



Metals X Limited is a diversified group exploring and developing minerals and metals in Australia. It is Australia's largest tin producer, a top 10 gold producer and holds a pipeline of assets from exploration to development including the world class Wingellina Nickel Project.

CORPORATE DIRECTORY

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QUARTERLY REPORT

FOR THE PERIOD ENDING 30 JUNE 2014

SIGNIFICANT OUTPUTS DURING THE QUARTER

CORPORATE

- Metals X completed the acquisition of the Meekatharra Gold Operations (formerly Reed Resources Limited) during the quarter adding a nominal 2.0 Mtpa CIP production ready process plant and a large gold resource inventory to our existing Central Murchison Gold Project (CMGP).
- Strong fiscal performance continued for the quarter with all operations generating EBITDA of \$26.2M.
- Metals X closed the quarter with cash and working capital increasing by 4% over the previous quarter to \$76.1M, after acquiring the additional Murchison assets for \$9.8M. The Company has no corporate debt.
- Annual Mineral Resource and Ore Reserves Estimates pursuant to JORC 2012 released to market on July 23 2014.

GOLD DIVISION

- Quarterly consolidated operating performance (imputed for sales) from the gold operations outperformed previous productivity guidance (35,000 oz) and had the following key outputs:
 - Tonnes mined were 247,629 t @ 4.86g/t Au.
 - Tonnes processed were 336,205 t @ 3.78g/t Au (including low grade stocks).
 - Average metallurgical recovery was 91.1%.
 - Gold metal produced was 38,434 oz.
 - Total cash cost of sales was \$845 /oz.
 - EBITDA (unaudited) was \$21.3M.

TIN DIVISION

- Quarterly operating performance (imputed) from the tin operations had the following key outputs for the quarter:
 - Tonnes mined were 173,754 t @ 1.43% Sn.
 - Tonnes processed were 172,350 t @ 1.45% Sn.
 - Tin metal in concentrates were 19% to 1,685 t.
 - Cash cost of sales were \$19,521/t Sn.
 - EBITDA (unaudited) was \$4.9M.

NICKEL DIVISION

- Metals X continued to move forward with the development and approvals of its 100% owned undeveloped massive Wingellina Nickel-Cobalt-Iron Project receiving approval for its updated Environmental Scoping document on 23 May 2014. The first draft of the Public Environmental Review document will be submitted by the end of the following quarter, which is the final documentation process step required for EPA approval.

ENQUIRIES

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GOLD DIVISION

OVERVIEW

During the quarter Metals X continued to consolidate its position as a gold producer with (in-guidance) production from its Higginsville and South Kalgoorlie Gold Operations.

The division's growth strategy for the 100% owned Central Murchison Gold Project (CMGP) continued to move toward production with the acquisition of the Meekatharra Gold Operations (formerly operated by Reed Resources) The new assets will be integrated with the CMGP to form a gold project with:

- A 2.0 Mtpa (nominal capacity) CIP Processing plant ("The Bluebird Plant");
- a refurbished and newly extended 200 room accommodation village at Meekatharra;
- an existing 50 room accommodation village at Cue;
- a Total Combined Mineral Resource base of 8.5 million ounces (refer to ASX Announcement 23/07/2014).
- substantial surface infrastructure.

The Company is now in the process of consolidating these assets in order to bring the CMGP into production in calendar year 2015.

Gold production from the Consolidated Gold Division was 38,434 oz Au (guidance 35,000 oz) with total cash cost of sales (imputed) of \$845/oz and a total cost of sales of \$1091 /oz. The operating mines generated an unaudited EBITDA of \$21.3M for the quarter. The accumulated EBITDA for the Higginsville and South Kalgoorlie operations since the acquisition of these assets in October 2013 now exceeds \$86.5M.

Production guidance for the ensuing quarter for the gold division is 35,000 oz.

After a review of the high-grade Rover 1 (Copper-Gold-Bismuth) Project in the Northern Territory the Company has decided to undertake a further phase of drilling to test the extremities of the bonanza gold and copper zones and collect geotechnical information for shaft-sinking evaluation studies.

HIGGINSVILLE GOLD OPERATIONS (HGO)

The Higginsville Operation consists of a modern 1.35 Mtpa capacity CIP plant, a 300 person village, two underground mines (Trident & Chalice) and requisite mine and process infrastructure.



[Photo: Higginsville 1.35 Mtpa Gold Plant]

Productivity and operational performance during the quarter was highlighted by stronger than expected grade performance from the Trident Mine which offset lower production from the Chalice as stoping issues impacted grade and production. A collapse in the larger stoping areas in the core of the Chalice mine ore system has resulted in some abandonment of planned production areas curtailing the production life of Chalice. Accelerated depreciation and amortisation of costs has been accounted for in this quarter as a result.

A considerable exploration effort occurred during the quarter to test for extensions and/or repeats of the Chalice lode system. Only limited lower grade intercepts were received and mine development activities have subsequently been curtailed. It is now expected that mining at Chalice will be complete early in the December quarter of 2014. Ore tonnages from Chalice will be replaced with open pit ores from the Lake Cowan Group of pits located approximately 10 km north-east of the process plant from August 2014. The first pit to be mined will be the Louis Pit which will produce approximately 378,000 t of ore @ 2.0 g/t.

The Higginsville processing plant successfully transitioned onto a campaign basis for the full quarter. The plant now operates the plant at full capacity on a 9 days operating and 5 days shutdown basis to optimise costs.

Higginsville Operating output for the quarter is summarised as follows:

Higginsville Gold Operations	June 14 Quarter	Previous Quarter
Mine Production		
Ore Tonnes (t)	247,629	238,534
ROM Grade (g/t Au)	4.86	6.23
Ore Processed		
Tonnes Processed	224,030	235,178
Head Grade (g/t Au)	5.24	6.19
Recovery (%)	94.7	96.5
Gold Produced (oz)	35,777	45,141

The imputed key fiscal outcomes for the quarter attributable to the Higginsville Gold Operations for the quarter are summarised below:

Higginsville Gold Operations	June 14 Quarter	Previous Quarter
Imputed Revenue (A\$ Million)	\$50.0	\$65.5
Avg. Gold Price Received (A\$/oz)	\$1,394	\$1,452
Cash Operating Cost (A\$/oz)	\$798	\$654
Cash Cost of Sales (A\$/oz)	\$875	\$800
Cash Operating Surplus (EBITDA) \$M	\$18.7	\$29.5
Depreciation & Amortisation (A\$/oz)	\$239	\$198
Total Cost of Sales (A\$/oz)	\$1,114	\$979

Total capital reinvestment into the Higginsville Gold Operations for the quarter is summarised below:

Higginsville Gold Operations	June 14 Quarter	Previous Quarter
Capital Mine Development	\$4.27	\$5.96
Exploration	\$0.81	\$0.71
Property Plant & Equipment	\$0.64	\$0.19

HIGGINSVILLE GOLD OPERATIONS (HGO) (CONTINUED) EXPLORATION ACTIVITY

Exploration work at Chalice was focused on testing for extensions to the main Olympus zone of mineralisation, down-plunge, below the base of the current mine design. Deep diamond holes were drilled, both of which intersected typical Chalice style mineralisation. However, results were generally disappointing, with a best intersection of 1.7 m at 3.05 g/t Au from 730 m in CHAD082 returned. These results suggest that the likelihood for economic extensions to the current Chalice mine plan are limited, and as such, no further localised exploration work at Chalice is planned.

Drilling of a resource definition nature at Chalice was completed to maximise ore extraction before closure. The drilling focussed on extensions of the Olympus Steep, Olympus Steep 7 and Olympus Shallow 5 lodes. Best results were 7.1 m at 4.6 g/t Au from 97 m in CHUG0439 and 6.2 m at 2.9 g/t Au from 94 m in CHUG0437.

The up-plunge extensions to the Atlas system (Kronos) were also tested from both surface and underground, with the aim of establishing a secondary mining area to maintain production rates at Chalice as the end of the mine life approaches. System continuity was proven by intersections from surface drilling of 7.5 m at 1.56 g/t Au from 169 m in CHAD084 and 4.3 m at 4.3 g/t Au from 158 m in CHUG0455. Mine extraction evaluations with consideration to other mining factors is underway.

At Trident work has continued to focus on defining the internal grade distribution of the Artemis and Helios zones below the current mining front. At Artemis drilling has targeted the orebody between 6,489,850 mN – 6,489,925 mN and 475 mRL – 425 mRL to better understand the grade distribution of the zone. All holes intersected the Artemis structure as intended, and have provided an improved understanding of the grade distribution of Artemis below the shear only (unmineralised) zone, with a best result of 1.8 m at 76.9 g/t Au from 113.4 m being returned in TUG2277. The drilling identified high-grade, steep northerly plunging shoots, distributed throughout zones of lower tenor. The focus for Artemis drilling during the coming quarter will be to identify any additional high-grade shoots of this nature to the south.

Definition of the high-grade intersection between the Helios and Artemis ore bodies continue during the quarter, with TUG2295 returning a best result of 4.5 m at 199.3 g/t Au from 67 m, highlighting the bonanza nature of this structurally complex zone.

Additionally a newly defined quartz vein in the hangingwall of Helios returned pleasing results, with 1.8 m at 97.7 g/t Au from 60.9 m in TUG2295 being the highlight from this quarter.

SOUTH KALGOORLIE OPERATIONS (SKO)

The SKO consists of a 1.2 Mtpa CIP plant and infrastructure. Numerous open pits and underground options have previously been mined within the tenement area since the late 1980's.

The SKO operated predominantly as a toll processing plant during the quarter completing its obligations in the toll processing arrangement for La Mancha at the end of May 2014.



[Photo: Jubilee Plant 1.2 Mtpa]

Operational performance results for the SKO business unit includes only those ores owned and processed by SKO, no physical toll processing production from ores owned by other parties are reported below. Revenues from toll processing are credited against the operating costs such that fiscal production from site as a business unit is reported. No mining was undertaken during the quarter. Physical output is summarised below:

South Kalgoorlie Operations	June 2014 Quarter	Previous Quarter (MLX)
Mine Production		
Ore Tonnes (t)	-	-
ROM Grade (g/t Au)	-	-
Ore Processed		
Tonnes Processed (t)	112,175	71,527
Head Grade (g/t Au)	0.87	1.57
Recovery (%)	84.0	88.9
Gold Produced (oz)	2,657	3,208

The imputed key fiscal outcomes for the quarter attributable to the South Kalgoorlie Operations are summarised below:

South Kalgoorlie Operations	June 2014 Quarter	Previous Quarter (MLX)
Imputed Revenue (A\$)	\$3.72	\$4.51
Avg. Gold Price Received (A\$/oz)	\$1,380	\$1,406
Cash Operating Cost (A\$/oz)	\$421	\$422
Cash Cost of Sales (after tolling credits) (A\$/oz)	\$442	\$426
Cash Operating Surplus (after tolling credits) (EBITDA \$M)	\$2.55	\$3.20
Depreciation & Amortisation (A\$/oz)	\$335	\$276
Total Cost of Sales (A\$/oz)	\$777	\$702

Total capital reinvestment into the South Kalgoorlie Operations for the quarter is summarised:

South Kalgoorlie Operations	June 2014 Quarter	Previous Quarter (MLX)
Capital Mine Development	\$0.36	\$0.00
Exploration	\$1.3	\$0.62
Property Plant & Equipment	\$0.05	\$0.03

In the coming months the plant will be fed by a combination of SKO low-grade ore stocks and toll treatment sources. So far, three separate toll treatment agreements have been executed and toll treatment for the first of those parties commenced during June.

SOUTH KALGOORLIE OPERATIONS (SKO) (CONTINUED)

EXPLORATION ACTIVITY

Significant progress was made to bringing our own feeds into the plant during the quarter which will have significant future impacts, including:

- a staged approach to underground mining to re-commence at HBJ with a target to build a long-term ore supply of approximately 400,000 tpa at 4-5 g/t Au on the doorstep of the process plant.
- positive drill results south of Erebus include 11 m at 5.59 g/t Au from surface in EBSRC004, 18 m at 3.65 g/t Au from 28 m in EBSRC011 and a small open pit operation is in planning as an immediate supplement to low-grade ore processing.
- positive drill results at Mungari including 5 m at 6.23 g/t Au from 20 m in WCERC005 and 10 m at 2.73 g/t Au from 27 m in WCERC006 with a small open pit being planned.
- resource evaluations define mining propositions at Trojan and Nobles mining areas.

Exploration drilling also occurred at the Golden Eagle, Eva, Golden Dollar, Saddle Hills, Fuji North and Washington Consols prospects with encouraging near surface results. Refer the appendix Table of Significant Intercepts for detail.

CENTRAL MURCHISON GOLD PROJECT

The acquisition of the Meekatharra Gold Operations (previously operated by Reed Resources) was completed during the quarter. These assets are now integrated into the existing Central Murchison Gold Project, and works have commenced on a development strategy to bring the region in to production.

The Total Mineral Resource Estimate for the CMGP before the acquisition stood at 62.9 million tonnes at 2.48 g/t Au containing 5.02 million ounces. In its annual report as of June 30 2013, Reed Resources had stated the Total Mineral Resource for the Meekatharra Gold Operations acquired by Metals X at 55.1 Million tonnes at 1.6 g/t Au containing 2.83 million oz (after correction of addition errors). The resource base covers the historic mineral production fields of Day Dawn, Cuddingwarra, Big Bell, Reedy's, Yaloginda, Paddy's Flat and Meekatharra North. The combined CMGP now stands at approximately 7.85 million ounces.

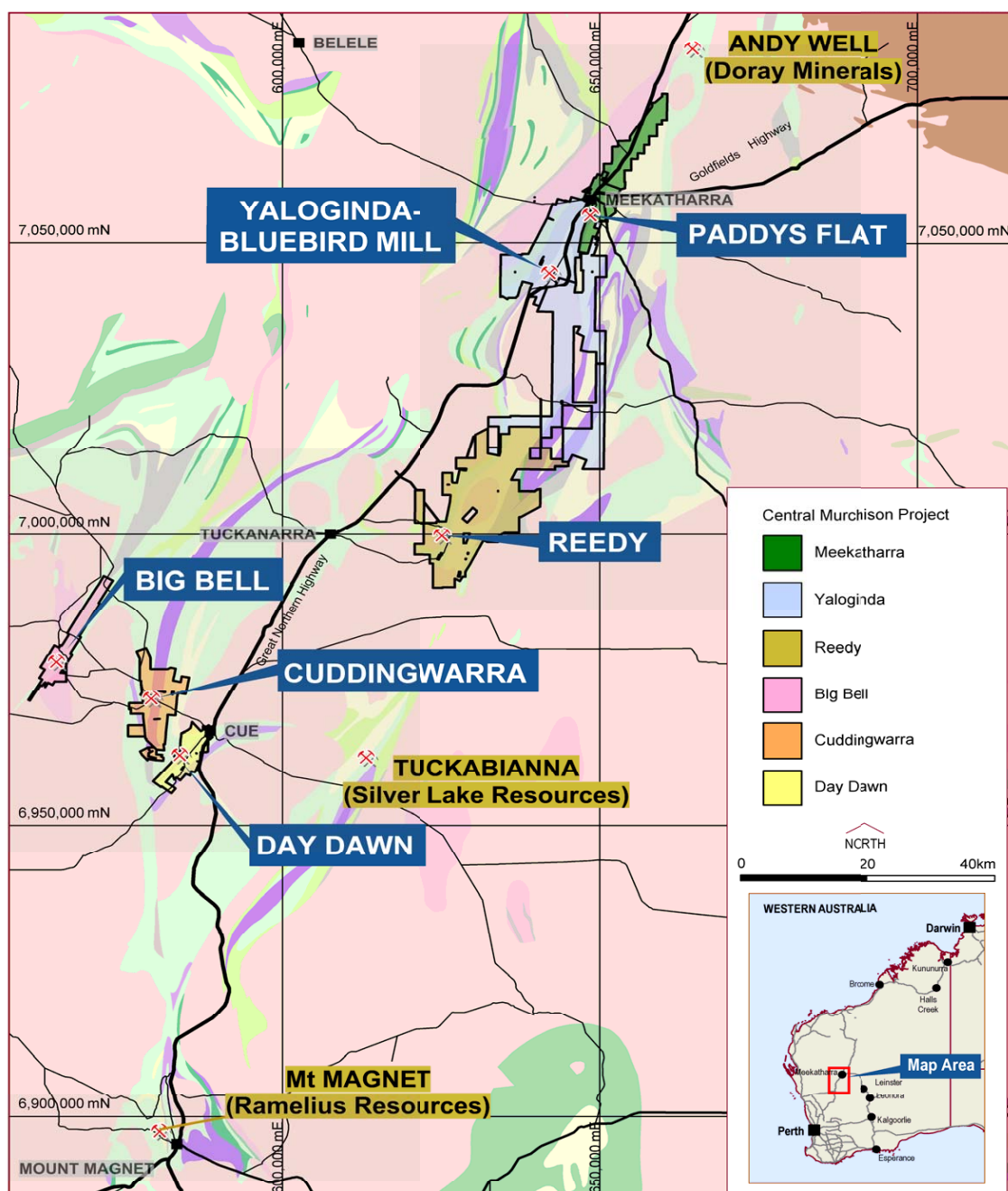


[Photo: Bluebird Plant 1.5-2.0 Mtpa]

After completion in very late June, Metals X commenced on-ground assessments of the plant, infrastructure and tenements. Of note is the process plant, which has grinding capacity of 3.6MW via a SAG mill, and two Ball Mills all with common 1.2MW motors. Metals X wishes to first fix the misconception that the plant has a capacity of 3 Mtpa as suggested by prior owners. Metals X nominally suggests that plant capability for the ores from the CMGP that it is likely to receive is more like 1.5-2.0 Mtpa.

Whilst Metals X has started on the complex matter of re-estimating and quoting the Mineral Resource Estimates in compliance with JORC 2012 it is not advocating their compliance with the updated codes and makes reference to the JORC 2004 numbers of the previous owners solely for materiality purposes.

The final acquisition of the Meekatharra operations was \$9.4 M in cash and the planned transfer of 24 million shares in Reed Resources Limited.



[Figure: Central Murchison Gold Project Locations]

THE ROVER PROJECT (GOLD-COPPER-BISMUTH)

The Rover Project is an under-cover repetition of the rich Tennant Creek Goldfield, 80 km to the north-east. Exploration to date has so far fully tested three blind targets within the project area. Each of which has defined significant mineralised IOCG ("Iron Oxide Copper Gold") systems at Rover 1, Explorer 108 and Explorer 142 prospects.

Development works at Rover are focussed on the Rover 1 Prospect. Rover 1 is a virgin IOCG discovery and Metals X has previously announced a polymetallic Total Mineral Resource at Rover 1 to be (as at 30 June 2013) to be 6.81 Million tonnes at 1.74 g/t Au, 1.2% Cu, 0.14% Bi and 0.06% Co (1.22 Moz at 5.6 g/t gold equivalent).

The project area is proximal to a major infrastructure corridor adjacent to Central Australian Railway, gas pipeline and Stuart Highway.

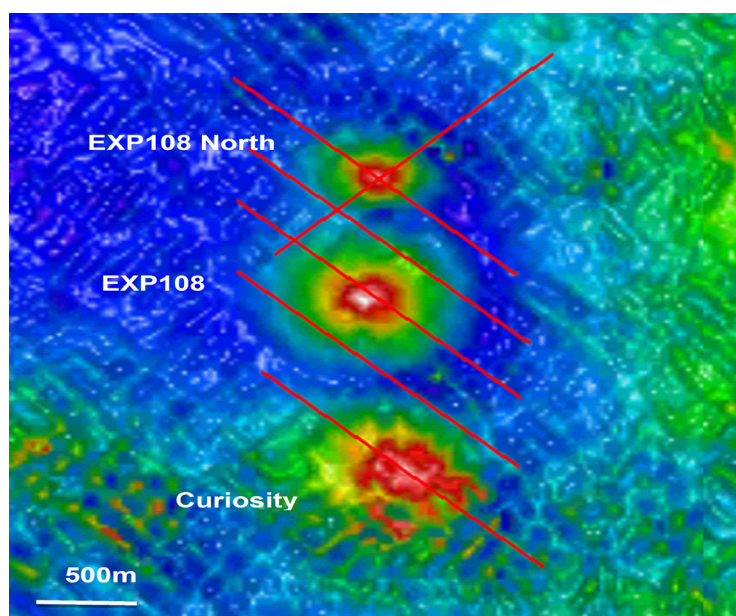
After a review of the potential development options the Company will undertake a further phase of diamond drilling to test the extremities of the bonanza gold and copper zones. In addition the drilling will collect geotechnical information to assist with reviews of the merits of shaft sinking versus decline access.

The Rover Project area also shows significant exploration upside with multiple coincident geophysical anomalies considered as analogs to the Rover 1. However, the priority of Metals X is to first establish a commercial mining operation at Rover 1.

The Northern Territory Government, through the Geological Survey has awarded Metals X co-funding of \$95,000 for testing of the Curiosity anomaly. The co-funding has been awarded under the Geophysics and Drilling Collaborations program which is part of the NT Government's CORE (Creating Opportunities for Resource Exploration) initiative which provides co-funding assistance to successful applicants for selected exploration drilling and geophysical acquisition projects in greenfields areas where there is a paucity of geological information.

CURIOSITY PROSPECT

Ongoing assessment of geophysical targets and methodologies concluded that IP testing completed in 2013 was an effective tool and had enhanced a strong heli-TEM anomaly and slightly off-set gravity peak south of the Explorer 108 discovery. Explorer 108 is considered different to the other IOCG deposits in the region with its dominance of lead and zinc sulphides and is considered to possibly be located distal to a copper accumulation.



Strong copper anomalism was noted at the unconformity between overlying West Wiso basin sediments with the hosting proterozoics of Explorer 108. Previous drilling has determined this is strongest at the southernmost edge.

Diamond drilling of the target will commence in the ensuing quarter.

TIN DIVISION

RENISON PROJECT (MLX 50%)

Productivity and operational performance improved significantly over the previous quarter with tin metal production increasing by 19% resulting from a 10% increase in tonnes mined and a 13% increase in tonnes processed.

Renison Mine (100%)	June 2014 Quarter	Previous Quarter	Rolling 12 Months
Ore Tonnes (t)	173,754	157,814	635,075
ROM Grade (%Sn)	1.43	1.37	1.45
Tin Concentrator			
Tonnes Processed (t)	172,350	153,124	634,336
Head Grade (%Sn)	1.45	1.38	1.45
Tail Grade (% Sn)	0.47	0.45	0.47
Tin Metal Produced (t)	1,685	1,411	6,215

The key fiscal outcomes for the quarter attributable to Metals X's 50% ownership of the Renison Project for the quarter are summarised below:

Fiscal Outcomes (MLX Share)	June 2014 Quarter	Previous Quarter	Rolling 12 Months
Imputed Revenue (A\$)	\$21.3	\$17.8	\$77.46
Tin Price Received (A\$/t Sn)	\$24,855	\$25,258	\$24,471
Cash Operating Cost (A\$/t Sn)	\$16,346	\$16,800	\$15,700
Cash Cost of Sales (A\$/t Sn)	\$19,521	\$20,010	\$18,833
Cash Operating Surplus (EBITDA \$M)	\$4.9	\$4.0	\$18.9
Depreciation & Amortisation (A\$/t Sn)	\$2,201	\$2,473	\$2,727
Total Cost of Sales (A\$/t Sn)	\$21,722	\$22,482	\$21,560

Capital re-investment in the Renison project continued to push forward capital mine development but at a slower pace than on an annualised basis as substantial stock of developed tonnes still remains available in the mine.

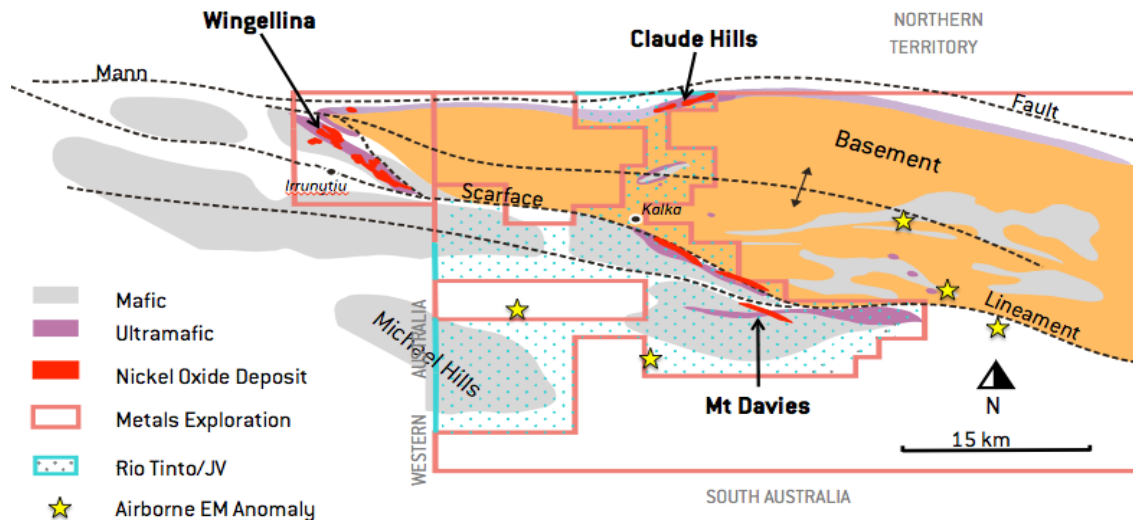
Capital Re-investments (MLX Share)	June 2014 Quarter	Previous Quarter	Rolling 12 Months
Capital Mine Development	\$2.09	\$1.89	\$10.45
Exploration	\$0.06	\$0.17	\$1.29
Property Plant & Equipment	\$0.19	\$0.28	\$1.82

Exploration activity during the quarter was focussed on the upgrading and infilling of known resources.

NICKEL DIVISION

A rise in world nickel prices of approximately 25% has occurred so far in calendar 2014. Metals X wholly owns, the largest nickel project in Australia and one of the largest undeveloped nickel projects in the world today with its Wingellina Nickeliferous Limonite Project in the Central Musgrave Region of Western Australia.

The Wingellina Project is an intensely leached deposit of limonite (previously a dunite intrusive) enriched in nickel – iron and cobalt. Over the past decade, Metals X has accumulated the entire, and is, the sole owner of the Wingellina layered intrusive complex with a significant land position straddling the Western Australia – South Australia border near its triple-point with the Northern Territory. The latest move by Metals X in the region was to buy-out Rio Tinto's interest in what was previously the Mt Davies JV, which it completed in 2013.



The key focus of the Nickel Division is to bring the Wingellina Nickel–Cobalt Project into production.

The Wingellina Mineral Resource estimate defines an ore body containing approximately 183 million tonnes of ore containing 1.8 million tonnes of contained nickel metal, 86 million tonnes of Fe_2O_3 and 139,000 tonnes of Cobalt metal. Significantly, over 91% of the resource is defined as a Probable mining reserve in accordance with the JORC code. The ore is very similar in style to Ambatovy in Madagascar (under development) and Moa Bay in Cuba, where Sherritt Gordon developed and have successfully operated High Pressure Acid Leach (HPAL) for over 50 years.

Wingellina is only one of many areas where nickeliferous limonites exist within the Central Musgrave Project, and is the only one to have been extensively drilled to date. In 2011 Metals X completed a drilling program at it's Claude Hill Prospect, another known occurrence located approximately 25 km to the east of Wingellina. This first reconnaissance program defined a further Inferred Resource (JORC) of 33 million tonnes grading 0.81% Ni, 0.07% Co and 39% Fe_2O_3 . Many other areas remain to be tested.

Metals X engaged industry experts to complete a feasibility study (+/-25%) in 2009 which concluded:

- a robust project development with a minimum 40 year mine life at an average annual production rate of 40,000 t of nickel and 3,000 t of cobalt.
- at a nickel price of US\$20,000/t nickel, US\$40,000/t cobalt and an A\$/US\$ exchange rate of 0.85, an estimated Project NPV(8%) of \$3.4 Billion was determined.
- a production cost of US\$3.34/lb after cobalt credits.
- Capital cost estimates were put at approximately A\$2.5 billion and have recently been reconfirmed at this level (2013).

PREVIOUS DEVELOPMENT PROPOSALS

Metals X reached an agreement with Samsung C&T in September 2012 to work together to bring the massive Wingellina Ni-Co Project into production. Under the MOU, Metals X will complete a revised Definitive Feasibility Study ("DFS") with the assistance of Samsung C&T, updating and reviewing the previous development proposal study completed in 2008. Under the MOU, Samsung C&T would provide its technical expertise in engineering, feasibility studies and construction and will use its financial reputation and capacity to assist Metals X with the financing and development proposals for the Project.

The objectives of the MOU were for Metals X to retain a 30% interest in the project free carried to production and that Samsung C&T would be awarded the Engineering, Procurement and Construction (EPC) contract for the project on normal and competitive commercial terms. Under the terms of the MOU, Samsung C&T can, depending on the outcomes of the DFS, purchase equity in the project and provide project delivery. SNC-Lavalin was appointed the Principle Engineer for the Definitive Feasibility Study and was directly awarded the engineering for the Processing and plant infrastructure. Due to the deterioration of the nickel price and the strength of the Australian dollar through 2013, the Board of Metals X re-assessed the timing of the DFS and in consultation with Samsung C&T and SNC decided to park up the project until economics improve.

CURRENT STATUS OF WINGELLINA

Whilst the engineering works for the updated feasibility study have been halted Metals X continues to use its internal resources to complete other long lead-time studies required for the DFS, including infrastructure, roads, rail and ports studies, and the completion of the Public Environmental Review (PER) documentation which is the final documentation required for EPA approval.

During the Quarter Metals X received approval for its updated Environmental Scoping Document which will enable it to submit the first draft PER by the end of the September quarter.

Interaction with the state and federal governments in relation to infrastructure requirements within central Australia continued during the quarter with strong co-operation and a desire to assist with the development of the project.

The company entered into an agreement with the Native Title Holders and their representative bodies in 2010 allowing Metals X to develop a mining operation at Wingellina.

WINGELLINA REGIONAL EXPLORATION

Diamond drilling to test five regional EM targets was completed during the quarter on anomalies with both the layered intrusive and basement gneisses. All anomalies were confirmed to be real but affected by hydrothermal veining containing pyrrhotite/pyrite and in some instances graphite. No commercial mineralisation was discovered.

OTHER EXPLORATION ASSETS

WARUMPI JOINT VENTURE (EARNING UP TO 80%)

Warumpi is a significant exploration holding at the base of the Arunta province in the Northern Territory, which has recently been identified as being geologically, tectono-thermally and temporally similar to Proterozoic basins in Eastern Australia that host five of the world's ten largest stratabound Pb-Zn deposits (Broken Hill, Hilton-George Fisher, Mount Isa, MacArthur River and Century). Metals X is undertaking the first modern exploration program in this highly underexplored region.

Quarterly activity was limited to ground reconnaissance works and native title clearances.

CORPORATE

Annual updates for Mineral Resource and Ore Reserve Estimates as at 30 June 2014 prepared in accordance with JORC 2012 were released to the ASX on 23 July 2014.

Metals X ended the June quarter with unaudited cash and working capital of \$76.1 Million.

The Group has no corporate debt.

INVESTMENTS

Metals X holds the following investments in other listed entities:

Reed Resources Limited	0.39% share holding
Aziana Limited	13.73% share holding
Mongolian Resource Corporation Limited	14.76% share holding

CAPITAL STRUCTURE

The Company has the following equities on issue as of 30 June 2014:

Fully Paid Ordinary Shares	1,655,386,110
Unlisted Options - various conversions and dates	10,305,000
Fully Diluted Equity	1,665,691,110

MAJOR SHAREHOLDERS

The major shareholders of the Company as of 30 June 2014 are:

APAC Resources (HKEX:1104)	24.07%
Jinchuan Group	10.66%

End

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr Peter Cook BSc (App. Geol.), MSc (Min. Econ.) MAusIMM (11072) who has sufficient experience that is relevant to the styles of mineralisation, the types of deposits under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cook is the CEO and an Executive Director and a full time employee of Metals X Limited and consents to the inclusion in the reports of the matters based on his information in the form and context in which it appears. Mr Cook is a shareholder of Metals X and is entitled to participate in Metals X's short term and long term incentive plans details of which are included in Metals X's Remuneration Report in the Annual Report.

TABLE OF SIGNIFICANT INTERCEPTS FOR THE QUARTER (>1M @ 1G/T AU)

Prospect/ Lode	Hole	Collar N	Collar E	Collar RL	Intercept [True Width]	From [m]	Dip	Azi
Atreides	LKCR227	6,495,669	394,636	247	4.3m at 1.93g/t Au	26.0	-60.0	055
	LKCR230	6,495,706	394,584	260	1.7m at 6.32g/t Au	12.0	-60.0	055
Chalice	CHAD082	6,479,422	359,207	311	1.7m at 3.05g/t Au	730.0	-65.0	090
	CHAD083	6,479,491	359,196	357	0.7m at 2.36g/t Au	803.1	-60.0	090
Kronos	CHAD084	6,478,632	359,467	196	7.5m at 1.56g/t Au	169.0	-60.0	090
	CHAD086	6,478,657	359,480	221	1m at 4.25g/t Au	155.0	-55.0	090
	LKCR194	6,496,529	394,035	268	1.4m at 2.68g/t Au	24.0	-60.0	055
	LKCR196	6,496,473	394,024	284	5.7m at 9.07g/t Au	4.0	-60.0	055
	LKCR199	6,496,451	394,027	265	1.4m at 3.44g/t Au	28.0	-60.0	055
	CHUG0452	6,478,719	359,453	1,167	3.7m at 2.7g/t Au	133.2	17.0	218
	CHUG0455	6,478,687	359,463	1,188	4.3m at 4.3g/t Au	158.0	22.0	208
Olympus Steep	CHUG0437	6,479,284	359,243	884	6.2m at 2.9g/t Au	94.0	-22.0	260.0
	CHUG0439	6,479,289	359,238	883	7.1m at 4.6g/t Au	97.0	-22.0	266.0
		6,479,289	359,232	881	1.2m at 9.1g/t Au	107.0	-22.0	266.0
	CHUG0440	6,479,299	359,238	886	2.6m at 3.2g/t Au	99.1	-20.0	272.0
		6,479,299	359,231	884	1.6m at 4.3g/t Au	107.0	-20.0	272.0
	CHUG0441	6,479,323	359,243	909	1.5m at 10.5g/t Au	92.4	-7.0	285.0
Olympus Shallow	CHUG0439	6,479,294	359,290	904	2.2m at 3.6g/t Au	44.0	-22.0	266.0
	CHUG0441	6,479,309	359,295	916	2m at 5.4g/t Au	38.0	-7.0	285.0
Artemis	TUG2273	6,489,864	379,815	478	0.6m at 23.5g/t Au	106.4	-24.0	236
	TUG2274	6,489,867	379,816	467	0.3m at 20.3g/t Au	110.0	-30.0	239
	TUG2277	6,489,875	379,817	450	1.8m at 76.9g/t Au	113.3	-38.0	241
	TUG2278	6,489,897	379,819	449	1.2m at 36.6g/t Au	107.4	-42.0	254
	TUG2283	6,489,861	379,816	427	0.9m at 30.6g/t Au	146.6	-39.0	248
	TUG2284	6,489,883	379,818	431	3m at 20.6g/t Au	130.8	-41.0	257
	TUG2295	6,489,958	379,835	505	1m at 16.3g/t Au	72.1	-14.0	301
Artemis - Helios Join	TUG2282A	6,489,991	379,852	444	5.5m at 8.7g/t Au	128.9	-36.0	318
	TUG2295	6489957	379,837	505	4.5m at 199.3g/t Au	67.0	-14.0	301
Helios Core	TUG2297	6,489,995	379,862	497	5.9m at 5.2g/t Au	89.0	0.0	240
	TUG2298	6,490,022	379,869	514	6.8m at 3.5g/t Au	73.0	12.0	254
	TUG2299	6,490,044	379,875	500	9m at 4.7g/t Au	60.4	4.0	270
	TUG2301	6,490,091	379,878	525	4.1m at 4.4g/t Au	79.0	20.0	304
	TUG2302	6,490,109	379,879	497	14m at 3.1g/t Au	80.0	1.0	315
	TUG2305	6,490,011	379,863	482	1.9m at 11.1g/t Au	83.0	-9.0	248
Helios Hangingwall	TUG2287	6,489,978	379,845	432	0.8m at 8.4g/t Au	136.0	-41.0	310

Helios Hangingwall Vein	TUG2295	6489953	379844	507	1.8m at 97.7g/t Au	60.9	-14.0	301
	TUG2296	6489979	379850	490	2.6m at 30.9g/t Au	77.4	-23.0	323
Saddle Hills	SDHRC002	6,567,335	350,778	381	1m at 3.74g/t Au	49.0	-60.0	270.0
					2m at 1.73g/t Au	56.0	-60.0	90.0
Fuji North	FJNRC001	6,567,776	350,549	376	6m at 0.7g/t Au	27.0	-60.0	90.0
					3m at 6.2g/t Au	35.0	-60.0	90.0
Erebus	EBSRC001	6,567,387	350,362	382	5m at 2.57g/t Au	6.0	-60.0	90.0
	EBSRC004	6,567,230	350,408	387	11m at 5.59g/t Au	0.0	-50.0	90.0
	EBSRC005	6,567,230	350,408	387	29m at 2.05g/t Au	4.0	-65.0	90.0
	EBSRC006	6,567,217	350,412	387	4m at 2.09g/t Au	3.0	-50.0	90.0
					6m at 1.66g/t Au	8.0	-50.0	90.0
	EBSRC007	6,567,205	350,415	387	12m at 1.02g/t Au	8.0	-50.0	90.0
	EBSRC008	6,567,205	350,412	387	2m at 3.37g/t Au	6.0	-65.0	90.0
					20m at 2.5g/t Au	14.0	-65.0	90.0
	EBSRC009	6,567,192	350,416	388	14m at 2.12g/t Au	6.0	-50.0	90.0
	EBSRC011	6,567,150	350,461	388	18m at 3.45g/t Au	28.0	-60.0	270.0
	EBSRC012	6,567,173	350,441	388	8m at 0.7g/t Au	7.0	-50.0	270.0
	EBSRC013	6,567,173	350,454	387	7m at 4.09g/t Au	38.0	-60.0	270.0
	EBSRC014	6,567,249	350,417	386	10m at 2.42g/t Au	11.0	-50.0	270.0
	EBSRC015	6,567,249	350,431	386	6m at 1.55g/t Au	33.0	-60.0	270.0
	EBSRC017	6,567,274	350,411	386	5m at 1.39g/t Au	19.0	-60.0	270.0
	EBSRC025	6,567,387	350,378	382	3m at 2.32g/t Au	3.0	-60.0	270.0
					6m at 2.13g/t Au	16.0	-60.0	270.0
	EBSRC027	6,567,405	350,374	381	7m at 2.77g/t Au	5.0	-50.0	270.0
					3m at 3.47g/t Au	19.0	-50.0	270.0
	EBSRC028	6,567,405	350,382	381	8m at 1.2g/t Au	29.0	-60.0	270.0
	EBSRC034	6,567,651	350,341	382	12m at 2.36g/t Au	29.0	-50.0	270.0
	EBSRC035	6,567,700	350,322	382	7m at 1.31g/t Au	21.0	-50.0	270.0
	EBSRC036	6,567,700	350,331	382	12m at 2.18g/t Au	38.0	-60.0	270.0
	EBSRC037	6,567,725	350,332	383	8m at 1.49g/t Au	30.0	-50.0	270.0
	EBSRC042	6,567,125	350,470	388	9m at 2.19g/t Au	41.0	-60.0	270.0
	EBSRC045	6,567,300	350,410	385	7m at 1.33g/t Au	37.0	-65.0	270.0
	EBSRC047	6,567,370	350,387	383	4m at 1.69g/t Au	28.0	-50.0	270.0
	EBSRC050	6,567,775	350,320	382	7m at 1.86g/t Au	47.0	-65.0	270.0
					10m at 2.22g/t Au	60.0	-65.0	270.0
Washington Consols Extended	WCERC005	6,582,174	339,398	374	5m at 6.23g/t Au	20.0	-60.0	75.0
	WCERC006	6,582,174	339,396	374	10m at 2.73g/t Au	27.0	-70.0	75.0

Mungari	MGIRC001	6,581,893	339,567	370	2m at 3.57g/t Au	58.0	-60.0	90.0
	MGIRC007	6,581,626	339,696	369	4m at 1.35g/t Au	9.0	-60.0	90.0
Golden Eagle	GDERC002	6,571,256	328,735	427	1m at 3.01g/t Au	0.0	-70.0	180.0
	GDERC007	6,571,247	328,802	421	7m at 4.04g/t Au	16.0	-80.0	180.0
	GDERC014	6,571,220	328,856	416	7m at 4.28g/t Au	7.0	-50.0	90.0
Eva	EVARC001	6,571,217	329,090	409	5m at 1.82g/t Au	22.0	-50.0	180.0
	EVARC002	6,571,227	329,091	409	4m at 1.16g/t Au	34.0	-70.0	180.0
	EVARC003	6,571,201	329,125	409	2m at 1.2g/t Au	11.0	-50.0	180.0
	EVARC004	6,571,213	329,125	409	4m at 1.29g/t Au	23.0	-60.0	180.0
	EVARC006	6,571,218	329,142	408	3m at 1.57g/t Au	36.0	-60.0	180.0
	EVARC007	6,571,192	329,175	409	3m at 1.28g/t Au	0.0	-50.0	180.0
	EVARC008	6,571,212	329,175	409	2m at 1.35g/t Au	0.0	-50.0	180.0
					1m at 2.74g/t Au	4.0	-50.0	180.0
					6m at 1.38g/t Au	21.0	-50.0	180.0
	EVARC009	6,571,232	329,175	409	1m at 5.97g/t Au	39.0	-50.0	180.0
Golden Dollar	GDLRC001	6,570,985	328,597	418	1m at 2.88g/t Au	3.0	-60.0	145.0
					2m at 2.35g/t Au	22.0	-60.0	145.0
	GDLRC002	6,571,013	328,584	419	1m at 2.81g/t Au	6.0	-50.0	145.0
					2m at 1.46g/t Au	23.0	-50.0	145.0
					2m at 1.7g/t Au	38.0	-50.0	145.0
	GDLRC003	6,571,033	328,613	418	1m at 2.23g/t Au	2.0	-60.0	145.0
					2m at 2.59g/t Au	17.0	-60.0	145.0
	GDLRC004	6,571,055	328,645	416	1m at 4.64g/t Au	5.0	-50.0	145.0
	GDLRC005	6,571,068	328,636	417	2m at 1.78g/t Au	25.0	-60.0	145.0
	GDLRC006	6,571,090	328,670	413	5m at 1.23g/t Au	9.0	-50.0	145.0
					7m at 1.39g/t Au	18.0	-50.0	145.0
	GDLRC007	6,571,106	328,659	414	14m at 1.31g/t Au	6.0	-60.0	145.0
					4m at 1.24g/t Au	34.0	-60.0	145.0
					3m at 3.12g/t Au	45.0	-60.0	145.0

APPENDIX 1 – JORC 2012 TABLE 1 – SOUTH KALGOORLIE OPERATIONS

SECTION 1 SAMPLING TECHNIQUES AND DATA

[Criteria in this section apply to all succeeding sections.]

Criteria	JORC Code Explanation	Commentary
<p>Sampling techniques</p> <p>Drilling techniques</p> <p>Drill sample recovery</p>	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>SKO is a long-term producing operation with a long history of drilling and sampling to support exploration and resource development.</p> <ul style="list-style-type: none"> Sampling Techniques Chips from the RC drilling face-sampling hammer are collected for assaying. Sample return lines are cleaned with compressed air each metre and the cyclone sample collector is cleaned following each rod. Samples are riffle split through a three-tier splitter with a split ~3kg sample (generally at 1m intervals) pulverised to produce a 30g charge analysed via fire assay. Diamond drill-core is geologically logged and then sampled according to geology (minimum sample length of 0.4m to maximum sample length of 1.5m) – where consistent geology is sampled, a 1m length is used for sampling the core. The core is sawn half-core with one half sent off for analysis. Drilling Techniques Samples have been collected from numerous other styles of drilling at SKO, including but not limited to RAB, aircore, blast-hole, sludge drilling and face samples. Historical data includes DD, RC, RAB and aircore holes drilled between 1984 and 2010. Not all the historical drilling programmes at SKO are documented and many historical holes are assigned a drill type of 'unknown'. Over 4,000 km of drilling has been completed on the tenure. Drilling by the most recent previous owners (Alacer Gold Corporation) has predominantly been RC, with minor DD and aircore drilling. RC drilling is used predominantly for defining and testing for near-surface mineralisation and utilises a face sampling hammer with the sample being collected on the inside of the drill-tube. RC drillholes utilise downhole single shot camera. Drillhole collars were surveyed by onsite mine surveyors. Diamond drilling is used for either testing / targeting deeper mineralised systems or to define the orientation of the host geology. Many of these holes had RC pre-collars generally to a depth of between 60 – 120m, followed by a diamond tail. The majority of these holes have been drilled at NQ2 size with minor HQ sized core. All diamond holes were surveyed during drilling with down hole single shot cameras, and then at end of hole using a Gyro Inclinator at 5 or 10m intervals. Drillhole collars were surveyed by onsite mine surveyors. Sample Recovery Sample recovery is generally good, and there is no indication that sampling presents a material risk for the quality of the evaluation of any deposit at SKO.

Criteria	JORC Code Explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged 	<ul style="list-style-type: none"> Historically, diamond core and RC logging was recorded using paper logs and entered into a database at HBJ. The data was later stored in MS Access databases. Metals X / Alacer / Avoca surface drillholes are all orientated and have been logged in detail for geology, veining, alteration, mineralisation and orientated structure. Earlier drilling has also been logged, but differences occur in matching the logging schema. Core has been logged in enough detail to allow for the relevant mineral resource estimation techniques to be employed. Surface core is photographed both wet and dry. All photos are stored on the companies servers, with the photographs from each hole contained within separate folders. RC chips are logged on 1m sample intervals for lithology, veining, alteration and mineralisation. Logging is quantitative in nature with all RC and DD holes logged completely.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Due to the historical component of the sample database, it was not possible to verify the effectiveness of any previous security measures. NQ2 and HQ diameter core is sawn half core using a diamond-blade saw, with one half of the core consistently taken for analysis. Smaller sized core (LTK48 and BQ) are whole core sampled. The un-sampled half of diamond core is retained for check sampling if required. SKO staff collect the sample in pre-numbered calico sample bags which are then submitted to the laboratory for analysis. Delivery of the sample is by an SKO staff member and as such. RC samples are collected at 1m intervals with the samples being riffle split through a three-tier splitter. The samples are collected by the RC drill crews in pre-numbered calico sample bags which are then collected by SKO staff for submission. Delivery of the sample to the laboratory is by an SKO staff member. Upon delivery to the laboratory, the sample numbers are checked by the SKO staff member against the sample submission sheet. Sample numbers are recorded and tracked by the laboratory using electronic coding. Sample preparation techniques are considered appropriate for the style of mineralisation being tested for – this technique is industry standard across the Eastern Goldfields.

Criteria	JORC Code Explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Only nationally accredited laboratories are used for the analysis of the samples collected at SK0. The laboratory dry and if necessary (if the sample is >3kg) riffle split the sample, which is then jaw crushed and pulverised (the entire 3kg sample) in a ring mill to a nominal 90% passing 75 microns. All recent RC and Diamond core samples are analysed via Fire Assay, which involves a 30g charge (sub-sampled after the pulverisation) of the analytical pulp being fused at 1050°C for 45 minutes with litharge. The resultant metal pill is digested in aqua regia and the gold content determined by atomic adsorption spectrometry – detection limit is 0.01 ppm Au. Quality Assurance and Quality Control (QA/QC) samples are routinely submitted by SK0 staff and comprise standards, blanks, assay pills, field duplicates, lab duplicates and repeat analyses. The results for these QA/QC samples are routinely analysed by Senior Geologists with any discrepancies dealt with in conjunction with the laboratory prior to the analytical data being imported into the database. There is limited information available on historic QA/QC procedures. SK0 has generally accepted the available data at face value and carry out data validation procedures as each deposit is re-evaluated. The analytical techniques used are considered appropriate for the style of mineralisation being tested for – this technique is industry standard across the Eastern Goldfields. Ongoing production data generally confirms the validity of prior sampling and assaying of the mined deposits to within acceptable limits of accuracy.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No independent or alternative verifications are available. Virtual twinned holes have been drilled in several instances across all sites with no significant issues highlighted. Drillhole data is also routinely confirmed by mining assay data in the operating environment. Primary data is collected on paper or on tough book using a standard excel template. The information is imported into a SQL database server and verified. All data used in the estimation of resources and reserves are compiled in databases (underground and open pit) which are overseen and validated by Senior Geologists. No adjustments have been made to any assay data.

Criteria	JORC Code Explanation	Commentary
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Collar coordinates for surface RC and diamond drill-holes were generally determined by either RTK-GPS or a total station survey instrument. Underground drill-hole locations (Mount Marion and HBJ) were all surveyed using a Leica reflectorless total station. Recent surface diamond holes were surveyed during drilling with down-hole single shot cameras and then at the end of the hole by Gyro-Inclinometer at 5 or 10mm intervals. Holes not gyro-surveyed were surveyed using Eastman single shot cameras at 20m intervals. RC drill-holes utilised down-hole single shot camera surveys spaced every 15 to 30m down-hole. Down-hole surveys for underground diamond drill-holes were taken at 15 – 30m intervals by Reflex single-shot cameras. The orientation and size of the project determines if the resource estimate is undertaken in local or MGA 94 grid. Each project has a robust conversion between local, magnetic and an MGA grid which is managed by the SKO survey department. Topographic control is generated from RTK GPS. This methodology is adequate for the resources in question.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> HBJ: Drill spacing ranges from 10m x 5m grade control drilling to 100m x 100m at deeper levels of the resource. The majority of the Indicated Resource is estimated using a maximum drill spacing of 40m x 40m. The resource has been classified based on drill density with mining of the 2.2km long HBJ Open-Pit confirming that the data spacing is adequate for the resource classifications applied. Mount Martin: Drill spacing ranges from 10m x 5m grade control drilling to 60m x 60m for the Inferred areas of the resource. The drill spacing for the majority of the Indicated Resource is 20m x 20m. The resource has been classified primarily on drill density and the confidence in the geological/grade continuity – the data spacing and distribution is deemed adequate for the estimation techniques and classifications applied. Pernatty: Drill spacing for the reported resource is no greater than 60m x 60m with the majority of the Indicated resource based on a maximum spacing of 40m x 40m. The geological interpretation of the area is well understood, and is supported by the knowledge from open pit and underground operations. However given the mineralisation is controlled by shear zones the mineralisation continuity is considered to be less understood. The resource is classified on a combination of drill density and the number of samples used to estimate the resource blocks. Mount Marion: Drill-spacing ranges from 20m x 20m to no greater than 60m x 60m for the reported resource. Given that the geological and mineralisation understanding is well established via mining operations, this drill-spacing is considered adequate for the classifications applied to the resource. Compositing is carried out based upon the modal sample length of each project.

Criteria	JORC Code Explanation	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Drilling intersections are designed to intersect the mineralised lodes at the optimum angle (normal to the mineralisation) wherever possible. There are occasions when drill-hole intercepts are sub-optimal due to drill shadows created by existing infrastructure. Where the drilling angles and hence sample data are sub optimal the number of samples per drill hole used in the estimation has been limited to reduce any potential bias.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> RC and drill core samples are collected by the drill crews. RC sample bags are collected by an SKO staff member who transports the samples to the analytical facility. Diamond drill core is transported to the core storage facility by either drilling company personnel or geological staff. Once at the facility the samples are kept in a secure location while logging and sampling is being conducted. The storage facility is enclosed by a fence which is locked at night or when the geology staff are absent. The samples for analysis are transported to the laboratory by SKO staff members.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data 	<ul style="list-style-type: none"> No formal external audit or review has been performed on the sampling techniques and data. Internal reviews are performed as a matter of course.

SECTION 2 REPORTING OF EXPLORATION RESULTS

[Criteria listed in the preceding section also apply to this section.]

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> State Royalty of 2.5% of revenue applies to all tenements, although does not apply to the 16 freehold titles (which host the majority of SKO's Resource inventory). There are a number of minor agreements attached to a select number of tenements and locations with many of these royalty agreements associated with tenements with no current Resources and/or Reserves. Private royalty agreements are in place that relate to production from HBJ open-pit at \$10/oz. In addition, a royalty is payable in the form of 1.75% of the total gold ounces produced from the following resources: Shirl Underground, Golden Hope, Bellevue, HBJ Open-pit, Mount Martin open-pit, Mount Martin Stockpiles and any reclaimed tailings. SKO consists of 141 tenements including 16 freehold titles, 6 exploration licenses, 47 mining leases, 12 miscellaneous licenses and 60 prospecting licenses, all held directly by the Company. There are no known issues regarding security of tenure. There are no known impediments to continued operation.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties 	<ul style="list-style-type: none"> The SKO tenements have an exploration and production history in excess of 40 years. Metals X work has generally confirmed the veracity of historic exploration data.

Criteria	JORC Code Explanation	Commentary
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> HBJ: The HBJ lodes form part of a gold mineralised system along the Boulder-Lefroy shear zone that is over 5km long and includes the Celebration, Mutoroo, HBJ and Golden Hope open-pit and underground mines. The lodes are hosted within a steeply-dipping, north-northwest striking package of mafic, ultramafic and sedimentary rocks and schists that have been intruded by felsic to intermediate porphyries. Gold mineralisation is structurally controlled and is focused along lithological contacts, within stockwork and tensional vein arrays and within shear zones. The main mineralised zone has a length in excess of 1.9 km and an average width of 40 m in the Jubilee workings but is generally narrower to the north in the Hampton-Boulder workings. Mount Marion: The Mount Marion deposit is located on the eastern side of the Coolgardie Domain within a flexure in the Karamindie Shear Zone. It is hosted within a sub-vertical sequence of meta-komatiites intercalated with metasediments that have been metamorphosed to amphibolite facies. Gold mineralisation occurs in a footwall and hangingwall lode, each ranging in thickness from 2 to 15m. The mineralisation plunges steeply to the west and is open at depth. Mount Martin: The Mount Martin Tribute Area, is located within a regional scale north-northwest trending Archaean Greenstone Belt. Within the Mount Martin – Carnilya area, the greenstone belt comprises a mixed sequence of ultramafic (predominantly komatiitic) and fine-grained, variably sulphidic sedimentary lithologies with subsidiary mafic units. Known gold and nickel mineralisation at the Mount Martin Mine is associated with a series of stacked, westerly dipping, sulphide and quartz-carbonate bearing lodes which are mainly hosted within intensely deformed and altered chloritic schists sandwiched between talc-carbonate ultramafic lithologies. Pernatty: The Pernatty deposit is hosted within a granophyric phase of a gabbro and is controlled by a structurally complex interaction of a number of major shear zones. Shearing has altered the original granophyric quartz dolerite to a biotite-carbonate-plagioclase-pyrite schist. The sequence has also been intruded by mafic and felsic porphyritic dykes, which are also mineralised.

Criteria	JORC Code Explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> » easting and northing of the drill hole collar » elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar » dip and azimuth of the hole » down hole length and interception depth » hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Tables containing drillhole collar, downhole survey and intersection data are included in the body of the announcement.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> All results presented are length weighted. No high-grade cuts are used. Results are reported above a variety of gram / metre cut-offs dependent upon the nature of the hole. These are cut-offs are clearly stated in the relevant tables. Results are reported above 5g/m. No metal equivalent values are stated.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Unless indicated to the contrary, all results reported are true width. Given restricted access in the underground environment the majority of drillhole intersections are not normal to the orebody.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Appropriate diagrams are provided in the body of the release.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> All holes in the program which is the subject of this release have been reported to ensure balance.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> There is no other substantive exploration data associated with this release.

Criteria	JORC Code Explanation	Commentary
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Ongoing surface exploration activities will be undertaken to support a restart of mining activities at the South Kalgoorlie Operations.