

31 JULY 2015

METALS X TO ACQUIRE THE MT HENRY GOLD PROJECT

The Board of Metals X Limited (Metals X) (ASX:MLX) is pleased to advise that it has reached a binding agreement to acquire the Mt Henry Gold Project (the Project) from Panoramic Resources Ltd (Panoramic) (ASX:PAN) and Matsa Resources Limited (Matsa) (ASX:MAT).

The Mt Henry Gold Project is located approximately 15 km south of Norseman and 75 km south of Metals X's Higginsville Gold Operations. Panoramic and Matsa hold 70% and 30% respective interests in the Project.

The Mt Henry Gold Project consists of three known deposits: North Scotia, Selene and Mt Henry. All the deposits are located on granted mining leases. The deposits have aggregate JORC 2012 compliant total resources of 1.656 million ounces (43.18 million tonnes @ 1.19 g/t Au using a 0.4 g/t Au cut-off) and a contained mining reserve of 922,900 ounces (20.2Mt @ 1.42 g/t) – (refer to previous ASX announcements by ASX:PAN and ASX:MAT).

The Mt Henry Gold Project presents as a number of large low-grade and low strip ratio open pits.

In contrast to the feasibility study completed by Panoramic and Matsa which required building a new 3Mtpa processing plant and associated infrastructure, Metals X will rework the data and mine plans with the intent of mining and carting to its existing Higginsville Gold Operations (HGO). Metals X may consider expanding the HGO process plant in due course.

The consideration for the 100% acquisition is 22 million 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.

Metals X's CEO, Peter Cook said:

“This is another excellent value acquisition by Metals X which provides substantial accretive value for our shareholders. Essentially, it presents an option to fill the Higginsville process plant for at least another ten years on its own, and presents several substantial expansion options.”

Ends.

ENQUIRIES

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IMAGES OF MT HENRY GOLD PROJECT OREBODIES

(Courtesy of Panoramic Resources Limited)



