

FINANCIAL YEAR 2020 RESULTS

Metals X Limited (the **Company**) reports its financial results for the year ended 30 June 2020.

The 2020 financial year was a period of significant transformation for Metals X. The Renison Tin Operation continued to perform strongly with a substantial increase in Mineral Resources and Ore Reserves and advancement of the Area 5 mining region extending the mine life beyond 10 years.

Following an operational review in November 2019, the Nifty Copper Operations (**Nifty**) were suspended and subsequently placed on care and maintenanceⁱ. In January 2020, the Company announced that it had commenced a strategic review of its copper assets which include Nifty, the Maroochydhore Copper Project (**Maroochydhore**) and the surrounding exploration tenure (collectively, the **Copper Assets**)ⁱⁱ. Various options for the Copper Assets were considered in the strategic review, including joint arrangements and the partial or complete divestment of some or all the assets. In June 2020, as part of the strategic review, the Company announced a \$32 million Farm-in and Joint Venture agreement with IGO Limited in relation to the Company's Paterson Exploration Project comprising the exploration tenure surrounding Nifty, but not including Nifty or Maroochydhoreⁱⁱⁱ.

Key financial details for financial year 2020 and comparison to the previous year:

Summary (\$M)	Year ended 30 June 2020	Year ended 30 June 2019	Variance
EBITDA ¹	(8.7)	(5.7)	(3.0)
Depreciation and amortisation	(20.6)	(35.1)	14.5
Impairments and other losses	(49.5)	(75.6)	26.1
Net profit after tax	(80.3)	(117.0)	36.7
Cashflow from operating activities	(21.0)	(15.2)	5.8
Capital re-investment	(32.1)	(46.3)	14.2
Cash flows from financing activities	55.9	41.6	14.3

Earnings before Interest Tax Depreciation and Amortisation (**EBITDA**) for the Renison Tin Operation (**Renison**) was \$16.6M (2019: \$21.5M). Revenue was lower than the previous year as a result of lower prices. The cost of sales was higher in the previous period due to the drawdown of the large low grade ore stockpile developed prior to the construction of the ore sorter in 2019.

EBITDA for the Nifty Copper Operations (**Nifty**) was (\$19.0M) (2019: (\$20.0M)), which is lower than the previous due to the suspension of operations.

EBITDA for corporate activities was (\$6.3M) (2019: (\$7.1M)), which was lower in the current period due to costs associated with a re-organisation of the Company's executive management team.

Capital re-investment was lower than the previous period mainly due to the suspension of operations at Nifty.

The Company recognised impairments and other losses of \$49.5M (2019: \$75.6M) during the year. Care and maintenance costs at Nifty for the period were \$24.7M (2019: nil). There was a further write down at Nifty of \$15.6M (\$64.2M) (refer to note 39 of the 2020 Annual Report). There were write-offs on exploration and evaluation expenditure of \$0.1M (2019: \$6.6M) and an increase in the rehabilitation provision at Mt Bischoff of \$8.4M (2019: nil).

Further details on the results of the Company's operations are included on page 13 of the 2020 Annual Report.

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COPPER ASSET DIVESTMENT UPDATE

In July 2020 the Company announced that the Board had resolved to seek offers for the proposed sale of the entire Copper Asset portfolio^{iv}. Further to the Company Update announcement dated 31 July 2020, the strict regime of international and domestic travel restrictions has impacted the expected time frames for interested parties to complete due diligence as part of the Copper Asset divestment process. A number of site visits have been completed by interested parties and the Company presently is facilitating final due diligence activities and, if required, FIRB approval should a binding agreement be entered into.

The Company will make further announcements as required.

There is no certainty that a transaction will be entered into or completed.

¹ EBITDA stands for Earnings Before Interest, Tax, Depreciation and Amortisation and is non-IFRS financial information and is not subject to audit. This is a widely used "industry standard" term that certain investors use to evaluate company performance.

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

ENQUIRIES

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ⁱ Refer ASX Announcement 26 November 2019.

ⁱⁱ Refer ASX Announcement 22 January 2020.

ⁱⁱⁱ Refer ASX Announcement 11 June 2020.

^{iv} Refer ASX Announcement 2 July 2020.