

COMPLETION OF SALE OF COPPER ASSETS

Further to the announcement made on 10 February 2021, Metals X Limited (ASX:MLX) (**Metals X** or the **Company**) is pleased to announce that the sale of its copper asset portfolio, including the Nifty Copper Operation, the Maroochydore Copper Project, and the Paterson Exploration Project (including the farm-in agreement with IGO Limited) (together **Copper Assets**) to Cyprium Metals Limited (ASX:CYM) (**Cyprium**) completed on 30 March 2021.

Pursuant to the share sale agreement between Metals X and Cyprium (**Agreement**) all of the shares in Paterson Copper Pty Ltd (**Paterson Copper**), which holds the Copper Assets through its two 100%-owned subsidiaries Nifty Copper Pty Ltd and Maroochydore Copper Pty Ltd, have been transferred from Metals X to Cyprium.

As a result of completion occurring under the Agreement, Metals X has received:

- a gross payment of A\$24.0 million in cash (inclusive of a A\$1.0 million cash deposit previously held in an escrow account), plus a working capital adjustment payment of approximately A\$0.5 million, in addition to reimbursement to Metals X of approximately A\$2.1 million for holding costs paid for the Copper Assets from 1 January 2021 to the date of completion;
- A\$36 million in aggregate in convertible notes issued by Cyprium (**Convertible Notes**) on terms including:
 - ♦ a four-year maturity from 30 March 2021;
 - ♦ convertible at maturity at the election of Metals X, or otherwise redeemable by Cyprium at maturity;
 - ♦ conversion price of \$0.355 per Cyprium share;
 - ♦ annual coupon of 4% to be capitalised and paid annually on a default basis on each anniversary of 30 March 2021 until maturity (with annual interest to be paid in shares at the same conversion price, at the election of Metals X);
- 40.6 million options (**Options**) in Cyprium on the following terms:
 - ♦ 20.3 million Options exercisable at \$0.314 per Option with an expiry date of 30 March 2022; and
 - ♦ 20.3 million Options exercisable at \$0.355 per Option with an expiry date of 30 March 2023.

Further details of the terms of the Convertible Notes and Options issued by Cyprium to Metals X at completion were previously detailed in the Company's announcement of 10 February 2021.

Completion will also result in cash backed security bonds provided in support of the Copper Assets, totalling approximately A\$6.5 million, being released to the account of Metals X.

The sale of the Copper Assets underpins the Company's strategy to focus on the development of its Tin Portfolio. The funds received as a result of completion under the Agreement will provide working capital to Metals X, and will assist in facilitating the Company's reduction in debt.

This announcement has been authorised by the board of directors of Metals X Limited.

ENQUIRIES

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