METALS X LIMITED

2015 ANNUAL REPORT

CORPORATE DIRECTORY

DIRECTORS
Peter Newton (Non-Executive Chairman)
Peter Cook (Executive Director & Chief Executive Officer)
Warren Hallam (Executive Director)
Paul Cmrlec (Non-Executive Director)
Andrew Ferguson (Non-Executive Director)
Simon Heggen (Non-Executive Director)
Xie Penggen (Non-Executive Director)
Yimin Zhang (Alternate Director for Xie Penggen)

COMPANY SECRETARY & CFO
Fiona Van Maanen

KEY MANAGEMENT
Paul Hucker (Chief Operating Officer – Gold Division)
Allan King (General Manager – Bluestone Mines Tasmania Joint Venture)
Michael Poepjes (Chief Mining Engineer)
Jake Russell (Chief Geologist)

REGISTERED OFFICE
Level 3, 18-32 Parliament Place
West Perth WA 6005
Phone: +61 8 9220 5700
Fax: +61 8 9220 5757
E-mail: reception@metalsx.com.au
Website: www.metalsx.com.au

POSTAL ADDRESS
PO Box 1959
West Perth WA 6872

SECURITIES EXCHANGE
Listed on the Australian Securities Exchange
ASX Code: MLX
OTCQX Code: MLXEF

SHARE REGISTRY
Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153
Phone: 61-8-9315 2333
Fax: 61-8-9315 2233
E-mail: registrar@securitytransfer.com.au

DOMICILE AND COUNTRY OF INCORPORATION
Australia

METALS X LIMITED

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[Central Murchison Gold Project - Bluebird Plant]

COMPANY PROFILE

Metals X Limited (Metals X or the Company) is an Australian based **diversified metals producer and explorer**.

Metals X is focused on **identifying, developing and bringing into production high quality mining projects.** Metals X currently operates in three divisions, representing the three priority metals: **gold, tin and nickel**.

Metals X's gold division is based on **three gold production projects**. The combined output of the Higginsville Gold Operations and the South Kalgoorlie Gold Operations in Western Australia make Metals X an **Australian Top 10 producer of gold**. The Central Murchison Gold Project came online in October 2015 and is set to dramatically lift Metals X's gold production.

Metals X's tin assets in Tasmania make the company unique as the **only producing tin company in Australia** with the largest Mineral Resources and Ore Reserves and one of the few publicly listed companies in the world with significant exposure to tin.

The Company's nickel assets include the massive Wingellina Nickel Project, one of the world's **largest undeveloped nickel-cobalt limonite deposits**. The Wingellina Project is supported by a substantial amount of development and feasibility work, has significant further upside exploration potential and has attracted the attention of international partners.

GROUP ANNUAL HIGHLIGHTS

The 2014/2015 FY was an **excellent year for the Company**.

Key financial highlights for the year were:

- **Revenue** of $315.2M, up 32%.
  - » **Gold Division Revenue** $232.8M, up 45%.
  - » **Tin Division Revenue** $79.6M, up 5%.
  - » **Other Revenue** $2.8M, up 49%.
- **EBITDA** of $82.6M, up 15%.
- **Net Profit** of $40.9M, up 9%.
- **Net Operating Cash Flow** of $82.8M, up 13%.
- **Annual Dividend** declared of 2.95cps (26% franked) - record date of 2 September 2015.
- **Return on Equity** of 12%.
- **Net cash** at bank at 30 June 2015 of $99.0M.
- **Cash and working capital** at 30 June 2015 $94.9M.
- **Net Debt** at 30 June 2015 of $4.9M.
- **Net Assets** increased to $346.3M, up by 11%.
- **Capital and exploration works funded** of $73.7M, up 51%.

CHAIRMAN'S LETTER

Dear Shareholders

It is my pleasure to report on what has been an excellent year for the Company.

Despite the continuation of very tight capital and investment markets, your Company has shone through with excellent growth, appreciation in our share price, higher profits and another significant dividend.

We have further expanded our Gold Division. The highlights being the commencement of mining at the HBJ underground mine at our South Kalgoorlie Operations and the commencement of preproduction activities, including mining at the Central Murchison Gold Project.

Our executive management team have made several new gold acquisitions during the year, some accretive and in support of our existing plant and infrastructure and some which are entirely new projects, that will, over the ensuing years, expand our group gold production.

The strength of our balance sheet and the experience of our executive team lead by CEO & Executive Director Peter Cook, Executive Director Warren Hallam and CFO & Company Secretary Fiona Van Maanen continue to win us excellent rewards in the identification and management of gold projects that have transformed the Company in recent years. Metals X is now a significant player in the Australian gold scene under the stewardship of our Chief Operating Officer – Gold Division, Paul Hucker.

Our tin operations in Tasmania have continued to deliver a steady and viable operating performance despite much lower tin prices. Our Bluestone Mines Tasmania Joint Venture team have continued to deliver improvements across the entire business including extraordinary exploration success in continuing to expand our Tin Division's mineral resources and ore reserves.

Our massive Wingellina Nickel-Cobalt-Iron Project continued to progress toward development despite large falls in the nickel price. The project is world class in size and is ready to take advantage of the next upswing in nickel market.

Pleasingly, in all measures of fiscal performance we have continued to show improvements despite the depressed market and our shares have been one of the best performers this year. Our group EBITDA was up 15% over the previous year to $82.6 million, our underlying profit up 9% to $40.9 million and our annual dividend also rose 9% to 2.95 cents per share (26% franked).

In closing, I would like to thank our shareholders, our staff and our stakeholders for your loyalty and continued support in the Company for another year. We enter the ensuing year in good shape with exciting things to come.

Peter J Newton
Non-Executive Chairman

CEO'S REPORT

Dear Shareholders

I am delighted to report on what has been a pleasing year for the Company.

Our Board's strategy of a few years ago was to build a gold division within the group, and more importantly in combining gold with our base metals to create additional diversification has been well accepted by investors and the market in general.

Whilst the malaise of metal markets continues, the falling Australian dollar exchange rate has provided respite for our operations. The general downturn and lower oil prices have both coincided to create a more competitive operating environment which is translating into lower cost inputs across our operations.

As I said last year, falling metal prices and oppressive equity markets always create opportunity for the brave, the willing and the capable. There are always assets at reasonable prices and opportunities to grow if you have capacity to take advantage of those. I am pleased to say that we have taken advantage of this with some additional value-add acquisitions in the past year, although not all were successfully completed.

In the past 12 months we have acquired projects that add capacity and life to our existing operations such as:

1. The Southern Gold Management and Profit sharing agreement at Bulong (the Cannon Mine) which adds to the South Kalgoorlie Operations ("SKO").
2. The outright acquisition of the Georges Reward Project which abuts the Cannon Mine and will also add substantial ore previously locked-up by the lease boundary constraints.
3. The Mt Henry Project at Norseman which has ore that could add substantial additional life to our Higginsville Gold Operations ("HGO").

We have also signed a legally binding agreement to acquire the Grosvenor (Fortnum) Gold Project (expected to be finalised in October) which provides for another future, stand-alone gold operation anticipated to commence in April 2016. In keeping with our operating style this has resulted in the acquisition of another capital asset at a fraction of its replacement costs, providing significant opportunity to develop good-margin gold production without exposing our shareholders to significant debt risk. However, as shareholders may recall, this strategy has some risk, another potential acquisition consisting of the Central Tanami assets was gazumped by a post-agreement, competing offer, and supposed processes of shareholder approval. The matter of this transaction remains in the courts.

Our operations have been steady performers during the year with our gold operations in particular generating strong profits with HGO being the operational standout. The milestone of re-establishing the HBJ underground mine and bringing it back into production was the key task at SKO. Whilst this resulted in significant capital investment through the year, the base-load feed for gold production for SKO for many years into the future has now been established.

The key development task in our Gold Division during the year was the completion of an operating strategy and its implementation at the Central Murchison Gold Project ("CMGP"). We commenced open pit mining in June 2015, mobilised our underground contractor for Paddy's Flat underground in August 2015 and we are on schedule to commence ore processing and gold production in October 2015. We expect that the CMGP will build to be our flagship gold project over the next few years with long run expected production of over 200,000 ounces per year.

In all our gold acquisitions we have bought substantial capital, plant, infrastructure and resources at a fraction of their replacement cost and put these assets to work to generate excellent profits and future growth opportunity.

Our strategy of diversification across metals and revenue streams has created stability as our cashflows are not linked to a single commodity. That said, we wait in joyful hope of the coming of a higher nickel price and with it the opportunity to see our 'world-class' Wingellina Nickel-Cobalt-Iron deposit developed. This massive project is a game changer for the Company and it dwarfs all our other assets in the group.

The quiet achiever in our portfolio, at least on a technical and operating basis has been our Tin Division. Our 50% owned Renison tin mine has achieved large increases in overall mineral resource and ore reserves and the mine is perfectly positioned for long term sustainable tin production. The operating performance at the mine has been outstanding, only being held back by lower world tin prices. Despite a large shortfall in revenue from lower than expected prices, the mine remains viable and profitable.

The Nickel Division also had to weather a storm of lower nickel prices driven mainly by an oversupply from an explosion of pig nickel production. Nickel stocks have built upto record highs but now appear to be coming off. Our massive Wingellina Project which underwent a feasibility study some years ago proposing a high pressure acid leach ("HPAL") is a capital intensive project and development requires higher prices. However, this boom in ferro-nickel does have some silver lining and new less capital intensive and lower cost processing techniques for Wingellina type ores are rapidly changing the future potential. In this regard we continued to advance environmental and development permitting and have sent several bulk samples to Korea which have been successfully processed. We are hoping a recovery in nickel prices and advancements in further ore testing can provide some long-awaited value for our shareholders in the ensuing year.

Our team at Metals X have a solid understanding that we work for our shareholders and the only true measure of our performance is our share price and shareholder returns. I am pleased to say that our share price has performed strongly during the year. We have made good profits and we have again shared an increased dividend with our shareholders.

We remain a progressive company with many development and capital projects which should provide good long term and hopefully sustainable outputs for our shareholders.

On behalf of our management and operating teams I thank our shareholders for their belief and backing of the Company. We go to work every day and try our hardest for you.

Peter Cook
CEO & Executive Director

DIRECTORS' REPORT

The Directors submit their report together with the financial report of Metals X Limited ("Metals X" or "the Company") and of the Consolidated Entity, being the Company and its controlled entities, for the year ended 30 June 2015.

DIRECTORS

The names and details of the Company's Directors in office during the financial period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Peter Newton – Non-Executive Chairman
Mr Newton was a stockbroker for 25 years until 1994. Since then he has been a significant participant in the Australian resource industry as an investor and a director of a number of listed companies. In past years he has been the Chairman of both Hill 50 Limited and Abelle Limited. Mr Newton is also the Chairman of the Company's Remuneration & Nomination Committee.

Mr Newton has held no public company directorships in the past three years.

Peter Cook – Chief Executive Officer and Executive Director
Mr Cook is a Geologist (BSc (Applied Geology)) and a Mineral Economist (MSc (Min. Econ), MAusIMM with over 30 years of experience in the fields of exploration, project, operational and corporate management of mining companies.

During the past three years he has served as a director of the following public listed companies:

- Westgold Resources Limited* (Appointed 19 March 2007);
- Pacific Niugini Limited* (Appointed 31 August 2009);
- Kingsrose Mining Limited (Appointed 10 October 2010 – Resigned 21 August 2012); and
- Aziana Limited* (Appointed 30 May 2011).

Warren Hallam - Executive Director
Mr Hallam is a Metallurgist (B. App Sci (Metallurgy)), a Mineral Economist (MSc (Min. Econ)), holds a Graduate Diploma in finance and has around 30 years of technical and commercial experience within the resources industry.

During the past three years he has served as a director of the following public listed companies:

- Westgold Resources Limited* (Appointed 18 March 2010); and
- Aziana Limited (Appointed 30 May 2011 – Resigned 11 April 2014).

Xie Penggen – Non-Executive Director
Mr Xie Penggen is a minerals processing engineer with over 25 years of experience in the mining industry. Mr Xie commenced his career within the Jinchuan Group where he has undertaken various operational, technical and management roles. He is currently an executive in Jinchuan's global investment group which is responsible for the Group's international investments.

Mr Penggen has held no public company directorships in the past three years.

Yimin Zhang – Alternate Non-Executive Director
Mr Zhang joined the Board to act as an alternate director for Xie Penggen. Mr Zhang is the Chief Representative for Jinchuan Australia and is also an Executive Director of Sino Nickel Pty Limited. Mr Zhang has worked for Jinchuan since 1981 and has been posted to several overseas positions to which he has been involved in numerous Jinchuan co-operative ventures. Mr Zhang holds a Diploma from the Metallurgical and Architectural Institute of Chung Chan.

During the past three years he has served as a director of the following public listed company:

- Albidon Limited (Appointed 9 September 2009 – Resigned 2 August 2013).

Andrew Ferguson - Non-Executive Director
Mr Ferguson is an Executive Director and the Chief Executive Officer of APAC Resources Limited. Mr Ferguson holds a Bachelor of Science Degree in Natural Resource Development and has 15 years of experience in the finance industry specialising in global natural resources. Mr Ferguson also serves on the Company's Audit and Remuneration & Nomination Committees.

During the past three years he has served as a director of the following public listed company:

- ABM Resources Limited* (Appointed 9 July 2012).

Simon Heggen - Non-Executive Director
Mr Heggen holds Bachelor of Economics and Bachelor of Laws Degrees from the Australian National University and has around 30 years proven experience in strategic planning, corporate development, M&A and corporate finance within the Resources sector. Mr Heggen is Chairman of the Company's Audit Committee and also serves on the Remuneration & Nomination Committee.

During the past three years he has served as a director of the following public listed company:

- Resource Star Limited (Appointed 9 July 2012 – Resigned 5 April 2013).

Paul Cmrlec – Independent Non-Executive Director
Mr Cmrlec holds a Bachelor of Mining Engineering degree from the University of South Australia. He has considerable experience in feasibility studies, project development and operational management. Mr Cmrlec also serves on the Company's Audit and Remuneration & Nomination Committees.

During the past three years he has served as a director of the following public listed company:

- Pacific Niugini Limited* (Appointed 3 June 2010).

* Denotes current directorship.

INTERESTS IN THE SHARES OF THE COMPANY

As at the date of this report, the interests of the Directors in the shares and options of Metals X Limited were:

Director	Fully Paid Ordinary Shares	Performance Rights
PM Cmrlec	89,463	-
PG Cook	18,034,250	384,616
AC Ferguson	-	-
WS Hallam	1,587,500	282,692
S D Heggen	5,000	-
P J Newton	13,525,000	-
X Penggen [1]	44,000,000	-
Y Zhang (Alt Director)	-	-
Total	**77,241,213**	**667,308**

(1) X Penggen is a director of Jinchuan Group Limited which holds 44,000,000 fully paid ordinary shares in the Company.

COMPANY SECRETARY

Fiona Van Maanen – Chief Financial Officer and Company Secretary

Mrs Van Maanen is a CPA, holds a Bachelor of Business (Accounting) degree and a Graduate Diploma in Company Secretarial Practice. Mrs Van Maanen has significant experience in accounting and financial management in the mining and resources industry.

PRINCIPAL ACTIVITIES

The principal activities during the year of the Consolidated Entity were:

- exploration, development and operation of tin and gold mines in Australia;
- exploration and development of nickel projects in Australia; and
- exploration and development of precious and base metals projects in Australia.

EMPLOYEES

The Consolidated Entity had 301 employees at 30 June 2015 (2014: 254).

DIRECTORS' REPORT

OPERATING AND FINANCIAL REVIEW

OPERATING RESULTS

The Consolidated Entity's net profit after income tax for the period was $40,949,201 (2014: $37,451,737), an increase of 9% as compared to the previous financial year.

The results reflect:

- Higher revenue (45%) from gold sales of $232,776,237 (2014: $161,051,109) for the year reflecting a longer period of operating ownership (12 months in current year compared to 9 months in the previous year) of the Higginsville Gold Operation ("HGO") and the South Kal Gold Operation ("SKO").
- Increased revenue (4%) from tin sales of $78,334,875 (2014: $75,246,131) for the year from the Renison Tin Project (50% owned) reflecting higher (14%) tin production despite a lower (9%) tin price.
- A group total cost of sales of $254,907,936 (2014: $186,298,890) and increased cash flows from operating activities of $82,813,166 (2014: $73,396,482) reflecting a larger scale of operations compared to the previous period.
- Impairment losses on mine properties and development of $4,717,594 (2014: Nil) mainly due to the closure of the Chalice underground mine at HGO.
- Exploration and evaluation expenditure write off of $6,110,660 (2014: $6,974,352) due to a review of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to those areas of interest.

REVIEW OF FINANCIAL CONDITION

Liquidity and Capital Resources

The consolidated statement of cash flows illustrates that there was an increase in cash and cash equivalents in the year ended 30 June 2015 of $41,928,974 (2014: $4,344,249 decrease). The increase in cash inflow in comparison with the prior year was due to the factors detailed below:

- There has been an increase in the amount of cash generated from operating activities to $82,813,166 (2014: $73,396,482), which reflects a longer operation period for the gold production assets as well as an increase in revenue from the Renison Tin Project.
- There has been a decrease in the amount of cash outflow on investing activities of $74,350,983 (2014: outflow $77,975,994). Expenditure in the current period relates to capital re-investment in the gold and tin projects as part of their sustainability. In the previous year cash outflows were mainly attributable to acquisition of gold assets (HGO and SKO and Meekatharra Gold Operation).
- Financing activities resulted in a cash inflow of $33,466,791 (2014: $235,263). This is due to a cash inflow from a gold prepayment facility ($40.5M), an inflow from the extinguishment of environmental bonds ($3.2M) and an outflow for annual dividend payments ($9.5M).
- The Consolidated Entity's debt has increased by $4,750,092 (2014: $14,286) to $4,923,079 (2014: $172,987) over the last year due to the acquisition of the mining equipment for the Central Murchison Gold Project under a finance lease. Of the Consolidated Entity's debt, 34% ($1,657,552) is repayable within one year of 30 June 2015, compared to 68% ($116,865) in the previous year.

Capital Expenditure

Capital expenditure used to purchase property, plant and equipment in 2015 decreased to $8,005,660 from $12,195,847 in 2014. Capital commitments of $2,383,726 (2014: $431,880) existed at the reporting date, principally relating to the purchase of plant and equipment.

SHARE ISSUES DURING THE YEAR

Share Placements

There were no share placements during the financial year.

Share Buy-Back

There were no share buy-backs during the financial year.

Option Conversions

During the financial year 440,000 options were converted to acquire fully paid ordinary shares in the Company refer to note 27(f) for further details.

Dividend Reinvestment Plan

During the year 2,053,753 shares were issued as part of the dividend reinvestment plan which entitled investors to convert their dividend into shares at a 5% discount to the 5 day VWAP after the record date.

DIVIDENDS

Dividends paid to Members during the 2015 financial year were as follows:

Dividend Rate	Record Date	Payment Date	Franking
2.715 cents per share	16 December 2014	7 January 2015	100% franked

After balance date the following dividend was proposed by the Directors:

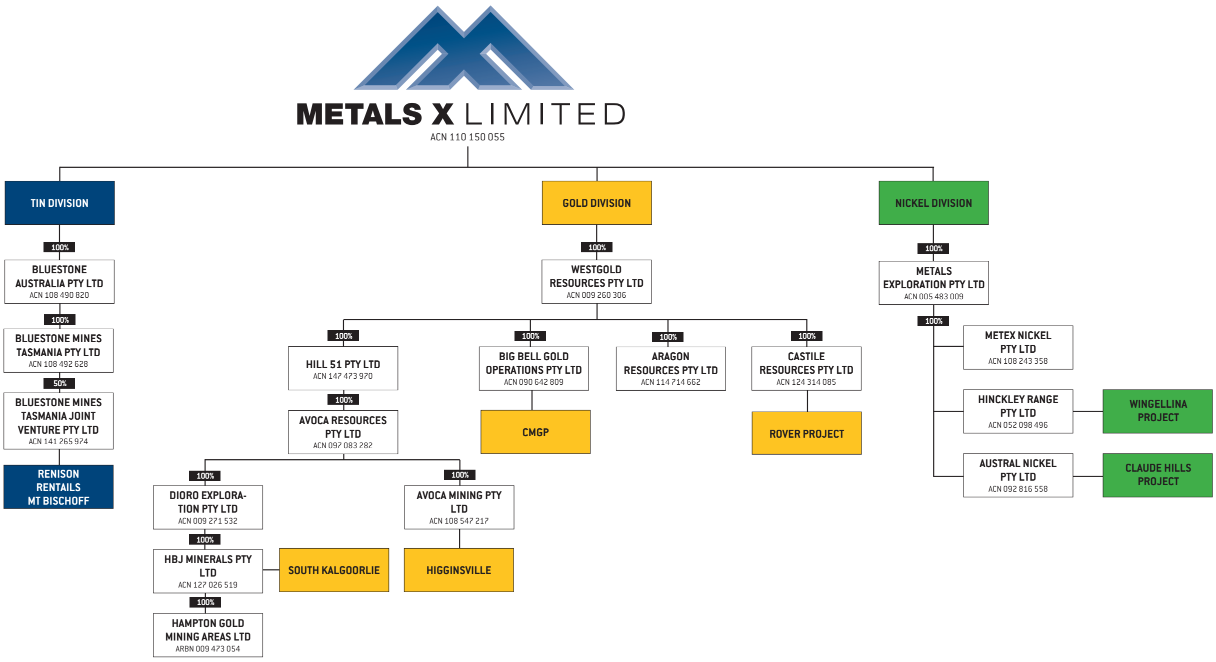
Dividend Rate	Record Date	Payment Date	Franking	DRP Discount
2.95 cents per share	2 Sept 2015	25 Sept 2015	26% franked	5% to 5 day VWAP

The financial effect of this dividend has not been brought to account in the financial statement for the period ended 30 June 2015 and will be recognised in subsequent financial reports.

Refer to note 10 for available franking credits.

CORPORATE INFORMATION

CORPORATE STRUCTURE



During the period the shares in Big Bell Gold Operations Pty Ltd were transferred from Fulcrum Resources Pty Ltd ("Fulcrum") to Westgold Resources Pty Ltd and Fulcrum was subsequently deregistered (refer to note 39).

DIRECTORS' REPORT

REVIEW OF OPERATIONS

TIN DIVISION

Metals X is a globally significant tin producer through its 50% ownership of the Renison Tin Project which holds three key assets:

1. The world class Renison Tin Mine with a 700,000tpa tin concentrator;
2. The Renison Expansion Project (Rentails Project); and
3. The Mount Bischoff Project.

RENISON TIN MINE (50%)

The Renison Tin Project is located approximately 15km north-east of Zeehan on Tasmania's west coast. The Rentails tailings resources sit nearby whilst the Mount Bischoff open pit mine (not operational) is located approximately 80km north.

The Renison Tin Mine continued with a steady improvement in productivity and output during the period.

Significant advances were made in the development of the core mineralised zone in the new Central Federal Bassett (CFB) area. Ore stoping from this area is planned to commence in August which will then provide a further long-term and fourth key production area for the mine allowing additional flexibility and contingency to future production schedules.

Resource extension work has been very successful over the year with upgrades to both the Mineral Resource and Ore Reserve estimates. The mine is in a strong position with fully developed ore stocks (capital and normal development) of 2,200,000 tonnes at 1.3% Sn (equivalent to 3 years of processing). In addition capitally developed ore stocks of 1,000,000 tonne at 1.3% Sn exist.

The Renison Tin Mine has a Total Mineral Resource Estimate of 12.9Mt at 1.46% tin, containing 188Ktn of tin metal with a Total Ore Reserve Estimate of 6.7Mt at 1.29% tin, containing 86Ktn of tin metal*.

Renison Project Operating Results 2015

The operating results for Metals X's 50% share of the Renison Project are summarised below:

	2015	2014
Renison Underground Mine		
Ore Hoisted	322,467 tonnes	317,538 tonnes
Grade	1.56% Sn	1.45% Sn
Tin Concentration		
Tonnes Processed	320,742 tonnes	317,168 tonnes
Grade	1.57% Sn	1.45% Sn
Recovery	70%	68%
Tin Concentrate Grade	54.0% Sn	56% Sn
Tin Metal Produced	3,536 tonnes	3,108 tonnes
Tin Metal Sold	3,523 tonnes	3,075 tonnes

The key fiscal outcomes for the period (50% equitable share) of the Renison Tin Project is summarised below:

	2015	2014
Tin Price Received ($/t Sn)	$22,662	$21,569
Depreciation & Amortisation ($/t Sn)	$1,887	$2,727
Cost of Sales ($/t Sn)	$19,304	$21,569

Renison Project Tin Concentrator

The tin concentrator performance showed excellent availabilities and utilisation. Additional equipment installed within the tin concentrator towards the end of the period had an immediate and positive impact on throughput and recoveries due to a reduction in recirculating loads. This will begin to have a positive impact on future tin production.

Renison Expansion Project ("Rentails Project")

The Renison tin concentrator has generated a significant quantity of process tailings accumulated over its lifetime of operation. The Rentails Project aims to re-process and recover tin and copper from the tailings by the application of modern processing technology in flotation, gravity and tin-fuming methods. A Definitive Feasibility Study ("DFS") of the mining and re-processing of the tailings for the project was completed in 2009. The DFS concluded that a 10-year project could be established using an integrated 2Mtpa tin concentrator and tin-fumer plant could be constructed to produce approximately 5,300 tonnes of tin and 2,000 tonnes of copper contained in concentrate per annum.

The Project partners continued to review the development options for the Rentails Project including the re-assessment of the technical and construction parameters of the tin fumer plant with a view to lowering the capital cost and efficiency of the process.

The Rentails Project has a Total Mineral Resource Estimate of 21.8Mt at 0.45% tin containing 98Kt of tin metal with a Total Ore Reserve Estimate of 20.9Mt at 0.45% tin containing 94Kt of tin metal*.

Mt Bischoff Project

The Mt Bischoff Project is located approximately 80km north of the Renison mine. Mt Bischoff was a significant historical tin operation, producing some 60,000 tonnes of tin metal since the late 1800's. Open pit mining by Metals X between 2009 and 2011 produced a further 5,000 tonnes of tin metal before the initial open pit mine was depleted. Whilst the mine remains on care and maintenance, significant resources remain at depth and numerous historically mined areas remain underexplored and offer future development opportunity at higher tin prices.

The Mt Bischoff Project has a Total Mineral Resource Estimate of 1.7Mt at 0.54% tin, containing 9Ktn of tin metal*.

GOLD DIVISION

Metals X began the process of building a Gold Division three years ago. The first step was the consolidation of ownership of Westgold Resources Limited by scheme of arrangement. This gave Metals X full ownership of the Rover and Central Murchison Gold Projects ("CMGP"). The gold division took another huge leap forward on 29 October 2013 when Metals X completed the acquisition of the Higginsville Gold Operations and the South Kal Gold Operations from Alacer Gold Corp ("Alacer") bringing gold production to the fold. In June 2014, Metals X acquired the Meekatharra operations form GMK Exploration Pty Ltd offering an expansion option and processing plant to its planned CMGP. The process of bringing the CMGP back into production has been the main objective of the gold division during the year. Open pit mining started at the CMGP in June, underground mining is planned to commence in September 2015 and the plant is on track for commissioning in October 2015.

Subsequent to the year end Metals X has made three additional acquisitions:

1. The Georges Reward gold prospect at Bulong for $4,500,000 which will add additional ore feed to the South Kalgoorlie Operations. The transaction was completed on 17 July 2015.
2. The Mt Henry Gold Project located approximately 75km south of the Higginsville Gold Operations for 22,000,000 shares in the Company. This will add substantial additional life to the Higginsville Gold Operations. The transaction is anticipated to be completed in September 2015.
3. The Grosvenor Project from RNI which is a stand-alone gold project with all plant and infrastructure in place and which Metals X believes can be brought back into operation by mid 2016 at a rate of circa 70,000ozpa. The acquisition price is 18,000,000 shares in Metals X. The transaction is anticipated to be completed in September 2015.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

The Higginsville Gold Operations ("HGO")

Consists of a modern 1.3Mtpa CIP plant, a 300 person village, the Trident Underground Mine, numerous open pits and requisite mine and process infrastructure.

Mining at HGO is mainly focused on the Trident Underground Mine and the Lake Cowan group of open pits.

Early in the year the Chalice Underground Mine was closed as economic ores were depleted. Ore from the Chalice Underground Mine was replaced with ores from the Lake Cowan group of open pits located approximately 10 km north-east of the process plant.

The process plant operated on a campaign basis (9 days on/5 days off) until June 2015 when it recommenced operating on a full time basis. Production from the open pits was greater than the processing plant capacity on the campaign basis resulting in significant ore stocks at period end (173,000 tonnes at 2.75 g/t Au). Some excess ore stocks were sent to the South Kal Operations for processing in 2015.

Resource development and mining studies commenced at the Atreides and Fairplay prospects to replace the open pit feed component when the Lake Cowan open pits deplete by the end of 2015.

Exploration work has also continued, with a renewed focus on conceptual target generation and early-stage testing to expand the resource base of the tenement package.

Operating results of the HGO are summarised below:

	2015	2014
Mine Production		
Underground - Ore Tonnes	659,957	724,616
Underground - Grade (g/t Au)	5.59	5.56
Open Pit - Ore Tonnes	480,547	-
Open Pit - Grade (g/t Au)	1.98	-
Total Mine Production – Ore Tonnes	1,140,504	724,616
Total Mine Production – Grade (g/t Au)	4.06	5.56
Processing		
Tonnes Processed at HGO	877,239	710,769
Tonnes Processed at SKO	149,786	-
Tonnes Processed	1,027,025	710,769
Head Grade (g/t Au)	4.27	5.63
Recovery %	92.9%	95.8%
Gold Produced (oz)	131,406	123,361

The key fiscal outcomes for the HGO are summarised below:

	2015	2014
Gold Price Received ($/oz)	$1,473	$1,400
Depreciation & Amortisation ($/oz)	$239	$196
Cost of Sales ($/oz)	$1,117	$1,009

HGO has a Total Mineral Resource Estimate of 13.7Mt at 2.68 g/t Au, containing 1.2Moz of gold with a Total Ore Reserve Estimate of 3.6Mt at 2.95 g/t, containing 339Koz of gold*.

The South Kalgoorlie Operations ("SKO")

The SKO consists of a 1.2Mtpa CIP plant and infrastructure. Numerous open pits and underground options have previously been mined within the tenement area since the late 1980's.

Operations continued during the year with the processing of ore sourced from the small cluster of short-life open pits near the processing plant which has been blended with existing low-grade ore stocks. This was complimented by some minor toll processing of HGO open pit ore and a small amount of underground development ore from the HBJ underground.

Development of HBJ underground advanced significantly during the period with new decline development and refurbishment of the previous development in the central and southern parts of the mine. The cross cut into the first level on the Southern Ore Zones ("SOZ") was completed and ore development on the three parallel drives commenced. The second level of development on the SOZ will commence in the ensuing period to be quickly followed by the onset of stoping on these lodes and also on remnants in the Central Ore Zone.

With the return to full-scale underground mining at HBJ, underground geological focus has been concentrated on improving the definition of the HBJ resource in the zones scheduled for development over the coming financial year. Work will also continue to focus on open pit mining, with definition drilling undertaken at Resolution-Belterre, Mutooroo and Lanarkshire Porphyry. Exploration work has concentrated on early-stage target generation and testing in this heavily endowed region.

During the period a mine financing and profit sharing agreement was reached with Southern Gold Limited for the development of the Cannon open pit mine and potentially an underground mine developed at Bulong. Under the agreement, Metals X's staff will operate and manage the mine and the ore will be batch processed in parcels of approximately 40,000 tonnes through the SKO process plant which is scheduled to commence later in the 2016 financial year.

Operating results of the SKO are summarised below:

	2015	2014
Mine Production		
Underground - Ore Tonnes	10,687	-
Underground - Grade (g/t Au)	1.88	-
Open Pit - Ore Tonnes	225,842	59,230
Open Pit - Grade (g/t Au)	1.44	3.22
Total Mine Production – Ore Tonnes	236,529	59,230
Total Mine Production – Grade (g/t Au)	1.46	3.22
Processing		
Tonnes Processed	766,238	317,126
Head Grade (g/t Au)	0.90	1.62
Recovery %	84.3%	88.6%
Gold Produced (oz)	19,496	14,832

The key fiscal outcomes for the HGO are summarised below:

	2015	2014
Gold Price Received ($/oz)	$1,409	$1,401
Depreciation & Amortisation ($/oz)	$228	$167
Cost of Sales ($/oz)	$1,411	$684

SKO has a Total Mineral Resource Estimate of 45.7Mt at 2.25 g/t, containing 3.3Moz gold with a Total Ore Reserve Estimate of 2.2Mt at 2.49 g/t, containing 174Koz of gold*.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

The Central Murchison Gold Project ("CMGP")

The CMGP has a refurbished 2.0 Mtpa process CIP plant and associated infrastructure with a number of open pit and underground options. In the previous period Metals X advanced its strategy to re-commence mining at the CMGP with the acquisitions of the Meekatharra Gold Operations and the Nannine tenements.

The refurbished Bluebird 2.0 Mtpa process plant and infrastructure provides an immediate process option for the ores in the region. The overall consolidated CMGP project area has a number of historic gold mining centres and an aggregated gold production of nearly 10 million ounces. These include the Day Dawn, Cuddingwarra, Big Bell, Reedy, Nannine, Yaloginda, Paddy's Flat and Meekatharra North gold mining centres with the bulk of historic production being sourced from a handful of larger underground mines.

The revised Feasibility Study and Development Plan for the expanded CMGP was released to the ASX on 29 January 2015. A robust project producing approximately 200,000oz per annum at all in sustaining costs of $1,180 per ounce with an initial 13 year life is proposed.

Significant progress has been made toward bringing the CMGP into production during the period:

- The owner/operator open pit mining fleet, associated infrastructure and mining crews arrived at site in mid-June 2015.
- Open pit mining commenced in late June 2015 with ore being stockpiled.
- Mine dewatering and re-establishment of the Paddy's Flat portal position has been achieved.
- Underground mine design and tendering has advanced for the Paddy's Flat with underground mining scheduled to commence in September 2015.
- The accommodation village has been re-commissioned and is operating, and scheduled FIFO flights for the operations have commenced.
- The accommodation village has been re-commissioned and is operating, and scheduled FIFO flights for the operations have commenced.
- The majority of the technical workforce have been recruited and have commenced work at the site.
- Works on minor plant refurbishment and re-fit commenced and the plant is planning to re-start on 1 October 2015.
- The revised power supply contract was finalised.
- Exploration and development drilling continued on a number of known deposits and new targets with excellent results.
- The final mining approvals for the whole site development plan is expected in the ensuing weeks.

The CMGP has a Total Mineral Resource Estimate of 126.6Mt at 2.07 g/t, containing 8.4Moz of gold with a Total Ore Reserve Estimate of 20.5Mt at 2.58 g/t, containing 1.7Moz of gold.*

The Rover Project

The Rover Project is a postulated undercover repetition of the rich Tennant Creek goldfield 80km to the north-east. Exploration to date has so far fully tested a small number of anomalies and significant mineralised IOCG ("Iron Oxide Copper Gold") systems have been discovered at the Rover 1 and Explorer 142 prospects. In addition significant lead-zinc-silver discoveries have been made at Explorer 108 and recently at the Curiosity Prospect to its south.

The Rover 1 Prospect is a virgin IOCG discovery and has a Total Mineral Resource Estimate of 6.8Mt at 1.73g/t Au, 1.2% Cu, 0.14% Bi and 0.06% Co although drilling is continuing. The Explorer 108 prospect has a Total Mineral Resource Estimate of 11.9Mt at 3.24% Zn, 2.00 pb and 11.14g/t Ag*.

The project area is proximal to a major infrastructure corridor adjacent to Central Australian Railway, gas pipeline and Stuart Highway.

Work in the Tennant Creek district continues to be focused on defining the optimal development pathway for the Rover 1 deposit.

Drilling completed during the period successfully infilled and extended zones of bonanza copper and gold assays within the Jupiter zone of the Rover 1 orebody.

NICKEL DIVISION

Metals X's nickel strategy is focused on the Central Musgrave Project ("CMP") which straddles the triple-point of the WA/NT/SA borders. The project represents the Company's key nickel assets and comprises of the globally significant Wingellina Ni–Co-Fe rich Limonite deposit, the similar Claude Hills deposit and the Mt Davies exploration prospects. The project encompasses a large tract of prospective exploration tenure encompassing the whole of the Wingellina layered intrusive sub-set of the Giles Complex rocks in Western and Southern Australia.

The key focus of the Nickel Division is to bring the Wingellina Nickel–Cobalt Project into production.

The Board had previously reached a decision to defer the expenditure on the updated feasibility due to the continuum of a depressed nickel market.

Whilst the engineering works for an updated feasibility study by HPAL (high pressure acid leach) technology has been halted, Metals X continues to use its internal resources to complete other long lead-time studies required for the DFS, including infrastructure, roads, rail and ports studies, and the completion of the Public Environmental Review ("PER") documentation which is required for final EPA approvals.

Interaction with the State and Federal Governments in relation to infrastructure requirements within central Australia continued with strong co-operation and a desire to assist with the development of the project.

The depressed nickel market resulting from an oversupply of pig-nickel and iron has generated some technological advances in ferronickel processing. In this regard, Metals X has been discussing the application of POSNEP technology with Korean giant, POSCO.

A representative 100 tonne sample of Wingellina ore was mined, containerised and shipped to Korea for pilot plant testing. The sample was received in early December 2014, and the pilot testing procedure commenced in late December. Preliminary results indicated high recoveries of Ni and Co, with fast reaction kinetics.

Metals X continues to discuss development options using alternate technology and scales which have significantly changed the game in this lower nickel price environment.

Within the CMP, Total Mineral Resource Estimates (0.5% cut-off) of the nickeliferous limonite are 216.5Mt at 0.95% Ni, 0.07% Co and 45% Fe_2O_3, containing 2.1Mt nickel metal*.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

OTHER EXPLORATION ASSETS

Warumpi Joint Operation

Warumpi is a significant exploration holding at the base of the Arunta province in the Northern Territory, which has recently been identified as being geologically, tectono-thermally and temporally similar to Proterozoic basins in Eastern Australia that host five of the world's ten largest stratabound Pb-Zn deposits (Broken Hill, Hilton-George Fisher, Mount Isa, MacArthur River and Century). Metals X is undertaking the first modern exploration program in this highly underexplored region.

During the period on ground reconnaissance discovered an outcropping gossan at the Huron Prospect with rock chip results at surface returning results up to 120g/t Ag, 9.89% Cu and 4.73% Zn (WR0343). Further reconnaissance revealed a cluster of gossanous outcrops with high anomalous base and precious metal results (silver, copper and zinc). Infill sampling surrounding this zone was completed during the quarter with results showing up to 182g/t Ag (WR0381), 7.72%Cu (WR0373) and 8.55% Zn (WR0351) (announcement ASX:MLX 22 December 2014).Metals X completed follow-up geophysics to define drill targets and is now in detailed discussions with the Central Land Council to get approval for drill testing.

* For further details on Total Mineral Resource and Reserve Estimates refer to ASX announcement dated 25 August 2015.

INVESTMENTS

Over three years ago Metals X made a number of smaller investments in opportunities that suit its future plans or are within emerging markets with growth opportunities.

This investment strategy allowed Metals X to fund and finance exploration and development activities in dedicated entities without competition with the capital requirements of our own operations.

Metals X's current investment holdings are:

- Mongolian Resource Corporation Limited ("MRC") (ASX:MUB) 14.76% (2014: 14.76%); and
- Aziana Limited ("Aziana") (ASX:AZK) 13.37% (2014: 13.73%).

Metals X abandoned this investment strategy some time ago and is working on exit strategies for its remaining share investments.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Total equity increased by 11% ($34,607,401) to $346,266,574 (2014: $311,659,173). The movement was largely a result of profits earned during the period.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Neometals Limited Lithium Agreement

On 7 July 2015 the agreement entered into by the Company and Neometals on 22 January 2015 regarding the Company's lithium rights was completed. Under the agreement Neometals Limited has agreed to lease lithium rights and to purchase the tenement and associated infrastructure that adjoins their Mt Marion Lithium Project from the Company. Consideration for the transaction is a lease fee of $90,000 per annum indexed to the CPI, $250,000, a royalty of $2/t of ore mined and processed and a 1.5% NSR on the sale of any downstream products generated from the land area.

Georges Reward Project Acquisition
On 10 July 2015 the Company announced that it had entered into an agreement with Northern Mining Limited (79%) and Balagundi Pty Ltd (21%) to acquire their interests in the Georges Reward Project at Bulong in Western Australia for $4,500,000 in cash. The Georges Reward Project is contiguous with the Cannon Project of Southern Gold Limited with which Metals X has a contract management and profit sharing agreement from the mining of the Cannon deposit.

Mt Henry Gold Project Acquisition
On 31 July 2015 the Company announced that it had entered into an agreement to acquire the Mt Henry Gold Project from Panoramic Resources Ltd and Matsa Resources Limited.

The Mt Henry Gold Project is located approximately 15 km south of Norseman and 75 km south of HGO. The project consists of three known deposits being North Scotia, Selene and Mt Henry, which the Company intends to mine and cart to HGO for processing.

The consideration for the acquisition is 22,000,000 new fully paid ordinary shares in Metals X. Settlement is subject to FIRB approval, regulatory and statutory approvals and consent to assign the native title agreements if required.

At the date of this report these conditions remain outstanding.

Grosvenor Gold Project Acquisition
On 31 July 2015 the Company announced that it had entered into an agreement with RNI NL to acquire the Grosvenor Gold Project. The Grosvenor Project is located approximately 150 km north of Meekatharra in the Bryah Basin of Western Australia. The project includes:

- The gold prospects and resources of the Grosvenor, Horseshoe and Peak Hill areas which host a resource base of over 2 million ounces (refer to numerous public disclosures by RNI).
- The Grosvenor Gold process plant – a 1.0Mtpa CIL plant with substantial infrastructure including a 100 person village, air strip and borefield.

Consideration for the acquisition is as follows:

- The allotment of 18,000,000 new fully paid ordinary shares in Metals X.
- A $300,000 interest free loan to RNI for working capital during the sales process which is convertible into shares in RNI at the price of its next capital raising.
- Settlement is subject to FIRB approval, regulatory and statutory approvals and consent to assign the native title agreements if required.

In addition to the acquisition of RNI's Grosvenor Gold Project, the Company agreed to sell its CMGP Chunderloo copper-gold project to RNI for a consideration of 25,000,000 new fully paid RNI shares.

At the date of this report these conditions remain outstanding.

There are no other matters or circumstances that have arisen since 30 June 2015 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

It is expected that the Consolidated Entity will continue its exploration, mining, processing, production and marketing of tin and copper concentrates and gold bullion in Australia, and will continue the development of its nickel and gold exploration projects. These are described in more detail in the Review of Operations above.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity's operations are subject to the relevant environmental protection legislation (Commonwealth and State legislation). The Consolidated Entity holds various environmental licenses issued under these laws, to regulate its mining and exploration activities in Australia. These licenses include conditions and regulations in relation to specifying limits on discharges into the air, surface water and groundwater, rehabilitation of areas disturbed during the course of mining and exploration activities and the storage of hazardous substances.

All environmental performance obligations are monitored by the board of directors and subjected from time to time to Government agency audits and site inspections. There have been no material breaches of the Consolidated Entity's licenses and all mining and exploration activities have been undertaken in compliance with the relevant environmental regulations.

SHARE OPTIONS

Unissued shares

As at the date of this report, there were no unissued ordinary shares under options, refer to note 27(e).

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate.

Shares issued as a result of exercising options

During the financial year 440,000 options were converted to acquire fully paid ordinary shares in the Company, refer to note 27(f) for further details.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company paid a premium in respect of a contract of insurance to insure Directors and officers of the Company and related bodies corporate against those liabilities for which insurance is permitted under section 199B of the Corporations Act 2001. Disclosure of the nature of the liabilities and the amount of the premium is prohibited under the conditions of the contract of insurance.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

DIRECTORS' MEETINGS

The number of meetings of Directors' (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director was as follows:

	Directors Meetings	Audit Committee	Remuneration & Nomination Committee
No of meetings held:	9	2	1
No of meetings attended:			
PG Cook	8	-	-
PM Cmrlec	9	2	1
AC Ferguson	8	2	1
WS Hallam	9	-	-
SD Heggen	9	2	1
PJ Newton	8	2	1
X Penggen	-	-	-
Y Zhang (Alt Director)	7	-	-

All Directors were eligible to attend all meetings held.

COMMITTEE MEMBERSHIP

As at the date of this report, the Company had an Audit Committee and a Remuneration and Nomination Committee of the Board of Directors.

Members acting on the committees of the Board during the year were:

Audit Committee	Remuneration & Nomination Committee
SD Heggen *	PJ Newton *
PJ Newton	SD Heggen
AC Ferguson	AC Ferguson
PM Cmrlec	PM Cmrlec

Notes:

* Designates the Chairman of the Committee.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2015 outlines the remuneration arrangements of the Consolidated Entity in accordance with the requirements of the Corporations Act 2001 ("the Act") and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report is presented under the following sections:

1. Introduction
2. Remuneration governance
3. Non-executive Director remuneration arrangements
4. Executive remuneration arrangements
5. Company performance and the link to remuneration
6. Executive contractual arrangements
7. Additional statutory disclosures

1. INTRODUCTION

The remuneration report details the remuneration arrangements for Key Management Personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Consolidated Entity.

For the purposes of this remuneration report, the term 'executive' includes the Chief Executive Officer ("CEO"), executive directors, senior executives, general managers and secretary of the Consolidated Entity.

Details of KMP of the Consolidated Entity are set out below:

Name	Position	Appointed	Resigned
(i) Non-Executive Directors			
PJ Newton	Non-Executive Chairman	14 December 2012	-
PM Cmrlec	Non-Executive Director	23 July 2013	-
AC Ferguson	Non-Executive Director	10 May 2012	-
SD Heggen	Non-Executive Director	25 October 2012	-
X Penggen	Non-Executive Director	9 February 2012	-
Y Zhang	Alternate for Mr Xie Penggen	3 October 2007	-
(ii) Executive Directors			
PG Cook	CEO & Executive Director	23 July 2004	-
WS Hallam	Executive Director	1 March 2005	-
(iii) Other Executives (KMPs)			
AH King	General Manager - Tin Operations	24 February 2014	-
PD Hucker	Chief Operating Officer	17 October 2012	-
MP Poepjes	Chief Mining Engineer	8 August 2011	-
JW Russell	Chief Geologist	17 October 2012	-
FJ Van Maanen	CFO & Company Secretary	1 July 2005	-

There are no other changes of the key management personnel after the reporting date and the date the financial report was authorised for issue.

2. REMUNERATION GOVERNANCE

Remuneration and Nomination Committee

The remuneration and nomination committee comprises four NEDs.

The remuneration and nomination committee is responsible for making recommendations to the Board on the remuneration arrangements for non-executive directors and executives.

The remuneration and nomination committee assesses the appropriateness of the nature and amount of remuneration of non-executive directors and executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high performing director and executive team.

Remuneration approval process

The Board approves the remuneration arrangements of the CEO and executives and all awards made under the long-term incentive plan, following recommendations from the remuneration and nomination committee. The Board also sets the aggregate remuneration of non-executive directors which is then subject to shareholder approval.

The remuneration and nomination committee approves, having regard to the recommendations made by the CEO, the level of the Consolidated Entity's short-term incentive pool.

Remuneration Strategy

The Company's remuneration strategy is designed to attract, motivate and retain employees and non-executive directors by identifying and rewarding high performers and recognising the contribution of each employee to the continued growth and success of the Consolidated Entity.

To this end, the company embodies the following principles in its remuneration framework:

- retention and motivation of key executives;
- attraction of quality management to the Consolidated Entity; and
- performance incentives which allow executives to share the rewards of the success of the Consolidated Entity.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and senior executive remuneration is separate and distinct.

Remuneration report at FY14 AGM

The FY14 remuneration report received positive shareholder support at the FY14 AGM with a vote of 97% in favour.

REMUNERATION REPORT (AUDITED) (CONTINUED)

3. NON-EXECUTIVE DIRECTOR REMUNERATION ARRANGEMENTS

Remuneration Policy

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually against fees paid to non-executive directors of comparable companies. The Board may consider advice from external consultants, however none were engaged during the year. The board also considers fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The Company's constitution and the ASX listing rules specify that the non-executive director fee pool shall be determined from time to time by a general meeting. The last determination was at the annual general meeting held on 26 November 2014 when shareholders approved an aggregate fee pool of $600,000 per year.

Structure

The remuneration of non-executive directors consists of director's fees. Non-executives are entitled to receive retirement benefits and to participate in any incentive programs. There are currently no specific incentive programs.

The non-executive Chairman receives a base fee of $110,000 and each other non-executive director receives a base fee of $80,000 for being a director of the Consolidated Entity. There are no additional fees for serving on any board committees.

Non-executive directors have long been encouraged by the Board to hold shares in the Company and align their interests with the Company's shareholders. The shares are purchased by the directors at the prevailing market share price.

The remuneration report for the non-executive directors for the year ending 30 June 2015 and 30 June 2014 is detailed in Table 1 and Table 2 respectively of this report.

4. EXECUTIVE REMUNERATION ARRANGEMENTS

Remuneration Policy

The Company's executive remuneration strategy is designed to attract, motivate and retain high performing individuals and align the interests of executives and shareholders.

Structure

In determining the level and make-up of executive remuneration, the remuneration and nomination committee engages external consultants as needed to provide independent advice.

Remuneration consists of the following key elements:

- Fixed remuneration (base salary and superannuation); and
- Variable remuneration (share options, performance rights and cash bonus).

The proportion of fixed remuneration and variable remuneration for each executive for the period ending 30 June 2015 and 30 June 2014 are set out in Table 1 and Table 2.

Fixed Remuneration

Executive contracts of employment do not include any guaranteed base pay increase. Fixed remuneration is reviewed annually by the remuneration and nomination committee. The process consists of a review of the Company, business unit and individual performance, relevant comparative remuneration internally and externally and, where appropriate, external advice independent of management.

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

The fixed remuneration component for executives for the period ending 30 June 2015 and 30 June 2014 are set out in Table 1 and Table 2.

Variable Remuneration

Short Term Incentive ("STI") – cash bonus

The objective of the STI is to link the increase in shareholder value over the year with the remuneration received by the executives charged with achieving that increase. Executives may from time-to-time receive a discretionary cash bonus approved by the Board as a retrospective reward for exceptional performance in a specific matter of importance. The total potential STI cash bonus available is set at a level so as to provide sufficient incentive to the executives to achieve the performance goals and such that the cost to the Consolidated Entity is reasonable in the circumstances.

Annual STI payments granted to each executive depends on their performance over the year and are based on recommendations from the CEO following collaboration with the Board. Typically included are measures such as contribution to strategic initiatives, risk management and leadership/team contribution.

The aggregate of annual STI payments available for executives across the Consolidated Entity is subject to the approval of the Board. The Board has no pre-determined performance criteria against which the amount of a STI is assessed and there are no pre-determined maximum possible values of award under the STI scheme. In assessing the value of an STI award to be granted the Board will give consideration to the contribution of the action being rewarded to the success of the Consolidated Entity. Based on the performance of the individuals and the Consolidated Entity, discretionary STI cash bonuses totaling $421,000 were awarded in respect of the 2015 financial year and $346,041 STI cash bonuses were paid in respect of the 2014 financial year. No discretionary STI cash bonuses relating to the 2015 or 2014 financial years will become payable in future financial years.

REMUNERATION REPORT (AUDITED) (CONTINUED)

4. EXECUTIVE REMUNERATION ARRANGEMENTS (CONTINUED)

Long Term Incentive ("LTI") – Share options and Performance Rights

The objective of the LTI plan is to reward executives in a manner that aligns remuneration with the creation of shareholder wealth. As such LTI's are made to executives who are able to influence the generation of shareholder wealth and thus have an impact on the Consolidated Entity's performance.

LTI awards to executives are made under the Metals X Limited Long Term Incentive Plan and are delivered in the form of options and performance rights over unissued ordinary shares of the Company. The number of options and performance rights issued are determined by the policy set by the remuneration and nomination committee and is based on each executive's role and position with the Consolidated Entity.

The performance rights vest over a period of three years subject to meeting performance measures, with no opportunity to retest. Where a participant ceases employment prior to the vesting of their performance rights, the performance rights are forfeited. The performance rights have the following performance hurdles:

- The Absolute Total Shareholder Return ("TSR") performance rights (50% of total performance rights) will vest subject to the compound annual growth rate of the Company's TSR being not less than 15% over the three year service period.
- The Relative TSR performance rights (50% of total performance rights) are measured against a defined peer group of companies which the Board considers compete with the Company for the same investment capital, both in Australia and overseas, and which by the nature of their business are influenced by commodity prices and other external factors similar to those that impact on the TSR performance of the Company.

The Board considers that TSR is an appropriate performance hurdle because it ensures that a proportion of each participant's remuneration is explicitly linked to shareholder value and ensures that participants only receive a benefit where there is a corresponding direct benefit to shareholders.

The Absolute and Relative TSR's are monitored by an independent external advisor at 30 June each year, with the vesting outcomes ultimately determined at the end of the three year performance period.

The share options will vest after one year or as determined by the Board of Directors and Executives are able to exercise the share options for up to three years after vesting before the options lapse. Where a participant ceases employment prior to the vesting of their share options, the share options are forfeited. Where a participant ceases employment after the vesting of their share options, the share options automatically lapse after six months of ceasing employment.

Table 3 and Table 4 provide details of LTI options and performance rights granted, exercised and lapsed during the year.

5. COMPANY PERFORMANCE AND THE LINK TO REMUNERATION

STI remuneration is linked to the performance of the Company. In the current financial year cash bonuses were awarded to executives based on the Company's performance in the preceding financial year.

LTI remuneration has been designed to motivate and incentivise executives to drive the Company's long term performance to deliver greater returns to shareholders. The granting of performance rights and/or share options is a performance incentive which allows executives to share in the rewards and success of the Company.

	30 June 2011	30 June 2012	30 June 2013	30 June 2014	30 June 2015
Closing share price	$1.02	$0.58	$0.39	$1.04	$1.38
Profit/(loss) per share (cents)	17.94	-13.24	2.24	9.06	9.87
Net tangible assets per share	$0.77	$0.62	$0.66	$0.75	$0.83
Total Shareholder Return	166%	-43%	-32%	165%	35%
Dividend paid per shares (cents)	-	-	-	2.715[1]	2.95[2]

1. Paid on 7 January 2015.
2. Declared on 24 August 2015 but not accrued at 30 June 2015.

6. EXECUTIVE CONTRACTUAL ARRANGEMENTS

Remuneration arrangements for KMP are formalised in employment agreements. Details of these contracts are provided below:

Chief Executive Officer

The CEO, Mr Cook is employed under an annual salary employment contract. The current employment contract commenced on 1 January 2014. Under the terms of the present contract:

- Mr Cook receives a fixed remuneration of $635,100 (including superannuation) per annum.
- Mr Cook may resign from his position and thus terminate this contract by giving three months written notice. On resignation any unvested options and performance rights will be forfeited.
- The Company may terminate this employment agreement by providing three months written notice or providing payment in lieu of notice period (based on the fixed component of Mr Cook's remuneration). On termination on notice by the Company Mr Cook will still be entitled to any LTI options and performance rights that have vested or that will vest during the notice period. LTI options and performance rights that have not yet vested will be forfeited.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the CEO is only entitled to that portion of remuneration that is fixed, and only up to the date of termination. On termination with cause by the Company Mr Cook will still be entitled to any LTI options and performance rights that have vested. LTI options and performance rights that have not yet vested will be forfeited.

REMUNERATION REPORT (AUDITED) (CONTINUED)

6. EXECUTIVE CONTRACTUAL ARRANGEMENTS (CONTINUED)

Other executive directors

Mr Hallam is employed under an annual salary employment contract and receives a fixed remuneration of $503,700 (including superannuation) per annum.

The other terms of Executive Director's employment contracts are:

- Executive Directors may resign from their position and thus terminate their contract by giving three months written notice. On resignation any unvested options and performance rights will be forfeited.
- The Company may terminate the employment agreement by providing three months written notice or providing payment in lieu of notice period (based on the fixed component of the executive director's remuneration). On termination on notice by the Company Mr Hallam will still be entitled to any LTI options and performance rights that have vested or that will vest during the notice period. LTI options and performance rights that have not yet vested will be forfeited.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the executive director is only entitled to that portion of remuneration that is fixed, and only up to the date of termination. On termination with cause by the Company Mr Hallam will still be entitled to any LTI options and performance rights that have vested. LTI options and performance rights that have not yet vested will be forfeited.

Other KMP

All other executives have standard employment contracts. The other terms of the employment contracts are:

- Executives may resign from their position and thus terminate their contract by giving one to three months written notice. On resignation any unvested options and performance rights will be forfeited.
- The Company may terminate the employment agreement by providing one to three months written notice or providing payment in lieu of notice period (based on the fixed component of the executive's remuneration). On termination on notice by the Company other KMP will still be entitled to any LTI options and performance rights that have vested or that will vest during the notice period. LTI options and performance rights that have not yet vested will be forfeited.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the executive is only entitled to that portion of remuneration that is fixed, and only up to the date of termination. On termination with cause by the Company other KMP will still be entitled to any LTI options and performance rights that have vested. LTI options and performance rights that have not yet vested will be forfeited.

Remuneration of key management personnel of the Consolidated Entity

Table 1: Remuneration for the year ended 30 June 2015

	Short Term			Post employ-ment	Long term benefits	Share-based Payment	Total	% Perfor-mance related
	Salary and Fees	Cash Bonus	Non monetary benefits	Superan-nuation	Long service leave	Options		
Non-executive Directors								
PJ Newton	110,000	-	-	10,450	-	-	120,450	-
PM Cmrlec	80,000	-	-	7,600	-	-	87,600	-
AC Ferguson	80,000	-	-	-	-	-	80,000	-
SD Heggen	80,000	-	-	7,600	-	-	87,600	-
X Penggen	-	-	-	-	-	-	-	-
Y Zhang (Alt Director)	-	-	-	-	-	-	-	-
	350,000	**-**	**-**	**25,650**	**-**	**-**	**375,650**	**-**
Executive Directors								
PG Cook *	580,948	93,575	4,721	21,959	22,400	52,051	775,654	19
WS Hallam *	468,653	72,770	4,878	35,047	14,876	38,258	634,482	17
Other key management personnel								
PD Hucker	320,047	49,775	5,508	30,000	10,069	21,471	436,870	16
AH King **	160,000	3,778	-	15,539	-	-	179,317	2
MP Poepjes	230,500	35,000	4,941	25,223	6,894	14,639	317,197	16
JW Russell	225,000	30,500	5,508	27,072	8,089	14,639	310,808	15
FJ Van Maanen	256,215	45,500	7,082	29,663	22,886	25,505	386,851	18
	2,241,363	**330,898**	**32,638**	**184,503**	**85,214**	**166,563**	**3,041,179**	
Totals	**2,591,363**	**330,898**	**32,638**	**210,153**	**85,214**	**166,563**	**3,416,829**	

* PG Cook was a Director of Aziana during the period and Metals X was paid $ 34,219 for director's fees in relation to Aziana director duties. These amounts represent the net employment expense to Metals X.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (CONTINUED)

6. EXECUTIVE CONTRACTUAL ARRANGEMENTS (CONTINUED)

Table 2: Remuneration for the year ended 30 June 2014

	Short Term			Post employment	Long term benefits	Share-based Payment	Total	
	Salary and Fees	Cash Bonus	Non monetary benefits	Superannuation	Long service leave	Options		% Performance related
Non-executive Directors								
PJ Newton	85,000	-	-	7,863	-	-	92,863	-
PM Cmrlec	56,507	-	-	5,227	-	-	61,734	-
AC Ferguson	60,000	-	-	-	-	-	60,000	-
SD Heggen	60,000	-	-	5,550	-	-	65,550	-
X Penggen	-	-	-	-	-	-	-	-
Y Zhang (Alt Director)	-	-	-	-	-	-	-	-
	261,507	**-**	**-**	**18,640**	**-**	**-**	**280,147**	
Executive Directors								
PG Cook *	454,352	100,000	6,042	22,535	16,430	-	599,359	17
WS Hallam *	480,484	84,000	5,729	21,968	25,378	-	617,559	14
Other key management personnel								
RD Cook **	154,579	4,471	-	13,466	-	-	172,516	3
PD Hucker	275,438	50,000	2,787	25,000	4,982	-	358,207	14
AH King **	108,308	1,570	-	10,164	-	-	120,042	1
MP Poepjes	235,000	25,000	2,787	24,050	3,019	-	289,856	9
JW Russell	229,327	25,000	2,787	23,125	7,876	-	288,115	9
FJ Van Maanen	246,822	56,000	6,261	28,011	8,741	-	345,835	16
	2,184,310	**346,041**	**26,393**	**168,319**	**66,426**	**-**	**2,791,489**	
Totals	**2,445,817**	**346,041**	**26,393**	**186,959**	**66,426**	**-**	**3,071,636**	

* WS Hallam and PG Cook were Directors of Aziana during the period and Metals X was paid $35,816 and $67,385 respectively for director's fees in relation to their Aziana director duties. These amounts represent the net employment expense to Metals X.

** RD Cook resigned on 3 January and AH King was appointed on 24 February 2014.

7. ADDITIONAL STATUTORY DISCLOSURES

This section sets out the additional disclosures required under the *Corporations Act 2001*.

Options

Share options do not carry any voting rights and can be exercised once the vesting conditions have been met until their expiry date.

No options were granted or vested during the year and all options granted in prior periods had fully vested at 30 June 2015. No options were exercised during the year.

Table 3: Value of options awarded, exercised and lapsed during the year^

	Number of Options *	Exercise price per option	Grant date	Vesting date	Expiry date	Value of options granted during the year $	Value of options exercised during the year $
WS Hallam	312,500	$1.20	30/11/11	30/11/11	30/11/14	-	-
PD Hucker	275,000	$0.84	17/10/12	17/10/12	1/11/14	-	-
MP Poepjes	150,000	$1.20	30/11/11	30/11/11	30/11/14	-	-
JW Russell	275,000	$1.04	17/10/12	17/10/12	3/07/14	-	-
FJ Van Maanen	125,000	$1.20	30/11/11	30/11/11	30/11/14	-	-

^ For details on valuation of the options, including models and assumptions used, please refer to note 30.

* During the period these options lapsed unexercised and were subsequently forfeited.

There were no alterations to the terms and conditions of options granted as remuneration since their grant date.

Performance Rights

Table 4: Performance rights granted and vested during the year (Consolidated)

30 June 2015	Year	Performance rights granted during the year (No.)	Grant date	Value of performance rights at grant date $	Vesting date	Expiry date	Performance rights vesting during the period	Performance rights lapsed during the year
PG Cook *	2015	384,616	26/11/14	156,154	1/07/17	1/07/17	-	-
WS Hallam *	2015	282,692	26/11/14	114,733	1/07/17	1/07/17	-	-
PD Hucker	2015	158,654	26/11/14	64,414	1/07/17	1/07/17	-	-
MP Poepjes	2015	108,173	26/11/14	43,918	1/07/17	1/07/17	-	-
JW Russell	2015	108,173	26/11/14	43,918	1/07/17	1/07/17	-	-
FJ Van Maanen	2015	188,462	26/11/14	76,516	1/07/17	1/07/17	-	-

* Grant of performance rights was subject to shareholder approval at the Annual General Meeting, which occurred on 26 November 2014.

For details on vesting conditions and valuation of the performance rights, including models and assumptions used, please refer to note 30.

The value of the share based payments granted during the period is recognised in compensation over the vesting period of the grant.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. ADDITIONAL STATUTORY DISCLOSURES (CONTINUED)

Table 5: Shareholdings of key management personnel (including nominees)

Shareholdings of Key Management Personnel, ordinary shares held in Metals X Limited (number)

30 June 2015	Balance held at 1 July 2014	Granted as remuneration	On exercise of options	Net change other ^	Balance held at 30 June 2015
Directors					
PJ Newton	13,525,000	-	-	-	13,525,000
PG Cook	17,579,176	-	-	455,074	18,034,250
WS Hallam	1,587,500	-	-	-	1,587,500
PM Cmrlec	89,463	-	-	-	89,463
AC Ferguson	-	-	-	-	-
SD Heggen	5,000	-	-	-	5,000
X Penggen	44,000,000	-	-	-	44,000,000
Y Zhang (Alternate Director)	-	-	-	-	-
Executives					
PD Hucker	19,375	-	-	-	19,375
AH King	17,500	-	-	23,750	41,250
MP Poepjes	-	-	-	-	-
JW Russell	36,203	-	-	1,471	37,674
FJ Van Maanen	517,500	-	-	-	517,500
Total	**77,376,717**	**-**	**-**	**480,295**	**77,857,012**

^ Represents acquisitions and disposals of shares on market and shares issued under the dividend reinvestment plan.

7. ADDITIONAL STATUTORY DISCLOSURES (CONTINUED)

Table 6: Performance right and option holdings of key management personnel (including nominees)

30 June 2015	Options balance at beginning of period 1 July 2014	Performance rights granted as remuneration	Options net change other ^	Options exercised	Performance rights balance at end of period 30 June 2015	Performance rights not vested and not exercisable	Vested and exercisable
Directors							
PJ Newton	-	-	-	-	-	-	-
PG Cook	-	384,616	-	-	384,616	384,616	-
WS Hallam	312,500	282,692	(312,500)	-	282,692	282,692	-
PM Cmrlec	-	-		-	-	-	-
AC Ferguson	-	-	-	-	-	-	-
SD Heggen	-	-	-	-	-	-	-
X Penggen	-	-	-	-	-	-	-
Y Zhang (Alternate Director)	-	-	-	-	-	-	-
Executives							
PD Hucker	275,000	158,654	(275,000)	-	158,654	158,654	-
AH King	-	-	-	-	-	-	-
MP Poepjes	150,000	108,173	(150,000)	-	108,173	108,173	-
JW Russell	275,000	108,173	(275,000)	-	108,173	108,173	-
FJ Van Maanen	125,000	188,462	(125,000)	-	188,462	188,462	-
Total	**1,137,500**	**1,230,770**	**(1,137,500)**	**-**	**1,230,770**	**1,230,770**	**-**

^ Options lapsed during the period and forfeited.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. ADDITIONAL STATUTORY DISCLOSURES (CONTINUED)

Other transactions and balances with Key Management Personnel

PG Cook is a Director of Aziana, in the current period $34,219 has been charged to Aziana for director's fees. In 2014 PG Cook and WS Hallam were both Directors of Aziana, $67,385 and $35,816 respectively were charged to Aziana for director's fees.

The Consolidated Entity provides accounting, secretarial and administrative services at cost to Aziana. In the current period $169,339 has been charged to Aziana for these services (2014: $204,426).

At 30 June 2015 there was an outstanding balance of $31,755 (2014: $15,639) for Aziana Limited.

End of Audited Remuneration Report.

AUDITOR'S INDEPENDENCE AND NON-AUDIT SERVICES

AUDITOR INDEPENDENCE

The Directors' received the Independence Declaration, as set out on page 37, from Ernst & Young.

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor, Ernst & Young. The directors are satisfied that the provision of non-audit is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young received or are due to receive the following amounts for the provision of non-audit services (refer to note 34):

	$
Tax and stamp duty compliance services	119,560

Signed in accordance with a resolution of the Directors.

PG Cook
CEO & Executive Director
Perth, 25 August 2015

AUDITOR'S INDEPENDENCE DECLARATION

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to the Directors of Metals X Limited

In relation to our audit of the financial report of Metals X Limited for the financial year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

D S Lewsen
Partner
25 August 2015

DL:MetalsX070

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Metals X Limited is responsible for the corporate governance of the Consolidated Entity. The Board guides and monitors the business and affairs of Metals X Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. This statement reports on Metals X Limited's key governance principles and practices.

1. COMPLIANCE WITH BEST PRACTICE RECOMMENDATIONS

The Company, as a listed entity, must comply with the Corporations Act 2001 and the Australian Securities Exchange (ASX) Listing Rules. The ASX Listing Rules require the Company to report on the extent to which it has followed the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council. Where a recommendation has not been followed, that fact is disclosed, together with the reasons for the departure.

For further information on corporate governance policies adopted by the Company, refer to the corporate governance section of our website: www.metalsx.com.au.

The table below summaries the Company's compliance with the Corporate Governance Council's Principles and Recommendations:

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
Principle 1	**Lay solid foundations for management and oversight**		
1.1	A listed entity should disclose (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	2(a)	Yes
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	2(b), 3(b)	Yes
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment	3(b)	Yes
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	2(f)	Yes
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	6(c)	Yes

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	2(i), 3(b)	Yes
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	3(b) Remuneration Report	Yes
Principle 2	**Structure the Board to add value**		
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively	3(b)	Yes
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	2(b), 2(c)	Yes
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 (which appears on page 16 of the ASX Recommendations and is entitled "Factors relevant to assessing the independence of a director") but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	2(c), 2(e)	Yes
2.4	A majority of the board of a listed entity should be independent directors.	2(e)	No
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	2(c), 2(d), 2(e)	Yes
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	3(b)	Yes
Principle 3	**Act ethically and responsibiy**		
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	6(a)	Yes

CORPORATE GOVERNANCE STATEMENT

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
Principle 4	**Safeguard integrity in financial reporting**		
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	3(a)	Yes
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	5(c)	Yes
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	4(a)	Yes
Principle 5	**Make timely and balanced disclosure**		
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	4(b)	Yes
Principle 6	**Respect the rights of shareholders**		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	4(a), 4(b)	Yes
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	4(a), 4(b)	Yes
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	4(a), 4(b)	Yes
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	4(a), 4(b)	Yes

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
Principle 7	**Recognise and manage risk**		
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	3(a)	No
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	5(a), 5(b), 5(d)	Yes
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	3(a)	No
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	5(a)	Yes
Principle 8	**Remunerate fairly and responsibly**		
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	3(b)	Yes
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	3(b), Remuneration Report	Yes
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	6(b), Remuneration Report	Yes

CORPORATE GOVERNANCE STATEMENT

2. THE BOARD OF DIRECTORS

2(A) ROLES AND RESPONSIBILITIES OF THE BOARD

The Board is accountable to the shareholders and investors for the overall performance of the Company and takes responsibility for monitoring the Company's business and affairs and setting its strategic direction, establishing and overseeing the Company's financial position.

The Board is responsible for:

- Appointing, evaluating, rewarding and if necessary the removal of the Chief Executive Officer ("CEO") and senior management;
- Development of corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management;
- Monitoring actual performance against defined performance expectations and reviewing operating information to understand at all times the state of the health of the Company;
- Overseeing the management of business risks, safety and occupational health, environmental issues and community development;
- Satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;
- Satisfying itself that there are appropriate reporting systems and controls in place to assure the board that proper operational, financial, compliance, risk management and internal control process are in place and functioning appropriately;
- Approving and monitoring financial and other reporting;
- Assuring itself that appropriate audit arrangements are in place;
- Ensuring that the Company acts legally and responsibly on all matters and assuring itself that the Company has adopted a Code of Conduct and that the Company practice is consistent with that Code; and other policies; and
- Reporting to and advising shareholders.

Other than as specifically reserved to the Board, responsibility for the day-to-day management of the Company's business activities is delegated to the CEO and senior management.

2(B) BOARD COMPOSITION

The Directors determine the composition of the Board employing the following principles:

- the Board, in accordance with the Company's constitution must comprise a minimum of three directors;
- the roles of the Chairman of the Board and of the CEO should be exercised by different individuals;
- the majority of the Board should comprise directors who are non-executive;
- the Board should represent a broad range of qualifications, experience and expertise considered of benefit to the Company; and
- the Board must be structured in such a way that it has a proper understanding of, and competency in, the current and emerging issues facing the Company, and can effectively review management's decisions.

The Company's constitution requires one-third of the directors (or the next lowest whole number) to retire by rotation at each Annual General Meeting (AGM). The directors to retire at each AGM are those who have been longest in office since their last election. Where directors have served for equal periods, they may agree amongst themselves or determine by lot who will retire. A director must retire in any event at the third AGM since he or she was last elected or re-elected. Retiring directors may offer themselves for re-election.

A director appointed as an additional or casual director by the Board will hold office until the next AGM when they may be re-elected. The CEO is subject to retirement by rotation. Any director appointed as an additional or casual director, is not to be taken into account in determining the number of directors required to retire by rotation.

2(C) BOARD MEMBERSHIP

The Board is currently comprised of five non-executive directors and two executive directors. Details of the Board member's experience, expertise and qualifications are set out in the Directors' Report of the Annual Report under the heading "Directors".

Name	Position	Date Appointed
PJ Newton (Chairman)	Chairman & independent non-executive director	14 December 2012
P G Cook	CEO & executive director	23 July 2004
W S Hallam	Executive director	1 March 2005
SD Heggen	Independent non-executive director	25 October 2012
PM Cmrlec	Independent non-executive director	23 July 2013
AC Ferguson	Non-executive director	10 May 2012
X Penggen	Non-executive director	9 February 2012
Y Zhang	Alternate non-executive director to X Penggen	3 October 2007

2. THE BOARD OF DIRECTORS (CONTINUED)

2(D) CHAIRMAN AND CEO

The Chairman is responsible for:

- leadership of the Board;
- the efficient organisation and conduct of the Board's functions;
- the promotion of constructive and respectful relations between Board members and between the Board and management;
- contributing to the briefing of directors in relation to issues arising at Board meetings;
- facilitating the effective contribution of all Board members; and
- committing the time necessary to effectively discharge the role of the Chairman.

The CEO is responsible for:

- implementing the Company's strategies and policies; and
- the day-to-day management of the Consolidated Entity's business activities.

The Board specifies that the roles of the Chairman and the CEO are separate roles to be undertaken by separate people.

2(E) INDEPENDENT DIRECTORS

The Company recognises that independent directors are important in assuring shareholders that the Board is properly fulfilling its role and is diligent in holding senior management accountable for its performance. The Board assesses each of the directors against specific criteria to decide whether they are in a position to exercise independent judgment.

Directors of Metals X Limited are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

In making this assessment, the Board considers all relevant facts and circumstances. Relationships that the Board will take into consideration when assessing independence are whether a director:

- is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed in an executive capacity by the Company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- has within the last three years been a principal of a material professional advisor or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
- is a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- has a material contractual relationship with the Company or another group member other than as a director.
- has been a director of the entity for such a period that his or her independence may have been compromised.

The Board notes that the mere fact that a director has served on a Board for a substantial period does not mean that he or she has become too close to management to be considered not independent. The Board will regularly assess the independence of all and any director who serves on the Board.

Family ties and cross-directorships may be relevant in considering interests and relationships which may affect independence, and should be disclosed to the Board.

The Company does not comply with ASX Recommendation 2.4, there is a majority of non-executive directors but there is not a majority of independent directors on the Board. In accordance with the definition of independence above, only three of the directors of the Company are considered to be independent.

The Board believes that the Company is not of sufficient size to warrant the inclusion of more independent non-executive directors in order to meet the ASX recommendation of maintaining a majority of independent non-executive directors. The Company maintains a mix of directors from different backgrounds with complementary skills and experience.

In recognition of the importance of independent views and the Board's role in supervising the activities of management the Chairman is a non-executive director.

2(F) COMPANY SECRETARY

The appointment, performance, review, and where appropriate, the removal of the Company Secretary is a key responsibility of the Board. All directors have access to the Company Secretary who is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

2(G) AVOIDANCE OF CONFLICTS OF INTEREST BY A DIRECTOR

In order to ensure that any interests of a director in a particular matter to be considered by the Board are known by each director, each director is required by the Company to disclose any relationships, duties or interests held that may give rise to a potential conflict. Directors are required to adhere strictly to constraints on their participation and voting in relation to any matters in which they may have an interest.

2(H) BOARD ACCESS TO INFORMATION AND INDEPENDENT ADVICE

Directors are able to access members of the management team at any time to request relevant information. There are procedures in place, agreed by the board, to enable directors, in furtherance of their duties, to seek independent professional advice at the company's expense.

2(I) REVIEW OF BOARD PERFORMANCE

The performance of the board and each of its committees is reviewed at least annually by the Chairman. Performance evaluations are conducted annually which involve an assessment of each board member's performance against specific and measurable qualitative and quantitative performance criteria. The performance criteria against which directors and executives are assessed is aligned with the financial and non-financial objectives of Metals X Limited. Directors whose performance is consistently unsatisfactory may be asked to retire.

The performance of each committee is against the requirements of their respective charters.

CORPORATE GOVERNANCE STATEMENT

3. BOARD COMMITTEES

The Board has the ability under the Company's constitution to delegate its powers and responsibilities to committees of the Board.

To assist the Board in fulfilling its duties and responsibilities, it has established the following committees:

- Audit and Risk Committee; and
- Remuneration and Nomination Committee.

3(A) AUDIT & RISK COMMITTEE

The Board has established an Audit and Risk Committee comprising four non-executive directors the majority of whom are independent directors. The Audit and Risk Committee is governed by its charter, as approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit and Risk Committee.

The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in financial report.

The Audit and Risk Committee's main responsibilities include reviewing and monitoring:

- financial reporting;
- internal control framework;
- external audit;
- internal audit;
- risk management;
- compliance with the Corporations Act, ASX Listing Rules and Corporate Governance Principles and Recommendations; and
- any other matters referred to it by the Board.

The Audit & Risk Committee is comprised of:

Name	Position
SD Heggen (Chairman)	Independent Non-executive Director
PJ Newton	Independent Non-executive Director
AC Ferguson	Non-executive Director
PM Cmrlec	Independent Non-executive Director

The qualifications of the committee are set out in the Directors' Report of the Annual Report under the heading "Directors".

The number of times the Audit and Risk Committee has formerly met and the number of meetings attended by directors during the financial year are reported in Directors' Report of the Annual Report under the heading "Directors' Meetings".

External Auditors

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually, taking into consideration assessment of performance, existing value and tender costs.

An analysis of fees paid to the external auditors, including a breakdown of fees for non-audit services, is provided in the notes to the financial statements. It is the policy of the external auditors to provide an annual declaration of their independence to the Board.

The external auditor is requested to attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Internal Audit

The Company does not currently have a formal internal audit function however the Audit and Risk Committee and the Board oversee the effectiveness of risk management and internal control.

The Board works closely with management to identify and manage operational, financial and compliance risks which could prevent the Company from achieving its objectives. The Audit and Risk Committee actively encourages the External Auditor to raise internal control issues, and oversees management's timely remediation thereof.

3(B) REMUNERATION AND NOMINATION COMMITTEE

The Board is responsible for determining and reviewing compensation arrangements for the directors themselves and the CEO and executive team. The Board is also responsible for the selection and appointment of directors. The Board has established a Remuneration and Nomination Committee, comprising four non-executive directors the majority of whom are independent directors. The Remuneration and Nomination Committee is governed by its charter, as approved by the Board.

The Remuneration and Nomination Committee is comprised of:

Name	**Position**
PJ Newton (Chairman)	Chairman & Independent Non-executive Director
SD Heggen	Independent Non-executive Director
AC Ferguson	Non-executive Director
PM Cmrlec	Independent Non-executive Director

The main functions of the Remuneration and Nomination Committee are:

- Evaluating the necessary and desirable competencies for members of the Board.
- Assessing skills, experience and expertise and making recommendations to the Board on candidates for appointment and re-appointment as directors on the Board.
- Reviewing and making recommendations on processes for evaluating the performance of members of the Board and its Committees and for assessing and enhancing director competencies.
- Reviewing and monitoring progress of succession plans and making recommendations to the Board.
- Reviewing and making recommendations annually to the Board on the remuneration of the CEO.
- Reviewing and making recommendations annually to the Board, on advice from the CEO, on remuneration of senior executives of the Company (other than the CEO) and in respect or remuneration matters generally.
- Evaluating and making recommendations to the Board on the Company's recruitment, retention and termination policies and procedures.
- Assessing and making recommendations to the Board on remuneration policies and practices including superannuation arrangements, incentive schemes and performance target for senior executive and other employees of the Company.
- Reviewing and assessing annually the performance of the Committee and the adequacy of its charter.

3(B) REMUNERATION AND NOMINATION COMMITTEE (CONTINUED)

The number of times the Remuneration and Nominations Committee has formerly met and the number of meetings attended by directors during the financial year are reported in the Directors' Report of the Annual Report under the heading "Directors' Meetings".

Remuneration

The remuneration received by directors and executives in the current period is contained in the "Remuneration Report" within the Directors' Report of the Annual Report.

The Company seeks to attract and retain directors and executives with the appropriate expertise and ability to create value for shareholders.

The remuneration structure for non-executive directors is not related to performance. Non-executive directors receive fees which reflect their skills, responsibilities and the time commitments required to discharge their duties. The Company does not pay retirement benefits to non-executive directors (other than superannuation contributions in accordance with its statutory superannuation obligations).

The remuneration structure for executive directors and other executives reflects the Company's performance culture: there is a direct correlation between the executive's reward and individual and Company performance so as to seek to ensure that the Company's remuneration policy is aligned with its long term business objectives and the interests of shareholders and other stakeholders.

Nomination

A profile of each director is included within the Directors' Report of the Annual Report under the heading "Directors".

The Company has a written agreement in place with each director setting out the terms of their appointment.

The committee and the Board consider the composition of the Board at least annually, when assessing the Board's performance and when considering director election and re-election.

In considering whether the Board will support the election or re-election of incumbent directors, the committee considers the skills, experience, expertise, diversity and contribution made to the Board by the director and the contribution that the director is likely to make if elected or re-elected.

When considering appointing new directors, the committee assesses the range of skills, experience, expertise, diversity and other attributes from which the Board would benefit and to the extent to which current directors possess such attributes. This assessment allows the committee to provide the Board with a recommendation concerning the attributes for a new director, such that they balance those of existing directors.

All material information that is relevant to the decision as to whether or not to elect or re-elect a director is provided to shareholders in the explanatory notes accompanying the notice of meeting for the Annual General Meeting at which the election or re-election is to be considered.

4. TIMELY AND BALANCED DISCLOSURE

4(A) SHAREHOLDER COMMUNICATION

The Company believes that all shareholders should have equal and timely access to material information about the Company including its financial situation, performance, ownership and governance.

The Board aims to ensure that shareholders are informed of all material information relating to the Company by communicating to shareholders through:

- continuous disclosure reporting to the ASX;
- its annual reports; and
- media releases and other investor relations publications on the Company's website.

The Company provides other information about itself and its governance via its website.

Two-way Communication

The Board is also mindful of the importance of not only providing information, but also enabling two-way communication between the Company and its shareholders.

The Company encourages direct electronic contact from shareholders – the Company's website has a "Contact Us" section which allows shareholders to submit questions or comments. The Company's website also allows shareholders to register to receive information updates electronically from the Company.

The Company provides shareholder materials directly to shareholders through electronic means. A shareholder may request a hard copy of the Company's annual report to be posted to them. Shareholders may also communicate via electronic means with the Company's Share Registry and may register to access personal shareholding information and receive electronic information.

General Meetings

Shareholders are encouraged to participate in general meetings. Copies of addresses by the Chairman or CEO are disclosed to the market and posted on the Company's website.

At the meeting the Chairman encourages questions and comments from shareholders and seeks to ensure that shareholders are given ample opportunity to participate.

The Company's external auditor attends the Company's annual general meeting to answer shareholder questions about the conduct of the audit, the preparation and content of the audit report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

CORPORATE GOVERNANCE STATEMENT

4(B) CONTINUOUS DISCLOSURE POLICY

The Company is committed to ensuring that shareholders and the market are provided with full and timely information and that all stakeholders have equal opportunities to receive externally available information issued by the Company.

The Company's "ASX Disclosure Policy" encourages effective communication with its shareholders by requiring that Company announcements:

- be factual and subject to internal vetting and authorisation before issue;
- be made in a timely manner;
- not omit material information;
- be expressed in a clear and objective manner to allow investors to assess the impact of the information when making investment decisions;
- be in compliance with ASX Listing Rules continuous disclosure requirements; and
- be placed on the Company's website promptly following release.

The Company's "ASX Disclosure Policy" reinforces the Company's commitment to continuous disclosure and outline management's accountabilities and the processes to be followed for ensuring compliance.

The policy also contains guidelines on information that may be price sensitive. The Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements with the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX.

5. RECOGNISING AND MANAGING RISK

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The Company's policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives. Considerable importance is placed on maintaining a strong control environment.

The Company has exposure to the following risks:

- Currency: The Company is exposed to fluctuations in the Australian dollar gold price which can impact on revenue streams from operations. To mitigate downside fluctuations in the gold price, the Board has instigated a modest hedging program to assist in offsetting variations in the Australian dollar gold price. The Board reviews the level of hedging at each Board meeting to ensure it fits within the Company's hedging policy framework and is deemed appropriate.
- Government Charges: The gold mining industry is the subject to a number of taxes, royalties and charges levied by various Government departments. Changes to rates of taxes, royalties and charges can impact on the profitability of the Company. The Company maintains communications with relevant parties to mitigate potential increases.
- Environmental: The Company is subject to, and responsible for, existing environmental liabilities associated with its tenements as well as potential new liabilities through continuation of mining activities. The Company will continually monitor its ongoing environmental obligations and risks, and implement rehabilitation and corrective actions as appropriate to remain compliant. These risks may be impacted by change in Government policy.

5(A) BOARD OVERSIGHT OF THE RISK MANAGEMENT SYSTEM

The Board is responsible for approving and overseeing the risk management system. The Board reviews, at least annually, the effectiveness of the implementation of the risk management controls and procedures.

The principle aim of the system of internal control is the management of business risks, with a view to enhancing the value of shareholders' investments and safeguarding assets. Although no system of internal control can provide absolute assurance that the business risks will be fully mitigated, the internal control systems have been designed to meet the Company's specific needs and the risks to which it is exposed.

Annually, the Board is responsible for identifying the risks facing the Company, assessing the risks and ensuring that there are controls for these risks, which are to be designed to ensure that any identified risk is reduced to an acceptable level.

Internal control measures currently adopted by the Board include:

- monthly reporting to the Board in respect of operations and the Company's financial position, with a comparison of actual results against budget; and
- regular reports to the Board by appropriate members of the management team and/or independent advisers, outlining the nature of particular risks and highlighting measures which are either in place or can be adopted to manage or mitigate those risks.

5(B) RISK MANAGEMENT ROLES AND RESPONSIBILITIES

The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Senior management is responsible for implementing the Board approved risk management strategy and developing policies, controls, processes and procedures to identify and manage risks in all of the Company's activities.

The Board and Audit and Risk Committee are responsible for ensuring that management has developed and implemented a sound system of risk management and internal control.

5(C) CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION

The Chief Executive Officer and Chief Financial Officer provide to the Board written certification that in all material respects:

- the Company's financial statements present a true and fair view of the Company's financial condition and operational results and are in accordance with relevant accounting standards;
- the statement given to the Board on the integrity of the Company's financial statements is founded on a sound system of risk management and internal compliance and controls which implements the policies adopted by the Board; and
- the Company's risk management an internal compliance and control system is operating efficiently and effectively in all material respects.

6. ETHICAL AND RESPONSIBLE DECISION MAKING

6(A) CODE OF ETHICS AND CONDUCT

The Board endeavours to ensure that the directors, officers and employees of the Company act with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities. The "Code of Conduct" sets out the principles, practices, and standards of personal behaviour the Company expects people to adopt in their daily business activities.

All directors, officers and employees are required to comply with the Code of Conduct. Senior managers are expected to ensure that employees, contractors, consultants, agents and partners under their supervision are aware of the Company's expectations as set out in the Code of Conduct.

All directors, officers and employees are expected to:

- comply with the law;
- act in the best interests of the Company;
- be responsible and accountable for their actions; and
- observe the ethical principles of fairness, honesty and truthfulness, including prompt disclosure of potential conflicts.

6(B) POLICY CONCERNING TRADING IN COMPANY SECURITIES

The Company's "Securities Trading Policy" applies to all directors, officers and employees. This policy sets out the restrictions on dealing in securities by people who work for, or are associated with the Company and is intended to assist in maintaining market confidence in the integrity of dealings in the Company's securities. The policy stipulates that the only appropriate time for a director, officer or employee to deal in the Company's securities is when they are not in possession of price sensitive information that is not generally available to the market.

As a matter of practice, Company shares may only be dealt with by directors and officers of the Company under the following guidelines:

- no trading is permitted in the period of one month prior to the announcement to the ASX of the Company's quarterly, half year and full year results;
- guidelines are to be considered complementary to and not replace the various sections of the Corporations Act 2001 dealing with insider trading; and
- prior approval of the Chairman, or in his absence, the approval of two directors is required prior to any trading being undertaken.
- Senior management are prohibited from entering into transactions which limit the risk of participating in unvested entitlements under any equity-based remuneration scheme.

6(C) POLICY CONCERNING DIVERSITY

The Company encourages diversity in employment throughout the Company and in the composition of the Board, as a mechanism to ensure that the Company is able to draw on a variety of skill, talent and previous experiences in order to maximise the Company's performance.

The Company's "Diversity Policy" has been implemented to ensure the Company has the benefit of a diverse range of employees with different skills, experience, age, gender, race and cultural backgrounds. The Company reports its results on an annual basis in the Annual Report in achieving measurable targets which are set by the Board as part of implementation of the Diversity Policy.

The table below outlines the diversity objectives established by the Board, the steps taken during the year to achieve these objectives, and the outcomes.

Objectives	Steps Taken/Outcome
Increase the number of women in the workforce, including management and at board level.	Key senior female appointments during the year include: • Metals X appointed 1 females in managerial roles. • As at 30 June 2015, women represented 18% in the Consolidated Entity's workforce (2014: 19%), 2% in senior executive positions (2014: 2%) and Nil at board level (2014: Nil). Senior executive means employees or contractors reporting directly to the CEO.
Review gender pay gaps on an annual basis and implement actions to address any variances.	As a part of the annual remuneration review, the Board assesses the performance and salaries of all key management personnel and executive directors. Any gender pay disparities are addressed.
Provide flexible workplace arrangements.	During the year Metals X employed 11 employees on flexible work arrangements (2014: 9).
Provide career development opportunities for every employee, irrespective of any cultural, gender and other differences.	Whilst Metals X places special focus on gender diversity, career development opportunities are equal for all employees. Employees are encouraged to attend professional development courses/workshops throughout the year.
Promote an inclusive culture that treats the workforce with fairness and respect.	Metals X has set a zero tolerance policy against discrimination of employees at all levels. The Company provides avenues to employees to voice their concerns or report any discrimination. No cases of discrimination were reported during the year (2014: Nil).
Be compliant with all mandatory diversity reporting requirements.	In accordance with the *Australian Workplace Gender Equality Act 2012*, the Consolidated Entity has submitted a Workplace Gender Equality Report for the 2014/2015 reporting period which is available on the Company's website.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015	2014
Revenue	5	315,250,223	238,599,832
Cost of sales	7(a)	(254,907,936)	(186,298,890)
Gross profit		**60,342,287**	**52,300,942**
Other income	6	1,946,016	4,885,754
Other expenses	7(b)	(10,134,673)	(9,151,386)
Fair value change in financial assets	7(c)	1,244,795	(70,073)
Impairment loss on receivables	12	(1,500,000)	-
Impairment loss on available-for-sale financial assets	16	-	(1,622,700)
Impairment loss on mine properties and development	18	(4,717,594)	-
Exploration and evaluation expenditure written off	19	(6,110,660)	(6,974,352)
Profit before income tax and finance costs		**41,070,171**	**39,368,185**
Finance costs	7(d)	(120,970)	(1,916,448)
Profit before income tax		**40,949,201**	**37,451,737**
Income tax benefit	8	-	-
Net profit after tax		**40,949,201**	**37,451,737**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Fair value changes in available-for-sale financial asset	29	3,223,335	-
Other comprehensive profit for the period, net of tax		**3,223,335**	**-**
Total comprehensive profit for the period		**44,172,536**	**37,451,737**
Earnings per share for profit attributable to the ordinary equity holders of the company			
- basic for profit for the year (cents)	9	9.87	9.06
- diluted for profit for the year (cents)	9	9.87	9.06

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Notes	2015	2014
CURRENT ASSETS			
Cash and cash equivalents	11	99,037,845	57,108,871
Trade and other receivables	12	16,107,764	19,297,623
Inventories	13	36,521,582	33,248,694
Prepayments	14	819,215	812,095
Other financial assets	15	5,600,977	6,481,192
Total current assets		**158,087,383**	**116,948,475**
NON-CURRENT ASSETS			
Available-for-sale financial assets	16	3,783,915	595,582
Property, plant and equipment	17	64,117,187	63,428,294
Mine properties and development costs	18	161,306,883	155,075,197
Exploration and evaluation expenditure	19	100,042,283	95,114,871
Total non-current assets		**329,250,268**	**314,213,944**
TOTAL ASSETS		**487,337,651**	**431,162,419**
CURRENT LIABILITIES			
Trade and other payables	20	36,911,968	33,064,474
Provisions	21	4,433,329	3,447,676
Interest bearing loans and borrowings	23	1,657,552	116,865
Unearned income	25	20,222,500	-
Total current liabilities		**63,225,349**	**36,629,015**
NON-CURRENT LIABILITIES			
Provisions	22	69,524,576	82,818,109
Interest bearing loans and borrowings	24	3,265,527	56,122
Unearned income	26	5,055,625	-
Total non-current liabilities		**77,845,728**	**82,874,231**
TOTAL LIABILITIES		**141,071,077**	**119,503,246**
NET ASSETS		**346,266,574**	**311,659,173**
EQUITY			
Issued capital	27	332,851,798	331,399,336
Accumulated losses	28	(9,769,564)	(39,479,827)
Share based payments reserve	29	19,961,005	19,739,664
Fair value reserve	29	3,223,335	-
TOTAL EQUITY		**346,266,574**	**311,659,173**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015	2014
OPERATING ACTIVITIES			
Receipts from customers		297,820,029	238,134,367
Interest received		2,822,419	2,498,811
Other income		1,803,200	668,871
Payments to suppliers and employees		(219,622,450)	(165,002,231)
Transaction cost relating to business combination		-	(2,884,145)
Interest paid		(10,032)	(19,191)
Net cash flows from operating activities	11	**82,813,166**	**73,396,482**
INVESTING ACTIVITIES			
Payments for property, plant and equipment		(8,005,660)	(12,195,847)
Payments for mine properties and development		(43,637,593)	(26,261,405)
Payments for exploration and evaluation		(22,044,782)	(10,274,690)
Proceeds from sale of property, plant and equipment - other		20,226	285,548
Proceeds from sales of available-for-sale financial assets		157,591	-
Advances in relation to interest bearing receivables		(840,765)	-
Net cash outflow on acquisition of subsidiary		-	(29,529,600)
Net cash flows used in investing activities		**(74,350,983)**	**(77,975,994)**
FINANCING ACTIVITIES			
Payment of finance lease liabilities		(738,404)	(519,503)
Payments for dividends		(9,546,275)	-
Proceeds from share issue		88,000	357,500
Payments for share issue costs		(7,403)	(7,427)
Proceeds from gold prepayment		40,445,000	-
Proceeds from performance bond facility		3,225,873	404,693
Net cash flows from financing activities		**33,466,791**	**235,263**
Net increase/(decrease) in cash and cash equivalents		41,928,974	(4,344,249)
Cash and cash equivalents at the beginning of the financial period		57,108,871	61,453,120
Cash and cash equivalents at the end of the period	11	**99,037,845**	**57,108,871**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Issued capital	Accumulated losses	Share based payments reserve	Fair value reserves	Total Equity
2014					
At 1 July 2013	**330,962,263**	**(76,931,564)**	**19,739,664**	**-**	**273,770,363**
Profit for the year	-	37,451,737	-	-	37,451,737
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive (loss)/profit for the year net of tax	**-**	**37,451,737**	**-**	**-**	**37,451,737**
Transactions with owners in their capacity as owners					
Issue of share capital	87,000	-	-	-	87,000
Exercise of options	357,500	-	-	-	357,500
Share issue costs	(7,427)	-	-	-	(7,427)
At 30 June 2014	**331,399,336**	**(39,479,827)**	**19,739,664**	**-**	**311,659,173**
2015					
At 1 July 2014	**331,399,336**	**(39,479,827)**	**19,739,664**	**-**	**311,659,173**
Profit for the year	-	40,949,201	-	-	40,949,201
Other comprehensive income, net of tax	-	-	-	3,223,335	3,223,335
Total comprehensive profit for the year net of tax	**-**	**40,949,201**	**-**	**3,223,335**	**44,172,536**
Transactions with owners in their capacity as owners					
Dividends paid	-	(11,238,938)	-	-	(11,238,938)
Share based payments	-	-	221,341	-	221,341
Exercise of options	88,000	-	-	-	88,000
Issue of share capital	1,371,865	-	-	-	1,371,865
Share issue costs	(7,403)	-	-	-	(7,403)
At 30 June 2015	**332,851,798**	**(9,769,564)**	**19,961,005**	**3,223,335**	**346,266,574**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. CORPORATE INFORMATION

The financial report of Metals X Limited for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the Directors on 24 August 2015.

Metals X Limited ("the Company or the Parent") is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Consolidated Entity are described in the Directors' Report.

The address of the registered office is Level 3, 18 – 32 Parliament Place, West Perth, WA 6005.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards and other authorative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale investments, which have been measured at fair value.

The financial report is presented in Australian dollars.

(B) STATEMENT OF COMPLIANCE

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board which include International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Adoption of new accounting standards

In the current year, the Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2014.

The Australian Standards and Interpretations mandatory for reporting periods beginning on or after 1 July 2014, adopted include the following. Adoption of these Standards and Interpretations did not have any effect on the financial position or the performance of the Consolidated Entity.

Reference	Title	Application date of standard*	Application date for Consolidated Entity*
AASB 2012-3	Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities AASB 2012-3 adds application guidance to AASB 132 Financial Instruments: Presentation to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 January 2014	1 July 2014

Reference	Title	Application date of standard*	Application date for Consolidated Entity*
AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets AASB 2013-3 amends the disclosure requirements in AASB 136 Impairment of Assets. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal.	1 January 2014	1 July 2014
AASB 1031	*Materiality* The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework (issued December 2013) that contain guidance on materiality. AASB 1031 will be withdrawn when references to AASB 1031 in all Standards and Interpretations have been removed. AASB 2014-1 Part C issued in June 2014 makes amendments to eight Australian Accounting Standards to delete their references to AASB 1031. The amendments are effective from 1 July 2014*.	1 January 2014	1 July 2014
AASB 2014-1 Part A -Annual Improvements 2011–2013 Cycle	Annual Improvements to IFRSs 2011–2013 Cycle addresses the following items: • AASB13 - Clarifies that the portfolio exception in paragraph 52 of AASB 13 applies to all contracts within the scope of AASB 139 or AASB 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132.	1 July 2014	1 July 2014
AASB 2013-9	Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments The Standard contains three main parts and makes amendments to a number Standards and Interpretations. Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards.	1 January 2014	1 July 2014
AASB 2014-1 Part A -Annual Improvements 2010–2012 Cycle	AASB 2014-1 Part A: This standard sets out amendments to Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards (IFRSs) Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle. Annual Improvements to IFRSs 2010–2012 Cycle addresses the following items: • AASB 2 - Clarifies the definition of 'vesting conditions' and 'market condition' and introduces the definition of 'performance condition' and 'service condition'. • AASB 3 - Clarifies the classification requirements for contingent consideration in a business combination by removing all references to AASB 137. • AASB 8 - Requires entities to disclose factors used to identify the entity's reportable segments when operating segments have been aggregated. An entity is also required to provide a reconciliation of total reportable segments' asset to the entity's total assets. • AASB 116 & AASB 138 - Clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts.	1 July 2014	1 July 2014
Interpretation 21	*Levies* This Interpretation confirms that a liability to pay a levy is only recognised when the activity that triggers the payment occurs. Applying the going concern assumption does not create a constructive obligation.	1 January 2014	1 July 2014

The following standards and interpretations have been issued by the AASB but are not yet effective and have not been adopted by the group for the period ending 30 June 2015. The Directors have not yet determined the impact of new and amended accounting standards and interpretations.

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 9	Financial Instruments	AASB 9 (December 2014) is a new Principal standard which replaces AASB 139. This new Principal version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early application. The own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. Amendments to AASB 9 (December 2009 & 2010 editions and AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures. AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: • The change attributable to changes in credit risk are presented in other comprehensive income (OCI) • The remaining change is presented in profit or loss AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E. AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014. AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.	1 January 2018	1 July 2018

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 2014-3	Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	AASB 2014-3 amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require: (a) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and (b) the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. This Standard also makes an editorial correction to AASB 11	1 January 2016	1 July 2016
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.	1 January 2016	1 July 2016
AASB 15	Revenue from Contracts with Customers	In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which replaces IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations (IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue—Barter Transactions Involving Advertising Services). The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: a) Step 1: Identify the contract(s) with a customer b) Step 2: Identify the performance obligations in the contract c) Step 3: Determine the transaction price d) Step 4: Allocate the transaction price to the performance obligations in the contract e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation Early application of this standard is permitted. AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The International Accounting Standards Board (IASB) in its July 2015 meeting decided to confirm its proposal to defer the effective date of IFRS 15 (the international equivalent of AASB 15) from 1 January 2017 to 1 January 2018. The amendment to give effect to the new effective date for IFRS 15 is expected to be issued in September 2015. At this time, it is expected that the AASB will make a corresponding amendment to AASB 15, which will mean that the application date of this standard for the Group will move from 1 July 2017 to 1 July 2018.	1 January 2018	1 July 2018

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	AASB 2014-10 amends AASB 10 Consolidated Financial Statements and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require: a) a full gain or loss to be recognised when a transaction involves a business (whether it is housed in a subsidiary or not); and b) a partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. AASB 2014-10 also makes an editorial correction to AASB 10. AASB 2014-10 applies to annual reporting periods beginning on or after 1 January 2016. Early adoption permitted.	1 January 2016	1 July 2016
AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	The subjects of the principal amendments to the Standards are set out below: AASB 5 Non-current Assets Held for Sale and Discontinued Operations: • Changes in methods of disposal – where an entity reclassifies an asset (or disposal group) directly from being held for distribution to being held for sale (or visa versa), an entity shall not follow the guidance in paragraphs 27–29 to account for this change. AASB 7 Financial Instruments: Disclosures: • Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is 'continuing involvement' for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7. • Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 Disclosure–Offsetting Financial Assets and Financial Liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 Interim Financial Reporting when its inclusion would be required by the requirements of AASB 134. AASB 119 Employee Benefits: • Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level. AASB 134 Interim Financial Reporting: • Disclosure of information 'elsewhere in the interim financial report' -amends AASB 134 to clarify the meaning of disclosure of information 'elsewhere in the interim financial report' and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.	1 January 2016	1 July 2016
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.	1 January 2016	1 July 2016

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality	The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	1 July 2015

* Designates the beginning of the applicable annual reporting period unless otherwise stated

(C) CHANGES IN ACCOUNTING POLICY

The accounting policies used in the preparation of these financial statements are consistent with those used in previous years, except as stated in note 2(b).

(D) BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the parent entity and its subsidiaries ('the Consolidated Entity') as at 30 June each year. Control is achieved when the Consolidated Entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Consolidated Entity controls an investee if and only if the Consolidated Entity has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Consolidated Entity has less than a majority of the voting or similar rights of an investee, the Consolidated Entity considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Consolidated Entity's voting rights and potential voting rights

The Consolidated Entity re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Consolidated Entity obtains control over the subsidiary and ceases when the Consolidated Entity loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Consolidated Entity gains control until the date the Consolidated Entity ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Consolidated Entity and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Consolidated Entity's accounting policies. All intra-Consolidated Entity assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Consolidated Entity are eliminated in full on consolidation.

(E) FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency

Both the functional and presentation currency of the Company and its Australian subsidiaries is Australian dollars (A$).

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the reporting date.

All exchange differences in the consolidated financial report are taken to the profit or loss.

(F) OPERATING SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team. The Consolidated Entity aggregates two or more operating segments when they have similar economic characteristics.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

(G) CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest bearing loans and borrowings in the current liabilities on the statement of financial position.

(H) TRADE AND OTHER RECEIVABLES

Trade and other receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment.

Collectability of trade and other receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment allowance is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

(I) INVENTORIES

Inventories are valued at the lower of cost and net realisable value.

Cost includes expenditure incurred in acquiring and bringing the inventories to their existing condition and location and is determined using the weighted average cost method.

(J) DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING

The Consolidated Entity uses derivative financial instruments to manage commodity price exposures. Such derivative financial instruments are initially recorded at fair value on the date on which the derivative contract is entered into and are subsequently remeasured to fair value.

Certain derivative instruments are also held for trading for the purpose of making short term gains. None of the derivatives qualify for hedge accounting and changes in fair value are recognised immediately in profit or loss in other revenue and expenses.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

(K) JOINT ARRANGEMENTS

Joint arrangements are arrangements over which two or more parties have joint control. Joint Control is the contractual agreed sharing of control of the arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Joint arrangements are classified as ether a joint operation or a joint venture, based on the rights and obligations arising from the contractual obligations between the parties to the arrangement.

To the extent the joint arrangement provides the Consolidated Entity with rights to the individual assets and obligations arising from the joint arrangement, the arrangement is classified as a joint operation and as such, the Consolidated Entity recognises its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of liabilities incurred jointly;
- Revenue from the sale of its share of the output arising from the joint operation;
- Share of revenue from the sale of the output by the joint operation; and
- Expenses, including its share of any expenses incurred jointly

To the extent the joint arrangement provides the Consolidated Entity with rights to the net assets of the arrangement, the investment is classified as a joint venture and accounted for using the equity method. Under the equity method, the cost of the investment is adjusted by the post-acquisition changes in the Consolidated Entity's share of the net assets of the joint venture.

(L) AVAILABLE-FOR-SALE INVESTMENTS

All available-for-sale investments are initially recognised at fair value plus directly attributable transaction costs.

Available-for-sale investments are those non-derivative financial assets, principally equity securities that are designated as available-for-sale. Investments are designated as available-for-sale if they do not have fixed maturities and fixed and determinable payments and management intends to hold them for the medium to long term.

After initial recognition, available-for-sale investments are measured at fair value. Gains or losses are recognised in other comprehensive income and presented as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in profit or loss.

The fair value of investments that are actively traded in organised markets is determined by reference to quoted market bid prices at the close of business on the reporting date.

For investments with no active market, fair value is determined using valuation techniques. Such valuation techniques include using recent arm's length transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models. Where fair value cannot be reliably measured for certain unquoted investments, these investments are measured at cost.

(M) INVESTMENTS IN ASSOCIATES

The Consolidated Entity's investment in its associates is accounted for using the equity method of accounting in the consolidated financial statements. The associates are entities over which the Consolidated Entity has significant influence and that are neither subsidiaries nor joint ventures.

The Consolidated Entity generally deems it has significant influence if it has over 20% of the voting rights.

Under the equity method, investments in the associates are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Consolidated Entity's share of net assets of the associates. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Consolidated Entity determines whether it is necessary to recognise any impairment loss with respect to the Consolidated Entity's net investment in associates. Goodwill included in the carrying amount of the investment in associate is not tested separately, rather the entire carrying amount of the investment is tested for impairment as a single asset. If an impairment is recognised, the amount is not allocated to the goodwill of the associate. The Consolidated Entity's share of its associates' post-acquisition profits or losses is recognised in the profit and loss, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

When the Consolidated Entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables and loans, the Consolidated Entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The financial statements of the associate are prepared for the same reporting period as the Consolidated Entity. When necessary, adjustments are made to bring the accounting policies in line with those of the Consolidated Entity.

(N) BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition-date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the appropriate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Consolidated Entity acquires a business, it assess the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Consolidated Entity's operating or accounting policies and other pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in the host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured at fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 139 either in profit or loss or in other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured and subsequent settlement is accounted for within equity. In instances, where the contingent consideration does not fall within the scope of AASB 139, it is measured in accordance with the appropriate AASB.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of the identifiable net assets acquired and liabilities assumed. If this consideration is lower than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Consolidated Entity's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

(O) PROPERTY, PLANT AND EQUIPMENT

Plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value.

Capital work-in-progress is stated at cost and comprises all costs directly attributable to bringing the assets under construction ready to their intended use. Capital work-in-progress is transferred to property, plant and equipment at cost on completion.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, or where appropriate, over the estimated life of the mine.

Major depreciation periods are:

- Mine specific plant and equipment is depreciated using – the shorter of life of mine or useful life. Useful life ranges from 2 to 10 years.
- Buildings – the shorter of life of mine or useful life. Useful life ranges from 5 to 40 years.
- Office Plant and equipment is depreciated at 33% per annum for computers and office machines and 20% per annum for other office equipment and furniture.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. Refer to note 2(t) for further discussion on impairment testing performed by the Consolidated Entity.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit and loss in the period the item is derecognised.

(P) EXPLORATION AND EVALUATION EXPENDITURE

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and;

i. it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale and/or;

ii. exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off to the profit and loss or provided against.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment regularly and if after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely or that the Consolidated Entity no longer holds tenure, the relevant capitalised amount is written off to the profit or loss in the period when the new information becomes available.

(Q) MINE PROPERTIES AND DEVELOPMENT

Expenditure on the acquisition and development of mine properties within an area of interest are carried forward at cost separately for each area of interest. Accumulated expenditure is amortised over the life of the area of interest to which such costs relate on a production output basis.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Impairment

The carrying value of capitalised mine properties and development expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Refer to note 2(t) for further discussion on impairment testing performed by the Consolidated Entity

(R) NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and disposal groups are classified as held for sale and measured at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction. They are not depreciated or amortised. For an asset or disposal group to be classified as held for sale it must be available for immediate sale in its present condition and its sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but is not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised as the date of derecognition.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of comprehensive income and the assets and liabilities are presented separately on the face of the statement of financial position.

(S) INTANGIBLES

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits or losses in the year the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

(T) IMPAIRMENT OF NON-FINANCIAL ASSETS

The Consolidated Entity assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Consolidated Entity estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Consolidated Entity bases its impairment calculation on detailed budgets and forecasts, which are prepared separately for each of the Consolidated Entity's CGUs to which the individual assets are allocated, based on the life-of-mine plans. The estimated cash flows are based on expected future production, metal selling prices, operating costs and forecast capital expenditure based on life-of-mine plans.

Value in use does not reflect future cash flows associated with improving or enhancing an asset's performance, whereas anticipated enhancements to assets are included in fair value less costs of disposal calculations.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Consolidated Entity estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(U) TRADE AND OTHER PAYABLES

Trade payables and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year that are unpaid and arise when the Consolidated Entity becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

(V) REHABILITATION COSTS

The Consolidated Entity is required to decommission and rehabilitate mines and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities.

The expected cost of any approved decommissioning or rehabilitation programme, discounted to its net present value, is provided when the related environmental disturbance occurs. The cost is capitalised when it gives rise to future benefits, whether the rehabilitation activity is expected to occur over the life of the operation or at the time of closure. The capitalised cost is amortised over the life of the operation and the increase in the net present value of the provision for the expected cost is included in financing expenses. Expected decommissioning and rehabilitation costs are based on the discounted value of the estimated future cost of detailed plans prepared for each site. Where there is a change in the expected decommissioning and restoration costs, the value of the provision and any related asset are adjusted and the effect is recognised in profit or loss on a prospective basis over the remaining life of the operation.

The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by potential proceeds from the sale of assets or from plant clean up at closure.

(W) INTEREST-BEARING LOANS AND BORROWINGS

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Borrowings are classified as current liabilities unless the Consolidated Entity has the unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(X) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(Y) PROVISIONS

Provisions are recognised when the Consolidated Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(Z) LEASES

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

(i) Operating Leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense in profit and loss on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the financial year in which they are incurred.

(ii) Finance Leases

Leases which effectively transfer substantially all the risks and benefits incidental to ownership of the leased item to the Consolidated Entity are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit and loss.

Capitalised leased assets are depreciated over the estimated useful life of the asset or where appropriate, over the estimated life of the mine.

The cost of improvements to or on leasehold property is capitalised, disclosed as leasehold improvements, and amortised over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is the shorter.

(AA) ISSUED CAPITAL

Issued and paid up capital is recognised at the fair value of the consideration received by the Consolidated Entity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in the proceeds received.

(AB) REVENUE

Revenue is measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Tin sales
Revenue from tin production is recognised when the significant risks and rewards of ownership have passed to the buyer.

Copper sales
Revenue from copper production is recognised when the significant risks and rewards of ownership have passed to the buyer.

Gold sales
Revenue from gold production is recognised when the significant risks and rewards of ownership have passed to the buyer.

Interest income
Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(AC) SHARE-BASED PAYMENT TRANSACTIONS

The Consolidated Entity provides benefits to employees (including Directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions). The Consolidated Entity has one plan in place that provides these benefits. It is the Long Term Incentive Plan ("LTIP") which provides benefits to all employees including Directors.

In valuing equity-settled transactions, no account is taken of any vesting conditions (such as service conditions), other than conditions linked to the price of the shares of Metals X Limited (market conditions) if applicable.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using a Black & Scholes model. Further details of which are given in note 30.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income is the product of (i) the grant date fair value of the award; (ii) the current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to profit and loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition is considered to vest irrespective of whether or not the market condition is fulfilled, provided that all other conditions are satisfied.

If a non-vesting condition is within the control of the Consolidated Entity, Company or the employee, the failure to satisfy the condition is treated as a cancellation. If a non-vesting condition within the control of neither the Consolidated Entity, Company nor employee is not satisfied during the vesting period, any expense for the award not previously recognised is recognised over the remaining vesting period, unless the award is forfeited.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of dilutive earnings per share.

(AD) EMPLOYEE BENEFITS

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(iii) Superannuation

Contributions made by the Consolidated Entity to employee superannuation funds, which are defined contribution plans, are charged as an expense when incurred.

(AE) EARNINGS PER SHARE

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent adjusted for:

- cost of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised; and
- other non-discriminatory changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(AF) OTHER TAXES

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of amounts of GST recoverable from, or payable to, the taxation authority.

(AG) INCOME TAX

The Consolidated Entity entered into a tax Consolidated Entity as of 1 July 2004.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of the deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised income taxes are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the profit and loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation

Metals X Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation as of 1 July 2004. The head entity, Metals X Limited and the controlled entities in the tax Consolidated Entity continue to account for their own current and deferred tax amounts. The Consolidated Entity has applied the Consolidated Entity allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax Consolidated Entity.

(AH) ONEROUS OPERATING LEASE PROVISION

A provision for an onerous operating lease is recognised when the expected benefits to be derived from the lease are lower than the unavoidable cost of meeting the obligations under the lease. The provision is measured at the present value of the expected net cost of continuing with the lease.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements have been made as well as the following key estimates and assumptions that have the most significant impact on the financial statements. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(I) SIGNIFICANT JUDGMENTS MADE IN APPLYING ACCOUNTING POLICIES

Impairment of available-for-sale-investments

In determining the amount of impairment of financial assets, the Consolidated Entity has made judgments in identifying financial assets whose decline in fair value below cost is considered "significant" or "prolonged". A significant decline is assessed based on the historical volatility of the share price.

The higher the historical volatility, the greater the decline in fair value required before it is likely to be regarded as significant. A prolonged decline is based on the length of time over which the share price has been depressed below cost. A sudden decline followed by immediate recovery is less likely to be considered prolonged compared to a sustained fall of the same magnitude over a longer period.

The Consolidated Entity considers a less than a 10% decline in fair value is unlikely to be considered significant for investments actively traded in a liquid market, whereas a decline in fair value of greater than 20% will often be considered significant. For less liquid investments that have historically been volatile (standard deviation greater than 25%), a decline of greater than 30% is usually considered significant.

Generally, the Consolidated Entity does not consider a decline over a period of less than three months to be prolonged. However, where the decline in fair value is greater than six months for liquid investments and 12 months for illiquid investments, it is usually considered prolonged.

(II) SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Determination of mineral resources and ore reserves

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates and provisions for mine rehabilitation. The Consolidated Entity estimates its mineral resource and reserves in accordance with the Australian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (the "JORC code"). The information on mineral resources and ore reserves were prepared by or under the supervision of Competent Persons as defined in the JORC code. The amounts presented are based on the mineral resources and ore reserves determined under the JORC code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated.

Mine rehabilitation provision

The Consolidated Entity assesses its mine rehabilitation provision on an annual basis in accordance with the accounting policy stated in note 2(v). Significant judgement is required in determining the provision for mine rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate the mine site. Factors that will affect this liability include future development, changes in technology and changes in interest rates. When these factors change or become known in the future, such differences will impact the mine rehabilitation provision in the period in which they change or become known.

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Consolidated Entity decides to exploit the related area interest itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

Impairment of capitalised mine development expenditure

The future recoverability of capitalised mine development expenditure is dependent on a number of factors, including the level of proved, probable and inferred mineral resources, future technological changes, which could impact the cost, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

The Consolidated Entity regularly reviews the carrying values of its mine development assets in the context of internal and external consensus forecasts for commodity prices and foreign exchange rates, with the application of appropriate discount rates for the assets concerned.

To the extent that capitalised mine development expenditure is determined not to be recoverable in the future, this will reduce profit in the period in which this determination is made. Capitalised mine development expenditure is assessed for recoverability in a manner consistent with property, plant and equipment as described below. Refer to Note 2(t) for further discussion on the impairment assessment process undertaken by the Consolidated Entity.

(II) SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONTINUED)

Impairment of property, plant and equipment

Property, plant and equipment is reviewed for impairment if there is any indication that the carrying amount may not be recoverable. Where a review for impairment is conducted, the recoverable amount is assessed by reference to the higher of "value in use" (being net present value of expected future cash flows of the relevant cash generating unit) and "fair value less costs to sell".

In determining the value in use, future cash flows for each cash generating unit (CGU) (ie each mine site) are prepared utilising managements latest estimates of:

- the quantities of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction;
- royalties and taxation;
- future production levels;
- future commodity prices;
- future cash costs of production and capital expenditure; and
- other relevant cash inflows and outflows.

Cash flow scenarios for a range of commodity prices and foreign exchange rates are assessed using internal and external market forecasts, and the present value of the forecast cash flows is determined utilising a pre-tax discount rate.

The Consolidated Entity's cash flows are most sensitive to movements in commodity price, expected quantities of ore reserves and mineral resources and key operating costs. In particular the Renison Tin Project's forecasted cash flows are most sensitive to variations in the commodity prices and the South Kalgoorlie Operation is most sensitive to expected quantities of ore reserves and mineral resources to be extracted and therefore the estimated future cash inflows resulting from the sale of product produced is dependent on these assumptions.

Variations to the expected cash flows, and the timing thereof, could result in significant changes to any impairment losses recognised, if any, which in turn could impact future financial results. Refer to Note 2(t) for further discussion on the impairment assessment process undertaken by the Consolidated Entity.

Life of mine method of amortisation and depreciation

The Consolidated Entity applies the life of mine method of amortisation and depreciation to its mine specific plant and to mine properties and development based on ore tonnes mined. These calculations require the use of estimates and assumptions. Significant judgement is required in assessing the available reserves and the production capacity of the plants to be depreciated under this method. Factors that are considered in determining reserves and production capacity are the Consolidated Entity's history of converting resources to reserves and the relevant time frames, the complexity of metallurgy, markets and future developments. When these factors change or become known in the future, such differences will impact pre tax profit and carrying values of assets.

Share-based payment transactions

The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation, using the assumptions as discussed in note 30. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities in the next annual reporting period but may impact expenses and equity.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Consolidated Entity's principal financial instruments comprise receivables, payables, unsecured loans, finance lease and hire purchase contracts, cash and short-term deposits, available-for-sale investments and derivatives.

Risk exposures and responses

The Consolidated Entity manages its exposure to key financial risks in accordance with the Consolidated Entity's financial risk management policy. The objective of the policy is to support the delivery of the Consolidated Entity's financial targets while protecting future financial security.

The Consolidated Entity enters into derivative transactions, principally zero cost collar put and call options. The purpose is to manage the commodity price risks arising from the Consolidated Entity's operations. These derivatives provide economic hedges, but do not qualify for hedge accounting and are based on limits set by the board. The main risks arising from the Consolidated Entity's financial instruments are interest rate risk, foreign currency risk, commodity risk, credit risk, equity price risk and liquidity risk. The Consolidated Entity uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

The accounting classification of each category of financial instruments as defined in note 2, and their carrying amounts, are set out below:

(A) INTEREST RATE RISK

The Consolidated Entity's exposure to risks of changes in market interest rates relate primarily to the Consolidated Entity's interest bearing liabilities and cash balances. The level of debt is disclosed in notes 23 and 24. The Consolidated Entity's policy is to manage its interest cost using fixed rate debt. Therefore the Consolidated Entity does not have any variable interest rate risk on its debt. The Consolidated Entity constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The sensitivity analysis is for variable rate instruments.

At 30 June 2015, if interest rates had moved by a reasonably possible 0.5%, as illustrated in the table below, with all other variables held constant, post tax profits and equity would have been affected as follows:

	Post tax profit higher/(lower)		Other Comprehensive Income higher/(lower)	
	2015	2014	2015	2014
Judgements of reasonably possible movements:				
+ 0.5% (50 basis points)	132,196	148,629	-	-
- 0.5% (50 basis points)	(132,196)	(148,629)	-	-

A sensitivity of +%0.5 or -0.5% has been selected as this is considered reasonable given the current level of short-term and long-term Australian dollar interest rates. The movements in profit are due to possible higher or lower interest income from variable rate cash balances. The sensitivity is lower in 2015 than 2014 due to a decrease in the balance of cash and cash equivalents held in variable interest rate accounts in 2015.

At the reporting date the Consolidated Entity's exposure to interest rate risk for classes of financial assets and financial liabilities is set out below.

2015	**Floating interest rate**	**Fixed interest**	**Non-Interest bearing**	**Total carrying amount**
Financial Assets				
Cash and cash equivalents	37,770,168	61,267,677	-	99,037,845
Trade and other receivables	-	-	16,107,764	16,107,764
Other financial assets	-	4,162,397	-	4,162,397
	37,770,168	**65,430,074**	**16,107,764**	**119,308,006**
Financial Liabilities				
Trade and other payables	-	-	(36,911,968)	(36,911,968)
Interest bearing liabilities	-	(4,923,079)	-	(4,923,079)
	-	**(4,923,079)**	**(36,911,968)**	**(41,835,047)**
Net financial assets/(liabilities)				**77,472,959**

2014	**Floating interest rate**	**Fixed interest**	**Non-Interest bearing**	**Total carrying amount**
Financial assets				
Cash and cash equivalents	42,465,511	14,643,360	-	57,108,871
Trade and other receivables	-	-	19,297,623	19,297,623
Other financial assets	-	6,481,192	-	6,481,192
	42,465,511	**21,124,552**	**19,297,623**	**82,887,686**
Financial liabilities				
Trade and other payables	-	-	(33,064,474)	(33,064,474)
Interest bearing liabilities	-	(172,987)	-	(172,987)
	-	**(172,987)**	**(33,064,474)**	**(33,237,461)**
Net financial assets/(liabilities)				**49,650,225**

(B) CREDIT RISK

Credit risk arises from the financial assets of the Consolidated Entity, which comprises cash and cash equivalents, trade and other receivables, other financial assets held as security, loans and receivables and derivative instruments. Cash and cash equivalents are held with National Australia Bank which is an Australian Bank with an AA credit rating (Standard & Poor's). The Consolidated Entity's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of the financial assets (as outlined in each applicable note) as well as $4,162,397 (2014: $6,481,192) in relation to loans and receivables (refer to note 15).

The Consolidated Entity does not hold any credit derivatives to offset its credit exposure.

The Consolidated Entity trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Consolidated Entity's policy to securitise its trade and other loans and receivables.

Receivable balances are monitored on an ongoing basis with the result that the Consolidated Entity does not have a significant exposure to bad debts.

Significant concentrations of credit risk are in relation to cash and cash equivalents with Australian banks.

(C) PRICE RISK

Equity Security Price Risk

The Consolidated Entity's revenues are exposed to equity security price fluctuations arising from investments in equity securities.

At 30 June 2015, if equity security prices had moved by a reasonably possible 20%, as illustrated in the table below, with all other variables held constant, post tax profits and equity would have been affected as follows:

	Post tax profit higher/(lower)		Other Comprehensive Income higher/(lower)	
	2015	**2014**	**2015**	**2014**
Judgements of reasonably possible movements:				
Price + 20%	-	-	529,748	83,381
Price - 20% *	(529,748)	(83,381)	-	-

* Provided the decline is below cost and is significant and prolonged

A sensitivity of +20% or -20% has been selected as this is considered reasonable given recent fluctuations in equity prices and management's expectations of future movements. The movements in other comprehensive income are due to possible higher or lower equity security prices from investments in equity securities that are classified as available-for-sale financial assets (refer to note 2(l)). The overall sensitivity for post-tax profits and equity in 2015 is higher due to increases in the market value of the underlying securities during the financial year (refer to note 16).

(D) FOREIGN CURRENCY RISK EXPOSURE

As a result of tin sales receipts being denominated in US dollars, the Consolidated Entity's cash flows can be affected by movements in the US dollar/Australian dollar exchange rate. The Consolidated Entity's exposure to foreign currency is however not considered to be significant. At 30 June 2015 foreign currency denominated receivables amounted to $3,774,070 (2014: $5,843,660).

(E) COMMODITY PRICE RISK

The Consolidated Entity's revenues are exposed to commodity price fluctuations. Periodically the Consolidated Entity enters into derivative contracts to manage commodity price risk. The Consolidated Entity did not have any derivative contracts outstanding at the end of the financial period

(F) LIQUIDITY RISK

Liquidity risk arises from the financial liabilities of the Consolidated Entity and the subsequent ability to meet the obligations to repay the financial liabilities as and when they fall due.

The Consolidated Entity's objective is to maintain a balance between continuity of funding and flexibility through the use of finance and hire purchase leases.

The table below reflects all contractually fixed payables and receivables for settlement, repayment and interest resulting from recognised financial assets and liabilities, including derivative financial instruments as of 30 June 2015. For derivative financial instruments the market value is presented, whereas for the other obligations the respective undiscounted cash flows for the respective upcoming fiscal years are presented. Cash flows for financial assets and liabilities without fixed amount or timing are based on the conditions existing as 30 June.

The remaining contractual maturities of the Consolidated Entity's financial liabilities are:

	2015	**2014**
6 months or less	37,791,047	33,101,159
6 - 12 months	845,107	36,685
1 - 5 years	3,396,800	121,969
Over 5 years	-	-
	42,032,954	**33,259,813**

Maturity analysis of financial assets and liabilities based on management's expectation.
The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments of working capital e.g. inventories and trade receivables. To monitor existing financial assets and liabilities as well as to enable effective controlling of future risks, management monitors its Consolidated Entity's expected settlement of financial assets and liabilities on an ongoing basis.

2015	**<6 months**	**6-12 months**	**1-5 years**	**>5 years**	**Total**
Financial assets					
Cash and equivalents	101,569,699	-	-	-	101,569,699
Trade and other receivables	16,107,764	-	-	-	16,107,764
Other financial assets	4,351,945	-	-	-	4,351,945
	122,029,408	**-**	**-**	**-**	**122,029,408**
Financial liabilities					
Trade and other payables	(36,911,968)	-	-	-	(36,911,968)
Interest bearing loans	(879,079)	(845,107)	(3,396,800)	-	(5,120,986)
	(37,791,047)	**(845,107)**	**(3,396,800)**	**-**	**(42,032,954)**
Net inflow/(outflow)	**84,238,361**	**(845,107)**	**(3,396,800)**	**-**	**79,996,454**

(F) LIQUIDITY RISK (CONTINUED)

2014	<6 months	6-12 months	1-5 years	>5 years	Total
Financial assets					
Cash and equivalents	58,956,569	-	-	-	58,956,569
Trade and other receivables	19,297,623	-	-	-	19,297,623
Other financial assets	6,756,947	-	-	-	6,756,947
	85,011,139	**-**	**-**	**-**	**85,011,139**
Financial liabilities					
Trade and other payables	(33,064,474)	-	-	-	(33,064,474)
Interest bearing loans	(36,685)	(36,685)	(121,969)	-	(195,339)
	(33,101,159)	**(36,685)**	**(121,969)**	**-**	**(33,259,813)**
Net inflow/(outflow)	**51,909,980**	**(36,685)**	**(121,969)**	**-**	**51,751,326**

(G) FAIR VALUES

For all financial assets and liabilities recognised in the statement of financial position, carrying amount approximates fair value unless otherwise stated in the applicable notes.

The methods for estimating fair value are outlined in the relevant notes to the financial statements.

The Consolidated Entity uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in active markets.

Level 2 - the fair value is estimated using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from price).

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

2015	Quoted market price (Level 1)	Valuation technique market observable inputs (Level 2)	Valuation technique non market observable inputs (Level 3)	Total
Financial Assets				
Available-for-sale financial assets				
Listed investments[1]	3,783,915	-	-	**3,783,915**
Derivatives[2]	-	1,438,580	-	**1,438,580**
	3,783,915	**1,438,580**	**-**	**5,222,495**

2014	Quoted market price (Level 1)	Valuation technique market observable inputs (Level 2)	Valuation technique non market observable inputs (Level 3)	Total
Financial Assets				
Available-for-sale financial assets				
Listed investments[1]	595,582	-	-	**595,582**
Derivatives[2]				
	595,582	**-**	**-**	**595,582**

1. Quoted market price represents the fair value determined based on quoted prices on active markets as at the reporting date without any deduction for transaction costs. The fair value of the listed equity investments are based on quoted market prices.
2. The derivative relates to the convertible loan issued by Aziana Limited during the year. The fair value is determined using a Black & Scholes model, which takes into account factors including the exercise price, the volatility of the underlying share price, the risk-free interest rate, the market price of the underlying shares at grant date and the expected life of the loan (refer to note 15(d)). Below are the inputs used to value the derivative:

Expected Volatility (%)	130%
Risk-free interest rate (%)	2.00%
Expected life of options (yrs)	0.2
Options exercise price ($)	$0.02
Share price at grant date ($)	$0.14

The derivative was valued at $193,785 on inception (17 March 2015) and at 30 June 2015 was re-measured to $1,438,580 through the profit and loss (refer to note 7(c)).

Transfer between categories

There were no transfers between Level 1 and Level 2, and no transfers into and out of Level 3 fair value measurement.

5. REVENUE

	2015	2014
Revenue from sale of tin concentrate	78,334,875	75,246,131
Revenue from sale of copper concentrate	1,294,280	397,429
Revenue from sale of gold	232,776,237	161,051,109
Interest received - other corporations	2,844,831	1,905,163
Total revenue	**315,250,223**	**238,599,832**

6. OTHER INCOME

	2015	2014
Net (loss)/profit on sale of assets	(302,724)	1,130,148
Net gain on sale of available-for-sale investment (refer to note 16b)	122,591	-
Net profit from toll processing	1,533,234	2,808,299
Other income	592,915	947,307
Total other income	**1,946,016**	**4,885,754**

7. EXPENSES

(a) Cost of sales	2015	2014
Salaries, wages expense and other employee benefits	23,912,291	25,019,802
Superannuation expense	2,271,668	2,314,332
Other production costs	167,814,137	113,032,828
Write down/(reversal of write-down) in value of inventories to estimated net realisable value	1,778,139	(685,864)
Royalty	15,151,582	12,633,139
Depreciation and amortisation expense		
Depreciation of non-current assets		
Property, plant and equipment	9,609,600	6,815,889
Buildings	765,900	429,006
Amortisation of non-current assets		
Mine, properties and development costs	33,604,619	26,739,758
Total cost of sales	**254,907,936**	**186,298,890**

(b) Other expenses		
Administration expenses		
Employee benefits expense		
Salaries and wages expense	3,465,006	4,144,265
Directors' fees and other benefits	350,000	261,507
Superannuation expense	334,163	407,534
Other employee benefits	87,039	18,527
Share-based payments	221,341	-
	4,457,549	4,831,833
Other administration expenses		
Consulting expenses	854,718	1,112,029
Travel and accommodation expenses	211,158	123,889
Operating lease costs	777,030	569,707
Stamp duty compliance costs	7,511	1,766,211
Administration costs	686,411	119,903
	2,536,828	3,691,739
Depreciation expense		
Depreciation of non-current assets		
Property plant and equipment	380,566	313,306
Total Administration expenses	**7,374,943**	**8,836,878**
Other expenses		
Care and maintenance costs	1,271,651	808,309
Commodity trading (gain)/loss	1,488,079	(493,801)
	2,759,730	314,508
Total other expenses	**10,134,673**	**9,151,386**

(c) Fair value change in financial instruments		
Fair value change in derivatives (gain)/loss (refer to note 15(a)).	(1,244,795)	70,073
Total fair value change in financial instruments	**(1,244,795)**	**70,073**

(d) Finance costs		
Interest	97,626	261,420
Unwinding of rehabilitation provision discount	23,344	1,655,028
Total finance costs	**120,970**	**1,916,448**

8. INCOME TAX

	2015	2014
(a) Major components of income tax expense:		
Income Statement		
Current income tax expense		
Current income tax expense	5,912,715	283,779
Recognition of carry forward losses and other temporary differences	(10,772,048)	(12,188,200)
Adjustments in respect of current income tax of previous years	13,809,840	6,101,423
Deferred income tax		
Relating to origination and reversal of temporary differences in current year	7,768,545	11,622,414
Adjustments in respect of deferred income tax of previous years	(16,719,052)	(5,819,416)
Income tax reported in the income statement	**-**	**-**

(b) A reconciliation of income tax benefit and the product of accounting loss before income tax multiplied by the Consolidated Entity's applicable income tax rate is as follows:

	2015	2014
Total accounting profit before income tax	**40,949,201**	**37,451,737**
At statutory income tax rate of 30% (2014: 30%)	12,284,760	11,235,521
Assessable items	1,207,511	-
Non-deductible items		
Acquisition costs	-	865,244
Share-based payments	66,402	-
Sundry items	4,608	3,565
Deductible items	(332,021)	(198,138)
Derecognition of capital losses incurred in current year	450,000	-
Prior year tax benefits	(2,909,212)	282,008
Recognition of tax losses not previously recognised	(10,772,048)	(12,188,200)
Income tax benefit reported in income the statement of comprehensive income	**-**	**-**

8. INCOME TAX (CONTINUED)

(c) Deferred income tax at 30 June relates to the following:

	Statement of financial position		Statement of comprehensive income	
	2015	**2014**	**2015**	**2014**
Deferred tax liabilities				
Exploration	(24,041,816)	(22,563,590)	1,478,225	(2,197,432)
Deferred mining	(24,644,419)	(14,778,689)	9,865,730	6,840,048
Mine site establishment and refurbishment	(8,118,628)	(6,837,348)	1,281,280	357,920
Derivative held for trading	(395,945)	-	395,945	175,666
Interest receivable	-	-	-	(252,244)
Consumables	(2,918,502)	(2,431,237)	487,265	1,680,531
Prepayments	-	-	-	(1,097)
Diesel rebate	(194,622)	(115,367)	79,255	125,293
Gross deferred tax liabilities	**(60,313,932)**	**(46,726,231)**		
Deferred tax assets				
Available-for-sale financial assets	2,649,158	2,743,658	94,500	816,660
Property, plant and equipment	6,406,694	335,452	(6,071,242)	2,839,718
Inventories	1,170,794	627,713	(543,081)	(189,937)
Borrowing costs	35,128	60,198	25,070	(47,611)
Accrued expenses	70,350	80,250	9,900	(37,200)
Provision for employee entitlements	1,827,325	1,689,238	(138,087)	(1,067,634)
Provision for fringe benefits tax	(2,918)	644	3,562	(1,311)
Provision for rehabilitation	20,046,524	4,127,695	(15,918,829)	(3,238,372)
Recognised tax losses	28,110,877	37,061,383		
Gross deferred tax assets	**60,313,932**	**46,726,231**		
Net deferred tax liabilities	-	-		
Deferred income tax benefit			**(8,950,507)**	**5,802,998**

(d) Tax Consolidation

The Company and its 100% owned subsidiaries are a tax consolidated group with effect from 1 July 2004. Metals X Limited is the head entity of the tax consolidated group. Members of the group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payments obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

(e) Tax effect accounting by members of the tax consolidated group

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach which is consistent with the principles of AASB 112 'Income Taxes'.

The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the controlled entities intercompany accounts with the tax consolidated group head company, Metals X Limited. The nature of the tax funding agreement is such that no tax consolidation contributions by or distributions to equity participants are required.

(f) Unrecognised Losses

At 30 June 2015, there are unrecognised losses of $134,984,738 for the Consolidated Entity which are subject to a restricted rate of utilisation (2014: $5,245,036, not subject to a restricted rate of utilisation).

9. EARNINGS PER SHARE

		2015	2014
	The following reflects the income used in the basic and diluted earnings per share computations.		
(a)	**Earnings used in calculating earnings per share**		
	For basic earnings per share:		
	Net profit attributable to ordinary equity holders of the parent	40,949,201	37,451,737
	Net profit attributable to ordinary equity holders of the parent	**40,949,201**	**37,451,737**
	Basic earnings per share (cents)	9.87	9.06
	For diluted earnings per share:		
	Net profit attributable to ordinary equity holders of the parent (from basic EPS)	40,949,201	37,451,737
	Net profit attributable to ordinary equity holders of the parent	**40,949,201**	**37,451,737**
	Fully diluted earnings per share (cents)	9.87	9.06
(b)	**Weighted average number of shares**		
	Weighted average number of ordinary shares for basic earnings per share	414,925,901	413,549,761
	Effect of Dilution:		
	Share Options	-	-
	Weighted average number of ordinary shares adjusted for the effect of dilution	**414,925,901**	**413,549,761**

In 2014 (2015: Nil) the Company had 3,078,125 shares options on issue that are excluded from the calculation of diluted earnings per share for the current financial period because they were anti-dilutive.

At 30 June 2015 (2014: Nil) the Company had 1,637,020 performance rights on issue that are excluded from the calculation of diluted earnings per share for the current financial period because they were anti-dilutive.

There have been no transactions involving ordinary shares or potential ordinary shares since that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and before the completion of these financial statements.

10. DIVIDENDS PAID AND PROPOSED

	2015	2014
Dividends declared and paid during the financial year		
Fully franked dividend for 2015 $0.02715 (2014: nil) (fully franked at 30 per cent)	11,238,938	
Dividends proposed but not recognised as a liability		
Final dividend for 2015 $12,284,760 (2014: $11,238,938)	12,284,760	11,238,938
The amount of franking credits available for the subsequent financial year are:		
• Franking account balance as at the end of the financial year at 30% (2014: 30%)	6,186,016	6,071,472
• Franking credits that will arise from the payment of income tax payable as at the end of the financial year	-	-
• Franking credits that will arise from the acquistion of subsidiary entity during the financial year	-	86,436
• Franking credits that will arise from the payment of dividends received during the financial year	(4,816,688)	-
• Franking credits that will arise from the receipt of dividends received during the financial year	-	28,108
The amount of franking credits available for future reporting years	**1,369,328**	**6,186,016**

The Company operates a dividend reinvestment plan which allows eligible shareholders to elect to invest dividends in ordinary shares. All holders of Metals X ordinary shares with addresses in Australia or New Zealand are eligible to participate in the plan. The allocation price for shares is based on the average of the daily volume weighted average price of Metals X ordinary shares sold on the Australian Securities Exchange, calculated with reference to a period of not less than five consecutive trading days as determined by the directors.

An issue of shares under the dividend reinvestment plan results in an increase in issued capital unless the Company elects to purchase the required number of shares on-market.

11. CASH AND CASH EQUIVALENTS

	2015	2014
Cash at bank and in hand	37,770,168	42,465,511
Short-term deposits	61,267,677	14,643,360
Total	**99,037,845**	**57,108,871**

CASH FLOWS RECONCILIATION

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:

	2015	2014
Cash at bank and in hand	37,770,168	42,465,511
Short-term deposits	61,267,677	14,643,360
	99,037,845	**57,108,871**

Reconciliation of net profit/(loss) after income tax to net cash flows from operating activities

	2015	2014
Profit after income tax	**40,949,201**	**37,451,737**
Amortisation and depreciation	44,360,685	34,297,959
Gold prepayment physical deliveries	(15,166,875)	-
Impairment losses	6,217,594	1,622,700
Share based payments	221,341	-
Unwinding of rehabilitation provision discount	23,344	1,655,028
Fair value change in financial instruments	(1,244,795)	70,073
Exploration and evaluation expenditure written off	6,110,660	6,974,352
Profit on disposal of available-for-sale financial assets	(122,591)	-
(Profit)/loss on disposal of property, plant and equipment	302,724	(1,130,148)
	81,651,288	**80,941,701**
Changes in assets and liabilities		
Decrease/(increase) in inventories	(3,272,889)	(2,339,477)
Decrease/(increase) in trade and other receivables and prepayments	1,422,652	(2,965,026)
(Decrease)/increase in trade and other creditors	3,526,693	(1,794,466)
(Decrease)/increase in provisions	(514,578)	(446,250)
Net cash flows from operating activities	**82,813,166**	**73,396,482**

12. TRADE AND OTHER RECEIVABLES (CURRENT)

	2015	2014
Trade receivables (a)	3,774,070	5,843,660
Other debtors (b)	13,833,694	13,453,963
Provision for doubtful debt (c)	(1,500,000)	-
	16,107,764	**19,297,623**

(a) Trade receivables are non-interest bearing and are generally on 30 - 90 day terms.

(b) Other debtors primarily relate to cash calls advanced to the Bluestone Mines Tasmania Joint Venture. Other debtors are non-interest bearing and are generally on 30 - 90 day terms.

(c) Collectability of trade and other receivables is reviewed on an ongoing basis at an operating unit level. Individual debts that are known to be uncollectible are written off when identified. An impairment allowance is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate. At the end of the year there was an allowance of $1,500,000 made for doubtful debts. This is due to the uncertainty of the recoverability of the deferred consideration on the sale of the Collingwood Tin Project in 2014

The carrying amounts disclosed above approximate the fair value.

13. INVENTORIES (CURRENT)

	2015	2014
Ore stocks at net realisable value	5,885,061	1,929,939
Gold in circuit at cost	7,883,128	9,199,154
Gold metal at cost	2,328,351	1,093,439
Tin in circuit at cost	61,794	76,673
Tin concentrate at cost	12,623,566	14,538,525
Copper concentrate at cost	37,973	77,644
Stores and spares at cost	9,728,340	8,104,123
Provision for obsolete stores and spares	(2,026,631)	(1,770,803)
Total inventories at lower of cost and net realisable value	**36,521,582**	**33,248,694**

During the year were write-downs of $1,778,139 (2014: $685,864 reversal of write-downs) for the Consolidated Entity. This expense is included in cost of sales refer to note 7(a).

14. PREPAYMENTS (CURRENT)

	2015	2014
Prepayments	**819,215**	**812,095**

15. OTHER FINANCIAL ASSETS (CURRENT)

	2015	2014
Financial instruments at fair value through profit and loss		
Convertible note derivative (a)	1,438,580	-
Total financial instruments at fair value through profit and loss	**1,438,580**	**-**
Loans and receivables		
Cash on deposit - performance bond facility (b)	3,255,319	6,481,192
Loan to Southern Gold Limited (c)	532,438	-
Loan to Aziana Limited (d)	139,949	-
Loan to Mongolian Resource Corporation Limited (e)	234,691	-
Total loans and receivables	**4,162,397**	**6,481,192**
Total other financial assets	**5,600,977**	**6,481,192**

(a) The Consolidated Entity has entered into a convertible loan with Aziana Limited. The embedded derivative was valued on grant date and has been separated out from the loan (refer to note 15(d)). The embedded derivative is carried at fair value through profit and loss (refer to note 7(c)).

(b) The cash on deposit is interest bearing and is used as security for government performance bonds

(c) The loan to Southern Gold Limited is secured, interest bearing at 8% per annum and matures in 2016.

(d) The loan to Aziana Limited is secured, interest bearing at 12% per annum and matures in September 2015. The loan is convertible into shares in Aziana at the election of the Company.

(e) The loan to Mongolian Resource Corporation Limited is secured and interest bearing at 20% per annum and repayable on demand.

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS (NON-CURRENT)

	2015	2014
Shares - Australian listed	**3,783,915**	**595,582**

Available-for-sale investments consist of investments in ordinary shares.

Listed shares

The fair value of listed available-for-sale investments has been determined directly by reference to published price quotations in an active market.

(a) The Company has a 14.76% (2014: 14.76%) interest in Mongolian Resource Corporation Limited ("MRC"), which is involved in the mining and exploration of base metals in Australia and Mongolia. MRC is listed on the Australian Securities Exchange, in 2014 period due to the prolonged period of suspension from trading the fair value of the Company's investment was written down to nil. At 30 June 2015 MRC has not recommenced trading.

In 2014 the Company recognised an impairment of $483,000.

(b) During the period the Company disposed of its interest (2014: 0.39%) in Neometals (formerly Reed Resources Limited), which is involved in the mining and exploration of base metals in Australia. The Company made a profit of $122,591 (refer to note 6) on the sale). Neometals is listed on the Australian Securities Exchange. In the previous period the Company sold 4.60% of its holding in exchange for the acquisition of the Meekatharra Gold Operation's assets (refer to note 37). At the end of 2014 the fair value of the Company's investment was $35,000 which was based on Neometals' quoted share price. At the end of 2014 the market value of the investment was lower than the cost, and the Company recognised an impairment of $467,000.

(c) The Company has a 13.37% (2014: 13.73%) interest in Aziana, which is involved in the exploration for base metals in Madagascar. Aziana is listed on the Australian Securities Exchange. At the end of the period the fair value of the Company's investment was $3,783,915 (2014: $560,580) which is based on Aziana's quoted share price.

At the end of 2014 the market value of the investment was lower than the cost, the Company recognised an impairment of $672,700.

17. PROPERTY, PLANT & EQUIPMENT (NON-CURRENT)

Plant and equipment	**2015**	**2014**
At cost	116,979,443	108,421,365
Accumulated depreciation	(68,565,786)	(58,870,802)
Net carrying amount	48,413,657	49,550,563
Land and buildings		
At cost	28,136,662	27,990,601
Accumulated depreciation	(16,724,647)	(15,958,748)
Net carrying amount	11,412,015	12,031,853
Capital work in progress at cost	**4,291,515**	**1,845,878**
Total property, plant and equipment	**64,117,187**	**63,428,294**
Movement in property, plant and equipment		
Plant and equipment		
At 1 July net of accumulated depreciation	49,550,563	380,499
Additions	9,335,859	26,257,743
Disposals	(322,949)	(1,850,227)
Acquisition of subsidiary (refer to note 37)	(159,650)	31,521,276
Reversal of impairment	-	370,467
Depreciation charge for the year	(9,990,166)	(7,129,195)
At 30 June net of accumulated depreciation	**48,413,657**	**49,550,563**
Land and buildings		
At 1 July net of accumulated depreciation	12,031,853	11,618,917
Additions	146,061	290,114
Disposals	-	(125,678)
Acquisition of subsidiary (refer to note 37)	-	677,506
Depreciation charge for the year	(765,899)	(429,006)
At 30 June net of accumulated depreciation	**11,412,015**	**12,031,853**
Capital work in progress		
At 1 July net of accumulated depreciation	1,845,878	568,300
Additions	13,014,655	27,426,684
Acquisition of subsidiary (refer to note 37)	-	1,976,479
Transfer to mine properties & development	(1,087,098)	(1,577,728)
Transfer to plant and equipment	(9,335,859)	(26,257,743)
Transfer to land and buildings	(146,061)	(290,114)
At 30 June	**4,291,515**	**1,845,878**

The carrying value of plant and equipment held under finance leases and hire purchase contracts at 30 June 2015 is $5,150,727 (2014: $399,134). Value of plant and equipment leased under finance leases and acquired through hire purchase contracts during the 30 June 2015 financial year is $5,019,500 (2014: $Nil).

Leased assets and assets under hire purchase contracts are pledged as security for the related finance lease and hire purchase lease liabilities (refer to notes 23 and 24).

18. MINE PROPERTY AND DEVELOPMENT (NON-CURRENT)

	2015	2014
Development areas at cost		
Mine site establishment	75,453,011	71,215,821
Net carrying amount	75,453,011	71,215,821
Mine site establishment		
Mine site establishment	29,211,936	28,343,367
Accumulated amortisation	(25,956,992)	(25,118,389)
Net carrying amount	3,254,944	3,224,978
Mine capital development	222,592,201	219,500,444
Accumulated amortisation	(139,993,273)	(138,866,046)
Net carrying amount	82,598,928	80,634,398
Total mine properties and development	**161,306,883**	**155,075,197**
Movement in mine properties and development		
Development areas at cost		
At 1 July	71,215,821	69,355,370
Additions	4,237,190	1,860,451
At 30 June	**75,453,011**	**71,215,821**
Mine site establishment		
At 1 July net of accumulated amortisation	3,224,978	3,943,041
Additions	-	-
Transfer from capital work in progress (refer to note 17)	1,087,098	1,577,728
(Decrease)/increase in rehabilitation provision	(170,790)	167,500
Amortisation charge for the year	(838,600)	(2,463,291)
Impairment	(47,742)	-
At 30 June net of accumulated amortisation	**3,254,944**	**3,224,978**
Mine capital development		
At 1 July net of accumulated amortisation	80,634,398	26,875,612
Additions	39,400,401	24,400,954
Acquisition of subsidiary (refer to note 37)	-	53,634,299
Amortisation charge for the year	(32,766,019)	(24,276,467)
Impairment	(4,669,852)	-
At 30 June net of accumulated amortisation	**82,598,928**	**80,634,398**

During the period the Chalice underground mine at the Higginsville Gold Operation was closed due to the depletion of all economic ore following a seismic event. The value of the Chalice underground mine was written down to nil and an impairment loss of $4,717,594 (2014: nil) was recognised in profit or loss.

19. EXPLORATION EXPENDITURE (NON-CURRENT)

	2015	2014
Exploration and evaluation costs carried forward in respect of mining areas of interest		
Pre-production areas		
At Cost	100,042,283	95,114,871
Accumulated impairment	-	-
Net carrying amount	**100,042,283**	**95,114,871**

	2015	2014
Movement in deferred exploration and evaluation expenditure		
At 1 July net of accumulated impairment	95,114,871	81,867,452
Additions	22,044,783	10,361,690
Acquisition of subsidiary (refer to note 37)	159,650	-
Adjustment to rehabilitation liability (refer to note 22)	(11,166,361)	9,860,081
Expenditure written off	(6,110,660)	(6,974,352)
At 30 June net of accumulated impairment	**100,042,283**	**95,114,871**

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the costs carried forward for the development phase is not recognised pending the commencement of production.

During the year a review was undertaken for each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. In assessing the carrying value of all of the Consolidated Entity's projects certain expenditure on exploration and evaluation of mineral resources has not led to the discovery of commercially viable quantities of mineral resources. As a result exploration and evaluation expenditure of $6,110,660 (2014: $6,974,352) was written off to the profit and loss. These amounts relate to specific tenements within the gold projects which were written down to nil as the expenditure did not result in the discovery of commercially viable quantities of mineral resources.

20. TRADE AND OTHER PAYABLES (CURRENT)

	2015	2014
Trade creditors (a)	15,571,842	12,919,506
Sundry creditors and accruals (b)	21,340,126	20,144,968
	36,911,968	**33,064,474**

(a) Trade creditors are non-interest bearing and generally on 30 day terms.

(b) Sundry creditors and accruals are non-interest bearing and generally on 30 day terms.

Due to the short term nature of these payables, their carrying value approximates their fair value.

21. PROVISIONS (CURRENT)

	2015	2014
Provision for annual leave (a)	3,103,439	2,966,033
Provision for long service leave (a)	860,122	-
Provision for fringe benefits tax payable (a)	(9,728)	2,147
Provision for onerous lease (b)	479,496	479,496
	4,433,329	**3,447,676**

(a) The nature of the provisions are described in note 2(ad).

(b) The nature of the provisions are described below in note 22.

22. PROVISIONS (NON-CURRENT)

	2015	2014
Provision for long service leave (a)	2,103,461	2,448,772
Provision for onerous operating lease (b)	599,369	1,078,865
Provision for rehabilitation (c)	66,821,746	79,290,472
	69,524,576	**82,818,109**

(a) Provision for long service leave

The nature of the provisions are described in note 2(ad).

(b) Provision for onerous lease

On the acquisition of Alacer (refer to note 37(b)), a provision was recognised for the fact that the lease premiums on the operating lease were significantly higher than the market rate at acquisition. The provision has been calculated based on the difference between the market rate and the rate paid. The operating lease has a life of four years.

(c) Provision for rehabilitation

Environmental obligations associated with the retirement or disposal of mining properties and/or of exploration activities are recognised when the disturbance occurs and are based on the extent of the damage incurred. The provision is measured as the present value of the future expenditure. The rehabilitation liability is remeasured at each reporting period in line with the change in the time value of money (recognised as an interest expense in the statement of comprehensive income and an increase in the provision), and additional disturbances/change in the rehabilitation cost are recognised as additions/changes to the corresponding asset and rehabilitation liability.

(d) Current and non-current movements in provisions	**Onerous operating lease**	**Rehabilitation**	**Total**
At 1 July 2013	**-**	**6,113,412**	**6,113,412**
Arising during the year	-	537,967	537,967
Utilised	(387,588)	-	(387,588)
Adjustment due to revised conditions	-	9,860,081	9,860,081
Rehabilitation expenditure	-	(1,774)	(1,774)
Unwind of discount	67,924	1,655,028	1,722,952
Disposal of a subsidiary	-	(1,256,727)	(1,256,727)
Acquisition of subsidiary (refer to note 37)	1,878,025	62,382,485	64,260,510
At 30 June 2014	**1,558,361**	**79,290,472**	**80,848,833**
At 1 July 2014	**1,558,361**	**79,290,472**	**80,848,833**
Arising during the year	-	(170,790)	(170,790)
Utilised	(581,382)	-	(581,382)
Adjustment due to revised conditions	-	(11,166,360)	(11,166,360)
Rehabilitation expenditure	-	(1,154,920)	(1,154,920)
Unwind of discount	101,886	23,344	125,230
Disposal of a subsidiary	-	-	-
At 30 June 2015	**1,078,865**	**66,821,746**	**67,900,611**

23. INTEREST BEARING LOANS AND BORROWINGS (CURRENT)

	2015	2014
Lease liability	**1,657,552**	**116,865**

Represents current portion of finance leases which have repayment terms of 36 months

24. INTEREST BEARING LOANS AND BORROWINGS (NON-CURRENT)

	2015	2014
Lease liability	**3,265,527**	**56,122**

Represents non-current portion of finance leases which have repayment terms of 36 months from inception.

The carrying amount of the Consolidated Entity's non-current loans and borrowings approximate their fair value. The weighted average interest rate is 4.02% per annum.

Financing facilities available

At reporting date, the following financing facilities were available:

Total facilities		
- finance lease facility	4,923,079	172,987
Facilities used at reporting date		
- finance lease facility	4,923,079	172,987

Assets pledged as security:

The carrying amounts of assets pledged as security for current and non-current interest bearing liabilities are:

Non-current		
Finance lease		
Plant and equipment	5,150,727	399,134
Total non-current assets pledged as security	**5,150,727**	**399,134**

Plant and equipment assets are pledged against lease liabilities for the term of the lease period

25. UNEARNED INCOME (CURRENT)

	2015	2014
Gold prepayment (refer to note 26)	20,222,500	-
	20,222,500	**-**

26. UNEARNED INCOME (NON-CURRENT)

	2015	2014
Gold prepayment	5,055,625	-
	5,055,625	**-**

In September 2014, Metals X drew down on a newly established $40,445,000 gold pre-pay facility with Citibank N.A ("Citi"). The loan is repayable in gold ounces in 24 equal instalments of 1,250 ounces per month between October 2014 and September 2016 inclusive. During the period 11,250 ounces were delivered to Citi.

The loan has been classified as unearned revenue on the Statement of Financial Position as Citi has prepaid Metals X $40,445,000 for a fixed quantity of gold ounces. Metals X now has a legal obligation to deliver gold ounces, and will subsequently recognise revenue as and when it makes the repayment in gold ounces. Metals X will measure revenue based on the allocation of the nominal amounts of the advance payments corresponding to the goods or services delivered.

27. ISSUED CAPITAL

		2015	2014
(a)	**Ordinary Shares**		
	Issued and fully paid	**332,851,798**	**331,399,336**

(b)	**Movements in ordinary shares on issue**	**Number**	**$**
	At 1 July 2013	412,941,528	330,962,263
	Issue share capital	905,000	444,500
	Share issue costs	-	(7,427)
	At 30 June 2014	**413,846,528**	**331,399,336**
	Issue share capital	110,658	88,000
	Issue share capital under dividend reinvestment plan	2,053,753	1,371,865
	Share issue costs	-	(7,403)
	At 30 June 2015	**416,010,939**	**332,851,798**

Share Consolidation
Metals X completed its one for four share consolidation in December 2014 following approval by shareholders in November 2014. The share consolidation involved the conversion of every four fully paid ordinary shares on issue into one fully paid ordinary share. Where the share consolidation resulted in a shareholder having a fractional entitlement to a share, the entitlement was rounded up to the next whole number of shares. Upon the completion of the share consolidation in December 2014, the number of Metals X shares on issue reduced from 1,655,826,110 shares to 413,957,186 shares as at that date.

Dividend Reinvestment Plan
The Company operates a dividend reinvestment plan (DRP) which allows eligible shareholders to elect to invest dividends in ordinary shares. The Company recorded an inaugural fully frank dividend of 2.715 cents per share with a record date of 16 December 2014 and paid on 7 January 2015. The Company offered a DRP at a 5% discount to the 5 day VWAP. Under the offer 2,053,753 shares were issued at $0.6678 per share on 7 January 2015.

(c) Terms and conditions of contributed equity

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings. In the event of winding up the Company the holders are entitled to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Effective 1 July 1998, the Corporations legislation in place abolished the concepts of authorised capital and par share values. Accordingly, the Parent does not have authorised capital nor par value in respect of its issued shares.

(d) Escrow Restrictions

There are no current escrow restrictions on the issued capital of the Company

(e) Options on issue

There we no shares of the Company under option as the date of this report.

(f) Option conversions

Date of option conversion	Number of options	Price per option	Expiry date	Increase in contributed equity $
22 August 2014	440,000	20 cents	24 August 2014	88,000
Total	**440,000**			**88,000**

28. ACCUMULATED LOSSES

	2015	2014
At 1 July	(39,479,827)	(76,931,564)
Net profit in current period attributable to members of the parent entity	40,949,201	37,451,737
Dividends paid	(11,238,938)	-
At 30 June	**(9,769,564)**	**(39,479,827)**

29. RESERVES

	Share based payments reserve	Fair value reserve	Total
	$	$	$
At 30 June 2013	**19,739,664**	**-**	**19,739,664**
Share based payments	-	-	-
Fair value change in available-for-sale financial assets	-	-	-
At 30 June 2014	**19,739,664**	**-**	**19,739,664**
Share based payments	221,341	-	221,341
Fair value change in available-for-sale financial assets	-	3,223,335	3,223,335
At 30 June 2015	**19,961,005**	**3,223,335**	**23,184,340**

Nature and purpose of reserves

Fair value reserve

This reserve records the movements in the fair value of available-for-sale investments.

Share based payments reserve
This reserve is used to recognise the fair value of rights and options issued to employees in relation to equity-settled share based payments.

30. SHARE-BASED PAYMENTS

	2015	2014
(a) Recognised share-based payment expense		
The expense recognised for services received during the year is shown in the table below:		
Expense arising from equity-settled share-based payments	**221,341**	**-**

The share-based payment plan is described below. There have been no cancellations or modifications to the plan during 2015 and 2014.

(b) Long Term Incentive Plan

Under the Long term Incentive Plan ("LTIP"), grants are made to senior executives and other staff members who have made an impact on the Consolidated Entity's performance. LTIP grants are delivered in the form of share options or performance rights which vest over a period of three years subject to meeting performance measures, with no opportunity to retest.

(i) Share options

Share options are issued for nil consideration. The exercise price of the share options is equal to 120% of the weighted average closing sale price of the Company's fully paid ordinary shares on ASX over the 20 trading days immediately preceding the day on which the options are awarded. Any options that are not exercised by the third anniversary of their grant date will lapse. Upon exercise, these options will be settled in ordinary fully paid shares of the Company. The options will vest when the senior executive or other staff member continues to be employed by the Consolidated Entity on the first anniversary of the grant date or as determined by the Board of Directors.

Summary of options granted under the Long Term Incentive Plan

The following table illustrates the number and weighted average exercise price (WAEP) of, and movements in, share options issued under the LTIP.

	2015 Number	2015 WAEP	2014 Number	2014 WAEP
Outstanding at the beginning of the year	1,187,500	1.20	1,900,000	0.83
Granted during the year	-	-	-	-
Exercised during the year	-	-	(687,500)	0.52
Lapsed/cancelled during the year	(1,187,500)	(1.20)	(25,000)	0.86
Outstanding at the year end	**-**	**-**	**1,187,500**	**1.20**
Exercisable at the year end	**-**	**-**	**1,187,500**	**1.20**

There were no share options outstanding at the end of the reporting period.

Weighted average remaining contractual life of share options

The weighted average remaining contractual life for the share options outstanding as at 30 June 2015 is nil (2014: 0.42 years).

Range of exercise price of share options

The exercise price for options outstanding at the end of the year is nil (2014: $1.20).

Weighted average fair value of share options

The weighted average fair value of options granted during the year was nil (2014: nil).

Share option valuation

The fair value of the equity-settled share options granted under the LTIP is estimated at the date of grant using a Black & Scholes model, which takes into account factors including the options exercise price, the volatility of the underlying share price, the risk-free interest rate, the market price of the underlying share at grant date, historical and expected dividends and the expected life of the option.

(ii) Performance Rights

Performance rights are issued for nil consideration. Performance rights vest over a period of three years subject to meeting performance measures. The Company uses absolute total shareholder return and relative shareholder return as the performance measures for the performance rights. Any performance rights that do not vest on the third anniversary of their grant date will lapse. Upon vesting, these performance rights will be settled in ordinary fully paid shares of the Company.

Summary of performance rights granted under the Long Term Incentive Plan

The following table illustrates the number and movements in, performance rights issued under the LTIP.

	2015 Number	2014 Number
Outstanding at the beginning of the year	-	-
Granted during the year	1,637,020	-
Vested during the year	-	-
Lapsed/cancelled during the year	-	-
Forfeited during the year	-	-
Outstanding at the year end	**1,637,020**	**-**
Exercisable at the year end	**-**	**-**

30. SHARE-BASED PAYMENTS (CONTINUED)

Exercise price of performance rights

Performance rights on issue as part of LTIP have a nil exercise price

Performance conditions

The performance rights have the following performance hurdles which will be measured over the vesting period of three years from grant date:

- The Absolute Total Shareholder Return ("TSR") performance rights (50% of total performance rights) will vest subject to the compound annual growth rate of the Company's TSR being not less than 15% over the three year service period.
- The Relative TSR performance rights (50% of total performance rights) are measured against a defined peer group of companies which the Board considers compete with the Company for the same investment capital, both in Australia and overseas, and which by the nature of their business are influenced by commodity prices and other external factors similar to those that impact on the TSR performance of the Company.

Weighted average fair value of performance rights

The weighted average fair value of performance rights granted during the year was $0.406 (2014: nil).

Performance rights valuation

The fair value of the performance rights granted are estimated using a Hoadley employee share option pricing model (Monte Carlo Simulation), taking into account the terms and conditions upon which the performance rights were granted.

Details	Absolute TSR Performance Rights	Relative TSR Performance Rights
Grant date	26 November 2014	26 November 2014
Share price at grant date ($)	$0.772	$0.772
Performance right exercise price ($)	Nil	Nil
Share price barrier ($)	$1.572	-
Vesting conditions	1.15^3 times 20 day VWAP	-
Test date	1 July 2017	1 July 2017
Expected life of performance rights (yrs)	3 years	3 years
Expected volatility (%)	60%	60%
Risk-free interest rate (%)	2.45%	2.45%
Stock dividend yield per annum (%)	3.52%	3.52%
Fair value at grant date ($)	$0.292	$0.52

31. COMMITMENTS

(a) Capital commitments

Commitments relating to jointly controlled assets

At 30 June 2015 the Consolidated Entity has capital commitments that relate principally to the purchase and maintenance of plant and equipment for its mining operations.

Capital expenditure commitments

Estimated capital expenditure contracted for at reporting date, but not recognised as liabilities for the Consolidated Entity:

	2015	2014
- Within one year	**2,383,726**	**431,880**

(b) Operating lease commitments - Company as lessee

The Company has entered into commercial property leases on office rental and remote area residential accommodation. The Company has entered into commercial leases on office equipment. These operating leases have an average life of between one month and four years with renewal options included in the contracts. The Company also has commercial leases over the tenements in which the mining operations are located. These tenement leases have a life of between six months and twenty one years. In order to maintain current rights to explore and mine the tenements the Consolidated Entity is required to perform minimum exploration work to meet the expenditure requirements specified by the relevant state governing body. There are no restrictions placed on the lessee by entering into these contracts. The operating lease commitments include Joint Operation commitments as disclosed in note 35.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

		2015	2014
(i)	**Property leases as lessee:**		
	- Within one year	1,458,838	1,649,914
	- After one year but not more than five years	1,901,442	3,294,437
		3,360,280	**4,944,351**
(ii)	**Equipment leases:**		
	- Within one year	41,197	34,207
	- After one year but not more than five years	40,732	42,359
		81,929	**76,566**
(iii)	**Mineral tenement leases:**		
	- Within one year	5,106,336	4,990,395
	- After one year but not more than five years	17,407,855	14,909,580
	- After more than five years	48,031,862	40,399,769
		70,546,053	**60,299,744**

(c) Operating lease commitments - Company as lessor

The Company has entered into a commercial sub-lease on the above mentioned office space.

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

(i)	**Property leases as lessor:**		
	- Within one year	8,334	133,379
	- After one year but not more than five years	-	-
		8,334	**133,379**

31. COMMITMENTS (CONTINUED)

(d) Finance lease and hire purchase commitments

The Company has finance leases and hire purchase contracts for various items of plant and machinery. The leases do have terms of renewal but no escalation clauses. Renewals are at the option of the specific entity that holds the lease. The finance and hire purchase contracts have an average term of 36 months with the right to purchase the asset at the completion of the lease term for a pre-agreed amount.

Future minimum lease payments under finance leases and hire purchase contracts together with the present value of the minimum lease payments are as follows:

	2015	
	Minimum lease payments	**Present value of lease payments**
Within one year	1,823,428	1,657,552
After one year but not more than five years	3,398,454	3,265,527
Total minimum lease payments	5,221,882	4,923,079
Less amounts representing finance charges	(298,803)	-
Present value of minimum lease payments	**4,923,079**	**4,923,079**

	2014	
	Minimum lease payments	**Present value of lease payments**
Within one year	119,448	116,865
After one year but not more than five years	64,550	56,122
Total minimum lease payments	183,998	172,987
Less amounts representing finance charges	(11,011)	-
Present value of minimum lease payments	**172,987**	**172,987**

	2015	**2014**
Included in the financial statements as:		
Current interest-bearing loans and borrowings (note 23)	1,657,552	116,865
Non-current interest-bearing loans and borrowings (note 24)	3,265,527	56,122
Total included in interest-bearing loans and borrowings	**4,923,079**	**172,987**

The weighted average interest rate of leases for the Company is 4.02% (2014: 7.35%).

(e) Other commitments

The Consolidated Entity has obligations for various expenditures such as royalties, production based payments and exploration expenditure. Such expenditures are predominantly related to the earning of revenue in the ordinary course of business.

On 18 May 2015 the Company entered in to an agreement with Aziana Limited to underwrite a capital raising up the value of $3,500,000. The agreement was subject to shareholder approval which was obtained on 30 July 2015. In accordance with the underwriting agreement the capital raising price determined on 29 July 2015 to be $0.157 per share.

32. CONTINGENT ASSETS AND LIABILITIES

(i) Bank guarantees

The Consolidated Entity has a number of bank guarantees in favour of various government authorities and service providers. The bank guarantees primarily relate to environmental and rehabilitation bonds at the various projects. The total amount of these guarantees at the reporting date is $3,255,319 (2014: $6,481,192). These bank guarantees are fully secured by performance bonds (refer to note 15).

(ii) Clawback agreement

AngloGold Ashanti holds the right to earn back a 75% interest in any individual resource defined within the tenements acquired from AngloGold by Westgold (with the exception of Rover 1 and Explorer 108), under specific terms, conditions, specified payments and performance hurdles.

33. EVENTS AFTER THE BALANCE SHEET DATE

Neometals Limited Lithium Agreement

On 7 July 2015 the agreement entered into by the Company and Neometals on 22 January 2015 regarding the Company's lithium rights was completed. Under the agreement Neometals Limited has agreed to lease lithium rights and to purchase the tenement and associated infrastructure that adjoins their Mt Marion Lithium Project from the Company. Consideration for the transaction is a lease fee of $90,000 per annum indexed to the CPI, $250,000, a royalty of $2/t of ore mined and processed and a 1.5% NSR on the sale of any downstream products generated from the land area.

Georges Reward Project Acquisition

On 10 July 2015 the Company announced that it had entered into an agreement with Northern Mining Limited (79%) and Balagundi Pty Ltd (21%) to acquire their interests in the Georges Reward Project at Bulong in Western Australia for $4,500,000 in cash. The Georges Reward Project is contiguous with the Cannon Project of Southern Gold Limited with which Metals X has a contract management and profit sharing agreement from the mining of the Cannon deposit.

Mt Henry Gold Project Acquisition

On 31 July 2015 the Company announced that it had entered into an agreement to acquire the Mt Henry Gold Project from Panoramic Resources Ltd and Matsa Resources Limited.

The Mt Henry Gold Project is located approximately 15 km south of Norseman and 75 km south of HGO. The project consists of three known deposits being North Scotia, Selene and Mt Henry, which the Company intends to mine and cart to HGO for processing.

The consideration for the acquisition is 22,000,000 new fully paid ordinary shares in Metals X. Settlement is subject to FIRB approval, regulatory and statutory approvals and consent to assign the native title agreements if required.

At the date of this report these conditions remain outstanding

Grosvenor Gold Project Acquisition

On 31 July 2015 the Company announced that it had entered into an agreement with RNI NL to acquire the Grosvenor Gold Project. The Grosvenor Project is located approximately 150 km north of Meekatharra in the Bryah Basin of Western Australia. The project includes:

- The gold prospects and resources of the Grosvenor, Horseshoe and Peak Hill areas which host a resource base of over 2 million ounces (refer to numerous public disclosures by RNI).
- The Grosvenor Gold process plant – a 1.0Mtpa CIL plant with substantial infrastructure including a 100 person village, air strip and borefield.

Consideration for the acquisition is as follows:

- The allotment of 18,000,000 new fully paid ordinary shares in Metals X.
- A $300,000 interest free loan to RNI for working capital during the sales process which is convertible into shares in RNI at the price of its next capital raising.
- Settlement is subject to FIRB approval, regulatory and statutory approvals and consent to assign the native title agreements if required.

In addition to the acquisition of RNI's Grosvenor Gold Project, the Company agreed to sell its CMGP Chunderloo copper-gold project to RNI for a consideration of 25,000,000 new fully paid RNI shares.

At the date of this report these conditions remain outstanding.

34. AUDITOR'S REMUNERATION

	2015	2014
Amounts received or due and receivable by Ernst & Young (Australia) for:		
An audit or review of financial reports of the entity and any other entity within the Consolidated Entity	344,356	393,090
Amounts received or due and receivable by Ernst & Young (United Kingdom) for:		
An audit or review of financial reports of the entity and any other entity within the Consolidated Entity	36,969	-
Other services in relation to the entity and any other entity in the Consolidated Entity:		
- tax compliance	78,700	129,800
- stamp duty compliance	40,860	40,780
Total auditor remuneration	**500,885**	**563,670**

35. INTERESTS IN JOINT OPERATIONS

The Consolidated Entity's interest in the assets and liabilities of joint operations are included in the consolidated statement of financial position.

RENISON TIN PROJECT

Subsidiary Bluestone Mines Tasmania Pty Ltd has a 50% interest and participating share in the Renison Tin Project which is operated and managed by its joint operator Bluestone Mines Tasmania Joint Venture Pty Ltd. The Consolidated Entity is entitled to 50% of the production. The Renison Tin Project is located in Tasmania.

Commitments relating to the joint operation:	2015	2014
Share of capital commitments (refer to note 31(a))	**217,483**	**431,880**

Share of operating lease commitments (refer to note 31(b))

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

		2015	2014
(i)	Property leases as lessee:		
	- Within one year	6,349	3,551
		6,349	**3,551**
(ii)	Equipment leases:		
	- Within one year	14,664	11,604
	- After one year but not more than five years	14,360	21,984
		29,024	**33,588**
(iii)	Mineral tenement leases:		
	- Within one year	180,780	182,454
	- After one year but not more than five years	-	198,119
	- After more than five years	-	-
		180,780	**380,573**

Impairment

During the year write-downs of inventory of $1,638,724 (2014: Nil) were recognised in the joint operation.

WARUMPI EXPLORATION PROJECT

Subsidiary Castile Resources Pty Ltd has earned a 51% interest in the Warumpi exploration project in the Northern Territory which is considered a Joint Operation and is currently undertaking an exploration program to earn up to 80% interest in the project.

Commitments relating to the joint operation:	**2015**	**2014**
Share of operating lease commitments (refer to note 31(b))		
Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows		
(i) Mineral tenement leases:		
- Within one year	-	102,063
- After one year but not more than five years	-	69,957
- After more than five years	-	-
	-	**172,020**

Impairment

Exploration and evaluation expenditure of $541,494 in relation the joint operation was written-off during the year (2014: $407,455).

36. SEGMENTS

For management purposes, the Consolidated entity is organised into operating segments determined by the similarity of the mineral being mined or explored, as these are the sources of the Consolidated Entity's major risks and have the most effect on rates of return

The Consolidated Entity comprises the following reportable segments:

- Renison Tin Project: Mining, treatment and marketing of tin concentrate.
- Wingellina Nickel Project: Exploration and development of nickel assets.
- Higginsville Gold Operation: Mining, treatment, exploration and development of gold assets.
- South Kalgoorlie Operation: Mining, treatment, exploration and development of gold assets.
- Central Murchison Gold Project: Mining, treatment, exploration and development of gold assets.
- Northern Territory Projects: Exploration and development of gold assets.

Executive management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. However, consolidated financing (including finance costs and finance income) and income taxes are managed on a consolidated basis and are not allocated to operating segments. Inters-segment revenues are eliminated upon consolidation. All other adjustments and eliminations are part of the detailed reconciliations presented further below.

The following table presents revenue and profit information for reportable segments for the years ended 30 June 2015 and 30 June 2014.

Year ended 30 June 2015	**Renison Tin Project**	**Wingellina Nickel Project**	**Higginsville Gold Operation**	**South Kalgoorlie Operation**	**Central Murchison Gold Project**	**Northern Territory Projects**	**Adjustments and eliminations**	**Total**
Revenue								
External customers	79,629,155	-	195,812,444	36,963,792	-	-	-	312,405,391
Total revenue	**79,629,155**	**-**	**195,812,444**	**36,963,792**	**-**	**-**	**-**	**312,405,391**
Results								
Depreciation and amortisation	(6,668,392)	(77,180)	(31,421,409)	(4,446,557)	(1,271,006)	(95,575)	-	(43,980,119)
Exploration and evaluation expenditure written off	(5,541)	(130,577)	(418,824)	(728,993)	(2,003,483)	(2,823,242)	-	(6,110,660)
Impairment of assets	-	-	(4,717,594)	-	-	-	-	(4,717,594)
Segment profit	**9,866,712**	**(207,757)**	**42,136,886**	**2,594,213**	**(4,540,452)**	**(2,918,817)**	**(1,609,049)**	**45,321,736**
Total assets	**74,954,796**	**72,964,308**	**70,775,565**	**28,166,499**	**111,823,944**	**24,705,338**	**-**	**383,390,450**
Total liabilities	**(8,312,130)**	**(102,595)**	**(65,396,232)**	**(32,010,425)**	**(31,201,205)**	**(115,465)**	**-**	**(137,138,052)**
Other disclosures								
Capital expenditure	(4,303,545)	(2,874,665)	(22,594,584)	(20,882,269)	(20,617,506)	(2,227,024)	-	(73,499,593)

Year ended 30 June 2014	Renison Tin Project	Wingellina Nickel Project	Higginsville Gold Operation	South Kalgoorlie Operation	Central Murchison Gold Project	Northern Territory Projects	Adjustments and eliminations	Total
Revenue								
External customers	75,643,560	-	149,721,065	11,330,044	-	-	-	236,694,669
Total segment revenue	**75,643,560**	**-**	**149,721,065**	**11,330,044**	**-**	**-**	**-**	**236,694,669**
Results								
Depreciation and amortisation	(8,429,069)	(90,766)	(23,226,201)	(2,032,839)	(57,285)	(148,493)		(33,984,653)
Exploration and evaluation expenditure written off	(173,863)	(279,065)	(223,538)	(564,958)	(3,170,690)	(2,562,238)	-	(6,974,352)
Segment profit	**10,022,978**	**(369,831)**	**42,320,623**	**(613,649)**	**(3,227,974)**	**(2,710,730)**	**(1,422,647)**	**43,998,770**
Total assets	**76,213,200**	**70,287,679**	**87,910,677**	**11,212,935**	**92,172,787**	**25,336,521**	**-**	**363,133,799**
Total liabilities	**(9,654,364)**	**(118,930)**	**(46,968,353)**	**(27,740,397)**	**(28,506,436)**	**(18,618)**	**-**	**(113,007,098)**
Other disclosures								
Capital expenditure	(13,431,753)	(3,332,884)	(17,074,909)	(2,411,795)	(11,433,174)	(1,033,188)	-	(48,717,703)

Adjustments and eliminations

Finance income and costs, fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Consolidated Entity basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a Consolidated Entity basis.

Capital expenditure consists of additions of property, plant and equipment, mine properties and development and exploration and evaluation expenditure including assets from the acquisition of subsidiaries.

Corporate charges comprise non-segmental expenses such as head office expenses and interest. Corporate charges are not allocated to operating segments.

36. SEGMENTS (CONTINUED)

(a) Reconciliation of profit/(loss)

	2015	2014
Segment profit	**45,321,736**	**43,998,770**
Corporate administration expenses	(7,374,943)	(8,836,878)
Corporate interest income	2,844,831	1,905,163
Corporate other income	592,915	947,307
Fair value gain on financial instruments	1,244,795	(70,073)
Impairment loss on receivables	(1,500,000)	-
Impairment loss on available-for-sale financial assets	-	(1,622,700)
Net gains on disposal of available-for-sale investments	122,591	-
Net gain on disposal of assets	(302,724)	1,130,148
Total consolidated profit/(loss) before income tax	**40,949,201**	**37,451,737**

(b) Reconciliation of assets

Segment operating assets	**383,390,450**	**363,133,799**
Unallocated corporate assets		
Cash and cash equivalents	96,538,393	63,195,101
Trade and other receivables	1,210,437	3,091,106
Prepayments	303,943	195,132
Other financial assets	1,438,580	-
Available-for-sale financial assets	3,783,915	595,582
Property, plant and equipment	671,933	951,699
Total consolidated assets	**487,337,651**	**431,162,419**

(c) Reconciliation of liabilities

Segment operating liabilities	**137,138,052**	**113,007,098**
Unallocated corporate liabilities		
Trade and other payables	1,283,338	3,605,369
Provision for employee benefits	1,557,991	1,314,278
Interest bearing loans and borrowings	1,091,696	1,576,501
Total consolidated liabilities	**141,071,077**	**119,503,246**

(d) Segment revenue from external customers

Segment revenue	312,405,391	236,694,669
Interest revenue	2,844,832	1,905,163
Total revenue	**315,250,223**	**238,599,832**

Revenue from external customers by geographical locations is detailed below. Revenue is attributable to geographical location based on the location of the customers. The Company does not have external revenues from external customers that are attributable to any foreign country other than as shown.

Australia	234,070,516	161,448,538
South East Asia	78,334,875	75,246,131
Total revenue	**312,405,391**	**236,694,669**

The Consolidated Entity has two customers to which it provides tin, copper and gold. The Consolidated Entity sends its tin and copper concentrates to one South East Asian customer that accounts for 25% of external revenue (2014: 32%). The Consolidated Entity sells its gold to one Australian customer that accounts for 75% of external revenue (2014: 68%).

(e) Segment non-current assets, excluding financial assets, are all located in Australia.

37. BUSINESS COMBINATION

Acquisitions in 2014

(a) Acquisition of Meekatharra Gold Operation

On 27 June 2014 Metals X completed the acquisition of the assets of GMK Exploration Pty Ltd ("GMKE") from GMKE's Administrator. The assets comprise the fully refurbished processing plant, other supporting infrastructure and tenements of the Meekatharra Gold Operation which is currently under care and maintenance in Western Australia. Metals X acquired the assets to integrate into its Central Murchison Gold Project with the view to bringing the project back into production in 2015. The consideration for the acquisition was $9,400,000 and 24,000,000 Reed Resources Limited shares with a fair value of $432,000. The acquisition has been accounted for using the acquisition method.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities as at the date of acquisition are:

Assets	**Fair value recognised on acquisition (restated)**
Property, plant and equipment	22,520,659
Exploration and evaluation expenditure	2,110,177
	24,630,836
Liabilities	
Provisions	14,798,836
	14,798,836
Cash paid	9,400,000
Fair value of Reed Resources Limited shares	432,000
Purchase consideration transferred	**9,832,000**
Analysis of cash flows on acquisition:	
Cash paid	9,400,000
Net cash outflow	**9,400,000**

The net assets recognised in the 30 June 2014 financial statements were based on a provisional assessment of the their fair value pending a review of the property, plant and equipment by the Company. During the period the Company completed an assessment of the fair value of the property, plant and equipment which was determined to be $22,520,659, a decrease of $159,650 from the provisional value. The comparative information was restated to reflect the adjustment to the provisional amounts. As a result, there was an increase in exploration and evaluation expenditure of $159,650.

From the date of acquisition to 30 June 2014, the assets did not contributed any revenue or net profit before tax of the Consolidated Entity.

Transaction costs relating to stamp duty, external legal fees, technical fees and due diligence costs of $596,873 have been expensed and are included in the profit and loss.

37. BUSINESS COMBINATION (CONTINUED)

(b) Acquisition of Alacer Gold Pty Ltd

On 29 October 2013 Metals X completed the acquisition of 100% of the shares of Alacer Gold Pty Ltd ("Alacer"), a subsidiary of publicly listed company Alacer Gold Corp. which owns operating gold projects in Western Australia. The consideration for the acquisition was $44,000,000. The acquisition has been accounted for using the acquisition method.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities as at the date of acquisition are:

Assets	**Fair value recognised on acquisition**
Cash and cash equivalents	14,470,399
Trade and other receivables	2,156,645
Inventories	16,266,414
Other assets	576,780
Property, plant and equipment	34,175,261
Mine properties and development costs	53,634,299
	121,279,798
Liabilities	
Trade and other payables	25,831,035
Provisions	51,448,763
	77,279,798
Purchase consideration transferred	**44,000,000**
Analysis of cash flows on acquisition:	
Cash paid	(44,000,000)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	14,470,399
Net cash outflow	**(29,529,601)**

From the date of acquisition to 30 June 2014, Alacer contributed $164,551,130 of revenue and $27,228,067 to the net profit before tax of the Consolidated Entity. If the acquisition had occurred on 1 July 2013, consolidated revenue and consolidated profit before income tax for the period ended 30 June 2014 would have been $209,204,828 and $52,557,079 respectively.

The fair value of the trade receivables amounts to $2,156,645, which is equal to the gross amount of trade receivables. None of the trade receivables have been impaired and it is expected that the full contractual amount can be collected.

Transaction costs relating to stamp duty, external legal fees, technical fees and due diligence costs of $2,377,088 have been expensed and are included in the profit and loss.

38. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

(i) Non-Executive Directors

		Appointed	Resigned
PJ Newton	Non-Executive Chairman	14 December 2012	-
PM Cmrlec	Non-Executive Director	23 July 2013	-
AC Ferguson	Non-Executive Director	10 May 2012	-
SD Heggen	Non-Executive Director	25 October 2012	-
X Penggen	Non-Executive Director	9 February 2012	-
Y Zhang	Alternate for Mr Xie Penggen	3 October 2007	-

(ii) Executive Directors

PG Cook	CEO & Executive Director	23 July 2004	-
WS Hallam	Executive Director	1 March 2005	-

(iii) Other Executives (KMPs)

AH King	General Manager - Tin Operations	24 February 2014	-
PD Hucker	Chief Operating Officer	17 October 2012	-
MP Poepjes	Chief Mining Engineer	8 August 2011	-
JW Russell	Chief Geologist	17 October 2012	-
FJ Van Maanen	CFO & Company Secretary	1 July 2005	-

There are no other changes of the key management personnel after the reporting date and the date the financial report was authorised for issue.

(b) Compensation of Key Management Personnel

	2015	2014
Short-term employee benefits	2,954,899	2,818,251
Post employment benefits	210,153	186,959
Other long-term benefits	85,214	66,426
Share-based payment	166,563	-
	3,416,829	**3,071,636**

The amounts disclosed in the table are the amounts recognised as an expense during the period related to key management personnel.

(c) Loans to Key Management Personnel

There were no loans to key management personnel during the current or previous financial year.

(d) Other transactions and balances with Key Management Personnel

PG Cook is a Director of Aziana, in the current period $34,219 has been charged to Aziana for director's fees. In 2014 PG Cook and WS Hallam were both Directors of Aziana, $67,385 and $35,816 were charged to Aziana for director's fees.

The Consolidated Entity provides accounting, secretarial and administrative services at cost to Aziana. In the current period $169,339 has been charged to Aziana for these services (2014: $204,426).

At 30 June 2015 there was an outstanding balance of $31,755 (2014: $15,639) for Aziana Limited.

38. KEY MANAGEMENT PERSONNEL (CONTINUED)

(e) Interest held by Key Management Personnel under the Long Term Incentive Plan

Share options held by key management personnel under the long term incentive plan to purchase ordinary shares:

Issue date	Expiry date	Exercise price $	2015	2014
30 November 2011	30 November 2014	1.20	-	587,500
17 October 2012	1 November 2014	0.84	-	275,000
17 October 2012	3 July 2014	1.04	-	275,000
Total			**-**	**1,137,500**

Performance rights held by key management personnel under the long term incentive plan

Grant date	Test Date	Exercise price $	2015	2014
26 November 2014	1 July 2017	Nil	1,230,770	-
			1,230,770	**-**

39. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The consolidated financial statements include the financial statements of Metals X Limited and the subsidiaries listed in the following table:

Name	Country of incorporation	Ownership Interest 2015	Ownership Interest 2014
Bluestone Australia Pty Ltd	Australia	100%	100%
Metals Exploration Pty Ltd	Australia	100%	100%
Westgold Resources Pty Ltd	Australia	100%	100%
Subsidiary Companies of Metals Exploration Pty Ltd			
Austral Nickel Pty Ltd	Australia	100%	100%
Hinckley Range Pty Ltd	Australia	100%	100%
Metex Nickel Pty Ltd	Australia	100%	100%
Subsidiary companies of Bluestone Australia Pty Ltd			
Bluestone Mines Tasmania Pty Ltd	Australia	100%	100%
Subsidiary companies of Westgold Resources Pty Ltd			
Castile Resources Pty Ltd	Australia	100%	100%
Aragon Resources Pty Ltd	Australia	100%	100%
Fulcrum Resources Pty Ltd*	Australia	0%	100%
Big Bell Gold Operations Pty Ltd	Australia	100%	100%
Hill 51 Pty Ltd	Australia	100%	100%
Avoca Resources Pty Ltd	Australia	100%	100%
Avoca Mining Pty Ltd	Australia	100%	100%
HBJ Minerals Pty Ltd	Australia	100%	100%
Dioro Exploration Pty Ltd	Australia	100%	100%
Hampton Gold Mining Areas Limited	United Kingdom	100%	100%

* Fulcrum Resources Pty Ltd was deregistered on 22 October 2014.

(b) Ultimate Parent

Metals X Limited is the ultimate parent entity.

(c) Key Management Personnel

Details relating to key management personnel, including remuneration paid, are included in note 38.

(d) Transactions with related parties	**2015**	**2014**
(i) Jointly controlled assets		
Amounts charged by Bluestone Australia Pty Ltd to the joint operation of Bluestone Mines Tasmania Joint Venture Pty Ltd for services provided *	165,335	121,905
(ii) Associates		
Amounts charged by Bluestone Australia Pty Ltd to Aziana Limited for services provided **	203,558	307,627
Convertible loan with Aziana Limited (refer to note 15)	139,949	-

* Subsidiary Bluestone Mines Tasmania Pty Ltd has a 50% interest in the Renison Tin Project accounted for as a joint operation.

** The Company has a 13.37% interest in Aziana Limited (2014: 13.73%).

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40. INFORMATION RELATING TO METALS X LIMITED ("THE PARENT ENTITY")

	2015	**2014**
Current assets	56,448,126	51,077,828
Total assets	224,716,670	242,494,262
Current Liabilities	20,969,991	3,022,995
Total Liabilities	26,025,616	3,022,995
Issued capital	342,131,798	340,679,336
Accumulated losses	(166,625,084)	(120,947,733)
Option premium reserve	19,961,005	19,739,664
Other reserves	3,223,335	-
Total Equity	**198,691,054**	**239,471,267**
Loss of the parent entity	(34,438,414)	(65,224,795)
Total comprehensive loss of the parent entity	(31,215,079)	(65,224,795)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

Pursuant to Class Order 98/1418, Metals X and its wholly owned subsidiaries (refer to note 39(a) entered into a deed of cross guarantee on 11 November 2013. The effect of the deed is that Metals X has guaranteed to pay any deficiency in the event of winding up of any controlled entity or if they do not meet their obligations under the terms of any debt subject to the guarantee. The controlled entities have given a similar guarantee in the event that Metals X is wound up or if it does not meet its obligations under the terms of any debt subject to the guarantee.

The statement of financial position and statement of comprehensive income for the closed group is not materially different to the Consolidated Entity's statement of financial position and statement of comprehensive income.

Contingent liabilities of the parent entity.	Nil
Contractual commitments by the parent entity for the acquisition of property, plant or equipment.	Nil

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Metals X Limited, I state that:

In the opinion of the Directors:

a. the financial statements and notes of the Company and of the Consolidated Entity are in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the Company's and the Consolidated Entity's financial position as at 30 June 2015 and of their performance for the year ended on that date; and

   ii. complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and

b. the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b) and;

c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

d. this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

As at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in note 40 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

On behalf of the Board.

PG Cook

CEO & Executive Director

Perth, 25 August 2015

INDEPENDENT AUDIT REPORT

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

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Independent auditor's report to the members of Metals X Limited

We have audited the accompanying financial report of Metals X Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

INDEPENDENT AUDIT REPORT

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Opinion

In our opinion:

a. the financial report of Metals X Limited is in accordance with the *Corporations Act 2001*, including:

    i giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

    ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Metals X Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

D S Lewsen
Partner
Perth
25 August 2015

DL:AJMetalsX071

SECURITY HOLDER INFORMATION AS AT 25 SEPTEMBER 2015

(a) Top 20 Quoted Shareholders

	%	Number of shares
SUN HUNG KAI INVESTMENT SERVICES LTD	14.72	64,782,571
JINCHUAN GROUP LIMITED	10.00	44,000,000
NATIONAL NOMINEES LIMITED	9.52	41,898,044
SUN HUNG KAI INVESTMENT SERVICES LTD	7.89	34,750,000
JP MORGAN NOMINEES AUSTALIA LIMITED	7.21	31,715,873
HSBC CUSTODY NOMINEES AUSTRALIA LIMITED	6.61	29,093,841
MT HENRY GOLD PTY LTD	3.46	15,225,000
ALL-STATES FINANCE PTY LTD	3.15	13,874,697
AJAVA HOLDINGS PTY LTD	2.43	10,704,982
RICHARD FARLEIGH	2.32	10,228,517
HSBC CUSTODY NOMINEES AUSTRALIA LTD	2.17	9,558,872
CITICORP NOMINEES PTY LTD	1.61	7,086,780
PETER GERARD COOK	1.22	5,387,500
BNP PARIBAS NOMINEES PTY LTD	1.22	5,353,751
AUSTRALIAN STRATEGIC & PRECIOUS	0.91	4,000,000
BRISPOT NOMINEES PTY LTD	0.68	2,981,416
WESTERN BRIDGE PTY LTD	0.66	2,912,982
HSBC CUSTODY NOMINEES AUSTALIA LTD	0.53	2,352,944
KANGATHARAN RAM SHANKER	0.52	2,268,000
CITICORP NOMINEES PTY LTD	0.49	2,170,847
Total	**77.32**	**340,346,617**

(b) Distribution of quoted ordinary shares

Size of parcel	Number of share holders	Number of shares
1 - 1,000	561	276,002
1,001 - 5,000	2,154	5,670,076
5,001 - 10,000	915	6,528,076
10,001 - 100,000	1,182	32,861,074
100,001 - 999,999,999	178	394,845,810
Total	**4,990**	**440,181,038**

(c) Number of holders with less than a marketable parcel of ordinary shares

1 – 100,000	**216**	**24,935**

(d) Substantial Shareholders

	%	Number of shares
Apac Resources Limited	22.58	99,407,571
Jinchuan Group Limited	10.00	44,000,000
Blackrock Group	8.02	35,305,319

SECURITY HOLDER INFORMATION AS AT 25 SEPTEMBER 2015 (CONTINUED)

(e) Voting Rights

The voting rights for each class of security on issue are:

Ordinary fully paid shares

Each ordinary shareholder is entitled to one vote for each share held.

Performance rights

The holders of performance rights have no rights to vote at a general meeting of the company.

(f) Unquoted Equity Securities

Number of Performance Rights	Exercise Price	Expiry Date	Number holders
1,637,020	Nil	01/07/2017	9

TABLES OF MINERAL RESOURCES & ORE RESERVES

TIN DIVISION
MINERAL RESOURCES ESTIMATES
CONSOLIDATED SUMMARY & ANNUAL COMPARISON

(Calculated as at 30 June 2015)

Project	Mineral Resources					
	Tin			Copper		
	Tonnes (Kt)	Grade (%Sn)	Sn Metal (Kt)	Tonnes (Kt)	Grade (%Cu)	Cu Metal (Kt)
30 June 2014						
Renison Bell	11,111	1.58	175	10,011	0.34	34
Mt Bischoff	1,667	0.54	9	-	-	-
Rentails	21,192	0.45	95	21,192	0.21	45
	33,970	**0.82**	**279**	**31,203**	**0.25**	**79**
Mining Depletion						
Renison Bell	(671)	1.50	(10)	(671)	0.35	(2)
Mt Bischoff	-	-	-	-	-	-
Rentails	-	-	-	-	-	-
	(671)	**1.50**	**(10)**	**(671)**	**0.35**	**(2)**
Resource Adjustments						
Renison Bell	2,434	0.94	23	2,671	0.26	7
Mt Bischoff	-	-	-	-	-	-
Rentails	650	0.46	3	650	0.46	3
	3,084	**0.84**	**26**	**3,321**	**0.30**	**10**
30 June 2015						
Renison Bell	12,874	1.46	188	12,011	0.33	39
Mt Bischoff	1,667	0.54	9	-	-	-
Rentails	21,842	0.45	98	21,842	0.22	48
	36,383	**0.81**	**295**	**33,853**	**0.26**	**87**

Notes: Renison Bell, Mt Bischoff and Rentails are 50% owned by Metals X.
The geographic region for Tin Resources and Reserves is Australia.

TIN DIVISION
MINERAL RESERVES ESTIMATE
CONSOLIDATED SUMMARY & ANNUAL COMPARISON

Mining Reserves are a subset of the Mineral Resource Estimates

Project	Ore Reserves					
	Tin			Copper		
	Tonnes (Kt)	Grade (%Sn)	Sn Metal (Kt)	Tonnes (Kt)	Grade (%Cu)	Cu Metal (Kt)
30 June 2014						
Renison Bell	5,911	1.37	81	5,763	0.24	14
Rentails	20,351	0.45	91	20,351	0.21	44
	26,262	**0.66**	**172**	**26,114**	**0.22**	**58**
Mining Depletion						
Renison Bell	(671)	1.50	(10)	(671)	0.35	(2)
Rentails	-	-	-	-	-	-
	(671)	**1.50**	**(10)**	**(671)**	**0.35**	**(2)**
Reserve Adjustments						
Renison Bell	1,433	1.03	15	1,260	0.48	6
Rentails	614	0.49	3	614	0.33	2
	2,077	**0.88**	**18**	**1,874**	**0.43**	**8**
30 June 2015						
Renison Bell	6,673	1.29	86	6,352	0.29	18
Rentails	20,965	0.45	94	20,965	0.22	46
	27,638	**0.65**	**180**	**27,317**	**0.24**	**64**

Notes: Renison Bell, Mt Bischoff and Rentails are 50% owned by Metals X.
The geographic region for Tin Resources and Reserves is Australia.

GOLD DIVISION
MINERAL RESOURCES ESTIMATES
CONSOLIDATED SUMMARY & ANNUAL COMPARISON

(Calculated as at 30 June 2015)

	Mineral Resources		
Project	**Tonnes kt**	**Grade (g/t Au)**	**Au Metal Koz**
30 June 2014			
CMGP	62,941	2.48	5,020
HGO	13,307	2.88	1,231
SKO	50,368	1.98	3,214
	126,617	**2.33**	**9,465**
Mining Depletion			
CMGP	-	-	-
HGO	(1,047)	4.41	(149)
SKO	(757)	(0.78)	(19)
	(1,804)	**2.90**	**(168)**
Resource Adjustments			
CMGP	63,685	1.67	3,414
HGO	1,490	2.11	101
SKO	(3,955)	(0.90)	114
	61,220	**1.84**	**3,629**
30 June 2015			
CMGP	126,626	2.07	8,434
HGO	13,750	2.68	1,183
SKO	45,656	2.25	3,309
	186,032	**2.16**	**12,926**

Notes: The geographic region for Gold Resources and Reserves is Australia.

GOLD DIVISION
MINERALS RESERVES ESTIMATES
CONSOLIDATED SUMMARY & ANNUAL COMPARISON

Mining Reserves are a subset of the Mineral Resource Estimate

	Ore Reserves		
Project	**Tonnes kt**	**Grade (g/t Au)**	**Au Metal Koz**
30 June 2014			
CMGP	15,458	2.36	1,174
HGO	4,538	3.67	535
SKO	960	0.76	23
	20,956	**2.57**	**1,732**
Mining Depletion			
CMGP	-	-	-
HGO	(1,047)	4.41	(149)
SKO	(757)	(0.76)	(19)
	(1,804)	**2.90**	**(168)**
Resource Adjustments			
CMGP	5,008	3.27	526
HGO	80	(20.04)	(47)
SKO	1,974	2.68	170
	7,062	**2.86**	**649**
30 June 2015			
CMGP	20,466	2.58	1,700
HGO	3,571	2.95	339
SKO	2,177	2.49	174
	26,213	**2.63**	**2,213**

Notes: The geographic region for Gold Resources and Reserves is Australia.

TENNANT CREEK –ROVER POLYMETALLIC PROJECTS
MINERAL RESOURCES ESTIMATES
CONSOLIDATED SUMMARY & ANNUAL COMPARISON

(Calculated as at 30 June 2015)

Rover 1 Project	Gold			Copper			Bismuth			Cobalt		
	Kt	Grade %	Koz Metal	Kt	Grade %	Kt Metal	Kt	Grade %	Kt Metal	Kt	Grade %	Kt Metal
Measured	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	2,741	2.42	213	2,741	1.42%	59	2,741	0.18%	5	2,741	0.04%	1
Inferred	4,073	1.27	168	4,073	1.06%	52	4,073	0.11%	4	4,073	0.08%	3
	6,814	**1.73**	**381**	**6,814**	**1.20%**	**112**	**6,814**	**0.14%**	**9**	**6,814**	**0.06%**	**4**

Explorer 108 Project	Zinc			Lead			Silver		
	Kt	Grade %	Koz Metal	Kt	Grade %	Kt Metal	Kt	Grade %	Kt Metal
Measured	-	-	-	-	-	-	-	-	-
Indicated	8,438	3.41	287	8,438	2.05	172	8,438	14.30	3,879
Inferred	3,429	2.81	96	3,429	1.88	64	3,429	3.30	364
	11,868	**3.24**	**384**	**11,868**	**2.00**	**237**	**11,868**	**11.14**	**4,243**

Explorer 142 Project	Gold			Copper		
	Kt	Grade %	Koz Metal	Kt	Grade %	Kt Metal
Measured	-	-	-	-	-	-
Indicated	-	-	-	-	-	-
Inferred	176	0.21	1	172	5.21	9
	176	**0.21**	**1**	**172**	**5.21**	**9**

Notes: 2.5% Pb + Zn cut-off.
There were no additions or depletions during the year.
The geographic region for Polymetallic Resources and Reserves is Australia.

NICKEL DIVISION
MINERAL RESOURCES ESTIMATES
CONSOLIDATED SUMMARY & ANNUAL COMPARISON

(Calculated as at 30 June 2015)

	Nickel			Cobalt			Fe_2O_3		
	Kt	Grade %	Kt Metal	Kt	Grade %	Kt Metal	Kt	Grade %	Kt Metal
Wingellina Project									
Measured	68,847	1.00	688	68,847	0.08	54	68,847	48.71	33,535
Indicated	98,623	0.97	957	98,623	0.08	74	98,623	46.39	45,751
Inferred	49,004	0.86	422	49,004	0.07	34	49,004	40.02	19,609
	216,474	**0.95**	**2,067**	**216,474**	**0.07**	**161**	**216,474**	**45.68**	**98,896**

ORE RESERVES ESTIMATE
CONSOLIDATED SUMMARY & ANNUAL COMPARISON

Mining Reserves are a subset of the Mineral Resource Estimate

	Nickel			Cobalt			Fe_2O_3		
	Kt	Grade %	Kt Metal	Kt	Grade %	Kt Metal	Kt	Grade %	Kt Metal
Wingellina Project									
Proved	-	-	-	-	-	-	-	-	-
Probable	167,470	0.98	1,645	167,470	0.08	128	167,470	47.34	79,287
Total	**167,470**	**0.98**	**1,645**	**167,470**	**0.08**	**128**	**167,470**	**47.34**	**79,287**

Note: There were no additions or depletions during the year.
The geographic region for Nickel Resources and Reserves is Australia.

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FURTHER INFORMATION

Refer to the Metals X Limited ASX Announcement dated 25 August 2015 for detailed infomation relating to Mineral Resources & Reserves Estimates.

COMPETENT PERSONS STATEMENTS

The information in this report that relates to Mineral Resources compiled by Metals X technical employees under the supervision of Mr. Jake Russell B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a full-time employee of the company, and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Russell is eligible to participate in short and long term incentive plans and holds performance rights in the Company as has been previously disclosed.

The information in this report that relate to Ore Reserves has been compiled by Metals X technical employees under the supervision of Mr Michael Poepjes BEng (Mining Engineering), MSc (Min. Econ) M.AusIMM. Mr Poepjes is a full-time employee of the company. Mr Poepjes has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Poepjes consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Poepjes is eligible to participate in short and long term incentive plans and holds performance rights in the Company as has been previously disclosed.

STATEMENT OF GOVERNANCE ARRANGEMENTS AND INTERNAL CONTROLS

Governance of Metals X's mineral resources and ore reserves development and management activities is a key responsibility of the Executive Management of the Company.

The Group Chief Geologist and Chief Mining Engineer of Metals X oversee reviews and technical evaluations of the estimates and evaluate these with reference to actual physical and cost and performance measures. The evaluation process also draws upon internal skill sets in operational and project management, ore processing and commercial/financial areas of the business.

The Group Chief Geologist is responsible for monitoring the planning, prioritization and progress of exploratory and resource definition drilling programs across the company and the estimation and reporting of resources and reserves. These definition activities are conducted within a framework of quality assurance and quality control protocols covering aspects including drill hole siting, sample collection, sample preparation and analysis as well as sample and data security.

A three-level compliance process guides the control and assurance activities:

1. Provision of internal policies, standards, procedures and guidelines;
2. Resources and reserves reporting based on well-founded assumptions and compliance with external standards such as the Australasian Joint Ore Reserves Committee (JORC) Codes;
3. Internal assessment of compliance and data veracity.

The objectives of the estimation process are to promote the maximum conversion of identified mineralisation into JORC compliant Mineral Resources and Ore Reserves.

Metals X reports its mineral resources and ore reserves on an annual basis, in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC code) 2012 Edition.

Mineral resources are quoted inclusive of ore reserves. Competent Persons named by Metals X are members of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists, and qualify as Competent Persons as defined in the JORC Code.

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