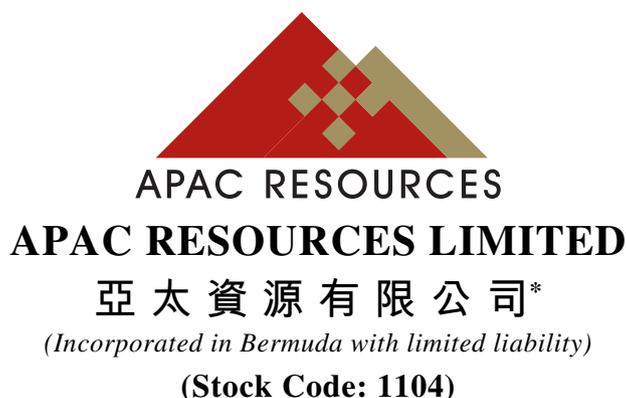


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UPDATE ON REQUEST TO CALL SHAREHOLDERS MEETING OF METALS X LIMITED

We refer to our announcements dated 5 September 2019, 2 October 2019 and 10 October 2019 relating to the request by APAC Resources Strategic Holdings Limited (“**APAC Strategic**”), a wholly owned subsidiary of APAC Resources Limited (“**APAC**”), to appoint Mr. Brett Smith as a director of Metals X Limited (“**MLX**”) and to remove Mr. Peter Newton, Chairman of MLX, and Mr. Milan Jerkovic, Non-Executive Director of MLX, from their position as directors of MLX.

After APAC Strategic’s request, Mr. Jerkovic resigned as a director of MLX and it was announced that Mr. Newton intended to step down from the MLX board (“**MLX Board**”) at the next annual general meeting of MLX which will be held on 24 October 2019 (“**AGM**”). The resolution for the appointment of Mr. Smith as a director of MLX will be put to shareholders at the AGM as set out in **Resolution 6** of the Notice of Meeting.

APAC is concerned about the recent developments in relation to Resolution 6 and in particular, MLX’s announcement to the Australian Stock Exchange on 11 October 2019. APAC will be sending a further letter to MLX shareholders (the details of which are included in this announcement) to encourage them to vote for Resolution 6.

1. The Board of MLX continues its “fear mongering campaign” against the appointment of Mr. Brett Smith to the Board of MLX. The appointment of a representative director by a major shareholder (such as APAC) in an ASX listed public company should be non-controversial.

2. MLX’s announcement concerning the resignation of MLX Directors Mr. Peter Newton and Mr. Milan Jerkovic was made after MLX had received APAC’s request to call a general meeting of MLX to remove these Directors.
3. MLX shareholders should ask themselves whether the MLX Board’s “Board Refresh” program is a genuine attempt to add additional skills and oversight to the Board or is it merely an attempt to frustrate a major shareholder’s desire to have a representative on the Board?
4. APAC denies it is seeking the appointment of Mr. Brett Smith as part of some plan to achieve a position of effective control or significant influence over MLX.
5. APAC has a large shareholding in MLX and it is reasonable to afford APAC a representative on the Board. Jinchuan Group Ltd, a smaller shareholder with less than 5%, already has a Board representative through Mr. Yimin Zhang. As announced on 3 October 2019, APAC held 15.3% of MLX.
6. Mr. Brett Smith, if appointed, will be one Director out of 4 or possibly 5 Directors and will not be in a position to enact any change to MLX’s financial or operating policies (including the Nifty Reset Plan) unless a majority of Directors agree to the change.
7. From the outset, APAC has made it clear that it does not seek control of the Board and subject to Mr. Smith’s appointment, APAC will support the appointment of one additional independent director.
8. Why is the current Board of MLX actively resisting the appointment of Mr. Brett Smith? Are they concerned about the outcome of additional oversight and a fresh review of the Nifty Reset Plan?
9. APAC Resources Limited is a long standing investor in the Australian resources sector and is proud of its investments and ongoing support of the various companies in respect of which it has invested.
10. APAC does not support under-performing company boards. The current MLX Board agrees that Nifty has under-performed.
11. The current MLX Board states it is on the “verge” of delivering meaningful improvements at Nifty however it recently reduced its FY2020 production guidance by 18%.

APAC continues to encourage all MLX shareholders to vote “FOR” Resolution 6 at the AGM (Appointment of Mr. Smith as Director) and is in the process of sending further information to the MLX shareholders supporting Resolution 6.

By Order of the Board
APAC Resources Limited
Andrew Ferguson
Executive Director

Hong Kong, 14 October 2019

As at the date of this announcement, the directors of APAC are:

Executive Directors

Mr. Brett Robert Smith (*Deputy Chairman*) and Mr. Andrew Ferguson (*Chief Executive Officer*)

Non-Executive Directors

Mr. Arthur George Dew (*Chairman*) (*Mr. Wong Tai Chun, Mark as his alternate*), Mr. Lee Seng Hui and Mr. So Kwok Hoo

Independent Non-Executive Directors

Dr. Wong Wing Kuen, Albert, Mr. Chang Chu Fai, Johnson Francis, Mr. Robert Moyse Willcocks and Mr. Wang Hongqian

* *For identification purpose only*