

26 APRIL 2016

ABY TAKEOVER – CONDITIONAL INTENTION TO INCREASE, HINDALCO ACCEPTANCE AND ABY RECOMMENDATION TO ACCEPT

Metals X Limited (**MLX**) refers to its off-market takeover bid for all of the fully paid ordinary shares in Aditya Birla Minerals Limited (**ABY**) (**Offer**). Metals X is pleased to advise that it has concluded discussions with ABY and its major shareholder Hindalco Industries Limited (**Hindalco**) regarding the Offer. Hindalco holds a 51% interest in ABY.

The Board of Metals X today wishes to advise that it conditionally intends to increase its Offer for ABY to one (1) MLX share for every four and one-half (4.5) ABY shares plus an additional 8 cents per ABY share in cash, on the basis set out below.

Metals X has been advised by ABY that Hindalco has stated its intention to accept the increased Offer. Hindalco's intention is subject only to receipt of required regulatory approval from the Reserve Bank of India (**RBI**) and no superior proposal materialising in the next 5 business days. If Hindalco confirms that it has obtained RBI approval to accept the Offer (and that it will therefore accept the Offer if the Offer consideration is increased), Metals X will increase the Offer on the basis as outlined above. If the Offer is increased, any ABY shareholders who have already accepted the Offer will receive the increased consideration. For the avoidance of doubt, Metals X notes that if the RBI approval is not received by Hindalco, then Metals X will not make this increase to the Offer.

The additional cash component of the consideration is supported by a specific purpose loan facility of \$25 million which is in place with Metals X's bankers, Citibank.

Further, the Board of ABY recommends that ABY shareholders ACCEPT if the Offer is increased and have signed an implementation agreement to manage the change in control of ABY.

The implementation agreement includes "no shop" and "no talk" exclusivity provisions, restrictions on the conduct of ABY's operations outside the ordinary course of business and provisions for the transition of directors and change of ABY's (and its subsidiaries') company names once Metals X acquires a relevant interest in more than 50% of ABY shares. The implementation agreement may be terminated by either party in the event of a material breach by the other party, or by Metals X if another person acquires a relevant interest in more than 30% of ABY shares.

As at the date of this announcement, Metals X has a relevant interest in 29.77% of ABY shares. Acceptance of the Offer by Hindalco would currently result in Metals X holding a relevant interest in 80.77% of ABY shares.

To allow adequate time for the RBI approval process, and to provide the remaining ABY shareholders with a further opportunity to accept the Offer, Metals X also intends to extend its Offer until Friday, 29 July 2016. Formal notice under section 650D of the Corporations Act 2001 (Cth) (Act) to extend the Offer period will be released shortly; the notice will also be sent to ABY shareholders as required under the Act. If the parties reasonably anticipate that the RBI approval may not be received prior to the end of the extended Offer period, ABY and Metals X have agreed to consult in good faith regarding a further extension to the Offer period.

Following the variation, the Offer period will close at 5pm WST on 29 July 2016 unless otherwise extended.

ENQUIRIES

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