

## COPPER ASSETS STRATEGIC REVIEW UPDATE

Metals X Limited (ASX: MLX) (**Metals X or Company**) is pleased to provide an update on progress of the Copper Assets Strategic Review<sup>1</sup>. The Strategic Review has resulted in a range of positive outcomes and some ongoing workstreams that are expected to result in a series of further decisions to be announced in July 2020:

- Metals X has signed a binding Farm-in and Joint Venture Term Sheet with IGO on the Company's Paterson Exploration Project. Under the agreement IGO must spend \$32 million on mineral exploration over 6.5 years to earn a 70% interest, with a minimum commitment of \$11 million over the initial 3.5 years. Metals X will be free-carried to the completion of a Pre-feasibility Study on a new mineral discovery. Refer to ASX announcement *\$32M Paterson Province Exploration Joint Venture with IGO Limited* dated 11 June 2020.
- A Scoping Study has been completed, returning positive results on mining the large copper sulphide resource at the Nifty Copper Operation through a major expansion to the historical oxide open pit, using the existing processing plant and site infrastructure. Refer to ASX announcement *Nifty Scoping Study Identifies Long Life Open Pit with Positive Economics* dated 11 June 2020.
- A Scoping Study has also been completed on the option of a recommencement of heap leach Solvent Extraction/Electrowinning (SX/EW) operations at the Nifty Copper Operation that supports further evaluation in conjunction with potential open pit mining.

The Strategic Review is now in its final stages with the following outcomes expected to be completed and subject of further announcements in July 2020:

- Decision to undertake a Feasibility Study on the recommencement of operations at the Nifty Copper Operation on a combined open pit and heap leach basis, with a Final Investment Decision expected to be made in the first half of calendar 2021.
- Decision on the appropriate funding structure for the Feasibility Study and associated holding costs of the Nifty Copper Operation and the Maroochydore Copper Project. Consideration will be given to a wide range of funding alternatives to allow for focus on restoration of shareholder value.
- The building of an experienced team with the skills to achieve the completion of the required studies and to undertake the planning required for execution with a Final Investment Decision to be made in the first half of calendar year 2021.

### **Metals X Chairman, Mr Patrick O'Connor said:**

*"The Board acknowledges the difficult period shareholders and stakeholders have experienced since the decision to suspend operations at Nifty last year and we thank them for their support, trust and patience whilst the Strategic Review has been progressed.*

*The involvement of an experienced and well-funded exploration joint venture partner such as IGO to undertake a significant exploration program on our Paterson Exploration Project has potential to add significant value to our retained infrastructure at Nifty Copper Operation.*

*The Nifty Copper Operation, combined with the Maroochydore Copper Project, contain over one million tonnes of in-ground copper metal. That's a significant asset which needs to be commercialised through the completion of further studies.*

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<sup>1</sup> Refer ASX announcements: 26 November 2019, Suspension of Operations at Nifty Copper Mine and 22 January 2020, Copper Assets Strategic Review.

*The current proposal represents an entirely new approach to mining of the substantial copper sulphide deposit at Nifty. However it utilises conventional, contemporary industry practises and has drawn on the abundance of data and knowledge gained from almost 30 years of prior operations at the site.*

*The use of the significant installed infrastructure at the Nifty Copper Operation, with an estimated replacement value in excess of \$200 million, and the opportunity for the potential restart based on a combined open pit and heap leach operation, offers a tremendous opportunity for a low capital cost restart of economic production of copper, subject to the successful completion of the required Feasibility Study.*

*The Board looks forward to completing its Strategic Review and outlining the strategy for your Company with further detailed announcements in July 2020.”*

## **About Metals X Limited**

Metals X Limited (ASX: MLX) is an ASX-listed mining company with a portfolio of high quality base metals assets including 50% ownership of Australia’s largest tin mine through the Renison Tin Operation (Bluestone Mines Tasmania JV) located in Tasmania, the Nifty Copper Operation, the Maroochydore Copper Project, and extensive exploration tenements in the Paterson Province, all located in the east Pilbara region of Western Australia, and the world class Wingellina Nickel-Cobalt Project also located in Western Australia.

**This announcement has been authorised by the Board of Directors of Metals X Limited**

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