METALLUM LIMITED

23 September 2014

Adam Russo
Australian Securities Exchange
152-158 St Georges Terrace
PERTH WA 6000
BY EMAIL: adam.russo@asx.com.au

Dear Adam

PRICE QUERY

We refer to your letter dated 23 September 2014 querying the change in trading price of MNE shares from a closing price of $0.017 on Tuesday Monday, 22 Septmber 2014 to an intra-day high of $0.022 today, 23 September 2014 and an increase in the volume of trading in Company's securities over this period ("Letter").

In response to your questions outlined in the Letter, we provide the following information:

1. The Company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in the Company's securities.
2. Not applicable.
3. The Company provides the following potential reasons for the recent trading in the Company's securities:
   (a) The Company has been marketing to new investors and has received positive feedback which may be contributing to an increase in on market buying activity;
   (b) The Company is aware of an article on the Company's El Roble Project in Chile, "Chilean Blue Sky Funded by Copper Cash Flow" published today on The Next Mining Boom's website;
   (c) The Company's recent acquisition of the additional strategic and high grade San Sebastian concession within the heart of the El Roble vein system provides potential for a third mine; and
   (d) The Panga Mine has received first revenues as the Paraguay lease progresses through the approval process. The San Sebastian acquisition gives investors a clearer view on the Company's long term strategy at the highly mineralised El Roble Project where 60km of mineralised veins have now been mapped.
4. The Company confirms it is in compliance with its continuous disclosure obligations and the Listing Rules of the ASX, in particular Listing Rule 3.1.

Please do not hesitate to contact me if further information is required.

Yours sincerely

Shannon Coates

Shannon Coates
Company Secretary

SUITE 1, GROUND FLOOR, 83 HAVELOCK STREET, WEST PERTH, WESTERN AUSTRALIA 6000
TELEPHONE 08 9322 4328 FACSIMILE 08 9322 5230
www.metallum.com.au

ASX Compliance Pty Limited
ABN 26 087 780 489
Level 40 Central Park
152 – 158 St Georges Terrace
PERTH WA 6000

GPO Box D187
PERTH WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9221 2020
www.asx.com.au

23 September 2014

Ms Sarah Lyons
Metallum Limited

By Email: sarah@evolutioncapital.com.au

Dear Sarah

Metallum Limited (the "Company") - ASX price query

We have noted a change in the price of the Company's securities from a closing price of $0.017 on 22 September 2014, to an intra-day high of $0.022. We have also noted an increase in the volume of trading in Company's securities over this period.

In light of the price and volume change, ASX asks you to respond separately to each of the following questions:

1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

2. If the answer to question 1 is "yes":

   a) Is the Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

      Please note that the recent trading in the Company's securities would suggest to ASX that such information may have ceased to be confidential and therefore the Company may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.

   b) Can an announcement be made immediately?

      Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).

   c) If an announcement cannot be made immediately, why not and when is it expected that an announcemant will be made?

3. If the answer to question 1 is "no", is there any other explanation that the Company may have for the recent trading in its securities?

4. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than 4:30pm (WST) on Tuesday, 23 September 2014. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Company's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at adam.russo@asx.com.au or by facsimile to 08 9221 2020. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Company to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Company's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Company's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Adam Russo
Adviser, Listings Compliance (Perth)