

**20 October 2009**

## **Metals X agrees to sell Mt Keith and Kingston Royalties for A\$20 million**

Metals X Limited ("Metals X" or the "Company") through its wholly owned subsidiary Harbour Capital (WA) Pty Ltd has agreed to sell its Mt Keith and Kingston Royalties to Franco-Nevada Australia Pty Ltd for A\$20 million.

As previously announced Metals X has embarked on a strategy to crystallise the value of its existing assets where the Company believes the value of specific assets are not appropriately recognised. Metals X is now well placed to continue its growth strategy with a strong portfolio of assets and a strong balance sheet.

The Mt Keith and Kingston royalty is a 0.375% production royalty covering the majority of the greenstone belt North of Yakabindie and South of Honeymoon Well which includes the Mt Keith nickel operations. For the 2008/09 financial year the Mt Keith Nickel royalty returned \$1.71M. The Kingston royalty is not currently producing.

### **About Metals X**

Metals X is an emerging diversified resource group with a considerable portfolio of growth assets. Metals X has a pipeline of assets at all stages of development from exploration through to production with exposure to tin, nickel, gold, copper, zinc, phosphate, uranium, lead and tungsten.

Metals X is Australia's largest tin producer producing approximately 2.5% of the global supply of tin from its Mt Bischoff and Renison mines and processing plant in Tasmania. Metals X has recently announced that it has agreed to sell up to 60% of its Tasmanian tin assets to the worlds largest tin producer Yunnan Tin Group of China for a consideration of up to \$60 million, the first stage being the sale of 50% for \$50M subject to the satisfaction of various conditions precedent which include FIRB approval.

Metals X also owns 100% of the huge World Class Wingellina Nickel project. The first phase feasibility study completed in 2008 showed a robust project for the construction of a nickel and cobalt operation to producing 40,000tpa of nickel and 3,500tpa of cobalt with an initial mine life of 40 years at an operating cost of less than US\$3.50 per pound of Nickel after cobalt credits.

Metals X holds a number of strategic investments. Westgold (25.76% increasing to 29.6%) with its Rover 1 gold discovery which is shaping to be Australia's most significant gold-copper discovery of recent times, with the potential to become a new mining province in the Northern Territory akin to the nearby Tennant Creek goldfield which produced in excess of five million ounces of gold and half a million tonnes of Copper.

Aragon (11.35% direct and 48.37% vote) recently announced the proposed acquisition of Hot Chili Limited which holds highly prospective uranium and iron oxide, copper gold (IOCG) exploration targets in Chile. In addition, Aragon holds several gold and uranium exploration assets and Phosphate projects in Australia. Aragon also holds a 13% interest in Vital Metals which owns the Watershed Tungsten project in Far North Queensland.

**Enquiries:**

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