisions, the ABY board should be disclosing in a transparent manner:

- its total cost of sales;
- its exposure to QP adjustments in the falling copper price environment;
- the true net cash position of the company after working capital and accruals for liabilities.

Given that the ABY strategic review has now run for over three months in parallel with Metals X's firm takeover proposal, in order to permit ABY minority shareholders to make appropriate and informed decisions concerning their ownership interests, Metals X believes the ABY board should immediately:

- make full disclosure as to the outcome of the now completed first stage strategic review;
- inform the ABY minority shareholders whether, in the board's opinion, there is any realistic prospect of a firm superior offer, and if so, by what date; and
- the costs ABY is exposed to in connection with the strategic review it is undertaking.

Peter Cook added,

“In terms of the majority shareholder Hindalco, who has so far rejected the Offer in favour of the strategic review process, our door is open and we are prepared and willing to have discussions with them as with all shareholders of ABY. Our Offer is good for them, providing a premium in terms of value and a substantially better opportunity for extended copper production and offtake than the approach currently being taken by the ABY board in the stewardship of ABY’s assets.”

Attached to this announcement is:

- a notice under 650D of the Corporations Act 2001 (Cth) (**Act**) to extend the Offer period pursuant to section 650C of the Act to 5pm AWST on 24 February 2016; and
- a corresponding notice of the new date for giving notice of the status of conditions pursuant to section 630(2) of the Act,

together with a covering letter which will be sent to ABY shareholders.

The Offer period under Metals X’s Offer will now close at 5pm AWST on 24 February 2016 unless otherwise extended.

## ENQUIRIES

Peter Cook  
Executive Director & CEO  
e: peter.cook@metalsx.com.au

Warren Hallam  
Executive Director  
e: warren.hallam@metalsx.com.au

Rod Corps  
Manager – Investor Relations  
e: rod.corps@metalsx.com.au

## **Notice of Variation – extension of Offer period under section 650D of the *Corporations Act 2001* (Cth)**

### **Off-market takeover offer by Metals X Limited (Metals X) for the ordinary shares in Aditya Birla Minerals Limited**

**To:** Australian Securities and Investment Commission (**ASIC**);

Aditya Birla Minerals Limited ABN 37 103 515 037 (**Aditya Birla**);

ASX Limited (**ASX**); and

In accordance with ASIC Class Order [CO 13/521] each person shown on the Aditya Birla share register dated 31 December 2015 and any other person who has accepted the Offer.

This is a notice dated 14 January 2016 given by Metals X Limited ACN 110 150 055 (**Metals X** or **Bidder**) in relation to the offer dated 30 October 2015 (as varied by notices dated 20 November 2015, 7 December 2015 and 23 December 2015) made under its off-market takeover bid to acquire up to 100% of the ordinary shares in Aditya Birla (**Offer**) pursuant to its bidder's statement dated 15 October 2015 (**Bidder's Statement**) and first supplementary bidder's statement dated 7 December 2015 (**Supplementary Bidder's Statement**).

#### **1. Extension of Offer Period**

In accordance with section 650D of the *Corporations Act 2001* (Cth) (**Act**), Metals X gives notice that Metals X varies its Offer by:

- (a) pursuant to section 650C of the Act, extending the period during which the Offer will remain open so that the **Offer will now close at 5:00pm (AWST) on 24 February 2016** (instead of 21 January 2016), unless further extended or withdrawn in accordance with the Act; and
- (b) substituting the date "24 February 2016" for "21 January 2016" in the Bidder's Statement, the Supplementary Bidder's Statement, the Acceptance Form and in all other instances in relation to the Offer, where 21 January 2016 appears (or is deemed to appear) as the last day of the Offer Period.

#### **2. Date for giving notice as to status of conditions under the Offer**

In accordance with section 630(2) of the Act, Metals X gives notice that as a result of the extension of the Offer Period, the new date in section 9.3(e) of the Bidder's Statement for giving notice under section 630 of the Act as to the status of the defeating conditions set out in section 9.2 of the Bidder's Statement (**Defeating Conditions**) is 17 February 2016.

As at the date of this notice:

- (a) as advised by Metals X by ASX Announcement dated 23 October 2015 and 30 October 2015 the Defeating Conditions in section 9.2(a) and section 9.2(l) of the Bidder's Statement have been fulfilled;
- (b) as advised by Metals X by ASX Announcement dated 7 December 2015 the Defeating Conditions in section 9.2(c), section 9.2(d), section 9.2(e), section 9.2(f), section 9.2(g), section 9.2(h), section 9.2(i), section 9.2(j) and section 9.2(k) of the Bidder's Statement have been waived (so the Offer has become free of those conditions);
- (c) as advised by Metals X by ASX Announcement dated 13 January 2016 the Defeating Condition in section 9.2(b) of the Bidder's Statement has been waived (so the Offer has become free of that condition); and
- (d) so far as Metals X is aware, none of the other Defeating Conditions have been fulfilled or waived and accordingly the Offer remains subject to those conditions.

### 3. Right of Withdrawal

In this section "Right of Withdrawal", words defined in the ASX Settlement Operating Rules have the same meaning in this notice, unless the context requires otherwise.

In accordance with section 650E of the Act, as this variation (combined with the previous variations of the Offer) postpones for more than one month the time when Metals X has to meet its obligations under the Offer, those Aditya Birla shareholders who have validly accepted the Offer on or before the date of this notice have the right to withdraw their acceptance by giving notice to Metals X (**Withdrawal Notice**) within 1 month beginning on the day after the day on which they received this notice (**Withdrawal Period**).

Aditya Birla shareholders who withdraw their acceptance must return any consideration received for accepting the Offer. A Withdrawal Notice by an Aditya Birla shareholder withdrawing their acceptance under section 650E of the Act must:

1. if the shares are in a CHES Holding:
  - (1) be in the form of a Valid Originating Message transmitted to ASX Settlement by the Controlling Participant for that CHES Holding in accordance with Rule 14.16.1 of the ASX Settlement Operating Rules; or
  - (2) be in the form of a notice in writing to Metals X setting out the information that Metals X requires to transmit a Valid Originating Message to ASX Settlement on behalf of Aditya Birla shareholder in accordance with Rule 14.16.5 of the ASX Settlement Operating Rules; and
2. in any other case, be in writing to Metals X care of Security Transfer Registrars at:

Security Transfer Registrars Pty Ltd  
770 Canning Highway, Applecross WA 615; or  
PO Box 535, Applecross WA 6953

If an Aditya Birla shareholder is legally entitled to give and does in fact give, a Withdrawal Notice within the Withdrawal Period, Metals X will, before the end of 14 days after the day it is given the Withdrawal Notice:

1. return to the Aditya Birla shareholder any documents that were sent by the Aditya Birla shareholder to Metals X with the acceptance of the Offer; and
2. if the shares are in a CHES Holding, Transmit to ASX Settlement a Valid Message that authorises the release of those shares from the Offer Accepted Subposition in which the CHES Holding has been reserved in accordance with Rule 14.16.3 or Rule 14.16.5 of the ASX Settlement Operating Rules as applicable.

A copy of this notice was lodged with ASIC on 14 January 2016. ASIC takes no responsibility for the contents of this notice.

This notice was approved by a unanimous resolution passed by the directors of Metals X.



Peter Cook  
CEO and Executive Director  
Metals X Limited

## New date for giving notice of status of Defeating Conditions under section 630(2) of the *Corporations Act 2001* (Cth)

### Off-market takeover offer by Metals X Limited (Metals X) for the ordinary shares in Aditya Birla Minerals Limited

To: Aditya Birla Minerals Limited ABN 37 103 515 037 (**Aditya Birla**); and

ASX Limited (**ASX**)

This is a notice dated 14 January 2016 given by Metals X Limited ACN 110 150 055 (**Metals X** or **Bidder**) in relation to the offer dated 30 October 2015 (as varied by notices dated 20 November 2015, 7 December 2015, 23 December 2015 and 14 January 2016) made under its off-market takeover bid to acquire up to 100% of the ordinary shares in Aditya Birla (**Offer**) pursuant to its bidder's statement dated 15 October 2015 (**Bidder's Statement**) and first supplementary bidder's statement dated 7 December 2015 (**Supplementary Bidder's Statement**).

Capitalised terms which are not defined in this notice have the meaning given to them in the Bidder's Statement.

As a result of a further extension to the Offer Period to 5pm AWST on 24 February 2016 and in accordance with section 630(2) of the *Corporations Act 2001* (Cth) (**Act**), Metals X gives notice that:

- (a) the new date in section 9.3(e) of the Bidder's Statement for giving notice under section 630 of the Act as to the status of the defeating conditions set out in section 9.2 of the Bidder's Statement (**Defeating Conditions**) is 17 February 2016;
- (b) as advised by Metals X by ASX Announcements dated 23 October 2015 and 30 October 2015, the Defeating Conditions in sections 9.2(a) and 9.2(l) of the Bidder's Statement have been fulfilled as at the date of this notice;
- (c) as advised by Metals X by ASX Announcement dated 7 December 2015, the Defeating Conditions in section 9.2(c), section 9.2(d), section 9.2(e), section 9.2(f), section 9.2(g), section 9.2(h), section 9.2(i), section 9.2(j) and section 9.2(k) of the Bidder's Statement have been waived (so the Offer has become free of those conditions);
- (d) as advised by Metals X by ASX Announcement dated 13 January 2016 the Defeating Condition in section 9.2(b) of the Bidder's Statement has been waived (so the Offer has become free of that condition); and
- (e) so far as Metals X is aware as at the date of this notice, none of the other Defeating Conditions (being the Defeating Conditions in sections 9.2(m) to 9.2(u) of the Bidder's Statement) have been fulfilled or waived and accordingly the Offer has not been freed of those conditions.

Signed on behalf of Metals X Limited.



Peter Cook  
CEO and Executive Director  
Metals X Limited

Dear Aditya Birla Minerals Limited Shareholder

**Metals X Limited ACN 110 150 055**  
**Off-market Takeover Bid for Aditya Birla Minerals Limited**  
**Extension of Offer Period**

As you are aware, Metals X Limited (**Metals X**) has made an off-market takeover bid for all of the fully paid ordinary shares in Aditya Birla Minerals Limited (**ABY**) pursuant to a bidder's statement despatched to shareholders on 30 October 2015 (**Offer**) as varied by notices dated 20 November 2015, 7 December 2015 and 23 December 2015 and first supplementary bidder's statement dated 7 December 2015.

Metals X wishes to advise that it has extended the Offer period by a further 34 days. This means that if you have not already accepted the Offer you now have until 5pm AWST on 24 February 2016 to do so (unless the Offer is further extended by Metals X).

**Enclosed** with this letter is a copy of the ASX announcement released by Metals X on 14 January 2016 regarding the Offer, including confirmation that Metals X has waived the 90% minimum acceptance condition on the back of recent strong support from ABY minority shareholders.

As Metals X has waived the 90% minimum acceptance condition, you can now accept the Offer and switch your ABY shares for shares in Metals X without the need for acceptance from ABY's major shareholder, Hindalco.

Also **enclosed** with this letter is the formal notice of variation of the Offer to extend the Offer period to 5pm AWST on 24 February 2016 which is provided to ABY Shareholders pursuant to section 650D of the *Corporations Act 2001* (Cth).

Metals X will be pleased to welcome ABY shareholders who have accepted the Offer as shareholders in Metals X, a company that strives to do the best for all its shareholders. We look forward to representing all of our shareholders in trying to maximise the value of the ABY assets by better management and investment in the Nifty copper mine.

If you have any questions with respect to the Offer or extension of the Offer period, please contact the Metals X Information Line on 1300 659 000 (for callers within Australia) and +61 8 9215 6061 (for callers outside Australia).

Yours faithfully



Peter Cook  
Executive Director and CEO  
Metals X Limited