

11 August 2016

SPP OFFER DOCUMENT AND APPLICATION FORM DISPATCHED TO ELIGIBLE SHAREHOLDERS

Metals X Limited (“**Metals X**”) refers to its announcement on 4 August 2016 regarding the opportunity for eligible shareholders to participate in a Share Purchase Plan (“**SPP**”).

Under the Share Purchase Plan, eligible shareholders are invited to invest up to \$15,000 at \$1.48 per share, being the same price per share as investors were offered under the recent Placement, subject to an overall cap on the Share Purchase Plan of \$15 million.

Metals X is pleased to advise that the attached Share Purchase Plan documentation has been dispatched to eligible shareholders today.

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



OFFER TO PARTICIPATE IN METALS X LIMITED'S SHARE PURCHASE PLAN

THIS IS AN IMPORTANT DOCUMENT AND SHOULD BE READ IN ITS ENTIRETY

HIGHLIGHTS

Offer to existing Metals X Limited (**MLX**) shareholders to participate in a Share Purchase Plan (**SPP**)

The SPP will raise a maximum of \$15,000,000.

Eligible Shareholders can, at their election, take up:

- 1,689 shares for \$2,500;
- 3,378 shares for \$5,000;
- 6,756 shares for \$10,000; or
- 10,135 shares for \$15,000,

of New Shares under the SPP, at \$1.48 for each New Share.

The SPP is not underwritten.

MLX plans to use the funds raised from the SPP together with the Placement (after issue costs) to:

- expedite the development of additional production from several projects in both the gold and base metals divisions; and
- provide additional working capital to strengthen the balance sheet and to enable MLX to pursue additional opportunities as they arise.

The information in this document is not a recommendation to accept the offer of New Shares under the SPP and does not constitute financial advice. Any person who intends to subscribe for New Shares must conduct their own investigations, assessment and analysis of the Company and its operations and prospects and must base their investment decision solely on those investigations and that assessment analysis.

If you are in doubt about the contents of this document, or the action you should take, you should consult your financial or other professional advisor without delay who specialises in advising on the acquisition of share and other securities before taking any action.

11 August 2016

Dear Shareholder,

The Directors of Metals X Limited (**MLX or the Company**) would like to invite you to participate in MLX's Share Purchase Plan (**SPP**).

1. Summary of the SPP

The SPP provides shareholders on the Company's register at the Record Date with an opportunity to subscribe for \$2,500, \$5,000, \$10,000 or \$15,000 in New Shares at \$1.48 per share in MLX at an attractive discount to the market price in the period prior to the date of announcement of this SPP. The Board has structured the SPP to encourage our loyal, smaller shareholders to apply and increase their shareholding in MLX.

Only shareholders of MLX with a registered address in Australia, New Zealand and the United Kingdom who are on the share register as at 7.00pm (Sydney time) on 3 August 2016 are afforded the opportunity to participate in the SPP. Shareholders not registered as at this date will not receive an offer under the SPP. The rights of shareholders eligible to participate under this SPP are not transferable.

The Company proposes a maximum raising of up to \$15,000,000 under the SPP, comprising the issue of up to approximately 10,135,135 New Shares. The SPP is not underwritten.

The proposed use of the funds raised under the SPP together with the Placement announced on 4 August 2016 (after issue costs) is as follows:

- expedite the development of additional production from several projects in both the gold and base metals divisions; and
- provide additional working capital to strengthen the balance sheet and to enable MLX to pursue additional opportunities as they arise.

2. Terms of the SPP

The terms and conditions of the SPP are outlined in the enclosed document. By making an application to purchase shares under the SPP, you will have agreed to be bound by those terms and conditions. The right to participate in this offer under the SPP is available exclusively to persons who were registered as holders of fully paid ordinary shares in MLX at 7.00pm (Sydney time) on the Record Date of 3 August 2016 and whose registered address is in Australia, New Zealand, the United Kingdom or in any other jurisdiction where, in the opinion of the Directors of MLX, it is lawful and reasonably practical for MLX to offer and issue shares under this SPP.

Eligible shareholders are entitled to apply for a **maximum** of \$15,000 of New Shares, at the Subscription Price of \$1.48 per New Share, under the SPP.

You may apply only for shares in one of the following amounts:

- 1,689 shares for \$2,500;
- 3,378 shares for \$5,000;
- 6,756 shares for \$10,000; or
- 10,135 shares for \$15,000.

Compared with the Market Price over the last five days on which trading of MLX's shares on the ASX were recorded prior to the announcement of the SPP (on 4 August 2016), the Subscription Price represents a 10.5% discount to the Average Market Price over that period.

The Market Price of MLX's shares over the last five days of trading prior to the announcement (noting the Company went into a trading halt from the close of trade on Monday, 1 August 2016 until open of trade on Thursday, 4 August 2016) of the SPP is as follows:

DATE	MARKET PRICE	VOLUME
26 July 2016	\$1.56	2,886,212
27 July 2016	\$1.55	1,995,191
28 July 2016	\$1.625	4,837,281
29 July 2016	\$1.635	3,894,132
1 August 2016	\$1.70	12,112,080

To enable you to properly consider the offer under the SPP, set out below is a brief price history of the trading price of MLX's shares on the ASX over the period commencing 26 July 2016 and ending on 1 August 2016:

PERIOD	HIGH	LOW	WEIGHTED AVERAGE
26/07/2016 – 01/08/2016	\$1.77	\$1.54	\$1.65

Participation in the SPP is entirely at your discretion but the SPP is non-renounceable which means you cannot transfer your right to purchase shares under the SPP to anyone else.

On the basis of the issue price of shares under the SPP, the Directors recommend the SPP to Eligible Shareholders. All of the Directors who own direct shareholdings intend to apply for New Shares under the SPP.

The application period will close at 7.00pm (Sydney time) on 1 September 2016. Therefore, if you wish to apply for any shares under the SPP, you should follow the instructions outlined in the attached Application Form so payment is received at our Share Registrar by that date in cleared funds. Payment may be made by cheque, bank draft or BPAY®.

It is proposed that the following timetable apply in respect of the SPP:

EVENT	DATE
Record Date of the SPP (7.00pm Sydney time)	3 August 2016
Opening Date of the SPP	11 August 2016
Closing Date of the SPP	1 September 2016
Issue and Allotment of New Shares under the SPP	8 September 2016
Quotation of New Shares under the SPP	9 September 2016

The above timetable is indicative only. MLX reserves the right to vary any of the key dates above, including the Closing Date and the Issue Date, without further notice.

If you are a "Custodian" you may be required to submit a Custodian Certificate in order to participate on behalf of any beneficiaries. Further details in this regard are set out in the SPP Terms and Conditions. For further information contact the Company's Share Registrar, Security Transfer Registrars on +61 8 9315 2333.

Yours faithfully
Metals X Limited



Mr Peter Cook
CEO and Executive Director

TERMS AND CONDITIONS OF THE SHARE PURCHASE PLAN DATED 11 AUGUST 2016

WARNING

The Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

The contents of this document have not been reviewed by any regulatory authority in any jurisdiction. Please read this document carefully before you make a decision to invest. If you are in any doubt about the contents of this document, you should obtain independent professional advice.

1. Definitions

1.1 In this SPP, unless the context otherwise indicates:

Application Amount means the total amount payable by an Eligible Shareholder who applies for Shares under the SPP based on the Subscription Price for the total number of Shares applied for by that Eligible Shareholder.

Application Form means the application form distributed with these Terms and Conditions.

ASX means the Australian Securities Exchange.

Average Market Price means the average of the Market Price for ordinary securities in the Company calculated over the last 5 days on which sales in the securities were recorded before the day on which the SPP was announced.

Board means the board of directors of MLX from time to time.

Company or **MLX** means Metals X Limited ACN 150 110 055.

Class Order means ASIC Class Order 09/425 dated 15 June 2009 as amended or supplemented from time to time.

Corporations Act means the *Corporations Act 2001* (Cth) as amended from time to time.

Custodial or Depository Service has the meaning given by section 766E of the Corporations Act.

Custodian means a registered holder:

- (a) that holds an Australian financial services licence that:
 - (1) covers the provision of a Custodial or Depository Service; or
 - (2) covers the operation of an IDPS (as defined in Class Order CO 13/763); or
- (b) that is exempt under:
 - (1) paragraph 7.6.01(1)(k) or paragraph 7.6.01(1)(na) of the *Corporations Regulations 2001*; or
 - (2) ASIC Class Order [CO 05/1270] to the extent that it relates to ASIC Class Order [CO 03/184];
 - (3) ASIC Class Orders [CO 03/1099], [CO 03/1100], [CO 03/1101], [CO 03/1102], [CO 04/829] or [CO 04/1313];
 - (4) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (3); or
 - (5) paragraph 911A(2)(h) of the Corporations Act,

from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service;

- (c) that is a trustee of a:
 - (1) Self-Managed Superannuation Fund; or
 - (2) Superannuation Master Trust; or
- (d) that is the responsible entity of an IDPS-like Scheme; or
- (e) that is the registered holder of shares or interests in the class and is noted on the register of members of the body or scheme (as the case may be) as holding the shares or interests on account of another person.

Custodian Certificate means the certification required to be given by a Custodian to MLX pursuant to the Terms and Conditions.

Eligible Shareholders means those Shareholders who satisfy the conditions set out in clause 2.1.

IDPS-like Scheme has the meaning given by ASIC Class Order [CO 13/762] or any class order that replaces that class order.

Instruction includes a direction or request.

Listing Rules means the official listing rules of the ASX (as amended from time to time).

Market Price means the closing price on SEATS, excluding special crossings, overnight sales and exchange traded options exercises as defined in the Listing Rules from time to time.

New Shares means new fully paid ordinary shares in the Company to be issued pursuant to the SPP, being up to a maximum of 10,135,135 Shares.

Offer means a non-renounceable offer of \$2,500, \$5,000, \$10,000 or \$15,000 worth of ordinary fully paid shares in MLX (at the Subscription Price) to Eligible Shareholders under the SPP.

Placement means the placement announced by the Company on 4 August 2016 to raise \$100.6 million at \$1.48 per Share.

Record Date means 7.00pm (Sydney time) on 3 August 2016.

Regulated Superannuation Fund has the same meaning as in the Superannuation Industry (Supervision) Act 1993.

SEATS means the trading system known as “Stock Exchange Automated Trading System” being a computer system and associated network operated by the ASX for the trading of financial products.

Self-managed Superannuation Fund has the meaning given by section 17A of the Superannuation Industry (Supervision) Act 1993.

Share Registrar means Security Transfer Registrars Limited.

Shareholders means fully paid ordinary shares in MLX on issue from time to time, or as applicable, those persons or entities that hold ordinary shares in the issued capital of MLX.

Shares means up to a maximum of 10,135,135 new ordinary shares in MLX to be issued pursuant to the SPP.

SPP means the Metals X Limited Share Purchase Plan approved by the Board.

Subscription Price means the subscription price of the New Shares being \$1.48 per Share.

Superannuation Master Trust means a Regulated Superannuation Fund under which:

- (a) a member of the fund is, or is entitled, to give an Instruction (including a direction or request) that a particular financial product is to be acquired; and
- (b) if the member gives such an Instruction, the trustee, or a custodian who holds financial products on behalf of the trustee, must (subject to any discretion they have to refuse) acquire the financial product; and
- (c) if the trustee or custodian acquires the financial product pursuant to an Instruction given by the member, the member is to have rights or benefits calculated by reference to dividends or other benefits derived from the product.

Terms and Conditions means the terms and conditions set out in this document.

Weighted Average means the average of the daily volume weighted average price of all sales of fully paid ordinary MLX’s shares recorded on ASX during the relevant period, not including:

- (a) any transaction classified under the ASX Market Rules as a "Special Crossing";
- (b) crossings prior to the commencement of normal trading or during the closing phase and after hours adjust phase;
- (c) any overseas trades or trades pursuant to the exercise of options over shares; or
- (d) any overnight crossings.

References to “\$” means a reference to the respective amount in Australian dollars.

2. Eligibility to participate

- 2.1 Those shareholders of MLX that will be eligible to apply for Shares under the SPP must:
 - (a) be recorded in MLX’s register of shareholders at 7.00pm (Sydney time) on the Record Date being 3 August 2016; and
 - (b) have a registered address in Australia, New Zealand, the United Kingdom or another jurisdiction where in the opinion of the Directors, it is lawful and reasonably practical for MLX to issue the Shares as set out in MLX’s shareholder register on the Record Date.
- 2.2 The Offer does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an Offer.
- 2.3 If you are the only registered holder of a holding of MLX shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply in aggregate for a maximum of \$15,000 worth of Shares.

- 2.4 If you are registered with one or more persons as the joint shareholders of a holding of MLX shares, that joint holding is considered to be a single registered holding for the purpose of this SPP and the joint holders are entitled to participate in the SPP in respect of that single holding only. If the same joint holders receive more than one offer under the SPP due to multiple identical holdings, the joint holders may only apply in aggregate for a maximum of \$15,000 worth of Shares.
- 2.5 Custodians should refer to section 6 of the Terms and Conditions regarding Custodian participation. If you do not hold shares in MLX as a Custodian, these provisions do not apply.
- 2.6 If you hold MLX shares as a trustee or nominee for another person, but you are not a Custodian, you cannot participate for beneficiaries in the manner described in section 6 of the Terms and Conditions. In this case, the rules for multiple single holdings (see section 2.3 above) apply.

3. Terms of the offer

- 3.1 The Offer will be open for a period commencing on and from 9.00am (Sydney time) on 11 August 2016 (**Opening Date**) until, subject to the discretion of the Board, 7.00pm (Sydney time) on 1 September 2016 (**Closing Date**).
- 3.2 The Board reserves the right to close the Offer at any time prior to the Closing Date and/or extend the Closing Date without further notification.
- 3.3 In response to the Offer, Eligible Shareholders wishing to apply for Shares under the SPP may apply for either:
- (a) 1,689 shares for \$2,500;
 - (b) 3,378 shares for \$5,000;
 - (c) 6,756 shares for \$10,000; or
 - (d) 10,135 shares for \$15,000;
- subject to clauses 5 and 6.
- 3.4 All Offers for Shares under the SPP are non-renounceable and therefore the right to participate in the SPP cannot be transferred.
- 3.5 Participation in the SPP by Eligible Shareholders is entirely optional and subject to these Terms and Conditions.

4. Applications for shares

- 4.1 Eligible Shareholders wishing to apply for Shares under the SPP must:
- (a) If paying by cheque or bank draft:
 - (1) complete the Application Form;
 - (2) pay the Application Amount in the manner specified on the Application Form; and
 - (3) forward the completed Application Form and payment for the Application Amount to MLX's Share Registrar at the addresses specified on the Application Form, to reach such addresses by no later than 7.00pm (Sydney time) on the Closing Date.
 - (b) If you elect to use the BPAY[®] option (subject to clause 4.2):
 - (1) pay the Application Amount electronically using BPAY with payment to reach the Share Registry by no later than 5.00pm (Sydney time) on the Closing Date; and
 - (2) do not return the Application Form if you elect the BPAY option.

- 4.2 Please note that only Eligible Shareholders having an account with an Australian financial institution who participates in the BPAY scheme have the ability to elect to use the BPAY option.
- 4.3 All application money will be deposited into an account and any application money received in respect of any applications rejected by the Board or scaled back under clauses 4.4 or 4.5 shall be refunded by MLX without interest.
- 4.4 The Board reserves the right to reject any application for Shares (in whole or in part) including (without limitation) if:
- (a) an Application Form is not correctly completed;
 - (b) the applicant is not an Eligible Shareholder;
 - (c) the issue of those Shares would contravene any law or the Listing Rules;
 - (d) the exact payment for the Shares applied for is not received;
 - (e) to accept the application in full would have the effect of exceeding the maximum offer of Shares under the SPP;
 - (f) it is not reasonably satisfied that the issue of those Shares will not result in any person receiving ordinary shares in MLX with an application price totalling more than \$15,000 as a result of:
 - (1) Shares issued to the person or to a Custodian on that person's behalf (as a result of an instruction given by that person to the Custodian to apply for Shares on their behalf) under the SPP; and
 - (2) any other ordinary shares in MLX issued to the person or to a Custodian on that person's behalf (as a result of an instruction given by that person to the Custodian to apply for ordinary shares in MLX on their behalf) under an arrangement similar to the SPP operated by MLX in the 12 months prior to the Issue Date,
except to the extent that the person is issued with shares or interests as a Custodian under a custodian offer;
 - (g) the applicant is a Custodian and has failed to provide MLX with a Custodian Certificate; or
 - (h) the applicant has not otherwise complied with the Terms and Conditions.
- 4.5 The Board reserves the right to allocate fewer, or no, Shares than an Eligible Shareholder applies for under the SPP, including, without limitation, in the event that the SPP is oversubscribed at its sole discretion.

5. Certification by Eligible Shareholder

- 5.1 By submitting an Application Form, together with the appropriate payment of the Application Amount in the manner specified in clause 4.1(a), or by making a BPAY payment of the Application Amount in the manner specified in section 4.1(b), you certify, acknowledge, warrant and represent as true, correct and not misleading to the Company that if you are not a Custodian, the aggregate of the application price paid by you for:
- (a) the Shares the subject of the Application Form or the BPAY payment;
 - (b) any other ordinary shares in MLX issued to you, or a Custodian (as a result of an instruction given by you to the Custodian to apply for ordinary shares in MLX on your behalf) under the SPP or under any similar arrangement operated by MLX in the 12 months prior to the date of submission of the Application Form or making the BPAY payment; and
 - (c) any other Shares which you have instructed a Custodian to acquire on your behalf under the SPP,
- does not exceed \$15,000.

6. Custodian

- 6.1 Eligible Shareholders who are Custodians may participate in the SPP on behalf of:
- (a) one or more persons that are not Custodians on whose behalf the Custodian is holding shares in the Company; or
 - (b) a person, on whose behalf, another Custodian (**Downstream Custodian**) holds beneficial interests in shares in the Company and the Custodian holds the shares in the Company to which those beneficial interests relate, on behalf of the Downstream Custodian or another Custodian,
- (each a **Participating Beneficiary**).
- 6.2 If you are a Custodian holding the Company shares on behalf of two or more persons jointly, the joint beneficiaries will be taken to be a single Participating Beneficiary for the purposes of these Terms and Conditions.
- 6.3 If you are a Custodian and hold the Company shares on behalf of one or more Participating Beneficiaries, you may apply for up to a maximum of \$15,000 worth of New Shares for each Participating Beneficiary subject to providing the Company with a Custodian Certificate, in addition to the Application Form, certifying the following:
- (a) that, as at the Record Date, either or both of the following:
 - (1) you hold shares in the Company on behalf of one or more Participating Beneficiaries;
 - (2) a Downstream Custodian holds beneficial interest in shares in the Company on behalf of one or more Participating Beneficiaries, and you hold the shares in the Company on behalf of the Downstream Custodian or another Custodian,and each Participating Beneficiary has subsequently instructed the following person to apply for New Shares on their behalf pursuant to the SPP:
 - (3) where paragraph 6.3(a)(1) applies, you as the Custodian; and
 - (4) where paragraph 6.3(a)(2) applies, the Downstream Custodian.
 - (b) the number of Participating Beneficiaries;
 - (c) the name and address of each Participating Beneficiary for whom the Custodian applies for New Shares;
 - (d) in respect of each Participating Beneficiary:
 - (1) where paragraph 6.3(a)(1) applies, the number of shares in the Company that you hold on behalf of the Participating Beneficiary; and
 - (2) where paragraph 6.3(a)(2) applies, the number of shares in the Company to which the beneficial interests relate;
 - (e) in respect of each Participating Beneficiary:
 - (1) where paragraph 6.3(a)(1) applies, the number or dollar amount of New Shares the Participating Beneficiary has instructed you to apply for on their behalf; and
 - (2) where paragraph 6.3(a)(2) applies, the number or dollar amount of New Shares the Participating Beneficiary has instructed the Downstream Custodian to apply for on their behalf; and
 - (f) that there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$15,000:
 - (1) the New Shares applied for by you as Custodian under the SPP in accordance with the Instructions in paragraph 6.1(a); and
 - (2) any other shares in the Company issued to you as Custodian in the 12 months prior to the date of submission of the Application Form as a result of an

Instruction given by them to you as Custodian or Downstream Custodian to apply for shares in the Company under an arrangement similar to the SPP operated by the Company; and

- (g) that a copy of the written offer document was given to each Participating Beneficiary; and
- (h) where paragraph 6.3(a)(2) applies, the name and address of each Custodian who holds beneficial interests in shares in the Company held by the Custodian in relation to each Participating Beneficiary.

6.4 Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate, or if you would like further information on how to apply, you should contact the Company's Share Registrar, Security Transfer Registrars Limited on +61 8 9315 2333.

7. Issue of Shares

- 7.1 MLX is prohibited from issuing any Shares to any Eligible Shareholder unless the Eligible Shareholder has provided the certification set out in section 5, and if a Custodian, has provided a Custodian Certificate, at the time of applying for the Shares.
- 7.2 The Directors of MLX reserve the right to issue to Eligible Shareholders such number of Shares under the SPP as is permitted under the Listing Rules without shareholder approval. In the event that the SPP is oversubscribed, the Board reserves the right to allocate fewer, or no Shares, than an Eligible Shareholder applies for under the SPP at its sole discretion.
- 7.3 MLX intends to issue the New Shares under the SPP on or about 8 September 2016 (**Issue Date**). MLX reserves the right to vary the Issue Date without further notice including in the event that the Closing Date is varied pursuant to clauses 3.2 and/or 10.1.
- 7.4 In respect of application monies received from an Eligible Shareholder, MLX will, prior to the Issue Date, determine the maximum number of Shares rounded down to the nearest whole number which may be acquired by any Eligible Shareholder.
- 7.5 The allocation of Shares will be determined by the Board at its sole discretion.
- 7.6 In the event that the Offer under the SPP is not fully subscribed, the Board reserves its right to issue Shares in excess of the maximum \$15,000 worth of Shares specified in clause 3.3 (**Additional Issue**), to any person (whether or not such person is an Eligible Shareholder) so long as the Additional Issue:
 - (a) satisfies section 708 of the Corporations Act; and
 - (b) any approval of Shareholders to the Additional Issue which is required under the Listing Rules or the Corporations Act is obtained.
- 7.7 MLX will apply to ASX for quotation of the Shares issued under the SPP and the Additional Issue (if any) within the period prescribed in the Listing Rules.

8. Subscription Price

- 8.1 The price of the Shares will be the Subscription Price.
- 8.2 Compared with the Average Market Price over the last 5 days on which trading in MLX's shares were recorded prior to the announcement of the SPP (on 4 August 2016), the Subscription Price represents a 10.5% discount to the Average Market Price over that period.
- 8.3 The Shares are a speculative investment and the Market Price of the Shares may change between the Opening Date and the Issue Date. This means that the Subscription Price you pay for the Shares may exceed the Market Price of the Shares at the Issue Date. The Company does not make any assurance as to the Market Price of Shares and there can be no certainty that Shares in the Company will trade at or above the Subscription Price following the Issue Date. Shareholders should seek their own financial advice in relation to this Offer and participation in the SPP.

- 8.4 No brokerage, commissions, stamp duty or other transaction costs will be payable by Eligible Shareholders in respect of an application for, and an issue of, Shares under the SPP.
- 8.5 The Company may pay brokerage and other commissions in respect of any subscriptions procured in respect of any Additional Issue, as determined by the Board in its sole discretion.

9. Non-residents

- 9.1 The right to participate in this offer under the SPP is available exclusively to persons who were registered as holders of fully paid ordinary shares in MLX at 7.00pm (Sydney time) on the Record Date and whose registered address was in Australia, New Zealand, the United Kingdom or in another jurisdiction where, in the opinion of the Board, it is lawful and reasonably practical to extend the Offer according to the laws of that jurisdiction.
- 9.2 Eligible Shareholders who are not residents of Australia should consult their professional advisers as to whether any formalities need to be observed (either by them or the Company) to enable them to apply for Shares. It is the responsibility of such Eligible Shareholders to obtain all necessary approvals so they may legally apply for Shares. The return of a completed Application Form and accompanying Application Amount, or the forwarding of payment of the Application Amount using BPAY from a non-resident Eligible Shareholder will be taken by the Company to constitute a representation and warranty by that Eligible Shareholder that all relevant approvals have been obtained and that the Company may legally offer the Shares to that Eligible Shareholder.

10. General

- 10.1 The Board may change or terminate the SPP at any time prior to the Issue Date. If the Board does so, it will advise the ASX. Any omission to give notice of changes to, or termination of, the SPP, or the non-receipt of any such notice, will not invalidate the change or termination.
- 10.2 If the SPP is withdrawn, all Application Amounts received by MLX will be refunded. No interest will be paid on any refunded Application Amounts in any circumstances.
- 10.3 In addition to any rights of the Board to reject applications as set out in these Terms and Conditions, the Board also reserves the right to allocate fewer, or no, Shares than an Eligible Shareholder applies for under the SPP if the Board believes that the allotment of those Shares would contravene any of the Listing Rules or the requirements of the Class Order. In any such case, excess Application Amounts will be returned to the relevant applicant(s). No interest will be paid on Application Amounts so returned.
- 10.4 MLX may settle in any manner it deems appropriate, any disputes or anomalies which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any applicant or application of shares. The decision of MLX will be conclusive and binding on all persons to whom the determination relates.
- 10.5 MLX reserves the right to waive compliance with any provision of the SPP Terms and Conditions.
- 10.6 The Offer of New Shares under the SPP is in accordance with the Class Order which grants relief from the requirement to prepare a disclosure document for this Offer and in accordance with the Listing Rules.
- 10.7 The Offer of New Shares under the SPP in New Zealand and in the United Kingdom, as applicable, is in accordance with the security legislation referred to in the *Warning* section of the first page of the Terms and Conditions.
- 10.8 The contents of this document have not been reviewed by any regulatory authority in any jurisdiction.

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SHARE PURCHASE PLAN APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE:

LEVEL 3
18-32 PARLIAMENT PLACE
WEST PERTH WA 6005
AUSTRALIA

METALS X LIMITED

ACN: 110 150 055

SHARE REGISTRY:

Security Transfer Registrars Pty Ltd

All Correspondence to:

PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

Code:

Holder Number:

Record Date:

NON-RENOUCEABLE SHARE OFFER CLOSING AT 7.00PM EST ON 1 SEPTEMBER 2016

(1) I/We, the above mentioned, wish to apply for the number of Fully Paid Ordinary Shares which will be issued in accordance with the Share Purchase Plan (SPP) and the Constitution of the Company as stated below: **(please mark "X" to indicate one choice only)**

		TOTAL SUBSCRIPTION AMOUNT @ \$1.48 PER SHARE	NUMBER OF SHARES
OFFER A – Maximum amount	<input type="checkbox"/>	\$ <input type="text" value="15,000"/>	<input type="text" value="10,135"/>
OFFER B	<input type="checkbox"/>	\$ <input type="text" value="10,000"/>	<input type="text" value="6,756"/>
OFFER C	<input type="checkbox"/>	\$ <input type="text" value="5,000"/>	<input type="text" value="3,378"/>
OFFER D	<input type="checkbox"/>	\$ <input type="text" value="2,500"/>	<input type="text" value="1,689"/>

(2) I/We have enclosed/made payment for the amount shown above (following the payment instructions as detailed overleaf).

(3) I/We agree to be bound by the terms of the SPP.

(4) I/We hereby agree to accept any lesser number of new Shares applied for.

(5) I/We hereby certify that the amount of Shares subscribed for by me/us pursuant to the SPP (being a maximum of \$15,000 worth of Shares) does not exceed \$15,000 taking into account the Shares the subject of this application and any other Shares applied for by me/us under the SPP or any other similar arrangement within the 12 months prior to this application including other beneficial interests. **Limit on Participation and Custodian Certification - see overleaf for details.**

(6) My/Our contact details in case of enquiries are:

NAME TELEPHONE NUMBER

()

EMAIL ADDRESS

@

BPAY PAYMENT OR THE RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE OFFER.
You do not need to return this form if you have made payment via BPAY.

PAYMENT INFORMATION - Please also refer to payment instructions overleaf.



Billers code: 159483

Ref: **EFT_REFERENCE_NUMBER**

CHEQUE / MONEY ORDER

All cheques (expressed in Australian currency) are to be made payable to **METALS X LIMITED** and crossed "Not Negotiable".

REGISTRY DATE STAMP

BPAY® this payment via internet or phone banking.

Your BPAY® reference number is unique to this offer and is not to be used for any other offer.

E & O.E.



LODGEMENT INSTRUCTIONS

CHEQUE / MONEY ORDER

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Registrars Pty Ltd
PO Box 535, APPLECROSS WA 6953.

Applications must be received by Security Transfer Registrars Pty Ltd no later than 7.00pm EST on the closing date.

PAYMENT INFORMATION



Biller code: 159483

BPAY® this payment via internet or phone banking.
Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.

LIMITATION ON PARTICIPATION

The maximum subscription limitation of \$15,000 will apply even if an eligible Holder has received more than one form (whether in respect of a joint holding or because the eligible Holder has more than one holding under separate Security accounts).

CUSTODIAN CERTIFICATION

If you are a Custodian (as defined in ASIC Class Order 09/425), you must submit a custodian certificate to METALS X LIMITED. If you did not receive a custodian certificate, contact Security Transfer Registrars Pty Limited. If you need further information to determine whether you are a Custodian, refer to the terms and conditions of the Plan which accompany this Share Purchase Plan Application Form or contact Security Transfer Registrars Pty Limited.

CERTIFICATION

By making payment for the application monies, I/we hereby:

1. Acknowledge that I/we have read and understood the Terms of the SPP;
2. Agree to be bound by the Terms of the Constitution of the Company and the SPP;
3. Agree to accept any lesser number of new Securities than the number of Securities applied for; and
4. (If not a Custodian as defined in ASIC Class Order 09/425) Certify that the amount of Securities subscribed for by me/us pursuant to the SPP does not exceed the maximum amount taking into account the Securities the subject of this application and any other Securities applied for by me/us under the SPP or any other similar arrangement within the 12 months prior to this application including joint and other beneficial interests.

ENQUIRIES

All enquiries should be directed to the Company's share registry:

Security Transfer Registrars Pty Ltd

PO Box 535, Applecross WA 6953 AUSTRALIA

770 Canning Highway, Applecross WA 6153 AUSTRALIA

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email: registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

