

8 April 2015

Australian Securities Exchange  
Exchange Centre  
20 Bridge Street  
Sydney  
NSW 2000

## UPDATE ON PROPOSED CAPITAL RETURN

Krucible Metals Limited (**Krucible**) (**Company**) (ASX: **KRB**) wishes to advise on the status of the Company's proposed Capital Return of A\$0.05 per share, as announced on 26 February 2015 (**Capital Return**).

Legal advisors have been appointed and the drafting of the content of the Notice of Meeting is largely complete, pending consideration of the matter outlined below.

Independent advice on the taxation implications to shareholders associated with the proposed Capital Return has recently been received and for certainty on the taxation treatment of the Capital Return, the Company (Board) has decided to obtain from the ATO a Class Ruling that will give the Company definitive guidance on the taxation aspects of the proposed Capital Return. This Class Ruling will also clarify any potential taxation implications for the Company's listed options (ASX: **KRBO**) as the exercise price of these options are to be reduced by the value of the Capital Return.

It is estimated that the ATO Class Ruling will take between 8 and 12 weeks from the date of this announcement. The Company will proceed with finalising the Notice of Meeting to shareholders for the approval of the Capital Return once a strong indication of the proposed Ruling is obtained from the ATO. The timeline for scheduling the Shareholder Meeting is now estimated as late June or early July. This timeline allows for the receipt of the formal ATO Class Ruling in order to allow shareholders to make an informed decision when casting their vote for or against the Capital Return.

For any enquiries please contact Josh Puckridge on +61 (0) 452 440 100.