



**Second Supplementary Target's Statement of
Aditya Birla Minerals Limited
(ACN 103 515 037)**

**ACCEPT THE INCREASED OFFER
by Metals X Limited (ACN 110 150 055)
to acquire all of your ABML Shares, if it
becomes available**

This is an important document and requires your immediate attention

MOELIS & COMPANY

Financial adviser

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Legal adviser

1. **IMPORTANT INFORMATION**

Nature of this document

This document is the second supplementary target's statement prepared by Aditya Birla Minerals Limited ACN 103 515 037 (**ABML**) under Part 6.5 of the Corporations Act (**Second Supplementary Target's Statement**) and is dated 13 May 2016. This document is issued in response to the Increased Offer (as defined in Section 3) by Metals X Limited ACN 110 150 055 (**Metals X**) to acquire all of your ordinary shares in ABML, and Metals X's second supplementary bidder's statement, dated 5 May 2016 (**Second Supplementary Bidder's Statement**) and associated ASX announcements.

This document supplements, and should be read together with, the Original Target's Statement lodged with ASIC on 13 November 2015 and the First Supplementary Target's Statement lodged with ASIC on 22 December 2015.

This Second Supplementary Target's Statement prevails over the Original Target's Statement and the First Supplementary Target's Statement to the extent of any inconsistency.

Defined Terms

Capitalised terms used in this Second Supplementary Target's Statement have the meaning given in Section 11 of the Original Target's Statement or otherwise in the First Supplementary Target's Statement. In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in the Second Supplementary Target's Statement have the same meaning and interpretation as in the Corporations Act.

References to "Offer" in this Second Supplementary Target's Statement have the same meaning as given to the term "Revised Offer" in the First Supplementary Target's Statement.

Foreign Jurisdiction

The release, publication or distribution of this Second Supplementary Target's Statement in jurisdictions outside Australia may be restricted by law and any person who comes into possession of it should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Second Supplementary Target's Statement has been prepared in accordance with Australian law and the information contained in this Second Supplementary Target's Statement may not be the same as that which would have been disclosed if this Second Supplementary Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

2. **STRATEGIC REVIEW**

As outlined in the Original Target's Statement and the First Supplementary Target's Statement, ABML has been undertaking a Strategic Review over the past six months with a specific focus on maximising value for all ABML Shareholders.

The Directors announced on 26 April 2016 that the Strategic Review process has concluded.

3. **INCREASED OFFER FROM METALS X**

On 26 April 2016, Metals X announced its intention to increase the consideration offered under its off-market takeover offer to acquire all of the shares in ABML by:

- (a) increasing the scrip consideration to 1 Metals X Share for every 4.5 ABML Shares held; and
- (b) adding a cash component of A\$0.08 per ABML Share,

(**Increased Offer**), conditional on Hindalco being in a position to accept the Increased Offer once Metals X has made the formal variation to increase the offer consideration in accordance with section 650D of the Corporations Act (**Formal Variation**).

4. **HINDALCO'S INTENTION IN RESPONSE TO THE INCREASED OFFER**

Hindalco has informed ABML that it intends to accept the Increased Offer, in respect of the ABML Shares that it holds, within three Business Days of the date on which the last of the following conditions has been satisfied:

- (a) no bona fide superior proposal being announced by a third party within five Business Days of the announcement of the Increased Offer;
- (b) Metals X lodging and providing the Formal Variation in respect of the Increased Offer; and
- (c) written approval from the Reserve Bank of India, which is unconditional or subject only to conditions reasonably acceptable to Hindalco, that Hindalco may dispose of its ABML shares and subscribe for Metals X shares (**RBI Approval**).

As announced by Metals X on 3 May 2016, the condition in (a) above has been satisfied as ABML did not receive a superior proposal within five Business Days of the announcement of the Increased Offer.

Given Hindalco's 51% shareholding in ABML, control of ABML will pass to Metals X if Hindalco's intention statement becomes unconditional, such that Hindalco must then accept the Increased Offer within three business days of Metals X making the Formal Variation.

5. **EFFECT ON ACCEPTANCES**

If the Formal Variation is made, ABML Shareholders who have already accepted the Offer will receive the increased consideration under the Increased Offer.

6. **DIRECTOR RECOMMENDATIONS**

The Directors have carefully considered their recommendation in relation to the Increased Offer in light of previous recommendations given in the Original Target's Statement and the First Supplementary Target's Statement.

Each Director now recommends that, **if the Formal Variation is made such that the Increased Offer becomes available (ie it is unconditional)**, in the absence of a superior proposal, ABML Shareholders **accept** the Increased Offer.

If the Formal Variation is **not** made, the Increased Offer will **not** be available to ABML Shareholders.

Although Mr Debu Bhattacharya is the Managing Director of Hindalco and Mr Jagdish Chandra Laddha is the Business Head of Hindalco's copper business, they have each given their recommendation in their capacity as Director of ABML.

Any ABML Shareholder who accepts the Offer before the Formal Variation might receive the existing consideration only, and only receive the additional consideration under the Increased Offer if and when the Formal Variation is made.

If it is made, the Formal Variation will be released on ASX. At that time, any ABML Shareholder who has not yet accepted, will have at least seven days to do so.

7. IMPLIED VALUE OF THE INCREASED OFFER

Under the terms of the Increased Offer, Metals X is offering one Metals X Share for every 4.5 ABML Shares, in addition to a cash component of A\$0.08 per ABML Share. This implies a value of:

- A\$0.340 per ABML Share, based on the closing price of Metals X Shares on 12 May 2016, the last trading day prior to the date of this Second Supplementary Target's Statement; and
- A\$0.329 per ABML Share, based on the closing price of Metals X Shares on 20 April 2016, the last trading day prior to the ABML Shares and the Metals X Shares going into a trading halt preceding announcement of the Increased Offer.

This compares to an ABML Share price of \$0.250 per ABML Share at the close of trading on 20 April 2016.

The value of the Increased Offer will vary with the fluctuation in the share price of Metals X.

8. OTHER IMPORTANT INFORMATION

8.1 Lodgement with ASIC

A copy of this Second Supplementary Target's Statement was lodged with ASIC on 13 May 2016 and provided to ASX on 13 May 2016. Neither ASIC nor ASX, nor any of their respective officers, take any responsibility for the contents of this Second Supplementary Target's Statement.

8.2 No account of personal circumstances

The Second Supplementary Target's Statement does not take into account the individual investment objectives, financial or tax situation or particular needs of any person. It does not contain personal financial advice. You should seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

9. **AUTHORISATION**

This Second Supplementary Target's Statement is dated 13 May 2016 and has been approved by a resolution passed by the Directors of ABML.

A handwritten signature in blue ink, appearing to read 'Neel Patnaik', is written over a horizontal line. The signature is fluid and cursive.

Neel Patnaik, CEO & Managing Director