

ASX RELEASE

DATE 12 OCTOBER 2020



LESS THAN A MARKETABLE PARCEL SHARE SALE FACILITY

Metals X Limited (ASX:MLX) (Metals X or the Company) announces details of a share sale facility (**Facility**) it has established for holders of less than a marketable parcel of shares in the issued capital of Metals X (**Metals X Shares**) (defined in the ASX Listing Rules as a parcel of securities of not less than \$500 in value) (**Less Than a Marketable Parcel**).

Based on the closing price on ASX on 9 October 2020 (**Record Date**) of \$0.078 per Metals X Share, a Less Than a Marketable Parcel of Metals X Share is any holding of 6,410 Metals X Shares or fewer. As at 5pm AWST on the Record Date, there are 3,459 holdings of Metals X Shares of Less Than a Marketable Parcel (from a total of 7,069 holdings), totalling 8,260,193 Metals X Shares and constituting approximately 1.0% of the 907,266,067 total Metals X Shares on issue.

Metals X is providing the Facility to holders of Less Than a Marketable Parcels to sell their Metals X Shares without difficulty, and without incurring any costs that might otherwise make a sale of their shares uneconomic. In addition, Metals X expects to reduce the administrative costs associated with maintaining such a large number of relatively small holdings on its share register, in particular costs associated with printing and mailing documents to shareholders.

A broker will be appointed by Metals X to sell the shares under the Facility. Metals X will forward all sale proceeds to participating shareholders as soon as practicable following settlement. All associated costs and brokerage fees will be paid by Metals X, excluding any tax consequences which are the responsibility of participating shareholders.

Metals X will arrange to complete the Less Than a Marketable Parcel share sale process as soon as practicable after the closing date for the Facility of 30 November 2020.

The key dates for the Facility are detailed below.

EVENT	DATE
Less Than a Marketable Parcel Record Date	5pm AWST, 9 October 2020
Metals X Announces Less Than a Marketable Parcel Share Sale Facility	12 October 2020
Letter Sent to Holders of Less Than a Marketable Parcel of Metals X Shares	16 October 2020
Closing Date for Receipt of Share Retention Forms	30 November 2020

You do not need to take any action if you want your Less Than a Marketable Parcel of Metals X Shares to be sold under the Facility.

An Information Sheet about the Facility and a copy of the letter that will be sent to all Metals X shareholders on the Record Date holding Less Than a Marketable Parcel of Metals X Shares are attached to this announcement.

Please contact Metals X at reception@metalsx.com.au for further information about the Facility.

This announcement has been authorised by the board of directors of Metals X Limited

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INFORMATION SHEET LESS THAN A MARKETABLE PARCEL SHARE SALE FACILITY

1. *What is a Less Than a Marketable Parcel?*

A Less Than a Marketable Parcel is a parcel of shares in Metals X Limited valued at less than \$500. Based on the closing share price of Metals X's shares on the Record Date of 9 October 2020, this is equivalent to a parcel of 6,410 Metals X Shares or fewer.

2. *What was the closing price of Metals X Shares on the Record Date?*

The closing price of a Metals X Share on the Record Date was \$0.078 per share.

3. *Why is the Facility being offered?*

Metals X is providing the Facility to enable you to sell your Less Than a Marketable Parcel without difficulty, and without incurring brokerage or handling costs that might otherwise make a sale of your Less Than a Marketable Parcel of Metals X Shares uneconomic or difficult. The Facility will assist Metals X to reduce administrative costs associated with maintaining a large number of relatively small holdings of Metals X Shares. Additionally, Metals X expects that the Facility will reduce the costs associated with maintaining its share register, and with printing and mailing of documents such as annual reports and notices of meetings, and any other general correspondence that is required to be printed and mailed to shareholders.

4. *What do I need to do to sell my Metals X Shares?*

You do not need to do anything – your Less Than a Marketable Parcel of Metals X Shares will be sold through the Facility unless you return a completed Share Retention Form by no later than the Closing Date of 30 November 2020.

5. *How will my Metals X Shares be sold under the Facility?*

Your Metals X Shares will be sold by the broker appointed for the Facility, on the Australian Securities Exchange (**ASX**), subject to prevailing market conditions and available liquidity. The Metals X Shares sold under the Facility may be sold in a single or multiple parcels, and may be sold at different parcels on different days.

6. *What price will I receive for my Metals X Shares sold through the Facility?*

The shares will be sold at the market price of Metals X Shares on ASX (ASX code: MLX) as soon as practicable after the Closing Date of 30 November 2020, subject to prevailing market conditions and available liquidity. You will receive a proportionate share of the total sale proceeds of all Metals X Shares sold under the Facility. You will not have control over the time at which your Metals X Shares are sold, and the price you receive may differ from the price appearing in the media or quoted by the ASX on any day, and may not be the best price on the day your shares are sold. If on the Closing Date the value of your holding of Metals X Shares has increased to above \$500 (based on the Record Date closing price of \$0.078) due to an increase in the number of shares you hold, your shares will not be sold.

7. *Do I need to pay anything if I participate in the Facility?*

No, Metals X will pay all costs and fees associated with the Facility, however, any tax consequences arising from the sale of your Metals X Shares under the Facility are your responsibility.

8. *When will I receive the proceeds for the shares sold?*

Payment will be forwarded to you following settlement of all Metals X Shares sold under the Facility, or otherwise as soon as it is practicable. If your address requires updating, you can amend your details online through Computershare's Investor Centre website at www.computershare.com.au/easyupdate/MLX (you cannot elect to retain your Less Than a Marketable Parcel of Metals X Shares through this website). Payment will be made in Australian Dollars.

9. *What are the advantages and disadvantages of participating in the Facility?*

Advantages include:

- receiving a cash payment from the sale of your Less Than a Marketable Parcel Metals X Shares;
- avoiding any brokerage or related selling expenses;

- utilising a cost-effective way of disposing of a Less Than a Marketable Parcel of shares; and
- the sale price being determined by reference to the market price.

Disadvantages include:

- no longer holding any Metals X Shares (unless you subsequently buy more);
- possible capital gains tax being payable following the sale of your Metals X Shares; and
- the price of the Metals X Shares may subsequently rise.

10. *What if I do not wish to sell my Less Than Marketable Parcel?*

If you do not wish to sell your Less Than a Marketable Parcel of Metals X Shares, **you must complete and return the Share Retention Form by mail**, so that it is received by Computershare Investor Services Pty Limited, Metals X's share registry, by no later than 5pm AEDT on 30 November 2020. If Computershare has not received your completed Share Retention Form by 5pm AEDT on 30 November 2020, your shareholding will be sold under the Facility.

The address to which you need to return by mail your Share Retention Form, if you wish to keep your Less Than a Marketable Parcel of Metals X Shares, is detailed on the Share Retention Form.

11. *Will I retain my holding if I buy more Metals X Shares?*

Metals X will not sell your shares if you increase your holding to a marketable parcel, being a parcel of shares with a market value of at least \$500 based on the closing price of Metals X Shares on ASX on the Record Date (being \$0.078 per Metals X Share). Any additional Metals X Shares acquired must be registered by the Closing Date, under the same name and address and with the same holder number (SRN or HIN) as set out in the Share Retention Form you will.

12. *What if I hold multiple Less Than a Marketable Parcels of Metals X Shares?*

If you hold multiple Less Than a Marketable Parcels of Metals X Shares, you must complete and return a Share Retention Form for each separate Less Than a Marketable Parcel of Metals X Shares you wish to retain, or make arrangements to amalgamate your holdings by contacting your broker or Metals X's share registry, Computershare Investor Services Pty Limited.

13. *What if my holding of Metals X Shares is a CHESS Holding?*

If your shares remain in a CHESS Holding, Metals X may move those shares to an Issued Sponsored Holding and the shares will then be sold under the Facility.

14. *How is Metals X able to sell my shares under the Facility?*

Clause 73 of Metals X's Constitution entitles Metals X to sell Less Than a Marketable Parcels of Metals X securities provided it complies with the process set out in that clause. The Facility established by Metals X complies with clause 73 of Metals X's Constitution and with ASX Listing Rule 15.13.

15. *How can I obtain further information about the Facility?*

You can obtain further information about the Facility by contacting Metals X at reception@metalsx.com.au.

16. *Important Notes*

If you are in doubt about what to do, you should consult a financial, legal, taxation or other professional advisor. This Information Sheet does not constitute advice about what you should do regarding the Facility, nor is it a recommendation to sell, buy or hold Metals X Shares.

Metals X reserves its right to change any of the dates referred to in the ASX announcement dated 12 October 2020, this Information Sheet, or the Share Retention Form and accompanying letter by written notice to the ASX.

Before a sale is effected under the Facility, Metals X may elect to suspend or terminate the Facility either generally, or in specific cases.

12 October 2020

Dear Shareholder

SELLING YOUR LESS THAN A MARKETABLE PARCEL OF METALS X SHARES

Metals X Limited (ASX:MLX) (**Metals X or the Company**) has many shareholders holding a small number of shares in the issued capital of Metals X (**Metals X Shares**). Metals X knows that small holdings may be difficult or expensive to sell, and as such is offering you a convenient and economic way to sell your Metals X Shares through a share sale facility (**Facility**) at market prices and free of charge for holders of less than a marketable parcel of Metals X Shares (defined in the ASX Listing Rules as a parcel of securities of not less than \$500 in value) (**Less Than a Marketable Parcel**).

The Facility also benefits Metals X by reducing the number of shareholders with a small holding of Metals X Shares, and allowing Metals X to better manage its share registry costs and reduce its costs for printing and mailing documents to shareholders.

The Facility is available to all Metals X shareholders who held 6,410 Metals X Shares or fewer (valued at less than \$500 based on the closing price of \$0.078) at 5pm AWST on the Record Date of 9 October 2020. Metals X's share register shows that you hold Less Than a Marketable Parcel of Metals X Shares as at the Record Date. Shareholders with a Less Than Marketable Parcel of Metals X Shares are not obliged to sell their shares. **You do not need to do anything if you wish to sell your Metals X Shares in the Facility.**

If you do not wish to sell your Metals X Shares in the Facility, you must return the enclosed Share Retention Form by mail to the address detailed on the form so that it is received by Metals X's share registry, Computershare Investor Services Pty Limited, by no later than 30 November 2020. If your Share Retention Form is not received by that date, Metals X will sell your shares through the Facility, in accordance with its entitlement under clause 73 of Metals X's Constitution. The proceeds of the sale will be sent to you as soon as practicable after settlement of all Metals X Shares sold under the Facility. The Metals X Shares sold under the Facility will be sold at market prices, subject to prevailing market conditions and available liquidity. You will receive a proportionate share of the total sale proceeds of all Metals X Shares sold under the Facility.

This letter is the first and final notice to holders of Less Than a Marketable Parcel of Metals X Shares regarding the Facility.

What are your options?

You should read the Information Sheet attached to Metals X's ASX announcement dated 12 October 2020.

If you wish to sell you Metals X Shares in the Facility, you do not need to take any action. By not taking any action, you will be deemed to have appointed Metals X as your agent to sell your Less Than a Marketable Parcel of Metals X Shares through an orderly on-market sale and without any cost being incurred by you, to have appointed Metals X and its directors as your attorney and to act on your behalf to effect all documents required to effect the sale under the Facility, and to deal with the proceeds of the sale as set out in this letter and the Information Sheet attached to Metals X's ASX announcement dated 12 October 2020.

If you do not wish to sell your Metals X Shares in the Facility, you must sign and return the enclosed Share Retention Form by mail so that it is received by 5pm AEDT on 30 November 2020. Please carefully read the instructions on the Share Retention Form before completing it.

If you are in doubt about what to do, you should consult a financial, legal, taxation or other professional advisor. This letter does not constitute advice about what you should do regarding the Facility, nor is it a recommendation to sell, buy or hold Metals X Shares.

The Information Sheet attached to Metals X's ASX announcement dated 12 October 2020 contains further details about the Facility which you should read before making any decision – available at <https://www.asx.com.au/asx/share-price-research/company/MLX>. Please contact Metals X at reception@metalsx.com.au if you require further information or have any queries about the Facility.

Yours sincerely

Fiona Van Maanen
Company Secretary
For and on behalf of Metals X Limited

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- What is a Less Than a Marketable Parcel of Metals X Shares? A parcel of Metals X Shares valued at less than \$500 as at close of trade on the Record Date of 9 October 2020 – being 6,410 Metals X Shares at a closing price of \$0.078 per Metals X Share.
 - What price will I receive for Metals X Shares sold through the Facility? The price that you receive for your Metals X Shares under the Facility will be determined subject to prevailing market conditions and available liquidity. You will receive a proportionate share of the total sale proceeds of all Metals X Shares sold under the Facility. You will not have control over the time at which your Metals X Shares are sold, and the price you receive may differ from the price appearing in the media or quoted by the ASX on any day, and may not be the best price on the day your shares are sold. If on the Closing Date the value of your holding of Metals X Shares has increased to above \$500 (based on the Record Date closing price of \$0.078) due to an increase in the number of shares you hold, your shares will not be sold.
 - How much will the sale of Shares through the Facility cost? Nothing, Metals X will bear all costs associated with the sale of the Less Than a Marketable Parcel of Metals X Shares. Tax consequences from the sale of Metals X Shares under the Facility are your responsibility.
 - When will the proceeds from the sale of Metals X Shares be sent to me? The proceeds to which you are entitled from the sale of your shares will be remitted to you in Australian dollars as soon as practicable after settlement of the sale of all Metals X Shares under the Facility. Payment will be made via a direct credit to your bank account at an Australian financial institution (where we have your details as at the Closing Date), or otherwise by cheque in Australian dollars sent to your postal address as recorded in the Metals X's share register.
 - If I buy more Metals X Shares, will I retain my holding? Yes, Metals X will treat any purchase of additional shares taking your shareholding total to above \$500 (based on the Record Date closing price of \$0.078) registered at 7.00pm AEDT on 30 November 2020 as an indication that you do not want your Metals X Shares to be sold through the Facility. For a purchase to be an effective notification that you wish to retain your Metals X Shares, any additional shares must be registered by 7.00pm AEDT on 30 November 2020 under the same name and address and with the same holder number (SRN or HIN) as set out in Share Retention Form accompanying this letter.
 - Where can I get further information? See the Information Sheet attached to Metals X's ASX announcement dated 12 October 2020, or contact Metals X at reception@metalsx.com.au.

Important notes

Metals X reserves the right to change any of the dates referred to in this letter by notice to the ASX.

After 30 November 2020, for the purpose of selling Less Than a Marketable Parcels of Metals X Shares that are held in a CHESS Facility holding, Metals X may initiate a holding adjustment to move those shares from the CHESS holding to an issuer sponsored holding or certificated holding.

This letter does not constitute advice nor a recommendation to buy, sell or hold Metals X Shares, nor advice about what you should do regarding the Facility.